

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING
BY DEPUTY G.P. SOUTHERN OF ST. HELIER**

ANSWER TO BE TABLED ON TUESDAY, 30th JANUARY 2007

Question 1

- (a) What evidence does the Minister have to support the statement on page 5 of the Social Housing Property Plan 2007-2016 (P.6/2007) that “the present public sector social housing stock is larger than necessary”? Does the Minister have comparison data on the proportion of social housing stock in the hands of local authority and housing trusts against owner occupier and private rental stock in the United Kingdom and Jersey and, if so, would he make the comparisons available to members?
- (b) What criteria did the Minister use to decide which homes were to be selected for sale and, in particular, was the age of tenants or duration of tenancy taken into consideration? Will the Minister give an assurance that tenants of 60 and 70 years of age will not be evicted from their family homes?
- (c) Would the Minister inform members whether he is satisfied that the notification to tenants of the possible sale of the properties they occupy was handled with adequate sensitivity?

Answer

- (a) I should preface my replies by saying that, in my statement to the Assembly at our last sitting, I made it clear that I would be happy to discuss the Property Plan in detail with the relevant Scrutiny Panel. It seems to me that a Scrutiny Panel review of the Plan would be a more appropriate and effective forum for this sort of discussion, than a constant stream of questions in the Assembly. However –

The statement quoted by Deputy Southern is expanded in Sections 1.12 and 1.13 of the report (pages 18-20). These sections contain the explanation he seeks. When a large proportion of social housing tenants have no need to claim rental subsidy; when these wealthier tenants far outnumber people on the Housing Waiting List; when people with incomes much higher than the average can access social housing and claim subsidy; and when it becomes necessary to take a very liberal view of income bars in order to find a tenant for brand new property – then, I believe there are good grounds for reasoning that the number of social housing units of accommodation exceeds the number of households in genuine social housing need.

Social housing figures from the UK would contribute nothing to the argument: There is no single ‘correct’ level of social housing which could be applied to all communities, and no suggestion that the UK is a model of best practice which Jersey is obliged to imitate. Also, after 25 years of ‘Right to Buy’ in the UK, and the introduction of ‘key worker’ schemes of affordable housing, a direct like-for-like comparison of Jersey and UK social housing is simply not possible. What is clear, however, is that the Island rate of owner-occupation is low – which is a principal reason why the States last year requested the Housing Department to bring forward proposals to use social housing stock to progress a shared equity scheme, in order to encourage an increase in levels of home ownership in the Island.

- (b) The process of selecting individual properties for sale cannot be completed until tenants have been consulted on the proposals in the report. The outline proposals have been made on the basis that the properties concerned are not essential in terms of predictable future social housing need, and would find a ready market among our Tenants aspiring to become first-time buyers.

There is no question of anyone being summarily evicted. For the avoidance of doubt, no tenant of 60 or 70 will be required to leave their home simply because they cannot afford to buy it. The Plan, as its title suggests, is designed to be implemented over a ten-year period, and all tenants affected by it will have alternatives explained to them. Having said that, Members should be aware that, in the interests of

ensuring effective use of resources, the Housing Department, here as elsewhere, has always transferred under-occupying tenants to a smaller property. My Department always seeks to act with compassion. Tenants therefore have nothing to fear but everything to gain from our proposals.

- (c) My Department was conscious of the need to inform States Members, our tenants, and our staff, of our proposals, all at the same time. Given the difficulty of co-ordinating a simultaneous announcement to such a large group of people, I am satisfied that it was handled with due sensitivity. Immediately following the announcement, a number of well-attended presentations have been made to tenants' representatives, and more are planned. These Residents Groups represented tenants from Le Squez, Clos Gosset, Grands Vaux, Clos de Roncier, Jardin du Soleil, Le Marais, La Collette, The Cedars, Convent Court, Caesarea Court, de Quetteveille Court. In addition presentations were made to Area Panels representing, Le Geyt, Pre de Talbot, Les Cinq Chenes, Grasett Park, Jane Sandeman Court, Westley Court, Grouville Arsenal, St Andrews Court, Jardins des Carreaux, Clos St Andre, Westmount Park, Le Verger and Halcyon House.

I should tell the Assembly that a number of tenants have contacted me to express their appreciation for the way the announcement was handled, and the way their subsequent questions have been answered by Department officers.

Question 2

Following his written answers at the last meeting concerning the impact of "buy to let" sales on the property market in Jersey what steps, if any, will the Minister take to curb the growth in such sales in Jersey?

Answer

I believe my written answer of 16th January made it clear that 'buy to let' is relatively unusual in Jersey, and I have seen no evidence to date that it puts any upward pressure on prices. I would reiterate that such properties can in any case only be occupied by residentially qualified people. I can therefore see no reason to consider restricting the ability of people to buy share transfer property in the Island.

The relevant written question and answer 16th January 2007 was as follows -

“(c) Would the Minister inform members whether the purchase of property by non-residents on a “buy to let” basis further restricts the supply of properties for purchase by locals and whether such purchases put additional upward pressure on prices?”

Answer

- (c) It must be remembered that only developments that are in multiple units and are sold by way of share transfer rather than by flying freehold are capable of being purchased by non locally qualified persons. Save for a few historical exceptions individual houses are not allowed to be sold in this manner. It follows that within the context of the overall controlled housing market the number available to non qualified persons is relatively small, and I have no evidence that locals are being restricted in their choice of new homes, or that such purchases are putting any additional upward pressure on prices in that section of the market. I would remind members that all such units can only be occupied by persons with residential qualifications.”