



STATES OF JERSEY
Environment, Housing and Technical Services
Scrutiny Panel
Quarterly Hearing with the Minister for Housing
THURSDAY, 5th MARCH 2015

Panel:

Connétable A.S. Crowcroft of St. Helier (Chairman)
Deputy D. Johnson of St Mary (Vice-Chairman)
Deputy J.A. Martin of St. Helier
Deputy M. Tadier of St. Brelade

Witnesses:

Deputy A.E. Pryke (The Minister for Housing)
Mr. P. Bradbury (Director of Corporate Policy)
Mr. R. Buchholz (Principal Planner, Strategic Housing Unit)

Topics Discussed:

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[10:42]

Connétable A.S. Crowcroft of St. Helier (Chairman):

Welcome to the Minister for Housing, Deputy Pryke, and her colleagues from the Housing Department. We are the Environment, Housing and Technical Services Scrutiny Panel. Welcome to the public and the media to the hearing. Thank you for coming and it is our first public hearing with you, so it is a chance for us to see how things have gone since you stood for this important post back in November. We have the benefit of your speech in front of us and...

The Minister for Housing:

I relooked at it and I saw the first sentence and I thought that was a good start. I must have been by myself at the time.

The Connétable of St. Helier:

It is clearly a subject of enormous importance to the public in Jersey. There cannot be many subjects of more importance for the public about how they live, where they live, the affordability of their home and so on. It is also of course the first time this has been part of the remit of this Panel, to have housing included with environment and the technical services side. So we perhaps start by asking you, Minister, what challenges you find in terms of resources in your new position.

The Minister for Housing:

First of all, thank you and I think it is a good to have a quarterly meeting with the new Panel because it is, as you say, Chair, a very important area because it affects every single Islander, where they live and the standard of where they live.

[10:45]

We need to get that point across. As regarding the resources, it is...shall we say, we are now the Strategic Housing Unit so we do set policy and also not only policy regarding social housing providers but across all tenures whether it is in private or public sector and will bring out a housing strategy in the very near future. The officers, Paul we have mentioned, is himself and also Ralph, which is a half-time post shared with Planning and Environment, which I think is very positive because it shows that there is some crossover and there is some link with Planning and Environment.

The Connétable of St. Helier:

That is not much though, is it? It is not a big department to deliver the list of priorities that you set out in your speech.

The Minister for Housing:

No, but we will achieve and I think that is the most important thing. The first thing is to bring out the strategy and how we are going to move over the next three years.

The Connétable of St. Helier:

Is that on target because in your speech you said it would be arriving in spring of this year?

The Minister for Housing:

Yes, I am pleased to say it is definitely on target and a draft copy I think can be sent to you within the next...definitely before Easter, if not sooner.

The Connétable of St. Helier:

Okay, thank you. How much - and it is early days - but how is the relationship with Andium Homes affecting the department and the work because clearly a lot of the work, the day-to-day management of housing provision, has been taken by Andium?

The Minister for Housing:

Yes, since the States made that decision for Andium to be a social housing provider in their own right, so to speak, the responsibility goes with Treasury because they are the shareholders. We have a good relationship with Andium. I have been out on sites to see various sites. Those sites that need refurbishing and need to be brought up-to-date, as well as the new ones that have just opened up at the Belle Vue site. Also I met with their chief executive officer earlier this week to discuss various issues that do come up.

The Connétable of St. Helier:

Do you think both in terms of refurbishment of housing stock and in terms of delivery of new units that Andium is going to be much better placed than the former structure for achieving the targets in both sections?

The Minister for Housing:

Yes, I think they will be because they will now be able to do that much quicker without having any hurdles and red tape and bureaucracy that is attached to being part of a States department unfortunately. But they are very pleased and they are very motivated to be able to deliver.

Deputy J.A. Martin:

Sorry, can I just ask you: are they supplying you the information for the new housing strategy or will they be following what you introduce basically?

The Minister for Housing:

Absolutely, yes. The Strategy sets up the needs of all housing, not only social housing but how we work in future. Andium, from that point of view, is one of the social housing providers.

The Deputy of St. Mary:

Just to lead on Andium Homes, I have got what I think is a favourable report from the Comptroller and Auditor General on housing repairs and maintenance. It concludes with a list of recommendations, so I am assuming they are being worked through with Andium. That has to be seen in the context of the work done on tenant participation and all that, but there are twelve recommendations for the States to pursue with Andium and they are on track?

The Minister for Housing:

They are being pursued, I would have thought, yes. I have not had any one-to-one discussions with Andium about where they are with the recommendations as yet.

The Deputy of St. Mary:

How will that proceed? Will Andium report to you as to where they are on each one?

The Minister for Housing:

I expect that they will do and I would want them to.

The Deputy of St. Mary:

They have not done so as yet?

The Minister for Housing:

Not as yet.

Deputy J.A. Martin:

But you will be considering the recommendations from the C.A.G.'s (Comptroller and Auditor General) report into the strategic overall report to...because if it is working badly with one provider, or good with one provider, surely you will want to take some of the recommendations into the whole strategy for housing supply.

The Minister for Housing:

Yes. We have to look at recommendations as a whole and also with the other social providers too to make sure that there is going to be a level playing field across the board.

Deputy J.A. Martin:

Thank you.

Deputy M. Tadier:

Can I just ask about the two policies that are collective of the Council of Ministers? The first, I do not think it has been touched on, is the two per cent cuts. Are you fully signed up ideologically to the unilateral cuts to the Council of Ministers?

