



Health, Social Security & Housing Panel

Social Housing Waiting Lists

Tuesday, 10th MAY 2011

Panel:

Deputy G.P. Southern of St. Helier (Chairman)
Connétable D.W. Mezbourian of St. Lawrence (Vice-Chairman)
Connétable S.A. Yates of St. Martin

Witnesses:

Deputy A.K.F. Green MBE of St. Helier (The Minister for Housing)
Connétable G.F. Butcher of St. John (Assistant Minister for Housing)
Mr. I. Gallichan, Chief Executive - Housing
Mr. M. Porter, Director of Operations – Housing

In attendance:

Mr. W. Millow, Scrutiny Officer

[10:00]

Deputy G.P. Southern of St. Helier (Chairman):

Welcome to this inaugural meeting of the Health, Social Security and Housing Scrutiny Panel in its review of social housing waiting lists. As you say, it is your first time, Minister, and in that sense I draw your attention to the conditions under which you speak in front of you.

The Minister for Housing:

Okay, thank you.

Deputy G.P. Southern:

Traditionally what we do is introduce ourselves around the room in order that the microphone and the transcriber can pick up our voices. So I am Deputy Southern, as you know, Chairman of this particular Panel.

Connétable D.W. Mezbourian of St. Lawrence:

I am the Constable of St. Lawrence, Deidre Mezbourian. I am Vice-Chairman of this Panel.

Connétable S.A. Yates of St. Martin:

Silva Yates, Constable of St. Martin.

Mr. W. Millow:

William Millow, Scrutiny Officer.

The Minister for Housing:

Andrew Green, the Minister for Housing.

Assistant Minister for Housing:

Graeme Butcher, Constable of St. John, Assistant Minister for Housing.

Director of Operations - Housing:

Mike Porter, Director of Operations at the Housing Department.

Chief Executive - Housing:

Ian Gallichan, Chief Officer at Housing.

Deputy G.P. Southern:

As you know, the attention that we have got at the moment is on the waiting lists and, first of all, I think I will start you with a soft opener which is tell us how you define social housing, because that is what we are focusing on?

The Minister for Housing:

Social housing: we have got a definition actually that is going to be in our White Paper that we are going to be bringing out later on; it is all housing not let or sold on the open market for residentially qualified occupation. Obviously that excludes arrangements that might be made around family occupation, if they sublet or whatever, but that is the definition that we are using.

Deputy G.P. Southern:

In terms of the structure of social housing, how do you see what we have got now and whether that is the right balance and what do you see coming in?

The Minister for Housing:

Well, the structure: obviously we are in a partnership in as much as we are probably the landlord of last resort for very many of the people coming forward to social housing. We provide social housing but we are in partnership with the trusts as well, the various housing associations and housing trusts. But it is, as I say, that we are very much a landlord of last resort. When people come to us they usually are in difficulty, either about to made homeless, homeless or in dire need of improved accommodation.

Deputy G.P. Southern:

In terms of social renting and talking about waiting lists in that sense, what is your stock currently?

The Minister for Housing:

When you say what is my stock, do you mean how many houses do we have? I do not know the answer to that but I am sure ...

Chief Executive - Housing:

It is 4,500.

Deputy G.P. Southern:

Out of a total social rental houses?

Chief Executive - Housing:

Just over 6,000.

The Connétable of St. Lawrence:

Minister, "landlord of last resort" is quite an interesting comment, I think. Will you expand upon that, please?

The Minister for Housing:

Yes, I think people come to us when they cannot satisfy their needs elsewhere and obviously some of our tenants' situations change. If you just take my own parents when they were housed by Housing; we were living - a family of 6 - in 2 rooms with no sanitation, no electricity, and this was only 1974. So when Housing housed them they were in a desperate situation and things changed then later on, in as much as they did not need the support that Housing would continue to give. But, of course, they were too late to buy their own house. They have both got decent jobs and so on. So when people come to us it usually is not a choice, as such. It is because they are desperate.

The Connétable of St. Lawrence:

So are you saying, for clarity, therefore, that the States should not be providing social housing and that others should be?

The Minister for Housing:

No. No, I am not saying that the States should not be providing social housing. I am likely to be saying though, or will be saying soon in a White Paper, that the States should be doing it differently. We need to provide more social housing, in actual fact, and we also need a single point of entry, if you like, between ourselves, the very good work the Parishes do and the very

good work the housing associations do. We do intend to have this gateway as part of our transformation programme where a person can make an application and be picked up either by the housing associations, by ourselves or by the Parish, depending on what is most appropriate and what is available at the time.

The Connétable of St. Lawrence:

So just for me so that I am absolutely certain, are you saying then that it is a role of the States to provide housing, but there are others who should be providing it before people come to the States?

The Minister for Housing:

I am saying that there is a role for many organisations to meet the different needs of different people.

The Connétable of St. Lawrence:

Okay, that makes sense. Thank you.

Deputy G.P. Southern:

That is not quite the provider of last resort. It seems to me that is a bit of an extreme view to say only if you are living in inadequate conditions and only if desperate do you come to the States. It seems to me that implication is there somehow.

Chief Executive - Housing:

I think just to clarify that point; in view of our size and in terms of our stock and our set up as a Department, we offer services that perhaps some of the public trusts, for instance are not able to provide at this stage. We work very closely with Health and Social Services with our Supported Housing Group where we pick up a number of Schedule One offenders, which is packages that are put together by States departments to assist some quite complex and vulnerable cases. That is not mirrored across the sector as a whole yet. So in terms of, I would say, some of Jersey's most vulnerable I would say, yes, we are the landlord of last resort because of our size, the kind of structures that we have in terms of the Department and just the set up of our assisted living and supported housing group, for instance.

Deputy G.P. Southern:

Before we go on any further, can I just recognise that I failed to say one particular thing. We are aware of documents that you have submitted to the Council of Ministers, which are still confidential. I intend to close with about 20 minutes to go and go private in order that we can discuss that document. If at any stage you feel that you want to go straight on to that document,

please signal and we will go into a private session for whatever time it requires or we will save it for the private session. So, having said that, I know that Constable Yates wants to take ...

