

23.04.18

**6 Deputy L.V. Feltham of the Minister for Housing and Communities regarding arrangements with social housing providers (OQ.60/2023)**

Further to Oral Question 50/2023, in response to which the Minister confirmed his intention for there to be formal arrangements for all social housing providers, will the Minister provide an update on his current policy position regarding the establishment of these formal arrangements, as well as a timeframe for this action to be completed?

**Deputy D. Warr of St. Helier South (The Minister for Housing and Communities):**

I thank the Deputy for her question. Last week I published my paper entitled *Improving Residential Tenancies in Jersey*. The paper sets out my intention to offer tenants and landlords more rights and better protections through the introduction of a new and improved Residential Tenancy Law. One of the sections of the paper deals specifically with social housing provision, explaining why it should be placed on a statutory footing. It also sets out my proposals for areas within social housing that should be in the scope of the new law. I am committed to engagement with the public on all the areas of residential tenancy reform that I proposed, which includes an initial 8-week period of public consultation. I want to ensure that States Members, tenants, landlords and Islanders can all help shape this work. It would, therefore, be premature for me to be drawn into making specific commitment on formal arrangements for social housing at this early stage of the consultation process.

**4.6.1 Deputy L.V. Feltham:**

Obviously as a Minister, it is the Minister's role to lead on policy. What is the Minister's preferred policy at this point in time?

**Deputy D. Warr:**

I thank the Deputy for her further question. My preferred policy right now is to try and align ... at the moment is to get social housing provision back into the scope of our new law. What has become very apparent is that we need to get consistency across how we look after our social housing provision that is outside ... well, inclusive of Andium but, as has been highlighted in recent events, with the housing trusts. That is one of my big concerns, that we need this overarching law which encompasses both private and social sector housing. Obviously I welcome the Deputy's engagement and feedback in the White Paper debate and our in-committee debate on the 3rd or 4th May coming up.

**4.6.2 Deputy S.Y. Mézec:**

Could the Minister explain what his understanding of the problems are that lead him to suggest that there ought to be formal arrangements for all social housing providers? Could he explain what kinds of formal arrangements he would be considering?

**Deputy D. Warr:**

I thank the Deputy for his question. I think we have laid out a significant number of issues within the White Paper. I do not want to start prejudicing a debate, which is upcoming, with some views and opinions. I really want to wait for our 8-week period of consultation and then come out with some indications from the feedback that we get as to how we update that law. I think what the Deputy will know, and he stood next to me in the Parish Hall recently with the Jersey Homes Trust and their

tenants and the issues which they were highlighting in recent times, those reflections are very much put into the new law that we are proposing.

#### **4.6.3 Deputy S.Y. Mézec:**

With respect, that was a non-answer. I did ask him if he could outline what the problems are that he is seeking to resolve. I am sure he can give us some and what measures he might anticipate could be used to resolve those problems. That does not prejudice anything because he can get feedback and alter those but you have put something out to consult on. Can he explain to us what the problems are and what might be part of the solution to that?

#### **Deputy D. Warr:**

I think one of the clear problems, as we recognised recently, was the 3-week notice period given to tenants with regard to putting their rents up. There was not very much that the Government or anybody could do about that. We obviously made representation to the housing trusts and they changed their minds and delayed the increase. Clearly, that demonstrated a gap in our laws which needs to be rectified. There is an example of issues as to what is happening in the social housing provision and which I am currently unhappy with, and I am hoping our new law will resolve.

#### **4.6.4 Deputy M.B. Andrews:**

As a Back-Bencher, I like to see a Minister who is setting out a directive in terms of policy. What are the aspirations of the Minister for Housing and Communities across this term of office in relation to social housing providers?

[11:15]

#### **Deputy D. Warr:**

I thank the Deputy for his question. My aspiration is to bring together all the various disparate laws, which have been in place since 1946, under one new fit-for-purpose law, and that is my great intention. We have never endeavoured before to bring both social housing and private housing under one overarching law. Many attempts have been made by this Assembly to do bits and pieces and there has been real concern and real failure in that area. I feel that my purpose right now is to both educate the Assembly about the gaps and the issues and also for this Assembly to create an opportunity for them for a once in 15-year moment in time to update a law and make it fit for purpose for the 21st century.

