



Environment, Housing and Infrastructure Scrutiny

Panel

Affordable Housing: Supply and Delivery

Witness: The Minister for Housing and Communities

Tuesday, 27th July 2021

Panel:

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

Connétable J.E. Le Maistre of Grouville (Vice-Chair)

Deputy S.G. Luce of St. Martin

Connétable S.A. Le Sueur-Rennard of St. Saviour

Deputy G.J. Truscott of St. Brelade

Panel Advisors:

Mr. J. Patterson, ARK Consultancy

Ms. J. Alderman, ARK Consultancy

Witnesses:

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

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

Ms. S. Duhamel, Head of Policy, Strategic Policy, Planning and Performance

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

Mr. R. Bucholz, Interim Head of Corporate Property and Performance

[13:02]

Connétable M.K. Jackson of St. Brelade:

Good afternoon, Minister, and welcome to the Environment, Housing and Infrastructure Scrutiny Panel and our review Affordable Housing: Supply and Delivery. I am joined by my colleagues and we will just go round the table for voice recognition purposes.

Connétable J.E. Le Maistre of Grouville (Vice-Chair):

John Le Maistre, Constable of Grouville, vice-chairman of the panel.

Deputy S.G. Luce of St. Martin:

Deputy Steve Luce of St. Martin.

Connétable S.A. Le Sueur-Rennard of St. Saviour:

Sadie Le Sueur-Rennard, Constable of St. Saviour:

Deputy G.J. Truscott of St. Brelade:

Deputy Graham Truscott of St. Brelade.

The Connétable of St. Brelade:

Minister, your team are?

The Minister for Housing and Communities:

I have myself, the Minister for Housing and Communities. Team, would you like to just introduce yourselves through popping your microphone on?

Group Director of Strategy and Innovation, Strategic Policy, Planning and Performance:

Good afternoon, on the Minister's team, I am Steve Skelton, the group director of Strategy and Innovation at the Government.

Head of Policy, Strategic Policy, Planning and Performance:

Hello, I am Sue Duhamel, head of policy at the Strategic Policy and Performance Unit.

Senior Policy Officer, Strategic Policy, Planning and Performance:

I am Tim Millar, senior policy officer working on housing.

The Connétable of St. Brelade:

Thank you. And we have John Patterson, our guest adviser, who is joining us on the panel today and will fire a few questions as and when. I am Mike Jackson, Constable of St. Brelade, the chair. Minister, governance and jointing working, how often does the Creating Better Homes Political Oversight Group meet and how is it constituted?

The Minister for Housing and Communities:

Can I just first say, that I really welcome this initiative of your panel to look into affordable homes. It is very timely and I am looking forward to your report because I think it is going to be extremely helpful. If there is anything we can do along the process to help out please do let us know. I have been looking at the submissions that have already come in to you and they are really interesting. It is very interesting the recurring themes that are already coming through. I have not looked at all of them but I have looked at a number of them. The care, attention and time that some people have taken to craft a response to you is extremely commendable and very helpful. One of those themes that comes up regularly, especially from industry contributors to your review, is a lack of strategic thinking by Government. It seems to crop up time and time again. That is what the Creating Better Homes Action Plan, and what we have done so far, strives to correct. One of those, as you correctly identify, is the political oversight group. It has the Minister for Social Security on it, it has the Minister for the Environment on it, it has the Assistant Minister for Treasury and Resources, Deputy Ash, on it. It also has, representing the Chief Minister, one of his Assistant Chief Ministers, the Constable of St. Ouen, Richard Buchanan. All of those Ministers do have an element of housing in their portfolio. There is a crossover of portfolios with all of them. So we got this political oversight group together a couple of months ago and we met, I think, 2 or 3 times so far. Generally, we store up issues that we believe that we want to get the group together for to talk about and then we will convene a meeting with them. They are all busy of course but they have all responded really well, and then we thrash things out. I am finding it really helpful, to be honest.

The Connétable of St. Brelade:

To what degree were you able to work with the Minister for the Environment on formulating the housing-related policies and proposals in the draft bridging Island Plan?

The Minister for Housing and Communities:

I have not up until now. I do not know if my predecessors worked with Deputy Young. I am not sure about that. But from my point of view, when I joined as Minister for Housing, so the bridging Island Plan was about to be published, it then was - and of course the Parishes had been invited to put forward sites - what I have done before I engaged now with the Minister, which will happen very shortly, I have been round to most of the Parishes, if not all. We had a chat in your role as Constable of St. Brelade over email but I have been to 10 other Parishes, myself, with Ralph from Property Holdings. That was a fascinating trip. I did it all before the 12th July deadline over 2 weeks. Most of the time we went out to the Parish to see the sites or to just talk to the Procureurs very often, the Constables, sometimes the Deputies. That gave me a grasp of the individual Parish needs really and was a good exercise. I think they were grateful to see me. What is interesting is that every

Parish has individual needs and it was good for me to gain an understanding of what they would like from the bridging Island Plan.

The Connétable of St. Brelade:

Are you or any of your officials a member of the Regeneration Steering Group?

The Minister for Housing and Communities:

Yes, I am. I basically invited myself on it. What I understand historically, if we go back to the beginning of this term in 2018, that the Minister for Housing was on the Regeneration Steering Group but he left it and when I became Minister and I began to hear about this Regeneration Steering Group it had not crossed my path before. I wanted to find out more about it and it struck me that the Minister for Housing should be on any Regeneration Steering Group. I think there was resistance in some quarters over possible conflicts of interest, which is what keeps the Minister for the Environment off the Regeneration Steering Group because of potential conflicts. But I think he should be on it and if there is a conflict just leave it. I am the same. I think it was very important for the Minister for Housing to be on any Regeneration Steering Group. At one point I said: "If you are not going to have me on your Regeneration Steering Group I will start my own." Of course they did invite me on and I have been to every meeting since with the Regeneration Steering Group, including one this morning.

The Connétable of St. Brelade:

I think we do erect far too many barriers to creating affordable housing sometimes and this is probably one of them. Are planners likely to be represented in the Strategic Housing Partnership, and which other organisations or interests would you like to see represented in that particular partnership?

