

**2.7 Deputy A. Breckon of the Minister for Housing regarding evidence of lower rents and reduction in hardship cases:**

Would the Minister provide Members with the evidence that supports his recent announcement that rents have been lowered and numbers of hardship cases reduced as a result of the action of developers?

**Senator T.J. Le Main (The Minister for Housing):**

There are a number of circumstances that caused me to be of the view that because of the large supply of accommodation, both controlled and uncontrolled, that rents are being lowered and this is mostly, at the present time, in uncontrolled accommodation. The number of hardship cases approaching me and the department are becoming less. In fact, the appeals for hardship in 2002 was 37, in 2003 and 2004 was around 24-25, and in 2005 only 9. My department and I have both had a number of approaches from landlords of local controlled accommodation seeking relaxation to house non-qualified people because they were unable to find tenants. In every case advice has been - from myself and from the officers in the department - that you are asking too much; your premises are not up to scratch; or, if you reduce the rents and provide decent, good accommodation, there are plenty of tenants around. The department and myself will vigorously oppose the relaxation of (a) to (h) accommodation by persons who are asking too much money - too many rents, too high rent, so that they can let them out to the unqualified. The department's lodging house inspector, currently in the course of annual inspections, reports that generally landlords are not increasing their lodging charges as they have done in the past and in some cases are even decreasing these costs to ensure they maintain full occupancy. You have only got to look at the *Evening Post* pages, and I went through the *Evening Post* to remind myself in the library this week, it was from 1996 to 2000 and there was just nothing; (a) to (j), one two-bed partly furnished, one bed furnished, large lists, urgent requirements. There was nothing in those years - you're lucky to find half a dozen adverts for any kind of accommodation. Now, everybody will know, it is huge - there are pages and pages of accommodation to let, and it is my view that the developers and all those who have or are in the marketplace to provide new accommodation and, in many cases, as I say, the ...

**The Deputy Bailiff:**

Minister, can I ask you to bring this answer to a close?

**Senator T.J. Le Main:**

Yes, Sir, I have finished with that.

**2.7.1 Deputy A. Breckon:**

Does what the Minister said provide evidence that rents have lowered? Does it provide evidence?

**Senator T.J. Le Main:**

Yes, Sir, I have given evidence. The Deputy speaks about hardship cases and hardship cases are predominantly in the unqualified sector and the marketplace is full of unqualified accommodation and the facts are quite clearly that the amount of appeals to the Housing Department have reduced significantly over the last 12 months.

**Deputy A. Breckon:**

As to rental income, is there evidence - not about availability - that rents have decreased?

**Senator T.J. Le Main:**

I am sure Deputy Breckon must understand what I am saying. There is evidence in the department and if Deputy Breckon is unsure he should go into the department and officers will give him the evidence of the lack of hardship cases and the much availability, and the reduction in rents generally.

**2.7.2 Deputy G.P. Southern:**

Can I ask whether the Minister has seen the evidence produced by the 2005 comparison of cost of living in Jersey and the UK which shows that rental rates have risen over the past 5 years in Jersey by 24 per cent, whereas on the UK they have only risen - despite rising house prices - by 11 per cent, and his own evidence produced by examination of the data on those in receipt of rent rebates in the private sector that rentals went up last year by 2.2 per cent. So the evidence is there that rents are still rising. Does he not accept this?

**Senator T.J. Le Main:**

No, I do not accept it [**Laughter**].

**Deputy G.P. Southern:**

May I, Sir, which bit? [**Interruption**]

**2.7.3 Deputy J.A. Martin of St. Helier:**

Yes, Sir, I hope you will allow this because the Senator alluded to it in both of his answers, about the appeals process for hardship cases now. In the past, Sir, there used to be a course through the Sub-Committee and then to the full Housing Committee. Could the Minister please inform the House how this is now happening as we only have one person - the Minister himself - and does he think this is fair, that one person is judge and jury?

