



Environment, Housing and Infrastructure Scrutiny

Panel

Government Plan 2022 - 2025

Witness: The Minister for Housing and Communities

Tuesday, 12th October 2021

Panel:

Connétable M.K. Jackson of St. Brelade (Chair)

Deputy G.J. Truscott of St. Brelade

Deputy I. Gardiner of St. Helier

Witnesses:

Deputy R. Labey of St. Helier, The Minister for Housing and Communities

Ms. S. Duhamel, Director, Strategic Policy, Performance and Population

Mr. A. Scate, Director General, Infrastructure, Housing and Environment

Mr. T. Millar, Senior Policy Officer, Strategic Policy, Performance and Population

Mr. S. Skelton, Director of Strategy and Innovation, Strategic Policy, Performance and Population

[14:46]

Connétable M.K. Jackson of St. Brelade (Chair):

Good afternoon, Minister and welcome to the Environment, Housing and Infrastructure Scrutiny Panel in this public review hearing on the Government Plan 2022 - 2025. For the purposes of introduction, I am Mike Jackson, Constable of St. Brelade, chair of the panel. We have Deputy Graham Truscott and Deputy Inna Gardiner in attendance. Over to you, to introduce you and your team please.

The Minister for Housing and Communities:

Good afternoon, Chair. Lovely to be with you once again. With me today I have got Sue Duhamel. Now Sue has to leave at 3.30 so I will keep that in mind and make sure that we hear from her before she goes. I also have Timothy Millar with us and, Andy Scate is joining, Debbie Reeve, and Steve Skelton, I think.

The Connétable of St. Brelade:

I will kick off by asking my first question. Considering that the funding for this project was halved to £725,000 for 2021 from the £1.425 million previously estimated, has the reduction in funding for 2021 impacted the delivery of the project's aims and, if so, how? This is the housing long-term plan.

The Minister for Housing and Communities:

That original budget and cut is news to me because obviously I just came in in February this year. I will look for a hand from one of my officers, if they want to comment on that. As far as my own working is concerned as Minister since February, I do not feel the impact. We were very keen to get the housing strategy and regeneration team up and running. They are up and running now with Debbie Reeve as the team leader, and building the team around her continues. But that is really good news. The Housing Advice Service is up and running. The homelessness strategy is progressing. The political oversight group is up and running. As of a couple of weeks ago, the Strategic Housing Partnership Board are bringing together industry figures and those connected with housing and the providing of housing in Jersey, that had its first meeting a week or 2 ago. It was really warmly welcomed. I think it is going to be extremely useful. Certainly the participants there felt that it was good to be back in the same room; it has not happened for a very long time. I think it was warmly received and it is going to be ... already it has thrown up some interesting ideas. There are one or 2 people we think should have been in the room that are not, so we will correct that. Jersey Association of Architects is one of those; my apologies to them. They were left off the list. But they are going to come in because they are very useful. That is quite a lot of stuff that we said we would get up and running this year and now is. I am delighted with that. Sue, did you want to come in on any impacts with that cut?

Director, Strategic Policy, Performance and Population:

Yes, I do not know how to put my hand up on this particular screen. Chairman, you are referring back to the changes that were made last year before the current Minister was in post. During 2020, all Ministers were asked to try and find some savings. The Minister for Housing at the time identified that the money that had been allocated in the previous year was perhaps not as best tote as it could be. There were areas where perhaps things were not going to take place as quickly. He put in place a more strategic use of the money and slightly smaller amount of money, but that has led to all the things that the current Minister for Housing and Communities has just described. In particular

the ability to recruit into the strategic housing team, which is going to be a great asset to the government as a whole, having a central resource there to co-ordinate actions between the different partners and bodies.

The Connétable of St. Brelade:

Thank you, Sue. The progress update in R.138/2021 notes that the project is on track for completion in 2025. In respect of the project, can you briefly outline what has been completed to date and what remains to be completed by 2025? Can you outline a timeline in respect of working priorities for the remaining aims, to begin with?

Director, Strategic Policy, Performance and Population:

Sorry, I do not have R.138 in front of me but I think the most up-to-date place to look is the Minister's plan of the *Creating Better Homes* where he includes a timeline, which does take us through from 2021 to 2024/2025. That is in the *Creating Better Homes* project report. Do you want me to take you through those one by one?

