STATES OF JERSEY

HOUSING ISSUES IN JERSEY

Lodged au Greffe on 21st December 2010
by Deputy P.V.F. Le Claire of St. Helier

STATES GREFFE

PROPOSITION

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

(a) to request the Minister for Housing to present to the States at least once every 2 years a report setting out information on the current housing situation in Jersey to enable the States to have a clear and ongoing understanding of the issues concerning all areas of housing in Jersey and so that members can be fully appraised of any plans or legislation that will, or may, impact upon the housing situation in the short, medium and long term with the report to include, but not be limited to, the following areas –

(i) a progress report on how the Minister's current Housing Strategy is delivering its aims and objectives;

(ii) details of the States housing stock, its condition, by sites, its management in general and its occupancy levels;

(iii) all the housing waiting lists that are maintained and the criteria for those lists;

(iv) in co-operation with the Minister for Planning and Environment, details of progress in relation to housing development identified within the approved Island Plan and any approved planning Masterplans;

(v) details of any proposed future legislation relating to housing matters;

(vi) the work of the States of Jersey Development Company in relation to housing issues if applicable;

(vii) the status of any housing loan schemes or assisted house purchase schemes involving the States of Jersey;

and to request the Minister, when the above report has been presented, to lodge for debate and approval at the same time a revised and updated Housing Strategy;

(b) to agree as an ongoing strategic objective for the States of Jersey that the provision of housing in Jersey should be made more affordable for residents and to request the Council of Ministers to bring forward appropriate policies and legislation to assist in achieving this aim wherever possible;

(c) to request the Minister for Housing to publish on the States website appropriate information to notify the public about housing in Jersey and how to access it together with details of the required criteria to access housing in all categories together with waiting lists, updated on a monthly basis, for all housing that the States has responsibility for and, if possible, similar details for the housing trusts;

(d) to request the Ministers for Housing and Treasury and Resources to investigate and report back to the States within 6 months on –

(i) whether it would be advantageous for the States to enact appropriate legislation to enable the States to condition property purchases in Jersey, for the future, so that, if a property becomes liable to repossession due to the failure of owners to meet loan repayments, the States would have the right to negotiate for those properties with the creditors and owners so that the States would become the creditors and thereby gain the rights over that property for both allocation and disposal, with any scheme to provide for the following matters –

(A) retention of the property for the owners affected;

(B) debt restructuring to facilitate end purchase as in the Homebuy scheme;

(C) the purchase of debt from creditors by the States at the same or at a lesser value of the debt owed (for example 80% – 90% of debt owed), to ensure that property at risk of repossession is not sold on for a greater price than the total outstanding debt and, at the same time, to dissuade irresponsible lending by financial institutions who might otherwise in these circumstances benefit financially;

(D) the management of the property, including re-allocation or onward disposal as deemed appropriate, protecting wherever possible the owners affected from homelessness;

(ii) whether or not it would be prudent to investigate the introduction of legislation to enable the freezing of all repossessions in the event that there was a large number of repossessions in the market until such time as the economy recovered;

(e) to request the Ministers for Housing and Treasury and Resources to investigate and report to the States within 6 months on the feasibility of introducing measures to curtail inappropriate property speculation for profit in Jersey;

(f) to request the Minister for Housing to bring forward for approval by the States legislation restricting the future sale of housing in Jersey to residents of Jersey wherever possible;

(g) to request the Ministers for Housing and Planning and Environment to bring forward proposals to ensure that all property built and provided for first-time homebuyers in the future shall be conditioned at the time of sale so that it shall remain within that market, until and unless, the States approve the release of the properties in question from that condition.

DEPUTY P.V.F. LE CLAIRE OF ST. HELIER

REPORT

I am tabling this proposal in order that we might regularly debate the housing issues that face our community with as much information as possible, in the future.

I believe that the current situation for housing in Jersey is in crisis, especially for first-time homebuyers, and nothing short of a sustained and concerted effort will address the problems facing ordinary people now and in the future from a life of perpetual rent with no benefit derived from thousands of pounds of expense and life-limiting experiences. Choices that will be and are being forced on the majority of Islanders will culminate in a quality of life that is well below the standards currently enjoyed by much of the modern world.

Homelessness will continue to increase for more and more people and the prospects of some people will be ruined for their entire lives.

I believed that my opinion was one that was not in a minority.

Reading the most recent report covering the supply and future demand analysis set out in the Inspector to the Draft Island Plan's report, I am now convinced my comments are appropriate, this is what it says and I have attached in Appendix 1 the full section on housing and the planning and housing statement for background reading.

> **"It is quite clear to us that there is a major problem of affordable housing in Jersey. There can be no question about this………..**
>
> **The MacDonald report provides evidence to suggest that no properties are affordable in Jersey at standard income: debt ratios (i.e. 1:5) for those on average incomes without substantial available capital. It also suggests that if 50% is taken as the maximum proportion of net income that should go on housing, then average income households cannot afford the price of a one-bed flat or any other housing type**
>
> **Does any party dispute that affordability is a serious problem (even, as the Draft Island Plan at 6.90 describes it, a "crisis")?**
>
> **But it is also clear that the information base could be more robust and will need continuous review. This is accepted by the States, and mentioned by MacDonald and others; and it is heavily criticised in some of the representations.**
>
> **Inspectors Report on Draft Island Plan"**

The States presented a housing seminar in order to provide the Inspectors and participants with factual information regarding housing issues. The seminar was held on Thursday 27th May at the Members' Room, Société Jersiaise, Pier Road, St. Helier, JE2 4XW.

At the request of the Inspectors, Planning and Housing were asked to produce a joint statement which I include in the attached Appendix 2 for reference.

Background

My proposals taken one at a time:

Paragraph (a)

I am seeking to implement a mechanism whereby issues surrounding the complexities of our housing infrastructure in Jersey are capable of being debated and understood by States members in a debate which brings forth new ideas and which aims to solve old problems.

Paragraph (b)

I am seeking States approval for legislation to be considered in areas where there are problems that we have not identified, but are clearly understood by other jurisdictions as necessary for all sorts of reasons to maintain an affordable housing market. No-one can argue that Jersey's housing market is simply unaffordable for the majority now as individuals or couples. The fact that it is unaffordable is something we simply cannot leave alone.

Paragraph (c)

I am seeking information to be made available on an updated basis via our States website so that people can see how to apply themselves and what to expect in terms of housing managed by the States or Housing Trusts if possible. A clear reference to how and who qualify should also be placed clearly for all to see.

Paragraph (d)

In this part of the proposition I am seeking to introduce protection for homeowners who might have found themselves in a position where they may lose their homes and the States may become duty-bound to house or support them. At the moment it has been stated that there are very few repossessions in Jersey. The same could be said up until most recently in Ireland. In the Financial Times on Thursday 11th November 2010 in an article headed – "Fears rise over new round of home loan defaults" – the newspaper speaks about Ireland's court reporters witnessing increasing numbers of families becoming homeless. In the article, an ordinary couple who purchased a house in 2000, have lost their home, the man, who is a lorry-driver, has lost his job and his house after agreeing to a repossession order from the bank. It is stated that he is worried that they might become homeless in 8 weeks as the local council has denied him access to their housing stock as the couple voluntarily agreed to give back the keys to their family home. They are now ineligible for social housing. In Ireland, there is currently a 12 month moratorium in place to prevent banks from enforcing repossessions, provided the borrower is co-operating. It is anticipated that a new form of mortgage interest relief will help borrowers' cash-flows in the near future, but this will not reduce the debt and these problems are currently facing more and more people. If legislation was introduced, there should not be a mechanism to assist the buy-to-let owner to continue to benefit from their speculation, in my opinion, and that sector in general can be offered a buyout or nothing at all, if there are no reasons why the States would want to intervene, i.e. no sitting tenants about to be made homeless. Indeed it might be possible to purchase the property from the investor and engage the sitting tenants as a housing loan scheme purchaser with the States if the terms were agreeable. In every situation the States would need to be able to make independent assessments on whether to intervene and to what degree to do so. It should not be done in such a way as to prop-up a failed investment for someone or some company that has no real humanitarian need.

When people find themselves in drastically changed circumstances they will turn to their Governments to help them. It is only by thinking ahead and preparing for all eventualities, that will we be in a position to do so. I am quite clear that the States might wish to safeguard the property of its residents in Jersey by introducing legislation so that the property could be purchased, or at least the debt settled. This will add a new degree of flexibility to our responsibilities. In particular situations where families might become homeless or otherwise eligible for income support, this is desirable as one wonders how much can the States afford in income support payments. A large increase of our population occurred when the EU member States were granted permission to settle without the need for work permits under the EU enlargement of 2004. Access to welfare payments for the majority of residents is certainly now becoming a reality and few here will not qualify. The numbers of people seeking low income support may very well dramatically increase in the future, with children in school, people are more reluctant to return to their homelands when unemployed and will prefer in some instances to sit out the storm. As the money set aside for income support has been pegged at this year's sum in order to save money under the CSR process, the remaining funds will be under pressure in my view in the near term. (On 1st May 2004, the European Union welcomed 10 more Member States: Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia. This was the fifth time that the EU accepted new members, bringing the total from 15 to 25 Member States. On 1st January 2007, this latest round of enlargement came to its conclusion with the accession of 2 more countries, Bulgaria and Romania.)

Paragraph (e)

It is the case that people often buy properties in Jersey to make them over and sell them immediately for profit. There is also the case that people buy properties off plan and sell them on again before they are even completed. This sort of speculation drives up the price of housing and strips supply for those least able to afford homes in the community, and were it not for the sea surrounding us, it would empty our region of those least able to afford to stay. As it is, many are leaving or have left to try their luck abroad. It also has the effect of driving up the price of property in the market. It is commonly known as property 'flipping' and in my view needs to be confined to time-set limits such as one year or more for onward sale, to discourage it, for example. Other jurisdictions have the knowledge to draw from in this sphere. There is also a clearly understood method for flipping which is basically loan fraud which can occur when this activity is prevalent.

> ***Extract from Property flipping***
>
> ***"Rejuvenation and gentrification***
>
> *"Rational" flipping can encourage a rejuvenation and restoration of a previously decrepit neighborhood, but rising property values can also be seen in a negative light, termed gentrification.*

Under the [broken windows] theory, an unkept house/area attracts a criminal element, which drives out those making a responsible living, which allows for more criminal element, and so on in a vicious downward cycle. The restoration creates jobs, particularly in construction, for locals and generates more sales (and sales taxes) to local vendors (initially those involved in selling construction materials). The newly remodelled homes will then attract new populations and businesses to a region, encouraging more economic development, plus the remodelled homes' higher assessed values brings more [property tax] revenues to local governments, allowing for more improvements to the area and driving out the criminal element.

As flipping occurs more frequently in a community, the total cost of living there can rise substantially, eventually forcing current residents to relocate, specifically less affluent younger and older people. On a small scale, flippers can cause distress and disturbance to their immediate neighbors by performing lengthy renovations. Flippers commonly have no interest in neighborhood integration, which may cause tensions with long-term residents. During the real estate bubble, flipping and gentrification both have been linked to the mass migration of people to California, where high real estate prices and ample jobs attracted wealth seekers. In response, many native Californians were forced to migrate to the less expensive areas of surrounding states such as Arizona, Nevada, Texas, Oregon and Washington. This migration of Californians caused further gentrification in the areas that they had moved to en masse. Areas such as [Phoenix, Arizona] and [Las Vegas] which were once very inexpensive to live in prior to the real estate bubble are now quite expensive, although prices have dropped significantly since 2006.

Property values

After a renovation, the house itself will be in better condition and last longer, and can be sold at a higher price, thus increasing its property tax assessed value, plus increased sales for goods and services related to property improvement and the related increase in sales taxes. Neighbors can also benefit by having nicer homes in the neighborhood, thereby increasing their own home values.

Regulations

In 2006, the Department of Housing and Urban Development created regulations regarding predatory flipping within Federal Housing Administration (FHA) single-family mortgage insurance. The time requirement for owning a property was greater than 90 days between purchase and sale dates to qualify for FHA-insured mortgage financing. This requirement was greatly relaxed in January 2010, and the 90-day holding period was all but eliminated.

Illegal activity

Flipping can sometimes also be a [criminal scheme]. Illegal property flipping is a fraud-for-profit scheme whereby recently acquired real property is resold for a considerable profit with an artificially inflated value. The real property is resold within a short time frame, often after making only cosmetic *improvements to the real property. Illegal property flipping often involves collusion between a real estate appraiser, a mortgage originator and a closing agent. The cooperation of a real estate appraiser is necessary since a false and artificially inflated appraisal report is required. The buyer (ultimate borrower) may or may not be aware of the situation. This type of fraud is one of the most costly for lenders because the loss is always large.*

The following is an example of an illegal property flip: A buyer contracts to purchase a property in his name for $30,000. Before closing the deal, he draws up a second contract to sell the property to a co-conspirator at $70,000 — a price substantially higher than market value. He seeks a loan for a second contract through a mortgage lender or a mortgage broker and submits an application. A real estate appraiser inflates the value of the property, enough to justify the loan, and is paid triple the usual fee (although many times inexperienced or incompetent appraisers are unwittingly caught in the scheme through pressure and intimidation from the scammers). A mortgage lender approves the application and releases the $70,000. Next, the contracts for the property are closed either simultaneously or within a short time from each other. The originator of the scheme takes the $70,000, pays off the $30,000 and divides the remaining $40,000 between himself and any other plotters — usually the mortgage broker or loan officer and sometimes the second buyer. The lender ends up with a 100% or greater loan to value mortgage. That buyer makes a few payments on the property, then defaults and allows it to go into foreclosure. Finally, the lender learns that the property doesn't even cover the loan value.

In the United States, the Uniform Standards of Professional Appraisal Practice (USPAP), which governs real estate appraisal, and Fannie Mae, which oversees the secondary residential mortgage market, have enacted practices to detect illegal flipping schemes.".

Paragraph (f)

In this part of the proposal I am seeking support from elected representatives of our community to set aside what limited property there is in this Island for the benefit of residents and to ensure that only those that live here benefit from property ownership in the future. There will be some exceptions, but I would like to send a clear signal out to the people of Jersey that we are now going to act in their best interests and those of their children and grandchildren.

Paragraph (g)

This part of the proposition is self-explanatory. Too many first-time homebuyers have been allowed to purchase and sell off, within a very short period, properties for great profit. This, in turn, increases property prices and keeps the first rung of the ladder at a height that most need a ladder to get on it. The Minister for Housing and his Assistant Minister, the Connétable of St. John, have similar views so this is, I believe, a policy which most of us can sign up to.

Financial and manpower implications

There are none in my view. The work in the first instance can be done within existing resources and is in the main occurring in any event. The only change will be in pulling it all together, which can be done without cost in the first instance. Any legislation, etc., will have to be approved under the Annual Business Plans of the future and then there may be financial implications.

CHAPTER 8 HOUSING

Introduction

8.1 There is no doubt that it was the housing section of the IP which raised the greatest controversy. The most significant areas of debate were the Minister's intention to remove three sites from Policy H1; and the justification for/practicality of Policy H3 dealing with affordable housing. But there were other areas of contention too.

8.2 There are certain decisions or policies which form an essential background to this Chapter. Firstly, the States Strategic Plan (relevant parts are summarised in paras 6.3 and especially 6.4 of the IP) establishes a clear objective that all the Island's residents are adequately housed; but it also inter alia requires that no more greenfield land should be developed. In addition it supports the development of affordable housing, and a States resolution passed by a 41-4 majority requests the Minister to bring forward a policy, in short, similar to that in Policy H3 of the IP (see Draft Housing Policies Update Note (Doc BT20) for full resolution). Crucial too, in relation to the sites in H1, is the Minister's concession that no site will be brought forward without the agreement of the Constable of the relevant Parish – hence the proposed removal of the three sites.

8.3 The other essential piece of background is the set of Strategic Polices in the IP, which we discussed in our Chapter 2 and generally supported. These are particularly important when it comes to deciding on the distribution of housing, and which sites to recommend for inclusion on the IP; we have already discussed some of the implications of the strategy for housing distribution.

8.4 In picking our way through these issues we take the following approach:

- First we look at the overall housing need assessment set out in Table 6.1 of the IP. We refer also to needs beyond the IP period, and look at monitoring.
- Secondly, we look at the question of supply. We consider the assumptions regarding the amount of development to be accommodated in St Helier, and the windfall sites. We consider and make recommendations on the sites in H1 and also refer to other possible sites which might make up any future shortfall (cross referring to Volume 2 of our report).
- Thirdly we consider the need for affordable housing, and we consider Policy H3.
- Fourth we consider the question of housing mix (with reference to Policy H4).
- Fifth we consider the rural housing policy H5 (including Proposal 14).
- And sixth, we consider the remaining policies in the Housing Chapter, with particular reference to Policy H9, which was discussed at the EiP. We also make some points about the non-qualified sector.

Total demand for housing 2009-18

8.5 Table 6.1, with the above title, appears on page 238 of the IP. (We are careful about the title because one participant was very anxious to draw a distinction between "need" and "demand". He was right to do this, and the States admitted to a certain interchangeability between these two terms and agreed (in their response to Pioneer Property Services Ltd dated 22 September) to revisit the terminology.

8.6 The table shows a demand for 2000 dwellings in each of the two periods 2009-13 and 2014-18. The background to this is set out in some detail in the documentation, primarily in Future Requirements for Homes 2005-35, dated June 2007 (Doc BT6); Addendum 2 to that document, dated March 2009 (Doc BT6b); and Jersey's Housing Assessment 2008-12, the report on the 2007 Housing Needs Survey (Doc BT5). The Island Plan Review Green Paper – Strategic Options (Doc IP1) and the "Interim Review of Residential Land Availability" Feb 2010 (Doc BT17) and the June update (Doc BT19) also give useful information about how need and demand were calculated. In addition we draw attention to the full written transcript of this part of the EiP (the session held on the morning of Day 5, 27 September, Doc HSD/STATES/1 – HHM/STATES/1). In that session Dr Gibaut from the States Statistical Unit gave a full summary of the way in which the figures in the table had been determined, and answered questions.

8.7 Mr Dun was sceptical about the figures, and was concerned that they would not deliver quality housing to all residents of the Island by the end of the IP period. Others felt that in view of the downturn in the economy since 2007 the figures derived from the survey may be too high; this was debated and we conclude on this point that over the IP period the various upturns and downturns in the economy will tend to even themselves out. Mrs Lee, Mrs Lissenden, Ms Valerie Harding, and Mr Mesch also suggested in their written evidence or at the EiP, in different ways, that too much housing was being planned; we have considered all the points they made.

8.8 However, it is our conclusion that, in the end, the assessment of *overall* demand was soundly based, and that it was not seriously challenged. This, unlike many areas of our examination, is to a large degree a technical exercise, and it seemed to us that this had been carried out to a high standard. Dr Gibaut did not argue that the figures were precise, and we have enough experience of forecasting of this kind to know that precision is impossible. His view was that for the population/household modelling figures, which account for 1500 out of the 2000 in each period, the margin of error was plus or minus 200. These figures relate to headcount population forecasts transposed to household numbers. For the "latent demand" (the remainder) the margin was plus or minus 100. These figures relate to such factors as existing overcrowding and adult children still living with parents.

8.9 There is a greater degree of judgement involved in the latter figures than the former; in particular regarding assumptions of what proportion of "latent demand" for new homes identified in the Housing Needs Survey should be included for the 2009-13 assessment of total demand. Current financial constraints on first time buyers add uncertainty and mean that this element of the assessment may be prudent but necessarily robust.

8.10 However we believe the conclusions are reasonable. They mean of course that, though we are content to work on the basis of the IP figure of 2000, we must be conscious that for each period the possible range of demand is between 1700 and 2300. This means that monitoring and implementation are crucial and we deal with this later.

8.11 We note that a figure for housing demand of 2000 in each period would lead to a requirement for 400 homes per year, which is somewhat lower than the figure for recent years (560 per year were built in the last eight years, though only 366 per year in the previous sixteen – see BT19). While comparisons of this kind may not always be helpful, because circumstances change so much, we do think this might provide some context for those who thought that the figures for future years were unreasonably high.

8.12 We also note that significantly higher population/household growth forecasts appear in the papers we have mentioned (especially BT6b) for the period beyond the IP, up to 2035. We are not asked to examine these figures of course, and the further ahead the forecasts are made the more imprecise they obviously become. We did receive information about possible sources of housing development beyond 2018 – for example in BT6b and in the Town Capacity Study (Doc BT7), which referred to moving the Port; but this obviously remains uncertain. We think it is relevant to bear in mind the potentially high post 2018 demands. Policies are not fixed in time; their effects continue beyond the specific period in question, and under-providing in the current IP period could only exacerbate the problem in later years.

Monitoring

8.13 Consciousness of the post 2018 position might lead to a supposition that in allocating land we should err on the higher side of the 2000 mid-point rather than the lower side. We do not make this recommendation because we do not think the hard evidence exists to point that way. We note however that on the supply side (which we examine in more detail later) the IP (as originally published) puts forward sites which it suggests could accommodate 4625 dwellings. The IP in para 6.57 says: "It is considered that the level of anticipated provision over and above the level of estimated demand (at 550 units after five years and 625 after ten years) is prudent, reasonable and justifiable given the estimates and assumptions upon which the forecasts are made in addition to the challenges that remain to ensure delivery of the homes required……". The IP is thus seeking, by this higher figure, not just to provide for the eventuality of housing demand being higher than forecast, but also for the possibility that there may be delivery problems in relation to the sites identified. This – especially in relation to windfall sites and sites in St Helier – is something which a number of participants anticipated might be a problem.

8.14 All this does lead us back to the question of monitoring, and we asked questions about that at various points during the EiP. There is a discussion of this in the Housing Chapter of the IP (6.70-72) and there is also a policy (IM1 on page 465) which deals with it. Policy IM1 refers inter alia to a continuing review of housing (and employment) land supply and allocations; and also to "action to bring forward sites for development [and] development on previously developed land".

8.15 We think this is extremely important in relation to the demand for housing and the supply of land (and also to the question of affordability which we consider later). Given the inevitable margins for error in forecasting, we needed to be convinced that a workable mechanism for monitoring was in place. This of course must not be a process which simply absolves the Minister from making the most accurate forecast possible (or ourselves from testing that process). But on the other hand, if robust monitoring and review processes are in place it will give us (and the participants) comfort that the obvious practicalities of margins for error in forecasting can be overcome if necessary.

8.16 We asked about this during the housing session (see the transcript) and also at the end of the EiP during the closing session, and at other points. We are satisfied that reasonable processes are in place. Should the demand for housing prove to be higher than forecast Policy IM1 provides for further land to be brought forward, if necessary beyond the "spare" 625 in the IP. Conversely we do not recommend any formal phasing mechanism intended as a safeguard against supply running ahead should demand prove less than forecast. Experience elsewhere is that such phasing policies can cause unexpected and undesirable distortion in the rate of supply of homes. On all the figures, over-supply is an unlikely eventuality; and harm from a modest over-supply – making some houses difficult to sell or let – would in any event have fewer consequence than a shortage and would tend to correct itself quite rapidly, through market mechanisms.

8.17 Nobody suggested that there should be "reserve" allocated sites identified in the IP, as there had been in 2002; this had not proved a successful approach. But in considering the sites which were put to us during the EiP (which are considered in Volume 2) we have this in mind, and we identify a small number of sites which we feel best comply with the overall strategy.

8.18 We are not recommending these for immediate allocation in the Plan. These sites arise from representations made in response to the Draft Plan and therefore did not feature in it during the initial public consultation stage. Including any in the Plan now would necessarily require a further round of consultation with the public and States Members (including the Parish Constables) which may well give rise to objections and risk delaying adoption of the Plan as a whole. We think that this would be undesirable, since if the Minister accepts our recommendations with respect to the sites that were indicated in the Draft Plan then we consider that adequate provision will be made against future demand so far as this is presently estimated. Furthermore, even if the IP is adopted by mid 2011 (which must be highly desirable), it will not be easy to bring forward even the sites allocated in the IP – let alone any further sites arising from this report - within the necessary timescale to meet the 2009-13 needs.

8.19 We should mention here, for clarity, that in Volume 2 we also in a few instances recommend minor amendments to BUA boundaries to take in small pockets of land out of the Green Zone. Subject to the Minister's acceptance, we see no impediment to these changes being made to the Plan without delay or further consultation. This would not allocate land for housing but simply change the policy context for what, inherently, could be no more than small scale proposals in possible future planning applications, themselves subject to consultation and opportunity for objections.

Category A housing

8.20 We deal in much more detail with the whole question of the need for affordable housing later in this Chapter of our report, when we consider Policy H3. Briefly, we conclude at that point that while the assessment of the requirement for affordable housing is imprecise, it is clear that the need is very high. The IP proposes to deal with this in two ways. The first, as in previous Plans, is to identify sites which are to be developed for "Category A" housing (defined in the IP at 6.14). The second is to require contributions from developers through the proposed mechanism at H3.

8.21 The IP proposes to provide 550 Category A houses in the first period (2009-13) – of which 425 are on sites carried forward from the 2002 IP (or its 2008 amendment) and 475 in the second period – see Table 6.2. The Minister anticipates a growing contribution from Policy H3 in the second period. For the moment we accept those figures as a minimum number of Category A houses which need to be provided, but we return to the matter again later.

Housing supply

8.22 The question of the supply of homes is considered in the IP at 6.28-57. There are a number of background documents, most notably two recent reviews of land availability in February and June 2010, which we have taken into account. Proposed provision is summarised in Table 6.2 of the IP. It indicates sites for 2550 dwellings in period 1 (of which 550 are Category A) and 2075 in the second (of which 475 are Category A), giving an overall "over-provision" of 550 in period 1 and 75 in period 2. There are eight components in that table and we consider each of them in turn as follows.

