

STATES OF JERSEY

Health, Social Service and Housing Scrutiny Panel Quarterly Meeting with the Minister for Housing

FRIDAY, 10th FEBRUARY 2012

Panel:

Deputy K.L. Moore of St. Peter (Chairman)
Deputy J.A. Hilton of St. Helier
Deputy J.G. Reed of St. Ouen

Witness:

Deputy A.K.F. Green of St. Helier, Minister for Housing
Chief Officer, Housing
Director of Strategic Development, Housing

Also Present:

Ms. K. Boydens (Scrutiny Officer)
Ms. F. Carnegie (Scrutiny Officer)

[10:30]

Deputy K.L. Moore of St. Peter (Chairman):

It is 10.30 a.m. so shall we make a start?

The Minister for Housing:

Okay, fine.

Deputy K.L. Moore:

I just have to make a few opening remarks for everybody here today. To welcome you all first of all and thank you for coming to this hearing of the Health, Social Security and House Scrutiny Panel. I would like to draw everyone's attention to the code of behaviour for members of the public that is displayed on the wall and in particular to the following points that all electronic devices, including mobile phones should be switched to silent. The taking of visual images or audio recordings by the public will not be permitted. If you wish to eat or drink, please do so outside.

Finally, I would also ask that members of the public do not interfere in the proceedings, as soon as the hearing is closed they are to leave quietly. Members and witnesses may wish to make themselves available afterwards but any communication is to take place outside the building. For the sake of the witnesses, may I confirm that you have read and understood the witness statement that is in front of you?

The Minister for Housing:

Yes.

Deputy K.L. Moore:

You are happy with that. Okay, so if you could start by introducing each of you so that we know who is here.

The Minister for Housing:

Deputy Andrew Green, the Minister for Housing.

Chief Officer for Housing:

Chief Officer.

Director of Strategic Development, Housing:

Director of Strategic Development for Housing.

Deputy K.L. Moore:

We are going to introduce ourselves.

Deputy J.A. Hilton of St. Helier:

Deputy Jacqui Hilton, Vice Chair of the Health, Social Security and Housing Panel.

Deputy J.G. Reed of St. Ouen.

Deputy James Reed, member of the Scrutiny Panel.

Deputy K.L. Moore:

I am Deputy Kristina Moore, I am Chairman of the Health, Social Security and Housing Panel. So thank you for coming today to see us, Minister. We will start just

by asking you really what you see as the main challenges ahead of you and your department?

The Minister for Housing:

I think the main challenges, certainly my thing that I set my score on really in terms of the time that I am going to Minister for Housing for the next year is the Housing Transformation Programme, because that programme will put us in a much better position to solve many of the problems that we are currently experiencing and I know you will want to explore some of those points but part of the programme is around providing, for the first time, a proper strategic housing unit, proper regulation for all social housing and getting not only the supply of the current social housing and any supply that comes on line in the future but the proper maintenance of the current social housing stock. So there is a whole raft of different things: there is affordable homes, there is the gateway, there is a whole raft of things there. We are working on it now but those things are the important things to me at the present time.

Deputy K.L. Moore:

Why do you see this new structure as the key to making that progress in all of those areas?

The Minister for Housing:

Because we cannot go on as we are going. We have a lack of supply in terms of provision of housing, we have got increasing waiting lists and most of that will be down to the lack of supply but some of that is around the current economic situation as well. We have ... I mean, you could be negative, you could be positive in terms of when you look at the housing stock that we currently run. We have got about 26 per cent that do not meet the standards that we would like it to meet. You could be positive and say: "Well, the rest of it does meet the standard" but nevertheless that is not what we want. We have no regulation around not only the housing that we are providing but the housing that the trusts are providing and that needs to be sorted out. We have exposure of £121 million or thereabouts of letters of comfort for the housing associations and yet we have no input, no control over the supply of housing that they are making. We have influence but we have no right to regulate so we need a proper strategic overview of housing across all the tenures, that is across affordable homes,

not just social housing. If I was to be honest, the Housing Department in the past has concentrated mainly on, not exclusively but mainly on social housing. We need to concentrate strategically on how housing across the Island, and we need to have regulation around social housing and we need to be financially in a position where we can meet our obligations, not only to our current tenants but to future tenants. That is what all this is about.

Deputy J.A. Hilton:

Can I just ask you a question around financial support from the Council of Ministers? How much do you feel that the Council of Ministers or the Minister for Treasury and Resources is supporting you in trying to deliver social housing? It seems to me that there is very little social housing being built at the moment and I am just wondering, do you feel that you are getting the level of support in a financial sense from ...

The Minister for Housing:

Without doubt there has been a lack of supply in the past. We have got some things lined up and I am getting certainly a lot of encouragement and support from the Minister for Treasury and Resources in terms of loans in order to carry out some of the renovation work that we are doing, loans to get going on some of the projects that we have going in terms of increasing supply. But it is not just about money, it is about sites being available to build on and that is where we need to have greater availability because from the time that a site is identified as suitable for building on, and there are a number of sites that could be, it could be 2 or 3 years before you lay a brick.