The Minister for Housing and Communities:

Very definitely. I would like that to be as broad as possible. I am pleased to see in the representations you have had from the Association of Jersey Architects, from the Jersey Construction Council, picking up on this initiative. In fact, in one of them there was a quote I noticed saying the Government should get together with the main players in the industry. Here we go, this is from Messrs McDonald, Waddington and Buesnel, from the architects, they were suggesting stalling the bridging Island Plan by 6 months to allow "meaningful community engagement, and a holistic review of the current housing crisis in the form of a public Housing Forum (again...was it 1998?) [that it last sat, and I think they could be right about that] where the community, policy and decision makers all meet." That was so good to read because it is a vindication of the efforts that we are making - Steve Skelton is heading this up for me - in trying to reform what used to be called the Housing Forum. I think we are calling it the Strategic Housing Partnership now. That is for all

the players in the industry. We want to invite the Construction Council and the Association of Jersey Architects, all the housing providers, we want public sector and private sector too. As I was saying, the care and attention and time taken by people like the Jersey Construction Council to formulate that paper for you and your review I think is really encouraging. So we are already responding to that and saying, yes, let us get in the same room 2 or 3 times a year, maybe 3 times a year, and talk together and see if there is not problem-solving we can learn from one another. I want this to be for Government to listen to, those at the coalface of providing houses in Jersey that we desperately need. For us to listen to them, for Government to listen to them, and for Government also to come to them with clear direction about what it is we want. Our first meeting will be in September. It just got a little bit difficult with COVID, and what have you, to organise it. We were hoping for the end of July but I think it was getting too close to the summer and we need to give all the invitees as much notice as possible. As I say, it would be nice to get in the same room in person. I wanted to have the new Strategic Housing and Regeneration Unit that is going to be part of housing, and directly under me, and head it up by a new interim appointee. She will begin by 1st September. It will be good to have her there too. Because the idea of Government thinking strategically and further into the future is again cropping up on the submissions that you have already had. I am pleased to see that we are already ahead of the game there in terms of correcting that with the initiatives I just talked about.

The Connétable of St. Brelade:

I think certainly the key words are “clear direction” and we look forward to seeing that. Moving to key policies and objectives. In your view, will introducing a measure of housing affordability, based on relating housing costs to income, be an effective way of improving understanding of need and setting social rents and affordable purchase prices?

The Minister for Housing and Communities:

Yes, because it is all about the criteria. I have just had a raft of paperwork through yesterday or this morning on the definition of the affordable housing policy. It might be better for Tim or Sue to just quickly run us through where we are on that, if it would be helpful.

[13:15]

Senior Policy Officer, Strategic Policy, Planning and Performance:

Yes, I am happy just to give you a quick update on the specifics of the affordable housing definition. This is something that the Minister for Housing and Communities will be taking ownership off. Traditionally it lay with the Island Plan but because so much eligibility is tied up with policies that the Minister is responsible for we thought it would be best that he takes responsibility for it. We are in a position to publish it quite soon. We have just been doing some final work on what the definition

is. It is nothing too different from what we have seen before with respect to what the Island Plan covers. It is also consistent with what the law requires for affordable housing. But just makes it a little bit more detailed and basically sets the minimum criteria for what we think affordable housing should be. That covers issues about income and eligibility and all of those sorts of issues.

The Connétable of St. Brelade:

Moving further on this. As outlined in action 3A of the housing action plan, we are aware that there Government is currently reviewing the 90 per cent of market rent policy for social rented homes. Could you outline for us the specific terms of reference, which this review intends to explore?

The Minister for Housing and Communities:

I think Sue will be able to do that, I have not got it in front of me. Before P.31 was on the scene, Senator Mézec's proposition about dropping the rents down to 80 per cent, we had already started to look at this and already identified this as a key and immediate priority to take a look at. We are not alone in Jersey in finding the setting of social rents policy a very difficult issue. It is complicated by the finance schemes that Andium Homes are locked into based on the 90 per cent. If P.31 were to have gone through and we dropped to 80 per cent, starting in 2022, and if Government was to take the hit so as not to cause complications for Andium in the repayment schemes, et cetera, it would have left Government finding just under £2 million in the first year and then more recurring in subsequent years. Money which is not budgeted for. Obviously the decision has to be made how do you make up that shortfall? Where do you redirect funds? That is one of the difficult issues. The second is a blanket reduction to 80 per cent does not necessarily target where help is most needed because the way this was done historically, and the creation of Andium, there are people on the 90 per cent who are okay with that payment. So it is those that are not that we want to target. How to do that is what we are looking at now. Sue, I know you have had meetings with Andium very recently, do you want to pick up on this one for me?

Head of Policy, Strategic Policy, Planning and Performance:

Minister, you have given a really good summary of almost everything I was going to say. I suppose just to emphasise the fact that what we are looking at is not just Andium but also the housing trusts as well. Because the level at which you set rents is obviously very important for your overall financial viability of your organisation. Andium has significant loans at the minute, which it has been using to fund both the refurbishment programme of properties bringing everything up to the decent homes standards and then the current programme to build more units. That is something that everybody is very keen should continue. To finance that they have significant debts at the minute, so loans which will be repaid over the next few decades. The decision the States made back in 2013 to set the rents policy where it was, that decision was taken at the time because the argument was made to States Members, who accepted it, that that was the route of financing the money for the

refurbishments. We are right in the middle of that process at the minute. So changing that system now will have implications, as the Minister said, in terms of somebody would have to meet those extra costs or something else has to give in the way that Andium present working their business. That is important but, as I say, we are looking at the other housing trusts as well to make sure that we are being fair across the whole. One of the things that happened when Andium was set up, and obviously the majority of social housing tenants are sitting with Andium, is that tenants were allowed to stay at their current rental. So the rentals that are charged within Andium range quite broadly up to 90 per cent. If you take the average of all the rents being charged at the minute it is a wee bit less than 80 per cent today. You asked about terms of reference, and we are trying to do a broad review looking at the way both in which the impact on the tenants, the impact on Government, the impact on Andium and the other housing trusts and looking at the level of debt, the level of quality of housing, to make sure that when we offer options to the Ministers and to the States Assembly that all the consequences of different actions have been taken into account. That is where we are at the minute. We are right in the middle of that detailed work with Andium on getting those figures, getting information from the other housing trusts so that we can put together a package of options and consequences to let people know.

The Connétable of St. Brelade:

Before I just move to Deputy Luce and John, have you looked into or are you looking into alternative funding mechanisms to enable a reduction in the percentage value? How could Andium increase their income stream in different directions apart from this 10 per cent, shall we say?

Head of Policy, Strategic Policy, Planning and Performance:

The big choice would be around the way that they were funded for all new developments, giving them capital grants is that what you mean?

The Connétable of St. Brelade:

What I am trying to establish is what would we have to lose, because we cannot have it all ways, so there would inevitably have to be a cost somewhere.

Head of Policy, Strategic Policy, Planning and Performance:

Absolutely, so that is exactly what the review is looking at. If you do less of this you have to do more of that. This will cost you some money. You can do this but it will take longer to pay the money back. Everything that is different from today has an impact, so what are those impacts. Then what is the impact to carry on doing as we do today?

The Deputy of St. Martin:

I just want to go on, on the same point, and just say to the Minister: it is 90 per cent at the moment, it could be 80 per cent in the future, but whether that is a good, bad, indifferent idea and all the pros and cons of changing it, do you accept it would be a States or your decision, if you like, to do that. It is not an Andium decision to change the rents and if we decided that it was something that needed to be done it would also be up to us to come up with a scheme whereby it would be acceptable to Andium as well.

