



Environment Panel

Quarterly hearing with the Minister for Planning and Environment

MONDAY, 11th MARCH 2013

Panel:

Deputy J.H. Young of St. Brelade (Chairman)
Deputy S.G. Luce of St. Martin
Connétable P.J. Rondel of St. John

Witnesses:

The Minister for Planning and Environment (Deputy R.C. Duhamel of St. Saviour)
Chief Executive Officer, Department of the Environment
Director for Environment/Deputy Chief Officer, Department of the Environment
Business Manager, Department of the Environment
Director, Policy, Projects and the Historic Environment

In Attendance:

Scrutiny Officer

[14:30]

Deputy J.H. Young of St. Brelade (Chairman):

Thank you, Minister, and your team for coming on such a dreadful day.

The Minister for Planning and Environment:

Our Business Manager will join us, sorry; he is just parking the car.

Deputy J.H. Young:

We are in public session, although we have no representatives of the public present, but we are under the rules. Welcome. The only concession we had to the weather was to try and at least finish by 4.00 p.m.

The Minister for Planning and Environment:

Okay.

Deputy J.H. Young:

We do not know what time the temperature will drop, but if it starts dropping earlier we may have to review that to allow us at least to have a chance of getting home. So I formally open the meeting. For the record, John Young, Chairman of the Environment Scrutiny Panel.

Deputy J.H. Young:

Thank you very much. Well, thank you for coming along. We chose not to cancel the meeting mainly because we had announced it publicly. We thought as a principle we should maintain that, even though we may shorten the meeting. Unusually in our series of meetings, we decided to concentrate on one subject, one principal subject, and try and do it in a little bit more detail. That is, of course, housing. From our point of view, the principal policy we want to look at is the housing section of the Island Plan 2011. We have put together an agenda of key points that we had picked up in our panel reading of the Island Plan and we wanted to find out formally from you where you think we are 20 months on with regard to these particular elements of policy. We would like to find out from you what has worked, what has worked well, what has not worked, what is in progress and what remains to be done. I think the starting point we set was right at the beginning of the housing section, page 1 where you talk about what the purpose of this section of the Island Plan is, you talk about housing indicators and you talk about 3. One is the number of homes built relative to the estimated demand - this is on page 206 of the plan - number of homes built in St. Helier and the remainder of the built-up areas, and amounts of new development in the rural and parish communities. Now, those are high-level objectives. If you prefer, I am happy to tackle them as we go through in detail, unless you want to make any overall comments about how you think we are doing in terms of meeting the objectives and where we have got and the indicators that you can put on the table for us.

The Minister for Planning and Environment:

Director?

Director, Policy, Projects and the Historic Environment:

Is it worth just stating at this point, Chairman, that we received your agenda last week and in response to that, because a lot of your questions are very much factual in terms of numbers, we

have put together a briefing note which tries to pick up some of the issues that you have raised. So, if you are content, we can circulate this amongst you in order that you can pick up the issues that we have addressed.

Deputy J.H. Young:

Okay. Well, that is very helpful. Obviously we would like copies and, as we go through the meeting, if you could refer us to the key points in the note because I am happy to link your answers. I wonder if you have one for our ...

Director, Policy, Projects and the Historic Environment:

Yes.

Deputy J.H. Young:

Scrutiny Officer, logistics for the meeting; if I refer to this document can we cope with that vis-à-vis the transcript?

Scrutiny Officer:

Yes.

Deputy J.H. Young:

Okay, thank you. So, in relation to the question which I asked, performance in relation to housing Island Plan indicators, I see that is on the second page. Would you like to just highlight the key point you are making here, the paragraph that clearly sets out where we are?

Director, Policy, Projects and the Historic Environment:

Yes. Well, the indicators H1 of the plan state on page 206 there are 3 indicators there and what we have tried to do in the paper that we have set out before you is to try and respond to those. The first part of the paper talks about the number of homes built relative to estimated demand by category, tenure, type, size and affordability. We have tried to deal with that in the first part of the paper that you have.

Deputy J.H. Young:

Can you give us the numbers, please?

Director, Policy, Projects and the Historic Environment:

Yes, I can do. As you can see from the notes, the Island Plan includes an estimated demand for 2,000 homes over the first part of the Island Plan period. That is 2011 to 2015. That is broken up into 500 affordable homes and 1,500 category 'B' homes.

Deputy J.H. Young:

Right, can I just stop there? Can I ask my colleagues: page 220 deals with these targets of numbers, if we can just find that? So 2,000 you just said was the target?

Director, Policy, Projects and the Historic Environment:

That is right.

Deputy J.H. Young:

But the target is 2,425, is it not? I see, the demand is 2,000 and the supply is 2,425?

Director, Policy, Projects and the Historic Environment:

Yes. If you look at page 212 of the Island Plan ...

Deputy J.H. Young:

I see. There is the 2,000 target.

Director, Policy, Projects and the Historic Environment:

Yes, that is right and that is how it is broken up over the plan period.

Deputy J.H. Young:

Sorry, carry on.

Director, Policy, Projects and the Historic Environment:

Clearly, we are not long into the plan period and what we do on an annual basis is we produce a monitoring report, and that is the residential land availability report which you will have been provided with previously.

Deputy J.H. Young:

That one?

Director, Policy, Projects and the Historic Environment:

That is right. That sets out the monitoring of plan performance in terms of housing. What you will see is that the latest residential land availability talks about the number of homes that were built in 2010 and in 2011. Table 7 of that report shows how the plan has performed against the category and the size and the type.

Deputy J.H. Young:

So table 7 of this report, page 6 of this one? Have you repeated those numbers in this document you have just given us? Have you copied them in?

Director, Policy, Projects and the Historic Environment:

Well, it refers to the document in here.

Deputy J.H. Young:

But you have put the numbers in?

Director, Policy, Projects and the Historic Environment:

Well, we have just given you the numbers of homes that were delivered. That is right.

Deputy J.H. Young:

So would you like to just highlight what are those numbers?

Director, Policy, Projects and the Historic Environment:

Well, we have produced 207 homes in 2010 and 677 in 2011.

