

Minister for Children and Housing



19-21 Broad Street | St Helier
Jersey | JE2 3RR

Connétable M. K. Jackson
Chairman Environment, Housing and Infrastructure Scrutiny Panel
By Email

02 January 2020

Dear Connétable Jackson.

Follow up questions from Public Quarterly Hearing – 3rd December 2019

Thank you for your letter dated the 9th December.

Please find a response to the questions posed in your letter detailed below.

Yours sincerely

A handwritten signature in black ink, appearing to read "Sam Mézec".

Senator Sam Mézec
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Social Housing

1. **The Review of Access to Social Housing in Jersey suggests that a Social Housing Forum should be established and that it could be a sub-group of the Housing Policy Development Board. Given that the HPDB is set to report in the 1st quarter of 2020, why has this Forum not been established?**

An officer-led group will be set up to meet with social housing providers on a quarterly basis to discuss operational matters, and review policies and procedures based on practical experience. It will also be an opportunity to discuss matters such as housing demand, new developments, and progress against KPIs. The forum will not be set up until the HPDB concludes its work due to competing demands.

2. **As Housing Minister, are you concerned that the government profits from Social Housing through the £30 million dividend and are you in discussions to review the level of the dividend?**

The Annual Return is included within General Revenue Income in the States of Jersey accounts which is offset against Net Revenue Expenditure. The current policy on rents and the Annual Return was approved by a previous States Assembly in P.33/2013 (The Reform of Social Housing). I am concerned that this model is not the most appropriate way of providing genuinely affordable social housing. Consideration is being given to mechanisms to improve affordability and these will be included in the report to the Chief Minister from the HPDB.

3. **How much has Andium spent in order to become compliant with the Rent Safe scheme? Is Andium still on course to be 100% compliant with Rent Safe by the end of this year?**

The Andium team is passionate about the delivery of more and better homes. The significant refurbishment works that have been carried out over the last five years, means all homes met the Decent Homes Standard by December 2019.

How much has Andium spent in order to become compliant with the Rent Safe scheme? Is Andium still on course to be 100% compliant with Rent Safe by the end of this year?						
Assuming Rent Safe = Decent Homes						
Detail taken from Financial Review in published Annual Reports:						
Maintenance work is planned to systematically bring all stock up to Decent Homes Standard, whilst also responding to emergency repairs						
	2014	2015	2016	2017	2018	2019
	<i>6 months</i>					<i>Forecast</i>
Total maintenance expenditure	3,245,000	8,342,000	7,768,000	8,207,000	10,607,000	13,481,000
of which relates to:						
Decent Homes expenditure	1,265,550	3,087,000	3,183,000	3,641,000	4,166,000	4,213,000
	*estimated					
The above expenditure does not include capital project spend (for example the refurbishment of Plaisant Court) which also forms part of the Decent Homes percentage.						
Capital project spend is reflected below (reinvestment).						

4. Please advise how much Andium reinvest annually in Social Housing and how much was reinvested by Government in Social Housing prior to the creation of Andium.

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Reinvestment calculation per our KPI's uses the figure for 'New Build costs', but I would recommend using the 'additions' figure from Note 7 in the annual report (which does include capitalised finance costs):						
	2014	2015	2016	2017	2018	2019
	<i>6 months</i>					<i>Forecast</i>
Additions per Note 7	11,033,000	27,318,000	14,028,000	48,204,000	39,011,000	60,318,000
Total since incorporation:	199,912,000					

Homelessness Board

5. Please provide a list of members of the Homelessness Board.

- Managing Director, Ocorian (and Chartered Surveyor) - Independent Chair
- Managing Director, Voisin Hunter Limited (and Chartered Surveyor, private sector property agent) - Independent Vice-Chair to the Board
- Deputy Director Primary & Community, Pathways, Health and Community Services, Government of Jersey
- Vice Chair, The Shelter Trust
- Head of Policy and Communications, Andium Homes
- Detective Chief Inspector of the SoJP
- Director of Local Services, Government of Jersey
- Policy Principal, Strategy, Policy, Performance and Population, Government of Jersey

Airbnb properties

In May this year the media reported an 800% growth in Airbnb properties in the Island. In other places such as [Amsterdam](#), the introduction and growth of Airbnb has had an impact on housing prices.

6. Do you consider this to be a factor in Jersey's increasing housing prices?

Airbnb rental properties are likely to increase overall demand for property in the Island and therefore be a factor in increasing house prices. No study of its impact has been conducted to date so it is not possible to evaluate to what extent it is a factor although it is expected to be less significant than other drivers of demand such as inward migration or ageing demography for example.

7. Will this be something you will be monitoring as part of a wider housing affordability strategy?

There are no plans currently to monitor Airbnb as part of a wider housing affordability strategy.