



# Environment, Housing and Infrastructure Scrutiny

## Panel

### Quarterly Hearing

## Witness: The Minister for Housing and Communities

Wednesday, 26th October 2022

#### **Panel:**

Deputy S.G. Luce of Grouville and St. Martin (Chair)

Deputy R.J. Ward of St. Helier Central

#### **Witnesses:**

Deputy D. Warr of St. Helier South, The Minister for Housing and Communities

Ms. S. Duhamel, Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department

Ms. N. Day, Head of Strategic Housing and Regeneration, Strategic Policy, Planning and Performance Department

[11:04]

#### **Deputy S.G. Luce of Grouville and St. Martin (Chair):**

Minister, welcome to our first meeting with you since you were appointed. You are not only a new politician but a new Minister straight into the role. How have you found your first 100-plus days as a Minister in Government?

#### **The Minister for Housing and Communities:**

That is a really good question. Interesting, I think is the word I would say. What struck me a lot is obviously I have come from the private sector into the public sector so one of the reasons I went into

Government was you want to change stuff, you believe that the Government is not listening to the reality, the real life of running a business and in particular the employees who I look after and the issues around finding people to work in our business. On top of that, the issues that surround our employees in terms of housing costs, nursery care costs and just simply day-to-day living and being able to operate on Jersey. So we have a little ecosystem, as it were, a sort of microcosm of what many, many businesses on Jersey experience on a day-to-day basis. So I had been talking about it for a long time. I then decided, well, if you cannot beat them join them, so that was my philosophy to get into politics in the first instance. Then it has really been an accident of getting into housing. I think what I was interested in was a doing department, so something that got stuff done, which is something I do in my business an awful lot. Obviously E.H.I. (Environment, Housing and Infrastructure) is a very doing department, so I was offered housing. One of the things I found I need to do with housing is research an awful lot, research in terms of understand a bit of the history. There have been hundreds of ... I do not want to say hundreds of reports, tens of reports on the history of housing in Jersey with all similar issues all the time. That is, it is expensive, there is not enough houses; what is the working individual going to do? It just seems like it is an issue that has never ever been resolved in all the decades my predecessors have done. That, therefore, means it is a very knotty problem, a very complicated problem. So on top of reading the reports, one of the reasons I brought a couple of books here along with me - one is called *Down and Out* and one is called *A Home of One's Own* - is to round out my thoughts about and ideas about what have other jurisdictions done in this vicinity. Clearly one of the things which has really surprised, and I was an admirer of her at the time, was Margaret Thatcher's approach to council housing and that was that she sold off council housing in the thousands, which was great for the tenants at the time who then bought them and then sold their homes on for vast sums of money. However, subsequently what happened was there was no rebuilding of that housing stock and that, I have now discovered, was an absolutely huge political mistake because once they started doing that they have never recovered and even today they will not recover. They cannot build fast enough to recover that, the bottom layer of society or your average working individual and get them housed in a sensible way, which means that the private rental sector has gone bonkers in the U.K. (United Kingdom) and so we have low quality housing, just insecurity of tenure. We have all sorts of the issues, which Jersey is a microcosm of but thankfully because of some very good strategic work done maybe 10 to 14 years ago here, we are in a far, far better place than they are in the U.K. We are not perfect by any stretch of the imagination. We have got an awful long way to go, but the consolation I have got from doing this job is that we are in a position where we can progress in a really good way in the long run.

**Deputy S.G. Luce:**

You say that we are better off than the U.K. but certainly something that for those of us who knocked on doors in the spring before the election, housing is a major consideration. Whether it is the cost

of purchase or the cost of rent, people are really, really struggling. Before we get on to the questions, are you conscious that housing plays such a vital role in every part of the Jersey economy?

**The Minister for Housing and Communities:**

Somebody made a comment, which was housing is everything or the home is everything, and I think that is a great line, because it absolutely permeates into everybody's psyche, stresses within relationships, the affordability of being able to stay and pay the rent. I come back to my own employees. We have one partner who has to work during the day. They come in, do the childcare, take over the kid and then their partner then goes out and works in the evening. There are many, many families on Jersey who are simply working to pay the rent, to keep their head above water, which is a very unhealthy situation. We have seen this in the various homelessness areas such as women's refuge, sanctuary. There are all sorts of areas which are I do not want to say a by-product of that but they are sadly some of the ... there is a lot of evidence that that causes major issues in our society. Then obviously when it comes to the workforce, we have people who are stressed, who are getting sick, not simply because ... well, they are working too many hours. We are trying to restrict people's hours because we get asked all the time: "Can I work another few hours?" We have the law that restricts people working 7 days a week. We have people who would happily work 7 days a week for us to try and make sure that they make life easier, but we just know (a) the law is against them and (b) it is just absolutely going to make them ill, so there is a fundamental issue at the very bottom of that.

**Deputy S.G. Luce:**

I am sure we are going to get on to ...

**Deputy R.J. Ward of St. Helier Central:**

Can I just ask quickly? Your research has finished now and you now recognise the issues that ...

**The Minister for Housing and Communities:**

I do not think research ever ends. Research is constantly ongoing. My knowledge has expanded massively.

**Deputy R.J. Ward:**

Your recognition of the strategy of Thatcherism is a welcome realisation.

**The Minister for Housing and Communities:**

Thank you.

**Deputy R.J. Ward:**

I could have told you that years ago.

**The Minister for Housing and Communities:**

Okay.

**Deputy R.J. Ward:**

So now is the time of action, is it?

**The Minister for Housing and Communities:**

Yes, of course.

**Deputy S.G. Luce:**

Okay. Well, moving on to action then, Minister, we have had a 100-day Government action plan that has been produced and in it one of the actions is the creation of prefabricated homes to help address the housing crisis. Could you just very briefly summarise for us the M.M.C. (modern methods of construction) report that you have had on delivery of housing and the innovation and explain to us where we are with that and what you would expect to see in the coming year or so?

**The Minister for Housing and Communities:**

Yes, sure. So what we know already is that modern methods of construction or, as someone likes to describe it, sort of modular home manufacturing offsite is probably a better description ... what we have to get away from is this idea of a home coming in and being prebuilt in a place and end of story, this idea of a cheap build and we get the job done like that. Modern methods is a much more complicated scenario. So we have lots of different ideas. You can have the full 3D model, as it were, but you can have panels, what they call 2D and you build as you go, or you can bring in pre-made, so something like a whole bathroom or a whole kitchen unit pre-made, which is basically what I would define as plug and play. So the reason for M.M.C. and why it is important in today's construction is speed. It shortens the timeline that we are operating on. We are trying to get things built quicker. It is a labour issue as well. We are struggling with labour force, so the labour is essentially off-Island and that labour is being effectively used elsewhere, where we struggle in-house. Then the final thing, it is not a price saving. I think some people think that M.M.C. is about saving money. Fundamentally I guess it is saving money in that you maybe do not have the labour force, the size and scale of labour force that you need. There is no saving in land value, obviously, because the land is costing what it is costing, but it is just more about bringing stuff to market quicker. So that is what we are trying to do is we are trying to bring that timeframe down so that we turn the issues around quicker.

**Deputy S.G. Luce:**

Is one of the challenges you might have in Jersey and it may be possible to construct using M.M.C. a number of homes very, very quickly but unless you can ... you appreciate what I am trying to say. Unless those buildings are signed off and fit for human habitation, there is no benefit and if we have not got the last bits in place to sign off those homes to plug them into the drains, to plug them into the electricity supply and provide all those bits of infrastructure ... it is fine having them built but unless people can get into them that is an issue.

**The Minister for Housing and Communities:**

The planning, I accept that. This is where the Planning Department and my colleague the Minister for the Environment ... that is obviously making sure we have fit for purpose rules and a recognition that work is done strongly here. Maybe Natasha would like to make a comment on that point. Would you like to make a comment about speeding that up, how they help?

**Head of Strategic Housing and Regeneration, Strategic Policy, Planning and Performance Department:**

The planning system and building control system will exist to test any modern methods of construction development. Planning application is still required and building control application is still required and in that they would be required to meet the usual tests. For planning that will obviously focus on matters of design and building control would focus more on matters of human safety and comfort. The key thing that was drawn out from the new modern methods of construction report was the need to ensure that our regulations are appropriate and flexible. By appropriate, that is not to diminish the high standards we expect of developments in Jersey. So it is a case of not accepting modern methods of construction on the basis of speed and speed alone. It still has to meet our high expectations of standards. So as part of the commitments that are made in the M.M.C. report it highlights that development advisory standards will be available, which is in effect utilising the pre-application service that is already provided by the Regulation Directorate and providing expert advice to ensure that before a scheme is developed too far that it would be capable of meeting the local standards. Equally, building control surveyors and planners will be able to identify if there are unhelpful tensions that are created by the regulations that we have and provide that feedback to policymakers to ensure that we can modernise our regulations in response to changing technologies.

**Deputy S.G. Luce:**

Yes, and I take that point on board entirely and I am sure that regulation will continue to work regardless of how the building is constructed. The point I was making is a lot more of a practical point around having the electricity supply connected, having the drains connected. If we do not have those infrastructure things in place, we will have 20 homes built ready to occupy but if they have no electricity because there is only 3 electricians working on the site or 2 drainage people plugging the

drains in, the speed that you are hoping to gain falls away if you do not have those last little bits in place in Jersey to work at the same speed as the speed that the buildings are constructed.

[11:15]

**Deputy R.J. Ward:**

Can I add to that? In the report itself it says that: “Even where MMC can be easily deployed, there will still be parts of the build that require traditional techniques, such as ground works [et cetera]. It is therefore still considered vital that the capacity and skills within our local construction sector are maintained and increased, to ensure the local market has the ability to flex to different requirements and sustain delivery.” So I think that is what you are saying, there will still be these limitations. How much quicker are you certain that this build will be? There will be uncertainty because of what we have just said, so you must ...

**The Minister for Housing and Communities:**

I think you can say is if you ... let us be practical. We are talking about practical situations. Look at IFC 6 which is currently going up on the Esplanade. Look at the speed at which that is going up as a building in terms of its structure. That is all M.M.C. work that is being carried on there. So a building of that scale and size, I do not know what the historical length of time it would have taken to build that but I understand that by this time next year that will be habitable. So it is extraordinary the amount of time, saving of time in that respect. Are we certain? Obviously that is down to what people we can find and obviously there are skills ... there is a lot of work being done about have we got the right skills in the right areas and there is a lot of work being done at the moment, which points to your question really about gaps in the market, identifying the gaps in the market: have we got enough plumbers, have we got enough electricians and are we upskilling people, giving them sufficient opportunity?

**Deputy R.J. Ward:**

If I may, Chair, there has been an impression from what has gone out to the media and to the public that this is to some extent the saviour of our building industry. It is interesting that you said it is not a price saving as well because I think the impression has been that this will mean cheaper homes, quicker homes and we can just throw them up and they will be fine. It is clear and it was obvious from one of the meetings we had with the Construction Council 1½ years ago that that is not the case. So I think it is very important that what you do is give a realistic timescale and pricing. Do you have that so that people do not run away with the ideas on this?

**Head of Strategic Housing and Regeneration, Strategic Policy, Planning and Performance Department:**

If I may, in the report there is a comparison table of project durations, what are the traditional builds versus 3D modular volumetrics. That essentially compares a 150-unit development. You will see that there is no saving in pre-development stages in terms of time and a relative saving of time in the construction phases being 8 weeks. I think the point of the M.M.C. report is the fact that it is not just about time and efficiency. There are other important government objectives that can be met through basically construction sector innovation and a lot of that is about skills and productivity. So you are absolutely right to highlight that it fully recognises the need for traditional trades to be sustained and grown on the Island but it is how we can work together with, for example, Highlands College and the construction sector to make sure that we are growing the right skills in the right places and at the right time. Through modern methods of construction, that can relieve some of the pressures that are felt in the sector but not all of them.

**Deputy S.G. Luce:**

Minister, are you looking to the private sector to decide how they move forward with M.M.C.? You mentioned just now that it could be as little as a wall here and there, it could be a plug and play bathroom, it could be an entire house. Some time Natasha and I, when we were at South Hill, watched units coming off boats on to the New North Quay, which were literally going to be bolted on to the sides of houses. There is any number of ways of doing it but are you going to develop the direction of travel here or are you going to wait for the private sector to say: "This is what we prefer to do"?

