

Chief Minister



19-21 Broad Street | St Helier
Jersey | JE2 4WE

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

13th November 2020

Dear Chairman,

Housing Scrutiny Written Questions.

Due to the resignation of the Minister for Children and Housing I have attached the written responses to the questions you submitted which were due to be put to the Minister at your scrutiny hearing on the 12th November.

If you have any further areas of questioning or wish for an officer briefing to take place, please contact the private secretary for the portfolio who will prioritise arranging these for you.

Yours sincerely,

A handwritten signature in black ink, appearing to be "John Le Fondré".

Senator John Le Fondré
Chief Minister
D +44 (0)1534 440636
E j.lef@gov.je

Housing Policy Development Board – Long Term Plan

- 1. The Housing Policy Development Board’s report and recommendations was anticipated earlier this year. We understand this is now due to be published before the end of the year. Please could you advise what date you are targeting for publication?**

The Board has submitted its report to the Chief Minister. The Chief Minister will determine the date of publication.

- a. Would you be able to provide the Panel with a briefing and early preview of the report, prior to publication?**

We will advise the Chief Minister of the Panel’s interest in a brief/preview. This will be a decision for the Chief Minister.

- 2. What have been the challenges which have led to the delay in producing this report?**

The Covid-19 public health crisis delayed the work of the Board. The Board’s work had been nearing completion prior to lockdown in March 2020. The Board re-convened in September to complete its work. The Board judged that it was important to consider if the impact of Covid-19 on Jersey’s economy/housing market had affected any of its recommendations before submitting the report. A Covering Note on the Board’s conclusions around the impact of Covid-19 will be published alongside the Board’s report.

- 3. Of the £140,000 funding that was allocated for 2020, how much has been spent to date? Please could you provide a breakdown of any such expenditure related to this project to date?**

The £140,000 2020 allocation was to fund staff costs (£75,000) and consultancy fees (£65,000). Although a member of staff occupied the related housing post in Q1 2020, staff member was not funded from this allocation and the staff post is currently vacant. Consultancy fees to Altair in 2020 amounted to £45,988. Total spend/savings on the project can be summarised as follows:

| Housing PDB and long-term plan | Budget | Actual | Savings |
|---------------------------------------|----------------|---------------|----------------|
| Staff costs | 75,000 | - | 75,000 |
| Non-staff costs | 65,000 | 45,988 | 19,012 |
| | 140,000 | 45,988 | 94,012 |

- 4. In R.89/2020 – the progress update states that work has been carried out “in-house with a saving provided against anticipated consultancy fees.” Please could you provide the total amount of this saving? What will costs saved be put towards or will there be no ‘draw down’ of these costs (therefore reducing the amount allocated to this project for 2020)?**

The finalisation of the Housing Policy Development Board’s report, including the Board’s response to Covid-19, was carried out in-house and reflects the £19,012 saving identified in Question 3. The saving will not be drawn down.

5. When was it identified that this work could be achieved in-house?

Discussions between officers in June/July 2020 indicated that the finalisation of the Board's report could be carried out in-house without further consultant support.

a. Is there a reason why external consultancy was planned for in the first instance?

The need for specialist external advice was identified at the start of the project. Altair (external consultants) were appointed; their knowledge and analysis of national and international housing markets formed a significant part of the input from which the Board formed their recommendations.

b. Is it your aspiration to achieve work in-house where at all possible instead of incurring the extra expense of consultants?

SPPP provides an in-house policy resource that supports ministers across a range of portfolios. The need to draw on external expert policy advice will be carefully considered in respect of each individual policy project. External contracts are only awarded where specialist knowledge and expertise are not available from internal resources.

c. For what ongoing, or future, planned work might it be deemed necessary to call upon external consultants?

This is decided on a case by case basis for each project. There are currently no external expert contracts in place with respect to housing policy tasks.

6. We note in the Government Plan 2021 that funding of £725,000 is being requested for 2021. This has been reduced by half of what was estimated for 2021 last year (£1,425,000).

a. Please could you provide a breakdown of what this is intended to cover?

