

23.01.17

6 Deputy C.D. Curtis of St. Helier Central of the Minister for Housing and Communities regarding Affordable Housing Gateway (OQ.8/2023):

Will the Minister consider abandoning the current qualification criteria for registering for affordable housing so that all Islanders in need are eligible to register on the Affordable Housing Gateway; and, if not, why not?

Deputy D. Warr (The Minister for Housing and Communities):

I am fully committed to making sustainable changes to the Affordable Housing Gateway to ensure as many Islanders as possible are able to access social rented accommodation if they need it. Changing the eligibility criteria must be carefully considered. I am not in a position to simply say I will consider abandoning it altogether. It is vital that changes to the Gateway are sustainable, fair and manageable. I also consider it vital we do all we can to understand the true extent of social housing needs. The current Gateway format only provides us with a portrait of demand relative to the current eligibility policy. So therefore, while I am not in a position to say I will abandon the criteria, I am exploring how a change to the Gateway format might be made to allow all Islanders to register their future interest in social housing, which will provide us with a more accurate portrait of social housing demand in the community. Again, this is a change that needs to be carefully considered and I will look to provide an update as soon as possible.

4.6.1 Deputy C.D. Curtis:

I thank the Deputy for his answers. He stated that he wants it to be a fair process and, as an example, a single applicant who earns £33,000 a year would have to pay around £16,000 per year for a one-bedroom flat. That would be 48 per cent of their gross salary and that is rental stress. That person would not be able to apply currently to the Housing Gateway. Does the Minister think that that is addressing housing need and is it fair?

Deputy D. Warr:

I thank the Deputy for her question. You raise a really good point. What is fair? What is our definition of fair? I think I commented on the reason I changed the criteria of the Gateway for the beginning of this year was because I felt it was not fair. I saw 100 applications which had got turned down and I looked at all of those in detail and considered that our Gateway was not set at a level which is appropriate for these individuals who were feeling rental stress, as you describe. So you correctly identify where does that level sit. That is something which is a challenge for us all. As I say, I think one of the ideas behind working out what that level should be and what a fair level is, is by somehow surfacing all of those who cannot, with the current settings within the Gateway, to be surfaced, for that information to be collected and that data. We keep talking about data or I keep talking about data, I do not know about "we". But I keep talking about data and that is where we lack and we need to get better data so that we can be better informed and do a better job for the people of Jersey.

4.6.2 Deputy S.Y. Mézec:

Does the Minister accept that one way you can reduce the need for people to register for social housing is to make it easier to survive in the private sector? Could he therefore update Members on the status of the Residential Tenancy Law that he is working on and whether it will include, as has been proposed multiple times before, a form of rent control to end the rampant rental inflation that Islanders are seeing in the private sector and therefore reduce need for affordable housing?

Deputy D. Warr:

I am not quite sure how that relates to the Housing Gateway but the reality is we are developing a new residential tenancy law, which is currently a work in progress, which is through this year and will be brought to the Assembly in due course. We are working on that very carefully. As I said in answer to my earlier questions, we are reviewing the whole of this package right now and that will also inform what the law looks like in 2023/24.

4.6.3 Deputy S.Y. Mézec:

He said the law will be brought to the Assembly in due course. Can he be more specific than that? Will that be quarter 2, quarter 3, by the end of this year, early next year?

Deputy D. Warr:

The answer is I do not have an exact date on that. I will endeavour to firm up for you.

The Bailiff:

“For the Deputy.”

Deputy R.J. Ward:

May I suggest a system of yellow cards. [Laughter]

The Bailiff:

I was going to suggest that people might like to look at the Chair when they are answering because that way if you say “you” you know it is not me and so you know you are getting it wrong. Or if that is unpalatable look at the mace. But probably do not look at the person who has actually asked the question.

[11:15]

4.6.4 Connétable M.K. Jackson of St. Brelade:

The Deputy mentioned that he will be undertaking a review. Will that review be fed by housing providers on the Island, all the various trusts, or will he be seeking input from other parties and who might these other parties be?

Deputy D. Warr:

We are looking to review ... I am assuming that the Connétable is talking about Parish input and, as I say, other social housing providers, as opposed to simply Andium Homes, the other trusts. The answer is yes. The answer is, yes, we are seeking to get as much input as we possibly can. It is because of input from these various bodies that I have postponed the setting up of the Rent Tribunal Panel.

4.6.5 The Connétable of St. Brelade:

I thank the Minister for his answer but the Parishes, I do not believe, have had any communication to date on the matter, so we look forward to having it ... will he confirm that he will be in touch in short order?

Deputy D. Warr:

Of course we will.

4.6.6 Deputy L.V. Feltham:

I am pleased to follow the last question, as it does relate to the review. I would like the Minister, if possible, to give us some further clarity about what the terms of reference are for the review and if those terms of reference are published and, if not, why not?

Deputy D. Warr:

I thank the Deputy for her question. I think what is very difficult is to publish anything at this moment in time. I think what we have is a situation whereby we are developing policy and it is policy under review at the moment, so that is really all I can say. I am not sure if I can say anymore. Maybe that does not satisfy the Deputy, however, that is the reality of the situation right now.