**The Minister for Housing and Communities:**

That is an absolutely very, very valid point. I think the reality is if the Government tell the construction industry what it should and should not be doing and how they should be building, that is not the way forward. I think what we have an opportunity to do though is with our own arm's length organisations such as Jersey Development Company, such as Andium, we can use them as exemplars to say: Look, we would like you to build using these techniques." One of the things which I have learnt about all of this is it also needs critical mass, so you need a volume of units being built going through. Obviously one of the headline ones has been St. Saviour's Hospital and people have been talking about that, using M.M.C. to progress that. So my personal belief is we can get a critical mass and obviously that critical mass be driven, the demand be driven through government-owned entities, then the rest of the industry might then see opportunities in that respect. So I think the industry is already doing stuff in the private sector and, as I said, I do not want to tell other developers what they can and cannot do or how they should or should not build, but I do think that Government can demonstrate and be helpful in terms of creating volume in this market.

**Deputy S.G. Luce:**

Okay. So you will know that fairly recently there was a delegation from Poland that visited the Island and I met them and they were very keen to provide M.M.C. for Jersey but there are other producers all over Europe who would be equally as keen. Who is going to make the choice where we might end up placing an order for, say, 100 or 150 homes? Will that be you or will that be the private sector?

**The Minister for Housing and Communities:**

It will not be me. No, it will not be me. It would be our arm's length organisations. So someone like an Andium Homes use Dandara, they use Rok Construction, they use different constructors. They will be the ones who will be placing orders with whoever they determine is appropriate. So it is not ... we will not be dictating that.

**Deputy R.J. Ward:**

Can I just ask, the estimated completion year for St. Saviour's is 2031. We can talk about modern methods of construction but seeing as the advantage seems to be 8 months and that is the basements are ready and the ground works is ready, that provides the bulk of that table, and it is going to not overlap, which let us be honest that is very unlikely on a small Island to get it to work, is it fair to talk about that when ... is that going to bring that date right back, is it going to be ...

**Head of Strategic Housing and Regeneration, Strategic Policy, Planning and Performance Department:**

Can I just confirm, the date has not been set for the completion of St. Saviour's Hospital.

**Deputy R.J. Ward:**

Okay.

**Deputy S.G. Luce:**

But it is in the Andium capital programme.

**Head of Strategic Housing and Regeneration, Strategic Policy, Planning and Performance Department:**

The date has not been set through agreement with the Government.

**Deputy R.J. Ward:**

Okay, so that could be earlier.

**Head of Strategic Housing and Regeneration, Strategic Policy, Planning and Performance Department:**



Discussion still has to be had with Andium to agree the programme.

**Deputy S.G. Luce:**

Minister, to be clear, when Andium in September of this year gave us a list of projected projects, we can put that in the shredder, can we?

**The Minister for Housing and Communities:**

Which one? Well, obviously we have had the Kensington Place site has been suspended. Hopefully that has been taken off their list of projects.

**Deputy R.J. Ward:**

No, it is still there.

**The Minister for Housing and Communities:**

Maybe your shredding idea might not be as ...

**Deputy S.G. Luce:**

Maybe it would not be and we know that ... well, we hope very much that Ann Street Brewery will come online. We know Mayfair is being demolished. We have got The Limes just coming out of the ground, Kensington Place is on hold. We have got the Ann Street Brewery site but we get a long way down the list and here is St. Saviour's Hospital, 150 homes, and delivery date is 2031. So you are hopeful that something serious will change in that particular site?

**The Minister for Housing and Communities:**

I have not had sight of that date, to be honest with you, and that is very, very new news to me.

**Deputy S.G. Luce:**

Okay.

**Deputy R.J. Ward:**

Again, sorry, but there is a huge headline of modern methods of construction pushing everything forward but at the same time there is dates that you are unaware of and there are dates that are very different. What I am saying is do you not feel that you need to be careful not to raise hope that ... because some people are so concerned about homes that they could be getting ... I do not want to say false promises. I just cannot think of a better way to put it or a gentler way to put it, in terms of the reality of these construction methods and not what you think is important to ...

**The Minister for Housing and Communities:**

I get that but what we would say is that right now we know ... we recognise the Gateway, for instance, has around about 1,000 people on its waiting list. We recognise that Andium are currently building 1,000 units, so we know at the moment we are building ... we are matching demand. So if you are saying we are going to let people down because the St. Saviour site may not be ... that is not the case at all. What I am saying is right now I do not want anybody to be disappointed. Whoever is on the Gateway list will have a home set aside from the St. Saviour project.

**Deputy R.J. Ward:**

No, I am not saying that. Those things are already in situ anyway. They are already being built. It is when we get to modern methods of construction we talk about so much in this area and I just think it needs to be pulled back a little to reality, just as a comment if I might.

**The Minister for Housing and Communities:**

Okay, I recognise that.

**Deputy S.G. Luce:**

My own view is St. Saviour's Hospital is a very difficult site to develop for a number of different reasons, historic, value ... anyway, we will come back to that in a second.

**The Minister for Housing and Communities:**

I think it was more important that the decision was made, that the button was pushed to give certainty to somebody to develop it. I think that was really important. That was the message that came out from it.

**Deputy S.G. Luce:**

Yes, I take that on board and the message is very much a headline grabber. The difficulty of developing St. Saviour's Hospital is not quite as simple as just saying: "We have decided to build homes here." We have got relocations to take place, the historic building is full of asbestos. There is some real serious ...

**The Minister for Housing and Communities:**

There is a lot of complexity.

**Deputy S.G. Luce:**

But anyway, I am going to come back to that in just a minute. I just want to deal with one very small item. I think it is only small, but in the report it does say that the infrastructure to allow M.M.C. to work through the ports and on our roads is a challenge. Do you really think it is?

**The Minister for Housing and Communities:**

We think it might be. It just depends. It depends, I guess, on the size of the stuff you are bringing in, does it not? I think the important thing is we recognise that it could be a problem, okay. So I think there is a recognition. It is a heads-up on the fact that there may be a problem. Obviously ports have got their own new shiny scheme that they hope will be coming down the track. I think just dare I say a bit of Government joined-up thinking. We are thinking about the future needs of the Island as well as, so has ports got the capacity to deal with these kind of situations. So I think it is a useful heads-up.

**Deputy S.G. Luce:**

I hope it is not too shiny because we want it to work and not look glossy. A final question on this M.M.C. if I might is that the report notes that supplementary planning guidance and pre-application advice that Natasha has already spoken about is going to be needed. We already seeing coming out of the draft Bridging Island Plan where sites have been rezoned, developers saying we want to get going and being told: "Well, hang on, you are going to need some S.P.G. (supplementary planning guidance)." Do you see that as a hold-up inasmuch as we are aware of great pressures not just on policy development but also law drafting and all the way through the system at the moment, whether it is planning, whether it is building control? We have got a large number of vacancies in regulation. Developing the paperwork, for want of a better word, in order to deliver M.M.C. and homes for people is and could well be a challenge. Do you accept that?

**The Minister for Housing and Communities:**

Absolutely. I think one other area which is ... because a lot of these rezoned green spaces do require special planning guidance. We have met with a prospective developer in the last week on one site where he was very concerned about, dare I say it, some of the public pronouncements that have been made about the value he may be able to achieve at the site, because obviously one of the issues around these sites is they have got to be first-time buyers and so one of the challenges is to try and keep the value down, that land value down a bit and work out how we are going to do that. Obviously it is about spatial issues as well. So there is a lot of complexity there which I think is still yet to be bottomed out, if I put it in simple terms. It is quite interesting because some of it is also hooked in with right sizing and people trying to ... who are under-occupying sites, which is obviously another part of my portfolio. We have seen a couple of planning applications turned down in the last week by the Planning Committee, in St. Brelade in particular where they were trying to put in smaller flats. People go: "Oh god, not more flats" but I get feedback from people who have got large houses who want to move into smaller properties but want to stay within their community. So one of the challenges is a little bit of nimbyism going on in terms of we want to try and do the right thing but I think people need to understand why it is important that we do these things. Things like the Bridging Island Plan, why these green places are being provided, what is the objective.

**Deputy S.G. Luce:**

I think in those 2 cases that you referred to - and of course I sit on the Planning Committee - planning guidance, density guidance would be helpful, parking guidance.

**The Minister for Housing and Communities:**

It has just been published. We have just had a revised publication of that.

**Deputy S.G. Luce:**

We have waited - and I am sure Natasha will know the date - decades for parking guidance from the Infrastructure Department. It is still not here. Any sort of guidance and policy which helps to develop these homes quicker is going to be welcomed. You will be, I hope, putting the Policy Department under a lot of pressure to get these S.P.G.s out.

**The Minister for Housing and Communities:**

I think they already are.

**Deputy S.G. Luce:**

Nothing can happen until there is a policy for somebody to follow, so that is the point I would make.

[11:30]

**The Minister for Housing and Communities:**

Yes, I totally get that.

**Deputy S.G. Luce:**

Good. Okay. Well, you mentioned home ownership.

**Deputy R.J. Ward:**

I have got these questions. Minister, in your ministerial plan one of your priorities is to increase the rate of home ownership, introducing a new scheme backed by an initial £10 million investment in 2023. When can we anticipate further details of this scheme?

**The Minister for Housing and Communities:**

Are you particularly focusing on the £10 million investment?

**Deputy R.J. Ward:**

For this question, yes.

**The Minister for Housing and Communities:**

Sure. The £10 million ... it is one of these ironies. The Government are very good at spending money but this is the most difficult £10 million ever to spend. The reason is it is very easy to throw money into this marketplace which has a short-term bang in terms of maybe making some homes more affordable for some people and give more accessibility but has no lasting impact. In other words, it keeps the price of homes artificially high, there is a danger of doing that, and then all we doing is we are just waiting for the inevitable when home prices come down. So what I am really concerned about with this £10 million that we have ring-fenced is to try to find something that is a legacy investment and this could be about the empty homes, this could be about the abandoned homes, it could be about trying to trigger them coming back into the market using this and not just simply using it in terms of putting people back into unused properties but also maybe the skill sets around that. We talked about insufficient skills whether it be carpenters, electricians, plumbers, whatever. Can we use that money to invest in an area that gives long-term benefit? Right now, the answer to that question is I do not know quite what that looks like but we are having conversations around that area, but I am conscious that we need to get on and do something about it.

**Deputy R.J. Ward:**

Well, if it is investment in 2023 you have got 2 months, so will you have the time in those 2 months to come up with what is in your ministerial plan?

**The Minister for Housing and Communities:**

To identify ... yes, okay, there could be some slippage on that I think is the reality unless Natasha would like to ...

**Deputy S.G. Luce:**

Is that a political way of saying no?

**The Minister for Housing and Communities:**

Saying no, yes.

**Deputy R.J. Ward:**

What type of slippage?

**The Minister for Housing and Communities:**

The reality is ...

**Deputy R.J. Ward:**

A bit of a landslide.

**The Minister for Housing and Communities:**

Thank you. No. The reality is this is a significant sum of money that has been available for many, many years to previous Ministers for Housing and has yet to be spent. I think it would be very easy for me, the shiny new Minister for Housing, to come along and go: "Oh, wow, we have got 10 million quid, let us go and spend it on something that grabs a headline." That is absolutely irresponsible, so I think the reality is as I go along this journey of discovery I think I would say to you: "Please be patient with me." I will try to ensure that money is spent properly and sensibly in a way that when I am long since pushing the daisies, as it were, someone will be benefiting from that £10 million and it will not just be a case of those people here and now getting that benefit.

**Deputy R.J. Ward:**

I am sure you can understand in terms of Scrutiny when we see a ministerial plan that says 2023 and £10 million and now you are sat saying you do not know what you are going to do with that £10 million, that is a question that has to be asked.

**The Minister for Housing and Communities:**

I appreciate that, yes.

**Head of Strategic Housing and Regeneration, Strategic Policy, Planning and Performance Department:**

If I can help clarify. So the investment will take place or it will begin to take place in 2023, so the schemes are under consideration at the moment. As the Minister highlighted, it is really important to give proper consideration to what will add the best value to the public from that money.

**Deputy R.J. Ward:**

Therefore, I will go back to the original question. Those schemes, will we get some sort of sight of those schemes so we know what you are looking at?

**The Minister for Housing and Communities:**

For sure.

**Deputy R.J. Ward:**

At the moment we do not have any of that and it is very difficult, particularly with the Government Plan coming up, if people want to address that in the Government Plan, which will be an important thing for them to do, just particular parishes or particular areas.

