

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 19th MARCH 2013**

Question

Will the Minister explain why the Housing Transformation Programme proposals have not addressed the advice from Professor Whitehead regarding Social Housing on pages 44 -45 of her Report that the “*current eligibility criteria are very constraining*” such that “*the waiting list is ... restricted to match the vacancies*” and that to meet the unmet need for “*those in long term housing need, the appropriate size of the sector would be 20% or 25% (higher)*”?

In particular will he advise why

- (a) no changes to eligibility rules for States housing have been proposed, and
- (b) the overall growth of the social housing sector proposed amounts only to 2% (84 additional properties) over 20 years?

Will he confirm that the additional rental income produced from those in receipt of Income Support (IS) will be as indicated on page 52 and will he produce similar figures for the additional rental income for those not in receipt of IS?

Will the Minister agree to circulate to States and private tenants a calculator to enable tenants to understand what the Minister’s proposals will mean to their rental payments in the short (1 year), medium (5 year) and long term (10 year)?

Answer

The proposals set out have been put forward with the aim of addressing the advice given in Professor Whitehead’s Review of Social Housing in Jersey.

I feel that her comments still stand and that the waiting list is restrictive in its current state and agree the sector needs to grow to meet the real demand for social housing in the Island.

However,

- (a) Widening the qualifying criteria for social housing is something I am determined to do. I could widen it today, by Ministerial Decision, but I believe it would be dishonest to do that now, when demand is already far outweighing the supply of affordable homes.

I have included in my proposals the establishment of a Strategic Housing Unit which will see the delivery of an island-wide housing strategy. I will expect that strategy to properly investigate the criteria for social housing and make recommendations for how it should be widened – and indeed how supply can be increased to reflect and deal with the increased demand.

The Strategic Housing Unit will be responsible for the management and further development of the Affordable Housing Gateway and associated criteria, having the

ability to widen the qualifying criteria but also to champion the delivery of additional affordable homes to meet that increased demand.

- (b) My proposals aim to deliver far more benefits than an increase in the social housing stock of only 1.8% over the 30 year period. They will also see the existing stock brought up to Decent Homes Standard within a 10 year period, will see an additional 300 affordable homes delivered and provide the Housing Trusts with the ability to deliver an additional 203 social rented homes. They will also create a new housing company, one which is more commercially agile and flexible to respond quickly to the changing housing needs of the Island.

The business case allows for all sites currently in States ownership and designated for social housing to be developed. However, the new company can and will deliver further social housing for viable schemes if further sites are identified and borrowing is made available. I am delighted that the Treasury & Resources Minister has indicated that this will be the case.

The penultimate column in the table on page 52 of the Report & Proposition shows, in real terms, the modelled additional rental income from the proposed rent policy compared with the existing rent policy, which is constrained to the levels set within the Income Support regulations. This additional rental income is from all tenants regardless of whether they are in receipt of Income Support. The amount of this additional rent expected to be paid by Income Support is shown in the final column.

As I have made clear in my proposals, existing social housing tenants will not be affected by the proposed rents policy whilst they remain in their existing homes and will only see annual inflation based increases, as has been the case in most years to date.

Tenants moving within the stock will move to the 90% of market rental for their new property. The level of this new rental will vary significantly depending upon the individual property and its current rental.

On average only 7% of the social housing stock become vacant in any one year, so it will take many years for the policy to be fully implemented. Tenants move for a variety of reasons, with some moving to larger accommodation as their family grows, whilst the majority move to smaller accommodation as their family reduces in size.

It is, therefore, not possible to create a calculator which will serve all tenants adequately or even give an approximation of the likely effect, given the many variables identified above and individual circumstances.

It is important to remember that under my proposals, all tenants on Income Support will be fully protected from the proposed rents policy. In addition, in future, all tenants will be offered homes that will meet the decent homes standard and will be more economical to run. Crucially, all tenants will be fully aware of the cost of the rental payments before they accept their new property.