Deputy J.A. Hilton:

Can I just ask you a question around sites? I was at a presentation the other day given by the Minister for the Environment and I understand a group is being set up specifically to look at affordable housing and they talked about a number of H1 sites which were Summerland site and J.C.G. (Jersey College for Girls), the States own sites. What is your understanding of how much social housing is going to be allowed on those sites?

The Minister for Housing:

My understanding is, and I could be wrong, that the majority of the Summerlands site will be social housing. We have secured that land recently by buying a strip that did not belong to the public that connects the 2 to secure our position in respect of that. But obviously it takes time. The police have to move off site before we can start moving in.

Deputy K.L. Moore:

That is realistically, I think, in the briefing the Minister for Home Affairs mentioned perhaps 5 years before he has his police station built and everything, so your waiting list is growing and your are now over 500 people on the waiting list, 82 of which are your band 1 priority people, so how are you going to house them quickly and reasonably?

The Minister for Housing:

Well, in terms of, and this will not necessarily solve everybody on band 1, coming on line shortly - officers will correct me if I get my figures wrong - we have Le Squez, 60 units coming on line there in March or so.

Chief Officer for Housing:

Yes, that is correct.

The Minister for Housing:

That will have an effect to help others in other bands as well because some people will be moving out of under occupied accommodation into there, which will help others move in who are in overcrowded, over occupied accommodation. So we have 60 units coming up there. There is not much else in the pipeline at the present time except that we have just taken possession of a site Lesquende, at last we are going to get moving on that. We have 60 units or so in phase 1 there but we are probably 6 months off laying a brick I would think.

Chief Officer for Housing:

Yes, I think the important point to make is that the waiting list is at 522, in terms of trends, you are not seeing an increase in the number of people necessarily, it is the supply. I think the point we want to make over and over again is supply, supply,

supply. It has dried up since 2008. The Minister for Housing is not able to create one single unit really of new housing, that is the planning process and that is what has really bedevilled this problem, is that the supply dries up. When you turn the tap on again it takes 2 to 3 years for the supply to come back in and what Jersey really needs is a continuous supply of homes which we saw from the original Island Plan, which did deliver a number of homes in the early years and that kept the waiting list down. It was not so much that the applicants or the applications for State housing has got worse, there is a slight increase, but it is really to do with the supply that has gone. That is the bit, supply, supply, supply.

Deputy K.L. Moore:

Have you looked into any emergency measures to tide you over that 2 year period because you cannot really say to 400 plus people, who will not be housed at Le Squez: “Well, you know, you are just going to have to wait 3 years”. Is there anything you can do with the private sector or ...?

The Minister for Housing:

I think you would have to put that 400 into context. Some desire to move but do not need to move. So I think you have to ... I might desire to have a different house but it is not important at the moment so I think you have to get that into context. It is the band 1 people that we really have to concentrate on. But, of course, in solving the band 1 the domino effect is that we are helping other people in the other bands. But it is the band 1 people that have to be our priority and that is why they are band 1. I did discuss with the officers whether there were private blocks of empty flats that we could buy and there is nothing. There are lots of empty flats but nothing that we could afford to buy in the budget that we would have. So one has to be realistic about the resources that we have and the facilities that are available. But, as I say, it is the band 1 people that we have to concentrate on. That is 80 families. There is probably a number of single people but it is 80 units that are needed there.

Deputy J.A. Hilton:

Can I just ask you a question with regard to band 6, which is agency referrals through the supported housing group? Presumably those people ... and I note that currently you have 22 on the list for one bed, and also in your priority band one bed is the most

in demand. Those 22 people, it must be 22 individuals, who are waiting for one bed, I see they are band 6 but where do they fall in the list of priorities being that they are probably vulnerable individuals. I am just curious as to how you are going to address that.

The Minister for Housing:

The officers will come in with more information if I do not quite get this one right. With them, as you rightly surmise, it is not just the availability of the accommodation, it is the availability of the care package that they are going to get to support them as well. So that is around whether family nursing or whether health or mental health services are going to provide the sort of support that that person needs to allow them to live independently. If that package is in place and we have a suitable unit of accommodation then we put the 2 together and I am sure the officers will put me right if I am slightly ...

Deputy J.A. Hilton:

Just as a follow up question on that, generally speaking do you feel you have the support of the other agencies when it comes to dealing with these vulnerable people, that the resources are there?

The Minister for Housing:

I will ask the officers to correct me if I am wrong on this one but certainly in the case that I know of, that support has definitely been there.

Deputy J.A. Hilton:

So you feel in the case of people maybe with mental illness, alcohol issues, that the Health Department is putting the support in?

The Minister for Housing:

As Minister for Housing I would say the ones that come to our attention I am quite comfortable about. As one of the third sector charity workers I think there are some that do not come to our attention because they are not getting the support from the community that they need. I know that.

Deputy J.A. Hilton:

Okay, so you say they are not coming to your attention ...

The Minister for Housing:

We can only deal with them if they are referred from an agency. So those that are referred from an agency I am quite comfortable about but I would not be surprised that there are people out there that are not engaging with agencies that need support.

Deputy J.A. Hilton:

So they are basically slipping through the net because they are not engaging.

The Minister for Housing:

That would not surprise me at all.

