



**Creating better homes: an action
plan for housing in Jersey**
Second update report

R.75/2022

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MINISTERIAL FOREWORD

Whatever our circumstances or hopes for the future, a safe home that meets the needs of our families is a necessity. Since becoming Minister for Housing and Communities in February 2021, I have worked hard to address the long-standing housing issues facing Jersey. The Creating Better Homes action plan published in June 2021 sets out specific and targeted actions to address the complex challenges of the Jersey housing sector during my term in office and beyond, and I have concentrated on delivering solutions in my short time as Minister.

In my first update report, published in September 2021¹, I noted the 14 steps I had taken, across the five priorities identified in Creating Better Homes. These included freezing Andium rents for 2022, stopping the sale of new homes to non-Jersey residents, securing an additional £13m for affordable homes from the sale of South Hill, the creation of the Strategic Housing Partnership (which has now met on three occasions) and the launch of a Housing Advice Service.

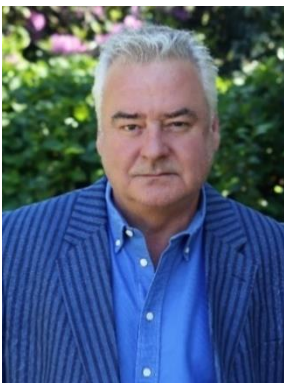
At the end of the year, I published my Fair Rents Plan², taking action to cap rents in social housing tenancies at 80% of open market equivalents, and to widen access to social housing through the Affordable Housing Gateway so more Islanders can be supported into good, subsidised tenancies. I also confirmed my intention to modernise the Residential Tenancy Law and issued law drafting instructions to this effect in January of this year³.

This second update report now summarises the further action taken in recent months, including the re-establishment of a Rent Tribunal for the Island, and the announcement of the new Jersey Homes Promise, which will see open market developers:

- ✓ Commit to selling new homes to first-time buyers and local owner-occupiers first
- ✓ Restrict sales to buy-to-let investors, and
- ✓ Assist first-time buyers with deposit options, legal and mortgage advice, and the opportunity to buy their home on a shared equity basis

There is no one easy route to resolve the Island's housing challenges, but we can achieve more by working together and I want to thank all the agencies and individuals who have engaged with me – this joint working across housing partners is how we achieve more positive outcomes, for example securing Spencer Close in St Saviour.

In my brief time as Minister, I have chosen to focus on a clear programme of practical steps; as this report makes clear, I have delivered them. I hope my work, and that of my officers and our wider partners in the housing sector, lays a firm foundation for future Ministers for Housing and Communities to build upon.



Deputy Russell Labey
Minister for Housing and Communities

A handwritten signature in black ink, appearing to read 'Russell', written in a cursive style.

¹ [r.157-2021.pdf \(gov.je\)](#)

² [BP Fair Rents Plan.pdf \(gov.je\)](#)

³ [Residential Tenancy \(Jersey\) Law: Law Drafting Instructions \(gov.je\)](#)

UPDATE ON PROGRESS

The Creating Better Homes action plan⁴ set out five strategic priorities, as shown in figure 1 below.



Figure 1: Five priorities for taking action to create better homes

Specific actions were set out to make progress on each priority, with clear deadlines for each. The table at figure 2, below, provides an update on the current status for each action. Of the 15 commitments identified for action by the end of June 2022:

- Work on 11 has completed
- Work has started to review the Residential Tenancies Law; re-establish the Rent Control Tribunal; introduce a £10m purchase support scheme as part of the Jersey Homes Promise; and review access to mortgage advice and credit, and
- Work to increase the supply of key worker accommodation has started but is delayed.