The Minister for Housing and Communities:

It is not actually in my gift, it would be in the gift of the shareholder representative, the Assistant Minister for Treasury and Resources. I came into this job gung-ho, wanting to slash the rents immediately down to 80 per cent, and I led the discussion and debate on that within the Council of Ministers and around departments. Then P.31 came along so, in a way, it was useful because it focused attention on this issue and it meant you had a good debate in the States Assembly about it. My point then was this is difficult, we are looking at it, give me the chance to do the work I need to do and come back to you. The Assembly went with that but there is a very strong feeling politically ... it is politically not very easy to justify or defend a 90 per cent model when not everyone is on 90 per cent. It is hard for us to justify and I understand that. I will come back with all the implications of it and any possible solutions that Sue and I and Andium might be able to arrive at, and the implications for those tenants. We will do that before the end of the year. It will be interesting to wait until the September R.P.I. (retail price index) figure is out, which comes out in October, because that has a very clear bearing on the potential rent increases next year, if that is what is going to happen. But it is tricky. I just feel that if we are going to do it probably Government has to take the hit. Or can we do it in a slightly more staggered way or is there is a cleverer way to do it rather than just the blanket? Is it a goal we can achieve over time by various methods, keeping rent increases down? Those are all the options we are looking at now and I will come back to the Assembly with them.

Panel Adviser:

Two linked questions really on this issue of reviewing the rent-setting model. Firstly, is it possible that you could end up proposing a differential system for newly built homes by comparison with existing social rented homes, so you could effectively be operating 2 different rent-setting models in that scenario? The other question, which might be more for Sue in a way, when you are looking at the detailed options or solutions, ways forward, have you examined whether it is appropriate, if you do reduce rent setting on newly-developed homes, to provide some initial capital grant funding as part of the overall financing solution for the new affordable housing schemes?

The Minister for Housing and Communities:

I will let Sue take the last one but it is very interesting that you should bring that up because I was thinking along those lines too. Is there a way, if people are taking out new tenancies, that we start introducing the up to 80 per cent instead of up to 90 per cent incrementally as that happens? Yes, I have asked for that to be put into the mix. Sue, could you pick up on the rest of that one for me?

Head of Policy, Strategic Policy, Planning and Performance:

Yes, of course. Just to be clear, the way the current system works is that rents are charged up to 90 per cent and if a new tenancy is created then that is charged at 90 per cent. So about 15 per cent of homes are currently charged at 90 per cent. Those will be the new ones because you do create a new tenancy if you move from an old unit into a new unit. Like I said before, there is a considerable differential in the percentage rents being charged within the current stock. All the stock has been refurbished to a decent home standard so everybody has had a house that is either reasonably new build or has been recently refurbished in the last 5 years. The capital grant thing is very much a question of the States decision as to how to fund housing. So prior to Andium homes existing and prior to the current policy, there was a grant - it was more of a capital grant system in place - which had led to a significant disinvestment in housing. That led to the political move to the current system whereby the income from rents is ring-fenced in a specific way, obviously quite unique to Jersey but it is there ring-fenced. Therefore Andium has access to its income and it has access to a significant Government-led loan, and it is now able to borrow on the market as well so that it is able to produce its own financing, which is based on the rent model. So again if we change the rent model, their ability to raise finance might be changed if the rent role was less. But you are right, if the Government was to provide capital funding then they would need the loans because they would be getting it from the Government, then the Government has many other things that it is being asked to pay for at the minute. The Andium loan is the first great big borrowing, the Minister will correct me on this.

[13:30]

I think Andium was the first time the Government did a large kind of borrowing loan system and since then obviously there is now talk about a new hospital and stuff like that. That is the political decision as to how Ministers and Assembly Members will want to raise money in the future. But the Andium model is seen as quite robust because the money sits with Andium and they have that money to invest into housing. As loans get repaid, that will be a very strong model for Andium in terms of the future. They have a very heavy debt burden at the minute but that will obviously reduce over the years.

Panel Adviser:

Chair, may I just ask one quick supplementary of Sue, if that is all right? The commitment that Andium makes revenue-wise back to States of Jersey, makes this annual revenue payment from its net rental income, is that fixed at a specific amount or can that flex dependent on Andium's revenue situation generally?

Head of Policy, Strategic Policy, Planning and Performance:

It does not reflect the rent being received today. It reflects the rent that was being received in 2014. It is basically an amount of money that was set in 2014 and it rises each year with R.P.I., so it is not linked to the housing index, it is not linked to the number of houses. From Andium's point of view, they would say that is the money we are paying towards the stock that we inherited, and then we have got the loan and we have got our new developments and therefore the money that we are spending on interest payments, that is how we are paying for the new stock. We are not paying the Government any money in respect of the new stock but we are paying the money in respect of the old stock because we were given that as a zero-cost transaction. The return does go up each year but it goes up with R.P.I.

The Connétable of St. Saviour:

Just a couple of questions and they are quite simple. When people are asked to move from one premise to another, either to downsize because they have got a 3 or 4-bedroom home and they are put into another set of accommodation, why are they charged the higher rent? Would it really not be fairer for them to continue with the rent that they have been paying in the establishment because they are doing you a favour by downsizing, maybe from a 3 or 4-bedroom house to a 2? I have heard a lot of people say: "We would not mind downsizing but our rent is going to go up and that just seems grossly unfair." I will let you answer that one first and then I have got another one.

The Minister for Housing and Communities:

The Constable of St. Saviour does raise an issue. It is especially difficult when people are downsizing but going into a new home or a newly refurbished home at which the rents are set at 90 per cent and it is more than they are paying in the bigger ... I have asked Andium to try to avoid that at all costs because it just does not feel right, does it? I have to say, let us just take a look at one of the most recent ones, which is the refurbed Block H of the Le Marais blocks, now they are renaming them as well; it is called La Tour Heron, Block H. They decanted it all and they need to do that, they need to get everyone out because it is quite extensive what they are doing, putting in new electrics, new plumbing, free Wi-Fi for everybody. The lifts are now going to every floor, not every other one, new kitchens, new bathrooms and so it is a major refurb. Basically, they decanted to the other parts of Le Marais and then each person was worked with on an individual basis, face-to-face with a meeting. When they move back into the new La Tour Heron and the rent implications were gone through with them all, and they were then helped with Social Security because very often income

support would kick in. At my last meeting with Andium, they said that they had managed to do that move and fill the H tower and done the move for everyone. They have helped them with the move and they reported it was to everyone's satisfaction, so that is good news and I am pleased to report that.

The Connétable of St. Saviour:

Thank you. That kind of answered some of my question, I just wanted to know when people downsize and doing you a favour there is, sure, the higher rent but if they are living in a posher house with a lick of paint I suppose that is the thing. Can you tell me why the States are selling off a lot of Grasett Park?