Deputy J.A. Hilton:

But as far as the third sector are concerned or the other departments, States departments are concerned, you are satisfied that the necessary resources are there and those people are being supported?

The Minister for Housing:

Yes, for the ones that we know of, yes.

The Deputy of St. Ouen:

But the reality is that there are 6 people or 6 families, households, in band 6 that are on a waiting list so obviously you are not catering for them.

The Minister for Housing:

We are catering for them. We cannot provide homes that we do not have, James. It is as simple as that. But when a suitable home comes up, they have got the right support package available to them, they will be housed.

The Deputy of St. Ouen:

So are you suggesting that these families or people, individuals, are within the community without any proper support package and waiting for the right accommodation to turn up so that they can be looked after?

The Minister for Housing:

I am not suggesting that. I do not know what support they get in the community if they are not in our accommodation. We provide the accommodation. The authorities of third sector or whoever provide the support. We supply the accommodation, that is all.

The Deputy of St. Ouen:

Sorry, just for me to get it clear in my own mind, it is says here the band is reserved for referrals, transfer through a supported housing group or assisted living team. So obviously it was a system or process that identified the individual that needs support. They then go on your waiting list. What I am trying to understand is, while they are waiting to have the appropriate accommodation provided what has happened to them?

The Minister for Housing:

I do not know, you will have to ask the agencies supporting them. We provide accommodation, we do not supply that sort of support. I do not want to sound unsupportive but that is not our role. Our role is to provide the accommodation.

The Deputy of St. Ouen:

But I could argue that as Minister for Housing and working ... if we are to have this multi-agency approach which you speak about, and I come back to a further strategic housing unit, you are the Minister for Housing. You surely should be aware, especially if you have individuals on a waiting list, what their circumstances are and at least have the confidence to know that they are being provided for while (and I accept all the challenges you face) you seek to provide them with a more appropriate accommodation .

[10:45]

The Minister for Housing:

That is a matter for the different agencies, Mental Health Services or Family Nursing, as it would be when they are in our accommodation.

Deputy K.L. Moore:

Do you ever meet with the Minister for Health and Social Services to perhaps to discuss this, because I presume some of these people must come under her care?

The Minister for Housing:

This is where the strategic housing unit will come into its own, because these are the sort of connections that are not being made. We have very little, to be honest with you, if any true sheltered housing in Jersey. We have housing where people are placed and are supported in the line that we have just been talking about. We have housing that ... when I am talking about housing in this context I do not just mean our housing, it could be other charities or whatever. We have housing where people are supported in as much as they do not have to worry about changing light bulbs and that sort of the thing. True sheltered housing where perhaps meals are provided or other care is provided to allow the person to live independently in their home currently does not exist. This is one of the reasons why we need a strategic housing unit. It sounds very grand. We are talking about one person working across all the different departments, ensuring all the different things are provided because I believe (and this is a personal belief, it does not come from the department) that we on occasions push people into nursing home care far too early because there is not anything in between living independently and going into a nursing home. So there is work to be done, but that is why we need to take a full strategic view of housing not just tinker around with the things that we have been doing in the past.

The Deputy of St. Ouen:

I absolutely support your approach that there needs to be an overall strategy plan and support for housing. I suppose my question to you is you are the Minister for Housing, you have responsibilities, not just about providing social housing, it extends wider than that. There are laws that support you. You work within a team of other Ministers, we hear about the joined up approach and the closer working relationships and partnerships that are there to support the skills executive in other areas across the

States, why can you not today deliver or introduce a strategic housing unit in the way you have described under the current set up that we have?

The Minister for Housing:

To be perfectly honest I am going to do that. I am going to do that. I am not going to wait for the full Housing Transformation Programme. I hope that the concept, the regulation and all the rest that falls from that will be supported by the States when we bring that forward. We are going to take the White Paper to the Council of Ministers in March, we are going to bring it to the Assembly at the appropriate time and we will be lodging a report and proposition on that. But I am going to bring the strategic housing bit ahead of that because we have to get on with it.

The Deputy of St. Ouen:

Presumably you do not need to have States approval to deal with a matter that you know exists? Because you have just explained that there is a lack of ...

The Minister for Housing:

No, but when you look at the whole programme around the way that we are going to manage the social housing stock and the Housing Association, I will need to States approval for that.

The Deputy of St. Ouen:

No, I appreciate that.

Chief Officer for Housing:

I wonder if I could come in, Chairman. One of the things of course that has bedevilled housing or the housing situation in Jersey is of course it is spread far and wide. The Minister of Housing is the focus for problems in Housing but there is the planning process, there is the population office, and there is various bits of social policy that are happening in other departments. So the strategic housing unit and the proposals around that and in the White Paper seek to bring all of those areas together under one particular person, one particular authority. That can sit in the Chief Minister's Department, it could sit as part of the Environment Department, there are various options for that but the concept of bringing the issues around housing together

is fundamental to dealing with housing problems in Jersey and we have not done that. It is spread so far and wide it is very difficult to get your hands on the levers of power to make those changes, and you do need that debated in the House in a strategic document.

The Deputy of St. Ouen:

So would you say that it is the creation of the population office to resolve and deliver a more co-ordinated approach has frustrated some of the opportunities that the Housing Department have to deal with some of the matters that you highlighted to us and we are well aware of.

