



# ScrutinyMatters



## Health, Social Security and Housing Scrutiny Panel

### Quarterly Meeting with the Minister for Housing

**FRIDAY, 15th NOVEMBER 2013**

**Panel:**

Deputy J.A. Hilton of St. Helier (Vice-Chairman)  
Deputy J.G. Reed of St. Ouen

**Witnesses:**

The Minister for Housing  
Chief Officer, Housing  
Finance Director, Housing  
Director, Population Office

[11:00]

**Topics Discussed**

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**Deputy J.A. Hilton of St. Helier (Vice-Chairman):**

Good morning. Welcome to the hearing of the Health, Social Security and Housing Scrutiny Panel. I would like to give our Chair's apologies this morning, she is unwell at the moment. I would like to draw the public's attention to the code of conduct, but I know Mr. Dunn has been here before so I am sure he knows the rules. I am Deputy Jackie Hilton. I am Vice-Chair of the panel.

**Deputy J.A. Hilton:**

Thank you. We would like to start off by asking you what progress has been made with regard to the Housing Regulations since we last met on 13th September when you told us that you were working on 2 sets of regulations, I believe.

**The Minister for Housing:**

We have progressed it quite well, and the route that we are going to go down is slightly different to that initially envisaged but in line, I think, with what the Scrutiny Panel recommended. We are going to have a draft Social Housing Law, and it has been drafted, not entirely through the Law Draftsman, but the principles have been accepted by the housing associations generally. It will be based on a housing charter, which was a recommendation of the panel. It will require providers of social housing to meet minimum standards that will be set by regulation. Part of that is tenants will have opportunities to shape service delivery and hold their social housing providers, whether they are the new housing company or the existing trusts to account. But I still feel, and I am still going for the establishment of a regulator, but the regulator will only come in when there is serious detriment. In other words they will not be overseen all the time but if there is a serious detriment to either the governance of the organisation or in the running of it generally then the regulator will have the right to come in. So it is not light touch but the charter is the main way that it will work. I think we are ... Paul will be able to advise us a little bit closer. I think we have got in broad principle, agreement with all the housing associations and the company that this is the better way to go forward. So I thank the Scrutiny Panel for pointing towards the charter.

**Deputy J.A. Hilton:**

I would like to invite Paul Bradbury to the meeting. Would you just, for the record, give your name and your title please?

**Director, Corporate Policy:**

Paul Bradbury, Director of Corporate Policy, and offer my apologies.

**Deputy J.A. Hilton:**

Thank you.

**The Deputy of St. Ouen:**

The Vice-Chairman asked what progress had been made and obviously you said that work is being undertaken on the draft Social Housing Law. Can you be more specific about when we are likely to see the draft regulations that the panel might be able to consider?

**The Minister for Housing:**

The panel said they did not want to see it until we had lodged. We would be very happy to share it with you immediately.

**The Deputy of St. Ouen:**

Maybe I should rephrase the question. How close are you to lodging the draft regulations?

**The Minister for Housing:**

Not far off, I do not think.

**Director, Corporate Policy:**

We met with the trusts - the Minister may have said this - earlier this week. We got a favourable response. My view is we are ready to go to the Council of Ministers. We will be going to the Council of Ministers either the last meeting in November or the meeting in December, and we can publish shortly straight after, subject to their approval.

**The Deputy of St. Ouen:**

This is my final question on this. I think the panel was concerned that we wanted to look at the regulations when they were as close to being agreed or completed as soon as possible; are you now suggesting that you have got to that point?

**The Minister for Housing:**

Yes. So we would be happy to share it with you but when I spoke to the Chairman, she said she did not want to see them until we lodged but if you want to see them just before we lodge we would be more than happy to share them with you.

**Deputy J.A. Hilton:**

I think it would be really helpful if you are ready to go now, and it is going to the Council of Ministers, if you could share those with us now, that would be really helpful for us.

**The Minister for Housing:**

We will get that done early next week.

**The Deputy of St. Ouen:**

Equally, if you could maybe flag up areas or matters that you think may be open to change.

**The Minister for Housing:**

I was hoping that you would like it and not want to change it.

**The Deputy of St. Ouen:**

No, I was just thinking of you say you are going to seek approval from the Council of Ministers. If there are any areas where you believe need to gain formal agreement from the Council of Ministers, the Executive ...

**Director, Corporate Policy:**

In submitting the report, and we would obviously very much like to, we can do a cover report of the key issues or the contentious issues or whatever ...

**The Deputy of St. Ouen:**

That would be helpful, so that any warnings and cautions that you need to prepare, if you would.

**The Minister for Housing:**

A lot of work has gone into this and, as I say, I am grateful for the panel for their guidance around the charter particularly because that is the way we are going to go.

**The Deputy of St. Ouen:**

Just to be clear: we are going to have a Social Housing Law. Will that Social Housing Law include the ability to have a regulator or there will be a separate ...?

**The Minister for Housing:**

No, it will include the ability to have a regulator.

**The Deputy of St. Ouen:**

It will include the establishment of a regulator?

**The Minister for Housing:**

Yeah.

**Deputy J.A. Hilton:**

The regulator will only be regulating the social housing side; this is not private rented?

**The Minister for Housing:**

No, but I think there is a role for the private, particularly in the unqualified sector later on but let us get it established first.

**Deputy J.A. Hilton:**

Okay, so the plan is to establish the regulator and then look to broadening the remit of the regulator into the private providers?

**The Minister for Housing:**

That is what I would like to do but at the moment we are concentrating on the Housing Transformation Programme and the social housing, in particular. But there is some work to be done definitely in the non-social housing sector and the private rental sector, I believe.

**Deputy J.A. Hilton:**

Can I just ask you a question around the resident Scrutiny Panel, I think that was one of our key findings in the ... I know that you are planning to set up the board and you are proposing to have tenants sitting on the board. Can you just give us a little bit of information where you are with that, and what their role is going to be?