8.23 The first two concern Category A sites which were identified in the 2002 IP (2002 Policy H2) or in the amendment made in July 2008 which introduced eight new sites for 300 lifelong and first time buyer homes. Though a number of participants expressed concern at the time which was being taken to bring forward some of these sites, the Minister indicated that he expected them all to become available. There is much detail on this in the Residential Land Availability Statistics, June 2010 (Doc BT19), Appendix 11. On the evidence we were given we accept the figures given (125 and 300).

8.24 The third concerns the Waterfront development in St Helier – from which 600 and 400 are anticipated in the two plan periods. A number of participants expressed doubt about this; and we are aware in general terms of the delays affecting that development. No evidence was forthcoming – indeed probably none was possible – about the precise effects this may have on the figures. It seems reasonable to us to assume that during the IP period as a whole (up to 2018) development will in fact take place – though there must be serious doubt about how much will occur before 2013. We say this on the assumption that as the Jersey and global economies recover, so will the underlying demand for modern, high quality well located offices. We have no basis for essaying a figure for this; but at the least we think that the 600/400 may become 400/600 and that in fact the picture in the earlier years may see fewer dwellings coming forward. This may account for much of the "over-provision" of 550 in the 2009-13 period.

8.25 The fourth concerns development within the town of St Helier, where it is anticipated that 1500 dwellings will be provided, divided equally with 750 in each IP period (of these 100 in the first period and 200 in the second would be Category A). We received many representations about this, and we have touched on it previously in this report where we discussed St Helier itself. See in particular our comments on Policy SP1 in paras 2.11 onwards of this report, and also our comments in Chapter 6. It is not necessary to repeat those arguments.

8.26 However, notwithstanding our support for the overall strategy to concentrate development in and around St Helier, we must take account of those representations which questioned whether St Helier could accommodate this level of development, at least without severe damage. The only specific evidence we received on this was in the Town Capacity Study (July 2008 Doc BT7). This contained a range of different assumptions about density and deliverability, but concluded that between 1300 and 2400 dwellings might be constructed in St Helier, depending on density, and assuming that 66% of identified possibilities materialised. The document discussed the possibility of assuming that up to 100% of sites might become available; but we agree that this would be an unrealistic assumption – even the figure of 66% may be on the optimistic side given the difficulties of land assembly etc. It also discusses making higher assumptions about density but again we feel that the higher capacity values should not be exceeded in making these estimates.

8.27 Participants questioned one part of this in particular. It was argued that because the Waterfront development was behind schedule, the consequent development opportunities which might arise from buildings vacated as a result of movement to the waterfront might not materialise. This is a significant part of the provision described in the Town Capacity Study, and there is clearly some force in the argument; but it tends to push capacity back to the second part of the IP period rather than to remove the capacity altogether.

8.28 The table, as we have said, assumes 750 in each of the two five year periods; and the capacity study argues a total potential of between 1300 and 2400 over ten years. So there is a considerable margin for error. No participant suggested to us how we might quantify this. But there are reasons to question the provision in the earlier period because of the Waterfront delay. We think that, with the Waterfront itself, it eats further into the "over-provision" of 550 in the first period.

8.29 The fifth figure in the table concerns "windfall" sites. The table assumes a total of 1700 of these, split between 850 for 2009-13 and the same for 2014-18 (with 100 in the first period and 200 in the second for Category A).This is based on past trends - see p 240 of the IP. By their very nature, the emergence of such sites is extremely difficult to predict with any degree of certainty; and extremely difficult for participants to question. Though there was a degree of scepticism (see for example Mr Fleet's submission), participants were more concerned with the problems of housing mix and the problems of providing affordable housing (via H3) on these (generally) smaller sites, rather than with the quantum. We therefore accept this figure.

8.30 The sixth figure concerns rural centre (Policy H5) housing. We deal with this issue later in this report; but we conclude here that the figures of 25 (2009-13) and 75 (2014-18), all Category A, are reasonable.

8.31 The eighth category concerns the loss of "outworn sites" (-300). This was debated at the EiP, in response to various questions raised by respondents. We were told that no new land would emerge from this exercise; there would be a net loss of 300 units due to refurbishment of Housing Department property, essentially to raise standards. We accept this. We note that there is no certainty that this work would take place during the first IP period; should it be delayed, it would tend to improve the supply position as set out in the table in respect of the 2009-13 period.

8.32 We have omitted the seventh category (the H1 sites in the IP), which receives a section to itself below. Of those considered so far we conclude that the delay in the Waterfront scheme means that a number of potential sites identified for 2009-13 will in fact not materialise until the second period. We have no evidence on which to base a quantification of this – indeed it cannot be quantified. As there is an "over-provision" in that period, this is not the problem it might have been, especially as some of the "lost" 300 may be delayed until period 2; but it does in our view mean that there is little margin for error remaining in the 2009-13 period. For the second period, assuming the Waterfront scheme eventually goes ahead in some form not too different from the current proposals, we conclude that overall demand is likely to be met by available supplies.

The H1 Sites

8.33 Policy H1 of the IP identifies seven sites specifically allocated for Category A housing. The background is set out in paras 6.73-6.85 of the IP, and in Appendix B draft housing briefs are set out for each of the sites. (We asked at the EiP whether participants felt that the briefs were adequate and appropriate – assuming the sites went ahead – and we conclude that they are). In total these sites would yield between 197 (at 10 dwellings per acre) and 298 (at 15/acre) dwellings – a yield of 200 is assumed in Table 6.2.

8.34 In a proposed modification, the Minister intends to omit three of the sites – Samares Nurseries, Longueville Nurseries, and Cooke's Rose Farm – from the IP; at the lower density these would respectively provide 100, 10 and 13 dwellings out of the 200 total. The reason for the proposal is the agreement the Minister made that he would not pursue sites which were not supported by the Constables of the relevant Parishes.

8.35 The Minister indicated in his closing presentation that he intended to remove the seventh site in H1 – Field 633, St Peter's, from the IP. This site was rezoned in June 2010 for elderly persons housing and permission was granted for 14 lifelong homes (+ 1 home for a warden). In the IP this site was assumed to accommodate between 10 and 15 Category A dwellings.

8.36 The three sites proposed for removal clearly constitute one of the most controversial issues in the IP – perhaps the most controversial. We have considered it very carefully.

8.37 We deal as we have said with the question of the need for affordable housing later; but we consider that need to be substantial. Firstly, therefore, we do not accept that removing the provision of more than half of the potential sites, without replacing them, would be acceptable. We could see no dissent from this view.

8.38 Second, we therefore asked whether there are alternatives. The result of this was the production of the Draft Housing Polices - Update Note (Doc BT20). This was heavily criticised by participants at the EiP, and we share the concern which was expressed. A table in that paper set out, essentially, two alternatives. The first was to increase the density on the remaining four sites in H1. In one case (Field 633), which we have already mentioned, the figure had already been raised from 10 to 14. In another (Field 1219) there is a proposal of which we are aware to extend the development area of the site (by excluding an allotment proposal), and this could raise the total – if it were approved – from 20 to 42 on that site. Whether the higher densities on the remaining two sites will be acceptable remains to be seen – the Minister had, rightly in our view, taken a conservative view of their potential in preparing the IP. We are conscious of the need for family housing as part of the provision of Category A sites; while these might well be provided on several of the H1 sites, significant increases in density might make this more difficult.

8.39 The other alternative was the development of school sites such as D'Hautree or Le Mont Cantel in St Helier, which we viewed on one of our visits. It is far from clear however whether these or other school sites will be available in the timescale required – or, indeed at all. It is not clear that Education are willing to release them. Several participants questioned their availability. As we note in Chapter 9 (para 9.3) the D'Hautree site is safeguarded for educational purposes under IP Policy SCO1. On the evidence before us we conclude that it would not be wise to rely on these sites.

8.40 We note also in this connection that States policy (resolution P117/2009) is that the Department for Property Services is to seek the best market price for States owned property; this would severely restrict the possibility of these sites being used for social or affordable housing. There were those at the EiP who criticised this policy, and detected an inconsistency between the States' approach to its own land and that taken towards land owned by others which was allocated for Category A housing. It is indeed difficult to draw any other conclusion; but since we do not advocate reliance on these sites, and their availability is in question in any event, that is a matter we feel we can leave to others to debate.

8.41 The next question is whether there are other sites which were put to us during the EiP which might be as suitable as, or more suitable than, the three proposed omissions. We do, in Volume 2, identify a small number of sites which may have potential. As we have said, these sites have not been the subject of public consultation. And they tend to fall in the same Parishes as at least two of the omitted sites (because they comply with the spatial strategy) and are therefore likely to be subject to similar objections. The details of these sites are set out in Volume 2 but the ones with the most potential, should the need arise, are as follows (using our numbering system from Volume 2). They are broadly in order of suitability, as we assess the situation, and the last two are somewhat less suitable in our opinion than the first four, for the reasons set out in Volume 2.

- C5 Fields 252 and 253 St Clement (Le Quesne Nurseries)
- S3a Field 530, Princes Tower Road, St Saviour.
- S5 (part only) Fields 741/742, New York Lane, St Saviour
- S2 Fields 341/342, Clos de la Pommeraie, Rue de Deloraine, St Saviour
- H6 Field 1368, St Helier
- MN7 Le Mourin Vineries

8.42 As we said above, we are reluctant to propose that these sites should be put forward for immediate inclusion in the IP because this would mean delay while consultation and investigation was carried out. But in the event that monitoring over the IP period as a whole suggests that further sites might be required, these are the directions in which the Minister should look.

8.43 However, the remaining question is whether the three sites themselves still offer the best opportunity, and whether we should recommend that they are retained in the IP. We realise that this would be contentious, and would require conviction on our part that it was the right thing to do, taking a holistic approach. We have already indicated in Chapter 2 that we understand the concerns of Constables, particularly in Parishes close to St Helier. We have taken into account their views about the "share" of development they have absorbed – but concluded that is a matter of geography and of strategy and not an unfair imposition. We have noted the problems of traffic (which of course are caused as much by people travelling from outwith the Parishes as from development within them). But we still believe the three sites are worthy of consideration – especially as they had been carefully selected by the Minister's own professional advisors (see paras 6.76/77, which indicate that considerable work had gone into the selection process).

8.44 We therefore visited the sites with an open mind, and looked at them carefully. Did they comply with the strategy and were there any factors which militated against their development, given the demands? Were they as good as/better than other sites which we saw.

Samares Nursery (site C6 in our classification)

8.45 This site scored "Good" (spatial strategy), "High" (suitability), "Good" (landscape sensitivity), and "Good" (Use) under the four criteria set out in the Minister's "Suitability for Housing Assessment" (Doc BT18). These, in the context of all the sites in that document, are very favourable scores. We discussed the site at some length during the EiP, having received a number of forceful objections to its development from States Members representing the area and from local residents. We are aware of a petition against the development too. Constable Norman and Deputy Gorst spoke against the site at the EiP. Among the matters to which they referred were the likely future need for glasshouses; the amount of development which had taken place in the area already; transport issues; ground conditions; and potential social problems.

8.46 Mr Stein submitted a lengthy representation, and spoke at the EiP (as did Mr Vibert, the site owner) in favour of the development. Mr Stein inter alia stressed the compatibility of the site with the spatial strategy; the support from TTS; and the ability to accommodate the Eastern Good Companions Club on the site. He felt that any drainage problems could be overcome. Mr Vibert felt that the glasshouses were no longer viable.

8.47 In a written submission Mr Martin made some useful points in favour of the sites. "It is vital that islanders and politicians are encouraged to view the IP as a whole and to recognise that there is an overriding need to ensure that affordable housing is available............suggesting that some Parishes have "suffered too much" .... misses the point........the work of the authors in describing the appropriateness of each of the sites is very likely to be ignored............this site appears particularly suitable.....".

8.48 Senator Le Main had also sent us a forceful written response, and he gave an equally forceful expression of his views in favour of the site at the EiP. He referred to the shortages of affordable housing, and thought that the proposed omission of this site – which was entirely suitable for development – was "ludicrous". The land was very much needed. He commented on the agreement the Minister had made with the Constables – but as we have said we look at this site and the others simply on their merits.

8.49 We conclude, with conviction, that those merits are considerable. The site is well located in relation to the BUA; it has good services (buses, schools etc); little damaging impact on the countryside, and is previously developed land which is falling into dereliction. All these factors taken together – especially its compatibility with the spatial strategy of the IP – suggest to us that this is a good site. We disagree with the Minister's proposed modification.

Longueville Nurseries (site S10 in our classification)

8.50 The issues in relation to this site are similar. It also scored "Good", "High", "Good", and "Good" in the Suitability for Housing Assessment. Constable Hanning and Deputy Vallois (among others) had written to us objecting to this development, and the Constable took part in the EiP debate. He argued that the Parish had met its share of development; that this was another example of "creep" – pieces of land being gradually infilled; that there were traffic problems, especially at the nearby junction; and that there was a lot of opposition to the development. Mr Stein and the site owner, Mr Hamon, spoke in favour of the site. It was previously developed land, close to St Helier and ideally located in relation to bus services and community facilities. It had support from TTS. Traffic from housing development would be less than that from the garden centre. If it was not used for housing it might be developed for an alternative retail use (the Minister confirmed that this was lawfully possible). Mr Ransom, the leaseholder, accepted it was a good site for housing, but was concerned about the difficulty of finding an alternative site for his business.

8.51 Senator Le Main repeated his concerns about the shortage of sites for affordable housing and felt that this was one of the best brownfield sites available.

8.52 Having read all the representations in full and considered the debate at the EiP we conclude that this is a suitable site for housing. It is well located in relation to the IP strategy, with good services and facilities nearby. Though the traffic generation may be less than the garden centre, it will occur at peak times; however there are proposals to improve the junction and we do not see this as an insuperable problem. We disagree with the Minister's proposed modification.

8.53 There are two other points to make. Mr Stein argued that the whole of the site should be allocated for development – not just the southern part. The Minister argued that the more substantial buildings were on the southern part and that as the land was rising development to the rear would be more obtrusive. We returned to the site to consider these points. We agree on balance with the Minister and recommend that, as proposed, development should be limited to the southern part of the site.

8.54 Secondly, there was a proposal before us to develop land immediately to the west of the Longueville Nurseries site (number S5 in our classification), and it makes sense to deal with this now. The issues affecting the site – location, traffic, services etc – are virtually identical, except that the land – though not in use for any particular purpose, is not previously developed. It scored "Good", "High", "Good" and (because it is not brownfield land) "Poor" in the suitability assessment. The area which was put to us was large, and extended well to the north. We do not accept that the development of the whole of the site would be appropriate; it would be prominent and intrusive. But in principle we see no reason why the southern section of the site (as far north as a line extending westwards from the proposed development on the Longueville Nurseries site itself) should not be acceptable. This line is marked on the ground by a hedgerow. This has not been the subject of consultation; and a traffic assessment needs to be carried out to assess its effects. We do not recommend its immediate inclusion in the IP therefore. But, in the manner foreshadowed at para 8.41 above we recommend that the southern part of site S5 be borne in mind as a possible site for further development should future monitoring indicate an emerging unmet need for additional Category A housing depending on requirements at the time.

Cooke's Rose Farm (site L3 in our classification)

8.55 The third site which the Minister proposes to omit is Cooke's Rose Farm (glasshouse site, Field 114, Le Passage, Carrefour Selous). In the Suitability for Housing Assessment this site scored "Low", "Good", "Low", and "Good". This shows an immediate difference as against the previous two sites, which had no "low" scores.

8.56 Once again we received a number of written representations opposing the development of the site. Constable Mezbourian referred to local opposition and raised the question of limited pedestrian access, the narrow access road, traffic impact, infrequent bus services, poor access to services and facilities including schools and a number of other matters. The nearest Primary School was more than a mile away and the nearest State Secondary School was 2.5 miles. Her view was that the site should remain in agricultural use. Local residents made similar points.

8.57 At the EiP Mr Farman on behalf of the owners disagreed with these points, and made a strong case in support of the site. It was logically within the BUA, on the edge of a settlement, and had good links with services. He felt that the relatively small development would not generate a great deal of traffic (probably less than when it was a commercial nursery) and that access to the site could be improved to the general benefit of local people. It would have little landscape impact and was entirely the sort of site which Jersey needed to use to tackle its housing problems. Mr Cooke felt this was a good opportunity to provide housing for the parishioners of St Lawrence; it was a site surrounded by other development, and the access problems could be solved. A footway could be created, at least along the development frontage. Mrs Kerley spoke against the scheme, making many of the points that the Constable had made and arguing that the development would not be compliant with sustainability policies in the IP. The Minister told us that TTS had opposed the site in principle because of its distance from amenities.

8.58 We, again, looked carefully at this site. We are aware that there is a current application affecting the site, but we do not take that into account – simply considering its suitability in IP terms. Carrefour Selous is a fairly small settlement with only limited local services. The problems of access to the site were apparent to us, and we saw the narrow streets and pavements and the effects of the one-way system. These may be soluble (this would be a matter for the development control stage), but cannot be ignored. From our point of view, however, the key factors are the distance of the site from the main BUA in St Helier and the surrounding area; and the relative lack of services locally. The "Low" score is indicative of its lesser compatibility with the overall strategy – it is clearly very different from Samares and Longueville in this respect. We recognise that it is previously developed land but have consistently taken the view that this in itself should not override the IP's strategic aims. We conclude therefore that this is not a site which should be pursued as an H1 site in the IP because it is poorly located in relation to the strategic policies in the IP and because it has relatively poor access to services. The loss of the 13 houses on this site, in terms of policy H1, could we believe be compensated by the increases in density proposed on two of the sites in the Housing Update Note (see para 8.38)

8.59 However, Mr Farman made a point, which was repeated by others during the EiP, about the apparent reluctance of the Parish of St Lawrence (in contrast to some of the other rural Parishes) to allocate sites for local need housing. We deal later with, and support, the principle of providing local need housing. But the evidence which was put to us does suggest that St Lawrence may be less proactive than might be expected. We hope that they, like others, will take advantage of the opportunity afforded by Policy H5 in order to provide affordable housing for local people. Cooke's Rose Farm may be one of the sites (no doubt there will be others) which might be considered for this purpose.

8.60 Our conclusions on the H1 sites are very clear. We respect the views of the Constables. But in the cases of Samares and Longueville we believe they should not be excluded from the IP. Taking a holistic view of the overall strategy of the IP; the need for affordable housing; and the alternatives which are available, we very firmly believe that those two sites were correctly included and must be retained if the housing aims of the Plan are to be achieved. Given this recommendation it is not necessary to bring forward any of the other sites we have identified in Volume 2 at the present time; as we have said, those are for consideration – should the need arise – during the IP period.

Housing supply – summary

8.61 We conclude as follows on housing supply. Firstly we have considered all the components of supply set out in Table 6.2 of the IP. We consider that in two cases – the amount of development on the waterfront and within St Helier - the figures for the first period of the IP are optimistic. We do not believe that the number proposed will be attained. The evidence does not exist to quantify this exactly. However there is an "over-provision" in the table for that period and we think that will be sufficient to cover the shortfall, especially as the numerical loss from housing refurbishment may not occur until later. We have put forward some possible sites which – subject to consultation and further investigation – might be brought forward should the monitoring process suggest an emerging shortfall.

8.62 On the sites in Policy H1 we **recommend** that the Samares Nursery site and the Longueville Nurseries site should be retained in the IP as originally proposed. We have also indicated support for the possible future development of part of the land to the west of the Longeuville site, subject to further investigation, should the need arise. We further **recommend** that the Cooke's Rose site should be omitted from the IP as the Minister intends in his proposed modifications. We have suggested that the latter site might be one possible candidate for local needs housing under Policy H5.

Policy H1 – other points

8.63 In the joint Housing and Planning Statement (Doc No EPD/10), which we requested in advance of the EiP and which has proved very useful in all our deliberations, the Minister recommended (on page 4) "….that Policy H1 be reviewed to potentially include a greater number of social rented accommodation in line with agreed evidence of demand". This had been raised in representations, for example by Senator Le Main, and it was discussed further during the EiP session on affordable housing. We agree with this proposal, and recommend that the penultimate paragraph of the policy be revised to include a more flexible distribution as between Jersey Homebuy, Social Rented and first time buyer housing – the proportions to be determined by the Minister in accordance with SPG. We note the Housing Minister's view that the IP is "woolly" when it comes to the breakdown between the need for various types of affordable housing – social rented, Homebuy, etc. While we accept that, we take the view that it would be a mistake to be too prescriptive about this. The situation will change during the life of the IP and a degree of flexibility seems appropriate. We recommend that SPG is produced, to be published at the time the IP is adopted, to indicate the criteria by which this provision is to be judged.

8.64 Policy H1 includes in its last paragraph a reference to the use of compulsory purchase powers, if necessary, to ensure that the sites come forward in a timely fashion. These powers exist but we understand that the States have been reluctant to make use of them. There was some debate about this at the EiP, and the use of these powers was opposed by the RJAHS. Nonetheless, in view of concerns about the length of time which had been taken for some previous sites to come forward, we think it is sensible to have these powers available and to be prepared to use them if (in exceptional circumstances) it should prove necessary. We support the proposal and suggest no change to this paragraph.

Policy H2 Other Category A Housing Sites

8.65 Policy H2 simply rolls forward existing unimplemented sites allocated for Category A housing. These sites contribute to the 'supply' consideration and beyond that we have no substantive comments to make about this policy.

Affordable Housing

8.66 As we have indicated, the question of affordable housing, and particularly Policy H3, was very controversial.

8.67 There is a lot of information on this subject. We draw attention, in no special order, in particular to the Kelvin MacDonald report (Doc BT4), the Christine Whitehead report (Doc OS11), the interim review of land availability (op cit), the Draft Housing Policies Update Note (op cit), and the 2007 Housing Needs Survey (op cit). Paragraphs 6.90-6.116 of the IP deal with the matter.

8.68 We draw attention also at the outset to the Minister's proposal to modify the IP to reduce the proportion of affordable housing to be provided to 12.5%, on sites with a capacity of more than eight houses (as compared with 40% on sites with more than six houses in the published draft IP). The 12.5% was to increase over a period to 20%. This proposed modification appears in full in the Minister's Response to Consultation (27 May, Doc PC3). It arose in response to a very heavy weight of opposition to the original IP proposal from the development industry – see for example representations from the Style Group, AJA, WEB, the Chamber of Commerce (who suggested a proportion of 10% instead of (then) 40%), C le Masurier, Jersey Construction Council, Dandara (who referred to a level of between 5% and 10%), GR Langlois, IoD, CBRE, and Mr Stein/Pioneer. Deputy Le Fondré found it cumbersome. When the revised policy was advertised in the second round of consultation, the Chamber, Style Group, JCC and Pioneer were among those who sent further comments. There were other representations in support of the Minister's approach.

8.69 We approach this complex topic as follows:

- First we consider in general terms the nature and scale of the problem of affordable housing in Jersey
- Second we look at attempts to quantify this need, which are admitted to be imperfect; we consider the implications of this.
- Third we consider in the light of this what options there may be to attempt to deal with this problem.
- Fourth we consider whether Policy H3 is in principle necessary and justifiable, and whether it is workable. This includes consideration of the proposed viability assessment process.
- Fifth we look at whether, if it is workable, the thresholds and proportions now proposed by the Minister in his modified policy are appropriate, and whether its introduction should be phased.
- And finally, we make recommendations.

The nature of the problem

8.70 It is quite clear to us that there is a major problem of affordable housing in Jersey. There can be no question about this. In coming to this conclusion we rely on a number of sources, and we summarise the position very briefly as follows:

8.71 According to the Interim Review of Residential Land (Doc BT17 p39), in mid 2009 the price of housing in Jersey was about 2½ times the UK average (and just over 1½ times the Greater London average). The average price of a 3-bedroom house recorded in Jersey in mid-2009 (£516,000) was the equivalent of 16.5 times average annual earnings for full-time workers (i.e. £31,000 @ June 2008). This represents a significant change from the situation in June 2006, when the average price of a 3-bedroom house was £364,000 and the equivalent of 13 times average annual earnings of approximately £28,000. The equivalent figures for a 1-bedroom flat in mid-2009 (£225,000) and mid 2006 (£176,000) would represent 7.2 times and 6.3 times average annual earnings.

8.72 Multiples of five times income have been the maximum generally available from mortgage lenders in Jersey with higher multiples generally regarded as too much of a risk and burden. In addition to this, mortgage lenders have typically required deposits of 15-20%. The MacDonald report provides evidence to suggest that no properties are affordable in Jersey at standard income: debt ratios (i.e. 1:5) for those on average incomes without substantial available capital. It also suggests that if 50% is taken as the maximum proportion of net income that should go on housing, then average income households cannot afford the price of a one-bed flat or any other housing type (see pp 40/41).

8.73 The Whitehead report also tackles the question of worsening affordability. It provides evidence of the position for households in different income ranges at the end of 2008 which suggests, inter alia, that only those in the two upper income quartiles (above £40,000 per annum) could hope to buy a house as a family home. (see pp 14/15).

8.74 We were very impressed by the evidence, written and oral, from Mr Ed Le Quesne, who was clearly very knowledgeable about the housing problems, specifically, of people in Jersey, and is directly involved in provision through Housing Trusts. He felt that the IP was "feeble", and gave us some further insights into the extent of the problem. He referred to some of the social effects of unaffordability. While he raised some issues which fall outside the scope of the IP – such as rent levels and security of tenure - his evidence about people who were struggling in the face of current house prices cannot be ignored.

8.75 Mr Stein, though he opposed Policy H3, nonetheless was conscious of the problem; in his evidence on Samares Nursery, for example, he referred to the Whitehead report and the "startling backdrop of local house prices". Individuals such as Ms Firkins wrote important representations about their difficulty in finding adequate housing. The then Minister, Senator Le Main, wrote in March "It has never been clearer that that the affordability of homes both in the owner occupied and rental markets is one of the most significant issues facing the Island".