The Minister for Housing:

No, I would not say that. I am working quite closely with the Director of Population as well in terms of the Regulation of Undertakings and the current regulations and laws that we have, and we know we are going to have new ones coming in. No, I would not say that at all, but I do see the role widening to include somewhere in, I think, the Chief Minister's Office this person overseeing the strategic housing policy because that is across all the tenures as the Chief Officer was just saying. We have got some really important work to do around being a bit more creative, around supporting our growing numbers of elderly people who do not want to move out of their homes, who are sometimes forced to, I think, too early. So we have that bit of work to do. There is work to do around whether we should (although I am not going to stop it because it would delay the provision of homes at the current time) be having any more one bedroom units. Should people be housed in one and a half or 2 bedroom units if we are going to provide the sort of support they want in the future? But then that brings another pile of work because currently those people requiring the rent component would not be funded under the current law for a one and a half, 2 bedroom unit. If they only require one bedroom they would only be funded for a one bedroom. So there is a whole raft of work to be done and we are beginning to do it and tackle it together, not only am I getting the support of my Council of Ministers colleagues but we are getting the support right across with all the different officers. But that is why we need the strategic unit and that sort of person, shadow person, will be in place fairly soon. But the concept of how we are going will have to be endorsed eventually by the States.

Deputy J.A. Hilton:

Could I just ask you a question around the affordable housing gateway and also how you ... I know you have your criteria laid down about who qualifies for social housing but I am not absolutely sure about the percentage of your tenants who do not qualify for rental income support. I know a high number of your tenants do but there is a percentage who do not. So what I am trying to find out is how often do you assess those people that are currently occupying your accommodation who would probably or should be being housed in the private sector because their salaries are such that they should not be being subsidised by the taxpayer basically.

The Minister for Housing:

We can give you that information. I have been briefed on it, I do not know it off hand, I do not know if you want to tackle it. About 30 per cent.

Deputy J.A. Hilton:

About 30 per cent. So it is 30 per cent who currently are not claiming for housing benefit?

The Minister for Housing:

No. Who you could say, getting to your point, are being subsidised by the public sector because the rents are not where they should be. That is part of our Housing Transformation Programme as well, as part of the regulation the rents will have to be where they should be. Having said that, the most vulnerable in our society that do require the rent rebate will notice no difference at all. They will be fully protected, but those that are currently getting the hidden subsidy will no longer get it. Of course what I would like to see around that is some options for them if they no longer qualify for rent rebate and are paying the full rate well maybe they could move out and buy their own if there were some affordable homes for them and there were mortgages available to them. This is the sort of work that we need to be doing. It is a whole raft of different things.

Deputy J.A. Hilton:

Okay, and as far as the gateway is concerned at the moment are all the parishes buying into the gateway, are they allocating their housing that is currently being built in some of the northern parishes, are they coming through your gateways so that there is fairness in the way that these properties are being allocated?

The Minister for Housing:

All the housing associations and trust are but not all the parishes. We are encouraging them, we are working with them on that but, of course, do remember that many of those schemes were funded by the ratepayers in the parish not by the States so they are quite precious about it. But they are working with us and ...

Chief Officer for Housing:

Very small numbers.

The Minister for Housing:

They are small numbers, you are right, yes.

Deputy K.L. Moore:

If we could just go back to Deputy Hilton's point about the 30 per cent people who are not claiming that rebate, how often or at what point do you as the department suggest to an individual family that they have been reassessed and they no longer fall within your criteria?

The Minister for Housing:

We would not do that, that would be Social Security that would be assessing whether or not they were entitled to the rent rebate component. We need to know who is there and who is getting a rebate or not but those sort of discussions as to whether a person is entitled to or not entitled to rent rebate is a matter for Social Security.

Deputy K.L. Moore:

At what point somebody be asked to leave their home if they were living in social housing where they were not falling within ...

Deputy J.A. Hilton:

The point I think Deputy Moore is trying to make is of the 30 per cent how often have you assessed those families to decide whether they do ... if they will not give you the information about their earnings coming into the household, how often does that happen? Has it ever happened? Has there ever been ...

Chief Officer for Housing:

I think the important thing is we are talking about 30 per cent of people, who are these 30 per cent? Well, predominantly they will be people who are in their late 50s, they will be people whose children have grown up and thankfully they have been able to find employment both partners and therefore their income has increased and they find themselves with additional funds. When we talk about where they will go, where will they go? They will not be able to buy in their late 50s so purchasing is out of the question and as we know with the current supply of housing there are not a great deal of opportunities for these people to move out. The idea that there are literally dozens of people living in social housing with massive incomes sadly is part of Jersey's folklore I think. We know that some of these rumours are spread around very easily without a great deal of substance, I am afraid. Now, there will be some and do not target policy just because of some, but the important thing is to deal with this long term and you deal with it long term by having a coherent rent policy which is debated and supported by the States of Jersey in the Assembly. That is exactly what the Minister is doing in his White Paper. We have to have a coherent rent policy, we have to make sure that the rents that are charged for the social sector are not market led but not that far behind the market. Those that require assistance with their rent receive it through Social Security and those that do not pay a fair amount. Now, in doing that you are removing a hidden subsidy, and there is a large hidden subsidy for social housing, not just for States tenants but of course for the housing trusts where the position is greater, where 50 per cent of tenants there are not claiming income support. So there is a large sum of money that is going missing, so to speak, because people are receiving a subsidy they do not need. We need to remove that and then you can talk about, I think, what opportunities you can give those people who are at the higher level perhaps to purchase, perhaps to move out, albeit one has to accept they need somewhere to go.