**Head of Strategic Housing and Regeneration, Strategic Policy, Planning and Performance Department:**

There are a small number of options under consideration at the moment and certainly by the end of the year we should have a lot more clarity as to which ones, which I am sure the Minister will be happy to bring back to you.

**Deputy R.J. Ward:**

Can we get any clues today or ...

**The Minister for Housing and Communities:**

No. No, thank you.

**Deputy R.J. Ward:**

I am sure we will come back to that.

**The Minister for Housing and Communities:**

That saves another argument, saves another discussion I should say.

**Deputy S.G. Luce:**

You said a moment ago, Minister, that you spoke about spending money to grab headlines. Do you think your Government has done any spending of money to grab headlines since it came into office?

**The Minister for Housing and Communities:**

Frankly, that is a very political question. Not excessively, no. I mean, obviously the Government want to highlight the good news, which people want to hear. I think people's expectation of the new Government is one of action that stuff is being done and I think it is really important that we communicate that well and properly. Yes, it is a communication issue and I think if I was critical of the previous Government they were just very poor at communicating what they were up to to the general public, sadly, and maybe that is why they are not here today.

**Deputy R.J. Ward:**

Sorry to interrupt again but ...

**The Minister for Housing and Communities:**

But there we are. That is a personal comment.

**Deputy R.J. Ward:**

Did we have the situation where the previous Government did more but just did not communicate it but what you are doing is communicating things that you are not doing or do not know what they are yet?

**The Minister for Housing and Communities:**

Well, they may have done, they may have done but, as I said, my take is it is really important that the people of Jersey understand that their Government are doing things and doing things in a constructive ... and moving forward in a very positive direction, because that is what people on the doorstep were asking about. They were saying: "Nothing happens. We look at La Folie, we look at St. Saviour's, we look at all these places, we drive past them. We drive past these empty homes. They have been empty for 10 years, they have been empty for 20 years. Nothing seems to be moving." Now, that is a perception and these are highly visible places but that is a perception which has been held by the people of Jersey and I think what we have to make sure is we change that perception. We change that as we go forward. You can agree or disagree how we do that and you may say: "Well, the previous Government did stuff." Well, maybe they did, but our modus operandi as the new Government is not only to be seen to be doing stuff but to be actually doing stuff.

**Deputy S.G. Luce:**

But of course, Minister, La Folie is not a perception because it has been empty for decades and has not had any work done on it at all.

**The Minister for Housing and Communities:**

I agree.

**Deputy R.J. Ward:**

That is why we ask for timescales. If you are going to talk about doing it, there must be a timescale. I am sure we will come back to that. So I will move on to the next question. Given the uncertainty in the mortgage markets at present, what steps are you taking to address the housing affordability crisis in that respect?

**The Minister for Housing and Communities:**

Okay. So it is all relatively new. It has all happened in the last few weeks. We have been in close contact ... we have had meetings with solicitors, with lawyers, with housing developers from the private sector just to try to establish what is going on. We have been given ideas. The impact of the new rate changes are twofold. One is for people who are already existing mortgage holders who are looking to renew their new fixed period, so that is a major issue for a number of people. The other issue is around first-time buyers and that is about people trying to get on the ladder in the first instance, because what we have seen is ... and I pick on people like Santander because they



have been one of the leading lending banks in recent times. What they are doing is they are changing their lending criteria, so they are stress testing their lending a lot tighter. Their multiple ratios have come down. I am not sure if the length of the terms they are offering now are any better or worse, I do not know, or I should say the same or less, but there is a lot of tightening up going on in the market. So as a result of that a number of chains are collapsing so that is another ... that is an issue. Now, that is a private sector issue. When we talk to the banks they turn round and go: "We are looking at individuals on an individual basis. We are endeavouring not to make people homeless. We do not want to throw people out of their homes because there could be an affordability issue." I want to give you one kind of number and show you the impact this is having. We reckon on average anybody who is changing their mortgage over to renew it, it is costing them probably at least a minimum of £1,000 a month but we are hearing up towards £2,000 a month. That is going to be the impact. Now, in terms of the scale of the issue at the moment, we were given a number of around about I think it is 300 people at this moment in time on Jersey, or in Jersey I should say, who find themselves in that situation. So that is a problem but, as I say, it is a problem that is happening now and I am not quite sure that we, as the Government, can do much about that. It is just the reality of the market. Thankfully, we appear to have a more secure leader in the Conservative Party in premiership and the markets have reacted in a positive way to that, so therefore interest rates appear not to be going north as they seemed to be going literally 3 or 4 weeks ago, so things seem to have stabilised a little bit on that, but that does not help with affordability on Jersey because people inherently ... just to finish off this one. The reason these mortgage repayments are going up so much is the volume, the sheer scale of the lending. People are borrowing £500,000, £600,000 and so small movements have an amazingly big impact on people's mortgage payments.

**Deputy S.G. Luce:**

Could I just ask, Minister, you mentioned some monetary figures but what sort of differences in actual percentage mortgage rates are you seeing from where we were to where we are now?

**The Minister for Housing and Communities:**

Okay. So we were seeing ... originally we were seeing 1.5 per cent, 2 per cent and now we are looking at 5-year fixed we have got just below 6 per cent now. So that is a significant leap.

**Deputy R.J. Ward:**

The question was what steps are you going to take and the answer is none because that is to do with the free market.

**The Minister for Housing and Communities:**

That is to do with the free market at the moment.

**Deputy R.J. Ward:**

It is tough but that is what the market is doing.

**The Minister for Housing and Communities:**

The market is that, yes. For people who have mortgages we are looking at options in the longer run and that is one area of policy that we are reflecting upon. It is not like: "Oh, well, it is too bad. Let us just see what happens and let the proverbial hit the fan." One action is about do we reintroduce tax ... what is the word you call it? Mortgage interest rate tax ... relief, thank you. Thanks for the word. So that is one area that we are sort of considering. But, as I say, the other area ... what other areas are there we can look at? There are not a lot of other areas at the moment that we can say proactively do something about.

**Deputy R.J. Ward:**

How about first-time buyers is the next question I was going to ask. Anything for first-time buyers given the current situation? We all know that some people who are applying for a first home are suddenly being hit by a different amount and that is not an affordable mortgage so they are having to rethink. Anything for them?

**The Minister for Housing and Communities:**

Well, there is again right now no exact policy but obviously we have a policy in place, which is about shared equity policies, which I think we should be encouraging. At the moment the figure is around 25 per cent on a shared equity, which gives banks more comfort in terms of lending. Now, I think you raised it in the Assembly about what do we mean by affordability and obviously affordability is unique to the individual so we have to be wary when we talk about affordability in these areas. The question you have to ask is: is 25 per cent enough? Will it become 30 per cent? Are we able to move to 35 per cent? Are we able to flex that shared equity space to get home ownership?

**Deputy R.J. Ward:**

Just to say on the affordability, it does have to be some sort of notion of what percentage for any individual to go any other way, which I do not think the allocation is there. I will not ask the next question because I think you have answered it.

**Deputy S.G. Luce:**

That is okay. I have a couple. I want to get to shared equity, Minister, but before I do that you said 10 minutes ago, if I heard you correctly, that it was inevitable that house prices were going to come down. Do you believe that?

**The Minister for Housing and Communities:**

Absolutely.

**Deputy S.G. Luce:**

That obviously will give us a whole load of other challenges, I am sure you appreciate, with negative equity and things like, which could be another set of difficulties.

**The Minister for Housing and Communities:**

Yes, headaches, absolutely.

**Deputy S.G. Luce:**

Okay. I want to get back to shared equity. You mentioned a developer who has been to see you about a site in the Island Plan. That site, I presume, is in private ownership and it may be changing into a new private owner.

**The Minister for Housing and Communities:**

Correct.

**Deputy S.G. Luce:**

Given that shared equity might be the only way ... and I am not trying to put words in your mouth here, but given that shared equity might be the only way for people to afford to buy their own property, should the state be stepping in and buying these sites so that they can then say to a builder: "Build me these homes at cost and I will retain all the shared equity that normally might be profit so that people can afford to buy these affordable homes"?

**The Minister for Housing and Communities:**

I guess that is a philosophical question. My take is it is a bit more than that. Obviously you want the Government to get more stuck into it. Right now we obviously have Andium who are developing significant amounts of property and what we are seeing, certainly with first-time buyer properties and things like that, is whereby a property developer ... and it tends to be a bit of model, I think, I will just be corrected on this one but Andium use Rok, Andium use Dandara to develop sites and then they ... for instance Northern Quarter is probably an example, a case in point, whereby Rok are developing the site and Andium agreed to purchase those homes from them. Okay? So there is that physical agreement. So when it comes to private developers developing land, what you have is a situation where they have a guaranteed outlet. They have somebody who will buy guaranteed. So which way round are we looking at it? Are we looking at does Government buy the land in the first instance and then someone else develops it or do we let people buy the land privately and then agree to purchase properties through private ...

**Deputy R.J. Ward:**

Do Andium have the money in the bank to buy land?

**Deputy S.G. Luce:**

I know the answer to the question. Usually what you need to do before you ask the question. Put it another way: Andium do not have any more money to buy land at the moment.

**The Minister for Housing and Communities:**

Okay.

**Head of Strategic Housing and Regeneration, Strategic Policy, Planning and Performance Department:**

Andium have their plans already to build 2,000 homes over the period to 2030 and that includes financing arrangements. So financing would be available to build homes between now and 2030.

**Deputy S.G. Luce:**

When you say financing, they would be borrowing money in the private sector to do that?

**The Minister for Housing and Communities:**

Correct.

**Head of Strategic Housing and Regeneration, Strategic Policy, Planning and Performance Department:**

That would be private borrowing of money.

**Deputy S.G. Luce:**

Their housing development fund is now fully drawn, is it not?

**The Minister for Housing and Communities:**

Yes, it is, yes. So they are already borrowing in the private sector.

**Deputy S.G. Luce:**

Okay, I will try and compute that while Deputy Ward is asking some more questions.

[11:45]

**Deputy R.J. Ward:**

I just want to go back to your question, because I thought the question was by buying that land it enables shared equity, which brings down the prices and I do not think you addressed that in your answer. Is that not a model that you would look at? It is a political ideology, admittedly, and it does seem to me that the fair market will not allow that. However, we have a particular situation.

**Head of Strategic Housing and Regeneration, Strategic Policy, Planning and Performance Department:**

To help clarify, the rezoned housing sites already have an affordable housing requirement on them and that includes a split between 45 assisted purchase and 55 for rental. Assisted purchase is shared equity, so on non-rezoned housing sites the shared equity scheme would be essentially Andium Homes partnering into the development and carrying a percentage of the equity of that property and that is their existing Homebuy scheme. When you have a rezoned housing site, the shared equity element comes essentially from the land value, so that money ... we never secure this bond on the property in perpetuity so that nobody in effect realises the benefit of that, say, 25 per cent or 30 per cent, whatever the policy may be. The Minister is currently reviewing the assisted purchase policy because of the divergence of incomes and house prices, which you will be aware of, and that strain on affordability that has taken place since the last Island Plan was approved in 2011. So that policy will update the income of the buyers and essentially that is a target range of price relative to market value, so that will take it down off market value rates and is essentially shared equity.

**Deputy S.G. Luce:**

Deputy Ward spoke about the subjectivity of the word "affordability". Do you think it is right, Minister, that you might have 2 houses alongside each other perfectly identical and that one couple going into one might pay less than one couple going into the next one because their affordability might be different?

**The Minister for Housing and Communities:**

Is that right or wrong?

**Deputy S.G. Luce:**

It changes the potential for shared equity.

**The Minister for Housing and Communities:**

Well, yes, is that right or wrong? I do not know. If both families have a roof over their heads, it has got to be right, has it not? If it were a case of then as a result of that one home remained empty, surely it would not be right. The reality is ... my take is that we want to get home ownership and how we achieve that, there is a whole set of different reasons how we achieve that. I agree. Externally,

is it right from the optics? Maybe not but I think what I am trying to achieve is home ownership and I think people have skin in the game and that is what I want to see.

**Deputy S.G. Luce:**

That is very good news because somebody may well be able to afford shared equity at 25 per cent, others may need to be at 50 per cent before ...