Of the £1,425,000 requested under the "HPDB and long-term plan" allocation, £725,000 has been re-profiled with a revised total of £700,000 submitted in 2021. The breakdown is as follows:

- Housing strategic coordination (IHE): £250,000
- Housing policy development (SPPP): £150,000
- Grant to Shelter Trust (CLS): £300,000

b. Do you feel this level of funding is sufficient to meet the aims of this project?

Yes. The Board's recommendation points to the need for better coordination between housing supply and delivery across Government departments and arm's length organisations. The level of funding for this role is considered sufficient. The grant to the Shelter Trust reflects a Government assessment of the Trust's financial need based on the number of service users it receives annually.

c. What do you hope to have achieved by this time next year if this funding is secured?

With respect to each of the activities set out in 6a we have submitted business cases for the following:

- Recruitment of one senior officer, one support officer and project costs for the introduction of Housing strategic coordination.
- Provision of a grant to Shelter Trust to help fund staff resource requirements and operational costs.
- Support for ongoing need for new housing legislation and policy advice.

7. Last year's Government Plan agreed for the £10,000,000 to be set aside to provide financial assistance for homeownership schemes. Please could you advise if this funding is still ring-fenced for this purpose and, if so, when we might expect to see these funds utilised?

The £10,000,000 is currently held within the General Reserve. Page 128 of GP2021 confirms as follows:

*The reserve is held outside of operational expenditure limits, and can be used to meet unforeseen pressures, or to provide advance funding for urgent expenditure in the public interest. In each year, amounts are held to manage fluctuations in benefit expenditure due to economic changes, and to allow one-off investment for emerging priorities in 2021. In addition, the Covid-19 Contingency of £40 million will be held centrally **and also £10 million over the period is allocated for assisted home ownership schemes, once developed.***

The £10,000,000 funding is therefore available for an affordable home ownership scheme and can be drawn down once the scheme has been agreed.

8. We understand that this revenue project also encompasses the action 'to extend key worker accommodation. Please could you advise us what progress has been made in this area and how any approved funding might be apportioned to this element of the HPDB long term plan?

SPPP does not have any 2021 plan for key worker accommodation. The work is in transition from agreed policy into delivery.

Phase 2 of the Altair review of key worker accommodation - modelling potential demand and costs for key worker accommodation for the introduction of key worker housing products - will be transferred to IHE to progress with work and coordinate with Property Holdings, HCS and Andium Homes.

Hue Court, St. Helier, has been refurbished of 90 homes in delivery has been completed all of which have been allocated to Health and Community Services as Keyworker accommodation. Further opportunities to provide key worker accommodation will be considered as part of the strategic coordination role with Andium Homes as part of their ongoing development plans.

Tenants' Rights

- 9. Of the £110,000 allocated funding for 2020, please can you advise how much has been spent to date and the breakdown of this?**

£80,000 of this funding was deferred from 2020 to 2021. This was recommended to the Housing Minister by the CLS Director General following reviews of the Government Plan proposals following the Covid-19 crisis. The remaining £30,000 has been allocated towards development of a system to support the Housing Support Officer. We are currently in negotiations with a supplier for the system, so this budget has not been spent. We are anticipating that approx. £25,000 of this budget will be spent in before the end of 2020.

- 10. It is our understanding that of the £300,000 requested funding for the Tenants' rights programme for 2021, the apportionment for Housing Advice Service will cost £110,000 annually. Is this correct?**

Yes.

- a. What will the remaining £190,000 be spent on? Please could you provide a breakdown?**

The breakdown of the bid for the remaining £190,000 is as follows:

- One off funding bid of £70,000 in 2021 to support policy development and consultation, including potential legislation and the creation of a rent stabilisation function (e.g. rents officer or tribunal).
- One off funding bid for £60,000 in 2021 to comprise policy work to investigate the Housing First model and other homelessness support approaches
- Funding bid to recruit Housing First staff to maintain a caseload of clients and provide personal support to individuals with multiple, high and complex needs and help them to sustain a tenancy. £60,000 would be spent on staff member in 2021.