The Connétable of St. Brelade:

I think what we want to know is we anticipate the completion date of 2025 to be achievable and what are the challenges in achieving this and do you anticipate the challenges raised to have an impact on the proposed allocated funding? That is the bottom line.

The Minister for Housing and Communities:

I see Steve is in vision; so do you want to pick that up, Steve?

Director of Strategy and Innovation, Strategic Policy, Performance and Population:

I can, yes. Apologies for joining a couple minutes late. R.138 I think was the recently lodged report on housing which included the waterfront guidance but also included a short update on delivery of the *Creating Better Homes: Action Plan*. In answer to your question, Chair, we are still, on behalf of the Minister, confident that the actions laid out in the housing action plan can be delivered as intended. The primary risk to that, I think, as you have asked, is essentially the ability to secure the right permanent resource for the strategic housing and regeneration team. We have been able to make a start on that - as I think we have talked to the panel about previously - and our colleague, Debbie Reeve, is in the process of designing and then seeking to recruit a permanent team in that space. That requires some different types of skills, some data skills, some industry skills, et cetera. Provided we can secure those, then I think yes, the delivery plan as set out is still deliverable and the resources that are available are still aligned in the right place to enable us to make that progress.

The Connétable of St. Brelade:

This one may be for you, Steve, as well. We note the Government Plan 2022 that funding of £950,000 is being requested for next year. Do you feel this level of funding is sufficient to meet the aims of this project?

Director of Strategy and Innovation, Strategic Policy, Performance and Population:

I think that figure relates to the Andium rent policy in the Government Plan. That is calculated to achieve that, so the answer would be yes. Alternatively the figure also sounds distinctly like the figure that was in the 2021 Government Plan for the overall set of housing initiatives. Again, our recent discussions have suggested that that is the right amount of funding for that work to progress in its different parts.

The Connétable of St. Brelade:

Going on to the objectives being carried forward in the next Government term, how are you going to ascertain these objectives given that there may be potential changes in membership, is what my question is? So Government changes will stimulate a change in membership of these panels.

Director of Strategy and Innovation, Strategic Policy, Performance and Population:

Minister, would you like me to pick that one up?

The Minister for Housing and Communities:

I would just say this - perhaps keep an ear out, Steve - what I tried to do when I was P.P.C. (Privileges and Procedures Committee) chair is make sure that life was better for whoever was next doing the job. I was not anticipating it being so soon. I immediately tackled the pension thing, which has been hanging around for 20 years and not been done. The first thing I said is: "We are just going to do this pension", the reform. Other things that also were there for a long time identified but no action on, and I think that whoever comes in as P.P.C. chair in 2022 will have a much easier task. That I think is what I set out to achieve. The same is true in my short time as the Minister for Housing and Communities for whoever takes it on in June 2022. I think the setting up of the housing strategy and regeneration team, it is a team of one at the moment with Debbie. But we are already wondering how we coped without her. This is a dedicated team to the Minister for Housing and Communities, we know I have a share of very good officers but this is a dedicated team and I think it is going to be invaluable. I think it helps to identify the role of the Minister and the work of the Minister. I am delighted that Steve was able to accelerate the commencement of this with an interim appointment with Debbie. We have been hanging on for a while but we did not want to start work that we knew would be appropriate for that team to do. Now we have got Debbie. Into the future that sets up the Minister for Housing and Communities. We cannot call it a Housing Department anymore because most of the department of course are incorporated into Andium. We do not want an unwieldy department but I think that function is going to really pay dividends. Similarly with the Housing

Advice Service. That is busy already. Fantastically staffed, the officers are brilliant and are wonderful with people and know where to direct them. The homelessness strategy, that is a long-term thing but they are cracking on with it. It is getting under way. We have got the critical support team. We have partnered up with Homeless Link in the U.K. (United Kingdom), to benefit from their experiments. They have been working with all those working in that sector. They have carried out workshops. They have been very well-received those workshops; charities and the third sector have come in. We are awaiting their report and recommendations on where we go next with that. I am looking forward to that and we are committed to taking it forward. That is good news. Yes, is the answer to your question. Is there anything else I should have said, Steve, that I have not?