**The Minister for Housing and Communities:**

Absolutely, but do not forget they do not ... that additional ownership is owned by Andium. In other words, when they come to move on, that 50 per cent ownership, they have to pay that back, effectively.

**Deputy S.G. Luce:**

Yes, I appreciate that.

**The Minister for Housing and Communities:**

So it is not as if you are subsidising ... you are maybe subsidising the headline price but in terms of ownership of the property or ownership of the value it is slightly different. It is just that you have made it more affordable for somebody.

**Deputy S.G. Luce:**

Yes, and the numbers are on the books. They are just accounted in a slightly different way.

**The Minister for Housing and Communities:**

In a different way, yes.

**Deputy R.J. Ward:**

I think what you have done there is between homes as homes and homes as properties to be bought and sold to make money. With shared equity you have got a home as a home and so, therefore ... but again when you say you expect house prices to drop, then I would rather be in the shared equity than up to my absolute limit mortgage. Are you looking ahead?

**The Minister for Housing and Communities:**

But that is individual choice, is it not? That is people have a choice.

**Deputy R.J. Ward:**

Well, they may not a choice. Shall I move on to the next question?

**Deputy S.G. Luce:**

Yes, if you want to go to appropriate mechanisms.

**Deputy R.J. Ward:**

Yes, private sector rents and tenants' rights. Can you elaborate further on what appropriate mechanisms are and the consideration of protection for private sector rental tenants and what is again the timescale for the committee of those?

**The Minister for Housing and Communities:**

Okay. So obviously the big thing is going to be the rent tribunal panel being set up and obviously that has been brought ... the panel itself has been brought to the last week, I think, of November to the Assembly. Okay? That is a fun one, that one, I am sure, but the good news is I think the panel ... I hope that the Assembly is going to be happier with how we have worked on that. I think the other area obviously we have got the rent control tribunal. So I am just trying to quickly look through my notes because obviously the latest thing is the residential tenancy law, which has been under process. Thank you, Sue, I was just trying to find my note on that one.

**Deputy R.J. Ward:**

I have some questions on that. Can I just ask you about the rent tribunal, sort of splitting this up a bit?

**The Minister for Housing and Communities:**

Yes, sure.

**Deputy R.J. Ward:**

You called it a rental control tribunal. So, will it have teeth?

**The Minister for Housing and Communities:**

Will it have teeth? I think that is for them to determine, to be honest with you. I think that is the panel ... it is being set up to ... we are talking about, is it, a 1946 law? Yes. You can come in on what the exact title of the law is.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

It is the Dwelling House ... that point is important that the Minister decided to use the existing legislation because it is already there. That is quicker than starting from scratch. So the rent control tribunal has the powers that people thought in 1946 were appropriate for a tribunal to have. You probably do not think those are appropriate today, but there are powers. There is powers to set rent

and certainly to investigate, but that in reality I do not think those powers will work tremendously well in those markets. So the point of setting the control tribunal up with its really good broad range of people who are yet ... some people are still being interviewed. It is for them to then investigate how a whatever you want to call it ... a mechanism, a government mechanism that looks at rents in the current market should work today to maintain a vibrant part of the market but to remove the worse kind of excesses of people's behaviour. It will be different, so that will require a change to law. That could be an update of that very, very old law. It is probably more likely it will be incorporated into the more modern residential tenancy law which will get a much more co-ordinated and comprehensive set of ...

**Deputy R.J. Ward:**

So the rent tribunal has powers but the powers probably will not work, so we need a new law.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

They will work a bit but they are very old fashioned.

**Deputy R.J. Ward:**

A bit, that is a good phrase, and so it will need an update to a law which may well be the residential tenancy law, which I was going to ask you a question about in a moment, and there is a timescale. I think this is the point, the timescale is really important on this rent tribunal because the issue and crisis is now. So what will be the timescale on ... so the question I was going to ask, ironically, which blends in nicely, law drafting is due to start in 2023 on amendments to the residential tenancy law to enhance protection. When will that happen and if you are waiting for the tribunal to give you advice on that, is that not going to delay that? So what sort of timescale are you looking for that tenancy law, because they may well be impacting on the tenancy law? They are the ones who are sort of tasked with saying how will this work.

**The Minister for Housing and Communities:**

Do you want to go through it? I have got them here but carry on.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

So, number one is that the rent ... so subject to the Minister bringing forward the composition of the panel, the tribunal, sorry, the tribunal ...

**Deputy R.J. Ward:**



Sorry, we have not got the mics on, just so that people can hear and as much as anything ... it is just for Hansard. They will miss things otherwise, sorry.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

So the members of the tribunal will come to the States for approval, towards the end of November we are hoping now. The tribunal is then established. It is set up and it starts work the next day. So that is in place, so that is using the current legislation that we have got as best we can for now, really fast, no delay, just get on with it. Then separately the residential tenancy law, lots of work has been done during this year on how the law should be updated. It should be updated in lots of different ways, not just about rent control. It is about other things. It is about the definition of "tenant", it is about the way in which there is the balance between tenant's and landlord's rights. There are many parts of that to do. So that is quite a big project, so that will be carried on through 2023. That will give time for the new tribunal to do their investigations and therefore they can add on their bit towards the end. So we are not going to hold it up waiting for people to investigate. There is other things to be getting on with. There is all sorts of things with the residential tenancy law that are not quite right, some rather boring stuff around how tenancies work and what things are called and people's access. There are all sorts of structural things to improve the law in general terms. Then all these things can be done while the work on rent control is being undertaken at the same time.

**Deputy S.G. Luce:**

The word "can" is quite important there. I am sure it can be done but getting back to my earlier points about pressure on supplementary planning guidance and other pressures on the Law Officers' Department, or the Law Drafting Department should I say, could be a real issue, Minister, in the next 12 months. Finding enough people to deliver all these policies, whether they are guidance, whether they are laws, whether they are articles or amendments or what have you, is a real challenge.

**The Minister for Housing and Communities:**

Yes, I agree and I think that is why we are actively resourcing. I think that Natasha is currently building out a team of people that just recognises all the sheer amount of work that needs to be done. Yes, we are proactively doing that. Carry on. I love it.

**Deputy R.J. Ward:**

When do you anticipate publishing the proposed draft amendments and holding public consultation?

**The Minister for Housing and Communities:**

That is again next year, so at some point through next year. I know that is: is that going to be in the first quarter of next year, second quarter? It is hard to say. It just depends on how long they get

through but it will be as soon as we humanly can and sooner rather than later. That is all I can say to you.

**Deputy R.J. Ward:**

In terms of the stakeholders, how will you seek those stakeholders for that feedback? This is the residential tenancy law. There is a landlords association which is very vocal but tenants associations do not really exist.

**The Minister for Housing and Communities:**

Say an awful lot, yes.

**Deputy R.J. Ward:**

Do you anticipate trying to support the setting up of more tenants associations of those who perhaps have not had a voice before? That is going to be quite important.

**The Minister for Housing and Communities:**

Absolutely. There will obviously be the homelessness cluster who will probably want some insight into that, some heads-up on that. Yes, there will be, I guess, the team at C.L.S. (Customer and Local Services), all of those areas, they will want to have some input into that area. There is a raft of organisations I am familiar with, but I do take your point which is about making sure that tenants or a tenants association has visibility on all of this and have some very valid input into that. I do take your point on that.

**Deputy S.G. Luce:**

I am just going to ... well, the word "delay" comes up in this next question, Minister, because in the Creating Better Homes Action Plan where we speak about key worker accommodation, to quote the report: "Work has started but is delayed." Now, before I get on to your answer about why it is delayed, can I just make another observation, a bit like we said at the beginning, housing is a massive issue that affects all parts of the Jersey economy. Would you agree with us again, the key worker accommodation is something which is absolutely vital if we are going to maintain our health service, our education service, or any number of services where we need people to come to the Island who currently cannot afford to live here and are, therefore, not coming?

**The Minister for Housing and Communities:**

Yes, and I think that recognises that it is not just money alone which attracts or the pay which attracts someone to come to Jersey and live here. It is also about the cost of the accommodation that they need to do and obviously those packages have been built up. I understand from Andium, just for your information, it currently has 138 key workers, so there is already work in those areas. We have

got working with Health to house a further 20 key workers in Le Marais and there is further key worker housing at Hue Court. Just something on a personal level and I think this is where again we ... this is a problem with being new to this job sometimes. You do not know some of the history of what has gone on before but we dug out the other day a report from 10 years ago - this is under Jersey Property Holdings - where we identified something of the order of 260 “key worker homes” that had been applied and given to Health for health workers. Now what we are currently doing is we are trying ... I have put a request in to Property Holdings to say are they still being used, is it still valid that they are still kept within the Health Department, maybe is the best way to put that, or is this something that we should move into Andium; Andium should take up the maintenance and sort out all these properties so that they can achieve and manage these properties now that we know they are there. One of the problems we have at the moment is data. I have banged on about this since I have started. We just have got so little joined-up data. There is lots of data out there but you have to dig around and ask people to try and find it. I think we are getting there. We are getting there with it on a positive note.

**Deputy S.G. Luce:**

Okay. We are going to come on to data in just a second but before we go there ...

**The Minister for Housing and Communities:**

I keep leading into Rob’s questions.

**Deputy S.G. Luce:**

Where did I want to go? You said 138 key workers. Have you got a number in mind for what we could hopefully deliver on top of that for 2023?

**The Minister for Housing and Communities:**

I do not at the moment. I genuinely do not at the moment and I think ... because one of the issues obviously is again data. How many vacancies are there? We are very focused on the public sector in that respect but obviously I have got Chamber of Commerce banging on my door saying: “Hang on, what about ... we are key workers as well.”

**Deputy S.G. Luce:**

My last question before we go back to more data is do you have a definition of “key worker”?

[12:00]

**The Minister for Housing and Communities:**

That is something we are currently working on, I have to be honest with you, because I think that language and I think it is something which Chamber of Commerce are very critical of that language and I think we are trying to find a new term because I think we use ... it is interesting because we were discussing this and you are going to tell me here, Natasha, how did we sort of round that out in a larger way? What was the terminology we were thinking of?

**Head of Strategic Housing and Regeneration, Strategic Policy, Planning and Performance Department:**

A public sector key workers, doctors, nurses, teachers, they are essentially the same public services but I think what the Minister is saying to you here is equally in our economy we have workforces that need employees to sustain that part of the economy. So 2 different types of worker will have different values that are important for Jersey, particularly at this moment in time. In terms of the wider key worker, I would suggest that this is not purely a housing issue. There is a more fundamental issue that comes before it becomes a housing problem and that is defining who a key worker is, that is understanding what sort of support a key worker requires in order to come to Jersey and stay working in Jersey. So it is very much about strategic workforce planning, recruitment and retention policies that the Minister is supporting and encouraging other departments within government to focus on and get to the bottom of. There is a recruitment skills group that has been established to look at the issues of the Island's labour force and within a specific labour taskforce that is now taking up the matter of key workers to try and unblock that for other States departments.

**Deputy S.G. Luce:**

This is a political question so it goes to the Minister, but would you not agree, Minister, that there are key workers coming for health reasons who are not coming because they cannot afford the cost of housing?

**The Minister for Housing and Communities:**

Would I say there are people like that coming into the Island? Sorry, could you clarify that question again? Just clarify that question.

**Deputy S.G. Luce:**

Are potential key workers not coming because once they investigate it they cannot afford the cost of the housing?

**The Minister for Housing and Communities:**

I am sure that is the case.

**Deputy S.G. Luce:**

If that is the case - and I am getting back to the shared equity topic in providing homes - is there not a case then, if the Government need these people and they are defined as key workers, that Government should step in and say: "Here is key worker accommodation. Do not pay anything because you are far too important to us if you want to come and work in the health service, in the education service, in the hospitality service. You are a vital person. We are prepared to give you that accommodation for nothing in order to ..."

**The Minister for Housing and Communities:**

I think that is a good consideration. I will give you one tiny example. The old Emeraude Hotel which was, I think, way back in the day for farm workers and all the rest of it, we currently have one member of staff who is living there on a 6-month permit licence, which we are contributing to their accommodation, which basically highlights the desperate need to be able to do something in that area. Again, it is something that we are working on and I am very conscious and I say it because I know the Chamber of Commerce say: "It is all well and good to be working on it. We need the stuff sorted out now" and I think there is a massive sense of urgency about how do we resolve this issue.

**Deputy S.G. Luce:**

Okay. Data, as we have all agreed, is vital.