The Minister for Housing:

I am in a very nice position really because our resources are very short, very slim and obviously being collective, yes, we need to find those savings and how they will affect departments is still being worked with.

Deputy M. Tadier:

The two per cent cuts in your department; how are they likely to be manifested?

The Minister for Housing:

Well our budget is extremely low, only having two full-time officers, and a little bit of consultancy budget which is very small. I do not envisage cuts because the department is human resources.

Deputy M. Tadier:

So are you not going to make the two per cent cuts?

The Minister for Housing:

Well, if necessary, but we have not got much to cut from because our budget is extremely small.

Deputy M. Tadier:

That is right, but you have been asked to make two per cent cuts, and you are expected to deliver them.

The Minister for Housing:

Deliver. Well, we will see where that...but as I said, for two full-time appointments and a tiny bit of consultancy so you are not starting from a very high level.

Deputy M. Tadier:

The Council of Ministers, would you make that point and say actually: "We are a very lean organisation already and maybe the bigger cuts should be made in other departments and you should not make them in our department"? Is that the kind of discussion that takes place?

The Minister for Housing:

We have not had that discussion yet with the Council of Ministers.

Director of Corporate Policy:

The Minister is obviously right, we are a small department so two per cent is not that much. But equally because we share resources within the Chief Minister's Department we have got the whole tableau, if you like, of the C.M.D. (Chief Minister's Department) policy budget as well. So the Housing Department and the S.H.U. (Strategic Housing Unit) is part of that overall picture. We will find two per cent within the overall pot.

Deputy M. Tadier:

In terms of the Population Policy, the Council of Ministers has also signed up to increase the population of Jersey significantly in the next 20 to 30 years. Is that going to have an impact on housing, and I suppose the key question is: can you build houses quick enough knowing that we have already got a demand to meet the influx of new people to the Island?

The Minister for Housing:

Well, the influx of new people will not probably need social - one would hope not - need social housing as such. We know that there is in the Island Plan at least 1,000 affordable homes going to be built by 2020 and that is...so that is important to get on and get building.

Deputy M. Tadier:

Sure, but you are responsible more generally for housing and strategy so surely that is going to have some kind of impact on this.

The Minister for Housing:

That will be fed through the Housing strategy.

Principal Planner, Strategic Housing Unit:

The overall numbers which are given in the Island Plan are based on the population policy numbers, so effectively the demands across have been in equilibrium, and clearly what we are going to do about the strategy as well is publish an annual report which will look at where we are in terms of actual build on the ground, across all tenure sectors, against what the current demand

levels are. So we are always going to be monitoring that and making sure that we are on target. If we are not on target then we are either into a new Island Plan process to find more sites or other policy mechanisms to pull more supply out the hat.

Deputy J.A. Martin:

Can you remind me, if you are going to stick to the policy of selling off social housing, the number that you envisage to sell to support the new build and then what the number would be at the end that you would retain? If everything was on target.

Principal Planner, Strategic Housing Unit:

I think Andium's current policy is 15 units per year and that is in their business plan and that meets the needs both in terms of the budgets and also what they are trying to do with it in terms of giving other tenure types available to people to take on board as well. So it's not just about rental, it's also about ownership schemes as well. So that fits in very well with the strategy.

Deputy M. Tadier:

Can I ask about those 15 units? Is there anything...I mean there is an argument to say of course that you should not be selling off any stock or very minimal, given the fact that there is such a shortage of housing that...is there anything in place to make sure that those units remain as affordable properties and that they are not disappearing back into the market with its possibly rampant prices?

Principal Planner, Strategic Housing Unit:

They are wrapped around the deferred payment scheme. The deferred payment scheme effectively stipulates that they obviously have to be sold to first-time buyers. The proportion obviously is depending on what level of affordability the person can meet. It is normally about 75 per cent, 25 per cent split. But there are variances on that. When they then sell, and I do not think there have been many sales. I think the encouraging thing is that people who have bought into that scheme are looking at a lifetime home acquisition rather than as a way of making money and making a turn, but they then in turn have to be sold to first-time buyers. So that is kept within the first-time buyer market but obviously not at the shared equity split, which is another bit of work we are looking to do to make sure that we can retain properties as shared equity properties in perpetuity. That is a legal change that we are working on at the moment.

Deputy M. Tadier:

So currently all the schemes that we have got about shared equity with their Parish schemes or not basically do not have any legal basis, there is no legal standing.

Principal Planner, Strategic Housing Unit:

They are effectively sold and then they are put back into the first-time buyer market.

Deputy M. Tadier:

They are not going to remain as affordable housing?

Principal Planner, Strategic Housing Unit:

They remain affordable in the sense that they will have control of first-time market values attached to them, so that has a dampening effect in terms of the overall market value.

Deputy M. Tadier:

Sure, but we know that in reality first-time buyer homes, it is a blunt tool; you can purchase a share transfer, you can be on your tenth share transfer home and then buy freehold.

Principal Planner, Strategic Housing Unit:

I mean clearly what we were looking to do is develop further products and we need a legal mechanism to do that, so we are working very closely with the Law Officers to do that. That will be something that is very much part of the strategy.

The Minister for Housing:

Because I would like to think that once...if you did get a shared equity scheme, or whatever product, that is there for perpetuity, not just a one-off.

Deputy M. Tadier:

So actually what I am asking is will you make sure that you do not sell off any units until you know that there is an absolute way to keep these units as affordable housing going forward?