⁴ [r.98-2021.pdf \(gov.je\)](#)

Priority	No.	Action	Current status
Stronger system leadership	1A	A new Strategic Housing partnership	Complete
	1B	Stronger political oversight and leadership	Complete
	1C	A new Strategic Housing and Regeneration Team	Complete
Increase supply	2C	Long term pipeline of land release by end of 2021	Complete
Rental choices for all	3	A fair rents plan	Complete
	3A	Renewed social rents policy	Complete
	3B	Housing Gateway eligibility	Complete
	3C	Expand protections provided by the Residential Tenancy (2011) Law	Started
	3D	Protection from excessive rent rises	Started
Help to own a home	4A/1	Support for affordable purchase – Phase 1	Complete
	4A/2	Support for affordable purchase – Phase 2	Started
	4B	Access to mortgage products and advice	Started
Build stronger communities, putting children first	5A	A strategic focus on putting children first	In place and on-going
	5B	Support for individuals with housing needs	In place and on-going
	5C	Increased supply of new key worker accommodation	Started but delayed
	5E	Integrated Planning and Housing polices	In place and on-going

Figure 2: Creating better Homes Action Plan - Deliverables

MODERN METHODS OF CONSTRUCTION

Modern Methods of Construction (MMC) offer the opportunity to rethink how we conceptualise, design and build homes, speeding up the construction process, making challenging sites more viable and providing varied and adapted homes that respond to and fit in with local character and needs. The Creating Better Homes plan provided case study examples of MMC developments in Scotland and England, and a political working group was subsequently established to explore the case for new construction methods and technologies in Jersey.

The Minister for Housing and Communities recently attended a visit, with the Chief Minister, to understand the manufacturing processes and benefits of MMC companies in Poland, and officers from the Government and the Jersey Development Company have supported discussions during a return visit as part of trade discussions to accompany the visit to Jersey of the Polish Ambassador to the United Kingdom.

The Minister set up a political working group to investigate MMC options. A report was commissioned by the working group in Summer 2021, to explore the following key questions:

- What do industry believe are the technical opportunities and challenges for MMC in Jersey?
- What do the public think about living in homes that use MMC?
- Where is MMC being effectively implemented and what can Jersey learn from these schemes?
- What action could the Government of Jersey take to maximise the identified opportunities and address known challenges?

The report, which is available on www.gov.je, is based on consultation with MMC design specialists; Government of Jersey officers; on island industry experts including representatives from Camerons, Normans, Andium Homes, the Jersey Development Company (JDC); and UK based MMC providers including ilke Homes Limited, M-AR Offsite Construction, Laing O'Rourke, and Stewart Milne Group.

Seven categories of MMC are considered, with a primary focus throughout the study on premanufactured 3D and 2D systems. Based on a review of current practice in Jersey and elsewhere, nine high-level options to further develop the use of MMC are set out.

Work will now continue, in dialogue with partners including the Jersey Construction Council, to explore the viability and opportunity of strengthening cross-industry working on MMC, including the potential to improve local facilities for processing premanufactured components on island.

The Housing Policy Development Board, Creating Better Homes action plan and the newly adopted bridging Island Plan all identify government-backed development, through arms-length agencies, as the source of a very significant increase in the delivery of new housing over the coming decade. Focus will, therefore, be given to the opportunities to showcase the use of MMC in future developments from JDC and Andium Homes.

JERSEY HOMES PROMISE

The Minister for Housing and Communities has announced the development of the Jersey Homes Promise, an industry accreditation prepared by the Government in consultation with local developers.



The scheme is intended to ensure that:

- more new homes are available for Jersey families to buy first,
- before being offered to investors where this is required to ensure the viability of development, and that
- first time buyers can access assisted purchase schemes.

The Jersey Homes Promise is a visible sign of recognition that can be adopted by those developers that choose to make the following promises:

We will offer Jersey families priority access to new homes	We will limit sales to investors	We will offer assistance to first-time buyers
<ul style="list-style-type: none">• Developers will bring units to market in a phased way that gives priority to:<ul style="list-style-type: none">• First time buyers• Family investing on behalf of first time buyers• Families right-sizing• Other owner occupiers	<ul style="list-style-type: none">• Any units sold after the owner occupier phase(s) will:<ul style="list-style-type: none">• Only be available to Jersey based investors• Limit the number of units that can be purchased by any given investor	<ul style="list-style-type: none">• Including:<ul style="list-style-type: none">• A pay as you go deposit scheme• Support with legal and mortgage advice• Either access to shared equity units, or promotion of the government's Jersey Homes Promise shared equity scheme

Initial consultation with developers including Le Masurier, Rok and the Jersey Development Company has been very positive, and they are supportive of a kitemark scheme to help Jersey people access the housing market.