The Connétable of St. Brelade:

If I can just add on, Minister. Considering the recent concerns regarding increased homelessness in the Island and finding that shelters are having to turn people away due to lack of accommodation or space, how is that being addressed in the grand scheme?

The Minister for Housing and Communities:

I am so pleased you asked me that because no one is turned away from shelter. There has been some misinformation and misunderstanding. For starters there are blurred lines among the media, among all of us sometimes, between what is shelter, what is refuge, government initiatives, what is, for example, the Sanctuary Trust, which is an independent charity, and other charities too. As far as shelter is concerned at the moment, there is capacity. The most recent information I had, which was the beginning of last week, was that there were 6 or 9 beds available or rooms available and we had 4 people who you would class as roofless/sleeping rough but it is not because there was not a bed available. They are easily identifiable so I am not going to speak about specifics but sometimes it is not as simple as offering somebody a roof or a bed for the night. There are complex issues.

The Connétable of St. Brelade:

I think what I would pick up from what you are saying is that maybe work needs to be done to try and remove the confusion between the organisations that are offering this service or the roof, shall we say.

[15:00]

That is maybe for you to consider. Minister, the panel understands that a new strategic housing and regeneration team has been established to develop, implement and deliver housing policy options. How has the funding for 2022 been apportioned to this particular area?

The Minister for Housing and Communities:

Tim, is that with your or Debbie? Is that best explained by yourself?

Senior Policy Officer, Strategic Policy, Performance and Population:

I can take that. Debbie is not able to join us today. The team is resourced with a budget from the available funds of £250,000. We are in the process, as I mentioned before, of designing the right structure for that team. So the exact balance is still to be determined but I would anticipate the majority of it going into permanent funded posts. As I said before, I think there are some functions which that team can perform, which are not currently being performed within government or being performed alongside other roles and responsibilities, and perhaps not getting the priority they deserve. Once we have that design over the coming weeks then we will know exactly what the breakdown of staffing to non-staffing costs will be. But the total spend is intended to be £250,000.

The Connétable of St. Brelade:

We note that the development of the long-term housing policy was deferred for 2021 as part of a rebalancing measure and is due to commence in 2022 now. Considering the challenges regarding the supply of housing and that the housing crisis has considerably worsened; in your view, was last year's efficiency to defer the long-term housing policy justified and if so, why?

The Minister for Housing and Communities:

I cannot answer that one because that was prior to my arrival. I do not know if Sue or Steve want to speak on that.

Director, Strategic Policy, Performance and Population:

As I explained before, it would have been in 2019, budgets were kind of earmarked for possible future areas of housing policy. I think what we have learnt in the last year with the publication of the Housing Development Board's report and with the work of the current Minister for Housing and Communities and the *Creating Better Homes* report, we now have a much more focused approach to dealing with the housing problems that are the most urgent ones. I think the funding that we have, particularly Steve talked about the £200,000, that is a 4-year budget for strategic housing co-ordination next year, that will be sufficient and that will make an enormous difference to our overall ability to tackle problems. We also have some other funding available. Some of it is earmarked to specific projects. I think there are significant issues to resolving housing but the Minister has sufficient resources at his availability to deal with those.

The Connétable of St. Brelade:

Could you identify a breakdown of what it is intended to cover specifically? Is that possible or is it apportioned basically to the policy as a whole?

Director, Strategic Policy, Performance and Population:

The £250,000 is a sum that has been allocated to the strategic co-ordination. That is not broken further down than that. The team will deal with the priorities at the time. In addition to the £250,000 there is some other money which is allocated too. The homelessness project has got its own funding. The Housing Advice Service has its own funding. Next year there is funding to support affordable purchase, so that is a separate new funding of £2 million for that. The Minister has also secured an extra £30 million for future years to go against affordable housing purchase. There are some smaller amounts of money for more specific projects. There is a decent amount of funding available. Our problems are perhaps more to do with the co-ordination and how to solve some of these problems, other than lack of money to get the staff there to do it.