Deputy J.A. Hilton:

I am glad you have mentioned housing trusts because originally when you spoke you said that is part of folklore and there was only a small percentage of people but you mention housing trusts and you mention the figure of 50 per cent, so there is 50 per cent of housing association tenants not claiming any rent rebate. That is a high number of people accessing social housing who probably are not entitled to be there.

The Minister for Housing:

Who would not get it today because of the gateway.

Deputy J.A. Hilton:

They would not get it, no. I am heartened to hear that the associations and the trusts are engaging with you and they now use your gateway. But the point I would like to make is, yes, it was probably happening up until very recent that housing trust tenants ... that maybe they were not allocating to those most in need, and at the end of the day social housing should be directed at those most in need.

Chief Officer for Housing:

The gateway is absolutely key. This is a huge development and one we should shout about a lot more as having a centralised waiting list that when we bring in the regulation the providers will be regulated on how they allocate their homes and Deputy Hilton is quite right. One of the problems, though, with the rent policy in the past is that previous housing committees has signed up to a 90 per cent of market policy but over the years, for various reasons, that has not been adhered to. That is why you need to have a coherent rent policy agreed by the States of Jersey, the States Assembly, which thereafter is not tinkered with.

[11:00]

The Minister for Housing:

We need to take the politics out of rent setting. Having agreed the criteria it should happen ... one point I would like to just pick up on, the 30 per cent, and indeed the others in the housing trust, there will be a number of those that will just be a couple of pounds over the threshold that would entitle them to a rent rebate. So they are not all these suddenly find themselves wealthy people. Some will be just above and I am

sure we all know loads of people that are just above everything, get no help but end up slightly worse off because they are paying for everything themselves. You have to remember that. I do not have any figures to support it but I know that there are quite a lot of families in that position.

The Deputy of St. Ouen:

I just want to pick up on something your Chief Officer said regarding a coherent rent policy. I am struggling to understand, one, why there is not one because obviously that is entirely appropriate that you as a Minister develop policy and makes sure that it is delivered. I also picked up on the fact that there is a policy but it has not been implemented for various reasons. Why do you think a new coherent rent policy will be any better than the current one and, secondly, how do you make sure that it is implemented consistently?

The Minister for Housing:

Well, because it will be done by the regulator who will be independent of the politics of housing. So the regulator will set the rents and ensure that the policy set by ... it probably will not be a Minister for Housing, it will probably be somebody within the Chief Minister's Department, Assistant Minister or something like that in the social policy section. It probably will not be a Minister for Housing but anyway whoever is politically overseeing it will set the criteria and the regulator will make sure that that is followed through. That is what has been missing up until now. It is not easy because nobody likes to, when the time comes, put the rents up to put them up. It is pretty hard out there at the moment but sometimes things need to happen. What we need to ensure that in having a rent policy that we have very good understanding and policies with my colleagues in Social Security that protect those that need to be supported and protected. That is essential as well. That way you remove the hidden subsidy that we currently have. It is not the full 30 per cent but for some of those in that 30 percent.

The Deputy of St. Ouen:

Just for my own benefit, can you just explain this idea of a regulator? Is it going to be an independent person that is appointed by the States, will it be an officer, what will your responsibilities be to that?

The Minister for Housing:

It will be an independent person and we are looking at whether we might share that person, because I see it as a part-time post, possibly with Guernsey. That is something we are looking at the moment but it will be an independent person and they will be paid by fees coming from the different housing trusts, associations, in much the same way as you have the regulator overseeing financial services, but obviously much smaller.

Chief Officer for Housing:

Backed by new regulations or backed by new law.

The Deputy of St. Ouen:

So your aim is to have a coherent rent policy that is agreed by all parties, that is stuck to and a regulator that is going to be required to try and balance the needs of the Housing Department with all its social housing, States social housing, the housing trusts within their requirements for generating income and so on and so forth, and obviously the bigger picture which is our social responsibility to provide housing for those that can least afford it at the right value. I am struggling to understand how ...

The Minister for Housing:

The regulator's role is much wider than rents and service charges. They will be looking at, for example in the trust, the accounts and ensuring that they audited and there is proper business plans. They will be looking at working capital and reserves and how any surpluses are used. They will be looking at ensuring that the gateway allocation is consistent and kept up to date and might need to change from time to time. They would be doing a whole raft of different regulatory roles that need to be done that are not currently being done at the moment or, if they are, they are very ad hoc. We need to ensure ... the whole thing around this is ensuring that that we have a social housing set up that is fit for purpose and that it remains to be fair and is targeted at those that need it.

Deputy K.L. Moore:

What will happen to your role in that environment?