The Connétable of St. Martin:

I have an interest in waiting lists and I want to ask you a few questions sort of fairly way down at the grass roots level about the approach to waiting lists. I think the first question is very simple. How do you choose a tenant at the point of allocation? You have got an empty apartment or a house. According to your list, you have got 425. So if you could give me a little resume of the choice point; that somebody must sit around a desk with somebody else and say: "Well, I think Mrs So and So is probably more deserving than Mr. So and So." I would like to follow on with a few follow-up questions after that, please.

The Minister for Housing:

I will let the officers answer the detail on that, but what I will say it is purely on a point allocated system. So there are points allocated according to different needs and those with the greatest needs would be offered the most suitable home at the time. I know that because a number of people have come forward to me directly, as Minister, showing particular needs, but it always goes back to the officers to allocate on those that are most deserving at the time; but if the officers want to add detail to that.

Deputy G.P. Southern:

Can I just ask: what ministerial involvement is there in allocations at all?

The Minister for Housing:

None, other than setting the policy that has been agreed.

Director of Operations - Housing:

The Panel will have a copy of the Allocations Policy. Page 5 of that policy describes the points system which we use to allocate against each individual applicant following their assessments. Those points are used to identify the most suitable person or the person or family with the greatest need for that particular property. We use several integrated housing systems - I.T. (Information Technology) equipment, if you like - that assists us, whenever we have a property returning, in churning out those customers with the greatest points and the greatest need. It is not as simple as that, of course, and no case is completely black and white and there are certain considerations to be made for both the applicants and also the property which is being offered. So after the points system has, if you like, produced a list of people of highest need, there is a certain amount of recognition of individual circumstances for both applicant and property which allows the officers to take the best possible view and allocate the property to that person.

The Connétable of St. Martin:

So you obviously must give an applicant an application form where he will fill in details of his present accommodation or bank account or whatever. Is that correct?

Director of Operations - Housing:

That is absolutely correct, yes.

The Connétable of St. Martin:

Do we have a copy of this form in this bundle? I do not think we have.

Director of Operations - Housing:

I do not think we gave you a copy of the form. I can make it available to you.

The Connétable of St. Martin:

Thank you, I think the committee might like to see that. Did I hear you mention an I.T. programme which assists you?

Director of Operations - Housing:

We have, yes; the Saffron Integrated Housing System.

The Connétable of St. Martin:

Saffron, okay. So in fact your discretion is guided by your computer program, presumably?

Director of Operations - Housing:

The computer program will issue a list of those in greatest need at that particular time according to the property type, if you like, that comes back. But, again, there needs to be a personal view taken, given the number of points the person has and the property being offered. There may be a number of issues with that property that makes it more appropriate to be offered to somebody, number 2 or number 3, let us say, rather than primarily to the person with the highest points. There needs to be a personal view of it.

The Connétable of St. Martin:

I scanned the points system prior to coming here this morning and you start at 100 and go down to 15. It all seems a little bit arbitrary; so somebody must have actually thought about this and said: "For that we will allocate 40 points or for that we allocate 95 points." Now, this may be sort of cutting the grass a bit short, but the thing is I just wonder whether your computer system takes all the discretion out or do you actually look at the computer system? The question is: do you look at the computer read-out and say: "Well, I think probably we could adjust this a bit." Is there that discretion in the system, please?

Director of Operations - Housing:

Absolutely. As I said, no case is absolutely black and white. There is always flexibility within each and every application and there needs to be a personal factor in this of experience and understanding of the personal situation for that allocation to be made most appropriately. The system has developed, I think, over a number of years with a great deal of experience from history both here and in the U.K. (United Kingdom). The Saffron System is very commonly used throughout the providers of social housing.

[10:15]

Chief Executive - Housing:

I was going to say, people are obviously visited at home and an assessment is made. There are 2 officers dedicated to that. Therefore, they are assessing people based on the criteria established in the policy and, therefore, that is how they get the points because it is obviously us who put the points into the system. All the Saffron System is doing is effectively taking into account people's preferences, the circumstances surrounding the case and drawing up a shortlist from which you allocate.

The Connétable of St. Martin:

Can I ask, just to sort of finish up the I.T. side, the 100s and the 40s and the 60s and the 25s - that scale rather than you awarding points - the scale of the points is part of the computer system or your own decisions on ... I am not really making sense here, am I.

Chief Executive - Housing:

No, I think I know what you mean. Somebody is visited by a Housing officer who assesses their situation. So, for instance, 100 points would be if they were homeless; in other words, they were about to face eviction. So they would move to 100 points, which is the most number of points that you can have.

The Connétable of St. Martin:

I think the question I was going to ask was: does the Saffron System say that for an eminent eviction you will allow 100 points?

Chief Executive - Housing:

Well, the Saffron System does not say that. Effectively, we have created the ...

The Connétable of St. Martin:

That is the input from the officer; okay, fine.

Chief Executive - Housing:

Yes, and there are points for, for instance, medical reasons or financial reasons, et cetera. But I think the important thing from this is - and, hopefully, we will move into this later on - the establishment of the gateway, which is effectively a common waiting list, as we would like to see a move away from the points system.

The Connétable of St. Martin:

We know there is a gateway eminent, but I wanted really to sort of satisfy myself that the points allocation was either computer-led or officer-led, the actual scale.

Chief Executive - Housing:

No, it is officer led.

The Connétable of St. Martin:

I am not talking about the awarding but the scale. You decide that eviction is 100 points. You decide that.

Deputy G.P. Southern:

So the weightings are yours. The set of questions, the look at these criteria, is Saffron. You decide the weighting. So you have decided that 100 points for eviction compares with urgent financial need is 40 points. Somebody has put that in the system. On top of which you have got some flexibility toward extra points for other difficulties. Can you just give us an idea of what sort of other difficulties come up that are not on the list? How does this apply and how often do you use it?

Director of Operations - Housing:

Well, we can talk about overcrowding, for example; 50 points for overcrowding. There can be varying degrees of overcrowding and, of course, it would be incorrect to be apply 50 points to all cases of overcrowding, whether it is one person over or 10 people over; so there has to be that flexibility in. It is very important that we maintain in this the human element, the human factor that these are customers. These are people and families in great need that we are dealing with and that, in itself, requires some individual flexibility.