The Connétable of St. Brelade:

Minister, we understand that the Government Plan 2022 - 2025 identifies that a new affordable purchase project backed by £10 million of investment, earmarked in a previous plan, will be introduced during 2022 to assist Islanders to own their homes. Can you provide any further detail regarding the proposed scheme, when we might expect to see this introduced, and when will the community see the tangible benefits from this scheme?

The Minister for Housing and Communities:

What we are commissioning right now is research into what is commercially available to house buyers, and there are some very interesting products on the market. There are industry initiatives to try to help first-time buyers. It is changing all the time. There is the concept of 2 generational mortgages; so repayments over 40 years and others with low deposits, et cetera. We want to see what is available commercially. Whether there are any partnerships that government can do with industry providers. Most of the banks, for example, will offer interest-only mortgage repayment mortgages products on buy-to-let properties and capital repayment on owner/occupier properties. That is common place in the U.K. For Jersey what will be more useful probably is the other way round, is to get a foot on the ladder for the house you want to own and start your journey with as an interest-only repayment. It might help people very much more to get on to the property ladder. Whether we can try to encourage a flipping of that, we will see. Steve, do you want to just take the chair through the technicalities of how that is going to progress in terms of when the loans will come online and what we will do?

Director of Strategy and Innovation, Strategic Policy, Performance and Population:

Certainly. As the Minister said, we are just commissioning, as was set out in that *Creating Better Homes Action Plan*, that piece of market intelligence to look at what products are currently available, how they affect buyer behaviour and seller behaviour, to make sure that we design a product which

helps the right people access the right properties without ideally adding overall to the already significant house price inflation that we see. You will know, I am sure, from media coverage of other schemes, particularly things like Help to Buy in the U.K. that that is not always possible. So you are making it easier for people to buy, you are increasing the amount of demand, that can have sometimes more inflationary pressures. So we want to get our design right. We also, I think, want to make sure the product sits within the existing suite of products. We know Andium have schemes, S.o.J.D.C. (States of Jersey Development Company) also have schemes and will, as part of the waterfront guidance, be bringing forward more schemes. We need to understand whether it needs to work within one of those existing products or be an addition or as a wrapper to some of those products. Then I think the final question we will want to consider is ideally how it is a recyclable product. So a fund which does not just get given out to the first 15, 20, 30 buyers through the door but provides for benefit in perpetuity. Those are some of the design questions we are working on now. I think we will have the first interim response from the study by the end of the year, we are setting the action plan, and I think we will have some finalised published information early in the new year. My anticipation would be to get some sort of scheme designed and certainly open to application by the middle of next year. Whether the cash will be handed out at that point or whether that might take a little bit longer to sign on the dotted line, we will see when we have done some of that design work. But I think we would like to get it open for applications by the middle of next year.

The Connétable of St. Brelade:

I think if we could achieve the long-term benefits to society it would be something that we have never quite got to before. That certainly is a good aiming point. The Government Plan 2025 notes that steps will be taken to ringfence the £13 million land value from the development of South Hill to support future assisted purchase schemes. Could you outline the steps that will be taken to secure this and resultant community benefits?

The Minister for Housing and Communities:

S.o.J.D.C. projects coming down the line next are of course South Hill, as we have seen, and the waterfront. Both of these were in development long before I was on the scene as the Minister for Housing and Communities. We have seen propositions come through the States wanting to impact on the South Hill and then the waterfront schemes too. We have tried to look at ways to accommodate that as best we can. Andium and S.o.J.D.C. are 2 different animals but because of the time we are in we have to respond of course as much as we can to the most pressing need, and it is difficult sometimes when Andium come up with S.o.J.D.C. coming along doing what they have been charged to do, which is to operate commercially effectively and without recourse to taxpayers' money. The one thing I thought with the South Hill development was that it can be justified at this time, when we are desperately in need of affordable homes, if there was a contribution from that development hypothecated to affordable homes. There will be 2 profit sources from that

development. One is the commercial value of the South Hill site, and that is the £13.2 million that was online to be paid back to government. The other payment is the profit from the sale of the apartments, which was designed to be powered straight back into the development of the waterfront so that the waterfront was also being developed without recourse to taxpayers' money. I have managed to secure that £13.2 million, which will go into the pot, which currently has £10 million in it; £5 million for next year, £5 million for the year after. Andy might be able to help me with in terms of when the £13.2 million might come onstream, but at the moment it is definitely hypothecated to affordable housing, and it would seem sensible to put it in that pot we are using to help people buy their own homes.