The Minister for Housing:

In some ways there will be limited affordability because they have to go back on the first-time buyers.

Deputy M. Tadier:

But we know that does not work. We know first-time buyers does not equate with affordable homes. We need a system presumably where those homes can be ring-fenced in a scheme which has a got legal basis.

The Minister for Housing:

I think, as Ralph has alluded to, there is not being sold and I think you should not stop people who wish to do that. The most important thing is to get on with legislation and get that in place, and we have started the first bit of that. But it will take time.

The Deputy of St. Mary:

A more general point: obviously your main commitment is to produce houses. Do you feel restricted by the overall plans? I can see a conflict between your requirements to build houses and environmental ones where the overview will be not to put houses there because it will create problems and demands on infrastructure generally. Do you see it as much of a problem?

The Minister for Housing:

I think we are very much set down by the Island Plan and the States decision when they rezoned some sites that that would be sufficient for the immediate need rather than building on greenfields. There are two or three other Parish sites that are due to come forward: St Ouen being one I think and the other is St. Martin.

The Deputy of St. Mary:

Briefly, I want to touch on the Chairman's area but Gas Place, for instance, there is the scope for building houses there but then if a certain number were built it would create tremendous pressure on infrastructure, schools and everything else, and that is what I am saying. I can see from a housing point of view you might wish to build X number of houses but the opposition to that number for other reasons. Is there not a conflict there?

The Minister for Housing:

I think it is probably a healthy conflict but it is working through that to kind of make sure that you come up with a scheme. I mean all that has come through planning applications. Also housing obviously is part of a statute consultee and it will have input. It is always put in there. But regarding size, dimension, amenities, basic, et cetera, part of Ralph's job is to work in Planning and Environment, and I think he is doing a lot of work regarding the space and amenity space part of that.

The Connétable of St. Helier:

Do you think the department should be pursuing minimum standards or we should be pushing out the boundaries? I am thinking in terms of room sizes, that we have all seen units that have been built in the last decade, which are really too small. You go straight from the front door into the living area, there is no corridor, there is no hallway, there is no storage space for the people who live in the flats. Open spaces, calculated, including things like balconies and roof gardens that for

much of the year are unusable. So do you think, picking up the point the Vice-Chairman has made, that because of the pressure to produce as many units as possible there is going to be a risk that we do not continue to improve the quality of the housing in terms of the space both inside the homes and outside the homes?

[11:00]

The Minister for Housing:

I think there is a level of minimum space set down with the open planning but it is how you also draw out the plans. Whether a good architect will take all those into consideration just because you are building at height does not mean that you should cut down on amenity space or whatever. But amenity space is important because especially if we are building up high it is better for children...well, for all ages but I think for children especially. That is going to be important in town.

The Connétable of St. Helier:

I am lucky I live in a house that was built in the 1830s where you cannot touch the ceiling certainly of the main living area. You have to have a very big ladder to touch the ceilings. It is a bit like the room we are holding this hearing in. Most of the units that have been built today have very low ceilings. A tall person can touch the ceiling quite easily. Just that simple point about the heights of living accommodation, which we all know intuitively, I think, that bigger rooms are better for families to live in. I have been told by a developer that the reason they do not build units with higher ceilings is because there is a standard size of board that is used for the construction of the walls and it would be much more expensive to make the ceilings any higher. That seems to me...I think that is quite sad that the houses we are building today in terms of liveability are not as spacious as the way they were building a century and a half ago. Do you agree with that?

The Minister for Housing:

I would agree in some ways, but at the end of the day it is down to making sure that we...not so much compromise but making sure that what we build is of high quality and also that amenity space is an important part of the...and using it in a slightly different way. The Langtry Gardens up at St. Saviour, they are utilising all the roof garden up there. That is good and should be done as well as using other amenity space. So we need to think of different ways but also planning, the plans coming up with something that is where people want to live in at the end of the day. That is the most important thing. That people are living and they need to make sure that they have got plenty of amenity space and good standard of accommodation.

Deputy M. Tadier:

Can I follow on about the good standard of accommodation? The States asked the Minister for Housing to report back by the end of the year to do with the formation of minimum standards. That was amended of course, so it was the Minister for Health and Social Services in consultation with yourself. There was an interesting switch there which yourself and Deputy Green did, now Senator Green. Can I ask why there has been a failure to deliver on that deadline, and we are now three months overdue and we have not seen that report?

The Minister for Housing:

I think the deadline was missed because - I say the excuse - for the elections. But it is working and I know that my officers had a meeting with the Environment Department only fairly recently to take the next step so it will be coming back fairly shortly. I have not got a timescale unfortunately.

Deputy M. Tadier:

The reason I ask is that it was amended...I mean it was originally asked that it be brought back in September and then that amendment was brought by the Ministers to, say, December. We knew that there was going to be an election anyway so I mean do you at least regret the fact that it has not been delivered on time?

The Minister for Housing:

It is always...because I like to keep to my timescales. But it is better to have a law that is going to be workable and going to be approved because the last one was put on a very false start, shall we say? A very bad start, which is most unfortunate, so it set the whole programme back by quite a few months, because that law is needed. Wearing my other hat I knew it was needed. But unfortunately it got side-tracked by various groups and what have you.

Deputy M. Tadier:

Is that law going to be workable and is it going to be effective moreover? Are we going to see standards improved?

The Minister for Housing:

Yes.