**Senator T.J. Le Main:**

Yes, from this week the appeal is heard by the Assistant Minister and the Assistant Minister will make the decision on the information, or new information, that she may get presented before her by someone on appeal and the Assistant Minister will make that decision. In fact, if the appellant is then unhappy with the Assistant Minister's decision then they have a right of appeal to the Minister.

**2.7.4 Deputy J.A. Martin:**

The Minister may recall under the scrutiny on the new Population Office - and I think the Minister was in agreement with this - that there should be an independent panel set up to hear these appeals. Could he inform the House if this is going to happen and, if so, what progress has been made?

**Senator T.J. Le Main:**

No, Sir, it will not happen. There is not going to be an independent appeals process. We believe that the process of the Assistant Minister listening to new information and listening to an appeal then passing to the Minister if that is to go further, then there are other appeal processes after that.

**The Deputy Bailiff:**

Such as?

**Senator T.J. Le Main:**

The Review Board and the Law Court.

**2.7.5 Deputy G.P. Southern:**

Does the Minister not accept that a system whereby the initial decision on a hardship appeal is made by the Minister and then referred to the Assistant Minister on appeal is inappropriate? It is the wrong way round in that, while this week the challenge to his decision was on fresh grounds, it could well be that in future a challenge will be made on the grounds that the Minister has simply got it wrong and in that case the Assistant Minister will be placed in an invidious position of having to over-rule their own Minister through making a mistake. Does that not place undue pressure, does he feel, on the Assistant Minister?

**Senator T.J. Le Main:**

No, Sir, because some of the appeals will come through the delegated powers granted to the department where officers on a regular and daily basis will consider, on the policy of the Ministry, whether to grant or otherwise; and there will be times when the challenge will be made about a departmental decision which will come to the Minister and the Minister will delegate it to the Assistant Minister to deal with.

### **2.7.6 Deputy G.P. Southern:**

Since the Minister has gone on to delegated powers, does he not feel that the reduction in the number of hardship case appeals that have been seen over the period 2002 to 2005 is far more likely to be due to (a) the reduction in the length of time required for qualification and (b) the more efficient use of officer time to filter out appeals?

### **Senator T.J. Le Main:**

The reduction is quite clearly the amount of good quality and the enormous amount of good, unqualified accommodation in the marketplace and you must remember, Sir, that the Housing Ministry - or the Housing Minister - cannot consider bad accommodation or financial situation in their considerations. It has to be hardship on medical or social grounds, involving children or otherwise, and there are very few that come to the department on appeal - quite often these are based on financial grounds and we can not take that into consideration - and Deputy Southern knows that very well.

### **2.7.7 Deputy G.P. Southern:**

Is the Minister thereby suggesting that this vast reduction in the number of appeals is due to the improved health of the population in general and should the Minister for Health not be congratulated on such a marvellous result?

### **Senator T.J. Le Main:**

I do not know what game the Deputy is trying to play but it is common sense to every Member that there has been a considerable amount of high quality, unqualified accommodation available in the marketplace. It has had a dramatic effect on the lives of many, many people who do not have housing qualifications and that is why we are not getting the amount of hardship appeals we have done in the past.

### **2.7.8 Deputy C.J. Scott-Warren of St. Saviour:**

Can the Minister comment as to whether he considers that this hardship appeals procedure to an Assistant Minister is human rights compliant?

### **Senator T.J. Le Main:**

The first appeal that came to straight to me - I think probably the one that Deputy Southern was talking about - was rejected and an appeal was made. We then realised in the department that the Minister should take a step back and the first right of the department was to make a decision or otherwise, then the appeal should go to the Assistant Minister in the first place. We have, since this week, changed the procedure and I understand from the department that the procedures that we are applying at the moment in the Ministry are human rights compliant.

**2.7.9 Deputy G.P. Southern:**

Could the Minister clarify exactly how procedures have been changed from the procedure that was in place last week?

**Senator T.J. Le Main (The Minister for Housing):**

Yes, Sir, as I explained, the procedure now is the first part of the application will be dealt by the Assistant Minister now and not by the Minister and, if it is appealed against, it will go to the Minister.