Deputy J.H. Young:

Which paragraphs are we referring to here? I see, note 1, 207 and 677?

Director, Policy, Projects and the Historic Environment:

That is right.

Deputy J.H. Young:

That includes category 'A' and 'B', does it?

Director, Policy, Projects and the Historic Environment:

That is right.

Deputy J.H. Young:

That is 2 years of the plan. That compares with the expectation being 800 homes, is it; 400 a year?

Director, Policy, Projects and the Historic Environment:

Well, the plan seeks to deliver the number of homes over two 5-year periods. Clearly, we will get variation on the annual completion rate during that time. So we measure it against 5-year land supply as opposed to individual annual completions, but that effectively gives you the rate of completions during that time.

Deputy J.H. Young:

Okay. Two questions on that. First of all, is 2011 the latest lot of figures you have got available?

Director, Policy, Projects and the Historic Environment:

It is. We are working on the figures for 2012. We have done some work to look at the category 'A' completions in 2012 and we are presently looking at the category 'B' completions for 2012. Clearly, we will always be in a position where we need to look back because we get this information from our colleagues in the development and control section from planning permission and we also get information from our colleagues in the building control section on completions. We monitor the level of permissions and completions that are undertaken in any one year on an annual basis.

The Deputy of St. Martin:

Can I just ask where it says "outstanding commitments" and "area under construction", is that as of January 2012?

Director, Policy, Projects and the Historic Environment:

That is as of January 2012. That is right.

The Deputy of St. Martin:

So we have had another 13 months on top of that?

Director, Policy, Projects and the Historic Environment:

Yes. So what we will do with the 2012 report is we will report on what has been built and granted planning permission in 2012 and give you a figure of outstanding planning permissions that exist at the beginning of this year.

Deputy J.H. Young:

Of the 207 in 2010 and the 677 in 2011, could you tell us what the category 'A' element is in those, please?

Director, Policy, Projects and the Historic Environment:

I can do, just bear with me 2 seconds ... Yes, the ...

Deputy J.H. Young:

So we are looking here at table 10 in the report, are we?

Director, Policy, Projects and the Historic Environment:

Well, it is split in a number of ways. You can look at it by parish. Table 6 in the *Residential Land Availability* report talks about total category 'A' by parish between 2010 and 2011. If you look at table 5, that gives you the completions by year and category 'A' and category 'B'.

Deputy J.H. Young:

Right, so for 2011 - you will excuse me, I am not as familiar with this report as you are - which of those numbers in table 5 gives us the number of category 'A'?

Director, Policy, Projects and the Historic Environment:

In table 5?

Deputy J.H. Young:

I do not mind which table it is, as long as you tell us where we find the category 'A' ones.

Director, Policy, Projects and the Historic Environment:

Okay, well, table 5 in the *Residential Land Availability* report tells you by year the number of homes that were built for category 'A' and category 'B'.

The Deputy of St. Martin:

Where does it say category 'A'?

Deputy J.H. Young:

Our one does not have it in. Which column?

Director, Policy, Projects and the Historic Environment:

Unfortunate the headings are split over 2 tables but ...

Deputy J.H. Young:

I see. So it is column 1, 2, 3, 4, 5?

Director, Policy, Projects and the Historic Environment:

Yes, that is right.

Deputy J.H. Young:

So category 'A'. Yes, on my printed copy it does not appear.

Director, Policy, Projects and the Historic Environment:

Yes. You will see there is a footnote in your briefing note. Since we published this report in September last year, further research has indicated that there have been some additional completions and we make reference to that in the footnote of your briefing paper.

Deputy J.H. Young:

Right, because I see from that table 5 as published the figure for category 'A' in 2011 is shown as minus 7.

Director, Policy, Projects and the Historic Environment:

That is right.

Deputy J.H. Young:

So what you are saying is it was not minus 7, there are additional completions?

Director, Policy, Projects and the Historic Environment:

Yes, although some of those additional completions are in category 'B' schemes.

The Deputy of St. Martin:

There is an additional 98 in category 'B'.

Director, Policy, Projects and the Historic Environment:

Yes, they are predominantly category 'B' you will see at Portelet, Castle Quay and St. Peter's Country Apartments.

The Deputy of St. Martin:

681.

Deputy J.H. Young:

Not to beat around the bush, does that effectively mean that in 2011 we achieved our category 'B' target but we did not achieve our category 'A' target?

Director, Policy, Projects and the Historic Environment:

That is right, yes.

Deputy J.H. Young:

Okay, thank you for that.

[14:45]

Director, Policy, Projects and the Historic Environment:

I am sure it is addressed here later on but, in terms of category 'A', as I mentioned earlier on we have done some additional work to look at category 'A' completions over 2012. There are about 160 category 'A' completions.

Deputy J.H. Young:

Which page are we looking at on your new note?

Director, Policy, Projects and the Historic Environment:

I am not sure that that is reflected in here, but that is some additional work that we have done.

Deputy J.H. Young:

Okay, so that is in progress in the 2012 report.

Director, Policy, Projects and the Historic Environment:

That is right.

Deputy J.H. Young:

So, just to clear up the historical position, in 2011 we did not achieve any category 'A' housing but we achieved 'B'?

Director, Policy, Projects and the Historic Environment:

That is right.

Deputy J.H. Young:

In 2010 what was the position? I see, according to that same table, there is a figure of 10 category 'A' houses recorded in 2010. Is that the position?

Director, Policy, Projects and the Historic Environment:

That is right.

Deputy J.H. Young:

Is there any adjustment to that or is that the figure?

Director, Policy, Projects and the Historic Environment:

No, that is the figure.

Deputy J.H. Young:

So in 2010 we had 207 homes of which 10 were category 'A'.

Director, Policy, Projects and the Historic Environment:

Yes.

Deputy J.H. Young:

In 2011 677, of which none were category 'A'.

Director, Policy, Projects and the Historic Environment:

That is right.