Deputy M. Tadier:

What is the framework we are likely to see because we have heard a lot about...we know that there is no regulator currently for Andium. We might talk about that in a moment. We were promised a regulator before Andium was set up. We have not seen that. We have got no

regulation to talk of in the private sector. How do you envisage it being rolled out across both sectors?

The Minister for Housing:

Are we talking about regulation or are we talking minimum standards?

Deputy M. Tadier:

Well, how do we regulate the minimum standards that we are introducing?

The Minister for Housing:

That is going to come...work is done and it should come before the States in the next two or three months hopefully. I think I am right about that.

Director of Corporate Policy:

It is really important to us that we prioritise both the Health and Safety (Dwellings) Law, standards of property and the social housing regulation for how we regulate social housing requirements. As the Minister said, we have been having close conversations with Health, we spoke to Luke Trestman(?) this week on the minimum standards and we have got a workshop tomorrow with all the social housing providers, a number of third parties and some tenants to talk about how we progress social housing regulations to the next stage. As an S.H.U. we are keen to do that as soon as possible and we are keen to have that concluded before the summer recess. We can then move on to the broader issues.

Deputy J.A. Martin:

The minimum standards law does cover all tenures, licence entitled registered properties?

Director of Corporate Policy:

It is all rental tenures.

Deputy M. Tadier:

So is it just going to be one overarching unified system or is there going to be separate regulation laws for social housing providers for the private sector?

Director of Corporate Policy:

The standards law, Health and Safety (Dwellings) Law, will apply to all rental including social housing providers. The objective obviously is to avoid any duplication between the regulation of social housing providers that also picks up the same areas. So there are two complementary

laws. One for all tenures of commercial standards where appropriate and another that regulates a range of providers that take up the Gateway and support that.

Deputy J.A. Martin:

I think, like Montfort, my concern is not just the private sector. It is the unqualified, unregistered...now called registered sector, who is going to police these minimum standards in that sector?

The Minister for Housing:

It will be the Environment Department.

Director of Corporate Policy:

I should declare that role will be blind whether a unit is qualified or unqualified, social housing or private rental.

Deputy M. Tadier:

Is it fair to say at the moment that there is no appetite to make it proactive, so it seems that the preferred route is to make it reactive? You will wait until a complaint is made about a property being unfit and then you will go and investigate, rather than introducing certification for all properties before a landlord can then rent those properties out. Which is the preferred option?

The Minister for Housing:

At the moment it is reactive. The Department of Health have been looking at other ways where they can do it. A bit like the Eat Safe campaign, whether something like that could be on a house which is...it regulates itself.

Deputy M. Tadier:

Is there a difference with Eat Safe though, presumably you cannot just open up a restaurant with no inspection and no regulation beforehand? I mean could I go out and open up a restaurant and then wait until somebody dies of food poisoning before you come and investigate? Is that how housing will work?

The Minister for Housing:

No. Those are the areas that still need to be finalised really.

Deputy M. Tadier:

Are you not concerned though, as Minister, you will have seen I am sure some of the terrible housing conditions that certain people live in, in all sectors. The fact that often people are

reluctant to complain for various reasons, they do not want to get booted out, they do not want to be evicted, they also may know the landlord, they do not know their rights, et cetera, and their rights do not exist in the first place. So is there not a concern that if we wait for people to make complaints they simply will not happen?

The Minister for Housing:

Of course it is but it is also waiting...part of it is going to be raising the awareness too that people should not put up with it and they should be there complaining to the Environmental Health, which they should in some ways be doing now.

Deputy J.A. Martin:

Is there a policy or a law coming along the line with this where we...I come from the same place, it is a tenant of any part of the rental sector that will have to make the initial complaint, I would expect, because I very rarely doubt the landlord would. Will the tenant...is there a law to cover the tenant protection if they are going to go, without any threat of eviction? Are we strengthening the laws to protect the tenant? That is basically the question. If they are complaining about their property that they are living in, paying quite a bit of money for, and the person they are really complaining about is their actual landlord.

The Minister for Housing:

I would expect that to be there but I have not read it over the last couple of weeks or so, so I need to refresh my mind. I can give you a draft copy obviously when it comes.

Deputy J.A. Martin:

It probably might not even come under your department, but we will probably follow that up and find out if there is going to be more protection for tenants if they complain to Health about their...

The Minister for Housing:

That is important because tenants need to be protected if they are of the kind of mind that do not want to complain and thrown out. That is not right either.

Director of Corporate Policy:

We have got to think about standards. It was slightly unsung but in 2013 we brought the Residential Tenancy Law so tenant rights, and for the first time they gave rights to unqualified people around. Again it was blind to whether somebody was qualified or unqualified.

Deputy M. Tadier:

But it has not been tested that law though, has it? No one has ever used the law and it has never gone to the Petty Debts Court?

Director of Corporate Policy:

We get frequent calls about it. C.A.B. (Citizens Advice Bureau) get frequent calls about it and advice is given. I am not aware of a court case, no.

Deputy M. Tadier:

And the test, if I am correct, is that a property has to be uninhabitable and then a tenant can withhold their rent and the definition of uninhabitable is what?

Director of Corporate Policy:

Is for the court to decide rather than us to decide.

Deputy M. Tadier:

That is right.

The Deputy of St. Mary:

Not totally unrelated: the tenant deposit scheme, which obviously would help in a sense that if a tenant does complain at least the landlord cannot just withdraw his deposit, but that is not -- can you tell me where we are in that? I understand the banks involved have tendered to be the approved agent, or whatever the expression is, but no decision has yet been made, is that right?