The Minister for Housing:

I will not have a role once it is all set up. I see my role as getting it through the States, seeing it set up, heading up the transformation programme with my officers and then I see this as being part of, if we get it right, the social policy group when you are working across all the different departments because you have already alluded yourselves to the fact that Housing needs to work very closely with Health and Social Security and other departments. I think isolating it as we have done in the past is one of the reasons why we are where we are and we need to change that. But it is essential as part of that not only do we have the regulation but we have the strategic housing unit overseeing the supply of homes for the whole of the Island, across all the different tenures, including social housing.

The Deputy of St. Ouen:

It seems to me, and forgive me if I have got it wrong, that at the moment ... the point of having a Housing Department and a Minister for Housing is to ensure that the needs of our community, our local community, in the provision of basic needs, which is housing, are met. Now that includes responsibilities not just for managing the social rental housing stock, it is about ensuring that the right areas of land and development and agreements with Planning about future needs, all of that is developed. You are telling us that you now believe that we do not need that, we do not need that close responsibility and accountability from a Minister responsible for that, we can just hand it over to some third party to look after?

The Minister for Housing:

No, I am not saying that at all, what I would say is does the current system work? Clearly not, and we need to change it. That is about doing away with silos and getting people working together.

Chief Officer for Housing:

If you look at the current set up you have the Minister who is dealing with policy, he is also responsible for regulation and he is also the biggest landlord in Jersey. You have never seen such a mishmash of confusion in one area because you cannot put an individual in charge of all of that and then say: "By the way, you are responsible for

dealing with the whole policy of housing in Jersey.” You have to separate out the regulation and the delivery from the policy. The view is really is that the Minister and States Assembly needs to deal with long-term housing policy. Once it has decided on that it has the regulatory function to implement it and the delivery vehicles, whether it is us as a housing association or the housing trusts, the providers, who are held to account for delivering on those policy initiatives. At the moment it is all put into one area, with a bit of policy in another department over there and the conflicts for the Minister are just too great. He is provider, poacher and gamekeeper. It is just too great.

The Minister for Housing:

That is before you start to look at the challenges that we know are coming up in terms of, as I mentioned, ageing population, how we are going to accommodate them, we need to do things differently, there is a huge amount of work to be done around Social Security, around Health and with ourselves and we need to work smarter. What we have got does not work.

Deputy J.A. Hilton:

You have just mentioned challenges that you are facing, can I just ask you a question about housing and young people. In this economic decline that we are in at the moment, rising unemployment levels among young people, are you receiving applications ... I think at the moment your policy is not to look at under 25s. Will you at some point reconsider that policy? Are you getting an increasing number of applications from young people who are in dire circumstances through homelessness or whatever? Also, have you entered into any dialogue with the Minister for Health with regard to whether you are able to provide any sort of hostel accommodation for young people in the interim period? I just wanted to understand whether you had had any discussions, what your thoughts are on that and how you think we can help young people in the future.

The Minister for Housing:

If I could just pick up on the principles of under 25. You are quite right, our current gateway does not normally - and I say normally but I will come back to that in a minute - help under 25s. There are exceptions and they would fall into the group 6 of

our housing policy so there are exceptions. I am not entirely comfortable about that but the last thing you do is widen the gateway before you have increased its supply. So we do need to look at that. We do have some hostel accommodation. I am quite keen that we, as part of our research and part of our work, speak to the Prince's Trust because over here they are engaged more around getting people back to work, in the U.K. (United Kingdom) they also with getting people housed and everything else so I am quite keen to speak to them. I am keen to widen the gateway but I cannot do that until we have increased the supply, but it is ongoing work and certainly something we would like to do.

Deputy J.A. Hilton:

Okay, so it is not an area where you think that you could possibly go out and buy a large house in town that could be easily converted into bedsit accommodation for teenagers or young people? That is not something you have thought about?

The Minister for Housing:

Not at the moment.

Deputy J.A. Hilton:

You have not had any discussions with the Minister for Health with regard to young people and their housing situations?

The Minister for Housing:

Not at the present, other than those that are referred to us because they are young, under 25, but with other issues.

Deputy J.A. Hilton:

All right, thank you.

Chief Officer for Housing:

There is an issue around there also about income support which is not payable to people under 25, the housing component.

Deputy J.A. Hilton:

But there is for the vulnerable people?

Chief Officer for Housing:

For the vulnerable, yes.

The Deputy of St. Ouen:

Just widening the discussion a little bit, we are currently consulting on a strategic plan that the Council of Ministers have produced. There is a Green Paper that you were probably asked to comment on. Interestingly enough I picked up the Strategic Plan for 2009 to 2014 and looked at priority number 14, which says: “Adequately house the population.” There are quite a number of action points that are identified in that plan, including improving equity tenure rights and living standards for accommodation, access to migrants, define a new Jersey standard for social rented accommodation, continue to upgrade and improve older States rental stock to meet the new Jersey standard, and it goes on. I look at the areas that you are planning to do in the new Strategic Plan and it seems that there is a lot of repetition, and in fact either this has not been done or you believe that there is further work to do in some of these areas, which is not clear but the main point, sorry, that I am coming to first is that one of the main points that you raise in your Green Paper is that we will continue to work on existing homes to meet the Decent Home Standard and we read then, further on, about the fact that you make comparisons with the U.K. decent homes standard. Basically a scrutiny panel, a previous Health, Social Security and Housing Scrutiny Panel in their report back in 2007 or 2009, I am not sure which, say you should not be just relying on the U.K. standard because the basic minimum was identified as set in 2000 and things have moved on quite considerably since then and you should be developing your own Jersey standard. I know it is a long phrased question but the question that I really want to know is do we now have a Jersey Homes Standard and if we do why are we not using that tag or label when we talk about standards of homes on the Island.