**The Minister for Housing:**

Yes. We have undertaken a recruitment exercise, and I am not in a position to release any names at the moment, but we have appointed a chairman, but this is all subject to ratification by the States anyway, and a panel. We have only appointed at this stage one tenant member but we will be seeking to appoint a second tenant member in the future.

**The Deputy of St. Ouen:**

Are we speaking about the board?

**The Minister for Housing:**

Yes, we are.

**Deputy J.A. Hilton:**

So the plan is only to have 2 tenant members on the board?

**The Minister for Housing:**

That was always the plan in P.33. At the moment we have only appointed one. I am very strongly of the belief that when you make appointments you make them because that is the person with the skills you want there, and not just to make up the numbers. That is why we only have the one at the moment.

**The Deputy of St. Ouen:**

Have you advertised?

**The Minister for Housing:**

Yes, we advertised in the *Evening Post* and we also worked with a recruitment agency as well.

**Deputy J.A. Hilton:**

What sort of response did you get?

**The Minister for Housing:**

I will be corrected if I am wrong, my memory seems to tell me that we had about 38 applications for the board. A number of those were excellent applications, but could not be appointed because of quite clear conflicts of interest. For example, they might be one of the people that currently have some of our main contracts in buildings, so they are bringing skills to the board but we cannot have them on the board if they are our main contractors. So there are those sort of examples. Others were in finance and it just was not appropriate because of the work that we have going on with the bond and their particular employers, but they are people that I would consider if the conflict of interest disappeared. But at the moment we have, I think, a good board.

**Deputy J.A. Hilton:**

Did you have a good response from the tenants?

**The Minister for Housing:**

Not really. I cannot remember the numbers on the tenants but I have to say that the response was very poor, in quality as well as ... you know, you have blank application forms, just completely blank with a name on for some.

**Deputy J.A. Hilton:**

Oh.

**The Deputy of St. Ouen:**

Could you just confirm whether or not members of a housing trust would be eligible to sit on the board?

**The Minister for Housing:**

No. No, we had one query about that from one lady who wanted to apply but she was in a housing trust's social housing and she would not therefore ... she would be eligible to put her name forward as a main board member in her own right if she had those skills. But she would not be eligible to be there as a tenant representative.

**The Deputy of St. Ouen:**

I was more thinking of principals of the housing trust.

**The Minister for Housing:**

That would be wholly wrong.

**The Deputy of St. Ouen:**

That really is a conflict of interest.

**The Minister for Housing:**

Yes.

**The Deputy of St. Ouen:**

Finally, could you update us on the recent meeting that you have had, I think Paul mentioned, with the chairman of the housing trusts.

**The Minister for Housing:**

Yes, that happened last Monday and it was to discuss regulation. It was only to discuss regulation and they were very happy with our proposals. We spent an hour going over it with them. They liked the idea of the charter as well, and they approved regulation that is appropriate and a regulator that is appropriate because they think that it will strengthen their position in terms of seeking funding, apparently funders before: "Are they regulated?" Not just a good governance that they may be able to produce but are they regulated? So it was a very good meeting. But that was not the first meeting on this. We have had several as we have progressed the work through.

**The Deputy of St. Ouen:**

We were aware that the trusts initially raised concerns around the regulations and it seems from what you are saying that they are far more acceptable and happy with the proposals than they had been in the past.

**The Minister for Housing:**

They thought that it was a little bit over the top in places last time, and it probably was, to punish somebody who is a volunteer doing really good work because they are a couple of weeks late with their accounts, in hindsight, was not the best way of going around it. So they are much happier.

**Deputy J.A. Hilton:**

Thank you. Has the Strategic Housing Unit been established formally?

**The Minister for Housing:**

It has been established but the officers that are manning it at the present time are temporary in that particular role. We have an officer from Planning doing an excellent job and another one that works part time with us and part time with the international section. So it is up and running. We are getting a lot of advice as well within the Strategic Health Unit using Christine Whitehead to provide advice for us. So it is up and running but it is not staffed with their permanent staff.

**Director, Corporate Policy:**

At present there are benefits in sharing staff; the one we are sharing with Planning, you get the planning experience and assists us in understanding planning issues.

**The Minister for Housing:**

Particularly when we are going through a review of the Island Plan.

**Director, Corporate Policy:**

Yes, so in this phase I think that sharing of resources has got value. Early next year we will make some permanent appointments but the S.H.U. (Strategic Health Unit) is up and running. We have a ministerial group scheduled for December to consider the first issues, if you like, collectively.

**Deputy J.A. Hilton:**

Where is the Strategic Housing Unit based?

**Director, Corporate Policy:**

Cyril Le Marquand. It is one of the units for which I am responsible and I have the two officers that I mentioned before supporting me in the development of policy.

**Deputy J.A. Hilton:**

You said that you have somebody there from the Planning Department, so obviously there must be a lot of discussions around planning issues, producing sites and things, how much is the Housing Unit involved in that?

**Director, Corporate Policy:**

The focus has been on the development of the Island Plan. So that is the main extent of the overlap of the planning issues, so for example aspects of the Island Plan are arguably Strategic Housing Unit issues. For example, affordable housing and where it should be targeted, and we support the Minister for Planning in developing the proposals for affordable housing, so it is through the Island Plan that the overlap around planning is the main focus.

**Deputy J.A. Hilton:**

Can you just update us to where we are exactly? I know there has been quite an extensive consultation on the additional sites for housing. Can you update us as to where exactly in the process we are at present?

**Director, Corporate Policy:**

If my recollection is right, there is an Examination in Public in January and I believe the findings of that consultation are about to be published, if they have not been already.

**The Minister for Housing:**

I have seen them so they are ready to be published.

**The Deputy of St. Ouen:**

Do you believe that the Strategic Housing Unit is developing as planned and will be successful?