The Connétable of St. Martin:

I just want to finish my train of questions, if you do not mind.

Deputy G.P. Southern:

Of course.

The Connétable of St. Martin:

The next bit really, which follows on, is the Housing Department's responsibility for their tenants. They are not only sort of units, they are people, and sometimes you get bad tenants; antisocial tenants who make everybody's life in the neighbourhood a misery. So an antisocial family or person gets warnings no doubt, yes? Pretty true?

Chief Executive - Housing:

Yes.

The Connétable of St. Martin:

They do not mend their ways, they continue to be antisocial, creating havoc in the neighbourhood, and they get an eviction order. How many times has that happened in the last 5 years or 2 years or whatever?

Chief Executive - Housing:

On average, there will be up to, maybe, 10 evictions in a year. When I say 10, not actual evictions but 10 processes leading up to eviction; because obviously we are about housing people, not evicting them.

The Connétable of St. Martin:

I did not quite catch the last few words.

Deputy G.P. Southern:

They are about housing people and not evicting them.

The Connétable of St. Martin:

Yes, I have got.

Chief Executive - Housing:

The actual going through with eviction and depriving somebody of their home is very much the last resort.

The Connétable of St. Martin:

Yes, but you have said there are 10 evictions accomplished.

Chief Executive - Housing:

Ten processes up to ...

The Connétable of St. Martin:

Ten processes?

The Minister for Housing:

Sometimes, with some issues it is sufficient to start the process for people to come into line. I think that is what Ian is saying.

Chief Executive - Housing:

I am, for the very reason that, on the whole, the majority of people will comply up to that point and it is only the most serious cases where we will evict somebody because, being totally realistic, if you evict someone and deprive them of their home - and this is where we come to the States' responsibilities and us as the landlord of last resort - there has to be a solution in there somewhere with some agency.

The Connétable of St. Martin:

That is the question I was going to put. When a person has been evicted, what happens to them and what are your responsibilities about taking a problem off your back and putting it on to somebody else in some other agency? Do you work with other agencies in these extreme situations?

Chief Executive - Housing:

Absolutely, I mean, our Supported Housing Group and our Assisted Living Team, in all honesty, pick up those most vulnerable cases and invariably the very poor levels, or perhaps antisocial behaviour, are linked to other problems within the family. It is very rare for there just to be antisocial behaviour. It can often be linked to financial matters or it can be linked to medical conditions, et cetera. So it is very rare for it to be purely ...

The Connétable of St. Martin:

So I think my final question on this train of questions might be along the line that, in these unfortunate circumstances where you have got an extremely antisocial tenant and they have been evicted or else processed, do you have any measure of the success of turning their life around?

Chief Executive - Housing:

Yes. The measure of our successes would be through our Supported Housing Group and our Assisted Living Team where we have taken some of those people and I can think of a number of people whose lives have fallen apart, who have indulged in some pretty unpalatable behaviour and, with the help of other agencies and a support package - and that is the important thing, the support package - they have turned their lives around. Of course, if somebody's behaviour is so bad, it becomes a criminal matter and, therefore, the relationship with the police is really

important. Mike Porter would certainly say to you that the relationship with the police has improved enormously in terms of them picking up criminal matters; because we are a social landlord, we are not a police force. But I would rather focus on that small group of people (there is only 3) in the Supported Housing Group who have a great deal of success in turning people's lives around.

The Connétable of St. Martin:

I may have diverged slightly from the waiting list but I am pleased that I have probably enlightened some of your responsibilities and I thank you for that. That is the end of my line of questions at the moment.

The Connétable of St. Lawrence:

Ian, I would like to come back to something you said earlier about the changes to the system. So at the moment you have a points system, but you said when the gateway is introduced it is likely to be changed. It is something I think you said may be in the White Paper?

Chief Executive - Housing:

Yes.

The Connétable of St. Lawrence:

When we met with some of your officers recently they told us that the U.K. are actually moving away from the points system and moving towards bands of priority groups. Is that something that you will be looking at as part of the consultation for the gateway? If so, do you believe the points system has worked or not?

Chief Executive - Housing:

I think housing is no different from anything else; it evolves. I think the points system needs to be replaced. I think the banding will be a better reflection of people in greatest need, but also what the banding will do is enable people who currently are not able to access social housing, certainly States social housing, to access it.

The Connétable of St. Lawrence:

How will that be?

Chief Executive - Housing:

Through the gateway people will be able to apply for social housing, full stop, and they will be assessed. They will either be assessed as in need of social housing or they will be assessed as perhaps somebody who might need social housing but eventually would be in a position to buy a first-time-buyer home, through whatever scheme the States adopt, or it may be somebody who

right away could buy a home through the scheme the States want to adopt. But at the moment - and certainly we felt and I think this is what Whitehead said - generally we are of the view that the constraints on the waiting list are too tight. We are missing out a big group of people who will be lifelong renters who, in our view, have every right to access decent affordable homes and they are forgotten.

The Connétable of St. Lawrence:

Where are you in deciding who will administer the gateway?

Chief Executive - Housing:

We have made quite a lot of advances in that. It is felt that, should the States agree that States' rental homes is put at arm's length, there are a number of residual items that would have to be left behind. One of those would be the gateway because it would be a common waiting list and it would be inappropriate for any particular social housing provider to administer that gateway. So that is one of the functions we would see as remaining with the States, so to speak.

Deputy G.P. Southern:

Just for the sake of clarity; the narrowness of the list is that if you are between the ages of 25 and 50 as a single person with no children and no other illness or disability, you are not eligible. In fact, if you are between 18 and 25 you are not eligible either in terms of your own right without children or without some disability. That is the block of people that you are saying we do not currently cater for?

Chief Executive - Housing:

That is right. That is the challenge, yes.

Deputy G.P. Southern:

If someone, being slightly mischievous, was to say: "You are opening that gate. Oh, this is Pandora's Box. This is a free-for-all. This is completely open to anybody on the Island if they are in, let us say, low paid earnings." Is that correct? That means the demand for social housing is likely to ... is the word "rocket" or how do you see it, Minister?

