

**QUESTIONS TO BE ASKED OF THE PRESIDENT OF THE HOUSING COMMITTEE ON TUESDAY  
10th JUNE 2003, BY SENATOR E.P. VIBERT**

**Question 1**

The Committee of Inquiry into Procedures for the Allocation of Residential Property by Housing Trusts presented its report to the States on 13th May 2003.

In view of the fact that the Committee of Inquiry made 23 recommendations to standardise and improve methods used by Housing Trusts and the Committee in the allocation of residential properties, would the President inform members which of the recommendations the Committee will be acting upon and when?

**Answer**

The Committee will be considering the report of the Committee of Inquiry into Procedures for the Allocation of Residential property by Housing Trusts at its meeting on 20th June 2003, and I am unable to answer the Senator's question until after that date.

**Question 2**

In relation to the delays in the sale of first time buyer flats on the Waterfront housing development due to legal issues, would the President inform members –

- (a) why these delays could not have been resolved during the two year construction period so that purchasers could have taken possession virtually on completion? and,
- (b) when these legal problems are likely to be resolved so as to allow those awaiting completion to take possession of their property?

**Answer**

- (a) The flats were sold by flying freehold, which requires as an essential first step before any flats can be sold the registration of a detailed Declaration of Association, which regulates the rights and obligations of the owners of the flats in the development.

The Albert Pier development consisted of two separate blocks of flats, one of which was to be sold to the Jersey Homes Trust and one to first time buyers. The blocks overlie an underground car park which was to be used in common by the owners of flats in both blocks. The Committee was advised that as a result of this it would be necessary to have a single Association for both blocks, rather than creating one for the block which was to be sold to the Jersey Homes Trust and one for the block which was to be sold to individual first time buyers.

As a result, this was one of the most complex transactions in the field of housing which the Committee has seen through. The terms of the Declaration of Association, which has to precede any sale by flying freehold, had to be agreed with the Jersey Homes Trust, and the Committee's advisers had to take great care that the Declaration was in terms which would properly protect the interest of the first time buyers. The documentation was not limited to the Declaration of Association. In addition, there were subsidiary agreements such as the assignment of the collateral warranties, and of course the conveyances themselves, all of which had to be agreed with lawyers acting for the other parties. The process of agreeing the terms of all these documents was resource hungry and time consuming.

Just before practical completion, concerns were generated relating to site contamination which occasioned further discussion between the parties and their advisers. These could not have been foreseen by the Housing Committee, which had been assured that the site was fit for residential purposes. Nevertheless, as a result of the urgency with which these concerns were addressed both by the Trust and its lawyers and by

the Committee's officers and the Law Officers' Department these were dealt with within a very short timescale, given the complexity of the legal solution arrived at and the number of parties who had to be satisfied with that solution.

- (b) The problems have been resolved and the main sale contract for the northern part of the development to the Jersey Homes Trust passed through the Royal Court on 6th June 2003.