**The Minister for Housing:**

Yes, it is, and it will be successful because we will make sure it is successful. Already the information coming out from it, I think primarily because you have a very experienced officer in planning, the information ... because you need to establish very clearly a need. We all know there is a need but you need to establish what exactly that need is. With this very experienced officer, the work on the Island Plan and Christine Whitehead's input, as well as the Stats Unit of course, the sort of information that they are giving us, I think the Strategic Housing Unit has

already proved to be essential and will continue to develop into a really useful, very small but proactive unit.

[11:15]

**The Deputy of St. Ouen:**

Can you just confirm, you speak about Christine Whitehead, is she still advising the department?

**The Minister for Housing:**

She is doing a different piece of work for the Strategic Housing Unit, yes.

**The Deputy of St. Ouen:**

What piece of work is that?

**The Minister for Housing:**

That work is particularly around affordability, and Paul can go into more details, but she is an expert in housing so she has been advising us on the need based on the information that we have gathered and analysing that and a lot of work around affordability of homes to buy and rent.

**Director, Corporate Policy:**

The Strategic Plan talked about establishing a housing strategy and I think that is one of the main focuses of the Strategic Housing Unit, so it is not just about social housing or rented housing, it is about an overall strategy for the Island and focused on overall affordability. So Christine Whitehead is obviously eminent in her field and she is advising us on the development of a housing strategy. We can expect a Green Paper or an discursive document to be published early next year in terms of the outcome of that work and our work. These are big issues obviously so at this stage I think we are at the discursive policy option stage rather than policy proposal stage.

**The Deputy of St. Ouen:**

Is the intention to achieve the policy proposal stage by the end of next year or is that optimistic?

**The Minister for Housing:**

Before then I hope. End of next year will be a bit late, but I cannot put a time on it at the present time.

**The Deputy of St. Ouen:**

Just talk us through. As I understood it, you are planning to issue a Green Paper, normally after a Green Paper comes some form of White Paper and further consultation, and then the development of or lodging of the actual policy. Am I not right?

**Director, Corporate Policy:**

These are clearly very large issues and I think some of them are going to go on slightly different speeds. So for example, I am interested in asking the Economics Unit to undertake a review of the impact of the housing policies of government on housing supply and affordability in the Island. That is a slightly longer piece of work but equally we have to progress in the meantime with things like the Island Plan around supply of homes, deposit loan scheme, around supporting people getting into housing, so I think it is a multi-speed approach.

**The Minister for Housing:**

It is, yes.

**The Deputy of St. Ouen:**

Have you provided Christine Whitehead with a brief on what she is required to advise you on?

**The Minister for Housing:**

But you would not ever bring in somebody to advise you without telling them the areas you would like them to look at, so she is advised of what we would expect her to do.

**The Deputy of St. Ouen:**

Is it possible for you to share that with the panel?

**The Minister for Housing:**

Yes. We will do that.

**Deputy J.A. Hilton:**

Thank you. Your business plan for 2013 focused mainly on the Housing Transformation Programme. Are you happy with what has been achieved and do you believe you have delivered your business plan for 2013?

**The Minister for Housing:**

In a word, yes, I do believe we have delivered. Let me go through the different areas. That will probably be the easiest way. Broadly P.33 that we debated in May required a number of things from us setting up the Strategic Housing Unit, the setting up of the board, and we have done that. The laws had to be set up to transfer the properties - you have a proper name for it, John.

**Finance Director, Housing:**

Social Housing (Transfer) Law.

**The Minister for Housing:**

Thank you.

**The Minister for Housing:**

That work is virtually complete.

**Finance Director, Housing:**

Yes, the States Assembly agreed the law in July 2013. That went off to Privy Council. We received Privy Council approval on 9th October, and that has now been registered in the Royal Court. So we are now working on the regulations to come back under that law, which should be lodged in January for debate in March.

**The Deputy of St. Ouen:**

So these are separate from the draft Social Housing Law?

**Finance Director, Housing:**

Yes. This only concerns the transfer of the assets from the Housing Department to the new housing company.

**The Minister for Housing:**

That has been quite a lot of work for, not only my officers, but also the Law Officers because in many cases some of the boundaries were not clear. They did not need to be in the past and so there has been a lot of work going on there.

**Deputy J.A. Hilton:**

Did that include the work round the rentals being charged, the survey?

**The Minister for Housing:**

Yes.

**Deputy J.A. Hilton:**

Has that work been completed now?

**The Minister for Housing:**

Yes, it has been completed.

**Chief Officer, Housing:**

Yes, we will be reporting on that shortly, but the work has been undertaken. We have got a huge amount of work obviously being carried out around business cases.

**The Minister for Housing:**

Sorry, just to be clear. You are asking about the rental value?

**Deputy J.A. Hilton:**

Yes.

**The Minister for Housing:**

Yes, that has been done.

**The Deputy of St. Ouen:**

Are there any other areas that you would like to see progressed at a quicker speed than has happened in 2013 personally?

**The Deputy of St. Ouen:**

I would have liked to have seen sites become available quicker than they are going to be, if they are, when the States debate it because we are in a position now if the budget is accepted at the beginning of December where we have got all the funding to do the work, and then the only difficulty will be have we got the sites to build on.

**The Deputy of St. Ouen:**

Are you able to update us on the Jersey College for Girls' site and what is happening regarding the development and provision of accommodation on that site?

**The Minister for Housing:**

I know that the current plans are to have a number of social housing units but just how far they have progressed it, I am not sure. I do not know because it is a Property Holdings ...

**The Deputy of St. Ouen:**

I was rather confused because you say you are waiting for additional sites and yet we are sitting collectively on a large States-owned site, which has been discussed about *ad nauseam* and agreements have been reached that housing should be developed with it. I would like to understand from yourself what are the barriers for seeing that developed and providing some of the social housing?

**The Minister for Housing:**

You are asking the wrong Minister. It comes under Property Holdings. I cannot answer that question.