The Minister for Housing:

I cannot answer for the past but we will be working initially, and you will say that is the same as 2007, on the English Decent Home Standard and developing later on, because we have still got about 26 per cent of our homes that would not reach that, the

Jersey home standard. I know you will say: “Well, that was in the business plan from before.”

[11:15]

I cannot answer that. What I know is that as part of the Housing Transformation Programme, as part of the regulation, part of the strategic overview, this will be done.

The Deputy of St. Ouen:

Are you saying that you are satisfied to test the standard of our properties on a standard that was set by the U.K. in 2000 which is the barest minimum and which has subsequently changed, I am told, from that time to this present day?

The Minister for Housing:

What I actually said was we will ensure that all our properties, as a minimum, reach the English standard while we are developing our own Jersey standard because we still have about 26 per cent of our homes that would not reach that English standard. So we are going to be doing that. This is about resources as well. We have got about £48 million currently of what we call outstanding maintenance but some of that will be work to bring those homes up to standard. We could make them out to sound like dreadful places. Many of them are nice homes that many of us would be happy to live in but they are not currently insulated to the right level so they are expensive to heat. Some of them will have kitchens that need updating, some of them will have bathrooms that need updating. These are things that need to be done. It does not mean they are bad homes but they are not what we want for our residents.

Chief Officer for Housing:

It is a fantastic question because you say there that ... I think you are alluding to the fact that not much has been done. I suppose what we do is when we hear in the media all doom and gloom housing, this is not happening, this is not happening. Let us hold on a second. Because we knew that the current structure was not right we commissioned a report from Professor Whitehead from Cambridge University to look at social housing. It did not come up with anything that was a huge surprise but it was an in depth report by an academic who is widely versed in housing issues across the

world. From that, for which there was a lot of criticism and one could argue that when you do get issues out into the open in Jersey you are criticised for it but what we want to do as a society and as a community, and presumably as the States, is get those issues out into the open so that we can tackle them. From the Green Paper, as we refer to it, from Christine Whitehead we have gone on and put together the Housing Transformation Programme. A bit of a civil service grand title I accept but we have been working on that for a year. We have been working on that with colleagues, professional colleagues, from Cambridge University and from Tribal and Sector, which are the leading housing management agents and transformation people in the UK and we have embarked on 90 separate pieces of work which are enormous. The rent policy alone, where we have had some top people working on it who deal with rent policy across the U.K. social sector has said it is one of the most complicated systems they have ever seen because of the income support scheme. So a huge amount of work has been done and concluded, which means that the Minister for Housing is going to be submitting his White Paper to the Council of Ministers on 9th March and we are going to be publishing it. It is a great piece of work which is strategically dealing with those issues. Putting it out for consultation so at long last put together a structure that will grapple with and deal with Jersey's housing situation. That is a great piece of news. I am very proud of it and I think it is something we should be shouting about because we have done the work. What we talk about something is the specific issues. There is an estate here that is not good enough. Okay, that is right, we know that. We know the stock intimately, we know what needs to be done and if you look around Jersey most of the scaffolding that is going up in Jersey is around a lot of our estates because we are the biggest spender at the moment. We are spending millions of pounds on our stock. When you talk about the Decent Home Standard, 70 per cent of our stock exceeds that Decent Home Standard by a mile. This is a very useful industry benchmark for us as a provider and for the States to say: "That is the problem we have got to overcome. There is a £48 million backlog on a stock worth £1 billion. Let us put that into perspective." We do turn around and saying everything is falling down. No, it is not, it is not falling down. We have got some of the finest social housing you can find anywhere in the world. Great, we want all of it to be to that standard. This White Paper and the proposals we are bringing to the States will make sure that we can get that stock up to the standard we want and keep it there and not be a burden on the States. We are not going to being

asking the States for extra money, we have had to go away and sort this problem out without saying to the States of Jersey and the public of the Island, we want millions and millions of pounds more money. We have had to generate it from within. It has been hugely difficult. I think it is a great question and I think you are right to challenge but all I would say is in the department which has only 40 souls, not 3,000 souls, 40 souls, we are jumping up and down saying we have a brilliant message to tell the public out there and yet we read things in the media that says everything is doom and gloom and there are no solutions. We have got the solutions, we have been working on them, we just need a little bit more time, but there is a good future.

The Minister for Housing:

This will be a 30-year plan to put Jersey right in terms of its housing provision and keep it there.

Deputy J.A. Hilton:

Can you give us some sort of idea of timescale around ... you say the White Paper next month, when is all this likely to sort of fall into place?

The Minister for Housing:

Because some of it we have been able to do without waiting for the White Paper, like the gateway, which started on 1st January.

