

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING
BY DEPUTY P.V.F. LE CLAIRE OF ST. HELIER**

ANSWER TO BE TABLED ON TUESDAY 29th JANUARY 2008

Question

With current rates of inflation in house prices allegedly at 20 per cent, what does the Minister propose to do to address the problems in the current housing market for those who are on low to middle incomes?

Answer

The rate of increase in house prices is something which is of a concern; although we must appreciate that some growth is perfectly normal and is indicative of a healthy and buoyant economy. Members will recall that in approving the Social Housing Property Plan 2007 – 2016 last year, a mechanism was put in place for the sale of some 800 homes to States Tenants over a ten year period with the assistance of a deferred payment scheme. The first tranche of these sales took place in December 2007 and there are more to follow in the weeks and months to come.

Following this, the Minister for Planning and Environment and I turned our attention to how we might assist those other aspiring first time buyers, who were without the means to pay the current market price for a home on a rezoned site. The Minister for Planning and Environment will shortly be putting a paper out for consultation which will discuss our proposals for the introduction of 'Jersey Homebuy' a scheme which will allow qualifying buyers to acquire a new home on one of the remaining H2 sites for 65% of the normal first time buyer market price. This will represent a significant step in meeting the growing demand for affordable homes.