The Minister for Housing:

No, they are interviewing this week. They are interviewing 3 so it would not be appropriate for me to make any more comment than that.

The Deputy of St. Mary:

You say "interview". Is the decision taken purely on...obviously the banks concerned have...see some value to them. What are the criteria that you would apply in deciding which one is the right one?

The Minister for Housing:

It is all set out in part of the procurement. I have not been involved down at that level but there are interviews taking place this week.

The Deputy of St. Mary:

Remind me, when is it due to come into effect then? Is it the end of June, is it?

The Minister for Housing:

The law was approved last year, if I remember rightly.

The Deputy of St. Mary:

When is it going to come into effect though?

The Minister for Housing:

A lot of it depends on the provider and when the provider is chosen, and when they can start. But hopefully by the summer.

Director of Corporate Policy:

I mean one of the things it is slightly foolish to say when the introduction date where we have got to provide and negotiate with them and discuss what is viable. In terms of the tender process, I have seen the tender specifications and it is all sorts of criteria, security of money, level of service, levels of experience people have in doing this sort of business.

The Minister for Housing:

And resolution criteria as well.

Director of Corporate Policy:

Dispute resolution service, et cetera.

The Deputy of St. Mary:

Anyway, it is coming on-stream soon hopefully.

The Connétable of St. Helier:

If we are sort of finished on this subject is it perhaps, just for the sake of balance, worth asking you whether you agree that the vast majority of landlords are extremely good landlords and look after their tenants very well? There are a lot of pressures on landlords from a minority of tenants who make it very difficult to be a good landlord.

The Minister for Housing:

Yes, I think I would totally agree with that. There are a vast majority of good landlords and we need to acknowledge that. So also it is important that any laws that we do bring is not too heavy handed to put off anyone being a landlord in the private sector otherwise we would be in a...

The Connétable of St. Helier:

Supply will shrink, yes.

Deputy M. Tadier:

Can I just question that? I mean scrutiny is evidence-based. You just said that the vast majority of landlords are good landlords. I mean what basis in evidence do you have for that statement?

The Minister for Housing:

I think you can base the evidence if there were bad landlords people would have more or less come forward.

Deputy M. Tadier:

Well, they do come forward. I have been dealing with pretty much nothing other than complaints about landlords and the bad state of properties this week, indeed this morning, and to make these kind of vacuous statements, albeit prompted by the Chairman...

Principal Planner, Strategic Housing Unit:

J.A.S.S. (Jersey Annual Social Survey) 2012 did some work on that and I think there was from that 80 per cent of people in Jersey were satisfied with the rental properties. So that was something that was done back in 2012. Clearly there will be pockets of poor quality. The other thing that I was going to say about the proposed law as well is it is likely that it will allow where, for example, Health go in and inspect a property they can also apply portfolio checks as well. So if that landlord owns a vast number of other properties then that opens up the checks across their portfolio, which also quite obviously helps us to improve standards.

[11:15]

Deputy M. Tadier:

Can I just follow up quickly on the deposit scheme? It seems that there should be a synergy between the deposit protection scheme. There needs to be a mechanism to establish what the property was like when you moved in, what it was like when you moved out, and if you are going to have that system in place already then that should be able to tie in with a regulatory system with minimum standards. So is there not...

The Minister for Housing:

That is in place now.

Deputy M. Tadier:

So how would the deposit scheme work in real terms? I mean does an independent person come to inspect the property? Is it photographs? How does that currently work?

The Minister for Housing:

I think when somebody leases a property there is a pro forma that they have to fill out making sure that it is rentable, et cetera, and that there are photographs taken.

Deputy M. Tadier:

By whom and who holds the photographs?

The Minister for Housing:

I think it is probably the agent that holds it and the tenant too to hold them as well.

The Deputy of St. Mary:

Are you saying it is pointless having...perhaps the tenant should be taking photographs of his property before he signs the usual to say it is in good condition?

Deputy M. Tadier:

That is not a scheme though.

The Deputy of St. Mary:

I appreciate that. I do not think there is a scheme in place, is there?

Director of Corporate Policy:

Again, relatively unsung, I think it was last year, it might have been 2013 again, apologies. Compulsory condition reports were introduced under the Residential Tenancy Law so there has to be an account condition of the property at the outset. I am absolutely confident a copy also has to go to the tenant of that condition report and that condition report helps you navigate the dispute at the end. We felt that was a necessary precursor to a deposit scheme. Deposit schemes can have adjudication as part it and it helps tremendously if you've got something to adjudicate against, which is why we needed to bring a provision of course at the outset.

The Deputy of St. Mary:

So back to Monty's point: when the deposit scheme comes into force there will effectively be a record of some kind of what condition the property was in?

Director of Corporate Policy:

Yes. There is a dispute resolution process as well.

Deputy M. Tadier:

I do not want to labour the point but it seems that is the point in which you put your minimum standards in place, you tick the box so when somebody hands over the deposit then you can say actually...and it has met the minimum standards, that is fine: "You can now rent this place." It seems you can tie those in very easily without it being over onerous. Do you think that is reasonable?

Director of Corporate Policy:

I think the condition reports and the deposit scheme absolutely work together. I am fairly confident that the condition reports and the minimum standards will work well together, yes. If you have a condition certified at the outset the tenancy was below the statutory minimum standards then Environmental Health will investigate.