Deputy J.H. Young:

That compares, when one looks - if you do not mind me observing - we have here figures of 362 category 'A' in 2002, 191 the next year, 111, 66, 287, 261, 54 and 131 in 2009. That suggests to me that there has been a radical change - I do not know if you want to comment on that, Minister - between the number of category 'A' houses that were achieved in the years 2002 to 2009 and in 2010 and 2011 that seems to have stopped, Minister. Is that a correct conclusion?

The Minister for Planning and Environment:

That is the numerical change but that does not necessarily represent a change in policy, which is something else.

Deputy J.H. Young:

Right. So there is a change but it is not represented in a policy change?

The Minister for Planning and Environment:

No.

Deputy J.H. Young:

Do you want to put the microphone a bit perhaps nearer?

Director, Policy, Projects and the Historic Environment:

I think perhaps if I might add, clearly in terms of reviewing the Island Plan, when we review the plan the plan comes forward with a policy framework to deliver a number of objectives. In terms of housing supply, the last Island Plan contained provision for the delivery of category 'A' homes and one of the reasons for reviewing the plan was the fact that the policy stream identified for the

provision of those homes was coming towards its natural conclusion. So the volume of category 'A' homes being delivered by the plan is naturally going to tail off towards the end of the plan period and I think that is a natural phenomenon that you get with planning policy where you are making those sorts of provision. As I mentioned, the ...

Deputy J.H. Young:

Can I just check what that means, then? Just bearing in mind what the Minister said, is it a correct interpretation that 2009 marked the end of an old policy approach to delivering category 'A' homes?

Director, Policy, Projects and the Historic Environment:

I am not suggesting the policy approach ends. All I am suggesting is that the sites that were identified under the policy regime are getting towards the end of their ...

Deputy J.H. Young:

I understand. So apologies. The sites that were in the pipeline under that policy regime had worked their way out?

Director, Policy, Projects and the Historic Environment:

Yes, although we have seen some completions of some of those sites in 2012, which will be picked up in the new report.

Deputy J.H. Young:

Was it also true that there were no new sites to replace them then in 2010 and 2011?

Director, Policy, Projects and the Historic Environment:

Well, clearly the new Island Plan contains a new policy regime for the delivery of affordable homes, which is based on ...

Deputy J.H. Young:

That is in 2011?

Director, Policy, Projects and the Historic Environment:

That is right, which is based on policy H1 and policy H3 of the new plan.

Deputy J.H. Young:

Do you want to pick that up, Steve, or shall I carry on?

The Deputy of St. Martin:

Well, I can understand exactly what the officer is saying.

Deputy J.H. Young:

Carry on.

The Deputy of St. Martin:

I just wanted to move on to a question if we are sticking on H1, moving on to the fact that ...

Deputy J.H. Young:

Okay, shall we move to H1 then?

Director, Policy, Projects and the Historic Environment:

Perhaps another point to make before we move on. As it is pointed out in the note here, one of the issues that is identified during our monitoring activity is that a proportion of category 'B' completions also contribute to category 'A' need in the sense that you get a small amount of provision in category 'B' that is affordable and accessible to first-time buyers.

Deputy J.H. Young:

How do you know that?

Director, Policy, Projects and the Historic Environment:

We do work with the stats unit and local estate agents and the Housing Department to look at provision and look at who is accessing those properties. You will see from the note in 2011 30 per cent of all share transfer flats were sold to first-time buyers. So while we do not reflect that in our numbers, we just note that as a point of information.

Deputy J.H. Young:

Where is that footnote, on which page?

Director, Policy, Projects and the Historic Environment:

It is not a footnote. It is in the text under point 1.

Deputy J.H. Young:

So what you are saying then, whereas in the past there was a clear distinction between category 'A' and 'B', that has now changed because some category 'B' dwellings are automatically fulfilling need housing?

Director, Policy, Projects and the Historic Environment:

No, all I am saying is that a proportion of category 'B' homes are effectively affordable to some first-time buyers and I think that has always been the case.

Deputy J.H. Young:

It has always been the case. So it is not new but it is just now more important?

Director, Policy, Projects and the Historic Environment:

Well, it is just a feature of category 'B' supply.

Deputy J.H. Young:

Is that because the developers are choosing to do it from choice or because of conditions you are putting on in planning consent?

Director, Policy, Projects and the Historic Environment:

No, these are category 'B' homes, so we are not conditioning them in any way. It is the developers are perhaps responding to the market.

Deputy J.H. Young:

What is your estimation of the impact in numbers? I missed that, apologies.

Director, Policy, Projects and the Historic Environment:

Well, as it says in the notes, we think about 90 units in 2011 were sold to first-time buyers under category 'B'.

Deputy J.H. Young:

So that is 90 out of the 677?

Director, Policy, Projects and the Historic Environment:

No, that is an additional figure on top of that.

Deputy J.H. Young:

Ninety on top of the 677?

Director, Policy, Projects and the Historic Environment:

Sorry, no. It is included in that figure. Yes.

Deputy J.H. Young:

Right. So in 2011 15 per cent of category 'B' homes were meeting the affordable needs brackets?

Director, Policy, Projects and the Historic Environment:

Well, yes, that was a snapshot for that particular time.

Deputy J.H. Young:

What about price? Are there any price parameters in there?

Director, Policy, Projects and the Historic Environment:

I do not have any information on price.

Deputy J.H. Young:

So if a first-time buyer buys a flat for £1 million, is that a category 'A'?

Director, Policy, Projects and the Historic Environment:

Well, the definition of category 'A' is a first-time buyer.

Deputy J.H. Young:

Right, so it is not related to affordability?

Chief Executive Officer:

No, it is not. It is one of the debates we have had during the Island Plan debate certainly of 2011: "What does constitute category 'A'? What is category 'A'?" At the moment the definition of category 'A' includes first-time buyer. It includes many other forms of housing occupation as well. So you are right to say, yes, if you are a first-time buyer then you would meet that criteria and it is not price dependent at the moment.

Deputy J.H. Young:

Is that something you are looking at changing in your definitions for planning policies? We are going to move on to affordable homes in a minute.