The Connétable of St. Brelade:

Andy, have you got anything to add to that?

Director General, Infrastructure, Housing and Environment:

No, just obviously to confirm the value will be generated once the scheme is developed out. We are currently in conversations. There needs to be a formal agreement obviously between Government and S.o.J.D.C. in terms of handing that side over into S.o.J.D.C. ownership, and then a payment thereafter once it is developed out, once the value is created. Those sort of payments will go back into Treasury and then they can be reapportioned, as the Minister has outlined.

The Connétable of St. Brelade:

Minister, can you talk us through the actions that will be taken in 2022 to end the development of new share transfer dwelling units and its impact on the housing supply? This is noted in the Government Plan as well as in the *Creating Better Homes* report. How will you work with the Chief Minister to accomplish this and when do you anticipate delivery of this action?

The Minister for Housing and Communities:

We have started it. We are talking about new share transfer properties. Now that property can be conveyanced in with flying freehold, we do not need to offer a share transfer option for the conveyancing of property. That was the route it was most feared was being exploited by foreign investors to invest in property here and to bolster their property portfolios. That is what they could do, via the share transfer scheme. With properties that were sold via share transfer, that doubtless will probably be able to continue but we can stop the creation of new share transfers because we will not licence them. Sue will tell me exactly where we are in terms of the process. Effectively we have stopped it.

Director, Strategic Policy, Performance and Population:

Yes, the process sits with the Chief Minister rather than the Minister for Housing and Communities because it is a control that is exercised under the Control of Housing and Work Law. So the Chief Minister is very keen to do this, and we just need the right formalities to be completed.

[15:15]

That should happen easily this year, so that will be done. As the Minister points out, it is important to remember that it is only for the creation of new properties. Removing existing share transfer ownership from existing projects will be much harder and so that is not currently within our sights at the present time. Basically it stops it from getting worse.

The Connétable of St. Brelade:

To address that, it would need advice from the law officers, I presume, if one were to change the ability for previous share transfers to continue?

Director, Strategic Policy, Performance and Population:

Exactly. We had advice so we know that what is being proposed is fine. But you would have to unwrap existing company ownerships, which will be much more complicated. That is not currently within our plan of actions to do.

The Connétable of St. Brelade:

The Government Plan identifies that a fair rent plan will be published by the end of 2021. We understand from the *Creating Better Homes* report that the fair rents plan will include several actions encompassing social rent policy, eligibility through the Housing Gateway, work to the Residential Tenancy Law, protection against excessive rent rises, as well as work to provide a framework for future social housing regulation. Can you update us on the timeline in respect of priorities regarding the delivery of how these actions and which actions, if any, will be delivered? How the funding will be apportioned and when the community can expect to see the tangible benefits from the workstreams.

The Minister for Housing and Communities:

To be clear, the desired outcome here is to make being a tenant in Jersey as secure as possible and to give tenants as much protection as we can. This might be protection from unreasonable rent increases, unreasonable and hidden surprise costs, sometimes a lease renewal is used as one way of doing that. It might be protection from landlords thinking they have access 24/7 to the tenants' property in a non-emergency situation. That can be a great worry, especially to single women. So we are straying into the territory of the Residential Tenancy Law, which we know we want to rewrite and of course the Rent Control Law. Both of those are on the list to be redrafted. We have had a

certain amount of uncertainty over the course of the last 2 years in terms of the efforts to either licence or register landlords in Jersey. As we know, that has gone around in circles and unfortunately has hindered us slightly in that it is difficult to proceed on some of this work without knowing exactly the direction of travel and certainty on those 2. But I think we have to assume that this Assembly will not vote to licence landlords in Jersey, and we have to work on the premise that there will be a registration. It is a priority. Sue, do you want to pick up on the timeline here for this work?