The Minister for Housing:

That is why I have been very cautious. I am very concerned, particularly for the groups that you have just described and, if I was to be entirely honest, I have been even more concerned about the under 25s as some of the vulnerable people that we have there. One has to be very careful about how we widen those criteria and it is policy under development at the moment, but I do think we need to do something about it. We are still working on it and we could perhaps discuss that in more detail later on.

Deputy G.P. Southern:

Later on, you mean in private?

The Minister for Housing:

Yes, today.

Deputy G.P. Southern:

Okay, I am quite happy to do that and we will come back to it. The waiting lists in general: we mentioned one figure already on the waiting list. What is the trend with the waiting list? What is happening and, whatever the trend is, can you explain what you put it down to?

The Minister for Housing:

Well, again, I will allow the officers to put detail in there but, you know yourself, the trend is up and that is down partly to the economic situation we find ourselves in. I think that is probably the main reason, but it is up and unacceptably so. These are people we are talking about, not just figures.

The Connétable of St. Lawrence:

You said partly to the currently situation. Do you think there could be other reasons as well as?

The Minister for Housing:

Well, I am new at this but, as a new person looking in, apart from Salisbury Crescent coming online fairly soon, we, as a States, have not invested in housing for many years. We have had an increase in population, yes. We have invested and encouraged investment through housing associations, but we have not had any new developments for many years now and I think that is something that we need to put right.

The Connétable of St. Lawrence:

I know when we spoke to the former Minister, Senator Le Main, last year he told us that - I think he used the term "disgusted" - he was disgusted with the proposed Island Plan because there was an inadequate supply in it, or proposed in it, of social housing, be that perhaps first-time buyer, and I think there is nothing in there for States provision of rental housing. We had some amendments made to the draft Island Plan from individuals, such as Deputy Le Claire, who are proposing the inclusion of Category A sites. You yourselves, as a Department, have put nothing in the Island Plan. Do you want to tell us about that and why?

The Minister for Housing:

Yes, okay, that is fine. It is quite simple. I take the view that the development of green fields should be absolutely last resort; that we have sufficient either States-owned property or sufficient brown-field sites if the Island Plan goes through to provide all our needs.

[10:30]

The problem is that we have had these sites for many years - this is how I see it - but nothing has been done with them and they are sitting there and you could name some of them and you could widen it as well into places like Le Bas Centre, which probably is not on the list from memory. Le Bas Centre would make an ideal already States-owned asset to develop social housing. The land is there in already brown sites or already owned by the States but we have not done it. So why would you want to increase the number of sites available but continue to do nothing with them?

The Connétable of St. Lawrence:

Are you talking, Minister, more about the first-time buyer homes perhaps, those sites?

The Minister for Housing:

I am talking about both really. There is provision around. If you take the site at La Collette alone, you could provide in excess of 90 extra homes perhaps on land we already own, if we had the money to do it. That is social renting. I think one of the cornerstones of the Island Plan is about first-time buyers, about affordable homes. We have sufficient sites, if we have got the money, and that is partly what, in terms of social renting ... because there is a difference. In terms of social renting, that is partly what our transformation programme would be. It is only one leg of the stork. Our transformation programme will put us in a position where we can get the funds to start building the social rented housing.

The Connétable of St. Lawrence:

What sites have you identified, if this goes through? You just mentioned La Collette.

The Minister for Housing:

Yes, La Collette is one site that we already own. But the States own loads of sites, some of which you would want to sell off to help fund other sites perhaps. There are loads of sites that the States own that we could get on and develop.

The Connétable of St. Lawrence:

So are you saying, Minister, that if the transformation programme is approved and is progressed through, the waiting lists will be reduced dramatically because you would be able to provide the social housing that is needed?

The Minister for Housing:

I truly hope so. Of course, what I do not know is what the trend is going to be in terms of the economy and everything else but what the transformation programme will allow us to do is to take a much more pragmatic business-like approach to building. I will give you a small, practical example. Recently, you saw the opening of the Scott Gibaut Homes Trust. That was based on a mortgage and the rents paying the mortgage. We are not allowed to do that at the moment, but the transformation programme will put us in a position where we could borrow the money to develop some of the sites that we already own, providing the business case stacks up. We cannot do that at the moment.

The Connétable of St. Lawrence:

But that must be, surely, the reason for the proposal of the transformation programme.

The Minister for Housing:

It is one of them, definitely. It is probably the main driver.

Deputy G.P. Southern:

If I can just summarise briefly; the problem is not just an increase in the amount due to the economic situation, but a lack of supply?

The Minister for Housing:

Yes.

Deputy G.P. Southern:

We have not got a sufficient supply?

The Minister for Housing:

So we have had an increased demand and no increase in supply.

Deputy G.P. Southern:

You say that depends on, if you like, the recovery and the progress made towards that. Does providing enough housing depend on the economic situation? Is there a link there to migration, you see?

The Minister for Housing:

I think it would be wrong to say there is absolutely no link to migration, but I do not think that is the biggest issue.

Deputy G.P. Southern:

Would you like to explore that a bit more?

The Minister for Housing:

Yes. The biggest issue is that we have more people already well-established in the Island looking for social housing and we cannot provide it. Now, the transformation programme will allow us to provide more but we will be working with our colleagues in the housing associations as well to encourage them to provide more.

The Connétable of St. Lawrence:

How have you been encouraging them to do that to date?

The Minister for Housing:

Yes.

The Connétable of St. Lawrence:

How have you been encouraging them, because they are not coming forward with new homes?

The Minister for Housing:

Well, they are coming forward to talk to me about, at the very beginning, schemes and I cannot say much more than that at the moment because, the two gentlemen concerned there, we are talking about a possible scheme which would enable them to provide more housing without funding from us. That is the important point. I do not want to say too much about that at the moment.

Chief Executive - Housing:

I do think there is a political decision to be made about States-owned sites. Are you going to use the States-owned sites to deliver a hefty capital return or are you going to use those sites to deliver social rented homes and possibly some first-time buyer homes? If you are going to use States-owned sites, then you can deliver a significant number of homes but you cannot do both.