**Deputy R.J. Ward:**

We understand from the ministerial plan that you will be, and I quote: "Implementing a housing data intelligence project to improve visibility and understanding of housing trends." Can you elaborate further on what exactly this project will entail?

**The Minister for Housing and Communities:**

Well, again, where are the areas that we are missing? Probably the biggest area is in quantifying demand for housing. One of our big areas is we talk about homelessness and obviously I have spoken at length on homelessness over the last few weeks. My biggest concern is we have people who are sofa surfing, we have people who are living in cars and vans. There is a myriad of people who are not adequately housed but, sadly, a lot of them do not cross over with government. They do not appear on the doorstep of C.L.S. Also, on top of that, we obviously have Sanctuary House and we have Shelter. We have all the different refuges which are trying to house these people and, again, the data seems to be very disparate on them all. Are we providing the right level of services for these communities? This is going to be a political comment here but one of my objectives almost is if you could look at it in the round and that is going from a park bench to a home ownership. I think if we can think in that sort of arc, which may not be realistic for certain people, what it does is it informs us what areas we need to resource properly. How are we going to resource anything

properly if we do not know the scale of the problem? So this is my point about why we are trying to bottom out what exactly the data is that we need to collect and how we collect it?

**Deputy R.J. Ward:**

So that one area of crisis, all right?

**The Minister for Housing and Communities:**

Yes.

**Deputy R.J. Ward:**

So this is based around the crisis issue.

**The Minister for Housing and Communities:**

Yes.

**Deputy R.J. Ward:**

Our next tranche is those who perhaps are young people who want to stay on the Island but if they do that, they will have to stay at home because they cannot afford to live so they are more likely to go away and take their skills with them where they can afford to live. Is that another tranche?

**The Minister for Housing and Communities:**

For sure. Anything that is impacting on people's ability and quality of life or whether they are going to economically stay or make those big decisions like you have just mentioned there, absolutely we need to better understand that. We may have that information out there but we simply do not have it within our department which obviously will help us inform future strategy and policy.

**Deputy R.J. Ward:**

What sort of resourcing is required and, on top of that, I ask the same question - which you will see is a common theme - when is the delivery date for the key data to inform future strategy and when will you have the information and then we can say to you: "We have the information? Now what is the strategy?"

**The Minister for Housing and Communities:**

I have tasked them with the end of the first quarter of next year as one of my target dates. I am not sure if the departments agree with me on that front but I have said I think it is an appropriate timeframe to have something in place. In terms of resourcing, we have £20,000 being resourced on the first phase of this project. As I say, we spend an awful lot of money in other areas such as

homeless services and housing advice services, et cetera, but in this moment in time in particular to the intelligence project, we have resourced it with £20,000.

**Deputy R.J. Ward:**

What stakeholders or agencies will you be working with?

**The Minister for Housing and Communities:**

That will be across the board in terms of who is involved with homes and the supply of homes so that will be from everybody from Andium to the homeless cluster to C.L.S. It is just anywhere that touches or has an impact on something to do with housing.

**Deputy R.J. Ward:**

When you say "the data exists" ...

**The Minister for Housing and Communities:**

You are looking frustrated. You think: "You are all sitting where you are."

**Deputy R.J. Ward:**

Yes, it is like a review of research. One form of research is to research research which seems to be what you are doing.

**The Minister for Housing and Communities:**

In some ways, it is. I do not know if Natasha wants to put a more polite term on it. My frustration is that there are many people who have trodden the path before me. There has obviously been government restructuring under our predecessor; the one.gov project and all the rest of it. There has been a lot of changes going on. Natasha, how long have you been in Housing Strategy? Eighteen months so far?

**Head of Strategic Housing and Regeneration Policy Officer, Strategic Policy, Planning and Performance Department:**

Three.

**The Minister for Housing and Communities:**

Sorry, 3 months. The point being is this is a hugely new area and it is being recognised by Government that there is a real gap in our ability to do stuff in this area and I think my task now is to move things forward. Natasha is itching to jump in and say something. Go on.

**Head of Strategic Housing and Regeneration Policy Officer, Strategic Policy, Planning and Performance Department:**

Just to clarify the Housing Data Intelligence Project so the first phase is essentially adjusting the critical data gaps that we have. So the Minister has already explained around the issue of homelessness and by establishing the definition and there will be better data collection through C.L.S. That is going to address a critical data gap that we have in that we do not have the visibility of that cohort of Islanders.

**Deputy S.G. Luce:**

Could you just define “critical data” before we go any further?

**Head of Strategic Housing and Regeneration Policy Officer, Strategic Policy, Planning and Performance Department:**

So I guess you could call it the supply and demand as the basic fundamentals of the key information that we need to manage our housing stock in Jersey. So, at the moment, we have a lack of information on both supply and demand so the demand issue for homelessness. Obviously, Deputy Ward there has explained the demand issues of certain Islanders with certain affordability issues and we also have some quite simplistic supply data gaps of how we manage our administrative data through the planning system. That is where the main focus is of the Housing Data Intelligence Project at the moment which is to get a grip on what is coming through the planning system, what is being built and allow us to track progress against what we said we would build or need to build from the Island Plan. At the moment, the stage is now just establishing basics. Thereafter, comes market analysis and that market analysis will be done in collaboration with other States departments with certain skill sets. For example, working with our economics units and leaning on them for their market analysis capability and working with the statistics team. You will see in the Government Plan that they also have a commitment to grow their capacity in terms of housing market data. So it is really a planned Government effort of how to better grow our housing market intelligence.

**Deputy S.G. Luce:**

Well, another area where we might need some intelligence would be on right sizing. You mentioned it earlier, Minister.

**The Minister for Housing and Communities:**

Yes.

**Deputy R.J. Ward:**

Do we have any idea how many people, given the correct circumstances and the right circumstances for them, would right size?



**Head of Strategic Housing and Regeneration Policy Officer, Strategic Policy, Planning and Performance Department:**

Can I say the answer to that is a very simple no. We do not know the size of that. That is probably a critical data gap. I think it is a really important point. This is what worries me. We talked about this £10 million earlier I am spending it on. It is so easy to do the wrong thing because you are not well-informed enough and so, for me, we joke and laugh about it, but I do think that it is really important that we identify the scales of the various issues to do that.

**Deputy R.J. Ward:**

The other side of that coin is that by spending so much time contemplating, action is not taken and people's lives are being affected directly and for a Government that talks about action, if we are going to go another year and a half without anything happening, people will still be sofa surfing. That is why I raise the question.

**The Minister for Housing and Communities:**

I get that. I was elected on 22nd June and I think I became a Minister about a month later. I am not even 6 months into this.

**Deputy R.J. Ward:**

You can prepare for that because you knew the writing was on the wall when you stood.

**The Minister for Housing and Communities:**

When I stood, yes. I did not know I was becoming the Minister for Housing and Communities though so there you are, so I genuinely did not. So what I would say to you is, just to finish off that point, that I think we have reached a turning point - and we talk about this within our department - in the research in identifying what the issues are that we need to get a grip on are. I think we are at that focal point where we are now turning that around into very, very clear actions and timeframes.

**Deputy S.G. Luce:**

Well, I think it is encouraging, Minister, that you know that you do not know. It would be more worrying if you did not know that you did not know.

**The Minister for Housing and Communities:**

All right, yes.

**Deputy S.G. Luce:**

Is there a level of public engagement you are going to need to do on rightsizing because that is a tricky one? People may not realise that they are potentially a right sizer. They may be comfortable living in their large house with a few empty rooms.

**The Minister for Housing and Communities:**

I absolutely agree with you and the reality is this is not about forcing people out of their homes, okay, so that is not the policy here at all. This is about people who would like to move to a smaller property and giving them the opportunity to do so and I think that is what we are trying to do. When we talk about: "How do you make that easier for people to do?", Jersey Development Company, for instances, are paying for things like paying for stamp duty and paying for moves and making it easier and stopping that friction in that move. I come back to this point about right sizing and that is it is all well and good saying: "We would like people to right size" but a lot of people would be happy to right size if they knew that there was a space within their parish that they could right size to so that is a really important point to make as well. What was the other one I was trying to get in my head? The other thing about right sizing is to make sure, from a policy point of view, that we ensure that when people do right size, they do not hang on to their old property. They do release it back out into the marketplace.

**Deputy R.J. Ward:**

Absolutely.

**The Minister for Housing and Communities:**

So there is quite a lot of thought and process to be gone into to getting that right. I know we talked about density and I know you were saying you were sitting on the Planning Committee but I think these are areas where, if different areas of the States understand the overall objective, in other words, what we are all trying to achieve here for the benefit of the Island, then hopefully we all start to understand each other's perspective and the different policies and attitudes taken will maybe start to align better.

**Deputy S.G. Luce:**

Well, I think your point about staying in the same area if you right size is a very valid one. As people get older, generally they are more comfortable where they have grown up or where they have lived for the last 20, 30 or 40 years and asking them to move out of that vicinity is challenging. That on its own is enough of a reason to not.

**The Minister for Housing and Communities:**

It is very stressful.

**Deputy S.G. Luce:**

Okay, housing with vacant rooms. I think Deputy Ward has some questions about vacant properties.

**Deputy R.J. Ward:**

In August, Statistics Jersey published an additional data table from the 2020/2021 census relating to the reasons for vacant dwellings. When you talk about data, how is that information, which is in the form of data, being used to form consideration for potential policy levers to encourage vacant properties to be returned to the housing market?

[12:15]

**The Minister for Housing and Communities:**

Right, okay, so the big question of the day. So let us have a look at this. The first thing we have tried to do when we cover our data in establishing it, one is we have met with the Comité des Connétables to try and see if we can get data on how many homes are empty or have been vacated. So that is one area we are looking at. So the second area we are aware of is we can use the Planning Department and serve what they call land condition notices which is about dilapidated properties and whether we can force somebody to make sure a property is not dangerous anymore. Another interesting area which is coming out is about empty dwelling management orders which is an idea from the U.K. Something else which we have again also looked at is there is a scheme in Kent called No Use Empty so what appropriate measures can we take to encourage properties coming back into the economy? So, obviously, there will be a suite of options by the end of November because we have had a request from I think Deputy Tadier about what we are going to do on that front. I am aware we are already 4 weeks behind on that but, by the end of November, we will have what actions we are going to take in that area, yes.

**Deputy R.J. Ward:**

I was going to ask what the proposed policy levers are which are under consideration.

**The Minister for Housing and Communities:**

Yes, I believe I have named a few there, yes.

**Deputy R.J. Ward:**

So, again, it is difficult to ask questions around this because we were waiting.

**The Minister for Housing and Communities:**

Yes, I know. Rest assured we will bring something to the Assembly by the end of November.

**Deputy S.G. Luce:**

The fundamental question is, Minister, do you believe it is right for the States to interfere or intervene with the free market in the way that we might be looking to with vacant property?

**The Minister for Housing and Communities:**

Yes, that is a good question. I have almost turned it into a bit of a moral issue and that is is it morally right that we should be potentially finding green zones and greenfield sites to build on when we are not effectively using our existing property portfolio in a most efficient way.

**Deputy R.J. Ward:**

I think we have found an area we can agree on.

**The Minister for Housing and Communities:**

Thank you.

**Deputy R.J. Ward:**

That is why we voted against greenfield sites, that is right.

**Deputy S.G. Luce:**

Sorry to interrupt but, just on that, do you accept the fact that there might be some intervention? Would you consider using public money to assist in the redevelopment of these sorts of privately owned homes?

**The Minister for Housing and Communities:**

I do not have an issue particularly with using public money to do that. However, I do believe that there will be an expectation from the general public that any money spent would be recouped by the States.

**Deputy R.J. Ward:**

Would you consider things such as if they go into the rental market, they are capped as affordable?

**The Minister for Housing and Communities:**

Now you are getting into the dirty detail in the long grass here. I do not know is the simple answer to that. I will keep that simple. Thank you.

**Deputy R.J. Ward:**

Sorry, I jumped in there.

**Deputy S.G. Luce:**

Well, no, we are still on your questions about vacant property.

**Deputy R.J. Ward:**

Yes, well, I think we have covered most of them because, effectively, we do not have an answer yet. We are going to have to wait until November. There is a critical data gap.

**The Minister for Housing and Communities:**

Until the end of November.

**Deputy R.J. Ward:**

You will regret that phrase.