Director, Strategic Policy, Performance and Population:

There are different areas included in this overall area. The social rents policy is the one that is most urgent, and that will be addressed by the end of this year. The Residential Tenancy Law, as the Minister has explained, it is very important that we make sure that the tenants do have some good basic rights. That might need to be a 2-stage process whereby we do some small adjustments in the short term, which are more straightforward to do, take less legal advice. So it is a possibility that they will ... we will certainly be working on them this year; whether they will be able to get them through before the end of the year I am not quite sure. But I think we will probably be looking to get at least something ready to be debated in the early part of next year. You mentioned social housing regulations. That is less urgent for the time being. That is undoubtedly not going to happen in 2021 or 2022. That will be a longer-term project. So our key concerns at the minute are agreeing and making sure that everyone is happy with a social rents policy that everybody understands and is agreed to. Improving protection for tenants. The third area is rent rises in the private sector, which is rent stabilisation. That itself is quite a technical topic. Steve mentioned just earlier that Help to Buy in the U.K. drove property prices up when the Government was trying to help people afford to buy a house. Not everything the Government does has the right impact. Rent stabilisation is another one of those whereby if you put the wrong controls in place you can create some quite bad behaviours within the housing market. We need to take this carefully, we need to take expert advice. We are taking steps through Debbie and her new team, to look at getting that right advice. That work is being done now. But the outcomes of it will probably be early next year rather than in this year.

The Connétable of St. Brelade:

May I suggest that in former iterations of the Rented Dwellings Law there was a failure to talk to the landlords who are quite integral with the provision of housing, and I suggest that a different approach is adopted this time and that they do get brought in to the discussion? Moving on, the panel understands that immediate action has been taken through the application of the Andium rent freeze for 2022 to support tenants as a result of the COVID-19 pandemic. What anticipated short, medium and longer-term impacts might the rent freeze have on Andium Homes and housing trusts in respect of supply?

The Minister for Housing and Communities:

It should not affect supply at all, Chair, as the Government is this time picking up the tab for the 2022 rent freeze, which will be £700,000, I think. It is imperative that we do not interrupt Andium's projected supply. While we are on the subject, 50 more units from Andium alone will come online by the end of this year. Next year, 161. In 2023, 321. That is just Andium at the moment. By the end of 2022 some of those 321 that come online in 2023 will start to be allocated. That is going to make a difference on Gateway waiting lists. The short answer to your question is the freeze will not affect their business model. The freeze will mean that we go down ... I think by 2022, because of the second freeze, it will mean because of inflation that no Andium tenant will be on 90 per cent, I think I am right in saying, of market value. It is coming down to 85. We have promised to scope as best we can a model to make the social rent policy up to 80 per cent of market rents, not the up to 90, as currently. I have a meeting at 5.00 p.m. tonight with Treasury about that. That is progressing. Fingers crossed, I will have something to bring to the Assembly to announce; I am very hopeful of. That is what we are working very hard to try and achieve.

Deputy G.J. Truscott of St. Brelade:

At some point the rents will have to increase so I was just curious who makes that decision and is it based on inflationary figures? What is the basis that any future increase will be based on?

The Minister for Housing and Communities:

So the formula I have inherited that was worked out with the previous Minister and Andium is that any increase should be R.P.I. (retail price index) plus 0.75, but never more than, I think, 4 per cent or 4.5 per cent; correct me if I am wrong, Sue.

Director, Strategic Policy, Performance and Population:

No, you are absolutely right. The Andium business model is currently based on annual uplifts of R.P.I. plus 0.75. I think 2 years ago those increases were capped above and below so the increase would never be more than 4 per cent altogether. Then the return to the government has a similar kind of figure attached to it. That is the current system. That system might need to be changed. That is part of what the negotiations with Andium and Treasury are currently about.

Deputy G.J. Truscott:

It is nice to hear the Minister on his brief.

The Connétable of St. Brelade:

Minister, moving on to a slightly different subject. The *Creating Better Homes* report identified key worker accommodation as a priority area. Can you outline progress, if any, made during 2021 and what progress can we expect to see during 2022?