- 11. It is noted that the £110,000 funding will, in part, cover the cost of a full-time member of staff to fill the post of a dedicated support officer. Do you consider this to be sufficient manpower for the operational delivery of the Housing Advice Service?**

Yes. This is the funding required to deliver the agreed scope of the project.

- 12. We understand that the Housing Advice Service will be delivered predominantly digitally / electronically:**

Extract from briefing paper provided to the Panel on 22 September 2020:

- A web page under gov.ie that will bring together all housing information in one place. It will provide a service predominantly for “self-help” low need cases.
- An online self-service form (embedded within the web page) that will triage a customer’s needs and direct them to appropriate housing-related services.
- The creation of a support officer post to help customers with high needs, through prevention or management of housing crises.
- A dedicated phone and email service for housing advice and support. This service will usefully manage medium need cases - providing advice, signposting and handover to other services.

Given the personal nature of those seeking housing related support / information – do you anticipate there will be further scope for a more accessible, public-facing role (i.e. a designated office location for appointments / drop-in surgeries or similar)?

This is not part of the current project as set out in the Government Plan.

- a. If so, would this likely be located with Customer and Local Services, or through Citizen’s Advice Bureau, (where advice on the Tenancy Deposit Scheme is currently administered)**

This is not part of the current project as set out in the Government Plan.

13. We note that the £300,000 requested funding for 2021 is half that of what was estimated last year for 2021 (£725,000).

- a. What impact will this have on the delivery of this project?**

The use of the funding has changed and the £300,000 on tenants’ rights requested in 2021 is not just for one project. The breakdown of the £300,000 is set out in the Question 10, divided across rent stabilization, Homelessness and the Housing Advice Service. £300,000 is considered sufficient to meet the aims of the proposed activities. The reduction in the amount required can be attributed to a decision not to bring the tenancy deposit scheme in-house because the existing provider successfully re-bid for the contract and continues to provide this service. This released the budget that had been put aside for this potential cost.

- b. Do you consider the £300,000 is sufficient to meet the aims of the project?**

Yes.

14. We note that consultation in relation to the Housing Advice Service has taken place across Government and the Citizens Advice Bureau:

Extract from briefing paper provided to the Panel on 22 September 2020:

Consultation has focused on Government of Jersey (GoJ) stakeholders in order to identify gaps in the current government offer. Stakeholders have included policy officials within CLS and SPPP; Environmental Health; Safeguarding leads and operational delivery officers within CLS; and the Affordable Housing Gateway. The Citizens Advice Bureau (Malcom Ferey) was also consulted early on.

However, what consultation has taken place with external social housing providers and private landlords?

The Housing Trusts (external social housing providers) will be shown a demonstration of the Housing Advice Service website before it goes live. Their feedback will be used to improve the service. Private landlords have not been consulted, however, all feedback, including from the public, will be encouraged. There will be clear signposting on how to submit feedback on the website.

15. Similarly, what consultation is being carried out with housing providers in relation to the simplification of the Affordable Housing Gateway banding system?

There has been substantial engagement with the social housing providers (Andium Homes and the Housing Trusts) on the simplified Gateway Banding System. All parties are working closely with SPPP in drafting an updated Gateway eligibility policy document that captures the revised banding system.

Efficiencies / Departmental Budget

16. Please could you expand further in relation to the efficiency for a one off spend reduction of £25,000 by deferring the development of policy for the Long-Term Housing Plan by one year?

a. How has this reduction been achieved and what impact will this / has this had?

This is an adjustment within the SPPP budget. It reduces the budget available for external advice in 2021. It will have no significant impact on the overall housing programme.

b. Is this the cost-saving for external consultancy fees touched upon in question 4?

No

17. Where does the Ministerial remit for Minister for Children and Housing lie in terms of the Departmental Budget for the Infrastructure, Housing and Environment Department as there is currently little to no service provided through the Department's day to day operations? In your view is the new Housing Advice Service, for example, a service that should be funded through a Departmental Budget, as opposed to Government Plan extra revenue bids. What are your thoughts on this?

The Housing Advice Service will start as a growth bid because it is a new service. It will then be incorporated into CLS budget at the appropriate time.