**Deputy S.G. Luce:**

Well, okay, talking about the critical data gap, is 10 years too long between censuses when we face the current challenges?

**The Minister for Housing and Communities:**

That is a really good question. Here is someone who pretty much wrote the Bridging Island Plan based on the data which was provided by the last census. Is 10 years too much?

**Head of Strategic Housing and Regeneration Policy Officer, Strategic Policy, Planning and Performance Department:**

Well, one of the key issues with the Bridging Island Plan is that it was out of synch with the census so it was very soon after the Bridging Island Plan was published that the census was published. Of course we would like to see better alignment of that but I think you also make a very good point that more current data on our population, its characteristics and where people live and what type of homes they live in would be invaluable. I understand that their chief statistician is obviously evaluating how data can be better captured but that would be a matter for him to discuss.

**Deputy R.J. Ward:**

That is a very good question and I suppose what that generates is when we go through shocks like COVID and people left the Island and demographic changes et cetera, do you think there is a place for a snapshot, if you like, census? I do not know what you would call it. I just made that phrase up, to be honest.

**The Minister for Housing and Communities:**

I think it is an interesting idea.

**Deputy R.J. Ward:**

We do get a better picture of need.

**The Minister for Housing and Communities:**

Here we are looking at ways to collect data, implement government policies which we are trying to get implemented as of now. What is the impact of that going to be? How do we measure that impact or do we recognise was that particularly good or particularly successful? We recognised the problems at the last census. I think it is a very good philosophical question and I have no issues with that at all. I would love to hear, after 4 years in my tenure, what it would look like. Did we get those policies mostly right or mostly wrong or were events far greater than anything we could control?

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

Can I just make a point about the census? So other countries do have administrative censuses so you do not need to physically go around knocking on doors. You track through the information the Government already have and that is what Natasha was referring to. So because of the shock, COVID, some money has been allocated to a statistical exercise on go to that and level it up. That work could be expanded to create much more of an ongoing census. The problem with us doing a census after a shock is that it takes a long time to do a census and then to analyse it afterwards. To say: "Look, here is a shock. Let us see what has happened", you would be 2 years down the road before you knew what the answer was. If we can use the information that the Government have better all the time, you would have that running knowledge, yes.

**The Minister for Housing and Communities:**

Commentary.

**Deputy R.J. Ward:**

We spend a lot of money on I.T. (information technology) systems so, hopefully, that will be more possible.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

Yes, that is the facilitator. The I.T. system that is being developed at the minute does not do that directly. However, it is the kind of thing you would need to have in place in order to do the kind of work you would have to. As an example, Guernsey ran a new administrative census and censuses are expensive to run so anything you can do to maintain better and updated information is the whole

point. In August 2022, we had the results of the March 2021 census. It is inevitable, when it is a full census, it takes that long to do it and there are bits of a census analysis that will not be done even this year. They will be done next year so it does take a long time.

**Deputy S.G. Luce:**

That is very frustrating when you know the data is there. It has just not been crunched and made available.

**The Minister for Housing and Communities:**

Yes, well, that is one of the big things we are going to be doing and dealing with. I say “will be” but are.

**Deputy S.G. Luce:**

Yes, another one of your big things on your ministerial priority list was to relax the Gateway eligibility to 25.

**The Minister for Housing and Communities:**

Yes.

**Deputy S.G. Luce:**

It is very laudable. Are you not terrified that you increase demand in a time when demand and supply are not quite as close as we would like?

**The Minister for Housing and Communities:**

Yes, that is a good question and I think there is currently ongoing research being done in the background right now about how the gateway is working and functioning. Remind me when the last change was made to the Gateway because we dropped the age. When was it?

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

April.

**The Minister for Housing and Communities:**

April this year. Okay, fine, Sue. So much stuff happened before I got elected, okay, so April, we went from what age?

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

Fifty-five.

**The Minister for Housing and Communities:**

Fifty-five to 45.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

It was 50 to 40 I think, yes.

**The Minister for Housing and Communities:**

Fifty to 40. Thank you. Yes, so we dropped that down so what I think we are trying to establish is did that have a measurable effect on the number of people and the demand of the Gateway? So it is about bringing it down in controlled measures because one of the other areas was about the amount of savings you could have and I do not think, again, that was an issue before. Now, I think we are looking at £70,000 as an amount of money you can have in a deposit account or whatever in terms of assets to be able to apply to get on the Gateway and I do not think that was a criteria prior to now. So we are adapting and adjusting. Am I allowed to name names in here of private individuals who have called for changes?

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

No.

**The Minister for Housing and Communities:**

No, I am not. Therefore, I will desist naming their names. People have called for complete abandonment of the Gateway and said everybody should be just in the mix and in some ways in a quirky kind of way - and we talk about identifying demand for housing - that would very, very quickly pull a lot of stuff out of the woodwork. Now the only problem with that is do you end up creating a list so vast that it is not relevant to what you are able to do? The other opportunity of opening up the Gateway is maybe not to turn around and say: "We will promise you a home in a certain period of time." I hate to use "a box" but it is more to say: "You do not quite fit into this area." One of the things which we came across the other day - and it really made me question this - was there was a lady who had quite a significant amount of savings but, again, asset rich/cash poor and obviously a lot of pensioners are in this area. Under the current calibrations, she was not entitled to be on the Gateway and when you did the maths, the option was for her to go and buy a property and then that would reduce the amount of money she had in savings on which she could then draw on to live. So there were all these different conundrums about it and I think as our demographic ages, I really, really genuinely think that that Gateway and the matrix used in that Gateway needs to be quite



dynamic. We need to be really thinking about it in a much wider way but, ultimately, it is about reasonableness or level of demand in how we look at it.

**Deputy S.G. Luce:**

We have a level of demand in the pipeline currently and we have a level of building which we see from Andium's capital list includes Kensington Place. Now there are over 100 homes there which have been put on hold.

**The Minister for Housing and Communities:**

Yes, sure.

**Deputy S.G. Luce:**

Have you had discussions with other Ministers about the replacement of those 100-odd homes?

**The Minister for Housing and Communities:**

Right now, no, because we have spoken with Andium and Andium have said: "Do not worry about that issue at the moment because we are providing so many homes at this moment in time or building 1,000 units or whatever at this time and by the time we need to replenish that 106, we will have found a way of mopping that up."

**Deputy R.J. Ward:**

Can I just ask if the 1,000 on the Gateway are currently all 40 and over?

**The Minister for Housing and Communities:**

Yes.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

No.

**The Minister for Housing and Communities:**

Is that right? That is why I am clarifying. Go on, Sue, please.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

So there are 1,000 on the Gateway. That is, first of all, made up of 2 different sets of people. One is the people who are already in an Andium property so they are already housed and they are looking to move somewhere, yes. The second people are people in the private sector looking to move to

Andium for the first time so it is not that we need 1,000 extra altogether. It is that some people are in too big or too small properties and they need to move around. The Gateway conditions at the minute are that you have children any age, you do not have children but you are over 40 these days, yes, or you have a significant medical condition which means it would be difficult for you to join the private sector and you are residentially qualified so you have been here for 10 years, yes.

**The Minister for Housing and Communities:**

Income level as well.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

So there is the savings limit which has been put in at £70,000. I think there used to be a very old one which was £50,000 but, like I said, apart from unusual cases, that is not really a limiting factor. The thing that has changed is the income limit. There used to be a single income limit I think of about £40,000 a year and that now responds to the size of the household so it has gone down for single people but it has significant increased for families. So, in other words, a family getting on to Gateway will be much easier after the change because that limit from £40,000 has gone up to £60,000-ish. So there is a sliding scale now for income and the age is coming down gradually. It is one area where we do have monthly statistics published so there are monthly statistics available on the Gateway demand.

**Deputy R.J. Ward:**

If I can ask, because this is really important, the 25 age is because that is when you become an independent entity with social security, is it?

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

Right, so 25 is nothing to do with the Gateway so if you are 16½ with a kid, you can go on the Gateway, yes. So the Gateway is about children and then older people so it is not 25 but 40 now, yes.

**Deputy R.J. Ward:**

I mean the age requirement being moved down to 25.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

To bring it down to 25.

**Deputy R.J. Ward:**

I am thinking that the reason why it is chosen it seems to be logical because that is when you become separate as a claimant for social security, for example.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

Yes, I think 25 is an age used quite a lot in Jersey. Yes, it is used for higher education grants. It was the old housing rule. I am not sure it is much more than that other than it is a number that people are familiar with.

**Deputy R.J. Ward:**

It is the care leaver age as well, yes.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

Yes, but that was an aspiration set by the previous Minister for Housing and Communities and, as you say, we are going to watch this very carefully. The point about increasing the waiting list without supply being there is really important. You want to balance those things out so you are not making people feel frustrated by: "We have rented the Gateway out to people over 30" or whatever but the Gateway says it is 4 or 5 years away, yes.

[12:30]

**Deputy S.G. Luce:**

Well, the reason for my question was, on the one hand, the Minister quite rightly wants to drop the level down to 25 and, in the same time, we have Kensington Place coming offline at the moment which is 16 per cent to 17 per cent of the homes coming under construction. I just wanted to make sure that you said Andium were comfortable with that.

**The Minister for Housing and Communities:**

Yes, well, I say as comfortable as someone can be when you plan something to be built out and then it gets dropped. Obviously, Andium are live developers. They have banks of land as well which have yet to be brought forward to the market so I got solace, should I say, from Andium management team that they could accommodate that.

**Deputy S.G. Luce:**

So Andium are one social housing provider. Do you have meaningful discussions with the others?

**The Minister for Housing and Communities:**

With the various housing trusts?

**Deputy S.G. Luce:**

Yes.

**The Minister for Housing and Communities:**

When I say “meetings”, we have meetings with them and I believe we have a quarterly meeting setup to meet them but I know one of their frustrations is getting access to land to build housing. I think that, for me, is where we need to work with Property Holdings and, again, identify sites for them maybe to be used and released into the public domain which Andium may consider inappropriate for what they want to do. I say “inappropriate”. That is not the right word but maybe could be done by somebody else and can be built by others.

**Deputy S.G. Luce:**

So you are suggesting there, Minister, that Andium would not have a monopoly on States owned land to develop social housing.

**The Minister for Housing and Communities:**

Well, I do not know if that is the case at the moment. Do they have a monopoly? I do not know if they have a monopoly.

**Deputy S.G. Luce:**

Well, I do not know that they do particularly but they are our ...

**The Minister for Housing and Communities:**

They are our leading developer, yes, absolutely, but I think the Homes Trust do provide additional alternatives - and this is, again, me picking this up anecdotally - and we do not seem to be using them, for me, as extensively as we could do.

**Deputy R.J. Ward:**

Can I just ask if that could be extended to other private providers who provide social housing?

**The Minister for Housing and Communities:**

All right, are you coming into 15 per cent under Deputy Mézec’s proposals about that area?

**Deputy R.J. Ward:**

If Andium have that capacity, if the Housing Trust have that capacity but you have States where we could go to a developer and say: "You could develop this for social housing and we will do some sort of deal."

**The Minister for Housing and Communities:**

Yes, I have not considered that, to be honest with you.

**Deputy R.J. Ward:**

It seems to be a lot is anecdotal. I do not have the figures in front of me because we just get numbers of the number of one-bedroom properties being provided which perhaps will not fit families because you cannot have a family with children in the one bedroom.

**The Minister for Housing and Communities:**

Correct.

**Deputy R.J. Ward:**

It would suit younger people and may stop them leaving the Island if they can have an affordable home with a decent rental contract and a decent standard that comes with it. Is that sort of data available? We have 20 one-bedroom homes but people in the Gateway want 2 bedroom or 3 bedrooms which does seem to be the real pressure but you could solve another issue or address another issue but perhaps not solve it. Are you looking to do that?

**The Minister for Housing and Communities:**

It is just interesting you say about one and 2 bedrooms because one of the biggest criticisms I have is there are way too many one bedroom and 2 bedroom properties being built at the moment. Yet, when you talk to Le Masurier, when you talk to Andium and when you talk to JDC, all of these developers will tell you that is where the demand is and that is where the Gateway demand is as well at the moment. Why is that? Because families are shrinking in size, so families were bigger 40 years ago. When I say families were bigger, people stayed in their home. The average size would be ...

**Deputy R.J. Ward:**

Well, basically you would not have a child here.

**The Minister for Housing and Communities:**

You are certain of that or ...