8.76 In the IP itself (para 6.90) the situation is described as "one of crisis". Mr Mavity told us of recent increases (28-30% over 18 months) in the waiting list (not a good indicator of overall need, as we discuss later, but the trend does seem significant). Several States Members and others in their written evidence and at the EiP expressed their concern. We have no doubt at all that the problem of affordability in Jersey is serious and that it is getting worse.

Key workers

8.77 We were told of an emerging problem in relation to the housing of key workers. It was mentioned for example by Senator Le Main in his March letter: "…as an Island we have a significant reliance on Key Workers migrating to the Island. In our Health service…issues of accommodation and relative affordability are having a significant impact….". The Interim Review of Residential Land Availability (op cit) deals with this on pages 41/42 in a little detail. It concludes that "information on the key worker accommodation issue is limited at present and further work is needed………the States will also need to consider how it wishes to address the matter………". We do not feel we can take it further but we note that this is an emerging issue which reinforces the need to tackle the affordable housing problem seriously, and which could in due course prove to be an additional source of need.

Quantifying the need

8.78 It has however proved difficult to quantify the need for affordable housing with any precision. The Minister accepted that this was the case; the IP itself (in para

6.91) said "information on the numbers of households who are in need of affordable housing is not clear".

8.79 Without going into very great detail on this, we note various approaches which have been taken. The 2007 Housing Needs Survey identified a "latent demand" among the present population for 1000 units, but this may not be equated directly with need. In the MacDonald report it was suggested as a working hypothesis that a mid-point between the numbers on the first time buyers list and the latent demand in the 2007 survey could be used – putting the total at 900 – but MacDonald said that further work was needed. (p 43).

8.80 The waiting list is not a reliable indicator of need because entry requirements are very tight (see eg Whitehead pp15/16). Her suggestion that, at that time, the majority of households who are eligible to apply for social housing do so, and are actually accommodated was misinterpreted by one participant as suggesting that there was not a problem; as Whitehead and others said, if the entry rules were relaxed the number of applications would greatly increase.

8.81 Mr Mavity explained at the EiP that the waiting list had been growing and he gave figures for the increasing lengths of time people had to wait either for accommodation or for a transfer. These seemed low to one participant, in relation to the situation in London for example (where waiting lists of six years were possible); but this did not seem to us an adequate reason for taking a relaxed view in Jersey. The Minister explained that the figures given by Mr Mavity were recent and had not been taken into account.

8.82 There are proposals to link together the States Waiting List with those of other providers and to create a "Housing Gateway" which will provide a comprehensive picture of need. The Minister was anxious that this should happen as soon as possible so that the position could be monitored and policy further developed during the IP period. Clearly, we agree.

8.83 The Housing Department submitted an alternative calculation, as an annex to the joint housing and planning statement. This took the Housing Waiting List figure at June 2010 and added half of the number of people who were renting in the private sector and claiming the housing component of income support. This gave a "best estimate" of 1300. (see Doc EDP/10 for details). The Minister (P&E) felt this may be an over-estimate (see the joint statement) for double-counting and other reasons.

8.84 There was much debate about this imprecision of the assessment of the need for affordable housing, both in written evidence and at the EiP. Pioneer made a number of particularly strong points about this, orally and in writing, and we have considered them carefully. They argued that it would be premature to continue with the IP in such a state of uncertainty. Much more work needed to be done to justify Policy H3 in particular. They deal with the issue in several places in the various papers which they submitted – eg in section 3.6 of their 17 March submission and in their 31 August 2010 submission, which contained an alternative assessment. Without going into detail, they concluded that the need was modest and could be met via the existing H1 policy for 6-9 years.

8.85 We have considered these various assessments, and read in full all the evidence which was submitted, and the MacDonald and Whitehead reports and other background documents. We return to our earlier conclusion that the problem is serious and getting worse. The question for us is whether the inadequacies and inconsistencies in the figures are such that we should conclude that the IP is premature and that more work should be carried out. Or whether we should continue, and consider whether Policy H3 or an alternative would be workable or acceptable as a further mechanism to tackle the problem over the medium term (alongside H1). We also recall a comment from Senator Le Main: "I live in the real world and real people need real houses". This would be a powerful reason to resist delay.

8.86 We do not think it is premature. We do recognise that the adoption of a Policy such as H3 is a serious step, which needs to be backed up with statistical force. But we think the overall conclusions of the two independent reports are compelling. We think the recent increases in the waiting list are indicative of increasing pressure. We think the gaps between house prices and incomes are stark and that they suggest that there is a serious problem for individuals and households which (as was suggested to us at the EiP) could lead to younger people being forced to leave the Island. The Minister is of course under an obligation to attack this problem, based on the States Strategic Plan. But even if he were not, we think he would be right to continue to pursue alternative means of increasing the supply.

8.87 We do not conclude that the lack of a single clear figure is fatal. We do of course propose (as did MacDonald and Whitehead) that further work is carried out to develop a clearer picture; when we discussed monitoring earlier, we mentioned its importance in relation to affordable housing and it is likely that the picture will change – just as likely for the worse rather than the better. For the moment, though, we believe that time (and it may be considerable time) spent poring over the statistics to arrive at a more satisfactorily precise figure before moving forward would involve a delay which would be unacceptable, given that we are dealing with real people in real need. We are content that there is a need for something in the order of 1000 affordable homes to be provided either through Category A sites or through another mechanism or both, during the IP period; and we also think it right to have an eye to what might happen beyond that period.

8.88 We therefore go on to consider the proposed Policy H3 and other alternatives.

Policy H3

8.89 We deal with this as follows. Firstly we consider whether the whole of the need can be met by extending Policy H1 or whether other mechanisms are needed. Secondly we consider other propositions which were put to us, such as a tax. Thirdly we consider H3 itself, including the viability assessment which was proposed in a draft SPG. Finally we reach a conclusion and a set of recommendations.

Extending H1

8.90 It would at least in theory be possible to continue to allocate additional pieces of land under Policy H1, and its successors in future reviews of the IP, and this route was favoured by some respondents and participants (such as Pioneer). There seem to us to be two problems attendant upon this. The first is the obvious difficulty of identifying sites which are acceptable. This has proved all but impossible in the current IP, and is certain to become even more challenging as time goes by, assuming (as seems probable) that opposition to greenfield development remains and as the most suitable and well-located brownfield sites are developed. The second is that it is a "one-club" solution. As MacDonald suggested in his report there is a range of possible solutions to dealing with affordable housing. It makes sense, in the medium term, to develop more than one option. The States have clearly agreed this (see our para 8.2). So at least, therefore, we go on to look at other possibilities.

Other approaches

8.91 A number of participants suggested various ways of raising funding to deliver affordable housing. WEB (p3 of their March 29 Submission) and CBRE (point 4 of their 7 December representation) both proposed a form of tax. Pioneer (Para 1.12b of their 29 July statement) suggested a variant, allowing land owners to "benefit from not less than 80% of any uplift in unfettered land value". Support for a tax-based approach was essentially based on its simplicity, predictability and perceived fairness. MacDonald dealt with it at 4.4.19 in his report. It was discussed at the EiP, but there was not a great deal of support for it there, and the Minister felt that it would not deliver sufficient housing. In the context of the UK (a context which we use sparingly because we appreciate the differences with Jersey, but we think it is relevant here) the introduction of a tax has been fraught with difficulty, with several attempts over the decades having failed to deliver. We do not think this should be ruled out in the longer term, and the States should consider it; but it is very much a political issue – as well as a practical one – and we think far too uncertain for reliance to be placed on it at present.

8.92 The AJA put forward a different approach at para 0.9 of their statement, suggesting (in summary) a "consolidation zone" widely drawn around the BUA within which the States could negotiate with landowners, at land values above agricultural but below residential. We appreciate the thinking behind this but agree with the Minister that in planning terms it is better to identify and designate the *best* sites, taking into account the various criteria in the IP, rather than leave the location of development to later negotiation.

8.93 In summary, we were not convinced that any of the mechanisms put forward by the parties were likely, in the short term, to deliver the necessary affordable housing. We note that there were a number of other routes discussed in the MacDonald report. We think that the Minister should actively continue to consider these alternatives. But we return to the mechanism proposed in H3.

Policy H3

8.94 We deal with this first in principle, then in more detail, taking the Minister's proposed amendment as the basis for our report – there was no real argument that we should return to the 40% figure, although Deputy Wimberley was one who regretted the reduction.

8.95 It was argued, in principle, that landowners should not be required to forfeit part of the value of their land. Pioneer particularly took this view and argued it strongly. Our assessment, however, is that this black and white position was not generally supported – after all other participants had favoured a tax, or the AJA proposal, or others which in effect meant a reduction in the site value of development land. Deputy Wimberley in his evidence said: "...the reluctance to tackle this issue in an effective way is appalling. A way has to be found to deal with the monopoly position of landowners which serves the needs of the community at large". And though this is very much a political issue, we are obviously aware that in other jurisdictions it has been accepted that the fortuitous, and often exceptionally large, windfall which certain landowners receive is created by the community and therefore should, quite fairly, at least in part go back to the community. It is not for Inspectors to reach political judgements of this kind, but fortunately from our point of view the States have already done so, via the proposition to which we referred in para 8.2 – "To request the Minister for planning & Environment to bring forward a policy that requires planning applications of over a certain size to provide a percentage of their build for social need whether that be social rented, first time buyer, retirement, sheltered housing or a mix, whichever is most appropriate for the site".

8.96 As we have mentioned the revised proposal is that for sites above eight units, 12.5% of affordable housing would be required on site. For sites with 2-8 units, a contribution of 12.5% of development yield would be required to meet the Island's needs for affordable housing. 12.5% would rise to 20% by year 5 (for both above 8 and 2-8 units). This did not appear on the face of the policy and there were comments, with which we agree, that if the policy remained it should do so. (There were also comments on the mechanics of how this should be managed but we think that is a matter outside the IP and do not pursue it – though we do stress the point that any contributions should be directed to affordable housing and not, as Style Group put it, "…disappear into States funds…."). We **recommend** that the intention to increase the proportions should appear on the face of Policy H3.

8.97 Perhaps the key objection to the policy, leaving aside this question of principle, was the suggestion that, in general, it would discourage landowners from bringing land forward at all. A picture was painted of landowners which was not altogether complimentary. It was suggested that if unable to realise the full value of their land they would simply hold on to it, presumably indefinitely. This may, of course, be true and we return to it later. This point was made in many places, but for example Pioneer said (in their response to the Update Note) "…housing supply will inevitably reduce as a result of reduced returns (ie incentives) to land owners and developers, with land being developed for less risky alternatives or being retained in its existing use". In their 29 July note they said "unless landowners are able to obtain what they consider to be a reasonable share in any uplift in land value sites are unlikely to come forward". Mr Stein said (30 March submission) "landowners will be considerably less willing to release land. The thresholds need to be reduced". (At that time the 40% etc figures were still envisaged).

8.98 In particular it was suggested that it would prevent the development of small sites, or windfall sites, or brownfield sites, or sites within St Helier and other parts of the BUA (which tend to have those characteristics). For example the AJA said "this policy is hostile to the development of St Helier, where it is more expensive to redevelop sites"; "WEB is concerned that as a result of [H3] limited development on brownfield sites will take place"; "…any requirement for affordable housing on sites below 5 units will significantly affect the viability of the site" (JCC); "providing significant levels of affordable housing on brownfield sites will be difficult given the inherent value of the land" (Housing Dept, in joint statement).

8.99 This is a matter which was considered by MacDonald (eg in 4.6.17 he proposed that windfall sites should not be exempt, and demonstrated ways in which they could be included). Nonetheless we accept the view that there is greater difficulty in bringing forward certain sites – especially smaller brownfield sites within the BUA – than others.

8.100 Mr Waddington in Appendix 8 of his written evidence recognised this point, and put forward a sliding scale, with different percentages of affordable homes, ranging from 0% to 20%, depending on whether sites were urban or rural and on their size. He argued that the proportions should be smaller in urban areas in order to encourage development in the BUA. We thought this was a useful contribution.

8.101 Behind many of these comments, suggestions and objections is a concern about viability. The Minister acknowledges this – and in the IP the matter was considered in paras 6.96-6.104. It was also considered by MacDonald in paras 4.6.18-22. It is common ground that the policy must be operated in such a way as to avoid rendering development unviable, and the IP in 6.97 proposed to introduce a viability assessment model. In August the Minister produced a draft of "Affordable Housing Supplementary Planning Guidance" (Doc SD9). The merits of this are not specifically before us, and will be the subject of continuing consultation and redrafting in consultation with the development industry. Some comments were made about the detail which the Minister should take into account in that consultation process. However, it is clearly relevant and we did invite written comments on it before the EiP.

8.102 Every application would have to be accompanied by an assessment, in accordance with the pro forma set out in the Appendix to the draft SPG. If successful, of course, the smooth running of this process would remove the basic objection to the policy; if it were demonstrated that the need for affordable housing set out in the policy rendered the site unviable then the appropriate contribution would be reduced accordingly, as set out in the SPG. However, at this stage the smooth running of the policy must be subject, to say the least, to a degree of uncertainty. And it was argued at the EiP that for smaller sites this would be a considerable burden – at least initially – both for the Minister and the applicant. According to the table in the Housing Update note there are around 43 applications per year with 2 or more units (taking the average over the last five years), and all of these would be subject to the analysis.

8.103 The Minister accepts (in his response to Pioneer dated 15 September) that the intention to apply a standard viability assessment to every application is not mentioned on the face of Policy H3 and that it should be. We agree and so **recommend**.

8.104 Before coming to a conclusion we deal very briefly with some of the other arguments that were put. A great deal was said about the situation in the UK, and we have considered this. We do have some knowledge of the subject. We think the comparison is a limited one; we are dealing with the Jersey situation here and it is quite obvious that in many ways it is different. Nonetheless, though we of course accept that the delivery of affordable housing is more difficult in recessionary times, we do not accept that the approach to affordable housing in the UK is "broken"; nor that it is a substantial cause of the current downturn in the UK housing market. We are looking here at the whole of the IP period and beyond; not just a current market conditions.

8.105 We do not accept the argument which some put, and which is also familiar to us, that locating affordable housing on the same site as market housing is damaging, and could reduce house prices. (Eg the AJA said that "….in all other parts of the world it is an accepted economic fact that affordable housing is located in less exclusive locations"). It is an argument which it is hard to make without seeming antipathetic to those who find themselves in need of affordable housing. We do not believe the AJA's view to be true; such mixing is strongly advocated by many for social reasons.

Our conclusions on H3

8.106 We have of course discussed and considered this issue carefully, in view of the degree of contention which exists. We were exhorted to "strike it out" by some; or to modify it by others. We start by taking the view first that the problem is a serious one and second that policy H1 should not be the only approach to deal with it. We note the States existing decision in favour of the principle, and we understand and accept the view that a share of the potentially very large benefit which could accrue to landowners should be used for community benefit.

8.107 We therefore accept that Policy H3 in some form should remain in the IP, though we consider that the Minister and his colleagues should continue to look at other mechanisms as proposed by MacDonald, not excluding (in due course) a tax.

8.108 But H3 needs to be made workable. We have mentioned various suggestions here – from Mr Waddington, from the Chamber and Dandara. Pioneer said that any retained policy should be flexible and able to respond to market conditions – and "founded on the fundamental principle that landowners/developers retain the overwhelming majority of the land value uplift".

8.109 Obviously the reductions in thresholds proposed by the Minister go some way towards making it more acceptable. We think that possibly the most important issue in relation to the policy is that it should be, and should be seen to be, **permanent**. This is essential to discourage landowners from holding on to land – as we were told they might – in the hope of a better deal at some time in the future. We also think that it is sensible – as the Minister already proposes – that the policy should be **phased** incrementally, with increases in prospect so as to provide an incentive to bring forward sites sooner rather than later. Thirdly, we think it sensible to introduce the policy at a relatively modest level, so as to iron out any problems – but to scale it up reasonably quickly. It is important that it works from the start, and necessary to test the working of the viability model.

8.110 We **recommend** that there should be no change to the proportion of 12.5%; with the increase over 5 years to 20%, as now proposed by the Minister. This seems a relatively modest figure, and since it is subject to a viability assessment we see no need to reduce it across the board. Beyond the five year period, consideration should be given to increasing the figure beyond 20%. We have considered the "Waddington" alternative with different urban/rural figures, but decided that the viability assessment should be the key to identifying any variability between sites.

8.111 We **recommend** however that the thresholds should be relaxed in the early stages. This is primarily to ensure the practicality of introducing the viability test, with a fairly modest number of schemes subject to the policy in the first two years – but rising thereafter. We **recommend** that initially schemes of 11 units or more should be subject to the provision of affordable housing on site (this would be 5 or 6 schemes per year based on the average of the last five years); and that schemes of 6-10 units should be subject to the commuted sums as proposed by the Minister (this would be a further six schemes per year on average). We further **recommend** that, subject to monitoring the success of the scheme, these figures should be reduced to ten or more and four or more after no more than two years, and to nine or more and two or more (as currently proposed) after no more than five years.

8.112 There is an important question regarding the way in which sites are developed, which the Minister recognises in the draft SPG: "Developers whose schemes are just below the threshold level will have to satisfy the Minister that the proposals do not represent an under occupation of the site, nor that a large site is being brought forward in phases in order to avoid the thresholds at each stage". In our experience this is an important point, and should be stated on the face of the Policy. We so **recommend**.

8.113 We also recognise the difficulties for applicants (and the States) in relation to very small sites in dealing with small viability appraisals. We have proposed that the threshold comes down over time so there will be a body of experience. But we also suggest – though it is a matter for the SPG and not the IP – that there might be a standard figure that an applicant for smaller schemes could, as an option, accept in lieu of a full appraisal.

8.114 In summary, we have recommended that the policy should remain in the IP; that it should be introduced more gradually than proposed (so as to assess and refine the viability test and other practical aspects of implementation) but that it should clearly be a permanent policy and that the requirements should be scaled up over a relatively short time. We have recommended that the intention to increase the proportions should be on the face of the Policy and also that the intention to apply a viability assessment should be set out in the Policy itself. We have also recommended that the need to deal with sites just below the threshold or sites which appear to be phased to avoid the threshold should be set out in the Policy. The Policy will thereby set out the framework, and the draft SPG already sets out much of the detail of implementation.

8.115 We note that the policy will in any event not be introduced immediately. The Minister intends that it will make a contribution to needs in the second part of the IP period and beyond. Its effects would be gradual rather than immediate (Housing Update Note). We do accept that where a site has already been purchased by a developer at a value which did not reflect H3, there will be a viability issue (a point made by the Style Group and others). We **recommend** that the policy is not introduced until the start of 2012 (assuming the IP has been adopted by that time), by which time the Minister's intentions will have been clear for a period of some two years; and that the viability assessment is used to deal with any historic problems of land value for sites acquired earlier.

Housing Mix – Policy H4

8.116 Policy H4 in the IP deals with housing mix, and the preceding five paragraphs give the background. Relatively few written comments were received, and there was a short debate at the EiP. We make one general point, and then one specific point about the policy itself.

8.117 In general, a very great deal of information was supplied to the EiP about the need and demand for units of various sizes. The 2007 survey and the Interim Review of Residential Land Availability are particularly relevant. What all this information tended to show was a relatively larger demand for family housing, and a lesser unmet demand for smaller flats.

8.118 It was pointed out that reliance on the development of smaller sites in St Helier or on windfall sites might militate against the development of family housing, and this was discussed at the EiP. It seems to us to be true, and it is one of the reasons why we recommended the Samares site, and were doubtful about the increase in density on some of the other H1 sites (see eg para 8.38). There is of course a limit to which strategic policies in the IP can deal with this issue, which will change throughout the lifetime of the IP, and which will depend on a site by site analysis of potential. We therefore note the issue, and turn to Policy H4, which gives the Minister the ability to refuse planning permission if a scheme fails to meet the housing mix he considers to be necessary given the latest assessment of need at the time.

8.119 This was heavily criticised by Pioneer in their written evidence and at the EiP; and also by Mr Riva at the EiP. It was felt to be too prescriptive and not founded on an adequate evidence base. It was not appropriate to set requirements for market housing; the developer would respond to the market and deliver the appropriate type of housing (Pioneer statement March 2010 para 3.7.2). The policy should be struck from the IP.

8.120 At the EiP the Minister accepted that the policy was "draconian", and that it would not be right to give him the powers suggested in the IP. However he did feel that there was a need to become involved in housing mix issues in planning applications for market housing and suggested that SPG should be produced to enable him to do this. We have no doubt that consideration of the mix of housing proposed in a planning application, and how this would contribute to housing needs, is a valid material consideration for the Minister (or any other planning authority) to weigh along with other aspects of a scheme. However, it must also be right that this consideration should not be open ended and unpredictable to an applicant. The main parameters and criteria need to set out in SPG, itself subject to prior consultation, so that a balance is struck between the Minister's ability to act in what he judges to be the public interest and a developer's legitimate expectation to respond to what he judges to be the market choices by potential purchasers.

8.121 We **recommend** that SPG is produced on housing mix, with some priority. As in several other instances, the guidance needs to be in place no later than adoption of the Plan. We further **recommend** that the first sentence in Policy H4 be extended so that it concludes "... published evidence of need as set out in SPG". The second sentence should be amended to read "The extent to which a planning application meets the published guidance with respect to housing mix will be an important material consideration in the grant or otherwise of planning permission."

Rural Housing – Policy H5

8.122 Policy H5 of the IP raises the question of housing in rural areas, and proposes a mechanism whereby Parishes can develop "Village Plans" which include proposals for small scale developments of category A housing to meet local needs. (Proposal 14 on p 161 of the IP set out the mechanism for the Village Plans). This was one of the components of Table 6.2, which we discussed earlier, and which assumed that 100 houses would come from this source over the IP period.

8.123 There were two issues here. The first was a matter of principle. Was it right to have such a policy? Would it have damaging effects on agricultural land? Should it go further? The second was a matter of process – should village plans be approved by the Minister or should they be the subject of agreement by the States.

8.124 There was some opposition to the concept, from the JFU and RJAHS, who were concerned about the loss of agricultural land. The National Trust, Mr Howard and Ms Valerie Harding also had reservations. The JFU said "we are deeply concerned that this proposal will allow developments on an Island wide scale on good agricultural land……fly in the face of all the other intentions to protect our countryside….".

8.125 Constable Yates, in his written statement, put the opposite view. The policy would "help achieve a positive, lasting legacy of sustainable rural communities". There had been a progressive social imbalance in rural areas due to the high cost of housing and young working families from the Parish could not find accommodation. He was supported by Mr Jehan and others.

8.126 Given that these are to be very small developments, designed (all agreed) for Category A housing only, and for local Parish needs, we think the concerns of the JFU and the RJAHS do not over-ride the identified needs. We therefore support the principle of the policy.

8.127 Mr Stein put a different point of view, arguing that the policy did not go far enough and that the Minister should identify sites through the IP process; but this did not find favour with others. We do not support it either; the essence of the policy is that it is for small scale local needs. As the Minister said, these are not sites designed to meet the strategic needs of the IP – rather they are about supporting the Parishes. It was very important to him that these ideas were "locally-led", with "local engagement and community buy-in".

8.128 We agree (as Constable Yates and others also argued) that it is right that the Parishes themselves should develop these proposals, in consultation with local people (and after due consultation with stakeholders). For the Minister to identify sites, in the same way as he has done elsewhere in this and previous IPs, would run counter to the (rightly) limited aims of H5. Mr Jehan felt that the figure of 100 may be too low, but the Minister indicated that it was not a target but simply an indication of scale.

8.129 Mr Stein questioned whether sites would in fact come forward. We heard evidence that at least some – probably most – of the rural Parishes were interested in pursuing it, and some already had action in hand. We did mention earlier that we were told that St Lawrence were less enthusiastic than others; if this is so we would urge them to take a positive view of the opportunity, as others are doing. But in the final analysis, as a purely local issue, it is for the parishioners of St Lawrence and other Parishes to decide through the ballot box.

8.130 Constable Yates stressed that the sites should be small and should be "…within or immediately adjacent to the established village facilities", and was very clear that he did not wish to see speculative market schemes succeeding in rural areas. This was overwhelmingly the view of participants at the EiP. Most of the participants at the EiP were concerned that development should not be "out in the countryside" (and we noted the third point in Policy H5 which requires it do be well related to the BUA). This would give some comfort to the JFU. There was discussion of redundant greenhouse sites. It was generally agreed that where these were well located they would provide suitable sites – but, most people thought, definitely not where they were "outside villages".

8.131 The Minister's view was that sites should comply with the overall strategy of the IP – close to the BUA, close to facilities etc. We strongly agree with this, and regard it as important that this policy is directed at the identified need and not used to promote other schemes – especially not those which are poorly located. Mr Stein put forward a number of areas where he considered the BUA could be extended, or new BUA created. We deal with some of these specifically in Volume 2. But in general, we thought these proposals to be quite contrary to the spirit and intentions of the IP generally, and of H5 in particular.

8.132 We therefore support Policy H5 as it stands, and support particularly the proposition that these sites should be brought forward locally, as the Minister intends.

8.133 There remains the question of whether the Village Plans should be approved by the Minister (as SPG) as proposed in Proposal 14, or whether the States should have a role. The National Trust thought they should be approved by the States (see their written statement Doc HRA/NT), essentially as we understand it to ensure that the historic fabric of villages was properly considered and safeguarded. Interestingly Mr Stein agreed, though for different reasons (see his written statement). This reflects his view, with which we do not agree, that the sites should be identified by the Minister in the same way as other sites in the IP, and that he should consequently alter the definition of the Green Zone.