The Connétable of St. Lawrence:

But when will that political decision be in the arena to be made?

Chief Executive - Housing:

Through the Island Plan.

Deputy G.P. Southern:

Your Assistant Minister wants to come in.

Assistant Minister for Housing:

I just wanted to come in and I might well put my foot in it but hopefully not. We have a difficulty with the States itself. We have a States Department that controls most of the Island's properties and their mandate is pretty well to achieve as much as they can in terms of income from that.

The Connétable of St. Lawrence:

Can you just name that department?

Assistant Minister for Housing:

It would be Property Services.

Deputy G.P. Southern:

They are responsible directly to which Minister?

Assistant Minister for Housing:

The Minister for Treasury and Resources.

Deputy G.P. Southern:

Thank you.

Assistant Minister for Housing:

The problem we have is it is a difficult battle. They have one mandate, we have another. To achieve more housing we need to be able to acquire sites at a sensible figure.

The Connétable of St. Lawrence:

Constable, you view it as a battle?

Assistant Minister for Housing:

No. I think things are improving. I think things have been difficult in the past.

Deputy G.P. Southern:

Can I paraphrase; is that a marked change in direction that is required?

Assistant Minister for Housing:

It seems to be going that way.

The Connétable of St. Lawrence:

How has it changed direction?

Assistant Minister for Housing:

There just seems to be a little more openness now with the person responsible for that. We have yet to achieve much from it, but it is early days.

Deputy G.P. Southern:

So there are promises but nothing yet?

Assistant Minister for Housing:

No.

Deputy G.P. Southern:

Okay. I notice the body language of your officer throughout this entire conversation. He has either been holding something in or trying not to say a word. So I will give him the chance to ...

Director of Operations - Housing:

I have got nothing to add really. I think, in terms of the relationship, things are running fine.

Deputy G.P. Southern:

Okay, I started picking up some body language earlier from that.

Director of Operations - Housing:

I will sit on my hands.

Deputy G.P. Southern:

Perhaps you would like to tell us a little bit more about how the waiting lists have been rising and the extent to which they have been rising, because I think it is quite significant.

Director of Operations - Housing:

Certainly, yes. I refer to the information we publish on our website where it indicates from 2005 we had a waiting list of 192, which has risen through, at 1st January this year, to 425. So it has more than doubled. It seems to be a fairly constant increase.

The Connétable of St. Martin:

Could I question that, Mr. Chairman? I just did a little quick calculation. In fact, 2006 was 72 more than 2005. In 2007, the waiting list fell by 31. In 2008, it was plus one. It then jumped magnificently, or maybe the reverse, in 2009 to plus 58 and then, again, another big jump in 2010 to plus 93 and in 2011, which is not finished yet, it is plus 40. So it is doing that and then that and then sliding back again.

Chief Executive - Housing:

It is the supply. There has been supply of homes.

The Connétable of St. Martin:

How many people on the waiting list? That is what it says here.

Chief Executive - Housing:

Yes, but what I am saying is the waiting list has gone up and down because you will get some supply. But what has happened is we have had precious little supply over the last 2 years with a waiting list that is going up; so you do not get the injection of new homes to bring the list down.

The Connétable of St. Martin:

Yes. The point I make, I think, really is that it is not steadily rising and, in fact, it is a bit wavy.

Chief Executive - Housing:

But that is because of the supply of homes.

The Minister for Housing:

There is a demand for more smaller homes than there ever has been - more 1-bedroom and 2-bedroom - and we have not kept up with that.

Chief Executive - Housing:

That is right.

The Connétable of St. Lawrence:

Minister, tell us what your priority is at Housing, because we are talking about waiting lists. But what is your priority and how does that affect what we are discussing?

The Minister for Housing:

That is a really important question because I hope to (1) get back in at the next election, and (2) continue with the housing role. That said, if I was to try and dabble and develop policy in every area nothing would get done in the short time we have left. That is why I think this White Paper that is going to come out some time towards the end of June will drive the transformation programme to at least put the Housing Department in the better position whereby we can meet the needs of these families because they are families we are talking about. I could live in Cloud Cuckoo and say: "I have just got to ask for X amount of million pounds from the Treasury Minister – I will be given it." I will not. The money is not there, so I have to find other ways of providing the funds to provide the homes for these families. My priority is the transformation programme to put

us in a position where we can start to work on these homes and give hope to some of these families because that is what we need to do.

The Connétable of St. Lawrence:

Minister, do you want to discuss that now or do you want to leave it until the final 20 minutes, as the Chairman proposed?

The Minister for Housing:

It is up to you. I am comfortable if you want to take that 20 minutes now or whether you want to leave that until later on.

Deputy G.P. Southern:

It is easier if we take it towards the end, I think. We will not forget to go there.

The Connétable of St. Lawrence:

So your priority is the transformation programme?

The Minister for Housing:

Absolutely, otherwise you are in danger of trying to do everything and achieving nothing; or I am in danger of that, should I say.

The Connétable of St. Martin:

Minister, or maybe Assistant Minister, regarding the developments in relation to the waiting list since the publication of the Whitehead Report, I would like you perhaps to tell us how you and your Department work with the housing trusts.

The Minister for Housing:

Could you ask me that again, Constable, please?

The Connétable of St. Martin:

Please explain how you and your department work with (a) the housing trusts, and (b) the Parishes.

The Minister for Housing:

Okay, I have a view on how I want to work with the trusts.

Deputy G.P. Southern:

Tell how it is, firstly.

The Connétable of St. Lawrence:

That might be a good opener.

The Minister for Housing:

Okay. I think we need to be seen as equal partners in this and I have met with all the chairmen of the trusts to discuss the transformation programme. I want to encourage the housing trusts - particularly as their outstanding loans are paid off and, therefore, the rents still come in and that money is there to be reinvested - to continue to reinvest. Obviously, they will need to keep a certain amount of reserves. Part of the transformation programme will be regulation of housing and that would include ourselves. We will be a provider and, therefore, we will not be the regulator and that must apply to housing trusts and us; so much more collaborative working. I am not suggesting there is a major problem now but there is a common gateway where we are all housing providers. It is all part of the social renting sector. Of course, I am not forgetting my other responsibilities in terms of affordable homes for people that want to buy but, in terms of working with housing associations, I want much more collaborative working together.

