# **STATES OF JERSEY**



# ISLAND PLAN 2022-25: APPROVAL (P.36/2021) – NINETIETH AMENDMENT OVERALL HOUSING SUPPLY

Lodged au Greffe on 11th February 2022 by the Minister for the Environment

**STATES GREFFE** 

2021 P.36 Amd. (90)

# ISLAND PLAN 2022-25: (P.36/2021) – NINETIETH AMENDMENT

#### **PAGE 2** –

After the words "the draft Island Plan 2022-25" insert the words "except that –

- (a) any reference throughout the draft Plan to "3,750 homes", where it relates to the demand for homes, should be substituted with "4,000 homes";
- (b) in Policy H3 Provision of Homes "4,150" should be replaced with "4,300" and "1,500" should be replaced with "1,650"; and
- (c) in the second paragraph of Policy H3 Provision of Homes the words "new homes" should be substituted with the words "up to 600 affordable homes"."

#### MINISTER FOR THE ENVIRONMENT

**Note:** After this amendment, the proposition would read as follows –

## THE STATES are asked to decide whether they are of opinion –

to approve, in accordance with Article 3(1) of the Planning and Building (Jersey) Law 2002, as amended by the Covid-19 (Island Plan) (Jersey) Regulations 2021, the draft Island Plan 2022-25 except that –

- (a) any reference throughout the draft Plan to "3,750 homes", where it relates to the demand for homes, should be substituted with "4,000 homes";
- (b) in Policy H3 Provision of Homes "4,150" should be replaced with "4,300" and "1,500" should be replaced with "1,650"; and
- (c) in the second paragraph of Policy H3 Provision of Homes the words "new homes" should be substituted with the words "up to 600 affordable homes".

#### **REPORT**

The housing supply requirements of the draft Bridging Island Plan comprises a combination of projected future housing needs, and unmet demand as a result of population increase above the rate of housing delivery arising from the Revised 2011 Island Plan.

The development of the draft Bridging Island Plan was informed by actual housing completions data for the period 2011-2017 (inclusive), and an estimate based on known the pipeline of builds used for the remaining plan period. The total supply requirement was identified as 3750, as explained in the <u>Preferred Strategy Report</u> (2020). However, since the publication of the draft plan, more recent completions data shows that actual completions for the period 2011 to the end of 2020 was 250 units (rounded) lower than previously anticipated. As a consequence, it is necessary to revise the overall supply requirement referred to in the plan from 3,750 to 4,000. This recommended change has been endorsed by the independent planning inspectors (recommendation 4), in their report.

Whilst the Minister had proposed revision of the housing requirement figure, the Minister did not revise the overall level of housing supply proposed by the plan as the overall supply already proposed in the draft plan remained above the overall assessed level of housing demand. The draft plan already provided a supply 4,150 homes relative to an original demand of 3,750 homes (a margin of just over +10%). As a result of the revised housing demand figure (at 4,000 homes), the overall supply of homes remained within a margin of about +4%. Providing a buffer in the supply of homes that are required in a development plan is normal practice, to account for the uncertainties that might prevent some development from coming forward over the course of the planperiod.

Upon examination, the inspectors have recommended that the margin of housing supply, relative to demand, should be increased to a level that is at least comparable with that achieved in the Revised 2011 Island Plan (which had a margin of about +5%). The inspectors' recommendation 20, therefore, suggests that the housing supply figure expressed in Policy H3 of the draft plan should make provision for 4,300 homes (including key worker accommodation), and also, that the additional supply provided should deliver affordable homes. This amendment gives effect to that recommendation.

An effect of accepting this change is that there is a requirement to ensure that the draft plan increases the level of housing supply, and specifically the allocation of sites to provide affordable homes. The draft plan currently makes provision for about 450 affordable homes on sites identified for re-zoning, and this will need to be increased by a further 150 to ensure that the plan makes provision for at least 600 affordable homes through re-zoning, as shown in figure 1 below.

Figure 1: Overall housing supply sources (note: distribution of rezoned sites may be altered as a result of the Bridging Island Plan Debate)

Supply source		Five-year supply estimate 2021-25		Revised five-year supply estimate 2021-25	
		Affordable	Open Market	Affordable	Open Market
Under construction (end 2020)		625	700	625	700
Planning permission (March 2021)		0	700	0	700
Town Capacity	Private sites	0	600	0	600
	Government/approved housing provider sites	425	150	425	150
Windfall (outside of Town)		0	500	0	500
Rezoning - strategic extension sites		150	0	82	0
Rezoning - suburban extension sites		150	0	191	0
Rezoning - rural extension sites		150	0	337	0
Total estimated supply		1,500	2,650	1,660	2,650
		4,150		4,310	

As a result of this amendment, Policy H3 – Provision of homes, will read as follows:

### Policy-H3---Provision-of-homes¶

 $The \cdot plan \cdot makes \cdot provision \cdot for \cdot the \cdot supply \cdot of \cdot up \cdot to \cdot 4,\!1504,\!300 \cdot homes \cdot (up \cdot to \cdot the \cdot end \cdot 2025) \cdot to \cdot provide: \P$ 

- $\bullet \to up \cdot to \cdot \underline{1,500} \cdot \underline{1,650} \cdot affordable \cdot homes \cdot (including \cdot key \cdot worker \cdot accommodation) \cdot \mathbb{I}$
- $\bullet \rightarrow \mathsf{up} \cdot \mathsf{to} \cdot \mathsf{2,650} \cdot \mathsf{open} \cdot \mathsf{market} \cdot \mathsf{homes} \cdot \mathbb{I}$

 $To \cdot enable \cdot the \cdot supply \cdot of \cdot homes, \cdot proposals \cdot for \cdot residential \cdot development \cdot will \cdot be \cdot supported \cdot in \cdot the \cdot island's \cdot built \cdot up \cdot areas; \cdot and \cdot on \cdot sites \cdot specifically \cdot allocated \cdot for \cdot the \cdot provision \cdot of \cdot \frac{new \cdot homes \cdot up \cdot to}{600 \cdot affordable \cdot homes.} \\ \begin{tabular}{l} \hline \end{tabular}$ 

 $Development \cdot proposals \cdot which \cdot would \cdot result \cdot in \cdot a \cdot net \cdot loss \cdot of \cdot housing \cdot units \cdot will \cdot not \cdot be \cdot supported \cdot except \cdot where: \P$ 

- i.  $\rightarrow$  the proposal would result in the replacement of substandard accommodation with homes that meet current standards; or 1
- ii.  $\rightarrow$  the replacement homes would better meet the island's housing need in terms of size, type and/or tenure. ¶

# Financial and manpower implications

There are no direct financial and manpower implications.

#### **CRIA** statement

The effect of this amendment is in positive alignment with the Minister's published CRIA, to ensure adequate housing supply is made available for islanders as a result of the Bridging Island Plan.