The Minister for Housing and Communities:

No, I cannot, Grasett Park ...

The Connétable of St. Saviour:

Yes, St. Saviour, opposite the New Era.

The Minister for Housing and Communities:

Yes. I do not have the details of that, I would have to check it up for you, Constable. But I can do that, I am happy to do that.

The Connétable of St. Saviour:

I find it very intriguing that they are selling off because it comes to me, as the Constable of St. Saviour and I get to know about it, yes. You would not mind, thank you.

The Connétable of Grouville:

Thank you, Chair. The cost of housing, the rental value of housing, as I understand it, has gone up by more than the R.P.I. since 2014; that must have had a positive effect on Andium's financial model and it may be that they do not need to take the 90 per cent rental levels.

The Minister for Housing and Communities:

Sue, that is one for you.

Head of Policy, Strategic Policy, Planning and Performance:

I think Andium would tell us, as they did tell us at their last meeting, that the cost of building materials has also gone up. The key thing around the Andium finances at the minute is around the level of debt they are currently holding. They have both the States bond to pay back and they have private funding to pay back, and that is to fund a significant development programme. The flexibility within

Andium finances at the minute is quite limited and I think the Government accepts that and accepts that there would be consequences to Andium being asked to reduce their income level. As the Minister said before, obviously one way of doing that would be for the Government to accept less return from Andium but then that would put the Government in a position where it had less income and that would also have consequences. Unfortunately, which is we are where we are at the minute.

The Minister for Housing and Communities:

Chair, before we just continue, I think Ralph might be able to help us in terms of the Grasett Park situation.

Interim Head of Corporate Property and Performance:

Yes, hi, panel. Sorry, I was just saying that I noticed there was a question and they are being sold as part of the Jersey Homebuy scheme by Andium to first-time buyers. It is part of their kind of number of units per year that they are selling from their existing estate to kind of supplement the supply of first-time buyer accommodation that they can sell on.

The Connétable of St. Saviour:

Could I just ask a question? Thank you very much, Ralph, that is great. Could you tell me why and where the money goes?

Interim Head of Corporate Property and Performance:

The money goes back into the sort of pot, I suppose, Andium's pot for redeveloping the rest of their estate. It, effectively, goes into managing and providing more supply on other sites. It is part of a kind of an ongoing programme they have whereby they are sort of selling on all the stock and then replacing it with newer stock, which either will be for first-time buyer again or rental, as in the Samarès Nursery scheme, for example.

The Connétable of St. Saviour:

Are they held to the same criteria as first-time buyers, so they have to sell on to a first-time buyer?

Interim Head of Corporate Property and Performance:

Yes. The Jersey Homebuy scheme is a bond they have, so it is a discount. I think the homes are valued at first-time-buyer values but then discounted and sold at the discount level in perpetuity. If they sell them they sell back under the same scheme. But that is something that, I think, is part of the review, that it has already been discussed by the Minister for Housing and Communities in terms of looking at the various schemes for affordable purchase that are around. They are in perpetuity, as I understand it, yes.

The Connétable of St. Saviour:

Okay, thank you very much.

The Connétable of St. Brelade:

Thank you, Ralph. Minister, moving on to action 3D of the action plan which proposes that: “An initial review will be undertaken to identify measures that could be used to provide tenants with appropriate protection from excessive rent price rises.” Given that the rent control law provides for a rent control tribunal, which, it appears, is not currently constituted or active, could the tribunal be reconstituted to provide this protection while the review is undertaken and completed, which we gather may not be until the end of 2022?

The Minister for Housing and Communities:

Yes, that law needs to be rewritten. The old Rent Tribunal, which has petered out, basically anyone could sit on it, the Rent Tribunal. It is not subject to the same rigours as other tribunals, other bodies that look at regulation and adjudicate on disputes. It is an old law, I think from the late 1940s. We have said it is not fit for purpose, we need to redraft that law. But that function that the old Rent Tribunal did should still be available and should be up and running. It might be in the form of an officer with support or almost like an ombudsman; it might be that. But that is also a priority that we are looking at right now, I think, again, to get certainty on by the very end of this year or quarter one next year. Yes, we want an alternative to that and we want an arbitration function as well but it needs to be fit for purpose and better than the current law.

The Connétable of St. Brelade:

Thank you. You do not know what the reason was for disbanding it, do you?

The Minister for Housing and Communities:

It was not working. Tenants, I think, were afraid to go to it in case there were repercussions with their landlord and that, I think, is one of the reasons why. I am not sure of the others, way before my time. Yes, it just sort of withered and died.

The Connétable of St. Brelade:

What concerns do you have, Minister, about balancing enhanced environmental and housing design standards in the proposed Sustainable Communities Fund, which are all in the draft Island Plan and the viability of delivering affordable housing?

The Minister for Housing and Communities:

Okay. Can I just bring in Steve Skelton on that one?

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

Yes, of course. Can I just check, the question was around the viability of the different policies?

The Connétable of St. Brelade:

Yes, Steve.

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

You may have had a chance to go over these issues earlier this morning with the Minister for the Environment, in which case apologies for repeating. The viability of the draft Island Plan is obviously a matter that was reviewed and set out in a viability note and I think you can see with a couple of key policies the Sustainable Communities Fund and the sort of proposal around the incorporation of affordable homes as a proportion of open-market development. Effectively, an initial choice, a political choice was made to preference the Sustainable Communities Fund in the draft Island Plan ahead of the percentage of affordable homes policy. Principally that is about understanding of where the construction market is at the moment and some of the wider ambitions of the Island Plan, for example, to increase standards on thermal efficiency, to increase consideration over the sort of planning and amenity matters. The Sustainable Communities Fund, which has set a proposal, would come first and as and when it was viable to us to incorporate affordable homes as a proportion of open-market development, that would be brought forward, it is suggested, at that time. The assessment we had done was that it was, effectively, not really viable to try and do both at the same time currently.

The Connétable of St. Brelade:

Thank you. Minister, the changes to the housing law to diminish share transfer purchases seems only to apply to new properties. Has the Government considered whether it could extend provisions to existing properties sold by share transfer?

The Minister for Housing and Communities:

Sue is the expert on that one.

Head of Policy, Strategic Policy, Planning and Performance:

The move that the Government can make very quickly is in respect of the powers it currently holds under the Control of Housing and Work Law.