8.134 Constable Yates said that the Parishes were well equipped to carry out the work to a proper standard. He pointed out that the Plans would cover not just housing but other matters of concern to the Parishes. There would be full consultation with States bodies and other stakeholders and it was not appropriate to refer village matters to the States.

8.135 The Minister took a similar view, and also indicated that he would consult with other Ministers before reaching a decision; and that he could, in the event of a particularly controversial proposal, bring the matter to the States – as he had done on other occasions. We are satisfied with that assurance. We can see no need to complicate the process by bringing Village Plans to the States. The Minister has the powers to approve these Plans, and proposed a sensible amendment to Proposal 14 (in the form of a footnote) to make this clear.

8.136 Apart from this amendment we recommend no change to Policy H5 or to Proposal 14.

Remaining Policies H6-H11

8.137 There were no substantive comments on Policies H6, 7 or 8. Nor are there any matters on which we need to report in respect of H10 or 11. However there were representations concerning Policy **H9**, and we had a short debate on it at the EiP. The policy concerns staff and key agricultural worker accommodation.

8.138 The policy was strongly supported by the JFU. But some concerns were expressed – for example by the National Trust, who had "…yet to be convinced of the need for such dwellings. It is also crucial that the occupation restriction applies to those actively and currently involved in the industry….". Mr Dun was concerned that in this policy and elsewhere favourable treatment was being given to the agricultural industry which was not justified.

8.139 We readily accept that the policy provision is likely to be controversial and may be open to misuse. This is by no means unique to Jersey. Even so, agricultural holding, on the island as elsewhere, can have genuine needs for resident employees in ways that do not arise for most businesses. There are many caveats and conditions in the policy as drafted and we think it is reasonably balanced and obviously it needs to be robustly applied. We recommend no change.

The non-qualified sector

8.140 On several occasions during the EiP the question of the non-qualified sector was raised. Mr Dun in particular was exercised about what he considered to be the unfair and unreasonable treatment to which people in that sector were subject. Mr Le Quesne also raised the issue.

8.141 It is a matter of some surprise to us that there is so little in the IP about this quite large group of people. It is not easy for us to make specific recommendations about it; we have little evidence either of the numbers involved or of the conditions in which they live. The Minister said that he dealt with development applications for accommodation for this group. He indicated that, based on that information, conditions seemed to be improving and the quality of accommodation was getting better.

8.142 We think it right that Mr Dun and Mr Le Quesne raised this issue. We would expect future reviews of the IP to deal with it more directly.

Joint Housing & Planning Statement

Session 1 Housing supply and demand
Housing Objective 1 is to "..........meet the Island's housing needs over the Plan period". On pages 234-244 the Plan sets out assessments of housing demand and supply; the table in para 6.55 summarises the total estimated demand and the total estimated supply. Is the assessment of demand accurate, comprehensive and justified?

Housing Response

The assessment of demand as set out in the draft plan is based upon the best currently available information, which has been fully and independently reviewed by the States of Jersey statistics unit. They have confirmed that the data is accurate, comprehensive and therefore justified. However, the data was collected through a survey of a sample of households in 2007 and prior to the current economic difficulties which has resulted in an increase in applications for social housing. It is inevitable that as economic conditions change demand figures will change. Other issues will effect demand such as amendments to the current policies governing who may qualify to buy and rent in the Island and the criteria within social housing allocation policies.

The Housing Department holds the view that demand, particularly for social housing has increased and that defining an exact figure at this time is unrealistic. Better to settle on a range for demand figures which it is considered should be no less than 1,000 and have an upper limit of 1,300. The longer that the economic difficulties continue the higher up that range demand is likely to be.

P&E Response
The Draft plan identifies 1,000 category A units required and this is a reasonable number given the evidence base. It is recognised however that more up to date information would be beneficial and the only satisfactory way to achieve this would be to develop the gateway now (which has been proposed for some time now).

The plan should not account for the higher figure of 1300 as described in separate social housing demand report (appendix B). From the breakdown in numbers: The 458 new applicants on the waiting list is agreed and is accounted for in the demand figures in the plan. The additional 800 identified as paying rent over the income support level (50% of the 1600 in private rental accommodation that could be eligible for social rental support) should not be included because:- 1.risk of potential double counting with those already on the waiting list. 2. Are these tenants paying significantly over the income support level? If they are already adequately housed in the private sector would it not be more prudent to pay more income support for some of these rather than develop additional social housing units? What happens to the private rental stock that they would leave behind to go into social rental accommodation as the 2007 housing needs survey indicates that we already have an oversupply in this sector? 3. The findings of the Whitehead report have not yet been adopted by the States and so any predicted increases in the demand for social housing from future policy changes should not be included in current demand figures.

The plan has been designed to be flexible and react to potential future changes in supply or demand through the use of key monitoring indicators, which will allow for the relevant planning policies to be amended over the lifetime of the Plan.

Is the estimate of supply reasonable? (It is of course subject to later debates about individual sites)

Housing Response

There can be little doubt that the recent economic difficulty has delayed some development of sites already approved. At least one existing H2 site and 2 sites zoned in 2008 are stalled because of a lack of developer funding. Of the 8 sites zoned in 2008, 3 have planning permission, 3 are under consideration and 2 have yet to come forward with schemes for approval. The estimates of supply can be considered reasonable but only if development can be guaranteed in a timely manner. 8 years can hardly be considered timely.

When sites come forward for development and how quickly that development takes place is of course outside of the control of the planning department. However, in system where we zone land in answer to specific defined need we can only hope to meet the need in a timely manner if we introduce measures to encourage land owner and developer to develop within a reasonable timescale. One of the initiatives which has been suggested is fixing time limits to the rezoning of sites.

Given our comments on demand being up to 300 (social rented) higher than estimates in the plan we believe that there is significant merit in ensuring that all proposed sites stay in the plan.

P&E Response

The estimate of supply is based upon up to date information, coming from current completion and planning application approval information together with realistic future supply sources that have been put at conservative levels. The latest housing land availability report (Residential Land Availability statistics @ Start 2010, P&E, June 2010), which details the latest position on housing supply, is attached to this paper for reference. (Appendix A).

With regards to fixing time limits to re-zoning sites, issues about the abilities of developers to deliver sites, are out of the control of the planning department and placing time limits on sites would not deliver other sites (which would lead to additional re-zoning) more quickly as the same issues could equally persist. Compulsory purchase powers are available under article 8 of the 2002 Planning law, however there has been continuing political reluctance to use these powers.

Should some of the proposed zoned sites be removed from the draft plan, then alternative sites will be added to ensure that the supply is still in balance with the anticipated demand.

Do the proposals therefore meet objective 1 and if not, what changes need to be made to the Plan?

Housing Response

It rather depends on demand and as discussed above demand figures have changed and will change further with economic conditions. There is concern that the supply figures do not meet the upper levels of the 1,000 - 1,300 range.

To ensure that this demand can be met all of the existing sites should be maintained in the plan.

P&E Response
The plan will meet objective 1 as set out in the housing chapter, but it is recognised that some proposed re-zoned sites may not be included in the final approved document and will need to be replaced to meet any potential shortfall.

Is the assumption in 6.8 that the majority of houses will be supplied by the private sector reasonable? Is the social rented sector likely to become more important?

Housing Response

No. The Social rented sector will become more important and will grow - see Whitehead Review sections 5 (page 47) 5.2 (page 25) & 5.6 (page 28). In particular in her report Professor Whitehead opines that 'Using broader based evidence on incomes and housing circumstances suggests that there may be considerable unmet housing need among lower income working age but childless households who are currently ineligible for social housing as well as among those with incomes just under the eligibility criterion for social housing. There must therefore be concern about a policy that envisages a decline in the scale of the social sector and increasing emphasis on the provision of accommodation for older households.

The alternative to enabling a larger role for social landlords to help meet housing requirements is to rely more on private renting with a more generous support system together with subsidies to owner -occupation. This is a much more open ended commitment and does not play to the very real success - and capital values- of the existing social sector.

The benefits from increasing flexibility and ideally providing some additional resources are considerable.'

In his speech in the States on 8th June 2010 and which concluded with his election as Minister for Housing Deputy Sean Power made reference to the need to grow the social rented stock as a means of meeting the needs of the ageing population and of those households who are presently not being assisted.

The Minister is preparing a detailed policy statement and the growing importance of the social housing sector and the potential for growth in the stock. A copy of this statement will be made available as soon as it is available.

P&E Response
The housing department have, since the drafting of the Island plan, indicated that there is a potential greater requirement for social rented accommodation than previously indicated by the 2007 housing needs survey. In addition it is noted that should the findings of the Whitehead report be adopted by the states, then this may further increase the demand for social rented accommodation and it is open to debate, outside of the draft Plan, whether the States should play a greater role in this provision.

Taking into account the strategic policies in the plan, and the assessments of demand and supply, is the general distribution of housing proposed in the Plan reasonable? Without discussing individual sites, are the briefs set out in Appendix B set at the right level of detail?

Housing Response

Housing and Planning agree that the briefs and indeed Policy H3 must be flexible enough to allow for the correct mix of social housing/homebuy and first time buyer homes. Presently the briefs make no provision for social rented homes and this will be amended.

What must be fundamental to the plan and should be enshrined in policy is how Category A sites are used and occupied. First time buyers are described in some detail in planning obligations and similar steps could be taken to better define occupants of social housing. For instance, it is in our submission insufficient to merely say that social rented homes must be sold to a social landlord. The allocations criteria amongst social landlords differ significantly with some carrying out no means testing of prospective tenants. Our social housing, both existing and future, are valuable assets, provided with significant public subsidy and must be used to maximum effect. It is vital that, irrespective of which social landlord is managing the units, the homes are only occupied by those actually in need of social housing. Tenants must be means tested as States tenants are and the means test must be equitable and transparent across all landlords. This is very much the premise on which the Planning Ministers' Homebuy scheme was developed with all applicants for homes being assessed through the affordable housing gateway. The development briefs for all sites should make it clear that the affordable housing element of the site whether that be homebuy or social housing or another such intermediate product can only be occupied by those persons qualifying through the affordable housing gateway.

P&E Response

The housing department have, since the drafting of the Island plan, indicated that there is a potential greater requirement for social rented accommodation than previously indicated by the 2007 housing needs survey. In addition it is noted that should the findings of the whitehead report be adopted by the states, then this may further increase the demand for social rented accommodation, however this can not be considered at this time.

It is recommended that policy H1 be reviewed to potentially include a greater number of social rented accommodation in line with agreed evidence of demand. Draft policy H3 is also capable of providing greater levels of social rented accommodation through the delivery of private windfall development opportunities and this can be achieved without changing the policy.

Session 2 Housing Mix

Policy H4 and the preceding paragraphs deal with housing mix. Are these assessments and proposals reasonable? What changes if any should be made?

Housing Response

The briefs must be flexible enough to allow for the correct mix of social housing/homebuy /first time buyer and Category B homes. This mix will be defined from far more robust and up to date evidence of need established through the Housing Gateway.

P&E Response

The current evidence base is robust and has been fully and independently reviewed by the States of Jersey statistics unit. This policy will be under continual review, which will be aided considerably once the housing gateway is set up and other monitoring indicators are in place.

The planning briefs for the re-zoned sites will need to be approved by the Minister for Planning and Environment prior to any planning application being submitted for consideration and this will take account of the most up to date information available at that time, which may be different to what is currently published in the draft Plan.

Session 3 Affordable housing
Policy H3 and preceding paragraphs deal with affordable housing. Is the policy workable? Bearing in mind the section of the plan on viability, will it bring housing development to a "complete stop", as suggested? Is the proposed policy flawed in principle, or would the use of different thresholds and proportions be acceptable? If so, what should these be? Respondents stress the current economic climate; would a greater delay in the introduction of the policy help its introduction? Is the "viability assessment" model workable?

Background papers suggest that the price of market housing is such that it is affordable by only a minority of residents, and that there is a serious shortage of affordable housing. Is that agreed? What alternative approach might be taken to tackling that problem? (WEB propose a mechanism but there may be others).

Housing Response

There is no doubt that market housing is outside the affordability of a significant proportion of the population and that affordable housing to buy is in very short supply. See Whitehead Review Section 3.5 (page14). Yet only 20% of the population can qualify for social housing because of the lack of available supply and correspondingly constrained allocations criteria.

See Section 5.1 of Whitehead Review in respect of Income Support and maximum rent limits here Professor Whitehead opines that it is unlikely that the shortfall in social housing will be met automatically by the Private Sector. There appears little scope to increase income support levels, indeed they are being frozen for 2011 to help deliver savings, therefore the number of people for who Income Support will be insufficient to meet full rental commitments is likely to rise.

Providing significant levels of affordable housing on brown field sites will be difficult given the inherent value of the existing land. Commuted payments are only useful if there is land available and zoned on which to put the money to good use in providing affordable housing. To be affordable this land either needs to have a very low value such as agricultural land or be land already in States ownership, where the land becomes a development subsidy, albeit that such a mechanism would prevent a lost opportunity for a capital receipt to Treasury.

P&E Response

The draft policy has been significantly amended following discussions with the construction/developer industry to take account of their comments concerning viability received during the consultation period. Given these changes, and the fact that the Plan is unlikely to be adopted before mid 2011, it is not proposed to delay the introduction of the policy. The viability model has also been consulted on within the States and it is our belief that it is workable.

It is agreed that there is a shortage of affordable housing, hence the existence of the proposed policies to increase their supply. Alternative methods such as imposing a development tax have been considered but it was felt that this approach would not yield as many new homes as it would then require additional intervention within the market from the States to procure these new homes.

Session 4 Housing in Rural areas/agricultural workers accommodation
Policy H5 deals with housing in rural centres. Is this policy sensible and reasonable? If not, what changes should be made to it?

Housing Response

Both Housing and Planning agree that the policy has merit as the vitality and viability of the Parishes must be supported. Some limited rezoning of green fields around the villages would be welcomed as the existing value of such land makes the delivery of affordable housing significantly more viable. The best possible use must be made of these land assets and opportunities should be maximised to attain reasonably high levels of density. All of the resultant affordable homes must be occupied by persons qualifying to be housed through the affordable housing gateway, additional criteria focussing on an applicant's links to the Parish can perhaps be considered for schemes led by the Parishes.

P&E Response

Planning obligations will be used to ensure that all occupants must first be approved through the housing gateway. The use of the gateway on re-zoned sites was approved by the States of Jersey in April 2008 (P33/2008), specifically, *'to request the Housing Minister, in co-operation with the 12 parish Connetables and other stakeholders, to develop and establish a policy, a rational and consistent criteria for determining admissibility to 'waiting lists' for housing on rezoned land.* The gateway has yet to be established.

Policy H9 deals with staff and agricultural workers accommodation. Is this policy sensible and reasonable? If not, what changes should be made to it?

Housing Response

Staff and Agricultural workers accommodation is not within the remit of the Housing Department. These are managed by other departments.

P&E Response

The purpose of the policy is to support industries such as agriculture to provide adequate workers accommodation but is strongly qualified to protect the countryside and is seen as being entirely reasonable given the overall strategic aims of the Plan.

Appendix A

Residential Land Availability Statistics
@ Start 2010
(8/30)

PLANNING AND ENVIRONMENT DEPARTMENT

June 2010

CONTENTS

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1. INTRODUCTION

The purpose of this report is to provide up-to-date knowledge on housing supply to inform the Island Plan Review process, allow comparisons with identified requirements for new homes, and assist in ensuring that an adequate supply of suitable housing will be available to meet the community's short term needs.

The information provided here describes the situation at the start of 2010 and effectively supplements the information included in the Planning Department's earlier detailed report entitled '*An Interim Review of Residential Land Availability*', February 2010.

Following the approval of the new Island Plan in 2011, it is the intention to provide regular monitoring reports on housing land availability and the performance of related planning policies.

2. SUMMARY OF FINDINGS

The evidence suggests that the Island is in a good position to meet overall demand for new homes during the first five year period of the draft Island Plan. However, there remain some key areas which present significant challenges and require more detailed consideration, including:

- The provision of 'affordable homes' for residents and key workers;
- The future role of social rented housing (in the light of the 'Whitehead Report');
- Matching the type and size of homes supplied to identified requirements; and
- Planning to meet the future housing needs of a rapidly growing elderly population.

3. RECENT COMPLETIONS IN THE QUALIFIED SECTOR

Annual Completions

Table 1 shows the net number of completions of new homes in the qualified sector since the adoption of the current Island Plan (2002) and allows a comparison with past trends. Despite reductions in net completions in the last two years, residential construction work since 2002 has been impressive resulting in approximately 4,500 new homes. The average building rate during the last eight years of approximately 560 new homes per year is very healthy and significantly exceeds the average rate of completions achieved in the preceding 16 years (366) during the life of the previous Island Plan. It is also interesting to note that the net provision of 3,275 homes in the qualified sector during the first five years of the current Island Plan significantly exceeded the identified requirements for 2,860 homes, although there was a shortfall against identified Category A requirements during the period.

The average rate for purpose-built Category A and Category B homes during the 8 years to the end of 2009 was 185 and 376 homes per year respectfully. However, the figures take no account of the proportion of the completions currently included in

Category B private developments, which will have contributed to meeting identified Category A requirements.

Table 1: Housing Completions in Qualified Sector

Year	Completed Dwellings (net)					
	Purpose built First-time Buyer Homes*5	Purpose built Social Rented Homes	Purpose built Lifelong / retirement Homes	Total Purpose built Category A Completions	Other Demand Housing (Category B)	Total Completions
1986	107	40		147	232	**379**
1987	23	225		248	106	**354**
1988	108	136		244	103	**347**
1989	-	147		147	128	**275**
1990	17	130		147	289	**436**
1991	76	75		151	325	**476**
1992	139	130		269	159	**428**
1993	187	86		273	243	**516**
1994	81	197		278	175	**453**
1995	165	50		215	199	**414**
1996	15	70		85	224	**309**
1997	12	(137)		(125)	142	**17**
1998	-	51		51	186	**237**
1999	79	78		157	240	**397**
2000	-	60		60	312	**372**
2001	59	26		85	367	**452**
Sub-total	**1068**	**1364**		**2432**	**3430**	**5862**
Ave. annual completions 1986-2001	**67**	**85**		**152**	**214*3**	**366*3**
2002	92*2	290*1		382	483	**865**
2003	161*2	30*1		191	464	**655**
2004	52*2	59*1		111	349	**460**
2005	40*2	26*1		66	513	**579**
2006	80*2	207*1		287	433	**720**
2007	184*2	77*1		261	314	**575**
2008	68*2	(-14)*1		54	171	**225**
2009	109*2	17*1	5	131	283	414
Sub-total	**786**	**692**	**5**	**1,483**	**3,010**	**4,493**
Ave. annual completions 2002-2009				**185**	**376*4**	**562*4**

*1 see Appendix 1 for details
*2 see Appendix 2 for details
*3 includes lodging and staff accommodation
*4 excludes lodging and staff accommodation
*5 now includes Jersey Homebuy

Distribution of Completions

Most of the net increase in homes over this 8 year period (62%) was in the urban parishes of St. Helier (42%), St. Saviour (8%) and St. Clement (12%), as indicated in Table 2 below. This is very much in line with the 'spatial strategy' for new development set out in the current Island Plan, which promotes more sustainable development concentrated in urban areas.

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Table 2: Net Completions of New Homes in the Qualified Sector, by Parish, 2002 – end 2009

Parish	New Homes by Category		Total Homes Completed	%
	Purpose Built Category A*1	Category B		
St. Brelade	0	245	245	*5.5*
St. Clement	283	268	551	*12.3*
Grouville	17	101	118	*2.6*
St. Helier	687	1178	1865	*41.5*
St. John	40	82	122	*2.7*
St. Lawrence	119	265	384	*8.5*
St. Martin	64	79	143	*3.2*
St. Mary	0	62	62	*1.4*
St. Ouen	42	107	149	*3.3*
St. Peter	82	256	338	*7.5*
St. Saviour	139	219	358	*8.0*
Trinity	10	148	158	*3.5*
TOTAL	**1,483**	**3,010**	**4,493**	***100.0***

**1 excluding contribution from private Category B developments.*

Completions by Type and Size

Table 3 gives an indication of the types and sizes of the homes which have been completed for Category A and Category B purposes in 2009. Approximately two thirds of the net total of 414 homes was fairly evenly spread between flat completions (43%) and house completions (57%). This is different to the preceding two years when the great majority of completed homes were houses and to the trends which were prevalent prior to 2007, when the majority of units completed were flats.

Table3: Net Completions of New Homes in Qualified Sector, by Type and Size, 2009

Type of Home	Size of Home						Total
	1-bed	2-bed	3-bed	4-bed	5-bed+	Unspecified	
Category B Completions							
Flats *1	109	49	2	-	-	-1	**159**
Houses *2	2	40	41	42	1	-2	**124**
Sub-Total	**111**	**89**	**43**	**42**	**1**	**-3**	**283**
%	*39.2*	*31.4*	*15.2*	*14.8*	*0.3*		*100.0*
Category A Completions							
Flats *1	16	1	-	-	-	-	**17**
Houses *2	-	5	87	22	-	-	**114**
Sub-Total	**16**	**6**	**87**	**22**	-	-	**131**
%	*12.2*	*4.6*	*66.4*	*16.8*	-		*100.0*
TOTAL	**127**	**95**	**130**	**64**	**1**	**-3**	**414**
%	***30.7***	***22.9***	***31.4***	***15.5***	***0.2***	***(0.7)***	***100.0***

**1 includes apartments, studios, bedsits and maisonettes* **2 includes bungalows and cottages*

4. OUTSTANDING COMMITMENTS IN THE QUALIFIED SECTOR

Commitments by Type

Table 4 provides details of outstanding commitments for new homes in the 'qualified sector' at the end of 2009. It illustrates good levels of commitments (i.e. nearly 2,500 homes), which comfortably exceed the target requirements for new homes in the Draft

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Island Plan up to the end of 2013. Of course, not all the commitments will be completed in that timeframe, but the majority should be, including:

- the 950 Category B homes under construction at the end of 2009;
- a proportion of both the 955 Category B homes with existing consents, which had yet to start (supplemented by an unknown number of proposed homes which will be granted consent during the four year period 2010 to 2013);
- virtually all the 100 outstanding commitments for first time buyer homes will be completed by the end of 2013 (whether or not they were under construction at the start of 2010);
- the commitments for Lifelong homes (approx. 370 homes) and other social rented homes (100 homes).

Table 4: Outstanding Commitments for New Homes in Qualified Sector, at start 2010

Outstanding Planning Permissions				Homes under construction (Net) (b)	Other commitments which may yield or involve loss of units before the end of 2013		**Total (a+b+c)**
Type of Housing	No. of New Homes (Net)				Definite, Probable and/or Highly possible (c)	Other possibles in the time frame (d)	
	Planning in Principle Permits	Planning, Building or Planning & Building Permits	Total No. with consent (a)				
Purpose built conventional first time buyer (inc. Homebuy)	-	15	15	40	42	-	**97*2**
Lifelong Homes (open market)	-	4	4	-	165	-	**169*3**
Lifelong Homes (social rented)	-	18	18	14	172	-	**204*4**
Other Social Rented housing	-	91	91	13	(7)	-	**97*5**
Total Category A	-	**128**	**128**	**67**	**372**	-	**567**
Other demand housing (Cat B)*6	80	875	955*1	946	-	-	**1,901**
Total (all housing)	**80**	**1,003**	**1,083**	**1,013**	**372**	-	**2,468**

*1 net of permissions which have not been advanced for 4 years or more.
*2 see Appendix 6 for details.
*3 see Appendix 7 for details.
*4 see Appendix 8 for details.
*5 see Appendix 5 for details.
*6 These figures take no account of the potential 166 or so owner occupied homes which would be released when the owners downsize to open market Lifelong homes.

As can be seen from Appendices 5 - 8, the commitment figures for Category A homes rely to a significant degree on:

- the remnants of development sites rezoned for the purpose under Policy H2 of the current Island Plan; and
- the fields zoned by the States in July 2008, primarily for Lifelong Homes (P.75/2008).

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The current status of these sites is outlined in Appendix 11.

Distribution of Commitments

Table 5 illustrates the availability of housing commitments by parish. As with completions over the last 8 years, most of the commitments are concentrated in the main urban parishes (66%), including St. Helier (48%) and St. Saviour (11%). The relatively low level of net commitments in St. Clement (7%) is due, in part, to losses of homes associated with redevelopment and refurbishment of outworn housing.