The Minister for Housing and Communities:

That is definitely high on the list and, as I have said to you before, Chair, I am working very hard with Property Holdings to get sites released for this. Andium might be able to come to my assistance here a little bit more than me. Obviously I have my eyes on Westaway Court. That seems to be ideal potentially for key workers. Andy, can you update us and help us out?

Director General, Infrastructure, Housing and Environment:

Yes, thanks, Minister. There are a number of sites which are effectively not being used now for their primary use; so Westaway Court being one of them. That is still technically in the health estate. We are going through a process at the moment. We have just had our office H.Q. (headquarters) decision. So we are just waiting for the appeal process to expire, the 28 days on that before that commences. I referred to that because it is an important decision because it means that the dominoes start to fall elsewhere within the estate. That one being a main one. Obviously the hospital is another main one. As the Minister has rightly highlighted, there are a number of sites which then effectively get freed up. We go through a process through our Corporate Asset Management Board, through to the Minister for Infrastructure then to make a decision on what we do with those sites; taking on board the views of the Regeneration Steering Group along the way. So there is a bit of a pipeline process for us to follow. But yes, the Minister is correct. We have a number of sites where we would expect housing to be that end use.

Deputy I. Gardiner of St. Helier:

I would like to check with the Minister. Key accommodations; which groups we are targeting.

The Minister for Housing and Communities:

It is health, children's services and social workers.

Director, Strategic Policy, Performance and Population:

The project is working very closely with the central H.R. (human resources) department to make sure that we are correctly identifying those areas of very important government services that require people being brought in from outside, and that those people require help with the accommodation. So it depends on people's wage levels. For example, doctors are very important but they tend to be better paid so they perhaps do not see the same problems that other people do. Health workers, social workers and children workers' staff at the minute.

Deputy I. Gardiner:

Have you included the teachers because I know there is a big difficulty to recruit and retain teachers in Jersey and, as well, specialists for I.H.E. (Infrastructure, Housing and Environment) Department, as we heard earlier?

Director, Strategic Policy, Performance and Population:

That is the work that H.R. are doing at the minute, to have a look to see where those key tensions lie. Where the gap is between people's incomes and their ability to get property in Jersey.

The Connétable of St. Brelade:

Do you consider, Minister, that the term "key worker accommodation", the special dispensation, shall we say, which may be given to them, is potentially creating another social layer, which we have not got at present?

[15:30]

The Minister for Housing and Communities:

You have brought this up with me before, Chair. It is something to keep an eye on. Talking philosophically, I feel that there is a huge turnover in certain areas. Children social workers is one of them so our most vulnerable children are seeing a change in social worker with monotonous regularity. That is not ideal. And the other groups that we have mentioned. We all know, if we change location, the first thing we want to know is where we are going to live after we have got the job and where we are going to send our children to school. It worries me how we are treating those people we need desperately to attract to the Island to look after us in hospital or look after our children and make sure they are okay. It worries me that accommodation is having a very negative effect on our ability to retain or attract these key workers. Obviously it is about supply too. We have a lot of people to house. We have people here, I know, who are young families, Jersey families want to get on the housing ladder and are having to wait a long time are now seeing the prices skyrocket. We are looking methodically and urgently at that. We are doing our level best to increase supply. It is not going to change overnight but, as I have just mentioned with the supply from Andium, things will get better in a year or 2 hence, slightly easier in terms of more supply. But on key workers too we must have an eye on this and I would like to see dedicated key worker accommodation and perhaps a scheme in which the key workers can, instead of paying rent, have a right to buy, so whatever stage of career they are at they are investing in property while they are in Jersey. They might want to move on in 5 or 10 years but they are not just with only the rental option. I think that is something we should explore.

The Connétable of St. Brelade:

Indeed, I think there is much work to be done. Moving on to tenants' rights. Considering that the funding for the tenants' rights project was more than halved to £300,000 for 2021 from the original £680,000 previously estimated, has this reduction in funding for 2021 impacted on the delivery of the aims for this year and if so, how this can be a priority in your tenure of office?

The Minister for Housing and Communities:

It was a little bit. Sue has gone. Steve, are you still here?