The Connétable of St. Helier:

Can I come on to the supply of homes? We are going to be undertaking our first major review on supply of homes in Jersey. We have just agreed terms of reference today so you will be hearing, once the Chairmen's Committee have given it the nod, that will be coming your way. How will you be the champion of the supply of homes in Jersey, as Minister for Housing?

The Minister for Housing:

I think to push it to make sure that things are moving rather than just taking time. I think by example there is Ann Court, which I know is close to Judy Martin's heart there, and things...so we have had Ministers' discussion; T.T.S. (Transport and Technical Services), Treasury, who else have we got on?

The Connétable of St. Helier:

Planning?

The Minister for Housing:

Planning. To what we want from that side and also who is going to be building it. Needless to say that we are all going in the right direction and we will be letting the provider know next week and then happy to let you know. Because that is the important one. It is really once T.T.S. have finished doing the shaft work there and the other bits and pieces they need to do, it is important that we get on and start building.

The Connétable of St. Helier:

We know that there are countless units that have got approval in terms of planning but are not built and some of those are on sites that have been very contentious and passed with difficulty in the Island Plan. How are you going to unlock these sites which have just got all kinds of delays on them?

The Minister for Housing:

I would like to think that, especially with talking to the Minister for Planning, a way of if we can by law, or whatever, it can stop the permits being rolled on year after year, rather than to every five years, so that people actually do get round and build them, because it is important. As I said before, it is important to build those rather than just sitting on a permit.

The Connétable of St. Helier:

A supplementary, if I can call it that. I mean apart from the properties or land where there is planning permission I am told, I think, there are 2,000 units unlive in. Do you have any views how you could encourage landlords or the owners to let those?

The Minister for Housing:

I do not know what the...I know I answered a question from you, Deputy Tadier, about under occupancy or vacant ones. I do not know if I have got the figures here.

Deputy M. Tadier:

It was not answered by Social Security so I have had to resubmit it anyway as an oral.

The Minister for Housing:

It is understanding the reason behind it and I think the question there it was...some of it was vacant because of different tenants. There we are. Between tenants was 29 per cent. There was just over 3,000 vacant dwellings, just under 45,000. And the reason for the vacancy was ... or 29 per cent of those 3,000 was between tenants. And I have got the list now of 23 per cent were second or holiday homes, 18 per cent were properties being renovated, 10 per cent were for sale, 6 per cent the residents had been deceased, 5 per cent were in a care home, 3 per cent was an owner away for long term, and 6 per cent are other reasons.

Deputy M. Tadier:

Just to clarify that: I thought you were talking about a different question so anyhow I did get that information. It was all useful, thanks for that.

The Deputy of St. Mary:

There is a fair per cent tied to holiday holy homes. I mean the...

The Minister for Housing:

Second or holiday homes: 23 per cent.

The Deputy of St. Mary:

Again, are there discussions going on as to how we might encourage landlords to rent the rest of the time by the carrot and stick approach of higher rates or whatever it might be?

The Minister for Housing:

I have not had any discussions but I am happy to have a discussion with...

The Deputy of St. Mary:

Just wondering whether there was anything ongoing.

The Minister for Housing:

Not at the moment. I think we have got quite enough at this very moment in time to be getting on with the next month, but if it is...under occupancy can be more of an issue than not being occupied at all, I think. You get where you can sort out under occupancy is by building more supply so that people can downsize or whatever.

Deputy M. Tadier:

Can I just ask, with the breakdown, the point that needs to be made, and I do not know if you accept this, it is not so much how the breakdown itself is, but it is the length of time to which properties remain unoccupied. So between tenants does not tell you anything about the individual property. If someone is between tenants for five years then clearly that property is not being very well used or there is maybe an argument to bring prices down. So that is the kind of information we do not have at the moment.

The Minister for Housing:

I do not know if we have got that information. Do we have that information?

Principal Planner, Strategic Housing Unit:

That was from the Census so it is a difficult one to...

Deputy M. Tadier:

It is a snapshot really.

Principal Planner, Strategic Housing Unit:

Snapshot, yes.

The Connétable of St. Helier:

That is going to be one of the things we are going to look at in our forthcoming review so we will clearly be coming back to you from all assistance in that because it is...

The Minister for Housing:

If we can help in anyway and the data that we do have.

The Connétable of St. Helier:

Okay, thank you. Any other questions?

Deputy M. Tadier:

If I can just ask a question about decent homes standard. What is the current figures for Andium Homes meeting decent homes standards?

The Minister for Housing:

I do not have that off the top of my head.

Principal Planner, Strategic Housing Unit:

I have not got it off the top of my head. We can get that to you.

The Minister for Housing:

We can get that, yes.

Principal Planner, Strategic Housing Unit:

They are improving. Obviously that is one of their primary goals with the money they have got to do that. We would expect progress on that.

Deputy M. Tadier:

There are concerns raised, again I have had an email about people who see the rents going up to the 90 per cent of market rate but they have not yet had their homes improved. So you can understand that there is a bit of ill feeling on their part to be paying extra rents for works that is yet to be done. Is that an issue?

The Minister for Housing:

Not that I'm aware of. But if you want to email me with that then I am happy to take it up or take it up with Andium direct, either way.

Deputy M. Tadier:

Do you accept there is a problem, if it is happening it is not really fair to put people's rents up until the improvements have been made?

The Minister for Housing:

Well, I think it is important to look at what the problem is and hear what Andium are doing about it.

Director of Corporate Policy:

The principal is 90 per cent of market. It is just the valuation mechanism. There is a valuation that went through at the point they were incorporated. It is just making sure that ongoing that those rents are genuinely taking 90 per cent of the market.