Table 5: Housing Commitments for Net New Homes in Qualified Sector, by Parish @ start 2010

Parish	House Type	Outstanding Permissions	Homes under construction	Other Commitments	Total Commitments	
					No.	%
St. Brelade	Cat B	35	101	-	136	
	F-t-b	-	26	-	26	9.0
	Lifelong Homes	-	-	60	60	
	Social Rental	-	-	-	-	
St. Clement	Cat B	29	24	-	53	
	F-t-b	-	-	-	-	6.5
	Lifelong Homes	-	-	42	42	
	Social Rental	65	-	-	65	
Grouville	Cat B	83	25	-	108	
	F-t-b	-	-	-	-	5.2
	Lifelong Homes	-	-	20	20	
	Social rental	-	-	-	-	
St. Helier	Cat B	546	602	-	1,148	
	F-t-b	-	14	-	14	48.3
	Lifelong Homes	-	-	-	-	
	Social Rental	26	12	(7)	31	
St. John	Cat B	32	8	-	40	
	F-t-b	-	-	-	-	2.3
	Lifelong Homes	-	-	17	17	
	Social Rental	-	-	-	-	
St. Lawrence	Cat B	22	14	-	36	
	F-t-b	-	-	12	12	2.0
	Lifelong Homes	-	-	-	-	
	Social Rental	-	-	-	-	
St. Martin	Cat B	28	36	-	64	
	F-t-b	-	-	-	-	2.6
	Lifelong Homes	-	-	-	-	
	Social Rental	-	-	-	-	
St. Mary	Cat B	8	4	-	12	
	F-t-b	15	-	-	15	2.0
	Lifelong Homes	22	-	-	22	
	Social Rental	-	-	-	-	
St. Ouen	Cat B	23	44	-	67	
	F-t-b	-	-	-	-	2.7
	Lifelong Homes	-	-	-	-	
	Social Rental	-	-	-	-	
St. Peter	Cat B	72	36	-	108	
	F-t-b	-	-	-	-	4.9
	Lifelong Homes	-	-	14	14	
	Social Rental	-	-	-	-	
St. Saviour	Cat B	64	29	-	93	
	F-t-b	-	-	-	-	11.0
	Lifelong Homes	-	-	178	178	
	Social Rental	-	1	-	1	
Trinity	Cat B	13	23	-	36	
	F-t-b	-	-	30	30	3.5
	Lifelong Homes	-	14	6	20	
	Social Rental	-	-	-	-	
TOTALS	**Cat B**	**955**	**946**	**-**	**1,901**	
	F-t-b	**15**	**40**	**42**	**97**	**100.0**
	Lifelong Homes	**22**	**14**	**337**	**373**	

	Social Rental GRAND TOTAL	91 1,083	13 1,013	(7) 372	97 2,468	

Commitments by Type and Size

Table 6 gives an indication of the types and sizes of the homes to be provided from known Category A and Category B commitments at the start of 2010. The commitments cover a range of dwelling types and include about 1,500 flats (62%) and about 950 houses (38%). The evidence also suggests that currently in the pipeline, there are significant additional supplies of 1- and 2-bedroom accommodation (80% of which are flats) and very healthy supplies of 3- and 4-bedroom family homes (88% of which are houses).

Table 6: Outstanding Commitments for New Qualified Sector Homes, by Type and Size, at start 2010

Type of Home	Size of Home						Total
	1-bed	2-bed	3-bed	4-bed	5-bed+	Unspecified	
Category B Homes with Permission and/or Under Construction							
Flats *1	489	681	73	1	-	5	**1,249**
Houses *2	54	132	273	145	43	5	**652**
Sub-Total	**543**	**813**	**346**	**146**	**43**	**10**	**1,901**
Known Social Rented Commitments (excluding Lifelong Homes)							
Flats *1	44	30	-	-	-	-	**74**
Houses *2	(19)	10	23	8	1	-	**23**
Sub-total	**25**	**40**	**23**	**8**	**1**	-	**97**
Known First-time Buyer Commitments							
Flats*1	-	-	-	-	-	-	-
Houses*2	-	-	92	5	-	-	**97**
Sub-total	-	-	**92**	**5**	-	-	**97**
Known Lifelong Homes Commitments							
Flats*1	2	195	-	-	-	-	**197**
Houses*2	-	176	-	-	-	-	**176**
Sub-Total	**2**	**371**	-	-	-	-	**373**
TOTAL	**570**	**1,224**	**461**	**159**	**44**	**10**	**2,468**

**1 includes apartments, studios, bedsits and maisonettes*
**2 includes bungalows and cottages*

Outstanding Commitments for Older Persons' Housing

At the beginning of 2010 there were outstanding commitments for approximately 360 homes aimed at the older members of the community. These might be variously described as Lifelong Homes or retirement homes and they are either for sale in the private sector or provided in the social rented sector (i.e. by Parishes, Trusts and the States). The homes in question are set out in Table 7.

Table 7: Outstanding Commitments for Older Persons' Housing @ start 2010

Address	Number Of Homes	Description
King George V Cottage Homes, St. Helier	2 (-4)	Retirement homes
Victoria Cottage Homes, St. Saviour's Hill, St. Saviour	1	Retirement homes
Field 633, Grande Route de St Pierre, St. Peter	14	Lifelong Homes
Field 274, La Lourderie, St. Clement	34 est.	Lifelong Homes
Fields 516, 516A, 517 and 518, St. Saviour	178 est.	Lifelong Homes
Lesquende, Les Quennevais, St. Brelade	60 est.	Lifelong Homes
Field 578, Trinity	6 est.	Lifelong Homes
Fields 818 and part Field 873, Trinity	14	Lifelong Homes
Field 148, Rue des Maltieres, Grouville	20 est.	Lifelong Homes
Fields 561 and 562, St. Mary	22	Lifelong Homes

Field 605, St. John	17 est.	Lifelong Homes
TOTAL	**364**	

5. COMPLETIONS AND OUTSTANDING COMMITMENTS IN THE UNQUALIFIED SECTOR

There is currently a lack of good, comprehensive data on the supply of non-qualified accommodation (including Registered Lodging Houses, private lodgings with 5 or less lodgers and staff accommodation) and this is likely to remain the case until the new system for monitoring and regulating migration is put in place. Nevertheless, the situation, based on the limited information that is presently available (including the latest Lodging House Inspector's 2009 report) is described in *'An Interim Review of Residential Land Availability'*, Planning and Environment Department, 2010.

6. OTHER POTENTIAL HOUSING SUPPLY

The draft Island Plan identifies a range of supply sources which can potentially generate 2,550 new homes over the five year period 2009-2013. These are set out in Table 8 and comprise 550 Category A and 2,000 Category B homes. It can be seen that heavy reliance is placed on the opportunities presented by the St. Helier Waterfront, town regeneration and private windfall developments elsewhere in the built-up area.

Table 8: Supply of Homes provided for in the Draft 2009 Island Plan, 2009-2013.

Supply Source	**Estimated Number of Units**		
	Category A	**Category B**	**Total**
2002 Island Plan Category A housing sites	125	-	125
2002 Island Plan amendment: Lifelong and first-time buyer homes	300	-	300
St. Helier Waterfront	-	600	600
Town of St. Helier regeneration	100	650	750
Windfall developments elsewhere	100	750	850
Housing in Rural Centres (Draft IP Policy H5)	25	-	25
Draft Island Plan Category A Housing Sites	200	-	200
Less outworn sites	(-300)	-	(-300)
Total	**550**	**2,000**	**2,550**

Source: States of Jersey – White Paper – Draft Island Plan, 2009

7. COMPARING KNOWN HOUSING SUPPLY WITH OVERALL REQUIREMENTS FOR HOMES IN THE QUALIFIED SECTOR

The figures in Table 9 look to apply known and likely housing supply to estimated requirements set out in the Draft 2009 Island Plan. It can be seen that, in broad terms, the housing completions to-date combined with known outstanding commitments and identified supply sources will more than match the identified total requirements up to the end of 2013. In fact, they will greatly exceed identified total requirements by the order of 700 homes.

Table 9:** **Comparison between Estimated Requirements for New Homes, 2009 – 2013** (based on Draft 2009 Island Plan) **and Supply

Housing Requirements and Supply	**Assumed Migration +150 h/hs**
Identified requirements for homes 2009-2013 ***(based primarily on population and household modelling):***	**2,000**
Less Category A completions during 2009: - Lifelong / Retirement Homes (Open Market or Social Rent) - Other Social Rented (purpose-built) - First-time buyer (purpose-built) Less Cat.B completions during 2009 *1	 5 17 109 283 (414)
Less known outstanding Category A commitments (likely / capable of yielding before end 2013): - Lifelong Homes (Open Market) - Lifelong Homes (Social Rented) - Other Social Rented (purpose built) - First-time Buyer (purpose built) (including Homebuy)	 (169) (204) (97) (97) (567)
Less - Category B commitments under construction only; *2	(946)
Requirements Less Known Completions and Commitments:	73
Less Supply sources identified in Draft 2009 Island Plan and not accounted for above: • Town of St. Helier *3 • Windfall Sites Elsewhere *4 • Rural Centres (Policy H5 – Housing in Rural Areas) • 2009 Island Plan Cat A Housing Sites (or equivalent)	(69) Cat A (578) Cat B (25) Cat A (190) Cat B (25) Cat A (200) Cat A (1,087)
Plus estimated units to be lost through the redevelopment of outworn social rented housing estates.	300
Projected Remaining Requirements to end 2013	**Provision above target approx. 700**

Notes:
*1. This includes some Category B homes that will have contributed to meeting f-t-b needs.
*2. This takes no account of:
- Cat B consents not commenced at start 2009 but which will complete by end of 2013;
- Cat B consents which will be granted and could complete in the period.

However, it does include some Category B homes that will contribute to meeting f-t-b needs.
*3. The draft Island Plan estimated a potential yield of 100 Category A homes and 650 Category B homes. 103 homes are already accounted for as being under construction at Hotel Rex, the Carlton Hotel and the Laurels Hotel (31 x first-time buyer and 72 x Cat. B)
*4. The estimated yield is for 600 units over the 4 years between 2010 and 2013 @ a conservative 150 homes/annum. 385 units are already accounted for as being under construction outside St. Helier, thus leaving 215 units not accounted for. The draft Island Plan affordable housing policy (e.g. requiring 40% affordable housing) is unlikely to have much impact in the timeframe. However, it is likely that a proportion will contribute to first-time buyer homes (say 25).

It is important to emphasise that the conclusions reached from Tables 9 rely heavily on the following housing yield assumptions:

- new homes will arise in good numbers from town regeneration (750 homes);

- there will be a continuation of a healthy supply of other windfalls arising from private developments elsewhere in the built-up area (600 homes);
- all the sites zoned for Lifelong Homes and First-time Buyer homes in P.75/2008, will come forward for development (300 homes); and
- all the sites proposed for rezoning for Category A housing purposes in the Draft 2009 Island Plan, or their equivalent, will be approved and developed (200 homes).

There have been some difficulties experienced in bringing forward the P.75/2008 sites and at the beginning of June 2010, only two sites had planning permission and only one was underway. However, three more had planning applications pending and only two sites had not been the subject of formal planning applications. At this time, it is considered reasonable to expect that all these sites will yield before the end of 2013 (see Appendix 11).

In contrast, reliance on proposed sites in the draft Island Plan, or their equivalent, does carry a potential risk, because:

- it pre-supposes that the States will agree to rezone the land; and
- there is evidence of lengthy lead-in times experienced in the development of similar sites.

It should also be acknowledged that the reliance placed by the States on private developers to provide need housing on zoned sites has implications for delivery times. It means that the decision about when to develop sites is a matter for the land owner and the developer and this can be affected by all manner of influences, including availability of development funding, views on the market, availability of resources to undertake development and constraints imposed by planning policies and obligation agreements.

8. KEY ISSUES ARISING

Notwithstanding the relatively healthy overall land availability position, there are a number of housing issues which present challenges for the Island. These issues are addressed in *'An Interim Review of Residential Land Availability'*, Planning Department, 2010 and include:

- the provision of 'affordable homes' for residents and key workers;
- the future role of social rented housing, in the light of the 'Whitehead Report';
- matching the type and size of homes supplied to identified requirements; and
- planning to meet the future housing needs of a rapidly growing elderly population.

9. UNQUALIFIED SECTOR

This matter is also addressed in 'An Interim Review of Residential Land Availability', Planning Department, 2010. Assessing the current position continues to be hampered by a lack of available data. However, from the evidence that is available, the above report concludes there seems no reason to suspect that the market cannot continue to be successful in meeting estimated requirements in the foreseeable future.

APPENDICES

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Appendix 1:

SCHEDULE OF SOCIAL RENTED HOUSING COMPLETIONS, SINCE APPROVAL OF JERSEY ISLAND PLAN 2002

Ref.	Site	Units by Type					
		1 bed	2 bed	3 bed	4 bed	5 bed	Total
Completions 2002							
16774/A/D	Florence Boot Cottages (Phases III & IV), St. Clement			18 (-10)	3		**21 (-10)**
19337/A PB/2001/0432	5, St. Clement's Road, St. Helier	9	1				**10**
7215/N PB/1998/1041	Le Champ des Fleurs (Le Jardin Fleuri ?), (former La Motte Ford site), La Rue a Don, Grouville		4	12			**16**
424/N PB/1999/2574	Oak Tree Gardens (Elysee Estate Phase III), Trinity Hill, St. Helier	7	22	5			**34**
2916/P PB/2000/0892	Former Berkshire Hotel Site, 33-35, La Motte Street, St. Helier	113					**113**
3855/O/T PB/1998/2609	Former Postal Headquarters site, Mont Millais, St. Helier	4	14	27			**45**
6107/B B/2000/1777	Field 413 (Parish Elderly Persons), La Longue Rue, St. Martin	20	1				**21**
11550/E/1/1 PB/1998/2606	Le Geyt Flats Estate (Refurb. & Redevelopment) (Phases V & V1), St. Saviour.		18	12			**30**
7671/F/G PB/1999/1613	Field 818 (Parish Elderly Persons), Trinity	10					**10**
	Sub-total (net)	**163**	**60**	**64**	**3**		**290**
COMPLETIONS 2003							
424 PB/2001/0477	Elysee Estate, Trinity Hill, St. Helier				1		**1**
2543 B/2002/0209	Parkside (former Town Park Hotel site), Pierson Road, St. Helier	1	6	8	2	2	**19**
2404/I B/2000/1628	Sandybrook Hospital, St. Peter	8	2				**10**
	Sub-total (net)	**9**	**8**	**8**	**3**	**2**	**30**
COMPLETIONS 2004							
20067 PB/2000/1345	Victoria Place, Albert Pier, The Waterfront (Phase 1), St. Helier	23	51	4		1	**79**
NONE P/2003/0627	Le Squez Estate (Phase 1A), St. Clement		(8)	(12)			**(20)**
	Sub-total (net)	**23**	**43**	**(8)**		**1**	**59**
COMPLETIONS 2005							
11150/E PB/1999/0188	John Wesley Apartments (11,13 & 13A, Lempriere Street and 1-3, Canon Street), St. Helier	17	23	1			**41**
3764/Y PB/2000/2134	Clement Court, Ann Street, (former Cleveland Garage / St. Helier Garages), (Phase 1), St.	21		5			**26**

	Helier *Jersey Homes Trust*						
4628 B/2004/0302	Le Marais, Low Rise (Phase 1), St. Clement	(-21)	(-15)				**(-36)**
2884 B/2003/2646	Le Squez Estate (Phase 1A), St. Clement		1				**1**
4374 B/2003/1156	Victoria Cottage Homes (K Block), St. Saviour's Hill, St. Saviour	3 (6)					**3** **(6)**
4374 B/2004/1257	61 and 62, Victoria Cottage Homes, St. Saviour's Hill, St. Saviour	1 (-2)					**1** **(-2)**
4374 B/2004/1256	48 and 49, Victoria Cottage Homes, St. Saviour's Hill, St. Saviour	1 (-2)					**1** **(-2)**
4374 B/2005/0541	33, Victoria Cottage Homes, St. Saviour's Hill, St. Saviour	1 (-2)					**1** **(-2)**
	Sub-total (net)	**11**	**9**	**6**			**26**
COMPLETIONS 2006							
1537 B/2003/0228	Phillips House, Victoria Street, St. Helier *Les Vaux Housing Trust*	15	3				**18**
179/G B/2002/1833	La Folie Estate, Parkinson Drive, St. Lawrence	3	14				**17**
4628 B/2004/0302	Le Marais Low Rise (Phase 1), St. Clement	14					**14**
8871 B/2004/0259	Fields 786 and 787 (Westview Farm), La Rue des Cosnets, St. Ouen **(H2 site)** *Community Homes*	6					**6**
11097 P/2006/2648	Le Coin, Ann Street / Charles Street, St. Helier Unoccupied since 2006 – approved as temp. car park		(16)				**(16)**
15836 B/2004/0090	Le Benefice, (extension to former Hodge Nurseries), Fields 89, 89A, 90, 92A & 93, St. Clement **(H2 site)** *CTJ Housing Trust*			64	9		**73**
100/JA B/2002/1292	Le Coie Hotel Site, Janvrin Road, St. Helier *Jersey Homes Trust*	44	51			1	**96**
1380 B/2006/0605	33-34, Grassett Park, St. Saviour			(2)		1	**1** **(2)**
	Sub-total (net)	**82**	**52**	**62**	**9**	**2**	**207**
COMPLETIONS 2007							
1365 B/2003/0288 B/2004/0655	Le Grand Clos Field 1218, Mont a l'Abbe, St. Helier **(H2 site)** *Jersey Homes Trust*	14 (ret)	6	28	6		**14 flats** **40 houses**
2884 P/2003/2646	Le Squez Estate (Phase 1B), Les Cloches, St. Clement	15	3	5	2		**18 flats** **7 houses**
2884	Le Squez Estate	2					**2**

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B/2005/0346	(Day Centre and Flats), St. Clement						**flats**
4628 P/2006/0718	Le Marais Estate Low Rise (Phase 2), St. Clement	(-28)	(-20)				**(-48) flats**
P/2005/1998 tenure swap with Bagot Manor site	Clos Le Gallais, Field 1370, La Rue de Mont Sejour, St. Helier **(H2 site)** *Jersey Homes Trust*		2	11			**13 houses**
16320 B/2004/1283 U/C	Clos Des Charmes, Fields 181, 182 & 183, La Route de la Pointe, St. Peter **(H2 site)** *CTJ Housing Trust*	12	3	16			**12 flats 19 houses**
	Sub total (net)	**15**	**(-6)**	**60**	**8**		**77**
COMPLETIONS 2008							
3289/7514	Field 40, La Rue du Maupertuis, St. Clement **(H2 site)** *Les Vaux Housing Trust*			10			**10 houses**
1380 B/2008/0839	33-34, Grasett Park, St. Saviour			2		(-1)	**2 (-1) houses**
P/2006/0048	Field 690A, Maufant, St. Martin **(H2 site)** *Jersey Homes Trust*			19			**19 houses**
3764/Y PB/2000/2134	Clement Court, Ann Street (former Cleveland Garage / St. Helier Garages), (Phase 2), St. Helier.	6					**6 flats**
3636 P/2005/1424 B/2006/0152	Aquila Youth Centre, Great Union Road, St. Helier (over 65's) *Les Vaux Housing Trust*	26 ret					**26 ret flats**
3511 P/2008/2409	Ann Court, Ann Place, St. Helier *(Properties empty late 2008)*	(-33)	(-34)	(-3)			**(-70) flats**
	33, 35, 37 & 39, Ann Street and 1 & 2, Clifton Place, St. Helier *(Properties empty late 2008)*		(-4) (-2)				**(-4) flats (-2) houses**
	Sub total (net)	**(-1)**	**(-40)**	**28**		**(-1)**	**(-14)**
COMPLETIONS 2009							
4628 B/2006/1011	Le Marais Estate (low rise) (Phase 2), St. Clement	18	1				**19**
4374 B/2009/0623	1, Victoria Cottage Homes, St. Saviour	(-2)					**(-2)**
	Sub-total (net)	**16**	**1**				**17**
TOTAL COMPLETIONS		**318**	**127**	**220**	**23**	**4**	**692**

Appendix 2:

SCHEDULE OF PURPOSE-BUILT FIRST TIME BUYER HOUSING COMPLETIONS, SINCE APPROVAL OF JERSEY ISLAND PLAN 2002

Ref.	**Site**	**Units by Type**					
		1 bed	**2 bed**	**3 bed**	**4 bed**	**5 bed**	**Total**
Completions 2002							
6262/S B/2000/!907	L'Abri, (Former Hodge Nurseries), La Grande Route de la Cote, St. Clement			34			**34 houses**
7215	Le Champ des Fleurs, (former La Motte Ford site), La Rue a Don, Grouville			1			**1 house**
4169/K B/2000/5010	Field 1078, Sion, La Rue des Houguettes, St. John		1	39			**40 houses**
16840/C PB/2000/1974	Field 615, La Rue de Patier, St. Saviour			17			**17 houses**
	Sub-total		**1**	**91**			**92**
COMPLETIONS 2003							
1377/X P/1998/2042	Woodville Hotel, St. Saviour's Road, St. Helier	4	55				**59 flats**
20067 PB/2000/1345	Albert Place, Albert Pier, The Waterfront (Phase 1), St. Helier	29	37	4			**70 flats**
18961 PB/2002/0338	Fields 378 & 379 & Field Cottage, La Rue a la Dame, Five Oaks, St. Saviour			22	10		**32 houses**
	Sub-total (net)	**33**	**92**	**26**	**10**		**161**
COMPLETIONS 2004							
14060 PB/2002/0709	Bagot Manor Farm, Bagot Manor Road, St. Saviour			21			**21 houses**
18961 PB/2002/1321	Fields 378 and 379 and Field Cottage, La Rue a la Dame, St. Saviour			20	11		**31 houses**
	Sub-total (net)	-	-	**41**	**11**		**52**
COMPLETIONS 2005							
NONE B/2003/1384	Le Squez (Phase 1A), 'La Gambrette', St. Clement			14	4		**18 houses sold 2007**
8871 B/2004/0259	Fields 786 and 787 (Westview Farm), La Rue des Cosnets, St. Ouen (H2 site)			22			**22 houses**
	Sub-total (net)			**36**	**4**		**40**
COMPLETIONS 2006							
4628 B/2004/0302	Le Marais Low Rise (phase 1), 'La Selliere', St. Clement			23			**23 houses sold**

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							2007
8871 B/2004/0259	Fields 786 and 787 (Westview Farm), La Rue des Cosnets, St. Ouen (H2 site)			14			**14 house**
5025 B/2004/0615	Field 203 (Le Clos Corvez), part 204 & 252, Jambart Lane, St. Clement **(H2 site)**			30	13		**43 houses**
	Sub-total (net)			**67**	**13**		**80**
COMPLETIONS 2007							
1365 B/2003/0228 U/C	Le Clos Vaze, Field 1218, Mont a l'Abbe, St. Helier **(H2 site)**		26	43			**69 houses**
2884 P/2003/2646	Les Cloches Le Squez (Phase 1B), St. Clement		5	31	4		**40 houses sold 2007**
4677 5025 B/2004/0615	Le Clos Corvez, Field 203, part 204 & 252, Jambart Lane, St. Clement **(H2 site)**			33			**33 houses**
16320 B/2004/1283	Clos Des Charmes, Fields 181, 182 & 183, La Route de la Pointe, St. Peter **(H2 site)**	9	2	30			**30 houses 11 flats**
14060 PB/2002/0709	Field 812A, Bagot Manor Farm, St. Saviour			1			**1 house**
	Sub-total (net)	**9**	**33**	**138**	**4**		**184**
COMPLETIONS 2008							
14060 B/2005/0506 Tenure swap with F. 1370, St. Helier	Field 812A, Bagot Manor Farm, St. Saviour			15			**15 houses**
3289 B/2006/1217	Field 40, La Rue de Maupertuis, St. Clement **(H2 site)**			13			**13 houses**
None P/2006/2489	La Providence, Fields 848, 851, 853 & 854, Bel Royal, St. Lawrence **(H2 site)**			11	5		**16 houses**
None P/2006/0048	Field 690A, Maufant, St. Martin **(H2 site)**			24			**24 houses**
	Sub-total			**63**	**5**		**68**
COMPLETIONS 2009							
462 B/2006/1011	Le Marais Estate (Low rise) (Phase 2), St. Clement			24	4		**28**
NONE B/2007/0424	La Providence, Bel Royal, St. Lawrence **(H2 site)**			17	18		**35**
NONE B/2007/0424	La Providence, Bel Royal, St. Lawrence **(H2 site – Homebuy)**			46			**46**
	Sub-total			**87**	**22**		**109**

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TOTAL COMPLETIONS	**42**	**126**	**549**	**69**	**-**	**786**

Appendix 3:

SCHEDULE OF SOCIAL RENTED HOUSING PROPERTY SALES ON THE OPEN MARKET, BY TYPE, 2004-2009

Ref.	Site	Units by Type					
		1 bed	2 bed	3 bed	4 bed	5 bed	Total
2004							
	101, Don Road, St. Helier			1	1		2 flats
	Sub-total (net)	-	-	1	1		2
2005							
	Amy's House, La Route de St. Catherine Fief de la Reine, St. Martin		1				1 house
	Winchester House, Winchester Street, St. Helier	3					3 flats
	Old Eastern Telephone Exchange & Cottage, La Rue de la Hambie Sous La Hougue, St. Saviour			1			1 house
	Old Station House, Corbiere, St. Brelade				1		1 house
	Caledonia Close, St. Helier	8					8 flats
	L'Hopital, La Route de St. Catherine De Rozel, St. Martin		1				1 house
	Sub-total (net)	11	2	1	1		15
2006							
	La Falaise, La Rue du Flicquet, St. Martin		1				1 house
	Sub-total (net)		1				1
2007							
	17, Devonshire Place, St. Helier			1			1 house
	19, Devonshire Place, St. Helier		1				1 house
	4, Boulevard Avenue, St. Helier					1	1 house
	39, Midvale Road, St. Helier					1	1 house
	Sub-total (net)		1	1		2	4
2008							
	Medina, Seale Street, St. Helier	3					3 flats
	Sub-total	3					3
2009							
	10, Duhamel Place, St. Helier	2		1			3 flats
	12, Duhamel Place, St. Helier	2		1			3 flats
	6, Pomona Road, St. Helier			1			1 house
	17, Charles Street, St. Helier				1		1 house
	Sub-total	4		3	1		8
TOTAL SALES		18	4	6	3	2	33

Note: The States 'Social Housing Property Plan, 2007-2016' provides for the sale of 27 houses on the open market.

Appendix 4:

SCHEDULE OF SOCIAL RENTED HOUSING PROPERTY SALES TO SOCIAL RENTED TENANTS (as first-time buyers), BY TYPE, 2007 and 2009.

