

**WRITTEN QUESTION TO THE PRESIDENT OF
THE ENVIRONMENT AND PUBLIC SERVICES COMMITTEE
BY DEPUTY G.C.L. BAUDAINS OF ST. CLEMENT**

ANSWER TO BE TABLED ON TUESDAY 13th SEPTEMBER 2005

Question

“Would the President inform members –

- (a) whether details and extracts from the document ‘Planning for Homes 2005’ (R.C.63/2005) were made available to the media some days prior to States members receiving a copy, in accordance with usual practice, and, if so, the reasons why?
- (b) of the details of the sites included in the “*completed parallel feasibility studies on other potential future housing sites*” carried out by the Committee in tandem with the Housing Committee appearing on page 4 of R.C. 63/2005, and whether these sites are additional to those included in H2, H3 and H4 of the Island Plan?
- (c) how many homes on the Island Plan H2 sites have been completed to-date, whether all 11 H2 sites will be developed and, if not, which ones will remain undeveloped?
- (d) whether any shortfall in the non-development of any of the 11 H2 sites is to be made up from the development of H3 and H4 sites and, if so, the magnitude of the shortfall and which sites are being considered?
- (e) whether the Committee has considered the impact of ‘planning gains’ and the 45/55 split between first time buyer and social rented homes on the affordability of first time buyer homes, and, if so, what measures, if any, the Committee will take to address the matter?”

Answer

- “(a) The Environment and Public Services and the Housing Committees, at a joint meeting on 18th August 2005, agreed the document ‘Planning for Homes 2005’. It appeared as an ‘A’ item on the Committees’ agenda and thus the matter was in the public domain. For that reason, the two Presidents issued a joint press release, embargoed to 23rd August 2005, and attached a copy of the report to provide background data for the media. The R.C. was published on 30th August 2005.
- (b) It has been common practice to undertake feasibility studies on sites which are being considered as possibilities for Category A housing purposes, prior to any related public consultation exercises, selection procedures and subsequent decisions to recommend site rezoning.

Feasibility studies have been undertaken for all the H3 and H4 sites identified in the Island Plan as requiring public consultation. That is H3 sites 1 - 16 and H4 sites 15 - 21.

In addition, the following sites have been subject to feasibility studies –

- (i) Strathmore Nurseries (Field 561 & 562), St. Mary;
- (ii) Land west of the Parish Hall, Rue du Pont, St. Mary;
- (iii) Acorn Enterprises, States Farm, Trinity; and,
- (iv) Fields 516, 517 and 518, Patier Road, St. Saviour.

It is still the intention that all the Island Plan H2 sites will be developed in due course. The status of the sites was set out in Appendix 8 of the latest Planning for Homes report

- (c) No homes on the sites have been completed to-date.

Four sites are currently under construction and should be complete by the end of 2006. The completion of homes on one of these sites is imminent;

- (i) another site has permission and will commence shortly;
- (ii) five sites are at various stages in the planning process and should be complete before the end of 2009 (namely the end of the period for the current identified housing requirements); and,
- (iii) only one site has not seen any significant progress. Site H2-10 is a small Field at Rue de Haut, St. Lawrence. A draft development brief has been prepared and the owner has appointed an agent, but the Planning Department has not received any serious approaches from developers.

- (d) It is not currently envisaged that there will be any significant shortfall in the provision of Category A homes arising from the *'non development of any of the 11 H2 sites'*.

The evidence from the latest Planning for Homes report suggests that the supply of Category A homes will comfortably match identified potential requirements for the period up to the end of 2009, with the exception of sheltered homes. However, this situation will continue to be kept under regular review.

At this time, there would appear little necessity to bring forward additional land, including H3 and H4 sites for Category A housing purposes, with the exception of sites for sheltered homes and sites where an overriding case can be made to achieve much needed community benefits. No decisions have yet been made on the sites most suitable for these purposes. The Committee will have regard to its feasibility studies, before proposing sites for public consultation purposes, prior to deciding which should be recommended to the States for rezoning.

- (e) The former Planning Environment Committee and the States considered the potential impact of 'planning gains' and the 45/55 per cent tenure split on the affordability of first-time buyer homes when formulating and debating the Island Plan. This is why the H2 sites in the Plan were zoned on the clear understanding that the tenure split must be met and that development permission should comply with the requirements of an approved development brief. It is also why conditions on each permission require any future sales of first time buyer homes to be back into the first-time buyer sector, thus having the beneficial effects of maintaining a stock of first-time buyer homes and reducing the need to rezone additional land for this category of housing.

As a consequence, owners and developers have known from an early stage what the States' and the Committee's expectations are for each site, the potential constraints and the matters which are likely to be the subject of Planning Obligations.

The aim has been to ensure that negotiations between land owners and prospective developers are properly informed of these matters, which should then be reflected in the land values. In effect, the land owner has had to accept a reduced price to cover the lower value of social rented housing, as well as any extra cost associated with planning obligations.

Ultimately, of course, the sale price of first-time buyer homes is determined by what those in the first-time buyer's market can afford. The developers have set their prices at this level and there is no evidence to suggest that the prices have been materially affected or have become less affordable as a result of the above measures.

It can be seen from the 'Action Plan' set out at the front of the latest Planning for Homes report that

the Environment and Public Services and Housing Committees intend to give further consideration to how the difficulties of single-earner households (and other aspiring home owners with low incomes) entering the owner-occupied housing sector can be overcome.

There have always been those who cannot quite afford the entry price level. Clearly, continued supply of more designated first-time buyer homes will help bring more into home ownership, but new first-time buyers also come into the market every week, by reason of age, qualification, or other changes of circumstance. As the affordability level only moves up or down relatively slowly, to make a significant difference and bring more lower income households into home ownership it is likely that 'shared equity' or discount schemes would have to be introduced. Clearly, the potential effectiveness of such schemes and the costs which are likely to be associated with them will require careful investigation."