**The Deputy of St. Ouen:**

But you are now heading up the Strategic Housing Unit and, as such, I would expect you to be absolutely having your finger on the pulse and making sure that sites such as that provide for the need of the community.

**The Minister for Housing:**

You have a tension there inasmuch as the site has to pay for itself, and it is balancing that. As I say, you are asking the wrong Minister. I am quite happy to accept any units of social housing, that they will provide me, even if the site was 100% social housing, which it never will be, I am quite happy to accept that. But the fact is it is not in my gift to get that work done.

**The Deputy of St. Ouen:**

Can I just challenge you on one comment you just made because you said the site has to pay for itself. What policy or States decision can you point to that supports that view?

**The Minister for Housing:**

You are asking the wrong Minister.

**The Deputy of St. Ouen:**

No, but you have just made a comment, you either can support it or you cannot.

**The Minister for Housing:**

I cannot support it, it is not my area of work.

**The Deputy of St. Ouen:**

Is it not the case that the States have agreed that States-owned sites should be used to provide social housing?

**The Minister for Housing:**

Yes, that is the case.

**The Deputy of St. Ouen:**

Why is it not possible for us to see, or have seen over the last couple of years, development happening on a States-owned site, namely Jersey College for Girls, to allow you to provide the essential homes that are identified?

**The Minister for Housing:**

I will tell you one of the issues, they cannot agree what it should be like with Planning.

**Deputy J.A. Hilton:**

Can you elaborate?

**The Minister for Housing:**

No, I cannot, because it is not my area but I do know that Planning have a different view on what the design should be there. But I am really going out of my territory.

**Deputy J.A. Hilton:**

How much support do you think you get from your other Ministers with regard to delivering the Social Housing Unit? Do you believe you are getting enough support around the table?

**The Minister for Housing:**

I get a lot of support generally. What I found particularly frustrating though was the fact that the Island Plan had to go back in its formal way with an inquiry in public because that is the law, because we had - when I say "we", collectively the States, the Council of Ministers - got outline planning permission for the site at Rouge Bouillon. Had they not got outline planning permission then the 2 or 3 sites could have come back for independent review much quicker. The trigger was 150 units of accommodation had to have planning permission and once that was done then the only way the Island Plan could be changed was to go through the full set up. I find that particularly frustrating because you know and I know that nothing is going to happen on Rouge Bouillon for 5 years, maybe even 10, because nothing can happen until the police station is built. We have not laid a brick yet and yet I have about 700 families waiting to be housed and notionally there are 150 units of accommodation there but that is not going to appear for years and years and years.

**Deputy J.A. Hilton:**

I think as far as Treasury are concerned, and I have tried to find out this information in the last 2 days about the units being delivered on the Jersey College for Girls' site, because quite frankly it is outrageous that it is just laid empty for the last 15 years. I have tried to find that information out in the last couple of days and have not managed to be able to achieve that. But as the

Minister for Housing you must be disappointed to know that the plans that were going to be submitted included only a very low level of social housing.

**Chief Officer, Housing:**

This is something we discussed at the last meeting about the various tensions that seemed to exist about providing social rented homes and extracting value from States land. I think our view has always been you cannot have your cake and eat it, and if you are going to provide social rented homes then you have to acknowledge you are not going to extract them from site. This site was passed to the States of Jersey Development Company and the majority of the units on that site will be, I believe, for purchase and some of them will be B category purchases. So there are only 45 units on that site that will be for social rented produced by a trust. I am sure we would all agree that it is a site that could yield significantly more social rented homes but it is with the Development Company at this stage who, as the Minister said, would be the body responsible for updating you on progress.

**The Deputy of St. Ouen:**

It does seem rather perverse. On the one hand we talk about trying to extract value from States-owned land and yet we are planning, and obviously the Minister is pressing for land and sites to be rezoned for affordable and social housing, which he does not own, and he is going to expect the owner to sell that land at low cost.

**The Minister for Housing:**

Let us be clear, I do not own College for Girls either. It is in the hands of the Development Company, but even if we got the whole of that site we still need that rezoning. We need approximately 1,000 new homes in the near future, so it is no good sitting on our backside waiting for that to come along. That will be a bonus, that will be great when it does come along, but we still need these other sites if we are going to house our community.

**Deputy J.A. Hilton:**

Realistically, to achieve that level of new homes that you have just said that we need, what sites do you need to come forward to achieve that number?

**The Minister for Housing:**

Obviously we have got sites under development at the moment - Lesquende 1 and 2 being one of the most obvious up at St. Brelade - and to try and speed things up we are going to on Lesquende 2, which we would not normally, in the normal flow of events, be looking at doing until 2015. We are going to try and get that forward into 2014, because we need the homes, the construction industry needs work, we have got the money so we are trying to do that.

**Deputy J.A. Hilton:**

Can I just stop you there? They have started work on Lesquende.

**The Minister for Housing:**

On Lesquende 1.

**Deputy J.A. Hilton:**

Right, okay, so that is split into 2?

**The Minister for Housing:**

Yes. What you have to remember is that also sat empty for years and years and years and when it came to my department we got on site within about 9 months. We would have been on site quicker if it was not for, I think, quite outrageous things like protecting slow worms. We were not allowed on site for 3 months because of the slow worm breeding season.

**Chief Officer, Housing:**

We had to move them in fact.

**The Minister for Housing:**

We had to move them as well.

**Chief Officer, Housing:**

Relocate them. Together with minute(?) trees and a whole host of other ...

**The Minister for Housing:**

And some wood eating ants.

**Deputy J.A. Hilton:**

But getting back to the sites. We know Lesquende is being developed at the moment and you are hoping to bring forward Lesquende 2. Obviously a proposition will come to the States after the public inquiry into the re-zonings. Presumably you are hoping that those sites, those glasshouse sites, that formed part of the consultation will be agreed?