#### **4.6.5 Deputy M.B. Andrews:**

But the Minister touched on legislation, however I want to see policies in place. If he does have policies, what will those policies be?

**Deputy D. Warr:**

Thanks for the question, Deputy. Are we still in the social housing territory? Because I understand this oral question is to do with the social housing requirement. I think we are moving away from that territory, if you could have some views from the Chair, please.

**The Deputy Bailiff:**

I think the question is about social housing, that was the question that Deputy Andrews was asking you about and the supplementary is about social housing policy and not merely legislation. He wants to know about that.

**Deputy D. Warr:**

Social housing policies, I did not recognise that the Deputy had used the word social housing in his question. With regard to ...

**The Deputy Bailiff:**

He did in his first question, did you not? Yes.

**Deputy D. Warr:**

He did, okay. I apologise. With regard to social housing, I think it is to make sure that everybody is on a level footing. We obviously have good controls with regard to our own arm's length organisation in the form of Andium. We do not have such good controls with regard to the other housing trusts and so what I want is a consistent approach across the whole of the social housing provision.

**4.6.6 Deputy R.J. Ward:**

I remind the Minister that the question said on his current policy position, so let me give him some opportunities. Does the Minister believe that there should be a decoupling of social housing rents from the private rental market, given that he is such an advocate of the free market?

**Deputy D. Warr:**

I thank the Deputy for his question. Clearly, the current policy is around this 80 per cent policy to which the Deputy refers. I have gone on record as saying this is a really important policy because it is the basis to our social housing provision, as provided most prominently by Andium Homes. I am very hesitant to change that without there being some very, very good research as to why that model should be changed. There are obviously support mechanisms in place whereby that anybody who is struggling to pay their rent is topped up by the Social Security Department. I appreciate, seeing a shaking of head, that the Deputy does not particularly agree with that approach. However, I believe the approach we have is a very successful one. We are seeing Andium Homes deliver hundreds of new homes of a very high standard and I think we are in an extraordinary position as an Island on our social housing provision, when compared with many other jurisdictions.

**4.6.7 Deputy R.J. Ward:**

Given that the decoupling will not happen and the Minister is an advocate of the free market, which means that private rental will continue to rise, is he happy and is his policy position to allow social housing rents to continually rise at rates which do put people who are struggling and struggling beyond that whereby they get income support to pay their rent? Often it is only a proportion of their rent and they have to find the difference when their rents rise.

**Deputy D. Warr:**

I thank the Deputy for his question. My thoughts around that are, firstly, I have spoken an awful lot about supply and how we, through our actions, get more competition within the rental sector, which will mitigate increases. Clearly, in the White Paper which I have laid out, we are endeavouring to surface a number of issues which have been brought to my attention with regard to keeping rental increases within inflationary levels, once-a-year increases, a housing tribunal and giving tenants protections in these areas and more security of tenure. There is an awful lot going in because if we are talking about an endeavour to control the private sector in some way, shape or form, these are mechanisms which we can use which can help to mitigate rental increases.

**4.6.8 Deputy L.V. Feltham:**

I am not sure how much comfort the tenants of the social housing providers will have taken from the Minister's answers so far, so I will give him another opportunity. When can they expect to see a formal arrangement between the Government and social housing providers so that they can be assured that their homes are going to be fit to live in and that they are not going to come across short notice, high rent increases that are going to put them under an increased amount of stress?

**Deputy D. Warr:**

I thank the Deputy for her question. There are already law-drafting proposals in place, which are currently going on in the background. We are going to have an in-committee debate in the first week of May. We have a consultation period for the next 8 weeks ongoing. After that my intention is to use that feedback to see what area is the law, have we got it right, have we missed something? Then bring back to the Assembly by the end of this year a revised new residential tenancy law. I would like to see and I would like to reassure Islanders out there that by the first quarter of next year we will have a new fit-for-purpose law which meets the very concerns that the Deputy has mentioned.