[13:45]

The Control of Housing and Work Law applies to transactions where you are selling out of a company and, therefore, we can put a restriction or a condition on that sale which requires the ...

that is typically to a builder, it is typically a building transaction. The developers come in and bought somewhere in a company and then, when the builder sells, the condition can be made that the sales are made through to flying freehold. At the minute, typically those conditions are they are sold on share transfer to entitle people and the change will be to make the transactions directly to follow flying freehold. That is the power the Government has today, so that it is relatively simple to make that change. The power that you are suggesting is a power over transactions between entitled people and that will be much more difficult to do. You would also have to think about the way in which you would deal with existing share-transfer ownerships and what rights you would give people who had only recently bought under those situations. That is a much bigger problem which will take longer to think through. We would need expert conveyancing advice and legal advice, so absolutely it is a point to be thinking about. But at the minute the resources under the Government's control today is the Control of Housing and Work Law. That is the first thing we will do, so that stops new share transfer of properties being created, so no new ones come on to the market. But the existing ones, that is a much bigger project that will need to be dealt with in the coming years. We have not got any plans to be able to address that more complicated issue this year.

The Connétable of St. Brelade:

Would that come in under the remit of the Minister for Housing and Communities to deal with?

Head of Policy, Strategic Policy, Planning and Performance:

If we did a bigger piece of work. I must admit that today I do not even know where the legal right would sit, what kind of law you would use to do that with, so we would need to go into that in much more detail; that would obviously be a potential way of doing it.

The Connétable of St. Brelade:

Thank you. Minister, this is always an interesting point which we discussed earlier on with the Minister for the Environment, do you have any specific plans to address the impact of buy-to-let investors on the availability of homes for first-time buyers and, if so, what are those?

The Minister for Housing and Communities:

Yes, I think it is work that we should do because, anecdotally, it is a problem. We are at capacity but I think it is something that we should look at urgently and maybe it sits under Environment more than me. We have all heard the stories of the queue for the Bath Street development, for the guy in front of one guy, it was his turn and he got to the front of the queue at 3.00 a.m. in the morning or whenever it was and bought 4 properties for buy-to-let. A lot of that queue was people just wanting to get on the housing ladder and buy one apartment. I think we should at least try to get the industry to agree that the owner-occupier and especially first-time buyer queue should take precedence, it should be a day before the queue for those wanting to buy a buy-to-let. Of course it does not affect

Andium but with S.o.J.D.C. (States of Jersey Development Company) they assure me that they exhaust all avenues of potential owner-occupiers - they must have been talking about the old Jersey College for Girls - before any would be made available to buy-to-let investors. But I would like to see a moratorium on it until we get the data because it worries me that the buy-to-let market is helping to inflate prices and it worries me that some of these nice-to-have third, fourth, fifth, sixth buy-to-let is depriving another person of their necessity, which is to get on the housing ladder. I do not know, Sue, if you can help me any more with how we would scope that; where would that sit?

Head of Policy, Strategic Policy, Planning and Performance:

Minister, it is the same situation as before in that the Government can control the way in which that first purchase out of the company is made and, therefore, you could put more conditions on that one through the Control of Housing and Work Law to decide what kind of owner it should be, as well as flying freehold you put mortgages on if you wanted to. But once it is transacted into the hands of somebody with residential qualifications in Jersey, the Government does not currently control the way in which those transactions then go on between people with local qualifications. It is the same problem, is that you would need to have a new law, a new kind of area of law that would specify how you would do that or how you could control that. But that is a way of doing it, by stopping people with a law from doing something. There are other ways of discouraging people from doing things through fiscal measures and other ways like that. You could use stamp duty, you could use taxation; there are a number of financial levers the Government could apply to make it more or less attractive to transacting different types of properties, so that is another possible route for exploration. These things are really quite complicated. We have a very active and buoyant housing market at the minute. To a certain extent, we are in a very lucky position. It means the developers are very keen to work on Island. You would not want the reverse of that to be true where it was difficult to get people to build houses; we need new houses. That ability to sell to a variety of different purchasers is important at the minute. It is a complicated situation and we need economic advice, we need conveyancing advice and all of those themes are being pursued. But it will take some time to come to sensible conclusions. This is a not a quick and easy problem to solve, this is one that is going to take a little bit of time and thought and resources to kind of do it properly.

The Connétable of St. Brelade:

Thank you. In a parallel vein, are there plans to review paragraph 121 of the policy guidance on residential and employment status which relates to high-net-worth individuals being able to own their own main residence and additional property for rental investment under various criteria?

The Minister for Housing and Communities:

For starters, since we were last together and I opined on the amount of 2(1)(e)s coming in, prompted by the Constable of Grouville, I am getting signals that we are going to bring in a cap and have a

figure that should not be exceeded annually, so we know what we are talking about. There is nothing official yet but I am hearing noises that that is possibly accepted as what should happen. The 2(1)(e) is allowed to property develop; the properties that have been empty for 2 years and they are supposed to dispose of them within 2 years. There is scope for them to do a certain amount of property development. Are we enforcing that? How are we checking? I think that needs to be looked at. Because it would concern me if at the high end of the market 2(1)(e)s were able to property speculate in terms of keeping hold of very high-end market properties until they got the price they wanted. If it meant holding on to that property for longer than the 2 years, then that is not right because the housing market is supposed to ... if your house is not selling you have got to bring down the price and that is how the market works. But some people are in a very fortunate position that they can just wait and wait and wait until the houses achieves ... if that is going on and I do not know if it is, then I think that is not right.

The Connétable of St. Brelade:

Do you consider the previous relaxation of the policy has been a factor which has impacted negatively on the supply and demand of housing and, ultimately, house prices?

The Minister for Housing and Communities:

I do not know exactly what has happened with the policy because, as far as I know, the last person to draw this up in relation to what was then 1(1)(k)s and probably then became 2(1)(e)s was Senator Ozouf when he was Minister for Treasury and Resources, so that was at least 2 terms ago. At that stage it was 5 new 2(1)(e)s to be let in a year and they had to demonstrate that it was not just to avoid ... because it is tax advantageous to come here but that they wanted to come here because they wanted to contribute to the Island and to the community. I think in perhaps the last term that was never tidied up and I think it was left to the next Minister for Treasury and Resources to do that, and I do not think that happened. I think now there has been a drift and we have regularly let in 20 or 21 2(1)(e)s a year.

The Connétable of St. Brelade:

Do you sit on ... is it H.A.W.A.G. (Housing and Work Advisory Group) that is ...

The Minister for Housing and Communities:

I do, yes.

The Connétable of St. Brelade:

Who else is in that group on that panel?

The Minister for Housing and Communities:

That also includes the Minister for Social Security, Assistant Chief Minister, Deputy Huelin, and the chair is the Deputy Chief Minister, Senator Farnham.

The Connétable of St. Brelade:

Thank you. Once again a delicate area: in your view should the Government support private sector build-for-rent in some circumstances?

The Minister for Housing and Communities:

Build-for-rent, I would have to do some research on that. I do not know if Steve wants to come in on that one. I know you are asking for my personal opinion on it but it is not something I have looked at in enough detail.

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

I think it is a very broad question and I think we would say that certainly it plays an important function in other housing markets. Being in the process of re-establishing a capability to plan strategically for the Jersey housing market probably puts us ahead of whether we know it provides that function or it would helpfully provide that function in Jersey. I do not think we would want to rule anything out at this stage, neither are we certain that it is the right thing.

