

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING  
BY DEPUTY J.A.N. LE FONDRÉ OF ST. LAWRENCE  
ANSWER TO BE TABLED ON TUESDAY 19th FEBRUARY 2013**

**Question**

- a) Would the Minister provide the present position of sales versus the forecast in respect of P.6/2007 (“Social Housing Property Plan 2007 – 2016”) year by year, showing planned disposals versus actual and identifying -
- i) the number and types of units sold each year (ie 3 bed houses, 1 bed bungalows etc), versus the planned disposal programme;
  - ii) the amount of actual cash received (versus projected) for transactions in any one year,
  - iii) where a deferred payment was agreed, the amount actually deferred (compared to projections) for transactions in any one year?
- b) In relation to the balance of cash of £101 million by 2016 originally envisaged in P.6/2007 to generate funds for the department, could the Minister provide actual cash balances for that fund from the period 2007 to 31st December 2012 on an annual basis, and also provide the revised annual forecasts for the period from 1st January 2013 to 2016?
- c) Would the Minister provide an explanation of the reasons for any significant discrepancies that have arisen from the original proposals agreed in P.6/2007?

**Answer**

I would start by saying that P.6/2007 did not forecast annual sales; it merely said that up to 800 properties would be sold over 10 years and made no guarantee about actual numbers of sales or proceeds in any specific period. The present position is that we have provided 119 social housing residents with the opportunity to become homeowners by taking advantage of the deferred payment scheme. In addition to this we have sold a further 45 properties on the open market.

The breakdown of sales carried out by year is as follows;

Year & Bed Size	Deferred Payment	Open Market
<b>2007</b>		
1 bed		
2 bed	1	
3 bed	19	2
4 bed	1	
5 bed		2

<b>2008</b>		
1 bed		3
2 bed	5	
3 bed	19	
4 bed	4	
5 bed		
<b>2009</b>		
1 bed		6
2 bed		
3 bed	15	1
4 bed		1
5 bed		
<b>2010</b>		
1 bed		
2 bed	3	2
3 bed	4	1
4 bed		1
5 bed		2
<b>2011</b>		
1 bed		2
2 bed	2	1
3 bed	2	2
4 bed	1	
5 bed		
<b>2012</b>		
1 bed		1
2 bed		4
3 bed	2	4
4 bed		1
5 bed		
Total	78	36
<b>Sales prior to P6/2007</b>		
2004-2006	41	9
Total number of sales	119	45

In relation to the amount of cash received I can confirm that the sales listed above have generated £42 million and a further £6.7 million is held in bonds. £27.1 million of that has been generated through deferred payment sales.

The breakdown of deferred sales figures by year is as follows

**Deferred Payments sales**

Year	£ received	Bond Value	% equity taken				Total number of sales
2005	£3,700,000	£418,000	17 @ 10%				17
2006	£5,000,000	£564,666	24 @ 10%				24
2007	£4,300,000	£1,400,000	21 @ 25% reducing to 10%				21
2008	£6,700,000	£2,100,000	23 @ 25%	1 @ 0%	4 @ 25% reducing to 10%		28
2009	£3,900,000	£1,200,000	14 @ 25%	1 @ 21%			15
2010	£1,700,000	£406,275	3 @ 25%	1 @ 22%	1 @ 18%	2 @ 0%	7
2011	£1,300,000	£451,250	5 @ 25%				5
2012	£543,750	£181,250	2 @ 25%				2
<b>£27,143,750</b>		<b>£6,721,441</b>					<b>119</b>

In addition to the P6 sales a further 46 homes were sold through the Jersey Homebuy pilot scheme at La Providence in the 2009 and 2010.

	Number of sales	Bond Value
<b>Total Homebuy sales</b>	46	£8,531,000

P6/2007 said that sales will be carried out in a managed, sustainable way, without imposing unnecessary strain on the wider housing market, and related at all times to current levels of supply and demand within social housing. Decisions on sales to the open market and to tenants continue to be balanced against delivery of new social renting housing and the needs reflected in the Affordable Housing Gateway List.

I believe that there is a significant lack of supply; particularly in respect of affordable and social housing. More homes are clearly required and finding sources and sites for these is the responsibility of the Planning Minister. It is a fact that despite rezoning a number of sites in 2008 to address the urgent need for new homes, particularly homes designed to meet the needs of the ageing population, there has been next to no new supply of new social housing since 2008.

With regards to future sales the Department is currently working towards a target of achieving 15 sales a year. Should we meet those targets we are expecting to see monetary values in the region of those set out below.

**Assumed sales**

Year	£ received	Bond Value	Total number of sales
2013	£5,001,000	£714,000	15
2014	£5,197,000	£743,000	15
2015	£5,460,000	£780,000	15
2016	£5,736,000	£819,000	15

I will of course be bringing forward my proposals for the future in my Report and Proposition setting out the principles of the proposed social housing transformation, together with a supporting Full Business Case, to the Council of Ministers on 27th February.

I do not think there are any discrepancies as the Deputy is suggesting, P.6 did not forecast specific numbers of sales within specific periods. Let us remember that the report was agreed in 2007, before the Island entered recession and lending became even more difficult for prospective buyers in the Island. This has of course had an impact on the amount of sales that were carried out. The fact that the Housing Department has managed to sell properties in line with P.6 despite the economic conditions and has been able to offer opportunities to aspiring first time buyers is in itself commendable and deserves to be praised.