Ref.	Site	Units by Type					
		1 bed	2 bed	3 bed	4 bed	5 bed	Total
2007							
	La Cambrette, (Le Squez Phase 1A), St. Clement			14	4		**18 houses**
	Le Selliere, (Le Marais Low Rise Phase 1), St. Clement		23				**23 houses**
	Les Cloches, (Le Squez Phase 1B), St. Clement		5	31	4		**40 houses**
	Sub-total		**28**	**45**	**8**		**81**
2008							
	Clos Des Sables, St. Brelade			2			**2 houses**
	Grasett Park, St. Saviour			4	1		**5 houses**
	Les Houmets, Grouville			1			**1 house**
	Le Bel Collas, Gorey Village, Grouville			1			**1 house**
	Sub-total			**8**	**1**		**9**
2009							
	Oak Tree Gardens, St. Helier			8			8
	Grasett Park, St. Saviour			6			6
	26, La Rue De Carteret, St. Saviour			1			1
	Sub-total			**15**			**15**
TOTAL SALES			**28**	**68**	**9**		**105**

Note: The States 'Social Housing Property Plan, 2007-2016' provides for the sale of some 773 houses and flats on a shared equity basis.

Appendix 5:

SCHEDULE OF KNOWN COMPLETIONS DUE FOR SOCIAL RENTED HOUSING, BY TYPE, BY END 2013

Ref.	Site	Units by Type					
		1 bed	2 bed	3 bed	4 bed	5 bed	Total
COMPLETIONS DUE 2010							
2884 P/2007/2849 Permit	Le Squez Estate (bungalows), Le Squez, St. Clement	(-19)					(-19) bungalows
4374 P/2006/1345 B/2009/0623 U/C	Victoria Cottage Homes, St. Saviour's Hill, St. Saviour		1				1 house
1365 P/2007/1213 Permit	Units 17 & 18, Le Grand Clos, St. Helier			(-2)		1	(-2) 1 houses
	Sub-total (net)	(-19)	1	(-2)		1	(-19)
COMPLETIONS DUE 2011							
4867 P/2008/1677 B/2009/0930 Permit	Clos du Paradis, La Pouquelaye, St. Helier			29 (-24)	1		30 (-24) houses
13439 P/2001/2087 B/2003/0592 B/2007/12 Permit+12U/C	Salisbury Crescent, La Rue Le Masurier, St. Helier	24 12u/c		2	7		24 flats 9 houses
P/2009/2082 Definite	Field 633, La Grand Route de St Pierre, St. Peter (LIFELONG HOMES)		14				14 bungalows
20609 Definite	1-3, Journeaux Street, St. Helier	10					10 flats
	Sub-total (net)	34	14	7	8		63
COMPLETIONS DUE 2012							
2884 P/2009/0780 Permit	Le Squez Estate (Phase 2), Le Squez, St. Clement	27	9 30	18			27 houses 57 flats
P.75/2008 7172 P/2009/2388 Planning App. pending	Field 274, La Lourderie, St. Clement (LIFELONG HOMES)		3 13				3 bungalows 13 flats
P.75/2008 P/2009/2419 Planning App. pending	Lesquende, Les Quennevais, St. Brelade (LIFELONG HOMES)		36 est.				36 flats
P.75/2008 7671 P/2008/2471 B/2009/0304 B/2009/0331 B/2009/0337 U/C	Fields 818 and part Field 873, Trinity (LIFELONG HOMES)		14				14 bungalows

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P.75/2008 P/2010/0126 Planning App. pending	Field 148, Rue des Maltieres, Grouville (LIFELONG HOMES)		20 est.				**20** **bungalows**
P.75/2008 8053 P/2009/1600 Permit B/2010/0234 pending	Fields 561 and 562, St. Mary (LIFELONG HOMES)		18				**18** **bungalows**
	Sub-total (Net)	**27**	**143**	**18**			**188**
COMPLETIONS DUE 2013							
Definite	Hampshire Gardens - Convert bedsits, Aquila Road, St. Helier	(-39) 22					**(-39)** **22** **flats**
P.75/2008 16840 Prelim. Advice	Fields 516, 516A, 517 and 518, St. Saviour (LIFELONG HOMES)		80 est.				**80** **flats**
P.75/2008 App. not yet submitted	Field 578, Trinity (LIFELONG HOMES)		6 est.				**6** **bungalows**
	Sub-total (Net)	**(-17)**	**86**				**69**
TOTAL COMPLETIONS DUE (net) 2009 to end 2012		**25**	**244**	**23**	**8**	**1**	**301**
Other Known Completions Due 2014 +							
2884 P/2007/2848 Permit	Le Squez (flats), Le Squez, St. Clement	(-16)	(-54)	(-30)			**(-100)** **flats**
2884 P/2007/2849 Permit	Le Squez Estate (houses), Le Squez, St. Clement		(-25)	(-18)	(-4)		**(-47)** **houses**
	Sub-total (Net)	**(-43)**	**(-79)**	**(-48)**	**(-4)**		**(-164)**

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Appendix 6:

SCHEDULE OF KNOWN COMPLETIONS DUE FOR FIRST TIME BUYER HOUSING, BY TYPE, BY END 2013

Ref.	Site	Units by Type					
		1 bed	2 bed	3 bed	4 bed	5 bed	Total
COMPLETIONS DUE BY END 2013							
P/2007/0223 B/2007/0654 B/2009/0397 U/C	Fields 190, 191 & 192, La Rue de la Sergente, St. Brelade **(H2 site)**			14			**14 houses**
P/2007/0223 B/2007/0654 B/2009/0397 U/C	Fields 190, 191 & 192, La Rue de la Sergente, St. Brelade **(H2 site)** **HOMEBUY**			12			**12 houses**
19304 Prelim. Advice PA/2009/2243 App. due	Field 873, Bel Royal, St. Lawrence **(H2 site)**			7			**7 houses**
19304 Prelim. Advice PA/2009/2243 App. due	Field 873, Bel Royal, St. Lawrence **(H2 site)** **HOMEBUY**			5			**5 houses**
2206 / 1365 B/2009/0038 U/C	Field 1218, Mont-a-l'Abbe, St. Helier **HOMEBUY on 6 units**			14			**14 houses**
(P.75/2008) App. not yet submitted	Field 578, Trinity			30			**30 houses**
(P.75/2008) 8053 P/2009/1600 Permit B/2010/0234	Fields 561 and 562, St. Mary			10	5		**15 houses**
TOTAL COMPLETIONS DUE				92	5		97

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Appendix 7:

SCHEDULE OF KNOWN COMPLETIONS DUE FOR OPEN MARKET LIFELONG HOMES, BY TYPE, BY END 2013

Ref.	Site	Units by Type					
		1 bed	2 bed	3 bed	4 bed	5 bed	Total
COMPLETIONS DUE BY END 2013							
8053 P/2009/1600 Permit	Fields 561 and 562, St. Mary **(P.75/2008)**		4				**4** **bungalows**
P/2010/0112 Planning App. pending	Field 605, St. John **(P.75/2008)**		17				**17** **bungalows**
7172 P/2009/2388 Planning App. pending	Field 274, La Lourderie, St. Clement **(P.75/2008)**	2	20 4				**20** **cottages** **6** **flats**
16840 Prelim. Advice	Fields 516, 516A, 517 and 518, St. Saviour **(P.75/2008)** *		98				**98** **flats**
1270 P/2009/2419 Planning App. pending	Field 91A, Belle Vue, (Lesquende), Les Quennevais, St. Brelade		24				**24** **houses**
TOTAL COMPLETIONS DUE		**2**	**167**				**169**

*** Plus possible 75-bed residential care home**

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Appendix 8:

SCHEDULE OF KNOWN COMPLETIONS DUE FOR SOCIAL RENTED LIFELONG HOMES, BY TYPE, BY END 2013

Ref.	Site	Units by Type					
		1 bed	2 bed	3 bed	4 bed	5 bed	Total
COMPLETIONS DUE BY END 2013							
11805 App. not yet submitted	Field 578, Trinity **(P.75/2008)**		6				**6 bungalows**
7671 P/2008/2471 B/2009/0304 B/2009/0331 B/2009/0337 U/C	Fields 818 and part Field 873, Trinity **(P.75/2008)**		14				**14 bungalows**
P/2010/0126 Planning App. pending	Field 148, Rue des Maltières, Grouville **(P.75/2008)**		20				**20 bungalows**
8053 P/2009/1600 Permit B/2010/0234 pending	Fields 561 and 562, St. Mary **(P.75/2008)**		18				**18 bungalows**
7172 P/2009/2388 Planning App. pending	Field 274, La Lourderie, St. Clement **(P.75/2008)**		3 13				**3 bungalows 13 flats**
Prelim. Advice	Fields 516, 516A, 517 and 518, St. Saviour **(P.75/2008)**		80				**80 flats**
1270 P/2009/2419 Planning App. pending	Field 91A, Belle Vue, (Lesquende), Les Quennevais, St. Brelade		36				**36 flats**
P/2009/2082	Field 633, La Grand Route de St Pierre, St. Peter		14				**14 bungalows**
TOTAL COMPLETIONS DUE			**204**				**204**

N.B. Land northeast of Maison St. Brelade zoned in (P.75/2008) for extension to nursing home (22 single bed units)

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Appendix 9:

SCHEDULE OF PROJECTED SALES OF HOUSING PROPERTY TO FIRST-TIME BUYERS, BY TYPE, BY END 2013

Ref.	Site	Units by Type					
		1 bed	2 bed	3 bed	4 bed	5 bed	Total
2010							
	Up to 25 sales predominantly on the following sites: Grasett Park, St. Saviour Oak Tree Gardens, St. Helier Gorey Village, Grouville Bashfords, St. Saviour 36½, Belmont Road, St. Helier Les Cinq Chenes, St. Saviour Clos de Roncier, St. Clement						25
2011							
	Up to 30 sales predominantly on the following sites: Grasett Park, St. Saviour Oak Tree Gardens, St. Helier Gorey Village, Grouville Bashfords, St. Saviour 36½, Belmont Road, St. Helier Les Cinq Chenes, St. Saviour Clos Du Roncier, St. Clement						30
2012							
	Up to 40 sales predominantly on the following sites: Grasett Park, St. Saviour Oak Tree Gardens, St. Helier Gorey Village, Grouville Bashfords, St. Saviour Les Cinq Chenes, St. Saviour Clos Du Roncier, St. Clement						40
TOTAL SALES DUE							95

Appendix 10:

SCHEDULE OF PROJECTED SALES OF HOUSING SOCIAL RENTED PROPERTY ON THE OPEN MARKET, BY TYPE, BY END 2013

Ref.	Site	Units by Type					
		1 bed	2 bed	3 bed	4 bed	5 bed	Total
2010							
	La Grande Maison 2 & 3, Le Grand Cotil, St. Martin		1	1			2
	30, Clos Des Sables, St. Brelade			1			1
	Britannia House, La Rue de la Mare des Pres, St. John		1	1	1		3
	St. Lawrence Arsenal, La Grande Route de St Laurens, St. Lawrence	4 flats		1			5
	Archirondel Cottage, La Route de la Cote, St. Martin		1				1
	Belleville, La Rue Du Crocquet, St. Brelade					1	1
	97, Don Road, St. Helier				1		1
	Modena, Clarence Road, St. Helier		1				1
	8, Belmont Road, St. Helier					1	1
	La Grande Maison Cottages 1&2, Le Grand Cotil, St. Martin		2				2
	Sub-total	**4**	**6**	**4**	**2**	**2**	**18**
2011							
	Britannia House, La Rue de la Mare des Pres, St. John		1	1			2
	Sub-total		**1**	**1**			**2**
TOTAL SALES DUE		**4**	**7**	**5**	**2**	**2**	**20**

Note: The States 'Social Housing Property Plan, 2007-2016' provides for the sale of 27 houses on the open market.

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Appendix 11:

STATUS OF ZONED CATEGORY A SITES (@ 10th June 2010)

REMAINING H2 SITES APPROVED AS PART OF THE 2002 ISLAND PLAN

On 11 July 2002, the States of Jersey approved the 2002 Island Plan which rezoned 11 sites throughout the Island for Category A housing. Out of those eleven sites, only the following two sites remain to be developed.

H2 (8) Field 190 – 192, La Rue Sergente, St Brelade ***(indicative yield: 27 homes)***

A planning application (P/2007/0223) was received from a private developer on 26 January 2007 for 26 homes. The application was approved on 11th February 2008, subject to a planning obligation agreement being entered into, which is in the process of being drawn up.

A building application (B/2007/0654) was submitted for 27 homes on 28th January 2007 and approved on 19th December 2008. A revised building application (B/2009/0397) for 26 homes was submitted on 1st May 2009 and approved on 3rd December 2009. Work started on some preliminary site works on 2nd July 2009.

The developers are looking to start construction work this summer and estimates that the development will take 15-18 months to complete. They are currently envisaging completion around the end of 2011. Delays to-date are largely put down to the impact of the Credit Crunch, including increased difficulties in obtaining development finance and the lack of available / affordable mortgage finance for prospective purchasers.

H2 (10) Field 873, St Lawrence ***(indicative yield: 14 homes)***

More recently, because of the topography and the restricted nature of the site, the Department took the view that this site can only accommodate a Category A housing development for 10 dwellings, providing 5 first time buyer and 5 Jersey Homebuy dwellings.

Recent discussions and correspondence have taken place with the landowner's architect, who is currently investigating the feasibility of developing the site. The architect wrote in to the Planning Department at the end of November 2009 seeking preliminary advice for an initial scheme of 12 dwellings (PA/2009/2243) and a response was provided on 16th March 2010. A planning application has yet to be submitted.

Delays to-date have largely been down to the unwillingness of the former land owner to see the site developed. However, the land has recently been inherited and active attempts are now being made to progress the development.

P.75/2008 SITES APPROVED BY THE STATES OF JERSEY IN 2008

On 16 July 2008, the States of Jersey approved Projet 75/2008, which rezoned 8 sites throughout the Island for Category A housing.

On 25 February 2009, the Minister approved the Planning Briefs and interested parties were invited to submit applications.

The planning department has held discussions on all of the sites, which are being progressed and are at different stages of advancement.

Fields 818 and part of Field 873, Trinity ***(indicative yield: 12 x Social Rented Lifelong Homes)***
A planning application (P/2008/2471) was received from the Parish of Trinity on 25 November 2008 for 14 lifelong dwellings. The application was approved on 18 February 2009.

Three building applications for the 14 units (B/2009/0304, B/2009/0331 and B/2009/0337) were subsequently approved on 3rd July 2009. Work started on-site on 14th October 2009.

Land north east of Maison St. Brelade ***(indicative yield: extension to form 8 units of accommodation)***
A planning application was received from the Parish of St Brelade (P/2008/2065) on 19 September 2008 for a 21 bedroom extension to Maison St Brelade. The application was approved on 18 February 2009. The building consent (B/2009/1208) followed on 3rd February 2010.

The project is currently out to tender. The scheme will then need to be costed out, so the Parish can consider how best to fund the development before taking it to a Parish Assembly. It is hoped that the project will commence early next year and it looks likely that there will be a series of phased stages over the next 4 or 5 years.

Fields 561 and 562, St. Mary ***(stipulated yield: 33 homes – a mix of f-t-b and both social rented and open market Lifelong homes)***
A planning application was received from a private developer (P/2009/1600) on 21 August 2009 for 33 dwellings, providing a mix of first-time buyer, open market lifelong dwellings for the over-55s and lifelong dwellings for social rent. The application was approved, subject to a planning obligation being entered into, on 12th November 2009.

A building application for 33 dwellings (B/2010/0234) was submitted on 12th February 2010 and the decision is still pending.

The developer envisages starting as soon as building consent is granted. It is estimated that the project, from commencement, will take 15 to 18 months to complete. The developer has alluded to a certain amount of delay whilst efforts were made to resolve drainage issues at the site.

Field 274, La Lourderie, St. Clement ***(indicative yield: 34 Lifelong homes)***
Access to the site is dependent on the developer acquiring the property 'Highworth'.

Following the issue of the development brief in February 2009, an initial design meeting took place on 12 June 2009 between the developers architect and the planning officer to provide a mix of approximately 34 lifelong dwellings for older people (over 55). An application for preliminary planning advice was received from a private developer on 18 August 2009 and a response provided on 12 October 2009.

More recently, a planning application for 42 homes (P/2009/2388) was received from a private developer on 23 December 2009 and is currently pending.

Field 605, St. John ***(indicative yield: 16 Lifelong homes)***
A planning application (P/2010/0112) was received from a private developer on 1 February 2010 for 17 open market lifelong dwellings for older people (over 55) and is currently pending.

The development of this site is linked with the development of Field 148 Grouville (see comments for next site) and it has been necessary for the developer to obtain agreements with the Parish Constables in question and negotiate necessary land swaps. The developer remains keen to progress the scheme at the earliest opportunity. As soon as he gets planning permission, he will make an application for building consent. It is anticipated that, following commencement, the scheme will take 15 months to complete.

Field 148, Rue des Maltières, Grouville ***(indicative yield: 20 Lifelong homes)***
A planning application (P/2010/0126) was received from a private developer on 1 February 2010 for 20 social rent lifelong dwellings for the Parish of Grouville. Amended plans have since been received and a decision is currently pending.

Field 605, St. John and Field 148, Grouville will be tied together with a planning obligation agreement which will deliver a 45% open market life-long homes on Field 605 and 55% social rent homes on Field 148 (reflecting the wish of the owner to offer all the homes built on Field 148 to the Parish).

The developer is keen to progress the scheme and will apply for building consent as soon as he get planning permission. It is anticipated that, following commencement, the scheme will take 15 months to complete.

Fields 516, 516A, 517 and 518, St. Saviour ***(indicative yield: 98 open market Lifelong homes and 80 social rented Lifelong homes)***
Discussions took place with the former owner / developer for several years, to develop a mixed tenure retirement village, initially consisting of approximately 98 no. open market and 80 no. social rent lifelong dwellings (for people over 55). In that time the former owner/developer also reached an agreement with the Parish of St Saviour to provide them with thirty social rent lifelong dwellings free of charge.

The initial proposals also included a residential care and dementia home, guardian accommodation, indoor and outdoor recreational facilities, shop, surgery, car parking and amenity space. A public car park to relieve potential on-street parking in Chasse Brunet and amenity open space were also be provided as part of the development.

In July 2009, the Minister for Planning and Environment introduced a requirement for Environmental Impact Assessments to be carried out on large residential schemes and because of the size of this development an EIA was been requested.

Following the release of the planning briefs in February 2009, the former owner/developer and his architect held a series of meetings with planning officers to resolve identified design issues. It had been expected that a planning application would follow, but, in view of the financing difficulties arising from the 'Credit Crunch', the former owner/developer decided to make significant changes to the "style" of the development.

More recently, it is understood that the land has been sold on to another developer. No application has yet been submitted.

Field 578, Trinity ***(indicative yield: 36 homes - a mix of f-t-b and social rented Lifelong homes)***
It is anticipated that this site could accommodate approximately 30 no. first-time buyer and 6 no. one-bedroom lifelong dwellings.

An application has yet to be submitted. However, the Parish has had initial discussions with the Housing Department to discuss the way forward regarding the financing of the scheme and the purchasing of the proposed properties. The Constable considers that there may merit a review of the housing mix for the site, but remains hopeful that the development will be completed in the first five year period of the draft Island Plan.

OTHER RECENT CATEGORY A PROPOSALS

Le Squez Estate Redevelopment (Phase 2)

A planning application was received from the Minister for Housing (P/2009/0780) on 8 April 2009 for redevelopment to provide 76 Category A dwellings. The application was approved 9 July 2009.

Uplands Hotel (Field 1218)

Planning permission was granted (P/2006/2648) for 14 homes on 15th January 2009, to comprise 8 first-time buyer homes and 6 Jersey Homebuy homes. A building application (B/2009/0038) was subsequently approved on 4th February 2009 and work started on-site on 17th November 2009.

An additional planning application was received from a private developer (P/2009/1092) for the northern part of the Field on 29 May 2009 for a Category A housing development for 10 dwellings, providing 5 first time buyer and 5 Jersey Homebuy dwellings. This is currently pending.

Field 91A Belle Vue,

A planning application was received from Jersey Property Holdings (P/2009/2419) on 31 December 2009 for a mix of approximately 36 apartments and 24 dwellings for older people (over 55) and is currently pending.

H3 (12) Field 633, La Verte Rue, St Peter

In November 2009, the Parish of St. Peter submitted a planning application (P/2009/2082) for 14 social rented lifelong retirement homes and 1 warden's unit. The Minister was minded to approve the application, but the permit was held back for a States debate. In June 2010, the States endorsed the Minister's intentions to grant permission and a permit was issued on 1oth June 2010.

Appendix B

Social Housing Demand (June 2010)

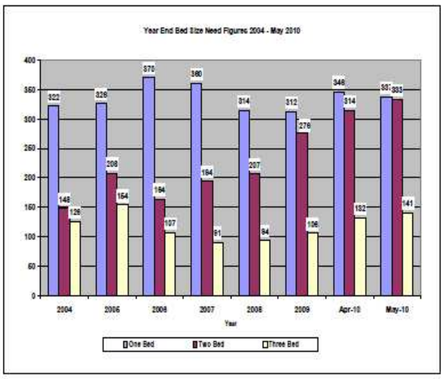
Social Housing Demand (June 2010)

Housing Departments' waiting list figures

The Housing Department's current waiting list figures form only part of the story about the need for affordable housing.

The numbers of people on the Departments waiting list should be regarded as very much the minimum number of those in need. They are of course all real people, in need, who have been visited by Housing Officers and assessed in accordance with the Departments current allocations criteria.

Analysis of the waiting list figures shows that there has been a steady upward trend from 2007 to 2010 which demonstrates a growing need for social housing. The latest figures (May 2010) show a total of **458 new applicants waiting for social housing.** A further **383 are existing tenants on the transfer** list needing to either downsize or move to larger or more suitable accommodation.



There are other social housing providers who have their own waiting lists and registers such as Housing Trusts, Parishes and Charities. As applicants can apply to as many social housing landlords as they wish, it is unclear where there is duplication (people on more then one waiting list for social housing). Achieving greater clarity requires the development of the Affordable Housing Gateway, ensuring that it is used for all Category A accommodation is probably best achieved through planning obligations.

Income Support indicators

Another indicator of the need for social housing is Income Support. Data from the Social Security Department indicates that there are **1,684 people renting in the private sector and claiming the housing component of Income Support**. It is likely that a sizeable proportion (assume 50%) of these people would be eligible for social housing were it available.

Of those there are currently **517 of them who are paying rent which exceeds the Income Support limit** (or fair rent level).

Income Support Figures	Rent less than limit of Income Support	Rent more than limit of Income Support
Private rent	1,195	517
States Housing	2,838	0

This indicates that those 517 recipients, at least, may benefit from some form of social housing as they are unable to be fully assisted through income support in their private sector accommodation, given the notably higher rents.

Problems caused by the lack of supply

It is likely that the current lack of supply and progress on those sites already zoned will halt or at the very least slow down the Housing Departments' refurbishment programme. These projects need tenants to be decanted into alternative homes and the lack of progress must be a major concern. This problem is likely to affect La Collette Flats redevelopment, Hampshire Gardens redevelopment, De Quetteville Court, Caesarea Court and Convent Court. The detailed waiting list figures supplied regularly, demonstrate that there is significant blocking of family sized accommodation by those needing to downsize into life-long homes.

Best estimate of current social housing need

1,300 UNITS – Predominantly life long homes
(50% of those on IS in Private Rented Accommodation + Housing Department Waiting List)

Draft Island Plan
Examination in Public

Day 5: Monday 27 September 2010
Session 1: Housing supply and demand

Attendance
Mr. Chris Shepley, Chief Inspector
Mr. Alan Langton, Assistant Inspector
Dr. Duncan Gibaut, Head of Statistics, Chief Minister's Department, States of Jersey
Mr. Ralph Buchholz, Island Plan Project Manager and Senior Planner, Planning and Environment Department, States of Jersey
Deputy Sean Power, Minister for Housing
Mr. Carl Mavity, Housing Department, States of Jersey
Mr. Carlo Riva, Association of Jersey Architects
Mr. Andrew Morris, Jersey Chamber of Commerce
Mr. David Parker, Pioneer
Mr. John Mesch, Council for the Protection of Jersey's Heritage
Mr. Mike Dun

Mr. Chris Shepley:

Well the EiP now resumes, welcome to the session on Housing [*other introductory remarks and details*].

The first part of the day is concerned with questions of supply and demand and so on; the first three questions that we asked in the original list of topics and participants that we sent out. And in their note in response to the statement by Pioneer on housing demand and supply, the States did say that it would have been useful to have an unequivocal up-to date summary document to explain how the housing requirement figures have been arrived at. And I suspect that that's a statement of the States which we would all agree with but that document doesn't exist and, I understand, isn't likely to, although we'll come back to the maybe later. However, in substitution, we have with us Dr Gibaut, who is Head of the Statistical Unit, who spoke to us at the seminar on housing which many of you attended about housing need and Dr Gibaut is going to go through the whole process of how the housing need or demand figures were arrived at now and a transcript of what he says is going to be produced. Everything is being recorded and for this section of the EiP, a transcript will be produced.

When he has finished his presentation, there will be two stages after that.

Firstly, I will ask people if they have any questions of clarification; fact; anything they don't understand; not commenting on them I should say but just clarifications, and that will form part of the transcript so that we have the whole picture, as it were, in that form and it will save us taking very detailed notes, although we will take notes, and we will be able to return to that later.

Then having got the clarifications and questions out of the way, we will have a debate about the questions that we have set.

Dr. Duncan Gibaut:

Thank you, I think the question that has been asked to the Panel is '*is the estimate of demand accurate, comprehensive and justified*?' That is my understanding. Rather than going into gory details of calculations on spreadsheets that exist on my computer back at the Stats Unit, what I want to do is talk at a much higher level, conceptually about what's going on. I don't mind being interrupted and being asked questions, I don't quite know how the Chair wants to do this but I'm quite happy, if I start talking and perhaps head off onto issues that are quite, they are going to be quite obtuse and quite technical people might want clarification as we go ahead rather than at the end.