The Connétable of St. Helier:

We have touched on this already and I am not sort of talking about any specific sites, but Andium have clearly had a couple of knock...well, one knockback that I am aware of in terms of a development in St. Helier. There is this tension between your desire to get new homes built as quickly as possible, the developers' desire or Andium Homes' desire to maximise the yield on a brownfield site, concerns by residents about the impact that is going to have on their houses, particularly if they are living in Victorian or Georgian terraces, which are going to have a five-storey new development across what is often in Jersey a very narrow road, narrow pavement. So there are big concerns by residents all over, particularly in town, which is where the Strategic Plan is to focus development. Certainly I think there is a danger - I would like to know if you agree - whether it is Andium or a private developer, that they are going to be doing things like pushing the development to the margins of the site. In other words, there will not be the space for public realm, extra space for public realm, so you will have a development that will come right up to building line and you have got a pavement of less than a metre in a busy town street, which is clearly substandard for the number of people who are going to walk to work and walk to school. Whereas a developer that is not under the pressure to produce so many units would be willing to pull back the boundary of the development and give you a wider pavement. In your speech you mentioned trees and how important trees are for softening developments. Clearly you cannot have a tree if your pavement is only a metre, but if the developer pulls back the development, you have a wider pavement, you have tree planting and things like that. The other problem that I have certainly seen evidence of in presentations is that because of the building costs the developer, whether it is Andium or a private development, will say that there is no money. If we are going to

get the yield here there is no money to make those improvements to the public realm, there is no money for planning gain, for example. I know we do not have planning gain in law but I know the Minister for Planning is going to be looking. He has said publicly he is going to be looking for contributions from developers towards amenity space, whether it is right on the development or further afield. So how are we going to address this problem that on the one hand you want the provider to maximise the provision but in terms of the residents and people who are going to live in them and the people who walk along the street, there is a need not to go to those maximum number of units because the only way you can pull a building back is by having fewer units.

The Minister for Housing:

It is a conundrum and I think one that needs to be sat down and worked through. I think that is really part of the regeneration of St. Helier, which is one of the Strategic Plans from the Council of Ministers. I understand where you are coming from. As I said before, amenity space is important and also planting the trees. I know when I was the Assistant Minister for Planning at that time looking at ways of improving even the landscape of St. Helier, how it is not very green because there is not many trees. So it is important that St. Helier is looked at as a whole but also importantly that each site is looked at too. If we have to compromise then we have to compromise but it is, at the end of the day, people's homes and they have got to feel comfortable to live in, want to live there and enjoy living there.

The Connétable of St. Helier:

When you say "compromise" that can only mean fewer units because...

The Minister for Housing:

It can mean...unless you bring the price of the land down.

Deputy M. Tadier:

Can I just ask about...I mean we can only go out a certain amount but we can go up. There are restrictions on how high you can build currently, is that correct?

The Minister for Housing:

That is Planning, I think.

Principal Planner, Strategic Housing Unit:

Yes, there is height guidance, if you like, in various parts of town, which obviously has got differences depending on where you are.

Deputy M. Tadier:

Is that not something that could be looked at?

Principal Planner, Strategic Housing Unit:

Yes.

Deputy M. Tadier:

I mean if we accept the fact that the population is increasing and we have got a small island and we want to give people enough space to live in, the only way to do it really is just to build up. We know we have got Le Marais, which is...I have been lucky enough to look in there and there are some lovely views out there. Is it not just an option to build some very tall buildings in appropriate places, perhaps, in town so that we can provide decent living space for people?

[11:30]

The Minister for Housing:

I am not against going up providing that it is done sensitively.

Deputy M. Tadier:

It would not need to be in Trinity obviously.

Principal Planner, Strategic Housing Unit:

I suppose the other point, I mean I made the point before which is we are going about being site specific but if you have got a development that needs to go up in order to be pulled back from the boundaries and to increase public realm, if you have got a line two-storey Victorian cottages across a narrow road then going up is going to take all their light. It works in Le Marais but there are an awful lot of town sites where you cannot go up without taking away the light and the quality of life from neighbouring residents.

The Minister for Housing:

Or even steps back. It is down to design and that is why design is important. But at the end of the day you have got to have to want to live in. It has got to be good in all different ways.

Deputy M. Tadier:

There is an argument there is no onus on government to provide office space for commercial use but there is an onus on government to provide housing under the general human rights law. So should actually the Council of Ministers not take a step back from the would-be commercial benches in that area and just stick to providing social housing on those kind of sites?

The Minister for Housing:

That is a big question.

Deputy M. Tadier:

We have still got up to half an hour. I see the journalists poised with their pens.

The Minister for Housing:

We need both. To be able to afford to be able to live there we need new businesses to come into Jersey. We know that. To encourage more jobs to get people employed and back to work. So new businesses are important and we know new businesses want grade A accommodation.

Deputy M. Tadier:

But do you accept the private sector is not going to build social housing but the private sector will build office space as the market demands it?

The Minister for Housing:

Well, it could apply if a developer becomes a social housing provider.

Deputy M. Tadier:

Are there plans for that?

The Minister for Housing:

Not that I am aware of but it is worth asking the question.

Director of Corporate Policy:

I was just going to say what was interesting to me about the Strategic Plan was its commitment to increase the quantity and quality of public space in St. Helier. So it goes to the amenities point.