**The Minister for Housing:**

Yes. If you want me to say which ones have I really got my beady eye on, it is the one at Samarès, the nursery there, and it is not a greenfield site, which is what it has always been purported. It is a brownfield site. It is perfect for development and I think I would be failing in

my duty as Minister for Housing to ignore that site when the last time we had the inquiry in public the inspectors came back and said that that site and the site at Longueville were the best housing sites in Jersey. They were not getting involved in politics or anything like.

[11:30]

In terms of access and suitability for development, they came back and said that the Longueville Nursery site and the Samarès site were the best sites for development.

**Deputy J.A. Hilton:**

So of the sites we have just spoken about, Lesquende, Samarès and Longueville, what numbers would those sites deliver if it was agreed in the States?

**The Minister for Housing:**

Samarès is the biggest but I cannot remember the exact number, can you?

**Chief Officer, Housing:**

No, well Samarès could produce between 150 and 200 units, possibly even more.

**Director, Corporate Policy:**

The Island Plan is putting forward the sites which will create an extra 500 homes, of which 200 will be social housing. In addition the sites from the States portfolio, we have talked about them, the ambulance and Summerland and J.C.G. (Jersey College for Girls), which is about another 200 in total, so the Island Plan analyses the total component of supply and need that the Minister for Housing outlined and includes it.

**Deputy J.A. Hilton:**

How confident are you that the States agree to the rezoning of the nursery site that somebody is not going to come along and say to you, "Okay, you have got those, we are going to have the Summerland site now" and build offices or ... the Jersey Development Company are not going to come along and say ...

**The Minister for Housing:**

I can never say no but it will be over my dead body.

**Director, Corporate Policy:**

It is in the revised chapter for social housing, the ambulance and Summerland sites. I am not quite sure how that could be undone.

**Chief Officer, Housing:**

What we are seeking to do as well is the ambulance site, Summerland, is transferred to us and we will lease it back.

**Deputy J.A. Hilton:**

That is what is going to happen? It is going to transfer to you?

**Chief Officer, Housing:**

That is what we are proposing.

**The Minister for Housing:**

It would not be a suitable site for office development but I can understand your concerns, but it would not be a suitable site for office development.

**Deputy J.A. Hilton:**

I am just concerned that a site that would be perfect for social housing might disappear or be snatched by another department for some other use.

**The Minister for Housing:**

Having said all that, we are not sitting down doing nothing while all this is going on, we are pursuing potential sites that we know of in town anyway, but I cannot say any more than that at the moment because it is quite sensitive.

**Chief Officer, Housing:**

Just very briefly: we have also talked about having perhaps a more imaginative plan for St. Helier or frankly a plan for St. Helier. We have had a North of St. Helier Masterplan but an overall plan for St. Helier could deliver huge benefits, but will require significant investment. That is an exciting prospect.

**Deputy J.A. Hilton:**

Can I just ask you a question around Fiscal Policy Panel? There was mention in that report that they spoke about spare capacity in the market and the fact that only £36 million, which was half the budget, put aside for 2012 was spent on capital projects. You must have been really disappointed that in fact more money did not come your way when it is there.

**The Minister for Housing:**

No, because we got the £27 million but just to put it into context. Our capital expenditure was £9.4 million in 2012 and the Business Plan showed that it should have been £10.8. Having said

that, of course, once we got the £27 million you cannot progress a scheme in 5 minutes. There is a lot of work going on. Today I will sign a Ministerial Decision awarding the contract for Le Coin. We have got there at last, another £4.2 million, £4.8 million, going into the scheme.

**Deputy J.A. Hilton:**

When are you hoping to kick off with the development there?

**The Minister for Housing:**

I am told they will be on site before Christmas.

**The Deputy of St. Ouen:**

What consideration has been given to encouraging the housing trusts to develop and improve homes that may currently exist?

**The Minister for Housing:**

A lot, and a lot of work together, particularly when you look at Les Vaux's Troy Court. They have worked very hard and I have worked with them and officers have worked with them to help advise them. They have worked very hard to come up with a scheme to replace Troy Court, it needs replacing. They know it needs replacing and unfortunately I think the best scheme they came up with, which required a very slight realignment to the boundary on the Parish of St. Helier scrubland, there was no support from the Parish of St. Helier on that, and I still find that quite strange, but that is where we were. So they have now come up with another scheme. The first scheme though would have allowed them to develop while people still lived in the old homes and then once finished everybody moved over and you dropped the old ones. The new scheme is going to cost more because they have to rehouse the people and develop an area at a time. But they are close to doing that. But we have been working very closely with the trusts generally. Not just on improving their stock, which they are going to do, but on providing new. Les Vaux Housing, for example, will develop the old Ann Court site once public services are finished with digging the shaft and everything. So work is going ahead on that. They have appointed their architect and they are working on that. I see the Housing Transformation Programme and the provision of social housing, not just the new company but a partnership between all of the providers to improve the standard and provide more.

**The Deputy of St. Ouen:**

Are you saying that a redevelopment of Troy Court is not only going to be now more expensive but also require the Trust to manage relocation of existing clients solely because the Constable of St. Helier has made a decision not to support the development?

**The Minister for Housing:**

You cannot say it was only the Constable. The Roads Committee said no.

**The Deputy of St. Ouen:**

Of St. Helier.

**The Minister for Housing:**

Yes, the St. Helier Roads ...

**The Deputy of St. Ouen:**

The Parish of St. Helier.

**The Minister for Housing:**

The Roads Committee said no to the realignment. It is their land, you cannot make them agree to it but it was a couple of metres of scrubland which would have straightened up the boundary, and I think given a much nicer environment for children to play in a car free area in the front as well.

**The Deputy of St. Ouen:**

Were there direct discussions between you and the Parish to try and resolve this matter?

**The Minister for Housing:**

There was indeed.

**The Deputy of St. Ouen:**

And still ...?

**The Minister for Housing:**

Still no.