Chief Executive Officer:

Yes. Some of the discussions certainly which were raised during the 2011 Island Plan debate were that there were some political concerns at the time around what is the definition of category 'A'. It was something that was flagged up and understood at the time and it was something that really needs to be extrapolated and explored in a new housing strategy, which the States are

discussing. So it has not yet been produced but it would be something that the strategic housing unit would ...

Deputy J.H. Young:

Right, so this is work in progress?

Chief Executive Officer:

Yes, it is work in progress and it will be work in progress. Not so much by us, obviously, but working with Housing colleagues and if a strategic housing unit is ultimately formed that housing strategy would be prepared there.

Deputy J.H. Young:

I hope you do not think I am labouring it. I am just trying to get an understanding. What I am hearing from here so far is we previously had policies of identifying sites for need housing. That has worked its way out. What we now have is a situation where we are getting some need housing from the category 'B' consents where they are not conditioned. We do not yet know to what extent that relates to affordability.

Chief Executive Officer:

That is right. There will be a proportion of category 'B' dwellings, as I think the Assistant Director has already said, in terms of the developers are responding to the market. If they are not getting houses away at a certain price, they are looking at the different types of products. Clearly, some of those products are being sold across the Island to other groups. So, yes, you can be a first-time buyer for a £1 million property technically, but most of the first-time buyer properties that are delivered are generally lower in the market.

Deputy J.H. Young:

I was over ...

Chief Executive Officer:

No, I know.

Deputy J.H. Young:

Over-simplification.

The Deputy of St. Martin:

Certainly, that is a fair point because first-time buyers 12 months ago I think we noticed some areas where quite highly-paid professional people were genuinely first-time buyers and were going

in the market and purchasing a property at £500,000 or £600,000 and that was coming out as first-time buyer properties in actual fact.

Chief Executive Officer:

Yes, it does depend obviously on the legal definition of first-time buyer. At the moment that definition of first-time buyer, we are seeing some people buy category 'B' dwellings which technically are first-time buyers.

Deputy J.H. Young:

Now, if I can just shift the debate now to, rather than numbers, where they are, looking at I think it is page 3 of your note, starting to get into I think the questions I wanted to ask. Would it be right under the current policy the spatial strategy requires most of those homes in the built-up areas?

Director, Policy, Projects and the Historic Environment:

Yes. The spatial strategy of the plan seeks to concentrate development in the built-up areas.

Deputy J.H. Young:

But there are other policies for homes in rural areas subject to need and also on H1 States-owned sites as well?

Director, Policy, Projects and the Historic Environment:

Yes, the majority of States-owned sites are predominantly in urban areas

Deputy J.H. Young:

Can you point to perhaps the figures in your note here that help us to get an understanding of what are the relative proportions? Are all those homes of the 677 in 2011 which were category 'B' homes ... sorry, 85 per cent category 'B' and 15 per cent category 'A', were they all in built-up areas? What can you tell us? What do the figures show?

Director, Policy, Projects and the Historic Environment:

Okay. Well, what we have done in terms of the second point on the note is look at the sources of supply that were identified in the Island Plan on page 219 and related those to the consents that have been awarded.

Deputy J.H. Young:

Would you like to sum up what the numbers are on that, please, for 2011?

Director, Policy, Projects and the Historic Environment:

Okay.

Deputy J.H. Young:

Or do both years if you have those figures.

Director, Policy, Projects and the Historic Environment:

Yes, okay. The first source of supply was identified as the category 'A' housing sites that were identified in the 2002 Island Plan.

Deputy J.H. Young:

These are the old ones?

Director, Policy, Projects and the Historic Environment:

These are the ones that were remaining. So we had 2 sites left, if you like, from the 2002 plan. That was Rue de la Sergente in St. Brelade and Rue de Haut in St. Lawrence.

Deputy J.H. Young:

One of them is done now, is it not?

Director, Policy, Projects and the Historic Environment:

Yes, 26 homes were completed on the St. Brelade site and we have planning application for 12 pending on the St. Lawrence site.

Deputy J.H. Young:

Yes. Could I just ask you a question? This may be off piece; we might want to defer it. On the Rue de la Sergente houses, I am aware that some of those houses were sold for £470,000, round about. Is this category 'A' housing?

Chief Executive Officer:

Yes, again that would have been category 'A' first-time buyer housing.

Deputy J.H. Young:

Under the old category 'A' there was no price restriction?

Chief Executive Officer:

No, there is not, no.

The Deputy of St. Martin:

Which was the confusion over first-time buyer because if you genuinely do not own a home but you have £1 million to spend and you spend it buying a house, in theory you could be classed still as a first-time buyer.

Deputy J.H. Young:

So there was no affordability within the category 'A' definition in terms of money?

Chief Executive Officer:

No, I think the way that the category 'A' definition for first-time buyers has operated in the past is it really does depend on what the market is doing. What we have seen over most recent years is that first-time buyer, if you like, a 3-bedroom first-time buyer home, brand new, the price of those have been increasing. They are still arguably slightly less than the full market value of a category 'B' dwelling, but they are very close.

Deputy J.H. Young:

Could I just put a query there and please correct me if I am wrong? Under the part of the Planning Law, the power allows you to zone land for different groups of people who would not be able to access the normal housing market, does it not?

Chief Executive Officer:

That is correct, yes.

Deputy J.H. Young:

What I am puzzled at is how houses being built and sold for £470,000 fits within that definition of a category 'A' housing site zoned under that law.

Chief Executive Officer:

I think it is a valid question and it is exactly the point that was of concern in the Island Plan debate in the summer of 2011 whereby certainly Members felt that zoning land within such a broad definition of category 'A' was it truly affordable anymore to call properties first-time buy? Were first-time buy truly affordable anymore? It was a live discussion certainly in the Island Plan debate, which warranted a number of the re-zonings being removed from the plan.

Deputy J.H. Young:

This may be speculation. You may not want to answer, but to test you out, is there then merit in considering or might there have been at that time rather than zoning for category 'A' zoning particularly for affordable homes and putting some criteria in?