The Connétable of St. Lawrence:

Do you feel that process is on the way?

The Minister for Housing:

Well, I think so. You would have to ask the chairmen of the housing associations.

The Connétable of St. Lawrence:

We will be.

The Minister for Housing:

But the first meeting I had with them, I felt we had a really good frank and open dialogue and they provided me with lots more information, some of which the Department may have had before, that was willingly given, openly given and I do feel that we are beginning to work well together. What has happened in the past I cannot answer for because I do not know.

The Connétable of St. Lawrence:

I think though that it is important that we do know how it has worked in the past because we are looking at the waiting lists and the fact that they are increasing. So maybe one of your officers could tell us how you have worked in the past with the trusts which the Minister is not able to do at the moment.

Chief Executive - Housing:

I think I have put this into context. We have got 4,500 properties and the Jersey Homes Trust, which would be the biggest housing trust by far, I think has about 700 and something, and the rest tail off quite significantly. So the Jersey Homes Trust is the biggest. When new developments come along that the States have helped finance, be it through letters of comfort or development subsidies, we have had 80 per cent nomination rights and, thereafter, 50 per cent nomination rights on subsequent vacancies. That is checked every year and I think our relationship has developed and it is better now than it has ever been. But I think some of the tensions have arisen because, when the trust policy was developed, the Housing Department was left out of it and, frankly ...

[10:45]

Deputy G.P. Southern:

In what sense do you mean?

Chief Executive - Housing:

Well, I think the policy at the time seemed to be that there were stock transfers of empty properties that were passed on to the trust for refurbishment. That is great in terms of access to funds and the trusts have been very successful in that, but what it did do was leave the Department in a position where some of its rental income was disappearing. Part of the long-term financial solution for the Housing Department of the States-owned stock is not to pass on the ownership at nil cost to other housing trusts but to retain that stock and see the housing trusts and ourselves acquire more homes, which are clearly needed. So it should have been a level playing field and in fact it was not, which led to tensions; not between the individuals I do not believe.

Deputy G.P. Southern:

So, to a certain extent, you are saying that housing stock was going out of your hands into the trusts' hands with no net increase effectively or less increase than there might otherwise have been?

Chief Executive - Housing:

Well, it certainly delivered two things. It enabled the trusts to grow and it obviously allowed the States to access private funding and, as I say, that has been very successful but it did not increase the stock. Obviously, Mr. Van Neste will speak for himself, but he and other trust chairmen, I think, came into this business not just to refurbish existing homes but to provide more and they have done some of that, but there is the potential to do more of it. But I think, to start with, the trust policy was that the trust would do, initially, new development and the Housing Department would not do any. Well, you cannot manage a portfolio on that basis because there

would be shifts in emphasis as to what you need and, therefore, we effectively have had our hands tied behind our back because we had not been able to acquire the stock that we have needed. For instance, we know that we need more 1-beds. Well, if we were not going to acquire them, we would have to leave the trusts to do that. Well, that is fine but it puts our stock out of kilter, which is exactly what we knew and exactly what Professor Whitehead said.

Deputy G.P. Southern:

That does not become a problem unless the trusts and perhaps the Parishes are operating on a different set of criteria for their waiting lists, does it?

Chief Executive - Housing:

I think they are and I think they accept that they are because they do not apply the same criteria that we do and that is why the common waiting list and the gateway is the best way to proceed, because you will have common criteria and you will not have duplication - because you will find some people on a Parish list that is on a trust list, that is on a Housing list - and get a better handle on actual need and you are ensuring, I think (and that is open to scrutiny) that those in greatest need are housed first. I think that is important. If you are using government subsidies or you are rezoning land, then it should be used for those in greatest need and I think the gateway will help us do that.

The Connétable of St. Lawrence:

You are talking about the future, the gateway, and you say it will ensure that those in the greatest need are housed first. Do you think that is not the situation now?

Chief Executive - Housing:

I think it is patchy insofar as if you look at our list, which is open to scrutiny in our allocations, then obviously, on the point system that we have got at the moment and the criteria that we set for people accessing our waiting list, we are housing those in greatest need. I think the evidence of that would be the number of people on Income Support in our stock, vis-à-vis housing trust stock. Now, that is not a criticism insofar as the criteria are different. Do the trusts provide homes to people in need? Absolutely, and I am not taking issue with that but, clearly, - undoubtedly because of our size, is one of the issues - we are picking up more vulnerable people and we have the infrastructure and staff to do that. Talking about trusts, it is much, much smaller. But I have no doubt, as they grow, they will be picking up more of these cases and they would argue they pick up some already.

Deputy G.P. Southern:

For the sake of clarity, we do not have a single waiting list?

Chief Executive - Housing:

No.

Deputy G.P. Southern:

Do we have to wait 2 years down the line until the gateway is formed in black and white before we get the joint waiting list?

Chief Executive - Housing:

No.

Deputy G.P. Southern:

What progress are we making?

Chief Executive - Housing:

A lot of progress has been made and, as the Minister has mentioned, we have had very good discussions with all of the trust chairmen about this gateway and common waiting list and, I have to say, they have been very positive about it and, obviously depending on the ability to establish it, we would like to get it up and running by 1st January next year; so we would not wait 2 years.

The Connétable of St. Lawrence:

We just started by asking the Minister how he works with the housing trusts. Specifically for waiting lists, how do you liaise? Do you check the names on your list against those on the lists for the housing trusts?

Chief Executive - Housing:

Well, we are now as we move to establishing a gateway. So they have been providing us details of their waiting list applicants.

The Connétable of St. Lawrence:

You say "now". Since when?

Chief Executive - Housing:

Well, I think the important thing is that they are voids. When a void property comes up, if we have nomination rights - as I said, we have 50 per cent nomination rights for available vacancies - we are granted those and, at the end of each year, we will check the voids that the trusts have had and see that we have had our quota. In terms of assessing their waiting lists, no, we do not assess their waiting lists. That would not be practical.

The Connétable of St. Lawrence:

What we are trying to establish really is the number of people who are waiting to be housed in the Island. Is there anywhere we can go for a one-stop shop to identify that number?