**Deputy J.A. Hilton:**

So just to clarify, because there could not be an agreement about the boundary, presumably that was ... so new units could not be built by the new boundary so now people have to be relocated somewhere else which puts an additional pressure on housing as well.

**The Minister for Housing:**

It does because you have got to find somewhere else to put them. It may be that they do not all have to but certainly there is a certain amount of decanting. I have worked very hard with Les Vaux to try and broker an acceptable solution but it was not forthcoming.

**Deputy J.A. Hilton:**

Can we just talk to you about Decent Homes Standard? Can you tell us what percentage of States homes still do not reach?

**The Minister for Housing:**

76 per cent or so, 80.

**Chief Officer, Housing:**

No, it is about 75.

**Deputy J.A. Hilton:**

Reach the standard?

**The Minister for Housing:**

Yes.

**Deputy J.A. Hilton:**

Over what sort of timescale do you hope that the remaining 24 per cent are going to reach the standard?

**The Minister for Housing:**

It is a 10-year plan but you have to remember that as things move forward, so stock is deteriorating so it is keeping the 75 per cent that is already there still there, and developing the others. Some of those things of course, it sounds horrendous when you say that, but some of those things are replacement of kitchens and bathrooms, and that is important when that is done if it is needed to be done. But for me it is the proper installation and improving the heating in the home so that they are cheaper to run that are the priorities. We have done a lot of work on that.

**Deputy J.A. Hilton:**

With regard to those outstanding homes that do not reach the standard, because of the underspend in 2012, how quickly the Housing Department could react to asking for some more

money to accelerate the process of doing the renovations, carrying out the work that you need to do, so it does reach a Decent Homes Standard? Because the money is there.

**The Minister for Housing:**

We have a list of here: De Quetteville Court, that is going to be done next year; refurbish 32 units. Le Squez phase 3, that is redevelopment; knocking down and 21 units. Lesquende I have mentioned; that is 44 units. Hampshire Gardens in the middle of town there; 39 units to be upgraded, and Nicolle Close; 20 units. So there is a lot going on.

**Deputy J.A. Hilton:**

There is a lot going on, but as the Fiscal Policy Panel has said, there is spare capacity and the money is there, and I am wondering why ... we know that homes do need to be brought up to the standard so why are we not accelerating this process and getting this work done?

**Chief Officer, Housing:**

We are. We are replacing kitchens and bathrooms and I think we just need to put this in perspective about the Decent Homes Standard. There are properties that will not meet the Decent Homes Standard that fail on some very minor issues. What is important is that in prioritising our programme is that we deal with the worst first.

**Deputy J.A. Hilton:**

Can you tell me then, excluding the work that you already have programmed, how many of your units do not reach the standard because of insulation levels and double glazing?

**Chief Officer, Housing:**

There are 1,200 units that are not meeting the Decent Homes Standard and a variety of those will be through thermal inefficiency.

**Deputy J.A. Hilton:**

That is the point I am trying to make. I understand exactly what you are saying about the kitchens and bathrooms, the internal matters, but insulation is a really important one and so I am just curious as to why no attempt has been made to try and access some more money that is there.

**Chief Officer, Housing:**

I do not think you can say that because £207 million has been specified in our business case and we fought long and hard for that, and it has been one tough fight, so I do not think it is appropriate or fair to say that we have not fought for that.

**The Minister for Housing:**

Just go to La Collette and have a look at the work that is going on there.

**Deputy J.A. Hilton:**

I know the Housing Department has done fantastic work but the point is ... what I am trying to get at is that it is a difficult market out there. There are people out of work, there are construction companies suffering, and knowing that only half the budget was spent in 2012, I just want to know ...

**Chief Officer, Housing:**

We are signing next year, as the Minister has said, £27 million worth of work is programmed for 2014. We have to deliver value for money. We have to prioritise. We have to move people around the system. The worst thing we could do is throw money at a problem, which is not managed and not planned, because it would end up costing us more money. But we are spending millions of pounds, more than we have ever spent, on maintenance programmes.

**Deputy J.A. Hilton:**

Would you just confirm that as much as obviously you are being encouraged to spend money, you have to repay it?

**Chief Officer, Housing:**

Yes. That is why the business case has been so complicated because not only have we had to repay it but we have had to continue with the return to Treasury, which will be £26 million this year.

**The Deputy of St. Ouen:**

Just picking up on that because obviously part of the plan includes the sale of housing stock.

**The Minister for Housing:**

And rebuilding.

**The Deputy of St. Ouen:**

What actions have you taken in the last 12 months to sell housing stock?

**The Minister for Housing:**

It is an ongoing thing. A signed an M.D. (Ministerial Decision) this morning for another one that sold. We have to sell, from memory, about 30 a year under P.33 [*although this is what the Minister said, the actual figure in P.33 is 15*]. Some of that will be about realigning. That will be

houses that we do not want that do not fit our criteria any longer, and we just want to get rid of them. Some of it will be part of the exit strategy, as we call it, for people who find themselves in slightly better circumstances who could not afford to buy on the open market and will buy under the deferred payment scheme. But the advantage of that is the tenant who would have been a social housing tenant is housed under the deferred payment scheme so they buy their own home. The money that we get from that very often enables us to develop 2 more homes. So it is not a loss, it is an improvement but in the real scheme of things, things should be changing. It should be organic. You do not just freeze it in aspic. That is when it goes wrong.

**The Deputy of St. Ouen:**

Regarding the sale of the property, what discussions have taken place between yourself and the housing trusts because presumably they would be a potential purchaser of property that you are required to sell in order to help fund your redevelopment?

**The Minister for Housing:**

They are not generally interested in one-off homes here, there and everywhere. We have already transferred Ann Court, as I told you, the site, to Jersey Homes Trust. So those discussions are ongoing.

**The Deputy of St. Ouen:**

Why are you limited to one-off properties rather than considering the sale of a group of homes to a trust?

