

4.6 Deputy C.F. Labey of Grouville of the Chief Minister regarding potential problems facing people buying or selling a house:

Is the Chief Minister aware of the practice of house purchasers and sellers having an agreed price changed at the last minute leaving people either unable to complete the transaction, having to pay up, or accept a lesser sum and, if so, is he prepared to ensure changes are put in place to stop this practice happening?

Senator I.J. Gorst (The Chief Minister):

Could I ask Senator Routier to answer this question?

Senator P.F. Routier (Assistant Chief Minister - rapporteur):

Buying or selling a home is one of the most important transactions anyone will make. Any last minute changes must cause significant pressure and stress. This is why the work of the review panel, which has been established under the chairmanship of the Deputy of St. Mary, on property transactions is so welcome. We look forward to his report and taking any necessary actions that can create greater certainty. I am aware that the use of a presale binding agreement is becoming more commonly used and these can create more certainty for buyers and sellers.

[10:30]

4.6.1 The Deputy of Grouville:

Does the Assistant Chief Minister accept that this is his area of responsibility and it is not a new issue and, therefore, is he prepared to bring measures into place? I am sure the work of the Scrutiny Panel, if it is a review panel, will be extremely welcome, but given that the responsibility is with his department could he give us some reassurances that these practices, which as I say are not new issues, will be stopped and measures put in place to stop people being treated in this way?

Senator P.F. Routier:

Certainly, we do recognise that there is an issue to be addressed. We were considering that the work that the domestic property review panel were carrying out was important information that they were gathering. They have a good terms of reference and we were looking forward to the outcome of their report. If we had ignored that I do not think it would have been appreciated, so it is a joint approach which is being carried out. We recognise that there is an issue to be looked at and to see if there are some ways in which we can help to avoid this unfortunate gazumping and gazundering that has been going on. I think one of the pieces of work which is being carried out is to try and find out the actual extent of it because there are certainly different views among the professional people of the amount of it that is carried out. Where there are obviously circumstances where it does, we will be looking, with the help of the economic team in our department, into what can be done.

4.6.2 Deputy D. Johnson of St. Mary:

Following on from the reference from the Assistant Chief Minister, yes, the subpanel has indeed commenced its review. We have had a break over summer to concentrate on M.T.F.P. matters. We are about to resume and are due to see further stakeholders during the month of October with a view to issuing a report by mid-November. The matter to which the Deputy of Grouville has referred, you will not be surprised to know, has come up several times. We will be considering that along with other representations. May I again invite Members and the public at large to submit further representations as soon as possible, please, if they wish their opinions to be taken into account?

The Bailiff:

Your question to the Assistant Chief Minister is? **[Laughter]**

The Deputy of St. Mary:

Would the Assistant Chief Minister be prepared to delay any further report until he sees our review? Would he also encourage Members to submit further representations?

Senator P.F. Routier:

We very much welcome the work that is being carried out and encourage any members of the public or any professional bodies that wanted to make representations to the panel to do so, so that we can jointly come forward with our proposals.

4.6.3 Connétable L. Norman of St. Clement:

I wonder if the Assistant Chief Minister is aware of the Jersey Law Commission's report of 2002 which recognised the difficulties that the Deputy of Grouville has highlighted this morning, plus many others in the area of conveyancing. It made some significant recommendations to improve the situation and perhaps if the Assistant Chief Minister is aware of this report, why no action has been taken in the intervening 14 years?

Senator P.F. Routier:

Having just come to this issue very recently, I have to say I was not aware of the report of 2002, but certainly I will be looking at it when I get back to the office.

4.6.4 Deputy A.D. Lewis:

With the powers of communication of the Chief Minister's Department, would the Chief Minister be prepared to publicise more widely the fact that things like exchange contracts can be done in advance, as you mentioned earlier? The public simply are not aware that they can do that, pre-contract, and it just needs to be publicised a little more. Opportunities like this are an opportunity to promote it. Would the Chief Minister's Department be prepared to do more to make the public aware of what currently exists? The panel that I sit on with the Deputy of St. Mary is reviewing all of this matter, but more publicity about the issue would be greatly appreciated, by the Chief Minister's Department.

Senator P.F. Routier:

We would be very happy to do that, certainly with the use of social media and getting out the message about what is available. I had a discussion with legal people about the more common use of pre-sale and binding agreements now, which are working because there are penalties if people do not progress with the transactions. I would say that the Chief Minister's Department will be promoting that as an opportunity for people.

4.6.5 Deputy M. J. Norton of St Brelade:

I wonder if the Assistant Chief Minister would consider using technology for a modern land registry, which could possibly assist, and in fact maybe even unblock the channel of Friday transactions by having transactions done on other days apart from a Friday, by using a digital land registry.

Senator P.F. Routier:

Yes, that is certainly one of the options that will be looked at. I am very aware that 2 of our ministers went to Estonia recently and looked at what is happening there with regard to e-land registers, and it is certainly something for the future we should be looking at.

4.6.6 The Deputy of Grouville:

I welcome the fact that the review panel shall be bringing out a report in mid-November, however, as I said initially, this is not a new issue and I think a timeframe from the Council of Ministers from the Chief Minister's Department who are responsible for this would be extremely welcome. We have just heard this morning from the Constable of St. Clement that there has been a report hanging around for 14 years now. So, I would welcome a published timeframe so that obvious measures can be put in place to stop all these bad practices.

Senator P.F. Routier:

The Deputy is quite right to highlight that the issue has been raised before. I understand that when it was raised before there were some certain hurdles from various members of the professions that wanted to maintain the status quo with regard to how transactions were carried out. I think we are in a different place now and I believe that, with a good will and with the report of the review panel, we will be able to get things moving very quickly. With regard to publicly saying today a particular timeframe, I would need to consider that, but certainly we will get on with it as soon as we possibly can.