The Connétable of St. Brelade:

Okay. Maybe one for you again, Steve, given that owner-occupying is very much a British thing and not certainly the case in Europe, is it a line which we should continue to follow or should we pick up from Europeans and encourage build-for-rents?

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

I know that there was some consideration of this by the Housing Policy Board. It is deeply connected with other questions around long-term land use and sort of built environment form that we have obviously somewhat hedged a position on in the Island Plan ahead of the States Assembly's further conversations around the population policy. If it is a trend that is going to be sort of promoted as part of public policy, I think that needs to be in response to an ongoing expectation of population growth, which I still think is an unsettled question in the Assembly. It is something that I think we would come back to as part of that work to develop a long-term planning function.

The Connétable of St. Brelade:

Thank you. Probably linked once again, what is the current status of the research on financial barriers to home ownership mentioned in the housing action plan? I am not sure if that is for you, Steve, or the Minister.

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

I can certainly take it if it is helpful. It is a reasonably short answer in that we are still at the scoping stage, so we have not commissioned the research yet.

The Connétable of St. Brelade:

Thank you. Minister, what was the definition of a key worker recommended in the Altair report adopted by Government? How would you define a key worker?

The Minister for Housing and Communities:

I will have to ask my officers if there is an official definition because I do not know.

Head of Policy, Strategic Policy, Planning and Performance:

I will come to that one. Yes, Altair did do some work a couple of years ago which was very useful background. I think background research, we would say, rather than kind of came to full conclusions.

[14:00]

The general definition is that it is a worker fulfilling some form of statutory role that is unable to afford accommodation in the open market in terms for housing purposes. The key worker could be all sorts of people but the key workers that you would want to support through housing would be key workers who also were unable to meet their housing needs in the open market. But they might be people who do not normally hold residential qualifications, so they might need to be treated separately. But that work will be picked up again at the beginning of next year with a new piece of work but I know that it is being looked at by a variety of different States departments. It does span across all sorts of different areas at the minute. It is being looked at by Health, who obviously have a lot of key workers in the Health Department and by the Central Human Resources team to make sure that any kind of employment-related support or subsidy would be fair across different types of worker.

The Deputy of St. Martin:

Minister, could I just ask you a question that I put to the Minister for the Environment this morning and it was around key workers, specifically key worker accommodation? Do you not agree with me that we have a desperate shortage of staff in all sorts of areas, sectors of our civil service and it is incumbent upon us to build more key-worker accommodation at this time, who are desperately in need of it?

The Minister for Housing and Communities:

Yes, absolutely. You look at the key workers in Children's Services and it is hard for us to retain them. I am thinking about social workers, especially those case workers with specific young people, some of whom have had a different case worker nearly every year. We have had huge turnover and I have got a feeling that accommodation has a part to play in that and with our very important hospital workers too. With some of our key-worker accommodation, whether we should not be allowing a kind of right to buy with it so that the key people that we desperately need and would like to keep them here for as long as possible have a stake in the Island, which makes it more attractive to spend a longer time here.

The Connétable of St. Brelade:

Minister, does the old J category system still exist or have we moved on from that?

The Minister for Housing and Communities:

Somebody will need to help me on that one.

Head of Policy, Strategic Policy, Planning and Performance:

I could do that one. The old J cats, basically you have now got the Control of Housing and Work Law, so that is where we talk a little bit about the Chief Minister being responsible for things, rather than the Minister for Housing and Communities. Because the controls around both employment and housing have been incorporated together into one law, so that is the law of 2012 and it is owned by the Chief Minister. You just referred to the H.A.W.A.G., which sits below the law to advise the Chief Minister on making decisions under the law. That law is also the law where the 2(1)(e)s are currently given permission to come to Jersey. We still often call it J cats, today called licensed employees and, unfortunately, for my sins I am also responsible with population policy; we have changed the name yet again. That will continue to be an essential employee type permission which allows people to come to Jersey and quite often to buy from day one or certainly to lease in the local market from day one. We keep on changing the name but the concept has not changed for a long time.

The Connétable of St. Brelade:

Thank you, Sue. Minister, how did the Government respond to the other recommendations of the Altair report, including the categories of accommodation proposed; there were other proposals?

The Minister for Housing and Communities:

I am not sure on that one, you might have to ask Sue on that again.

Head of Policy, Strategic Policy, Planning and Performance:

As I say, the Altair report, the final report was somewhat constrained by COVID, so that the work did stop a little bit prematurely probably. You have talked just before about the right for essential

employees to buy property and that was certainly an idea that was explored by Altair. I would suggest that what they will do is much more of a kind of an initial review of options, as opposed to firm recommendations. That work does need to be developed and, like I say, probably next year and brought to a conclusion. But I think there is a significant understanding now of the urgency and importance of getting this work right and a desire between different States departments and Ministers to make sure that the work is well co-ordinated and brought to fruition as soon as possible.

The Connétable of St. Brelade:

Thanks, Sue. Minister, the diagram in the housing action plan describing the issues influencing supply and demand for housing does not address people's aspirations and changing expectations of their homes. How do you ensure that this rather dynamic driver of demand features in your understanding of the market and your policy making?

The Minister for Housing and Communities:

Can you just expand on that a little bit for me?

The Connétable of St. Brelade:

We can provide houses for a situation at the moment but what happens when people's life changes, lives change for whatever reason, change of job, family changes and so on and so forth. How can we accommodate that?

The Minister for Housing and Communities:

Yes. One of the biggest ones that we are determined to tackle is, of course, the change when you get to more senior years and wanting to rightsize, as we are calling it now, and that features very heavily in the Parish sites that are being rezoned as part of the Island Plan. My work, as I think I said earlier, begins almost immediately now with consultations with the Minister for the Environment on what product goes on worksites. We hear big demand for that and we have got to try and answer that. That might also help a kind of fluidity in the market with people leaving family homes to go to something smaller and perhaps sheltered. You get 2 bites at the cherry there because you get the property that is then released. Ralph might want to come in here on the latest on all of that and how that is progressing.

The Connétable of St. Brelade:

Please do. Before we go to Ralph, can I just ask John Patterson to come in on this?

Panel Adviser:

John again, Minister. I just wanted to expand a little on what we were driving at with that question in connection with the demand side of the sort of housing market equation because, clearly, I think

you said yourself in your opening remarks, given what has happened during the pandemic, et cetera, people's expectations for home have changed quite a lot and it is a good illustration in a way of how dynamic that aspect of demand is. It is very difficult to measure, I accept that, but often in trying to respond, effectively, with policy to a market change, mechanisms are put in place to try and keep in touch with people at that more qualitative level. You might have, I do not know, a focus group of local people, difficult to find a representative group sometimes. I know that it is trying to have dialogue with people at that level. I accept, in a sense, the political system itself is one of the best ways of you having contact with people and their aspirations but I just wondered if that was on the radar in terms of how you respond to the housing market going forward.