**Finance Director, Housing:**

I think you would need to look at the sale proceeds that you would gain from the trusts. The sale proceeds would be significantly less than we get from the deferred payment sales.

**The Deputy of St. Ouen:**

Again, it is a financial matter so it is not necessarily the case of building up social housing stock, it is a case of trying to meet the demands placed on you by the Treasury?

**The Minister for Housing:**

It is a case of building up social housing stock. When you sell it at the right price you can very often develop 2 units of accommodation for that money that you are getting and the tenant, if you can call it, or the person occupying the original home, would have been, in many cases, occupying it any way.

**Deputy J.A. Hilton:**

That is if you can find the land to build on.

**The Minister for Housing:**

As long as we have got the land. Having said that, we have worked wonders on our own land. Look at what we have done at Les Squez where we have increased the density and yet the tenants are much happier with the standard of accommodation and do not feel hemmed in.

[11:45]

**Deputy J.A. Hilton:**

Thank you. I would just like to move on and ask you a few questions around the deposit loan scheme. How many people have been successful in obtaining in the deposit loan scheme?

**The Minister for Housing:**

At the end of the October £1.75 million had been allocated through the Gateway, this is in relation to 33 properties, and loan agreements had been signed because there is a difference between allocation and signing, when a deal is complete, of 22 properties at the value of £1.16 million.

**The Deputy of St. Ouen:**

How does that fit with information that was published, I believe, regarding the Affordable Housing Gateway on 31st August 2013, which identifies the total number of applicants for affordable housing purchase scheme at 271?

**The Minister for Housing:**

How it fits, applications do not always result in people being accepted. But there is a very strict criteria in order to get on the deposit scheme. Being on the affordable housing gateway does not mean everybody on that Gateway is eligible for the deposit scheme.

**Director, Corporate Policy:**

You can ask to be on band 5 and be put on band 5, but the active scheme is the deposit scheme, which is a narrowly defined scheme.

**The Deputy of St. Ouen:**

So out of the 271 how many of those individuals can expect to be eligible to gain access to the affordable housing purchase scheme?

**The Minister for Housing:**

I cannot answer that because I do not know how many of them got 5 per cent deposit and what their incomes are.

**The Deputy of St. Ouen:**

But do you not believe that it would be better to encourage and let the applicants know from the word “go” rather than raise the expectation?

**The Minister for Housing:**

You have got it all wrong. The Affordable Housing Gateway is not only about the deposit scheme. These are people that are sitting there waiting for homes that we may well develop if the sites become available, say on an 80/20 basis, where the 20 per cent is affordable. These are people that have declared their interests in that sort of home. Now some of them are eligible for the deposit scheme but not all.

**Director, Corporate Policy:**

Band 5 is something the Strategic Housing Unit will be looking at. You look at the income brackets, the Housing Department have been great at collecting income. There are people on there within excess of £100,000 worth of income. They are not people we are going to help with affordable housing, and there are people on there with less than £15,000 a year income. Well, they are not going to be able to afford affordable housing either. They are more likely to go into social or rented.

**The Deputy of St. Ouen:**

If I ask the question: how many of the 271 people currently on band 5 would be eligible for the Housing Deposit Scheme, what is the answer?

**Director, Corporate Policy:**

When we framed the Deposit Loan Scheme we estimated up to possibly 100 households could have access to it. Now that depended on the type of property they wanted. If they wanted a one-bedroom flat clearly we could get more through the scheme because their deposit is smaller. If they want a 3-bedroom house we get less through the scheme. We have signed 1.75 to 33 people. So I think you can expect around approximately 50 people to go through the Deposit Loan Scheme.

**The Deputy of St. Ouen:**

No, that is the wrong answer to the question. It is a different answer, sorry, to a different question. The question was, I mean obviously it is not ... that is estimating, you have got 271 applicants that are covered under band 5. I am asking how many of those 271 would be

eligible. If the answer is: "We do not know, and we have got to toss a coin and we have got to guess" then ...

**The Minister for Housing:**

The answer is we clearly cannot know because even if you think the people are eligible, unless they find a property that falls within the - and we do not find properties for them - scheme they are not eligible.

**Director, Corporate Policy:**

There is a whole range of parameters around the Deposit Loan Scheme. How much assets you have got, size of your family, what your level of income is.

**The Minister for Housing:**

Price of the house.

**Director, Corporate Policy:**

Whether you are ready to move now rather than it is just an aspiration so, no. The answer is we do not know.

**The Deputy of St. Ouen:**

You have mentioned that currently 22 individuals or households.

**The Minister for Housing:**

No, 33.

**Director, Corporate Policy:**

Thirty-three have gone through the Gateway in terms of they are eligible for the Deposit Loan Scheme and have been made offers to.

**The Deputy of St. Ouen:**

Thirty-three.

**Deputy J.A. Hilton:**

And 22 have been signed.

**The Minister for Housing:**

Have actually gone through court.

**Deputy J.A. Hilton:**

So 22 have bought properties.

**The Deputy of St. Ouen:**

How many are still to be processed?

**Director, Corporate Policy:**

We have another 10 in the pipeline and on those projections I expect we should be able to help 50 approximately. The scheme closes at the end of January.

**The Deputy of St. Ouen:**

Are you notifying the potential applicants, let us call them that, because obviously you do not identify them early enough, that the scheme will end and they are likely to be unsuccessful.

**Director, Corporate Policy:**

We wrote to everybody on band 5 to alert them to the fact of the Deposit Loan Scheme. Of those 22 people who were on band 5 then applied. So of the 271 people on band 5, 22 have applied.

**The Deputy of St. Ouen:**

Twenty-two only?

**Director, Corporate Policy:**

Only.

**The Deputy of St. Ouen:**

How do you get to 33?

**Director, Corporate Policy:**

Because the other people who applied were not on band 5.

**The Deputy of St. Ouen:**

I really did think that one of the criteria that was agreed was that to obtain a housing loan you had to be on band 5.