Mr. Chris Shepley:

I am happy for that to happen, as it were, within reason. There is a danger of going off down tangents but I will afford people an opportunity for questions at the end but if people think it would be particularly helpful to do it in midstream, with restraint, then I'm happy for them to do it.

Dr. Duncan Gibaut:

So '*is the estimate of demand accurate, comprehensive and justified*? Let's talk about accuracy first. Two parts to the concept of accuracy: the first is the definition of accuracy, and secondly we need to talk about probabilistic versus deterministic results.

The definition of accuracy: two parts to that: statistical uncertainty and a systematic uncertainty. The probabilistic versus deterministic: what I mean by that is that these calculations of demand are based on population modelling which is based on probability density functions resulting from analysis that was conducted on the Jersey population and analysis that was derived from survey. So very important when you talk about accuracy: what do you mean? Statistical uncertainty and systematic uncertainty. And, overriding all of that, remember that this is a probabilistic analysis based on density functions as opposed to a deterministic analysis where here's a number in what's the number out? OK?

Right. The modelling, the numbers for demand, our estimates of demand over the next five years and the five years thereafter, that is the timescale of the Island Plan Review, are based on a Jersey Population Model. This is a population model that we have developed in-house in the Statistics Unit since about 2004-2005 we have been working on that. The point is that this is Jersey-specific. It is not based on some UK or England set of consultants, or as in the past: the government actuaries department who have produced population statistics for Jersey, population projections for Jersey; this is a Jersey-specific model. And it has had a good going over by the Govt Actuaries Dept in the UK who used to run Jersey population projections, for example, for things like the Social Security Actuarial Fund.

The population model developed by the Statistic s Unit has had such a good going over, all over the gory spreadsheets, the detail, by the actuaries in the UK such that they are now using it. These are the departments that run the UK projections for all the jurisdictions in the UK – and their so, it's such a health guarantee, a fit-for-purpose guarantee, that they are now using the Jersey model and particularly the Jersey migration dynamics within it for the Jersey projections, so it is not just something Stats Unit has done. This is very robust piece of work that is actually being used by top-level UK government actuaries department. And by Jersey-specific, it is based on Jersey data, Jersey age-specific birth and death rates. We look at data from Health, we look at the age distribution of mothers giving birth in Jersey, age-specific birth rates, age-specific death rates. Again we look at the age-specific death rates relevant for Jersey not those in the UK or England, which is actually closer, but Jersey. So the model is Jersey-based and that is very important to bear in mind.

The model is also projections of individuals. That is also very important to bear in mind.

So we run the model and we get projections for the population each year for 2000, for whenever we start, and can roll it forward for decades for number of individuals. What are the calculations that we use to convert that into numbers of households, which I will come to in a minute.

Another important point is the migration dynamics. Again these are Jersey-specific. By migration dynamics I mean the net migration, whether it be inward or outward, for a given period, is the difference between two large flows: a large flow of individuals coming into the Island, several thousand each year, and a large flow of individuals, not necessarily the same individuals, leaving each year. The difference in that is the net migration. We model those flows.

So we model flow of inward migration and migrants, particularly J-category and non-qualified, and also the outward flow, also J-category and non-qualified. So the migration dynamics: it's a dynamic model and not a static model and one that is just dropping its own number in every year, that was what was done in the past by the Govt Actuaries Department. So it is actually a much more sophisticated model based on what I would call probability density functions from Census information and survey information.

So worth bearing in mind, it is a Jersey-specific model, it's very detailed and has been given robustness and a fit-for-purpose type of looking over by the Government Actuaries Department.

From that, we get numbers of individuals every year up until as far as you want to go. This is quite short-term, this is forward just ten years. It has been used for the development of the Strategic Plan over two to three decades. It has also been used by the Government Actuaries Department for the Social Security Fund to 2070. So these projections are being used for major strategic and actuarial-type initiatives. And of course, they will change as we get more information. At the moment, the projections are based on information from 2007. Of course, we are running a Census on March 27 next year and that will provide us with a new baseline. A new baseline for what the total population is and all the population density functions within it. So that's worth bearing in mind.

So, it's also worth bearing in mind the results are probabilistic not deterministic: if we look at the headline results that is over the first five years of the Island Plan the demand from this population model is of order 1,500 households, 1,500 developments for the first five years, 1,500 in the second five years and then, of order 500 latent demand in each of the five year periods, which I will come to in minute.

So we've got this population model that is robust, giving us numbers of individuals, we then can convert that into numbers of households by again modelling average household size. And we have information on average household size going back decades for Jersey, also going back to the time of the Census and also going back over our social surveys and particularly, at a very detailed level, from the 2007 Housing Needs Survey. So we can convert numbers of individuals, from population projections, into numbers of households. With a little bit of other modelling on the side, for example: the proportion of residents living in communal establishments. So bear that in mind, going from projections of individuals to households, it's probabilistic not deterministic. That is, you have to look at some statistical uncertainty on the final results on the 1,500 for the first five years, or the 500, that is what I mean by what's the definition of accuracy. There is statistical uncertainty.

There is also the very important point, what is the systematic uncertainty? What is the potential bias? One can be extremely accurate in terms of precision, which is what people tend think of accuracy, extremely accurate, but measuring in the wrong place i.e. there is an implicit or intrinsic bias. Yeah, an offset. To measure that is very difficult.

In a one-off exercise, like population modelling, what you do is look at other sources of information. Well, we have the Housing Needs Survey 2007, we have previous rounds of the Housing Needs Survey and we can look at the distribution of demand within the phase-space of tenure, size and other variables, to see how that has changed from 2002, 2004 to 2007. Looking at the distribution that we are getting back.

By phase-space I just mean the variables describing tenure, sorry describing demand. Has that changed? Is there something that is very different? Well, the levels might change but the distributions look very similar from one to the next. So that's addressing the fact that there doesn't seem to be an implicit bias. But also when we come up with the results of the latest social survey, where we included a mini-housing needs survey.

A housing need survey is an enormous exercise, we last ran it at the end of 2007, 10,000 households sampled randomly, with chase-up etc, meant 15-16,000 forms were sent out: that's an enormous exercise. You can run a mini version of that through our vehicle the social survey, which we did, in 2009, and the results that we got out from that, again the distributions were very similar i.e. the demand by size and tenure in the two dimensions of space and size of tenure, the distributions looked very similar and the levels changed slightly, but not significantly. Not statistically significantly. But one would expect levels to change as you proceed through economic cycles.

The economic cycle in 2007 was clearly at the peak of the last economic cycle. In 2009, we are going to be measuring, we will be publishing the results this week, it is clearly a different part of the cycle. Nevertheless, the distributions that we are seeing from different sources are very similar, suggesting that the bias there is very small. That we are not measuring something with high precision of statistically uncertainty, but in the wrong place.

So by accurate, I would say yes, the results are accurate in the context of statistical uncertainty and systematic uncertainty i.e. bias, but also must be taken into the context of being probabilistic i.e. that is not going to be the exact number, there is going to be an uncertainty, of order plus or minus 200, on each five year period. Statistical uncertainty. How do I do that? I run the model several different ways with several different input parameters looking at, for example, change in the migration dynamics - the proportion of J-cats and non-qualified, changing the proportion of, or rather the level of net-migration, and changing the birth rates and death rates slightly. All sorts of input parameters into the model can be changed, looking at the effect of those, looking at the change you get, you get uncertainty of order plus or minus 200. So remember that the results are statistical, i.e. probabilistic not deterministic. OK?

Mr. Mike Dun

Did you say you were going to allow questions whilst this is going on?

Mr. Chris Shepley:

I said with restraint

Mr. Mike Dun

With restraint, yes.

Mr. Chris Shepley:

I don't want to keep going off down side tracks and you will have an opportunity to ask questions at the end.

Mr. Mike Dun

Cos I'm just wondering that this analysis might take us up to lunchtime?

Dr. Duncan Gibaut:

No, I'm nearly done now actually.

Mr. Mike Dun

Right, OK.

Dr. Duncan Gibaut:

Honestly, that was the tricky one. Accuracy, I've given lectures on that. I won't go off on.....

Again, forgive me if it does get rather technical but these are technical questions and I just want to define accuracy, it's important to understand what accuracy means and what and probabilistic is versus deterministic, that's important.

That's population modelling, and we then, like I say, convert that into households by assuming a household size and the statistical uncertainty that you get. That's how we get of order 1,500 for each five year period of the timescale of the Plan. What about the latent demand, what about this plus 500 that is assigned at the front end or assigned within or on top of, I should say, the 1,500.

Well, that's mostly got from the Housing Needs Survey, again a very comprehensive survey, 10,000 households randomly sampled: that's an enormously large sample. Most of our social surveys are run with 3,500 sample households so 10,000 we ran with. We don't gain an awful lot of accuracy by dialling things up, for instance by square root, rather than being directly proportional. But never mind, we went with 10,000 households, randomly selected, and that's important, the word random, it means if you run a random survey the inferences which one draws, are they representative of the full population with appropriate weighting, post-stratification weighting. Run the survey, see what you get back, then you strata the survey, post-stratify the survey by calibrating it against distributions, for example Census distributions or other known island distributions. The point is that the Housing Needs Survey is random, large, representative i.e. inferences are representative of the population.

From that, what we get are numbers of demand over the period of five years, people were asked what are your intentions or, anyone in your household, to move within the next five years, OK? So much shorter term, not ten years, but what are your intentions, or are your intentions to move in the next five years. From that we get demand levels that are actually bigger than the numbers that we get from the population modelling, OK? And the primary component of the difference between the population modelling and the housing needs survey are what we call concealed households. That is households living within other households, for example, young chaps and women perhaps coming back from university, living with their parents, or other Jersey folk living with their parents, who actually, in principle, want to move into other accommodation to establish their own household. So it's a household that is essentially living within another household.

Now we do get a measure of that, we do calculate a measure of that component of it through the population modelling, through the decreasing household size. Two elements of decreasing household size are; single households emerging from a larger household to produce smaller households; but also the levels of net migration, for example, the non-qualifieds coming having smaller households, on average, than the resident population, so the non-qualified are helping to reduce the household size.

Nevertheless, there is clearly a difference between the demand we have seen from the concealed households in the Housing Needs Survey compared to the demand that we see from the population modelling through simply reducing the household size. And we've estimated that to be up to 1,000, but probably when we start putting, when we do more analysis, it's about 500. An upper limit of about 1,000, 500 is a more reasonable measure of looking at concealed household demand on top of population modelling and within the qualified sector i.e. owner-occupied, social rented, private rented. That's where the 500 comes from. It's additional homes not through population modelling.

And the assumption is, if that's there, for one five year period, well I must admit, we've seen it from previous rounds of the housing needs survey, we've seen levels of concealed demand greater than we saw in 2007 certainly, so when the last Island Plan was done in 2001/02 and I remember doing the same sorts of calculations. Concealed demand was much greater, the was clearly some build and clearly some housing… the concealed demand has gone down slightly so that has been addressed but also remember that this was being asked at 2007, peak of the economic cycle, so concealed demand is actually perhaps somewhat higher than it would be now.

500 is a reasonable estimate of the concealed household demand on top of the population model. That's how we in the Statistics Unit have come up with the numbers of order 1,500 over a five year period plus 500, and I should stress as well, of course I should have said this at the start, these are independently produced. Everything that the Statistics Unit does, and whether it be for government or the public or consultants or academics, it's always produced independently. These numbers are independently produced. We do get validation from other independent experts, for example, Government Actuaries Department.

Gosh, that's accuracy. That's the first word. Comprehensive..

Mr. Carlo Riva

Duncan can I just clarify just one thing. When you say 200 plus or minus; that is dwellings isn't it?

Dr. Duncan Gibaut:

Yes, that's plus or minus 200 dwellings.

Mr. Carlo Riva

And then the latent need, that sort of brings in the notion of aspirational progression doesn't it?

Dr. Duncan Gibaut:

Yes, absolutely

Mr. Carlo Riva

But you've had to apply some realistic criteria to that because we would all aspire to great big manors somewhere but there is an economic realism that needs to be added to that and I suppose that's modified it and brought it down from 1,000 down to 500.

Dr. Duncan Gibaut:

Absolutely, and it could be brought down further. I mean, we do statistical aspirational judgements, for example, looking at household size versus aspiration, for example if a one man band, a one person household, wanted to live in a three or four bedroom manor it's probably not realistic so that helps to reduce the number down from of order 1,000 to 500. OK?

However, there's also the very detailed Housing Needs Report and affordability, issues of affordability is addressed by looking at the income of households, the income of households in the demand distribution. And that's not up to statisticians to say where's the gateway, what's the threshold etcetera, so that level could be adjusted in principle, we have the information there. 500 looks like a realistic aspiration i.e. in terms of demand spread across household size and, and not accounted for by the population model.

Mr. Carlo Riva

Right, OK.

Mr. Mike Dun

Is it possible to make…

Mr. Chris Shepley:

Hang on, the rules are these. If you want to take part in the debate, please could you place your nameplate on end. We need to bring some order to this. So anyone who wants to speak now, should place their nameplates on end as Mr Dun has done and I will bring you in in the order in which you do it. We are now in the phase of asking for clarification. People may have things that they want to say but what I want people to do at the moment is to ask for clarification, to make sure that they all understand, what Dr Gibaut said. So Mr Dun.

Mr. Mike Dun

Yes, thank you. We sat in this room back in June was it, and we had a similar presentation from Dr Gibaut then, and the same, and I asked some questions then and it's appertaining to this accuracy question about…? We have a population of 92,000 which is presumably accepted as more or less accurate, there is a housing shortage, by definition, that's what we have a presumption of, I ask then, can you accurately say what is the extent of the housing shortage now and I ask then, under the predictions that you have made, and it's complicated I imagine, for the lifetime of this projected Island Plan, will that housing shortage cease to exist? In other words will the entire population of the Island, as the Island philosophy and planners say it must be, everybody must be adequately housed, does it address that entire 92,000 people? If not, how many are not addressed and what figure, with all these comings and goings and all the rest of it, the population is going to be at least 92, I presume you have something more accurate predictions, if that's going to plan is to increase the population, on that basis alone, accurately, will that housing shortage cease to exist within the Island Plan, and the other factor is, on accuracy, what is the effect of CSR on your predictions? What, what is that likely to do, the cuts that are planned, the very dramatic cuts on spending which are planned, how's that affecting your predictions?

Dr. Duncan Gibaut:

Several questions there. The first one, will this address the Island's perceived shortfall in housing and will it cease to exist in the timescale of the Island Plan? That, of course, as a statistician, I can't say yes or no, of course, as a statistician, you will get a probabilistic answer.

What you have is these numbers will address the shortfall at the time of the start of the Island Plan .i.e. the population as it stands, and the economic circumstances as they stand, as manifested themselves in aspirational, realistic or otherwise demand. So the population, as it stands, in 2009, first year of the Island Plan, or the start of the Island Plan period. These numbers here will address, in the circumstances of the resident population, and the economic circumstances pertaining at the time, will address those shortfalls. As to what happens between now and the end of the Island Plan, well, things may change, the population may change, migration dynamics may change, economic circumstances may change, hence households demands, requirements, aspirations may change. As we stand at the start of the Island Plan, these statistics, the analysis that we have done and the outputs of 1,500 plus 500 for a five year period will address, as the situation stands, with, as far as we understand, at the start of the Island Plan.

As effected the CSR, not quite sure where you are coming from with that, that will I guess impact, help me on this, on economic circumstances of resident households. That is, of course, hard to model. If you mean CSR with respect to the Stats Unit, again, that's something that I'd have to take on board, but I am not quite sure what you mean by CSR: it is part of changing economic circumstances

Mr. Mike Dun

Well, CSR, without interrupting you, is the comprehensive reduction in spending 2%, 3% and up to 10% over a very short period of time, certainly within the timescale of the Island Plan, it's spending on all things, including presumably public housing expenditure, public expenditure on everything is to be reduced by a huge amount with huge implications as far as population accuracy. The Statistics Unit would have considered I would have thought, I mean, numbers of jobs, numbers of people, how, how, I mean basically if the 2002 Plan was useless as far as predicting the future is concerned, is sounds to me, and I don't want to be rude, but as I said back in June, your statistics are virtually useless anyway because there's nothing, it's so uncertain what's going to happen during the time of the Island Plan that you might as well just not bother.

[Laughter]

Don't take it personally

Dr. Duncan Gibaut:

As a West Ham fan I never take anything personally. All one can do, the analysis to best standards of international practice, consulting with experts who do this in an unbiased way, the Government Actuaries Department for example…

Mr. Mike Dun

Is that the ones who run the banking system by the way?

Dr. Duncan Gibaut:

…and the situation, the analysis that we've done, for the first year of the Island Plan represents our understanding of what demand was. In terms of how CSR will impact on planning and housing policy, that's not certainly for me, as a statistician, to comment upon. What I can comment upon is that the economic circumstance may change over the period of the Island Plan, it may be driven by things like CSR, it may be driven by global markets etcetera, however, where we stand now, and our best modelling of the population, and converting that to households, through housing modelling, that's what statisticians do.

Mr. Chris Shepley:

Thank you Dr Gibaut. I have Mr Morris, Mr Parker and Mr Mesch, and Mr Riva. Again, we are still on clarification if possible, and Mr Dun strayed away from clarification if I may say so, but I'm trying to get to the factual basis of the demand, so Mr Morris:

Mr. Andrew Morris

Thank you. A couple of questions. I've got quite a few questions but I am just going to keep this one specific to housing needs. The questions relate to: one is, you surveyed 10,000 houses, households. I would like to know how many replied?

I'd also like to understand, as far as I am concerned, I believe that there is another housing needs survey coming up soon and would your opinion be that that may affect the figures that we are projecting for the next ten years, because you said there was quite a difference in the one but previous survey, and my final question, with regard to the Housing Needs Survey, is the latent demand, have you looked at the UK for their latent demand and is there any difference between Jersey and the UK with regard to the amount of latent demand i.e. is there something strange here where children tend to stay in households longer than in the UK because of the high house prices or such like?

Mr. Chris Shepley:

Dr Gibaut, before you respond to that, there is a document at BT5 and I do appreciate that whilst not everyone has read BT5, which sets out the results of the Housing Needs Survey, I have read it and so there is some, from my point of view as Inspector, some danger of you simply telling me something that I already know, which doesn't help me very much. Obviously from your point of view it's important that you understand this stuff as you have a number of questions about it but if people could bear that in mind. There are other documents, similarly BT6 and BT 6(b), which deal with the future requirements for homes and so on. There is a lot of documentation behind us which the Inspectors have read and by and large understood, but another lesson Mr Morris. Dr Gibaut..

Dr. Duncan Gibaut:

I've jotted your three questions down. The first one was response rate was 56%, so we had more than 5,500 responses which, it was a very onerous survey, that's a fantastic response rate. For example, for our social surveys, we get about 1,500 – 2,000 responses back. With that sort of response one can draw inferences about the full Island population to plus or minus 2%, plus or minus 3%. Are you for or against the smoking ban, for example, 80% plus or minus 2 or 3 % from 1,500.

5,600, the accuracy will much better than that, it doesn't improve by factors of three, this is where we get the square root effect coming in, so improvement is by the square root of three, so 2-3% accuracy, it will probably be around 2% accuracy. 56% response rate though is a superb response rate for a voluntary survey that really was very burdensome. It was tens of pages, but it also does highlight the interest of the local population that this is a major issue. If we run a survey that is not very interesting, we are not going to get a very good response rate and we have done that in the past, whereas this one is possibly one of the higher response rates we've ever had, especially when it was such a burdensome survey, it was very, very good.

The next housing needs survey, and it is a good question actually, and I have to juggle, within CSR constraints obviously, and what the activities of the Statistics Unit are over the next three to five years, when is the next housing needs survey? The first was run, gosh, in about 2001, then we ran another one in 2004, 2007. We are running up against the Census and that is occupying my unit an awful lot of the time but importantly it does provide us with all the benchmarks, all the baseline data, all the calibration, all the distributions, these probability density functions, the shapes of households, by age, gender, residential qualification, so we can't, it wouldn't be sensible to run another housing needs survey before the Census. Earliest estimate would be 2012. Earliest estimate but bear in mind that also has to be factored in with other things that I have prioritised within in the Statistics Unit and particularly within the constraints of CSR. But another housing needs survey would be on the radar let's say from 2012 onwards.

Latent demand with respect to the UK. I must admit that I haven't looked at that. Tend to focus with what is going on in Jersey, but there are lots of issues with what is going on across the UK overall. England versus Scotland for example, the birth rates and death rates are very different. Different numbers of workers and other things that I can look at, certainly economic activity rates are much higher in Jersey than in the UK, numbers of workers per household much higher in Jersey than in the UK. It was about 1.25 per household compared to less than 1 in the UK, suggesting that not only is, are our households working more for various reasons, cost of housing for example, but also because of concealed household rates. I must admit we don't spend, yes we do compare with UK a great deal but I haven't looked at that. Does that answer the three questions?

Mr. Chris Shepley:

Yes it does, thank you very much. Mr Parker.

Mr. David Parker

Thank you sir. These really are points of clarification. Where I have been confused throughout my reading is between what I call housing need and housing demand, by which I'm referring to effectively market demand, or owner-occupation to give it character, and non-market demand, those households that need assistance. And I continue to be confused this morning by the use of the word demand.

You talk about latent household and concealed households. Two points of clarification there. When measuring those, there are political and statistical judgements behind how we rate them. First of all, if you start talking about the various pent up latent demand that emerging households that are unable to emerge, what political assumptions have been made about them? Are we expecting all households to be able to emerge and are we expecting them to have whatever they want at the age of 16, the age of 18, age 25. Has that been a debated point?

And my final point, the affordability distribution that you referred to for concealed households, am I right in saying that that's in the 2007 document, with the reference to the ratio between household income and house price. It's, as you quite rightly identified you can decide where you are going to set an acceptable threshold, has that been assessed in terms of the relationship between household income and the proportion of their income that actually goes to the house price? Post-2007 you would have expected to see the price of housing going down and then the cost of achieving finance to access housing to go down. So that the same household, on the same income they should be able to consume more because whilst they've stood still, the prices have gone down. The ratio that's in your study wouldn't necessarily reflect that assumption.

Dr. Duncan Gibaut:

Thanks, I've tried to jot down your questions. Your first question relates to the word demand. Again, it is not for statisticians to judge as to what is need, or what is demand and what is aspiration. I think that is a political decision as to what is demand and how you define it in terms of need.

And that also relates to your question about latent and concealed households. How much of pent up demand of concealed households does one address? Zero to what, zero to 100%, I don't know that is not the statistician's job. All I can do is provide you with what's the level and what's the distribution and other interesting information, such as what is the income distribution of such concealed households. And it's very much, as I say, up to planning and housing and policy makers to decide about how you construct gateways, and what level of demand, whether it be pent up, need, or whathaveyou, should be addressed. It is for the statistician to provide the information, not to look at adjectives or political issues.

Affordability, yes, we certainly, we measure quarterly the House Price Index. We've just, today, published an income distribution survey, which again may well inform this discussion. A very detailed income distribution survey looking at the income of households over the 2009-2010 period: a 40-pager I'm afraid. It does have an awful lot of good new information in there.

House Price Index, in Jersey housing prices did actually remain very resilient, very robust for about two years, in 2007 and 2008, one might have expected, as it did in the UK, house prices to go down, but we didn't see that, with house prices being maintained throughout 2008 and 2009 in Jersey, across all sizes, 1, 2 bed flats, 2, 3, 4 bed houses, but in 2010 we have seen house prices come down overall, on average, by about 5%. We have seen incomes going up, going up in 2009 by about 3%, and by that, looking at the increase in income versus decrease or flatness of the housing market then yes, affordability may have improved slightly. We did see income go up by 1.1% June 09 to June 10, when house prices did come down by 5%. Again, not for me as a statistician to make judgements.

Cost of finance. Yes, obviously in terms of getting again, if we talk to the mortgage lenders, we do not have information so much on the cost of finance as such. Clearly, the cost of finance or the availability of finance has become a lot more challenging over the last couple of years or so.

[Interruption from Mr Dun]

Mr. Chris Shepley:

Mr Parker has got us into quite an important area it seems to me and you've told us a bit about changing house prices, and I have two questions really. First of all, obviously one needs to make some assumptions, well three questions actually, and one needs to make assumptions at a point in time, and those have been done as set out in Table 6.1 would anything that you've said or what Mr Parker has prompted you to say, lead you to think that those figures were now an inadequate basis for planning during the Plan period. That's the first of my questions.

Dr. Duncan Gibaut:

No, I don't think that they are inadequate, like I say, they should be cast with a statistical uncertainty, of plus or minus 200 on the 1,500 and of order plus or minus 100 on the 500. As those numbers change through the economic cycle, I'm sorry, I would say that those statistical uncertainties should be sufficient for changes through the economic cycle, yes, we are probably lower than that at the moment. These are the 2007 figures. With some statistical uncertainty, at 2009, we are probably on the low edge of the band of uncertainty. If, when the economy recovers, it might edge back up to the 2007 type figures. But within statistical uncertainty, I would say that these figures are adequate, are sufficient.

Mr. Chris Shepley:

I don't want to put words into your mouth, but is your advice to me that short-term fluctuations of the type that you've talked about, and we've interpreted what you have just said I think and I'm trying to make sure that I don't exaggerate what you've just said, but that short-term fluctuations of that kind are likely to be smoothed out over the Plan period and that I shouldn't be too panicked by the effect of the recession.

Dr. Duncan Gibaut:

They are likely to be smoothed out but require constant monitoring, right? They are likely to be smoothed out, but let's see what the Census baseline tells us; lets see what the next housing needs survey tells us; lets see what actually gets delivered. So constant monitoring, rather than just laissez-faire, no panic. No, lets say that they are adequate for where we are now, but we will monitor them constantly.