**Deputy R.J. Ward:**

I would suggest that if you have a one-bedroom place and you have a child that grows up, it is going to be very difficult.

**The Minister for Housing and Communities:**

Yes. No, I agree, but the point ...

**Deputy R.J. Ward:**

They do tend to grow up.

**The Minister for Housing and Communities:**

They do, as you know.

**Deputy R.J. Ward:**

Absolutely.

**The Minister for Housing and Communities:**

Funnily.

**Deputy S.G. Luce:**

Before we move any further, I just want to come straight back to you about the developers saying there is demand for one bedroom. Where is that demand coming from? Is it not coming from buy-to-let purchasers who want to increase their portfolio? In that, are they not fuelling demand on their own?

**The Minister for Housing and Communities:**

They may have in the past. I am not sure that in the future that will be the case. I mean, obviously we ...

**Deputy S.G. Luce:**

We are obviously making it more difficult.

**The Minister for Housing and Communities:**

Yes, making it more difficult through stamp duty. Buy-to-lets, is that a major ... I think that we have to look at buy-to-lets in its own funny way. We have had historically low interest rates, okay, so a lot of people have invested in property when they could not get that money, that return, from their bank or whatever, so they went into that.

**Deputy S.G. Luce:**

Yes, absolutely. It was an alternative to putting money in the bank. It was paying better than the banks did.

**The Minister for Housing and Communities:**

Exactly. Now of course interest rates have gone up and that idea of making money in that way, if you see your capital value start to fall ... well, it depends whether you have a mortgage or not as well, that is the other point. Obviously if you have cash-purchased it, that is something else, but the point being is that it has been seen as an opportunity as an alternative investment. I think in some ways it is a philosophical thought that I have had, which is the sad fact is that a home is no longer seen as a home, homes are seen as something of a commodity that you buy and sell, which is a philosophical point I would make. Just to come back to this point about the one bedrooms and the demand here, Sue has kindly given it to me here. The total number of active applicants accessing the Gateway affordable rentals by bed size need - what is it - it is around 300 one-beds.

**Deputy R.J. Ward:**

That is on the list who want one-beds?

**Deputy R.J. Ward:**

One bedroom, yes.

**Deputy R.J. Ward:**

How many have been built?

**The Minister for Housing and Communities:**

Oh goodness me, I would probably ... a lot. Yes, a lot. I mean, if you looked at the Northern Quarter, it is predominantly one and 2 bedrooms, maybe with 2, 3 bedrooms. I will come back - Natasha probably would say about this - one of the points about the Bridging Island Plan and having these kind of green spaces opened up was to build more family homes in those locations. I think that was the thinking, and I say this not being a newbie as opposed to thinking of the previous Assembly, to try to develop that. But I do know Le Masurier, if you talk to them or any of these guys, they will all say to you: "We will put a nominal number of 3 bedrooms in."

**Deputy R.J. Ward:**

But we are talking about the Gateway and Andium to build down one bedroom. That is slightly separate, but when you are talking about the Gateway and what is available and moving the gauge down it does strike me - I do not know if you are thinking the same here - that we might just have an excessive amount of one-bedroom homes that ...

**The Minister for Housing and Communities:**

I think 2 things are happening. One is households are getting smaller, so I think that is one area why we need more one bedrooms. Also longevity. The demographic is we have baby boomers coming through and obviously there are going to be more and more single people in an older demographic who are going to want ... we talk about downsizing, rightsizing, whatever you would like to call it, who will demand one-bedroomed units. I think the reality is it is a reflection of societal changes rather than anything else.

**Deputy S.G. Luce:**

I think we could all agree that we have got some very clever developers here who will, if they see the market changing - and Natasha will know this - as they are developing a large scheme, if they see the market changing will come back to planning with a development ...

**The Minister for Housing and Communities:**

A revised ...

**Deputy S.G. Luce:**

... just a tweak, saying: "This side of the development is going to be one beds. We would like to make them 2 or even 3" and people change as demand changes as well.

**The Minister for Housing and Communities:**

To reflect the market, yes.

**Deputy S.G. Luce:**

But getting back to social housing, just a fundamental question, Minister, on social housing. Do you think it is right that we have set policy on percentage of market value for rent? At the moment it is 80 per cent.

**The Minister for Housing and Communities:**

Do I think it is right?

**Deputy S.G. Luce:**

It was 90 per cent. Is that the right figure?

**The Minister for Housing and Communities:**

Yes, it is 80 per cent now. Obviously it has been reduced to 80 per cent. Is that right? It fits, it works for the model we currently have, which is the Andium model, okay? Andium obviously, as we have already identified, they have a £250 million bond that they are fully drawn on, they have an



additional borrowing in the private markets of circa £400 million. Their model is predicated on 2 areas. One is rental income to finance that and the other area is on house sales, so they have to sell a certain number of homes every year to allow them to keep running, as it were, so in other words, be able to move on to the next project and build the next project, also upgrade homes as well, so they need to ... we have already had this question from Deputy Ward about that, and that is about making sure properties are kept fit for purpose. I cannot remember, what is the standard they use for homes, quality homes?

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

Decent Homes.

**The Minister for Housing and Communities:**

Decent Homes Standard. If you go back to the old housing department being within the States remit, apparently - and this is what I have heard - the budget was constantly cut all the time, so that it meant that the housing stock was in a complete mess, disarray, homes were becoming uninhabitable. This model, which was agreed 10, 15 years ago, appears to be the model that has completely changed around that whole problem. As a result of that, we have a significant number of people whose rent is completely paid for who are living in decent accommodation, they are looked after, the property estate is maintained well. If you turn around and say: "Should it be 80 per cent market of value and is that the right level?" it appears to be the model that works, so that is where I sit at the moment. There are other areas I know which are quite political in this field, but as I say, from what I see, I am very hesitant to chip away at that model.

**Deputy S.G. Luce:**

I will let Deputy Ward have a go in a second, but I just want to back to the Housing Development Fund, which we know that the States provided a large bond which has been given to Andium, who have developed out a number of sites and that money is no longer available and there is no more.

**The Minister for Housing and Communities:**

Correct.

**Deputy S.G. Luce:**

So we now move into a next phase of the Andium business model, if you like, which you have just alluded to. Do you think there is enough money in that model to continue to do what we really need to do?

**The Minister for Housing and Communities:**

I think if you cut rents down from 80 per cent to 70 per cent, the simple answer would probably be no, but at this moment in time we are assured by the management team of Andium that they are satisfied that the current model works and is fundable.

**Deputy R.J. Ward:**

So the return from Andium is paying off the bond?

**The Minister for Housing and Communities:**

Correct, a 40-year bond.

**Deputy R.J. Ward:**

How much of that bond has gone?

**The Minister for Housing and Communities:**

They have drawn down the whole bond, but they have got 40 years to repay it in, so from the day it started to 40 years when it finishes.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

2054.

**The Minister for Housing and Communities:**

2054, there we are.

**Deputy R.J. Ward:**

So they have not paid any of the bond back, just interest?

**The Minister for Housing and Communities:**

That is a good question. I think I would need to ask Andium that question. I do not know. I am not sure whether the deal was capital and interest or whether it was lump sum paid in at the very end. I do not know, I do not know.

**Deputy R.J. Ward:**

One of the arguments seems to be that they managed to build these homes and many people are having their rent paid through C.L.S., so surely if they are making a return, if that rent goes down and the rent paid by C.L.S. is less, there is less cost for Government anyway, so that circularity of money really can be disregarded, but it makes other people's lives easier. We just seem to be entering into a model for Andium where it is a chain you are never going to get out of. The

improvement of homes might be better, but also you have got people under real rental stress. That is what matters to people most.

**The Minister for Housing and Communities:**

I get that, but we are obviously aware that our most vulnerable people on this Island - and I think at the moment it is around 1,300 homeowners - pay no rent at all, okay? Also when we talk about 80 per cent as the value, 80 per cent of the market value, that is only on day one, so after that Andium have a policy which is capped rental increases of around 4 per cent, something of that level, so what people in reality see who are in that sector, compared to the private sector, is a decline in the relative terms. They do not see it in physical pounds, shillings and pence but in relative terms to the market they see their payments come down. I know it is very political and I do get that.

**Deputy S.G. Luce:**

The Deputy has got a question on homelessness and then we are getting close to wrapping up.

**Deputy R.J. Ward:**

Minister, you recently published a new definition for homelessness as part of your ministerial plan to improve the visibility of homelessness in Jersey and the use of data. How exactly will you do this and what will be your measure of success for improving the visibility?

[12:45]

**The Minister for Housing and Communities:**

Visibility is about data, is it not? It is about how many people are being impacted and have we got the appropriate facilities there to look after these people. I have been quite amazed at some of the circumstances people find themselves in. I was hearing a story, I think in fact a participant within this room at this moment in time has done a video of somebody coming out of prison and the challenges they face to get back into society. For me it is how can we ... what success would look like and we do not need so many facilities. That I think is probably the bottom line number. If you turn around and say: "Oh, there is 1,000 people out there" that is 1,000 too many. If you say there is only 6, that is 6 too many. My attitude is how do we shrink that population and the chances of doing that. Now, it is not simply a case of these people cannot afford a home. A lot of these people have a huge number of additional problems, whether it be alcohol abuse, drug abuse, just cannot cope with living themselves, so they need what they call ... C.L.S. provide wraparound services. For me it is about moving people from a situation whereby, yes, let us try to find you a better job, let us try to find you decent rented accommodation and so on. That is why I talk about this park bench to home ownership trajectory. It is what are those services that we need to provide along the way to get somebody from a desperate situation into a situation where they can function within society.

**Deputy R.J. Ward:**

It is just the word “visibility” does not sort of ...

**The Minister for Housing and Communities:**

Yes, but the point with visibility is how many people in Jersey know about homelessness? One of the first reactions I had was: “We do not have a problem because there are no tents in King Street.”

**Deputy R.J. Ward:**

I think we were talking to different people.

**The Minister for Housing and Communities:**

I know, but do you understand what I am saying? When we talk about visibility, people need to understand the immensity of the problem.

**Deputy R.J. Ward:**

I do understand, yes.

**The Minister for Housing and Communities:**

That is why the homelessness definition simply makes people aware that it is not about people living on the street, it is about people in inappropriate accommodation and so on.

**Deputy R.J. Ward:**

Yes, absolutely.

**The Minister for Housing and Communities:**

It is a much broader subject, yes.

**Deputy R.J. Ward:**

Okay, but more visibility comes with dealing with the issue. I am running out of time, I will let you ask some ...

**Deputy S.G. Luce:**

We have got 15 minutes left and I think we would just like to pop a few questions to you, Minister, about the Government Plan because we do not have a huge amount under your portfolio in the Government Plan. We are much happier to talk to you about real crisis issues like housing, but do you have enough funding in the Government Plan to do what you want?

**The Minister for Housing and Communities:**

Our funding, that is an interesting question. I believe we do, I believe we do, but it is spread around all sorts of different areas. I have got a list here, I do not quite say as long as my arm, as long as this sheet of paper anyway. For instance, we have Shelter Trust, a grant there which is for about £1.2 million, we have got vacant homes, we have got a £500,000 budget there to explore opportunities, what can be done there. Homelessness service £60,000; housing advice services £80,000; £140,000 around services. There is quite a lot of money around in lots of different pots. It is have we identified that that is the exact money that we need? I would be honest with you, not at the moment, but I think what has been pledged to us is sufficient for what we need to be doing at this moment in time.

**Deputy S.G. Luce:**

So you would not be putting in growth bids or anything like that?

**The Minister for Housing and Communities:**

I am not. I have no intention to do that at the moment. I hope I do not upset Natasha here, who wants more money.

**Deputy S.G. Luce:**

That is a very interesting answer because you do not often ask a Minister if they have got enough money to do what they would like to do and get the answer: "Yes, I have."

**The Minister for Housing and Communities:**

I think we have, yes.

**Deputy S.G. Luce:**

But there we are.

**Head of Strategic Housing and Regeneration Policy Officer, Strategic Policy, Planning and Performance Department:**

If I may clarify, it is recognising both the Chief Minister and the Minister for Housing and Communities' plan that we would keep the resources under review for the year ahead, so recognising it is a high priority.

**The Minister for Housing and Communities:**

That is almost a political answer.