Chief Executive Officer:

I think the debate certainly which was live is what does the States currently class as affordable housing, and anything within category 'A' has traditionally been used as the tag for affordable housing. Is it, therefore, right that some of these forms of category 'A' are still classed as affordable housing? I think the honest answer at the moment would be no, some elements of category 'A' clearly are not affordable to the vast majority of Islanders who are looking for homes less than £470,000. So it was a live debate. The problem we had in the Island Plan discussions, there was no amendment to the plan formally to change the definition of category 'A'. Therefore, the only real option that the States had was just to take the sites out.

Deputy J.H. Young:

That is very helpful.

[15:00]

The Deputy of St. Martin:

Do you have a number in mind? It is very difficult to find in the Island Plan any number and the word "affordable" in the same sentence, but there is in 627 a reference to £350,000. Is that where you see affordable?

Chief Executive Officer:

Certainly, the Assistant Director can answer as well. There are a lot of proposals every year and statistics produced, but generally those figures vary between £200,000 to £250,000 but ...

Deputy J.H. Young:

I think I need to go to the Minister. Do you want to say anything on that point?

The Minister for Planning and Environment:

Certainly, I do not consider £325,000 - £350,000 for an affordable house is affordable and that is why some work was asked for by the Stats Department, out of which has come my definition of truly affordable, which is £200,000, which roughly represents the capacity of 80 per cent of those on median incomes to afford a house mortgage of £200,000.

Deputy J.H. Young:

Minister, is it your view that is the key issue that the States need to decide ...

The Minister for Planning and Environment:

It is, absolutely.

Deputy J.H. Young:

... in the future on policies in setting this?

The Minister for Planning and Environment:

It is, and that is why I have always maintained that the affordability issue and the definition are absolutely crucial to this discussion.

Deputy J.H. Young:

If I can just sum up, where I think that takes us is that there was a problem with zoning things for category 'A' because there was no link to affordability. That has worked its way out. What we have not yet got is a zoning method that puts in place a measure of affordability and there is not yet agreement, would it be true to say, about where that figures lies?

The Minister for Planning and Environment:

Yes, I think that is spot on.

Deputy J.H. Young:

That does need to be cleared up for the future for policy purposes?

The Minister for Planning and Environment:

It needs to be cleared up politically, yes.

Deputy J.H. Young:

Thank you for that. Obviously, I used the example of Rue de la Sergente, which I know about because it is in my parish. Are there any other sites that you are aware of that are currently under development where that same issue occurs where houses either have been or are in the process of being sold or offered for that sort of £470,000 - £480,000, which were category 'A' housing sites?

Chief Executive Officer:

I think the home scheme that is currently being built in Trinity is probably getting the same sort of figures on values. They are technically first-time buyer homes which fall into the definition of category 'A' housing but the prices that are being attracted to some of those homes arguably are beyond the affordability of most.

Deputy J.H. Young:

It may be we will have to come back to that, but the same issue applies on the Trinity site then. Are there any other sites?

Chief Executive Officer:

If anything has first-time buyer homes on it, clearly those first-time buyer homes, depending on their size, could attract those sort of values. If they are 2-bedroom first-time buyer homes then obviously it would be a lower value, but it comes back down to the point about what is our definition of affordable housing. At the moment, the category 'A' definition, which we have used traditionally, is a very broad definition and includes many things.

Deputy J.H. Young:

Minister, obviously you and your team have given us a very clear exposition of the problem, I think. If there were sites coming through the pipeline, new ones, are you going to proceed to get these zoned without having got the clarity about this question of affordability or are we going to be in a position where you are going to be asked to zone further sites for category 'A' housing where there is no definition of affordability?

The Minister for Planning and Environment:

I think the state of play at the moment is probably closer to your latter comment rather than your former comment.

Deputy J.H. Young:

That you are going to be asked to do it?

The Minister for Planning and Environment:

Yes, and that is not satisfactory.

Deputy J.H. Young:

What would it require, Minister? Does it require a new policy? Does it require an amendment to the Island Plan?

The Minister for Planning and Environment:

We have been tasked to do through the Island Plan amendment for H3 and H1 to come forward with 2 reconsiderations of those policies and, in addition, to come forward with a workable new definition of true affordability.

Deputy J.H. Young:

Okay. I think that is a very useful summary. Perhaps I think we should hold that ...

The Deputy of St. Martin:

Well, can I just take that a little bit further? On the second page of the document you provided us with, Minister, it does say at the bottom there that you are giving consideration to a review of the housing chapter in the Island Plan, which will include a review of housing demand. Obviously, there is quite a bit in the housing chapter. Is it all up for review?

The Minister for Planning and Environment:

Not all of it, but specifically the 2 clauses, the H1, the H3, and the H5 policy.

Deputy J.H. Young:

I wonder if we might go through those one by one, shall we because they are all separate elements. Now, H1, if we perhaps look at ...

The Deputy of St. Martin:

Well, if I might, Chairman, the only reason for raising that was is there any point in us discussing policy that we have in the Island Plan at the moment if we are just about to have a new policy which will render it different? It is all very well us questioning you on what we might have done and where we were with a policy that is now 18 months or 2 years old, but if you are about to come up with something new are we just going over old ground which will be very old in a matter of weeks?

Deputy J.H. Young:

Well, it seems a fair question to the Minister if he wants to answer us.

The Minister for Planning and Environment:

It is a fair question. All I can say at the moment is, having been given the problem over a year ago and laboured with my officers to find suitable alternatives that would redefine affordability and come forward with a workable plan option for H3 and H1, I am running into difficulties with other politicians who might have an opinion to express.

Deputy J.H. Young:

Can you expand on that? When you say with "other politicians", with other Ministers or just back-bench Members like me and others?

The Minister for Planning and Environment:

No, specifically the Council of Ministers.

The Deputy of St. Martin:

Maybe if I could just change ...

Deputy J.H. Young:

Well, no, I would just like to explore a little bit, if I may, what is being said. We have got as far as recognising there needs to be a review of policy. The key thing, from what you are saying, is getting agreement with other Ministers.

The Minister for Planning and Environment:

I thought the process involved the Minister for Planning and Environment coming forward with a new working definition for these issues and to go out for public consultation and then to bring those amendments back to the House, to the States Assembly for discussion and a decision.