**The Minister for Housing:**

You do not already have to be on it, but you have to then ...

**Director, Corporate Policy:**

You join band 5 as part of the buying, so when we wrote out to people ...

**The Minister for Housing:**

You cannot say because you did not put your name down you cannot now join.

**The Deputy of St. Ouen:**

How are you supposed to identify the different needs within this group if you cannot ... if you cannot identify those that are eligible for the Housing Deposit Scheme ...

**The Minister for Housing:**

You have got the Deposit Scheme wrong. The Deposit Scheme is about supporting people with the deposit. They provide 5 per cent, we provide 15 per cent. They have to find the home that they want to buy. We do not provide homes, we do not direct them in any way. They have to find a home that meets our criteria and then all the normal things happen, the normal sort of surveys and everything and good due diligence. Ours is facilitating the access to the loan, nothing more. We only access that to people of certain income and that the home has to be at the lower end of the market. We set the price obviously. It is working. It is a great success. The estate agents who were a little bit dubious to start with said at the briefing we had on Wednesday about house prices, they said it was the right amount of government intervention pitched at the right level at the right time, and it has had no adverse effect on the market. It has not forced prices up. In fact they believe in some cases it has lowered prices because people eager to sell were prepared to bring the price of their home down to within the scheme.

**The Deputy of St. Ouen:**

So are you suggesting the headlines in the *Evening Post* yesterday that house prices are rising and the demand is increasing for certain sized properties is not correct?

**The Minister for Housing:**

No, I am not saying at all. I do not write the paper headlines but in the last quarter, so that is the third quarter of the year, house prices went up slightly. Over the year, they are stable, they are flat, and that is a fact, and you can check that with the Stats Unit. Demand is up. Demand is up more than it has ever been since 2007. Having said that though, if you look at it in context, demand was exceptionally low in the first 2 quarters of this year, so I am not arguing with what the headline was in the paper but you have to look behind what is happening. So prices are flat, demand is up. That is good, because you have not got people with negative equity, you have not got Brampton House price inflation but you have got increasing demand. That indicates to me that the market is beginning to improve and the trick is getting people

buying homes, moving into their own homes without massive increases so we do not get this sort of bubble situation that we have had, and so far so good. It has not been an accident. We have worked very, very hard to pitch this Deposit Scheme where it was needed.

**Deputy J.A. Hilton:**

Have there been any discussions between yourself and the Minister for Treasury and Resources about expanding the scheme beyond the end of January?

**The Minister for Housing:**

We are in discussion almost as we speak. A report went to the Minister for Treasury and Resources today and we have some decisions to make because do you just expand the scheme or do you leave it a little while and bring another scheme in to give people a chance to save the 5 per cent? Those are the sort of things we have got to look at.

**The Deputy of St. Ouen:**

When will you be undertaking an evaluation of the Deposit Loan Scheme?

**The Minister for Housing:**

We are doing it now. It is done virtually.

**The Deputy of St. Ouen:**

When do you aim to publish the findings?

**The Minister for Housing:**

I aim to discuss it with the Minister for Treasury and Resources first and then we will make our findings known.

**The Deputy of St. Ouen:**

That is likely to be ...?

**The Minister for Housing:**

Shortly.

**Deputy J.A. Hilton:**

Can I just ask you a few questions around under-occupation of housing units? How many properties are currently under occupied?

**The Minister for Housing:**

111.

**Deputy J.A. Hilton:**

And that is across one and 3 beds?

**The Minister for Housing:**

I knew you were going to ask me. Or I suspected you would ask me. If you want the breakdown: 49 2-bed properties; 53 3-bed properties, 7 4-bed and 2 5-bed are under occupied.

**Deputy J.A. Hilton:**

How many one bed? Did you give me that?

**The Minister for Housing:**

You cannot under-occupy a one-bed unless you are no longer with us.

**Deputy J.A. Hilton:**

Absolutely. Fifty-three 3-bedroom homes under-occupied. There are a lot of families out there waiting to be housed. What can you do to encourage people to move out of 3-bedroom homes when they are being under-occupied?

**The Minister for Housing:**

We have been very strict. A lot of our problem is supply and we have got a number of units ... Journeaux Street that will come on to supply fairly soon before Christmas I hope, or thereabouts, which will help, and as you know we have got 40 of our units, or thereabouts, at Langtry Gardens, that will come on next year, and be another 40 units as well which belong to the Parish but it all helps. Because it is supply that has been the problem. However, that said, when we have identified a suitable home for someone to downsize to and they refuse you probably picked up that we have been quite firm with those tenants. Sometimes it is not an unwillingness to move it is just sometimes an unwillingness to move to a particular area, and we try and work with tenants, but we are being very firm with them. I have to say at the moment most of them are there because we cannot offer them alternative accommodation. Most of them would like to downsize.

**Deputy J.A. Hilton:**

So Langtry Garden or the development at the back of St. Saviour's Parish Hall should make quite a big difference to your figures next year.

**The Minister for Housing:**

It is going to bring 80 over-55s accommodation, and generally people that under occupy are over 55, as the family have flown. So that is going to make a difference. The few units, I cannot remember exactly how many in Journeaux Street.

**Director, Corporate Policy:**

There are 9 at Journeaux Street and another 24 at Les Squez that will come online in June next year.

**The Deputy of St. Ouen:**

In the same way that you get a breakdown of the under occupation, would it be possible to give the Scrutiny Panel a breakdown of the individual or overall number of people within band 5 and which group is eligible for what scheme. Because obviously band 5, as according to the information provided, is a summary of affordable housing purchase schemes, so is it possible to provide us with a breakdown?

**The Minister for Housing:**

I do not think it can be as black and white as that but we will see what we can produce for you.

**The Deputy of St. Ouen:**

Thank you, that would be extremely useful.

**Deputy J.A. Hilton:**

Okay, thank you very much indeed. It is 12 o'clock so I shall close the meeting.

[11:58]