QUESTIONS TO BE ASKED OF THE PRESIDENT OF THE HOUSING COMMITTEE ON TUESDAY 18th NOVEMBER 2003, BY THE DEPUTY OF ST. JOHN

Question 1

Would the President give details of the property transaction involving the States concerning the acquisition of 3 Les Buttes, St. Martin under the Assisted House Purchase Scheme for the sum of £265,000 in view of this being in the first-time buyer range?

Answer

The lower limit for acquisitions of freehold houses for occupation by 1(1)(j) category employees is £250,000. Although many 1(1)(j) category acquisitions are at a price well above this figure there is nothing extraordinary about this acquisition and it reflects the fact that not all 1(1)(j) category employees have very high incomes.

Question 2

Would the President advise whether the Committee will be bringing proposals to the States for debate regarding a review of the Assisted House Purchase Scheme, and, if so, when?

Answer

The Committee has noted the concern of some members that, under the Assisted House Purchase Scheme, the States has on behalf of 1(1)(j) category employees purchased a significant number of properties. I am pleased to report that the Committee has approved an alternative approach to home ownership for j category employees and therefore will not be bringing forward any new proposals for the Assisted House Purchase Scheme to the States for debate.

I can advise that the arrangement whereby the States was required to purchase all dwellings on behalf of permanent 1(1)(j) category employees where those employees wished to enjoy an equity share in the property, has ceased with effect from 1st October 2003. Following advice from the Law Officers' Department, States' 1(1)(j) employees are now permitted to purchase through the means of a company of which they are the beneficial owner. Employees with existing loans through the Assisted House Purchase Scheme will be permitted to continue with those loans or alternatively opt to switch to the new scheme. These changes have been made after consultation and with the agreement of the Education, Health and Social Services and Human Resources Departments.

The new arrangement overcomes any difficulties that might arise should the individual employee purchase in their own name prior to completing 10 years as an essential employee and then leave that employment. Full details of the new policy are posted on the States Human Resources internet and intranet sites.