Deputy J.A. Hilton:

I was thinking more about the £48 million worth of maintenance that is outstanding. I know the Housing Department does absolutely fantastic work and I know that the new stock that you have produced has been absolutely ...

The Minister for Housing:

I will get the Chief Officer to give you the precise details because I cannot remember all the dates but what I would like to say aside from all the work that we are doing there for the longer term and putting Jersey housing where it should be ... it is a good news story overall. Aside from that we are in discussions with the Minister for Treasury about loans to get on with some of that work because we are conscious particularly of ... for me the lack of insulation and therefore the expensive running

costs with the price of electricity and fuel is something that I am very anxious about for our residents. We are meeting on the 9th, not only are we taking the White Paper forward but we are going to formally agree at the Council of Ministers informal discussions that I have had with the Minister for Treasury and Resources around getting money to get some of this work done. Of course that is a double bonus because not only do the residents get the things that they would like to see in place and more of homes will meet the Decent Home Standard, but we are providing much needed work for the industry out there as well. So it is a double bonus good news story. That will be formalised on 9th March.

The Deputy of St. Ouen:

Is it not the case, as you have alluded to already, that fundamental to you being able to provide the accommodation that as an Island we would choose to provide those in need, you need resources and that has not been available to you.

The Minister for Housing:

It would appear it has not been available in the past. We had put a plan together to provide those resources ourselves using the assets that we have. As a housing association, for example ... and I always use this as an example because some of you will know, although I did not personally lay a brick, I built 7 flats for people with brain injury in town. How did we fund it? The rents pay the mortgage. We are not able to do that sort of very simple, it is not really that creative, thing currently. As a housing association they will be able to do something like that backed up by the very huge amounts of assets that we have. So they will be able to speed things up a little bit.

The Deputy of St. Ouen:

But is it not the case that the Minister for Treasury and Resources tomorrow could say: "The Housing Department can borrow money on the assets it has" then you could start tomorrow on utilising and accessing funds that currently you do not have available to you.

Chief Officer for Housing:

Our income is enormous, £38 million per annum. We have more money than we know what to do with in terms of the income. The trouble is £24 million of that has to go back to the Treasury which means year after year you have not been able to invest in your housing stock. If the Minister for Treasury and Resources said, “Okay, you keep the £6 million extra that you need” he has to find and the States have to find that £6 million from somewhere else. That is the task that was set us in the transformation: “You are not going to be able to keep any of that £24 million, in fact you have to maintain the return in real terms for the next 30 years.” So how do you find the extra money? We think we found it in our business case. But the fact of the matter is we have to do that and that is why there is going to be some hard decisions to be made in the States debate because if you do not do that you would be saying to the taxpaying public: “We are going to have to require additional funds from you because there is a shortfall.” That £6 million is not lying around somewhere else.

The Deputy of St. Ouen:

I suppose the point that seems to be coming out here is that it is not necessarily the States that are tying the department’s hands. It is the Minister for Treasury and Resources, the Treasury Department that is saying the department cannot borrow.

Chief Officer for Housing:

It has got to be able to pay back. If it borrows it has to be able to fund the borrowing and we do not have sufficient money to fund it all.

The Deputy of St. Ouen:

But you are saying now that you would be able to access loans.

The Minister for Housing:

We will be able to access loans on new income, that would be the first one and the new stock which generates new income. So we would be able to do that. The other thing is that removing the rental subsidy will generate a certain amount of extra capital that we can reinvest as well. You need to talk to the Minister for Treasury and Resources but it seems to me that if he gives us more money then another department has to go without or you have to raise taxes, or you have to stop spending somewhere

else. We are coming up with a viable alternative that will provide all the Housing that we need in the condition that we need that Jersey can afford. That is important.

The Deputy of St. Ouen:

But you just told us that ... the key challenge, the key issue whether it is raising standard in our homes, reaching better home standards and so on and so forth revolves around, like it or not, money. It seems to me that it has been an issue for the department for many years ...

The Minister for Housing:

We have resolved the issue.

The Deputy of St. Ouen:

... they are trying to resolve in all sorts of different shapes and forms and coming up with all sorts of different ideas to achieve a solution which possibly one could argue that the easiest solution was the government of this Island to acknowledge that additional sums of money were required by the Housing Department to maintain itself and provide you with it.

Chief Officer for Housing:

The problem is the Health Department needs more money, the Education Department needs more money ...

The Minister for Housing:

You could just pour more and more money in and that sometimes you can do that and not achieve what you want to achieve. We have come up with a system that will achieve what we want to achieve and that Jersey can afford. I think it is a really good news story, I think it is positive and I think it is about time we stopped looking at housing on short term 18 month, 3 year things. We need a 30-year plan, we have produced a 30-year plan, we need to take knee-jerk reactions out of housing, we need to have continuous gentle supply and realignment of stock getting rid of housing that is not appropriate, that we should not be running. We need to take a professional businesslike approach and stop fiddling around with it. That is what we are going to do and I hope the States will support me.

Deputy K.L. Moore:

I think that neatly brings our hearing to an end. **[Laughter]** Thank you very much, Minister.

The Minister for Housing:

Thank you.

[11:28]