4.6.7 Deputy L.V. Feltham:

Can the Minister confirm whether or not he has signed off on some terms of reference for the review and if he has consulted with the relevant Scrutiny Panels on such terms of reference?

Deputy D. Warr:

We have not got that far yet.

4.6.8 Deputy M. Tadier:

Does the Minister share my reading of history that there is a lack of social housing now? There has always been a lack of social housing in modern times and that because of a lack of social housing the private sector were encouraged to fulfil the need that social housing would be providing and part of that was through a rental component through income support, which, effectively, goes directly to the landlord. If he does and even if he does not accept that, would he also agree that it might be worth considering as an interim measure until we, hopefully, get a significant more amount of social housing stock, that private landlords be encouraged to become social landlords? Is that something that he would be willing to look at? Private landlords who wish to subscribe to the process of becoming a social landlord to charge affordable rents, et cetera, and everything that goes with it could then benefit from having access to social tenants.

Deputy D. Warr:

I thank the Deputy for his question. That is an interesting idea because it sounds very much like Government trying to interfere in the private sector market, which I am not a pro at all. I personally believe that the way in which we control rents to a degree is by building more homes. We are planning on building 3,000 more homes by 2030. I think that will increase supply. That, therefore, gives people more choice. More choice usually means more competitive rental levels. I think that is as far as I would go on that.

4.6.9 Deputy M. Tadier:

Does the Minister accept that by giving taxpayers' money to private landlords to help people who cannot afford to pay their rent; that is already interfering in the private market? If he wants to remain a purist and say that we should have private and public sector, then we should say if you want to rent and you cannot afford it you have to do it in the public sector. What is his solution to high rents in the private sector, which seem to be spiralling out of control this year with 10 per cent R.P.I. (retail price index) which the renters are certainly not seeing reflected in their wage packet?

Deputy D. Warr:

I thank the Deputy for his point. What I would say is that because we have Andium Homes, our own social housing provider, their rent increase is capped to 4 per cent. Clearly, if the private sector

continues to increase rental levels at 10 per cent, for those who have access to the Gateway, suddenly the Gateway comes into play. By the sheer fact that we have a cap in the social sector is going to help to keep rents under better control. But it does come down to what I said earlier about supply and demand. If we have insufficient supply of housing we are going to see rents climb to a level or continue to climb. If we do not continue to build and we decrease the supply of stock, which is what we are trying actively not doing - we are actively building at this moment in time - we will increase supply, I repeat my point, which is that increasing supply dampens demand on rent level increases. That is my objective at this moment in time. Sorry, in answer to your point about should the States be subsidising private landlords? I do not believe they should be. However, I recognise that because people do not have access to social housing, we talked about a review earlier about the Housing Gateway, these are all the issues which come up in this very, very complex subject area. As a purist, no, I would not want to see landlords subsidising rent, however, we are where we are today. If I can change that in the future I will do.

4.6.10 Deputy G.P. Southern:

Will the Minister accept my congratulations for being the first Minister up here to use the dreaded words that is policy in development and I cannot tell you more about it? But what you can do is seek some analysis of what the issues are without going to what you are developing as policy. What do you see as the major issue ...

The Bailiff:

What does the Minister see.

Deputy G.P. Southern:

What does the Minister see? Sorry, Sir. What does the Minister see as the major issue in examining the progress of the private sector and the public sector in terms of rental?

Deputy D. Warr:

I thank the Deputy for his question. I am just trying to get my head around what he was ... what the Deputy was asking me. Apologies, I am getting better at this. **[Laughter]** The reality is the methodology at this moment in time is we are endeavouring to build more homes. It is a recognition that there are insufficient homes currently on this Island for the demand that we are seeing. That is the direction of travel we need to go on in order to achieve some of the things that the Deputy has mentioned there. I am not sure I can say an awful lot more than that.

4.6.11 Deputy C.D. Curtis:

The Minister referred to the need for data, does he agree that the best way to collect this data would be to permit all Islanders in housing need to be able to apply to the Housing Gateway?

Deputy D. Warr:

I will refer the Deputy back to the end of the response to the oral question. I have said that I am exploring how a change to the Gateway format might be made to allow all Islanders to register their future interest in social housing. We are proactively looking at that as a policy to develop. We have to be very, very careful. I have been criticised already by Deputy Mézec for opening up the Gateway to the current levels because he believed there was not sufficient housing stock. I think we have evidenced that that is not the case but we need to know more. We need more data. We need to really surface those people who are sofa-surfing, those people who are very concerned about

anything to do with Government. We really, really need to work hard on identifying the exact levels of demand and that is my intention in 2023.

The Bailiff:

Thank you very much. Before we move to the next question, could I just mention to Members the purpose of speaking and addressing comments through the Chair? I am sure many will be aware but for those who are new it may seem a rather arcane and sometimes difficult craft and not everyone gets it right all of the time. The importance is that it puts a layer between Members in terms of their question and answer, which is perhaps not so important in a relatively friendly exchange in the Assembly this morning. But when things get very heated and when people are very passionate about something, then it is much better to address the remarks to the third person, rather than directly to the individual and that is the main purpose for addressing remarks through the Chair as a matter of habitual practice. I hope that is of some assistance at least.