The Minister for Housing and Communities:

Yes, that is very interesting. Things I can immediately think of in terms of that are the importance for there to be a space in the home these days to work on your computer. I have spent 6½ years on the Planning Committee and very often when an applicant would come along with an application for an extension to the house or for a house and it was like 2 bedrooms and an office. I think it is fair to say the officers and those of us sitting on the committee were suspicious about this and said that is just going to be a 3-bed.

Panel Adviser:

That is another bedroom.

The Minister for Housing and Communities:

We should be making provision for that because we should be not on our computers in our bedrooms, we should be in a dedicated space for it and probably should not be in the lounge either, especially if we are all going to work from home more. That is now a really important 21st century facility that should be recognised. On the other wider questions, I do not know if Ralph or Steve want to pick up on your point, Mr Patterson.

Interim Head of Corporate Property and Performance:

Yes, I am quite happy to. I think if you are going back to the original question I think it was about the table which outlined the demand and supply sort of influences, I suppose, on the affordability. Was that the table that was originally ...

Panel Adviser:

Yes, that is right.

Interim Head of Corporate Property and Performance:

Yes. I think you are right, absolutely, John, the qualitative element is not probably easily captured within a kind of systematic diagram like that. The purpose of that diagram really was to show what influence the Government or the market has really on the different ... what are the market leaders and what are the Government leaders, if you like, on impacting or effecting the supply and affordability of housing? You are right, I think if you wanted to carry out a more qualitative assessment you would have to do further work that went into that kind of area of change. Obviously there are things within the Island Plan around the new design and residential standards of homes which will obviously be influenced by people's views and the sort of political governance of it as well, so I guess that is for the future. Was there a further question you had as well, about the downsizing and rightsizing? Was that sort of another area that you wanted to explore?

Panel Adviser:

I would be interested in exploring that but I was going to leave that until a little later in the question plan because it had just come up as a specific issue. But you are right, Ralph, in terms of where I was getting really or trying to get to on that topic area, it was just asking: is there a way in the system of policy development of recognising that more kind of qualitative component? You do obviously go through extensive consultation around things like developing the bridging Island Plan and that has a housing standards element in it and so on. But when you start to drill down to a bit more detail, say, on standards that you are aspiring to achieve in affordable housing or the nature, the type and mix of affordable housing, in some other jurisdictions where we work it is quite common to see there being a step in the policy formulation process where there is consultation with a group of people who are expected to sort of represent what Joe Public generally might feel about where their aspirations are going. Because it is things like we need more space in the home to work but also we might want more outdoor space than we were expecting previously.

Interim Head of Corporate Property and Performance:

Yes. What we did do in 2016, which informed the first draft of the residential standards, we did a survey of recent developments and we asked a lot of questions around exactly those points. We looked at developments which were built in the last 10 years and we asked them about what they thought about their space that is inside the house. Have you got enough space to put your Hoover away or to sort of like sit around, 4 of you around a kitchen table or dining room table? Basic questions like that. What are your thoughts on external amenity space, noise pollution, light pollution? We had some very good responses on that. I think we had 350 responses to the survey of about 1,000 homes and that was a variety of homes, from the open market right through to the sort of affordable sector, from one-bedroom flats right through to 5-bedroom homes. We did sort of carry that out and it is a benchmark which exists from 2016. But it would be very useful, I think, to probably repeat and maybe bring that up to current kind of thinking as well with some further

questions that you might want to ask around other areas that we now know are important to people as well. Yes, that is something that we have done but we can repeat.

Panel Adviser:

Just a very final point on this ... sorry.

The Minister for Housing and Communities:

Just to add to that, the scoping, what kind of financial product would be most helpful to people trying to get on the property ladder?

[14:15]

Steve and I had thought of approaching the Consumer Council to do that work on our behalf and we would help them and that would possibly entail some market research element too, some focus groups. There is a very good company over here that does them and I have used them in the past and Government regularly uses them. It might be worthwhile broadening the scope of that to include something along the lines that you are discussing. In these blocks of apartments we are putting up into St. Helier for young couples to buy and start their families, are there basic things like room in the corridors for someone to put their pram and those little details, which when you are trying to build as many units as you possibly can to meet the demand it is important not to forget.

Panel Adviser:

Yes, there will be natural conflicts, as you say. One of the things we have seen deployed quite often, which is useful, is if you ask your provider partners, like Andium, to carry out post-occupancy surveys when people have moved in and they have had a bit of time to settle and then they have decided what do they really like and perhaps what they do not like very much. If you have a mechanism for them feeding that information back to you on a regular basis you will build up a lot of helpful intelligence I think.

The Minister for Housing and Communities:

That is a very good idea; that is a very good initiative. A lot of these things, I want us to be able to talk frankly and openly on the new housing partnership when we are getting all the providers together. These are the sort of issues that I think would be really productive for us to discuss in that kind of forum.

The Connétable of St. Brelade:

Minister, a key recurring theme in submissions made to the panel mentions increasing levels of net inward migration over the last few decades and the negative impact of increasing population size

and the effect it has on the affordability of homes. Action 2D of *Creating Better Homes: an action plan for housing in Jersey* says that you will work with your ministerial colleagues: “To ensure housing policy considerations are fully considered in the development of new migration controls and future population policy.” Can you elaborate on this further? What are the proposed migration controls under consideration in relation to housing, for instance?

The Minister for Housing and Communities:

That work is being headed up by Deputy Huelin, as Assistant Chief Minister. I talk to him constantly about this and he is very, very keen to develop that population policy in synchronicity with all the other ministerial departments, so that is definitely ongoing. We have had some discussions already and we will continue to feed in as much as we possibly can to the formulation of his policy. I know that he wants it ...

The Connétable of St. Brelade:

Have you any idea when we may see some tangible outcomes from the implementation of migration controls?

The Minister for Housing and Communities:

I think he is due to publish very early in the new year. I cannot remember, I do not know if anyone has more detail on it; maybe Sue is more close to it than I am.

Head of Policy, Strategic Policy, Planning and Performance:

I can just provide a quick summary of the timetable. The States agreed P.137 early this year, which was to agree a set of kind of principles for enhanced migration controls and then there was an in-committee debate probably in May, I think. The next key step will be an actual debate before the end of the year, so that is also a commitment from P.120 last year. The Chief Minister and the Assistant Chief Minister will bring forward their first proposals for a population policy before the end of the year. Just one point of caution is that the census results, which obviously are a key part of how you would want to build up a population policy, will be published early next year. There is an existing commitment to have the debate this year but there will obviously be a lot more work happening next year as well. This was a process that started that this Government is absolutely committed to getting and doing as much as it can. But in reality there will be some things which will have to happen into the next Council of Ministers because the census information, for example, will not be available until the spring of next year.