**Head of Strategic Housing and Regeneration Policy Officer, Strategic Policy, Planning and Performance Department:**

These come out throughout the year, so if nothing changes and we just purely deliver the Minister's plan, then yes, perhaps we will have resources, but we know of course we get propositions that come through the States Assembly that set us on a slightly new course with new priorities or additional priorities and those will need to be met through additional capacity.

**Deputy R.J. Ward:**

Of course because there are critical data gaps ...

**The Minister for Housing and Communities:**

Thank you, yes.

**Deputy R.J. Ward:**

... and because there are some areas where you are really not sure as to what to do there, that could generate huge cost. You could have a nasty surprise come up from what is happening and you would need that money.

**The Minister for Housing and Communities:**

It is the unknown unknowns, as you say, and I take that point on board. As Natasha correctly points out, also Assembly Members may come forward with ideas that we should be doing things ...

**Deputy R.J. Ward:**

That is the beauty of our Assembly.

**The Minister for Housing and Communities:**

That is the beauty of our Assembly, our wonderful democracy, but what I would also say is that if it is ... this is why I talk about being careful on some of the policies we do. If we do need to release things, in other words, if Government does need to invest in empty homes in some way, physical shape or form, we make sure we get our money back, that kind of thing, so I am saying it is not a case of: "Oh, let us just throw money at this project" and end of story. Yes.

**Deputy S.G. Luce:**

In the previous Government Plan 2022 to 2025, Minister, there was ...

**The Minister for Housing and Communities:**

You are trying to catch me out here, are you not? Okay.

**Deputy S.G. Luce:**

I am sure your officers will help you out, but there were previous allocations for the Housing Policy Development Board and also for tenants' rights work and those do not appear to still be in ... well, we have not spotted them in any of the annexes which have come with the Government Plan. Are they still required?

**Head of Strategic Housing and Regeneration Policy Officer, Strategic Policy, Planning and Performance Department:**

It is just the wording has been lost in translation, so it is the same budgets that are ...

**Deputy S.G. Luce:**

It is still there, but they have changed the name?

**Head of Strategic Housing and Regeneration Policy Officer, Strategic Policy, Planning and Performance Department:**

That is correct.

**Deputy R.J. Ward:**

Is that because the Common Strategic Policy has changed, i.e. reducing inequality has gone, so it must be under a different ...

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

No, so the last couple of years there have been housing-related areas in the previous Government Plans. One was called the Housing Policy Development Board, so that was set up by the previous Chief Minister. Some of the recommendations of that, for example, Natasha's unit, which is a new unit, that has got now permanent funding through that work, so the need for something called the Housing Policy Development Board does not exist any longer because the board does not exist any longer, but the actions of the board have been taken through, principally to create a strategic housing unit. The other one was tenants' rights, so the Minister has explained the homelessness work, the Rent Control Tribunal and there is an office in there as well, the work that the housing ... I have forgotten. The C.L.S. department, yes.

**Deputy R.J. Ward:**

I see what you mean, so that money has been reallocated in those areas.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

No money has been lost. We have not lost any money.

**Deputy R.J. Ward:**

Is that easy for us to identify?

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

It is really hard to identify, sorry.

**Deputy R.J. Ward:**

Yes, exactly. I think we would appreciate some way of you ...

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

Because it does not go into sufficient detail, the current plan does not have all the detail.

**Deputy R.J. Ward:**

That is right, yes.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

We can try to send you a list.

**Deputy R.J. Ward:**

But you can understand for Scrutiny. I think this is what the Chair is saying. It is very difficult for us to track where that money has gone.

**Deputy S.G. Luce:**

Yes, absolutely, especially if they start changing the names.

**The Minister for Housing and Communities:**

Is it something that we can come back to them with? Is that ...

**Head of Strategic Housing and Regeneration Policy Officer, Strategic Policy, Planning and Performance Department:**

If I may clarify, in response to Scrutiny, this was the affordable housing review. At the back end of the previous Government's response there is some commentary against the Housing Policy Development Board recommendations, which sets out their status as according to the previous



Government, which obviously has not significantly changed, but it will help to draw that line of where the recommendation turned into actions, which has then turned into departments or policies that now exist that are being funded.

**Deputy R.J. Ward:**

Then again, yes, we have got to track that through.

**Deputy S.G. Luce:**

All governments are trying to save money and will continue to do so but, Minister, you said you have come straight out of the private sector so your brain is still moving at speed. Have you identified any savings you might make within your department?

**The Minister for Housing and Communities:**

It is tricky to have a department which you can save money in when we are such a tiny department.

**Deputy S.G. Luce:**

I appreciate that, but ...

**The Minister for Housing and Communities:**

We are very small in the grand scheme of things, so I would say at this moment in time, short of cutting people's pay, I think we certainly need the arms and legs and all the rest of it and I do not think that would go down very well, so the reality is, no, at this moment in time there is no opportunity to make savings in this area. I think we are just so new in this field. I genuinely think it is a breath of fresh air for the States of Jersey to have this housing policy unit, it really is, because I think it is going to make a big impact if we get it right. I am very positive about that.

**Deputy S.G. Luce:**

Your department, Minister, is also quite heavily linked with infrastructure, housing and environment, strategic policy, planning and performance. Are you happy that those other areas are resourced enough to help you with your housing?

**The Minister for Housing and Communities:**

I hope so and that is why I rely on officers to tell me that they are properly resourced. I know Natasha is already working on the different areas of gaps because obviously sometimes you can end up just being ridiculously busy in a certain area and you do not pay attention to some areas that are more critical. I know Natasha has done quite a bit of work on what the shape of our department should look like. In fact, I can see her pulling up a little diagram here as we speak. Yes, but as I say, I

would like to think in 6 months' time, maybe when we have our next meeting or over the next 6 months or whatever, I am sure we will elaborate.

**Deputy R.J. Ward:**

So you have not identified what are now called value for money savings?

**The Minister for Housing and Communities:**

Go on, say that before I say something I regret.

**Deputy R.J. Ward:**

Please do.

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

No, it is just a point of clarification. Natasha's unit sits within the S.P.P. (Strategic Policy, Planning and Performance), that area. In reality, most of the services that the Minister is responsible for are delivered through C.L.S., so C.L.S. will be involved - as it does every year - in making sure that money is being spent effectively, so that is where it goes to, but you are allocated, but you have not been asked to make any ... sorry, you have not been asked to make any cuts to the Housing Advice Service or to the Shelter Trust grant, so you have not been asked to make any there, but the C.L.S. services will be part of that overall government requirement to find efficiencies within the Government as a whole.

**Deputy R.J. Ward:**

Value for money savings?

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

Yes, because you cannot ... literally Natasha has got a team of a few people. It is going to be very hard and it is brand new.

**Deputy S.G. Luce:**

The last little area I am going to dip into, and it is not a great one, but it is your proposed Government Plan, Minister, which basically says that: "Where we have a States-owned site we will consider the need to provide affordable homes as well as the need to raise sufficient capital to be reinvested in other areas that benefit the public, such as new infrastructure or public realm." My question to you is do you feel you have got sufficient ministerial input as Minister for Housing when it is going to come to that? That is going to be a real tension between you ...

**The Minister for Housing and Communities:**

Yes, tensions.

**Deputy S.G. Luce:**

... as to whether you are going to provide affordable or social houses and the need on the other hand for public realm or for ...

**The Minister for Housing and Communities:**

I think this is where we have got this group which has been set up, which is Future Places, which is a way of ... sorry, I will just quickly grab the piece of paper which involves this. What we are trying to do, this is about ... I call it transparency, a better way of governing the estate of the States, as it were, and how we use those assets more effectively and efficiently. I sit in that group and within that group and so we will have conversations along those lines. There is the classic conversation taking place at the moment with tensions between parkland, schools, houses and so on, so these are all the tensions which we know happen because we are on a 9 by 5 Island. The whole point of this idea of creating a Future Places group is to try to work these tensions out around a table and then encourage ...

**Deputy R.J. Ward:**

That is yourself and the Minister for Treasury?

**The Minister for Housing and Communities:**

The Minister for Treasury, there will be the Minister for Infrastructure in there. The Chief Minister is involved. As I say, sorry, I do not have a list of all those involved here.

**Deputy R.J. Ward:**

The Constable of St. Helier.

**The Minister for Housing and Communities:**

The Constable, absolutely.

**Deputy R.J. Ward:**

But no Deputies?

**The Minister for Housing and Communities:**

They have not been invited at the moment. Well, I am a Deputy of St. Helier, obviously.

**Deputy R.J. Ward:**

Yes, but you are a Minister.

**The Minister for Housing and Communities:**

Yes, I know, but I am still a Deputy, am I not? No, but the point being is that the idea is ... this is not some star chamber who goes back out there and goes: "Oh, this is all fait accompli, by the way. Please just agree", this is something which would go out for consultancy. Obviously we have these ideas, we are trying to resolve these big issues and I know you certainly brought many issues which are things that you would like to have done. That has all kind of fed into the mix, so yes, it is ...

**Deputy S.G. Luce:**

But your Government Plan, to just get back to it, does say: "States-owned sites, we will decide whether that is going to go for affordable homes or whether we are going to sell it and use the money to do other infrastructure projects."

**The Minister for Housing and Communities:**

Correct, other things. Yes, yes.

**Deputy S.G. Luce:**

Do you feel that that is the right ... are you happy with the balance that has been struck between homes and raising capital?

**The Minister for Housing and Communities:**

What I would say, it is what it is I think is how I would say. I think the importance of building more homes obviously is really critical and that is highly recognised by everybody, so we need to sort that out, but in terms of how do we get the biggest bang for our buck with £800 million worth of Jersey Property Holdings, I feel, yes, it is all up for grabs really, in my view. I am sure we will have many a conversation over a table about that.

**Deputy S.G. Luce:**

Minister, unless Deputy Ward has got any other pressing questions ...

**Deputy R.J. Ward:**

I was going to ask ...

**Deputy S.G. Luce:**

Oh dear.

**Deputy R.J. Ward:**

... you what the rate of inflation is.

**The Minister for Housing and Communities:**

So is it R.P.I.X. (Retail Price Index excluding mortgage interest payments) or R.P.I.?

**Deputy R.J. Ward:**

The words were R.P.I.X. on social media.

**The Minister for Housing and Communities:**

Yes. You know what, it is a good question. I put it out there more out of ... not so much: "The rate of inflation is ..." but how it is calculated, to give some insight into it, and obviously we saw ...

**Deputy R.J. Ward:**

For what it is worth, the words that you posted ...

**The Minister for Housing and Communities:**

Go on, go on.

**Deputy R.J. Ward:**

... were "the real rate of inflation."

**The Minister for Housing and Communities:**

The real rate of inflation, yes, because one of the reasons is because of this mortgage interest element, which was the point being made. It was interesting, because the current economic ...

**Associate Director of Social Security, Population and Housing Policy, Strategic Policy, Planning and Performance Department:**

Adviser.

**The Minister for Housing and Communities:**

Adviser, thank you. I have got Ministers on my brain. I had a conversation with him about this and I think I said - a school day of being educated by him - how Jersey seems to measure it differently from the U.K. and the reasons why we might consider that mortgage interest should be removed from the headline figure of inflation and that discussion obviously went on and became more complex.

**Deputy R.J. Ward:**

The reason I ask you is because for a Minister for Housing it is obviously a really important point when you are answering a load of questions on that.

**The Minister for Housing and Communities:**

Yes. I would also point out something in that data which was quite interesting. Again, this is not something to be proud of, but the point being that the inflation rate on rentals has increased by 5 per cent, which is below the current rate of inflation, which I know is early days yet and we may see consequences going forward, but all of this stuff just is useful to bottom it out.

**Deputy S.G. Luce:**

One would like to think some of that smaller increases in rentals would be the fact that landlords are realising that their tenants do not have the money for the increase.

**The Minister for Housing and Communities:**

A bottomless pit of money. It may even suggest that the Chief Minister's request to landlords to be sensible about rate increases has come to fruition, but you are absolutely right with the point and that is cost of living increases. What happens if someone cannot afford to feed themselves, how the hell are they going to pay their rent? I think there is a recognition that that is a case in point.

**Deputy S.G. Luce:**

I think that is a very good point to call a halt, Minister. We have been 2 hours. It has flown by and nothing has been lightweight, it has all been good discussion.

**The Minister for Housing and Communities:**

Thank you.

**Deputy S.G. Luce:**

I thank you and your officers for coming.

**The Minister for Housing and Communities:**

No problem at all, thank you.

[12:59]