Deputy J.H. Young:

This would be as an amendment to the Island Plan?

The Minister for Planning and Environment:

Absolutely.

The Deputy of St. Martin:

How long do you consider is a fair length of time for us all to wait, Minister, inasmuch as what I wanted to go to was policy H1 at the moment and the fact that I believe that we should be looking at rezoning because we do not have enough affordable homes. I understand affordable is questionable, but we do not have enough planning applications for affordable homes in the pipeline at the moment. Now, where does that all sit?

The Minister for Planning and Environment:

Well, where that sits is that ...

The Deputy of St. Martin:

Can we not apply this policy while we are waiting for the new one?

The Minister for Planning and Environment:

No, we cannot. We cannot, no.

The Deputy of St. Martin:

Why not?

The Minister for Planning and Environment:

Because the old policies are no longer applicable until a new policy is agreed by the House. That is what the Assembly instructed the Minister to do and that is what the Minister needs to do.

The Deputy of St. Martin:

Surely a policy that is adopted by the House is applicable until a new policy is brought in?

The Minister for Planning and Environment:

My officers will comment differently.

Chief Executive Officer:

Yes, the policy is the policy. The policies in the Island Plan are those which the Assembly have approved.

The Deputy of St. Martin:

We have a policy H1 in the Island Plan at the moment that has been approved.

Chief Executive Officer:

Yes, that is correct.

The Deputy of St. Martin:

Notwithstanding the fact that you are coming forward or the Minister is coming forward with a new H1 policy, surely we have to apply the current policy until such time as the new one is approved?

Chief Executive Officer:

Yes, the current one is being applied. So the current H1 policy expects simply 150 homes on States sites. That is what the H1 policy now expects.

The Minister for Planning and Environment:

At least.

Chief Executive Officer:

At least, yes, expects ...

The Deputy of St. Martin:

No, it says planning applications for 150. So have you received 150?

Chief Executive Officer:

We have, yes. So we have had ...

The Deputy of St. Martin:

Sorry to interrupt. Can you just tell us where they are?

Chief Executive Officer:

Yes. The main one is the Summerland and Ambulance Station site, which is ...

The Deputy of St. Martin:

You have had an application for 150 homes at Summerland?

Chief Executive Officer:

Yes, we have.

The Deputy of St. Martin:

Surely you have to bear in mind the fact that the Summerland site is not available until the police move.

Chief Executive Officer:

Yes, but the policy has 2 key tests in there. It is probably worth explaining where the wording of H1 has evolved to and where it came from. The draft Island Plan that went through the public examination, the public inquiry, had a number of other sites listed as rezoned sites. A number of those sites were removed and as a result the onus on delivery of affordable housing was put on States sites instead. So the 150 in effect was placed on to States land rather than private rezoned land. The inspectors wanted to build a trigger into that policy to make sure that planning applications were being progressed so that there was some sort of, if you like, pressure placed that these sites just would not languish and be just in the plan but no progress. The test that was applied was a planning application test. There was not a development test. The test says that applications should be received within 12 months and planning permission secured within 24 months. So that is what is being progressed. Clearly, the first of those tests have been met in that applications have been received within 12 months for as much as 150 homes. It is more than that, slightly more. The next bit of the test will be within 24 months, which will be 29th June of this year, planning permission should be granted for that number of homes. If those tests are not met, then the next bit of the policy then kicks in, which is the trigger which then requires the plan to be reviewed.

The Deputy of St. Martin:

I know what you are saying and I can see from a legal perspective that possibly you may well be correct, but do you not think that there is some justification in the concern there is out there that you are using the planning application for 150 affordable homes on a site which we know is not going to become vacant for a considerable amount of time?

Chief Executive Officer:

I do not think it is our justification, I think the policy makes it very clear that we expect that number of homes to be across a range of portfolio sites. So it is not just focused on Summerland and the Ambulance Station. It also could include a number of other sites and they are all listed in the policy. So the policy test, just to meet the policy, as long as planning application has been received for that number and granted for that number within the 24 months the policy has been met.

Deputy J.H. Young:

But you did say to us, I think, on a previous session that the H1 policy was intended to deliver in the first 5 years of the plan, I seem to remember. Was that correct?

Chief Executive Officer:

That is right, yes.

Deputy J.H. Young:

So we are 20 months in and we have a number of sites set down here where, not to cut a finer point on it, there are enormous uncertainties. States-owned States offices is listed there. Do you have a plan to go anywhere else because you occupy those offices at the moment?

Chief Executive Officer:

I think you are raising exactly the right point. The policy may well technically be met and the policy I think will be met in the fact that we are due to give planning decision on the applications before us. So the policy will be met. The next question that, therefore, kicks in is: what is the deliverability of that policy?

The Deputy of St. Martin:

Without wanting to be rude, there is no point in having a policy if it is not deliverable surely.

The Minister for Planning and Environment:

No, I do not think that applies.

The Deputy of St. Martin:

What is the point in having a policy if you cannot deliver on it?

The Minister for Planning and Environment:

That does not apply. Equally, we have 1,400 or thereabouts residential permits that have been given and it is down to the public to build them. Now, we cannot force things to be built.

Deputy J.H. Young:

But where are those, Minister? These are ...

The Minister for Planning and Environment:

They are sitting there, waiting to be built. There is an economic recession.

Deputy J.H. Young:

Right. But, Minister, this H1 policy talks about affordable homes on States-owned sites. I thought, and please put me right if I am wrong, that everything that had been said about this policy was that it was a means of achieving homes for sale to people at affordable prices because these are our own sites and, therefore, the States can decide what prices it wants to sell at.

The Minister for Planning and Environment:

Yes, but in order to get there, there has to be an agreed definition of what is meant by affordability, agreed by the States.

Deputy J.H. Young:

Right, but the point you just said about there being 1,500 in response, that there are 1,500 consents out there are not being built, are those affordable homes at affordable prices? How do you know?

The Minister for Planning and Environment:

They are a mix.

Deputy J.H. Young:

Fifteen per cent if they are anything like we were told before.

