

STATES OF JERSEY



AFFORDABLE HOMES IN THE SOUTH HILL DEVELOPMENT (P.69/2021): COMMENTS

Presented to the States on 21st July 2021
by the Chief Minister

STATES GREFFE

COMMENTS

Part (a) and (b)

Islanders who are unable to buy, or do not wish to, should have rental options, in all segments of the housing market. Interest from investors can reduce developer risk, and provide incentives to develop, supporting housing supply and affordability in the long-term. It is also perfectly understandable that people in different personal circumstances, perhaps moving into care or in with a new partner, or leaving the Island, wish to rent their property.

At the same time, we should support people who want to own their own home, and especially in a buoyant housing market, give priority to aspiring homeowners.

Accordingly, and in line with decisions they have already made, the Regeneration Steering Group will continue to tell SOJDC to deliver flying freehold developments that can only be bought by entitled or licenced individuals; and will work with SOJDC to give a clear preference to buyers who intend to be owner-occupiers.

At the same time, we should not rigidly require every single property on the South Hill site to be owner-occupier, as that would be impractical, and unhelpful in delivering on a site which has already been neglected for too long.

Part (c) and (d)

As to the delivery of affordable housing on the site, South Hill is suited to delivering financial returns to the public that can be reinvested in affordable housing on the waterfront, and/or public infrastructure. We have a duty to deliver good stewardship over public assets, and to deliver the greatest benefit for the most people. This is supported by the Development Brief, which states that “...*this is a premium, high value site where – if it is to be redeveloped for a residential use - the potential to secure maximum return in the release of this public asset should be secured.*”

In saying that, it is acknowledged that wider guidance on the delivery of affordable housing by SOJDC would be helpful, and the promised framework for delivery of affordable housing on the waterfront will be extended to South Hill, so that it provides guidance on the delivery of affordable units on all sites under SOJDC development.

This will provide helpful clarity to all on the role of SOJDC as a state-owned developer - in delivering affordable housing alongside its other objectives around delivery of open market housing, public realm, facilities, amenities, and wider regeneration.

Conclusion

In conclusion, the proposition is not supported.

It is damaging to the delivery of homes and regeneration to apply too rigid rules, such as *only* owner-occupiers can purchase these properties.

At the same time, we should provide a clear preference for owner-occupiers on this site and will work with SOJDC to achieve this. Similarly, the units being flying freehold will mean that ownership of these units will permanently be limited ownership to

“qualified” people and cannot be bought up by “overseas” investors. We will also provide more guidance on affordable housing delivery by SOJDC.

Finally, the value of promoting and protecting, where possible, prime sites across the Island for wide public benefit is obvious, and I will ask the Regeneration Steering Group to consider this general policy issue, consulting with the Minister for the Environment as part of the delivery of the Bridging Island Plan.

Statement under Standing Order 37A [Presentation of comment relating to a proposition]:

These comments were submitted to the States Greffe after the noon 15th July 2021 deadline, as set out in Standing Order 37A, due to multiple work commitments by the presenting Department.