Chief Executive - Housing:

Well, in terms of those in greatest need, then I am afraid we are the one-stop shop because they are people who have been visited and assessed. I think, as Professor Whitehead said, in terms of the most vulnerable in Jersey being housed, that is happening; but I think we were talking about widening the parameters. Again, you have got to look at the statistics and it is an average but I think over half of the tenants of housing trusts are on Income Support. So there are clearly people who are being housed who are in need.

Deputy G.P. Southern:

Within the criteria that we currently operate and pending the change in those criteria?

Chief Executive - Housing:

Yes.

Deputy G.P. Southern:

So within that criteria, we have a number. We know it has increased. To what extent have you got then with the Parishes and looked at the common waiting list for Parishes and yourselves? Are you making progress?

Assistant Minister for Housing:

Well, certainly, I had started a piece of work under the previous Minister to get the housing trusts to try and look at duplication. Now, that work is ongoing at the moment but there had been some concerns among the Constables but, bear in mind, they are not all Parish run. My own Parish, it is an association. It is not a Parish, it is an association that runs it and we run a criterion of nominating and then the members of the association have the final say. We use slightly different criteria. If it is Parish funded, so we look for Parish people first before we sort of move other people in. Certainly some of the Parishes have given us information but probably, if you took all the Parishes in, there are probably 200 homes in total. We have got 22. I am not sure what you have got, Connétable, in St. Lawrence.

Chief Executive - Housing:

Twenty-seven.

Assistant Minister for Housing:

Yes. So there are probably about 250 units in total; but certainly from my own - and I am not sure how yours operates - we give priority to Parish people.

The Connétable of St. Lawrence:

But, Constable, you say that you were looking to work with the Parishes and the trusts to establish that there is no duplication.

Assistant Minister for Housing:

That is right.

The Connétable of St. Lawrence:

You are moving forward on that?

Assistant Minister for Housing:

Yes.

The Connétable of St. Lawrence:

Why are you doing that?

Assistant Minister for Housing:

Just to try and get to a more defined figure as to waiting lists because there had been suspicions in the past that people - and I am sure there are - were sitting on several different waiting lists; so the picture that you were getting was not in fact the truth. So it is information.

The Connétable of St. Lawrence:

So you are trying to establish what we are trying to establish: how many people are there in the Island - be they married couples, be they people with families or individuals - who are waiting to be housed or are looking for homes? So that is what we are trying to establish as part of our remit. That is what you are trying to do.

Assistant Minister for Housing:

In the overall picture, yes.

The Connétable of St. Lawrence:

When are you going to be there? When are you going to know for sure how many people are waiting, because until you know ...

Assistant Minister for Housing:

Well, I would say when all the information is collated. It is a piece of work that is ongoing at the moment.

The Connétable of St. Lawrence:

Right, okay. How long will it take? When do you think? Give us a timeline.

Chief Executive - Housing:

What we are saying is the gateway on the waiting lists we want to be up and running by 1st January 2012, but I do think it is really important that the lion's share of that information is in our list. That is important. These are real people who have been visited and had their circumstances assessed and meet ... okay, I agree the narrow criteria but at least those are the people who are in greatest need.

The Connétable of St. Lawrence:

So are you saying you think you know almost how many people there are waiting to be housed?

Chief Executive - Housing:

No. What I am saying is certainly we have been assessing the waiting lists from the trusts and we have got a very accurate picture, with the current criteria, about the number of people who need housing. What we are saying is that the gateway needs to be bigger than that because there is a group of people who are being missed out and until that gateway is established, which, as we say, we are working on at the moment, we will not have that accurate figure and that is a political decision as to whether those people are able to assess affordable housing.

The Connétable of St. Lawrence:

Based on the figures, Mike, that you have been mentioning to us - and we have some figures in here - how have you worked with the Minister for Planning and Environment to look to the future to providing the homes that are necessary, bearing in mind that we have been through the Island Plan consultation?

Chief Executive - Housing:

Yes. Well, the Island Plan highlights 4,000 new homes, 1,000 of which are deemed to be affordable social rented. We think that is an important clarification to define what we mean by "affordable" because we certainly mean that is social rented and first-time buyers, but it certainly does include social rented. So that is what the plan has highlighted. There are various ways of delivering that. You can do it through rezonings, which the current Minister for Planning and Environment does not wish to do. You can do it through existing States-owned sites, which we think, clearly, you can do, but it is difficult to obtain a capital receipt of the size that is wanted and

produce subsidised housing. I do not believe any society has managed to square that one. Something has to give somewhere. So we work very closely with Planning and that is the figure that has been established. I think our concern is making sure that the sites that have been highlighted, be they States-owned sites or remaining H3 sites, deliver the homes and therein lies the problem.

Deputy G.P. Southern:

I am glad to hear you speak out on behalf of rental properties because certainly the development down in the Marsh in your sort of territory, St. Peters/St. Lawrence way, was allocated as rental housing initially and they were converted into first-time buyer or Jersey Homebuy developments and thereby, in a sense, there was no extra bonus from them. They were just transferred from one to the other and the demand for social renting is still there, undoubtedly. Can I move on to financing of housing? The fact is the Whitehead Report also pointed out this fundamental flaw in the Housing Department's finances, which says that some of the money, £6.5 million annually, is siphoned off the revenue stream that you have into the general running of the States and that has been a basic problem. How is that going to be addressed, Minister?

The Minister for Housing:

Could we take that later, as in our 20 minutes?

Deputy G.P. Southern:

I think we probably can. If you think it is sensitive, we have got to.

The Minister for Housing:

Well, some of it could be but not all of it.

Deputy G.P. Southern:

Can we move on then?

The Minister for Housing:

Sorry, I would come in with a general principle that, clearly, one of the reasons why States rental housing has not been developed is about funding. The sites are there and the transformation programme is one of the things - it is not the only thing but one of the things - that will help to address.

Deputy G.P. Southern:

In terms of previous policy to date, never mind the future - to put us on safe ground - would you say that what we have been doing is patching up a system and finding solutions? The selling off

of States rental stock is, in my mind, short-sighted and a temporary alleviation. It means you get some capital you can use but, nonetheless, that is the real sticking patch.