Mr. Chris Shepley:

OK. My other question was about monitoring. I don't think that this is a question for you but a question maybe for Mr Buchholz or Mr Thorne to answer and I would like them to answer it later. To me the question of how…, there is clearly uncertainty in any forecast, and in any plan, and however you amend this forecast or whatever I recommend as a result of this EiP, there will still be uncertainty so it seems to me that the question of how you monitor that; what changes you make; and how easy it is to make changes is just as important over the next few years, and I would like Mr Buchholz to talk about that later. So I give you notice that I would like you to talk about that issue.

Now, the next speaker is Mr. Mesch.

Mr. John Mesch

It's a technical question. It's to do with confidence levels of the probabilistic predictions. Whenever I've had dealings with this, normally on liability, one gives you a prediction that this is not going to fail for so long and there is a 90% confidence level put on that prediction. I wonder whether you have a confidence level on your probabilistic predictions. Is that a fair question?

Dr. Duncan Gibaut:

Well, it's a very fair question actually. Not strictly at the level of 95% confidence intervals. The uncertainty that we've done is actually by running different models and hence the plus or minus 200 and plus or minus 100. That is one way of doing it as opposed to, for example, other analyses that we do that are much simpler than this measuring, for example, a proportion of the population that are for or against a smoking ban is quite straightforward to go off and do the analysis to get a confidence level, by looking at the spread, calculating the standard deviation and multiplying it by your favourite number 1.96 and there's your 95% confidence intervals. Very straightforward for some types of analysis but this type of analysis, which is multi-dimensional, multi-variable, the error, what I cal error propagation, how do you go from your central values to your 95% confidence level is very complicated. One can run all sorts of simulations to do it or, one can do what I did, which is to read off the model in several different ways, however, the spread that you get is representative of the uncertainty of the central values. It is a very good question. Thank you.

Mr. John Mesch

It might interest people that I took part in a survey, that was a random selection. I found it enormously difficult to do, as everyone can see, I am well over 55. And I was outraged at the idea that someone should be building a house on a green field for me so that I could sell my present house and buy it. Deputy Pryke confirmed my impression that we have a new housing category because of this decision. I think it's misguided, I think it's…and I'm going off the thing, I think its to the point. As you know, the Council were concerned about the relentless giving up of green fields for housing based on these predictions. A number of our members queried them and I will now ask Dr Gibaut a particular question.

I think in the figures there is still a figure of 57 houses required by people, and I'm surprised because I think it said in your housing needs survey, covered a five year period, I don't know where these figures have come from, for people as young as 41, were predicting that they would want one of these houses, in fact, after their normal retirement age, 65, which I would have thought is a much more reasonable time to look for sheltered accommodation and that sort of thing.

Anyway, I've made a number of points, perhaps it's not on the track, I think there is scepticism about this predicted modelling and I remember, my final point, writing on the bottom of my housing needs survey, I think is largely a waste of time because without a coherent immigration policy, you know, whatever you are getting now is of little consequence. That's still my view. I know myself of three white Zimbabweans who are now accommodated in the Island, one working in the finance industry, two in retail, and I am aware of a family who came back and the women has a husband and two children, not Jersey-born, and they are now living in the Island. And I wonder how these are being picked up, where they are being picked up, I just wonder where do you get your information from about immigration.

Mr. Chris Shepley:

The first part of that was about certainly straying into debate and we've noted the point. The second part was about where do the figures of migration and immigration come from.

Dr. Duncan Gibaut:

Yes, last Census was run in 2001 and the next Census is to be run next year, 2011. Every year we publish an annual update of the resident population and what we are measuring is the changes in the resident population and what we do for that is have three mini censuses for administrative data, data from government, from three principal sources that allow us to look at the net change and particularly the net migration. The three sources being the Manpower Survey, which is actually a misnomer as it is a manpower census, The regulation of Undertakings and Development law means that all undertakings in Jersey have to respond every six months. For statisticians like me, that's tremendous, for other people it might be a different perspective, for statisticians that means we are getting a census of the working population every six months and importantly by residential qualification: by locally qualified, non-qualified and J-category. That's the first census.

The second census that we have, and again we get this annually or it can be run in real time, is the school age population. So we have the number of children on the school rolls aged between Reception and sixth form, in and out, so we have net-migration to the individual level actually of school-aged children.

The third mini census that we have is the pre-school population, which is from Health, Public Health, babies, pre-schoolers interact with health, Health keep very detailed records on the resident and pre-school population and, in particular the outward migrants and the inward migrants.

So we've got three mini censuses, including the ins and outs, from zero up to working age. What we don't have from these is the non-economically active dependents within households, particularly without children or without other working adults. So that's where I am afraid we do more probabilistic modelling, we look at household structures and household size and levels, yup, from Census distributions, social survey distributions and, one of the benefits from this 10,000 household needs survey was that it did give us some measures for other demographic type areas. So looking at changes at household structure and economic activity rates allows us to assign other adults that aren't captured by those three mini censuses. And that is what I call second order effects.

First order effects are those three censuses, then we do the modelling on these other adults and, again you do a sensitivity analysis, I can't give you a 95% confidence interval, what I can do is treat the parameters and how has it changed in assigning these other individuals. From that we publish, every year, the population, the change in the population and change in the population due to net migration i.e. the difference between the large flows in and the large flows out. We can also monitor that by looking at the change in the place of birth of individuals with social security contributions so we can look at a separate source of information, that is the social security contributions data, and looking at how does that compare with our working population measured by the Manpower Survey.

So we do have, I think, quite good coverage of net migration, however, can I just say, I am really looking forward to, in some ways to the exercise, the next Census, that's going to give us a way to test what we have been doing for the last ten years, to calibrate, to test our methodologies. So the next Census gives us the baseline for the numbers, methodologies and so yes, I am waiting with baited breath as everybody else is I'm sure.

Mr. Chris Shepley:

Thank you. The next speaker is the Minister, and welcome to you. Can I say after that question I am going to move away from this question and answer stuff into a debate because an hour has gone by and I think we've dealt with probably most of the technical questions. So Minister, if you would like to ask your question and then I will encourage people to make general contributions to the debate.

Deputy Sean Power

Good morning and I apologise for being late, I got snarled up in another meeting earlier on this morning. A number of questions come into my mind, but I will keep them to down to two. That is the validation of the 2007 Housing Needs Survey, the data and the assumptions it was based on. My first question is given that a number of assumptions were made in 2007, there has been a seismic shift in global economic forces, including the knock-on effect in Jersey, three years before it was set up nobody realised that the Northern Rock was going to go down or that Lehman Brothers two years ago was going to go out of business, and so there are a number of tensions that have affected Jersey's supply of housing. So my first question of Dr Gibaut is in this survey of 10,000 households does he have a validation as to how that was spread between owner-occupiers and those that are not owner-occupiers?

My second question then is that would he not agree with me that because of the downshift in the Jersey economy, that affordable housing and social rented housing has now become more of a priority in supply and that any input into the new draft Island Plan would have to reflect, what I would regard as an impending problem to do with providing accommodation for those that cannot afford to buy. Traditionally, Jersey has been an expensive place to buy, that is now becoming more of a problem and I believe that the Housing Department, the housing trusts and those that provide socially rented housing, affordable accommodation, including key worker accommodation, which we haven't dealt with yet, and its going to become more of an issue. So I'll stop at that Mr Shepley.

Mr. Chris Shepley:

Yes, thank you. Can I say one thing at that point. I am extremely anxious to avoid a debate about affordable housing this morning in any way, shape or form. The reason for that is that the whole afternoon is set aside for affordable housing and some other people are coming along for that debate who are not here this morning and if we debate it now we will only have to repeat it again this afternoon. So I am very happy for Dr Gibaut to answer that question and if indeed, there are any statistical points about affordability and so on, if Dr Gibaut could answer that, he can deal with it. But other than that I really do want to park a debate on affordable housing. If we go on too long this morning about it we will run out of time this afternoon.

Deputy Sean Power

If I put it in terms of changing, of tensions of a changing balance with regard to the supply situation, if he could deal with that.

Mr. Chris Shepley:

That's fine. I make that point, not just for your benefit, but for everybody else's. It is hard to separate these things and I understand that all these things are interlinked but we have to try and structure it somehow. So, Dr Gibaut, any responses to the Minister.

Dr. Duncan Gibaut:

Sure, the first question related to the survey of 10,000 households and the validation of owner-occupied and non-owner-occupied. We sent out a random sample, we surveyed a random sample of households, and you get different response rates from different tenures, particularly the owner-occupied, as they seem to like our surveys as we always get a higher proportion than they are as a proportion in the Island itself. Other tenures come in with a lower response rate. It's then up to us statisticians to do a post-stratification weighting. So various tenures, maybe various household structures, may be over- or under-represented in the response set, you then do your statistical corn and do the analysis to make the response set look like the full-Island population by weighting. So, yes that's the validation if you like but it's a statistical analysis.

Deputy Sean Power

So the response rate is higher for owner-occupier.

Dr. Duncan Gibaut:

Yes, and that's typical for virtually all of our surveys. What one also wants to do though is to look at the weighted versus the unweighted because you don't want enormous weighting OK. For example, I've seen surveys run which did have enormous weighting in and you immediately start having questions about the validity of the analysis. The weightings that you want to be seeing are in single digits and that is typically what we get, you get for example, owner-occupiers, may be down-weighted by 20% non-qualified up-weighted by a small factor. That's the statistical analysis. Random sample, everything being equal, you get back what would look like the Island, if you don't and different tenures have different response rates, you put weightings in to reflect that. That's the first question, very technical.

The second question was the downshift due to economic circumstances changing between now, between the Housing Needs Survey and now. Yes of course, economic circumstances have changed, however, in principle, the overall demand may still be very similar but there may be a shift from owner-occupiers demand, or demand for owner-occupied accommodation, compared to social rented accommodation. This is quite a difficult table in the Housing Needs Survey, there are two tables, tables six and seven in terms of looking at size and demand sorry, demand versus supply by size and tenure and you can see that there is a very large potential shortfall in owner-occupier and a small surplus in States rental. Those two numbers taken together, the number might still be the same now but the distribution between owner-occupier and social rental may have changed.

Deputy Sean Power

Mr Shepley, can I just make one very short comment on that. I would suggest that the dynamics and the balance between owner-occupied and social rental demand has changed dramatically in the last two years and that the actual demand curve for social rented is completely under-estimated and I will refer to that later in the day.

Mr. Chris Shepley:

OK. Thank you. Now, as I have said, I want to move on to the next phase of this and I don't want Dr Gibaut to leave as there may still be questions that you can answer. I now want to have a debate and really what I need is advice on is whether I should make some recommendations to alter the approach set out in the Plan particularly at table 6.1 and whether the statistical basis for the housing policies, taken as a whole, is inadequate, wrong, whatever. And if I should recommend any changes to the Minister, what should those changes be. How should the Plan be altered or changed?

Mr. Mike Dun

I wanted to make a point specifically on that issue if I may.

Mr. Chris Shepley:

Yes, Mr Dun, you were next.

Mr. Mike Dun

Yes, the point I want to raise in the course of this discussion that you are now going to have, can somebody clarify, the planners, housing department, building construction people, can they indicate to us what notice anybody actually takes of this data which is produced from this department in formulating their own particular policies because I just wonder does anybody value it, is it the basis upon which people can proceed and plan for their businesses, the economy, the government, is it any use to anybody? And if they do, because he is saying he doesn't predict need, these aren't his problems, giving bare statistics, how is anybody supposed to derive conclusions from these bare statistics which, as we hear, are so vulnerable to not only internal Island changes but international changes that might take place. Can I just remind that the previous Minister declared that when this Island Plan was being discussed earlier that the Island Plan, as far as he saw it, would not even produce 100 social housing units during its ten year lifetime. So I do wonder what is the purpose of, and I'm now returning to my previous point, I am sceptical about the value of these statistics because who's actually using them and what value do they give them in their production of an Island Plan, the building industry, how are they used?

Mr. Chris Shepley:

I'll ask Dr Gibaut to answer that at the end of this session but can I just ask you a question. You are obviously very sceptical about the figures but they clearly are being used as a basis for the Island Plan, whatever else they might be used for, they are set out here in the document and I'm not sure what else you think I should do.

Mr. Mike Dun

Well are people here, are the planners saying, which set of figures have they based their Island Plan on now that we are hearing that these figures are likely to be reviewed with the Census, there are all sorts of things going on. Like with so many other aspects of the Island Plan, there are all sorts of other reviews going on which are going to change things, and I keep wondering what on earth is the value in this document because it is so subject to change during its ten year life. What possible use is it? I just wonder why, which is my initial submission to you, my written submission says exactly this about the previous, the 1983/4 plan, those dreams and aspirations have not been realised, and that's based on somebody else's data and predictions. The 2002 dreams and aspirations have not been realised, that's based upon somebody's data and statistics, how much longer are we going to go on with this farce of having this data and predictions which don't get realised, and again, the question is, the ending of the housing shortage, whatever that might mean. Is nobody going to address it, do we carry on like this, in cloud cuckoo land.

Mr. Chris Shepley:

OK, I'll ask somebody from the States to deal with that. Mr Parker.

Mr. David Parker

Thank you sir. I'm going to stray a little bit but I'm trying to deal with the statistical side of the session this afternoon. H3 as I see it is a new policy direction and my question relates to the justification for that new policy within the context of the categorisation of the statistics which we have examined this morning to justify the policy this afternoon.

My interpretation of the various response that we have seen is that the 2007 study highlights that there is a surplus of rented accommodation. That's referred to again in the 2009 social surveys, that broad shortfall of owner-occupied and surplus of rented. The Housing Department response, again in the joint response, was that there was no need to look at a statistical explanation of the need for social housing, if I can use that category, to impose this broad range which is underpinning H3, and the Minister now refers to his intuitive understanding that the demand balance has shifted.

Going back to the Macdonald report, that clearly laid out some recommendations which appear to underpin H3, identifying the fact that that's the UK system that he is described etcetera, he set out quite clearly that there were two very important tests there, one of which was to undertake very accurate statistical assessment of any need for additional affordable housing supply, yet everything I've seen and hear is suggesting that hasn't been done and that would again suggest that we are looking at a policy that, this afternoon, which might be described as premature in that the numbers are simply not there. They are being assumed rather than examined which will lead me to conclude sir, that when you come to consider that, that no you cannot rely on the statistics as being justified and robust etcetera. Thank you sir.

Mr. Chris Shepley:

Thank you. What I would like to do with that question is to ask Dr Gibaut whether he has any particular contribution to make to that, but not to pursue it any further, for the same reason that I have given that it is going to be at the heart of what we talk about this afternoon. We will waste of lot of time if we talk about it now and then have to go through it again. So I will take the Minister, because I don't see anybody else showing anyway, and I'll ask Dr Gibaut to answer that, or to give his comment on that, then I'll park it, Mr Parker until this afternoon. Minister.

Deputy Sean Power

I'm going to confine my comments to what is perceived demand for social rented housing as we understand it. We have growing waiting lists, and the reason we have growing waiting lists, and this applies to the Housing Department and the housing trusts. The reason all of us have growing waiting lists is that the supply of affordable accommodation is not sufficient. There is another why there is a demand for social rented housing and that is that the demographics, the tensions within supply and demand are changing on the Island, a lot of people have given up on the desire to own their own accommodation and that is why there is pressure on the housing trusts and on our own waiting list.

I had a series of meetings over the summer with chairmen of the housing trusts so that we could have a combined waiting list, and my colleague, the Connétable of St John, who is my Assistant Minister, is now working with the housing trusts and with the parishes establishing what we would regard as a definitive, combined waiting list for all social rented housing across the Island.

As of today our waiting lists… and I'm going to ask our Director of Strategy to comment and to read out the figures for you, we are just short of, I think 900 units of accommodation. Our overall projection for social rented housing in the next five to seven years, in conjunction with our work with the housing trusts is that the Island is short of about 1,340 further units of social rented accommodation and we will be writing to Mr Shepley with evidence of this from our work with the other social housing providers. I will stop at that.

Apologies if I have talked too much. I will ask Carl Mavity, our Director of Strategy to just give a run-down, a snap-shot, of our statistics on waiting lists at the moment, if that's appropriate?

Mr. Chris Shepley:

Well, I would like to discourage Mr Mavity from doing that at this moment but I would like Mr Mavity to do it this afternoon, but I am struggling to stop you all from talking about affordable housing which is clearly at the core of the issue. So you will be here this afternoon I hope and Mr Mavity will be here this afternoon so, I do want to hear that, but just at the right time.

You talked about giving us some more information. That's a problem for us. ,As far as we are concerned, once the debate is over, unless we ask for some information of a particular kind, we will proceed on the basis of the debate and the papers that we have already had. But again, you might want to come back to that this afternoon.

I see no-one else wanting to join in this debate, so can I ask Dr Gibaut if he would like to answer any of the particular points that have been raised then can I come to Mr Buchholz, I presume, to deal with my question about monitoring and any other points he wants to make about the supply side and then I'll move on to the demand side.

Dr. Duncan Gibaut:

Just a couple of points actually. Can I direct you towards table 6 and 7 of the Housing Needs Survey, that shows you the shortfalls potential, and surpluses potential, and bear in mind these are potentials, these are shortfalls and surpluses that would arise, if everyone's needs and aspirations, however you define it, were addressed. So, it was not a current surplus of 2,000 private rental units, there is not a current surplus of that. What we are seeing in that table there is households that are currently in private rental accommodation aspiring to, wanting to move to owner-occupier accommodation. That's the main change there. They somewhere in private rental who want to go into owner-occupier. Yes, there is some up-scaling, one and two-bedroom households going into three and four and there is some downscaling in the owner-occupier category. But it is not a surplus in private rental at the moment as we stand, but if the people's aspirations in private rental were addressed which, in 2007, would be to go to owner-occupied accommodation, that would release, that would produce a surplus, OK? So that's just worth bearing in mind. These are hypothetical tables.

Now the Minister's point about there maybe change in the distribution, so the private rentals in 2007 households were aspiring towards owner-occupied, there may be a shift now as economic circumstance has changed from private rental; to States rental. I don't know, the Housing Department and other qualitative-type information that they might have access to, it would be worth perhaps looking at table six and table seven in this report with respect to the other housing needs surveys done in 2004 and 2001 which were at different parts of the economic cycle. In 2001/02 was just after the last peak, 2004/05 was actually at a downturn in the economy and it wasn't until late 2004-2005 that we saw recovery, so looking at the change in those tables and the distribution between the tenures will give you a feel perhaps for the sensitivity to the demand, the potential demand, for owner-occupied versus social rental, that ratio, in different parts of the cycle. I'm setting other people homework to do. Thanks. I think that those are my two points.

Mr. Chris Shepley:

Thank you. Mr Mavity showed his name plate at that point. I did say that I wouldn't bring anyone else in as we are leading up to the end of the debate. Can you make whatever point it was later on? Is it something that has to be said now?

Mr Carl Mavity

I can make it later.

Mr. Chris Shepley:

It would help otherwise anarchy prevails if we draw an end to a debate and then allow people to come back, as we have discovered from long experience. In that case, Mr. Buchholz.

Mr. Ralph Buchholz

Do you want me to address the issue of monitoring first? Clearly this Plan is based on information that is provided by the Stats Unit, which we have discussed at length today. It clearly is not an exact science, it's something that we obviously rely on the Stats Unit to do independently, they provide us with very good statistical evidence on that basis. We also independently run other reports internally which looks at house prices and looks at the market indicators as to how the housing market is operating in the Island. And that's something that we do on an annual basis. It isn't a, to get to the Draft Plan, it's not something that we put a marker in now to rely on for the next ten years in terms of the numbers. We are constantly reviewing the numbers. It's something we are going to rely very heavily on over the next ten years of the Plan period to make sure that what is being developed through the planning process is actually what is required by those requiring housing in the Island. And those two have to be as closely matched as we possibly can.

I'm pleased that the Minister has discussed the idea of combined waiting lists, that's something that we have been seeking for a number of years. Equally, that the Housing Gateway, is a very important part of our process as well. So we will be relying not just on our own information from internal sources and also obviously the Stats Unit, but also from the Housing Department, and working very closely with everybody in that regard to make sure that our monitoring identifies, as early as possible, any failures in policy. And that's the key point, because we've identified a number of policies to take us forward over the ten year period, obviously the main one is, for the first five years is the delivery of homes through H1, and that evidence is based on the evidence that we have had from the Housing Needs Survey and I will talk about that affordability later on, so I won't touch on that, because obviously things have changed in that area. And obviously, going further on in the longer-term the H3 policy.

So that's, the evidence for those policies is there are far as we are concerned. But equally, we accept, that things could change and that monitoring is an absolutely vital part of that particular process.

Mr. Chris Shepley:

OK, I'll probably come back to monitoring. It's a sort of sensitivity testing point in a sense, in that if we're convinced that monitoring can and will deliver whatever changes might be needed efficiently, and in a way which is proper and fair and all the rest of it, then I guess the importance of getting a precise figure is less, but if we feel that the monitoring is problematic in some way, and is unlikely to deliver that, then we may be more concerned about the robustness issues at this stage. So I'll probably come back to that later on.

You may have other points to make. You may want to say something about what Mr Dun said.

Mr. Ralph Buchholz

That's my next…I have that marked down. The value of the data was the question Mr Dun raised and he goes back to the 1987 Plan, the 2002 Plan saying that they haven't delivered in respect of the previous information. Well, its clear to me, I hope, and it's clear to everyone else in this room that the information

Dr Gibaut has discussed today is a very integral part of the current Plan. Without it we would not be having this discussion about numbers and how it affects policy and the like.

Equally, I would also make the point that I think that previous plans have been successful in delivering housing: the 2002 Plan delivered over 4,000 homes, it actually over-provided in the sense than what was identified in the 2002 Plan. So in terms of delivery, we are actually on a conveyor belt, time doesn't stand still. We are constantly looking at new housing demands from various sources and it changes all the time, it's a dynamic environment that we live in. It's a conveyor belt if you like and going forwards, there is always going to be an additional requirement for housing identified, whether that be for owner-occupied or social rented. So I think they have delivered over the period if you go back to 1987 and equally in future plans we are going to have to have the same debates that we are having today, where we're obviously looking at further housing requirements based on other changes in the economy and/or population levels etcetera.

Mr. Chris Shepley:

Thank you. I think I've said twice that I didn't want people to come back and I see that two people want to come back which is something of a problem for me and you can see why anarchy prevails if this continues. Mr Parker, you were the first to show, have you got a justification for coming back.

Mr. David Parker

Yes sir, I would just like to answer the question.

Mr. Chris Shepley:

I will just allow you a brief intervention then.

Mr. David Parker

A relatively straightforward matter sir. The question that you set us was is the assessment of demand accurate, comprehensive and justified. I introduced the concept that there was clearly a friction in those answers and introduced the word prematurity and it is something that is quite clear that the answers that have been given that the information we have in front of us is not comprehensive, because there is disagreement within the States in answer to the statistics. The P&E response contradicting and conflicting with the Housing response and certainly overlap between various waiting lists and that those people in private-rented accommodation with the double-counting aspects of that. That question I don't think has been answered.

Mr. Chris Shepley:

If Dr Gibaut has anything to say about that I will let him answer it, but we are trespassing on this afternoon as we are going to be talking about social rented.

Mr. David Parker

Forgive me sir, I thought this morning we were talking about the statistics and this afternoon we will be talking about the policy.

Mr. Chris Shepley:

Exactly, If Dr Gibaut has something from a statistics side to say to that and I'll let him answer. Mr Dun, similarly, was your question a statistical question?

Mr. Mike Dun

It is I think, given that statistical information seems to have a rather broad interpretation. It was really about the voluntary aspects of housing statistics. The social housing in so far as it relates to the Housing Department and housing trusts is not the big part of the housing market. The big part of the housing market is private housing, which includes a very large part, as Mr Parker has indicated there, of rented and what would, in other worlds be called social housing, people living in very… lodgings, accommodation provided by their employers, lodging houses, all of this category of accommodation and I'm wondering, in the monitoring and statistical analysis who and how is that need, what statistical demand, the affordability, the suitability of all that accommodation, who's monitoring that? Where's the information coming from, because it is clearly not the Housing Department's problem, where's the official information which is coming in about all that?

Mr. Chris Shepley:

OK, Dr Gibaut, your final contribution and then I'm definitely going to stop the debate.

Dr. Duncan Gibaut:

Just to go back to Mr Parker's point, well thank you, I only got to 'accurate', the next word is 'comprehensive' on my list of things to address.

I believe, as a statistician, I've gone through this three times now, this analysis of the housing needs survey, that the analysis and the data collected and compiled is comprehensive. We have taken more and more information from each round of the housing needs survey, we are looking at demand by existing households, by concealed households, inward migrant households and in the context of supply, not from a housing or planning department perspective but from our statistical analysis, looking at existing households moving – that is supply - that is by death and care, people going into care, and also outward-migrant households, so whether or not our analysis is comprehensive, I think we're covering most of the phase-space, the space of supply and demand.

There may be other sources, and I'd be very happy to listen to what they might be, but the statistical analysis is comprehensive from that perspective. We've got concealed demand in the analysis and also being addressed though a high statistics survey and we've got population modelling as a dynamic model rather than a static model, so I think that the underlying statistical analysis is comprehensive. As always, as a statistician and a scientist, if people can inform me of other areas that ought to be included in the analysis, I am always willing to listen and particularly, that applies to the word justified, I couldn't define that. But again, I'm very happy to consider other logical approaches. This is to me, a logical, mathematical approach. It's a statistician's approach, without getting into policy judgements at all.

Mr. Chris Shepley:

OK, thank you. If you don't want to say any more, that's fine.

A comfort break, for Mr Buchholz, followed.