The policy is expected to be launched in early Autumn, with the associated shared equity scheme to be established in due course.

Jersey Homes Promise – shared equity scheme

In line with Action 4A of the Creating Better Homes plan, the Jersey Homes Promise provides the vehicle to invest an available £10m of government funding and create a new shared equity scheme. The scheme is planned to offer financial assistance to eligible first-time buyers who do not meet the criteria for the existing Andium Homebuy product.

This buyer support scheme is intended to be available to individuals, rather than being restricted to certain developments or developers. Those Developers signed up to the Jersey Homes Promise, who do not offer their own in-house shared equity scheme will commit to helping to support first-time buyers by sign posting to the public scheme.

It is intended that the equity from the proceeds of the future sales of these units will be ring-fenced to the scheme, creating the opportunity to re-use funds over time.

RENT CONTROL TRIBUNAL

Action 3D of the Creating Better Homes plan commits the Minister for Housing and Communities to appoint a Rent Control Tribunal in 2022, comprised of a new group of appropriately qualified Tribunal members. The Tribunal is already established in primary legislation and offers a statutory facility for a private sector residential tenant to appeal to an independent body if they believe their rent is excessive. The Tribunal can maintain or reduce the rent as it considers reasonable. The Tribunal will be supported by a new dedicated post which has funding approved through the Government Plan process.

The recruitment of the Rent Control Tribunal is now underway and is expected to be concluded in the summer. Members of the Tribunal are appointed on a voluntary basis and will be subject to confirmation by the newly elected States Assembly.

As well as fulfilling its traditional role – to hear and determine referrals for reconsideration of rent payable in accordance with the Dwelling Houses (Rent Control) (Jersey) Law, 1946 – the newly formed Tribunal will also be asked to update its remit and function, setting the standards and guidelines for how the Tribunal will operate in future, and to propose options to update the Law to establish a workable and effective rent referrals process for islanders.

The Minister is aware that the Tribunal has been unappointed for over ten years, and that its lack of use has been cited as evidence that it is not needed. Tribunal members will therefore also be asked to gauge demand for its services and to recommend how the Tribunal should be updated after an initial trial phase.

RIGHT-SIZING

In Jersey, many families are looking for larger homes, while at the same time statistics suggest many people live in homes that are bigger than their current needs. The 2021 Census confirms that, of owner-occupied dwellings, over 44% (10,534 units) were not fully occupied in March 2021^[2].

Action 4C of the *Creating Better Homes action plan* makes a commitment to develop a right-sizing policy for Jersey to help support those homeowners who wish to move to a smaller, more suitable property but might need some help to do so. This, in turn, will help increase the supply of larger houses for families.

The aim is to assist those homeowners who are seeking to move to a smaller property and in no way to apply any pressure to those who do not.

A right-sizing questionnaire was made available to all Islanders for comments for a month. The results from the questionnaire will help support the further development of the government's right-sizing policy.

Summary of results

1,170 responses were received of which 713 responses (86%) were from Islanders that owned their own home. This forms the main sample from the questionnaire.

From the main sample, 201 people (28%) said they were interested in right-sizing. A series of questions was asked of this sub-sample, the answers to which suggest:

- Most respondents that were interested in right-sizing were aged between 50 and 64 (particularly 55-59) and most were looking to move between 0 and 5 or more years from now.
- Reasons to right-size included current properties being too big, too difficult or expensive to maintain; and a preference to live closer to local services.
- Barriers preventing right-sizing included the inability to find a smaller property that was affordable; the cost of fees/stamp duty; and not being currently in a frame of mind to move.
- The areas with the highest potential for right-sizing moves followed existing population centres, including St Helier, St Saviour and St Brelade.

A short report providing all the data from the questionnaire is available on www.gov.je

^[2] [2021 census results \(gov.je\)](http://www.gov.je)

MAXIMISING THE USE OF OUR HOUSING STOCK

Several linked areas of work are underway to seek to maximise the use of the Island's available housing stock.