[11:00]

The Minister for Housing:

As a general principle, I am not in favour of selling off our housing stock. Having said that, on occasions, there are properties that do not fit our portfolio that need to be got rid of. But, as a general principle, I am not in favour of selling our stock.

Deputy G.P. Southern:

Let me talk about what has happened, which is the letters of comfort, the support for the 4 per cent interest rate on the housing trusts, (a) how well has that worked, and (b) as we come to it into a period when the borrowing, the loans that were taken off to supply that housing, are paid off? How do we ensure that income for the trusts comes back into development of social housing?

The Minister for Housing:

That is, again, part of the work that we are doing. We need to encourage the trusts. They do need to have sensible reserves because there is maintenance that has to be done and that has to be an outpour in order that we can maintain not only the essential maintenance but plan proper replacement and refurbishment, if one understands what I mean by the difference. There is no doubt that the trusts have to be in a position where they can have those sensible reserves. Now, what level those reserves are, I do not know enough about it yet but that needs to be determined. Then, beyond that, they need to be encouraged - and we will be doing that and we are already in this dialogue - to reinvest in social housing, because they exist for the purpose of providing social housing. That is why they have started. They are people who are not there to make a profit. They are there to provide social housing, so we need to encourage that.

The Connétable of St. Lawrence:

You think housing trusts are definitely not there to make a profit?

The Minister for Housing:

No, they are there to have sensible pricing structures that allow them to maintain their property and reinvest. So I suppose it depends on how you determine "profit". Yes, they will have an income over and above their operating costs, particularly as their mortgages get paid off and their loans get paid off. They will have an income over and above, but that income can then be reinvested for these families that need to be re-housed. If we, as a States' housing provider, do our share and encourage those people to do their share then it is a win-win for people that need housing.

Deputy G.P. Southern:

I am aware that we might be about to go into private session, I think, because it seems to me that we have explored what we can do or we have come quite close to it. I just want to ask one particular question; except that in thinking of it, it has just escaped from my mind. It is one of those, whoops, senior moments: "Oh dear, I thought I had a question but it is gone." Let me just have a few seconds of breathing time.

Chief Executive - Housing:

While you are thinking of that, Chairman, just to say I think the transformation programme is all about bringing together the housing trusts and what will hopefully be a new housing structure - company or whatever - wholly owned by the States, to provide and implement policy dictated by the States of Jersey; so operating on a level playing field, operating in co-operation to provide homes for Islanders. Trusts are not profit-making organisations and I have no doubt at all that the income we have and the income that they have will be used to maintain the stock to an acceptable standard and provide new homes for people in Jersey. I think that is what they are about and it is what we are going to be about. What we are looking at is a strategy that brings both of us together to do that and that is what we are looking for: a cultural change.

Director of Operations - Housing:

Just one additional point I would like to add if I can mention it to you while it comes to the next question: the waiting list and the increase over recent years. I pointed out that 2007 saw a reduction to 31. Looking at 2006, there were 205 additional properties coming on line which would have caused that waiting list to fall off temporarily before it started to recover again; the year before that 26; the year after 77. That was a particularly busy year for additional stock coming in, after that very little.

Deputy G.P. Southern:

I will use that opening to say that projecting forwards we are looking at increased waiting lists at the moment, without any other provision, without extra provision somehow built into this. We are looking at a steady and inevitable increase in the waiting list for social housing. With that the question has come to me. The aim is to provide affordable and sustainable housing for the population of Jersey. The question is: what is the definition of "affordable" in the sense that the waiting list inevitably will go up if housing for purchase is not affordable and we have seen a major subsidy going into house sales so far. Is that inevitable? Is it sustainable that increased subsidy carries on or what? How do you see the building of affordable housing?

Chief Executive - Housing:

I think a point, Chairman, you have made over a number of years is that the actual number of social-rented homes compared to, say, the U.K. is, I believe, opposite. Again, it is obviously a political decision but one would think that if you are able to increase the number of rental opportunities for people, good quality reasonable rental homes, that there will not be this aspiration necessarily to acquire a property come what may. That is probably more likely in view of the attitude of financial institutions now, in terms of lending money and deposits. It is not just Jersey, it is a British thing, is it not, about probably owning your own home and nothing else will do. Frankly, if we are able to increase the number of rental homes in the Island - good quality, security of tenure and a decent rent - then a lot of people will probably be dissuaded from wanting to purchase unless it is absolutely essential.

Deputy G.P. Southern:

Politically, to what extent will you go down the path that your officer just outlined?

The Minister for Housing:

I entirely agree with what he has just outlined in as much as I think we have to get into a situation where rental is not seen as a second-class citizen and security of tenure is an important part of that. I think you will see the release of properties at the other end of the market and I will give an example: I know of people that would sell their property because they are coming up to retirement age and allow them to enjoy some of the capital that they have accrued. Obviously they would not be coming to us, but if they could find the right rental accommodation in the Island with security of tenure those houses would be available to families to buy now. It is a complicated mix, but to provide good quality rental housing that is seen as acceptable to others rather than having to sacrifice absolutely everything in order to purchase and there will be some that always want to do that. If you like, I lived out in Germany for 3 years and German culture is quite the opposite to ours. The majority rent and a few buy and that is about quality.

Deputy G.P. Southern:

Is that a question of the affordability of housing in Jersey? If we are talking about a multiple of the average wage of around 13 times for a basic 3-bed property, there is no such thing. In fact, one report for Planning said there is no such thing in Jersey as affordable housing, certainly on the buying market, because people just simply - whether it is a flat or otherwise - cannot afford it; the multiplier on average earnings is just too big.

The Minister for Housing:

It is a whole raft of things. It is about availability; it is about affordability; it is about earnings. It is a whole raft of things, but I think part of our contribution is to give people a real choice about whether they want to buy or whether they want to have good quality rental homes.

Deputy G.P. Southern:

I think at that point I will have to move into private session where we can really examine what this gateway is because all we have heard is the phrase so far and if members of the public do not mind leaving, thank you. We should be about another 20 minutes perhaps.

[11:10]