Director, Strategic Policy, Performance and Population:

I am still here. It is okay, someone else has done my 3.30 appointment for me. Chair, it is the same message as with the long-term work. That there were quite generous but rather theoretical allocations made back, I think, in 2019 and what we have got now is a much more targeted deliverable plan of work. So we have a Housing Advice Service, we have our homelessness projects, we have our tenant projection projects with the rent reviews and stuff like that. We are confident that we have the right resources in place to deliver what is still an ambitious programme but it is now a slightly better targeted and more realistic programme.

The Connétable of St. Brelade:

Do you feel it is on track?

Director, Strategic Policy, Performance and Population:

The homelessness work is being delivered now and the Housing Advice Service is being delivered now. We have plenty more to do but we have made good progress this year.

The Connétable of St. Brelade:

What still remains to be completed?

Director, Strategic Policy, Performance and Population:

As we talked before, the social rents is our current main area of concern. Then we need to look at the Residential Tenancy Law. We are looking at rent stabilisation but we are taking quite a careful approach to that to make sure that we do not fall into some of the traps that other Governments have fallen into. These are running towards the end of this year and into next year.

The Connétable of St. Brelade:

So much the same, I suspect to my previous questions; the 2022 plan shows funding of £380,000 being requested. You are confident that that will be sufficient to meet the continuing aims?

Director, Strategic Policy, Performance and Population:

We believe so, yes. This year the housing areas have not been asked to do any additional savings, so that is to the Minister's advantage.

The Connétable of St. Brelade:

Departmental budgets and efficiencies; the panel understands that no direct efficiencies measures have been applied to your remit of housing and communities. You could translate what Sue just mentioned just now into efficiencies. Is this correct and if so, has the Council of Ministers identified that the area should not be scaled back due to the urgency of addressing the housing supply issue?

The Minister for Housing and Communities:

I think that is a fair summary. The housing issue occupies a lot of our time on Council of Ministers' meetings, I am pleased to say. We are working across departments. As I mentioned last time we met, the spike in the house price index for a fourth year running is a concern. Alarm bells are ringing. We are looking at ways in which considering the rises and the wage growth has not kept pace with that. Considering the effects of that, families living where they can just about afford and find instead of where they really need and the problems that that can store up. It makes sense to work on this as much as we can. It is a tricky technical area but we are looking, as I say, across departments on what we might be able to do. What I am saying is, supply is vital. We are not taking the foot off the accelerator on supply. But are there other interventions, if you like, that Government can make? There are a few obvious ones and we are looking at them.

The Connétable of St. Brelade:

Considering a recent acknowledgement that resource for housing is lacking, could you identify how much of the departmental budget has been assigned solely to housing?

The Connétable of St. Brelade:

No.

Director, Strategic Policy, Performance and Population:

The Minister's portfolio runs across 3 quite separate departments. It is very hard to pull those all together; that is one of the advantage we have of Debbie now as a temporary resource and our permanent resource for next year, that they will be able to co-ordinate much better. But the Minister for Housing and Communities has activities that run through I.H.E., through C.L.S. (Community and Local Services) and also through S.P.P.P. (Strategic Policy, Performance and Population), so it is difficult for the Minister to ... he does not have a budget in the same way that perhaps the Minister for Health and Social Services would have a budget.

The Connétable of St. Brelade:

In terms of co-ordination, given that there is overlap with other areas, do you meet with the Minister for Social Security, the Minister for Health and Social Services, where there is overlap?

The Minister for Housing and Communities:

Yes, I do. That is the great thing about the political oversight group because I specifically put the Minister for Social Security on there, and I have the Minister for the Environment on there. We are talking on the Council of Ministers about housing much more now than has been the case previously. These are really valuable discussions. I also sit on the Regeneration Steering Group. There is a cross-pollination with other Ministers on that. Sometimes we have exactly the same conversation on the Regeneration Steering Group as we then do on the Council of Ministers. But that is really important for everybody to be on the same page. As you know, I am rather urgently exploring initiatives that we might make across departments to perhaps ... the phrase I would use is take the heat out of the market and stabilise it a little.

The Connétable of St. Brelade:

Indeed, I think that is very important. Minister, and your team, that concludes our questions. I do not see any further questions coming from panel members at this moment in time. With that, I will thank you once again and conclude the meeting. Thank you very much indeed.

[15:39]