

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 23rd FEBRUARY 2010**

Question

“Will the Minister inform members what options, if any, he has in the short and medium term to achieve the aims of his departmental business plan to deliver affordable homes and to increase owner occupancy in the Island, given that he advised the Health, Social Security and Housing Panel on 9th February 2010 that he had no funds to subsidise the purchase by ordinary people of affordable homes?”

Answer

I am fully aware of the challenges involved in providing affordable housing in the Island, particularly in the current economic climate, which has seen banks being far more restrictive in respect of their lending criteria.

As I have said on previous occasions, I am not in a position where I alone can deliver the new homes which we need.

New homes, particularly new affordable homes require land to be zoned for residential purposes, that is the responsibility of the Planning Minister and is a difficult and complex task. He knows that he will always have my support with this.

I do believe that we have achieved much in recent years. Since 2002 our planning policies have seen the development of 702 social rented homes and 758 first time buyer homes. The States Strategic Plan 2006 – 2011 charged the Housing Department with the introduction of a shared equity or discount scheme, initially using existing Housing Department stock to increase home ownership. The Department did this when it brought forward proposals embodied in P.6/2007. We went further and assisted the Planning & Environment Minister in the development of his Jersey Homebuy Scheme. This made 3 bedroom first time buyer houses valued at £450,000 available to qualifying persons for an average of £260,000, without costing the tax payer a penny in direct subsidy. These two affordable housing schemes created 151 new home owners, the majority of whom would otherwise have been locked into a lifetime of renting. Not only have these homes been sold affordably without a direct subsidy from the tax payer but the legal arrangements surrounding the second charges will eventually see the return of at least £14.3m to the States when all of the homes are sold on or otherwise conveyed.

Records show that a total of 1,090 homes were under construction at the end of 2009 and a further 758 homes had outstanding planning and building permits. The draft Island Plan concentrates on addressing the requirements for new homes in the ‘qualified sector’. In doing so, it makes provision for the supply of 2,550 new homes over the 5 year period 2009 – 2013, comprising 550 Category A and 2,000 Category B homes. The provision is made from a range of sources and relies heavily on opportunities presented by the Waterfront, Town re-generation and private windfall developments elsewhere in existing built up areas.

As impressive as these successes are, there is no room for complacency and my Department is actively engaged in discussions with Planning and other Departments in respect of the provision of more affordable housing in the future.

It is a fact and Christine Whitehead points this out in her report that there are going to be some people for whom renting is a lifelong tenure. Our challenge when developing future affordable housing will be to balance the provision of homes to buy alongside an almost certain need to increase our social rented housing stock, in line with a very different economic and subsequent lending climate.