

3. Questions to Ministers without Notice - The Minister for Housing:

The Deputy Bailiff:

That concludes questions on notice. We come now to questions to Ministers without notice and the first query is to the Minister for Housing. Does any Member wish to question the Minister for Housing?

3.1 Deputy R.G. Le Hérissier:

In a written answer to myself from the Minister of Housing, he mentions that when he is involved with developers and there is an issue of decisions, he has officers present. Does that mean, for the rest of the time, he carries out negotiations, discussions, *et cetera*, on his own? What record are there of these negotiations? What reassurances do we have that there are not promises being made, conflicts appearing, over which we have no control and which may have serious consequences down the line?

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

I am not sure in relation to what the Deputy is talking about but if the Deputy is talking about developers or landowners, the issue is quite clear. If I am approached by a landowner or a developer, I cannot make a decision. I do not make a decision but in nearly all cases, I refer, if you like. Several I have referred to the Constable of Grouville, where I have supported the Constable of Grouville, but I have passed them over to the Island planners or the other departments, but I certainly cannot and do not make any decisions. Unfortunately, because I have a fairly open door at home, I never know who is going to knock on my door, who requests to see me, but invariably I try to sift out those who want to see me and find out what they want. No, I do not make any decisions at all. Any decision on development or planning is for the Planning Minister.

3.1.1 Deputy R.G. Le Hérissier:

While for a moment not underestimating and undervaluing the Minister's drive and enthusiasm, does he not think it is very odd and indeed not to be condoned, that he meets with developers and he may well be seen as favouring one particular project over another? Does he not think that this is, quite frankly, behaviour that needs to be tightly regulated?

Senator T.J. Le Main:

Well, I do not know where the Deputy gets that. I do not meet with developers and I would like to, if you have got any evidence that I do... Over many years ago States Members - and I can always remember one or 2 planning presidents at the time - used to go out for lunches and entertaining with developers. I can give you a categorical assurance that this Housing Minister does not entertain or go out or associate with developers. If developers or landowners do approach me, I would give you a categorical assurance that they are passed on to the appropriate department.

3.2 The Deputy of Grouville:

With such an overwhelming need for first-time buyer and, as we are led to believe, retirement homes, does the Housing Minister consider 65 units of supposed self-catering accommodation above the Transport Centre, as is highlighted in the Hopkins Master Plan, to be a good and fair use of new accommodation in the Island?

Senator T.J. Le Main:

This Island has still got to live, work and breathe and raise income and while I will always remember when I was invited on to the Planning Committee by Senator Quérée at that time, that I said to him: "Look, although I am the Housing President, you will not get me on board for any redevelopment that I think is unsuitable. Not at any cost." But, in this case, I have no firm

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views on the self-catering because it is a very important part of the tourism infrastructure in the Island. Quite honestly, I do not think that if that was (a) to (h) accommodation or first-time buyer, I will rankle on the Abattoir site. Personally, I do not think it is a suitable site. At the end of the day, I welcome any developments in St. Helier that will meet the needs of what my department is trying to achieve but there is a balance to be met.

3.2.1 The Deputy of Grouville:

This is not meeting the needs of people on his housing lists, so can he tell us what he is going to do about these 65 units that are going to be - well, I have used this expression in the past - (j) categories and unqualified through the back door that are basically going to service the finance industry when he has lists of local people in desperate need of first time buyer accommodation?

Senator T.J. Le Main:

I have got to say that the self-catering apartments placed upon that site would carry - if they come out of self-catering - a condition that they would have to be let for (a) to (h) and the local market. I have to say, again, that the Island needs self-catering and there is a balance to be met. I would not want to interfere with that balance at the present time because whatever the need it is meeting, it is meeting a need in this Island and self-catering, whether it is short-term for people that are working on the Island or otherwise, and I believe that we have to strike a balance. So, although I sympathise with what the Deputy is saying, I have to say that, as Housing Minister, I welcome self-catering as part of the overall product of the Island.

3.3 Senator J.L. Perchard:

What checks are undertaken by the Minister to ensure that the terms of any agreement with a successful 1(1)(k) applicant who takes up residence on the Island are honoured? What options are available to the Minister, if the terms of any agreement with that 1(1)(k) resident are not complied with?

Senator T.J. Le Main:

A 1(1)(k) applicant or resident have terms agreed with the Comptroller of Income Tax and I am assured that the terms that have been arranged are legally binding inasmuch that the Comptroller of Income Tax can now legally pursue that as a debt.

Senator J.L. Perchard:

Perhaps the Minister would like to answer the second part of my question? What options are available to the Minister if the terms of any agreement are not complied with?

Senator T.J. Le Main:

I am not sure about that question. It has not arisen yet and perhaps the Solicitor General would be kind enough to perhaps dig me out of a hole on this one. [Laughter]

The Deputy Bailiff:

I am not sure that we will be doing all questions without notice...

Senator T.J. Le Main:

Well, I would have to come back and let the Senator know but I would suspect that if they fail to meet the terms under which permission was given, then they would fail and it would lose their status but I will find out, Sir.

Senator J.L. Perchard:

I would appreciate if the Minister did come back with an answer to the question and also add a little extra question, if I may?

The Deputy Bailiff:

No, I do not think you may, Senator. You have had 2 already and one has to be fair among different Members here.

3.4 Deputy G.P. Southern:

Is the Minister surprised to see figures that indicate that two-thirds of flat sales are currently share transfer sales, which are by and large bought by investment consortiums from outside the Island, thereby taking properties out of the housing market?