Chief Executive Officer:

I think some will be but, yes, I would use that same ratio. I think the right question to answer is: what were the circumstances and assumptions at the time when that policy was (a) formed and (b) approved? What were the assumptions on some of those States-owned sites which would have

led to a bit more comfort, if you like, on their deliverability? Clearly, back in 2010 or back in 2011, there were different ideas for the provision of the police station, for instance, as to the ones we now have before us. So that is a material change, I would argue. You could probably make arguments on some of the other States-owned land as well in terms of you mentioned South Hill. Running the department then, we probably had 2 or 3 different variations of the availability of that site. Going back to 2011, there was a plan potentially of moving the department out. We would have moved out by now, but that plan has not ...

Deputy J.H. Young:

Sorry to interrupt. You do not at the moment have an application in for category 'A' houses at Girls College, do you?

Chief Executive Officer:

We have an application for Girls College which came in on Thursday, which has a proportion of category 'A' in it, yes.

[15:15]

Director, Policy, Projects and the Historic Environment:

Yes, I think it might be useful to add that some of the work that we have done recently to update our statistics on category 'A' indicate that we think we have a supply for category 'A' homes of about 500 up to 2017, although as you rightly indicate there are some issues around the deliverability of some of those sites, particularly the Summerland and the Ambulance Station site which is about 150 units. So I think of that 500 that are in the pipeline we think about 350 of those are deliverable within the timescale in terms of category 'A' but there is an issue around delivery.

Deputy J.H. Young:

So 350 are deliverable in 2017?

Director, Policy, Projects and the Historic Environment:

Yes.

Deputy J.H. Young:

So we still have 3 years to build them effectively ...

The Minister for Planning and Environment:

Yes.

Deputy J.H. Young:

... if you allow a year for the planning.

Director, Policy, Projects and the Historic Environment:

Yes, and some of those are coming out of some States Housing Department sites, from the regeneration and refurbishment of those sites. Some of them are coming from some of the parish schemes, because these are all within the definition of category 'A'.

Deputy J.H. Young:

They do not fall within policy H1, though?

Director, Policy, Projects and the Historic Environment:

No, but they are making provision for that category.

Deputy J.H. Young:

Right, so that was your 350?

Director, Policy, Projects and the Historic Environment:

That is right.

Deputy J.H. Young:

What you are telling us, I think, is your expectation is that 350 homes will be delivered of the target up to 2017?

Director, Policy, Projects and the Historic Environment:

Yes, policy H1 is not the only delivery mechanism.

Deputy J.H. Young:

You are confident that they are all going to be affordable?

Director, Policy, Projects and the Historic Environment:

Well, they would fall within the definition of category 'A'.

Deputy J.H. Young:

Which we do not have a definition of affordability at the moment.

Director, Policy, Projects and the Historic Environment:

Well, there is a mixture in there of social rent, lifelong homes for purchase ...

Deputy J.H. Young:

If I could, for the purposes, leave out rental just for a minute, if you would not mind.

The Minister for Planning and Environment:

There will be a definition when I come back to the House to get them agreed by the States.

Deputy J.H. Young:

Right. That is what you said, Minister.

The Minister for Planning and Environment:

That was the intention of this Minister to do that, along with the revision to the H3 and H1 policy at the same time.

Deputy J.H. Young:

Thank you, Minister. So that is still your intention?

The Minister for Planning and Environment:

Yes.

Deputy J.H. Young:

Because what was said by the Assistant Director there was that, of those numbers, some of those could be on parish sites, but we equally heard that parish sites are not subject to an affordability criterion. So you are saying, Minister, that those sites will require an affordability criterion before any more come through?

The Minister for Planning and Environment:

They should do, yes.

Deputy J.H. Young:

But will you make sure that is done?

The Minister for Planning and Environment:

I am endeavouring to do that, yes.

Deputy J.H. Young:

Within the limits of your powers.

The Minister for Planning and Environment:

Absolutely.

Deputy J.H. Young:

So coming back to these sites, because I think I want to clear up where we are exactly with where H1 is, Deputy Luce asked about Girls College. Deputy Luce and I attended at the ministerial meeting. We were puzzled at the process where we had Jersey Property Holdings appealing against the decision on an application and we had planning officers speaking against it.

Chief Executive Officer:

Yes.

Deputy J.H. Young:

Deputy Luce and I were totally confused about what was going on here. If you can please enlighten us; not in any detail, but please sum up how we got into such a mess.

Chief Executive Officer:

Okay. In 2006 planning permission was granted for residential redevelopment of J.C.G. (Jersey College for Girls). That was for 100 per cent category 'B' dwellings, so that was the application from 2006. That clearly had a 5-year life to it. It came to an end whenever we gave the decision, but it would have been fairly recently that that permit expired. When that permit expired, the States had already made a decision through the Island Plan that J.C.G. was now one of the sites it would expect category 'A' homes to be provided on as part of policy H1. So the argument there is that the policy regime for that site has now changed. We are no longer expecting it to be 100 per cent category 'B'. We are expecting it to deliver a proportion of category 'A' dwellings as well. So in renewing 100 per cent category 'B' planning permission we are going against the now approved Island Plan which approves it.

Deputy J.H. Young:

Can I ask why on earth does a States Department come in and challenge a decision based on an Island Plan policy? How on earth did we get into that state of affairs?

The Minister for Planning and Environment:

I think it is a Treasury issue.

Deputy J.H. Young:

I think what you are saying is we should be asking the Minister for Treasury and Resources how this happened.

The Minister for Planning and Environment:

I think there may be a fundamental difference of opinion as to whether or not, first of all, States sites are surplus to requirements. Certainly, the policies have changed whereby that definition or categorisation does not necessarily apply, and you have just heard from the officers in that regard. Secondly, there is the way in which, if sites are sold off, the monies go back into the Treasury and they are not retained by Housing or any other department for the provision of housing.

Deputy J.H. Young:

Minister, are we going to have this argument on every one of these H1 sites? For example, South Hill, is that going to be affordable?

The Minister for Planning and Environment:

We might well do, yes, because I think there is an element of work that has to be undertaken in order to determine whether or not the policy context in which States sites are deemed to be surplus to requirement, bearing in mind that all sites could be used for further residential development, needs to be challenged, in my view.