Census

The 2021 census identifies 4,027 vacant dwellings⁵. This information was provided by householders contacting the Census Office or recorded by census field staff when visiting addresses that had not returned a census form. Further analysis will be undertaken by Statistics Jersey to confirm why properties are left vacant as, whilst it may be obvious that a property is vacant, the reason why it is vacant is often unknown.

The 2021 Census did capture reasons for vacancy where these were known, but these have not yet been coded or analysed. The 2011 Census captured reasons for about 50% of vacant properties, which included properties being: between tenants; a second or holiday home; for sale; a resident recently deceased, in a care home or away long term; and other reasons.

Vacant properties

The Minister for Housing and Communities has instigated work to explore options to bring vacant properties back into use. Discussions have begun with the Comité des Connétables and with HM Receiver General, about the possibility of the Crown taking on ownership of such vacant properties where appropriate. Arrangements for the refurbishment and onward sale of these homes might then be made through a government backed scheme.

Good practice in other jurisdictions is being researched with a view to Parish audits being undertaken. Consideration is also being given to options to amend the Rates (Jersey) Law (2005) to facilitate the provision of better data on vacant properties.

Stamp Duty on additional properties

In December 2021, the States Assembly adopted the 22nd Amendment to the Government Plan 2022-25, brought by the Corporate Services Scrutiny Panel⁶. Accordingly, work is underway to provide for the introduction, following a review by the Minister for Treasury and Resources, of a higher rate of Stamp Duty for 'Buy to Let' investment properties, second homes and holiday homes. This work is aligned to a wider review of the current framework of property transaction taxes that forms part of Revenue Jersey's longer-term pipeline.

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In line with the support of the States Assembly for a proposition brought by Deputy Tadier of St Brelade, these projects are also addressing options to develop an effective mechanism to discourage domestic properties from being left vacant for long periods⁷.

⁵ [R_CensusBulletin2_20220504_SJ.pdf \(gov.je\)](#)

⁶ [p.90-2021 amd. \(22\).pdf \(gov.je\)](#)

⁷ [p.48-2022.pdf \(gov.je\)](#)

JERSEY HOUSING MARKET REVIEW

Alongside the delivery of those targeted actions set out in the Creating Better Homes plan, the Minister for Housing and Communities also commissioned a Housing Market Review: an external, independent study to examine the Island's housing market, updating the baseline understanding of current issues and identifying key themes for future action.

The Review was informed by existing housing policy and research, including the work of the Housing Policy Development Board; a demographic and socioeconomic assessment of the island; over 27 hours of interviews with informed stakeholders involved in housing in Jersey from public and private sector organisations and government; and a half-day 'housing workshop', debating issues with members of the Strategic Housing Partnership.

The Review, which is available on www.gov.je, sets out the following five key themes for future consideration:

- **Governance and Planning:** whilst the Future Jersey and the bridging Island Plan go some way to outlining a medium-term vision for growth and placemaking, a longer-term, strategic vision is missing. There is a need to increase the internal delivery capabilities and capacity of Government to improve the strategic ability to deliver quality homes for all.
- **Data and Transparency:** There is a lack of comprehensive publicly available data on the nature of purchases in the Housing market in Jersey, for example foreign investors, which leads to speculation about the factors driving up housing costs. More evidence and data are required to enable policy to be developed and targeted effectively.
- **Supply and Affordability:** A fundamental issue that needs to be resolved is the question of who Jersey's population is and, therefore, who housing provision is for. Population growth, changing household size and immigration, whether seasonal or long-term, are key factors in Jersey. There is a strong relationship between population change and housing demand, impacting housing type and preferred locations which need to be considered in future provision.
- **Tenure and Culture:** People tend to aspire to own rather than rent a home, and many would prefer to live out of Town, rather than in it, which on an island with limited land availability is unlikely to be sustainable in the long term. There is scope to examine other areas of the Housing market to help meet housing need, such as the rental market which is active in Jersey.
- **Quality and Design:** Regeneration should consider places as a whole and move away from the current focus on sites. With the emphasis on density, sustainability, and good design to meet needs without compromising on the nature of Jersey as an island.

It is hoped that the Review will help to inform policy development in the coming years.