Senator T.J. Le Main:

How many times have I got to tell the Deputy that he is talking absolute nonsense? It is not true. Yes, many of the flats are share transfer because over a period of years that was the only way that multiples of units of accommodation could be transacted. Now they have got flying freehold that came out a relatively short period of time ago, several years ago. But, up to then, you could only acquire a flat through share transfer. There are no - no - large investors in share transfer. Give me the evidence. I see the Deputy, Sir, pulling faces. [Laughter]. My department have heard these rumours for a considerable amount of time and, in fact, we had mention of several... a unit of accommodation recently built by share transfer in Gloucester Street and other areas. We checked out all the applications that came through on applications to occupy and those that did not come through, we physically checked out - knocked on doors, checked it all out - and we can give the assurance to the Assembly that there are no large investors that are buying share transfer accommodation for investment purposes. I can say that honestly.

The Deputy Bailiff:

To be honest, I think you have answered it. There are a number of Members who want to ask questions, so I would ask you to be as concise as possible in your answers. Do you wish a follow-up question, Deputy Southern? No. Very well, the Constable of St. John.

3.5 Connétable G.F. Butcher of St. John:

I wonder if the Minister could advise the House what action he would take if it were found that an existing States' tenant was applying to buy one of the shared equity units that they are selling-off and it was found out that they already owned one or 2 properties abroad? Thank you, Sir.

Senator T.J. Le Main:

Well, this is another issue that I get and there are several Members of this Assembly that have continuously said to me that: "I know someone who has got a large property in another country." Every time I have asked them to give me the name so that I can investigate, not me personally, but the department can investigate: "Oh, we cannot do that" or: "We do not want to drop ourselves in it." I urge the Constable, if he has such evidence, if that is the case, then we would take action and they would not be able to purchase a shared equity States' property. But I urge any Member, instead of going on the radio all the time, espousing the view that this was happening, that was happening, please give me the information, which I will pass on to my fraud investigators at the Housing Department and they will look at it and come back to you.

3.5.1 The Connétable of St. John:

Can I just ask a second question on that one, Sir? Would the same apply to existing States' tenants that are occupying States' properties? Because I understand that it is against the department's policy that you can own a property and live in States' accommodation.

Senator T.J. Le Main:

No, it is not against the policy of the department. For many years people are assessed on their needs. One has to remember that 25 per cent of our clients are clients that pay a full fair rent and we need that kind of income from those paying full fair rents to maintain our budget. But there are families that never go on holiday but may have a little mobile home or a little house in France or things like that...

The Deputy Bailiff:

I think the answer is either yes or no, Minister, as to whether it would apply.

Senator T.J. Le Main:

There is a policy that people can have some home ownership.

3.6 Deputy P.V.F. Le Claire:

On the issue of large investors and the share transfer market, it is interesting that all the Members are shouting it down. The reality is that the share transfer market is a lucrative investment opportunity for people that do not belong in Jersey, or they do belong but they do not live in Jersey and they rent it out to people who have got housing accommodation. On the website of a very large developer...

The Deputy Bailiff:

I am sorry, what is your question?

Deputy P.V.F. Le Claire:

This is the question, Sir, on the website of a very large developer in Jersey, beginning with a "D", they not only build share transfer accommodation, they sell it on the site; they offer it as share transfer...

The Deputy Bailiff:

Deputy, you must ask your question, please.

Deputy P.V.F. Le Claire:

They arrange, they build, they purchase and they let the management of these properties. Does that not give the Housing Minister cause for concern that most of the available new accommodation in flats in Jersey is there for share transfer owners, not the residents, who wish to purchase, themselves?

Senator T.J. Le Main:

No, Sir, that is not true, again. I have got to say that we keep a very tight rein on this. We look at it and we assess it. In fact, tomorrow morning, Sir, my Assistant Minister and I, we have a policy meeting on (j) categories or accommodation and all those issues but the issue is this Island does need investors in the home market because, you know, we have got... For instance, years ago Health and Social Services, and Education used to cry out for accommodation. They used to have staff accommodation all over the place. That is totally inexcusable. Thank goodness we have got people that do invest in local property, that nurses and teachers can access (a) to (h) accommodation because they are entitled to under their (j) licence's special concession. But we do need people to invest in local property. But the biggest issue at the moment is that 3 and 4-bedroom homes are being bought up by local Jersey people to let out. Quite a lot are going, the Miladi Farms, Maufant Village are being bought up by local families - Jersey born and bred for hundreds of years - who will see this as an investment. Those homes are occupied by Jersey people, which has given us much more ability to not have to provide them in the States' rental accommodation.

3.7 Deputy P.V.F. Le Claire:

A follow-up question, then, Sir, is that, very succinctly, will the Minister not recognise that the reason there is such a low rate of home ownership in Jersey is because of these very 2 factors; people renting houses and people renting flats without the ability to purchase them?

Senator T.J. Le Main:

Home ownership, as we all know, is very low, compared to other countries and this is an issue that the Housing Department and my Assistant Minister and I are trying to address through the sale of 800 homes but certainly the issue is that, over the years, a shortage has been accumulated because of many broken marriages where there are 2 now occupying a 3-bedroom home. I have never seen so many; I do not think there is another place in the world where so many single people have bought family homes. Particularly on even some of the first rezoned sites of 1999. Young people do not stay at home in Jersey now, if they are working in the finance industry. They are occupying and they are living and renting. But the issue is that there is still the shortage, Sir, of one-bedroom flats with parking spaces, in St. Helier, to purchase. A great shortage and, although the market is static and flat at the moment, the information coming back from the estate agents is telling us that some investors who had bought some years ago are now selling and trying to get out because they are not making any money on their investments.

The Deputy Bailiff:

I know there are other Members who want to ask questions but I am afraid the time allowed has now expired so we come now to questions of the Chief Minister.