The Connétable of St. Brelade:

The action plan also suggests that guidance has been prepared for the Jersey Development Company in respect of the waterfront development and required mix, type and tenure of homes

delivered. We have obviously concern from other States Members on this but could you update us on the current position as things currently stand?

The Minister for Housing and Communities:

I had a meeting, funnily enough, this came up this morning in the Regeneration Steering Group, Lee Henry was on the group and we were talking about exactly that this morning and I am pleased you brought it up. Because the S.o.J.D.C.'s aspiration is to go higher in terms of storeys on the waterfront. I think it is definitely going to surprise Deputy Luce. I think there is a discussion that the Island needs to have about height. As Deputy Luce will know, I have always been very cautious on it myself in St. Helier, but we are talking about land that is not all in St. Helier, this is like land that did not exist prior to this century. We are starting with a sort of blank canvas there. I do not know if you spoke about it this morning with the Minister for the Environment but I would like it if it featured in part of your review. Because I notice that a lot of industry who are already feeding into your review in their submissions are saying we should go higher. I think if I could be convinced that there is a place for us to go higher, and that place is down at the waterfront, I might slightly change my perspective on it. I do not know if you are having S.o.J.D.C. to talk to as part of your review, I guess you are, then it would be very interesting, I think, for your panel to have a conversation with them about how high they wanted to go with the new development on the waterfront. In trying to build 1,100 units of accommodation, not South Hill, this is on the waterfront, the aspiration is for 1,100 units of accommodation there, that is with the heights that they wanted to go at and I think in their pre-app advice they have pushed it too much, so they are having to lop a few storeys off. By doing that we go down to 1,000 units of accommodation, so potentially losing 100. Where does the Island want to put those 100 that we are going to need? We should definitely start the conversation about whether on somewhere like the waterfront where there are no listed buildings because it has not been going long enough, can we push the limits a little bit more so that we are not having to build in St. Clement or even in St. Saviour or anywhere else in the countryside? I am most encouraged, as the Minister for the Environment is calling it South Hill, undoubtedly the waterfront because it is so big will go to an independent public planning inquiry with a U.K. (United Kingdom) inspector because of the scale of it; I think that is absolutely going to happen. I do not know whether the S.o.J.D.C. should be encouraged to go with their original plans and say: "Look, the Island needs to make a decision here, do we compromise slightly on trying to keep everything at 7 storeys or 8 storeys or is there scope to go higher to help us with the impending difficulty we have got?" It would be dreadful, would it not, if 30 years down the line they were knocking those buildings down to build them up higher because we missed the opportunity in the first place? It needs to be really sensibly handled. Jersey is not a high-rise Island, as I have said before, St. Helier is not a high-rise town but is there scope to maximise potential there by going a little bit higher? I think it is a conversation, as I said, the Island needs to have.

The Connétable of St. Brelade:

Minister, you are proactive; what assurances do you have that States-owned sites identified for affordable housing provision can be delivered in a reasonable timeframe?

The Minister for Housing and Communities:

I have publicly said that I will get more Government-owned sites for our providers, certainly a tranche more by the end of this year. I notice that one of your respondent's said that it is ridiculous the uncertainty on some of the Government-owned sites. I think the Construction Council have got a very good paragraph about Les Quennevais School, the old Les Quennevais School I am talking about. On sites like that we absolutely need to let Andium or whichever provider it is know that they are going to have them. Ralph is on the line, he will tell you how much I am pushing for it. Another of your respondents said: "Housing should be a priority like infrastructure." I forget, I think it might have been the Association of Jersey Architects. The Assembly has just prioritised the school situation in St. Helier, which was already a priority and that work had already halted while the review into what we need in terms of education facilities in St. Helier went on. I was prepared to just hold off a bit and let that happen because it is absolutely vital and it was happening quite quickly. But I think it is a shame to say that is a priority over and above anything else, if that is what the Assembly did last week. Because we should not be saying that housing is any less of a priority than anything else; that is the wrong message; that does slightly worry me. I am determined that we should do this and I know Ralph is on board and I do not know if he has got anything to add.

The Connétable of St. Brelade:

Ralph has had to slip away, I think. Minister, I understand that you will be contributing to the formulation of affordable housing supplementary planning guidance, what would be your main priorities for this?

The Minister for Housing and Communities:

For it to be design-led, have good design, to have appropriate mixes. I think ghettos are to be avoided at all cost. If we are going to take greenfields we need to maximise their potential, which does not mean high rises in St. Peter but we have got to make sure that we design cleverly. I was also very pleased to see from one of your respondents in answer to the first question, they said about: how do we solve a housing crisis and provide the supply that they need, or whatever the question was? The first bullet point was: "Take modern methods of construction seriously and employ that and use that." That, again, was good for me to see because I have started work on scoping the potential for houses being built in kit form away from the Island and transported here and assembled here. It is much, much less labour intensive. It is greener, it is cleaner, it is, potentially, much, much more cost effective and we are doing that work. Deputy Huelin sits with me, I had asked the Deputy of St. Martin but he is up to his eyes and I understand that. But the

reason why I asked Deputy Luce and Deputy Rowland Huelin is because they both started looking at this in terms of their own Parishes. I thought I am going to tap into what they have researched, they have done already but also let us look across all of those sites. Because if we are going to order kit-form houses and they have got to be the best, if we are going to do that, ordering 400 instead of 40 is much, much more cost effective. I would like to see that employed across the sites that are rezoned in the Island Plan. We have already had a couple of really good meetings and it was very interesting because the Polish Consul got hold of me 2 weeks ago and said: "These guys are over there, there is a Polish firm, they build M.M.C. (Modern Methods of Construction), they export it to 13 other European countries."

[14:30]

Somebody has bought one in Jersey, a very nice house in St. Brelade, Mont Gras d'Eau and the guys were over and it takes about a day and a half to put these things up and it takes about 3 days to manufacture them in the factory in Poland. We have brought these Polish guys in while they were here and every time we have a meeting on M.M.C. it is an educational experience and we are all learning. One thing that was said to me that has resonated is that M.M.C. can work, it can be done and is being done in a lot of countries. But he said the biggest hurdle is people do not yet believe in it, they do not believe in it. But it is there and it is happening and so we have got to change the culture.

The Connétable of St. Brelade:

Indeed. Minister, you have been very good and answered lots of questions. We would like another hour of your time in the future at some point. We have got several further questions we will pop through in writing, if that is acceptable. We have run out of time but we do look forward to continuing the debate further. Thank you and your team for attending upon us this afternoon, it is very much appreciated.

The Minister for Housing and Communities:

It is our pleasure and, as I say, really welcome the work that you are doing and of course we will come back for another hour with pleasure and also take the written questions and get you some answers.

The Connétable of St. Brelade:

Thank you very much and I close the meeting.

The Minister for Housing and Communities:

Thank you very much.

[14:31]