Deputy J.A. Martin:

I was going to ask, and we will be seeing it soon, the document, but can you reassure me that in the document and in the strategic housing document, that we will be seeing much more what I call, and I know you have seen it in England, I have seen it, proper sheltered housing?

The Minister for Housing:

There is a section there about special requirements and the extra care is in there as well as looking at key workers accommodation. That is an area that has not been addressed. It has been in the too hard pile, shall we say. Also areas of...I know I had a chairman of Autism Jersey looking at can we do something with young people with autism who want to live in the community. So

there is a whole group there, a bespoke group, clearly, each with their special needs and it is going to be part of the strategy.

The Deputy of St. Mary:

Sorry, I had a situation, perhaps you all know of someone like that. Whose department is that?

Deputy J.A. Martin:

There we have the rub, they cannot work together properly.

The Deputy of St. Mary:

It was not a hostile question I just generally do not know. Is it Housing or is it Social Services or whatever?

The Minister for Housing:

It is both, I think. It is understanding the need and also kind of finding ways to get that need. Because with my other hat on when I was at Health and Social Services, we moved...some care homes now have clients who have moved out and I saw...moved out into Andium homes at Langtry Gardens and so have got a tenancy in their own right, a bespoke unit there. That is what we should be doing more of. Because why somebody with special needs cannot have a tenancy in their own right. So special requirements, special interest groups we see as part of the strategy too. We need to address key workers accommodation definitely.

Deputy J.A. Martin:

But they do not have...you say they have been doing it for over 30, 35 years, doing it very well in the U.K. (United Kingdom) and it does not matter if it is a young person, 18 to 25, with autism or an elderly person needing a bit more support, they live in good sheltered housing with support. Some might need extra support, some do not, but they work and why has it taken us...can I put it this way then? Would you be hopeful that now the ministries are working better together because they are not so: "This is not my department where I supply the homes and you could supply the key workers or the community support" that this will be achieved? Because I have been waiting for this for years. So have the tenants.

The Minister for Housing:

I would like that because the extra care does work well. We got to see one in North London and obviously we have seen the one in Guernsey and it does work very, very well indeed.

Deputy J.A. Martin:

Just something that we have not touched on, and I do not know where you are with the Minister for Treasury and Resources, if we start a home deposit loan scheme. Are you still in discussions? Is it going to be repeated soon?

The Minister for Housing:

I have not had any recent discussions with him. I think he is sorting out the Medium-Term Financial Plan. But it is discussions that I do want because it was effective and it worked well last time. It might not be the same product but I think we should be looking at and able to provide something similar.

The Deputy of St. Mary:

Sorry, I am jumping around a bit. Andium Homes, I just do not know. What is the reporting relation between Andium and the Minister? We have this report from the Comptroller and Auditor General on the maintenance setup of Andium. I presume Andium, through its boards of directors, will consider that and make recommendations and report back to you. Is that how it works? How often do you meet with the board?

The Minister for Housing:

I have only met with the chairman of the board; I have not met with the board. They do come under Treasury and Resources because the States of Jersey own them, so it is 100 per cent shareholder and they have a memorandum of understanding with Treasury and Andium. Where I fit in, the Strategic Housing Unit fits in as well, is understanding their need and also looking at our need that they want them to build, and also administering the Gateway.

The Deputy of St. Mary:

So the Andium board reports to Treasury effectively?

The Minister for Housing:

Yes. But saying that regarding the recommendations, that is something I expect to have a conversation with them as well.

The Deputy of St. Mary:

There is a whole list. I expected something a bit more formal, that was really all.

Deputy M. Tadier:

Just quickly following on from that. In the absence of a current regulator for Andium is there an appeal mechanism against any decisions that tenants might have, and how does that work?

The Minister for Housing:

There is an appeal system within Andium itself. I think there are three levels of appeals. A lower level and it ends up with the chief executive officer.

Deputy M. Tadier:

So it is self-regulating essentially at the moment?

The Minister for Housing:

At the moment. But if there are any other issues obviously the last resort is court.

Deputy M. Tadier:

But is there anything...no appeal to a Minister?

The Minister for Housing:

I do get some appeals and I...well, I have discussions with Andium.

Deputy M. Tadier:

Is that an informal arrangement or does that have any statutory basis?

The Minister for Housing:

No statutory basis.

Director of Corporate Policy:

These are the issues you talked before about the delay in making the report. These are the sorts of issues that regrettably, and the question in our mind is, okay, we develop a statutory or procedure to Minister for Andium tenants but what about a social housing provider and other social housing providers, what about actually a private tenant, where do they go? All tenants need a right.

Deputy M. Tadier:

I agree, I am looking at this from a human rights perspective because there is an onus on government to make sure that there is an appeals mechanism which is conducive with human rights and if that is not in place it could well be that the Minister is in breach of human rights.

Director of Corporate Policy:

The provider has, whether it is Andium or a private landlord, a contract in place with their tenant. There is a Residential Tenancy Law, there is an avenue at the Petty Debts Court, which we talked

about before. We are reflecting on whether we can improve that approach, for all tenants, not just Andium tenants.

Deputy M. Tadier:

But the preferred option is still to have an independent regulator at some point, is that the case?

The Minister for Housing:

That was built into it, yes.

The Connétable of St. Helier:

Any other questions? Thank you very much, Minister, and your team, for a very interesting and useful set of answers to our questions, and we look forward to working with you in future and seeing you at the next hearing. Thank you for coming.

The Minister for Housing:

Thank you very much.

[11:40]