Deputy J.H. Young:

Are you telling us that as Minister for Planning and Environment you are following the policy that there should be affordable on these sites ...

The Minister for Planning and Environment:

Absolutely, yes.

Deputy J.H. Young:

... and you are telling us that the Minister for Treasury and Resources is steering us towards a different direction in that these houses on these sites should be category 'B'?

The Minister for Planning and Environment:

I think there is a potential contradiction or conflict between the 2 different policy directions, yes.

Deputy J.H. Young:

Which needs to be resolved, clearly.

The Minister for Planning and Environment:

Absolutely.

Deputy J.H. Young:

Would it be true, Minister, just for the record, that if we get into that debate and argument this will delay the delivery of affordable homes on those units?

The Minister for Planning and Environment:

No, I do not agree with that at all because, again, if you tie the debate into a reassessment of the definition of true affordability along the lines that I was suggesting earlier, then there will be opportunities to deliver truly affordable homes in a faster timeframe, bearing in mind the building techniques that kick in, and there is no real need why the overall timetable needs to be seriously lengthened.

The Deputy of St. Martin:

I just wanted to seek a little bit of clarification from the Minister. For example, Minister, if we could just talk about South Hill, are you saying surplus to requirements, what the States should do is sell that off rather than retain it for category 'A'? We would be better off to sell it off and let somebody else build category 'B' houses on that site?

The Minister for Planning and Environment:

Personally, I think if any States-owned sites are going to be deemed to be surplus to requirement, I would have to see a very strong case made for why those sites could not be used for affordable housing before that policy kicked in.

The Deputy of St. Martin:

So when you say "surplus" you mean they should be used for category 'A' rather than sold off to the private and then used for category 'B'?

The Minister for Planning and Environment:

Well, obviously. The thing is if we look in general planning terms the States have a number of offices which could be deemed to be surplus to requirement, but we all know that there is an office relocation strategy working in the other direction trying to relocate office functions into a bigger office space somewhere else. So it does seem to me somewhat perverse to be suggesting that these sites are surplus to a particular requirement when in actual fact they are not surplus to the general requirements of the States and could quite easily be used to accommodate some of those useful uses.

Deputy J.H. Young:

Minister, do we not have an ambiguous policy here? I think, reading it and listening to you speak, in your view it is ...

The Minister for Planning and Environment:

I do not think it is the planning policy that is ambiguous; I think it is the Treasury policy.

Deputy J.H. Young:

Yes, but the policy as written, which is in the Island Plan, lists a number of sites and says we have to achieve 150 homes for them, full stop. It does not say 150 homes from the Girls College site. It does not say 150 homes from South Hill.

The Minister for Planning and Environment:

It says a minimum, at least 150.

Deputy J.H. Young:

Is the Minister for Treasury and Resources not going to argue that the policy to have 150 affordable homes means they can come from any of those sites and, therefore, the other sites are free to sell on the market?

The Minister for Planning and Environment:

No, I think he will argue that but it does not say only 150. It says at least 150. In my understanding of the policy, it is written in a way that allows other sites to contribute towards that larger number.

Deputy J.H. Young:

Right, but it does say: "States-owned site will also be developed", and it says: "in whole or in part."

The Minister for Planning and Environment:

Or in part, absolutely, that is correct.

Deputy J.H. Young:

"To provide at least 150 homes."

The Minister for Planning and Environment:

Yes, that is right.

Deputy J.H. Young:

But is there not lots of scope for argument in all those words?

The Minister for Planning and Environment:

Well, there probably is.

Chief Executive Officer:

I think it comes back to where the history of that requirement of States land came from. When the Island Plan was first drafted there was not a policy that required 150 homes from the States land. It went through inquiry because we were expecting private land to be rezoned and for those numbers to be provided by other sites. Those sites were removed. It was a mathematical number. In effect 150 was taken from private land and put on States land. Clearly, the argument is being made and it meets the policy that if 150 homes are provided on one site, which is the Summerland and Ambulance Station, the policy is met.

Deputy J.H. Young:

From what you said you do not agree with that.

Chief Executive Officer:

Well, technically the policy is met in the sense that the first trigger has been met that 150 homes have been applied for within 12 months, permission granted within 24 months, policy met.

Deputy J.H. Young:

But was that the intention of the States, Minister? You were there.

The Minister for Planning and Environment:

No, I do not think it is and certainly in your briefing note I do not think what the officer is saying is right. It does say on item 2, update on the net housing supply, 2011 to 2016: "Preliminary discussions between the officers and Environment, Housing and the Statistics Unit suggest that estimated demand for affordable homes over the next 5 years might be of the order of 500 homes." So it is quite clearly not the case that the desirability on behalf of the States Members who have worked with this is only to bring forward 150 affordable homes for the next 10-year period or 9-year period. It is to achieve at least 150 and the 150 had to be delivered inside a particular period of time in order to get the policies back in order. There is a quite clear intention of delivering more than 150 affordable units on States-owned sites or other private sites across the board within the 10-year period.

Deputy J.H. Young:

Does this, Minister, add weight to your argument, I think, that there is a case for not only reviewing but updating policy H1 to clear these areas of doubt and uncertainty up ...

The Minister for Planning and Environment:

Absolutely, and that has formed the basis of the work for the last year.

Deputy J.H. Young:

... and to reflect the need and requirement as appeared in your briefing note?

The Minister for Planning and Environment:

Yes, I think so, yes.

Deputy J.H. Young:

What is to stop you doing that? I do not understand. You have the legal powers, Minister. You are the only Minister that can propose to the States amendments to the Island Plan. Nobody else can. What is to stop that happening?

The Minister for Planning and Environment:

Now, there is a leading question. I think probably technically under the law nothing, but if certain Ministers go outside of what other Ministers might consider to be their brief then there might well be political pressure brought to bear not to achieve those things.

Deputy J.H. Young:

But, Minister, all of you Ministers are subject to political pressure. Is your responsibility to deal with the reality that is faced and use the powers that only you possess?

The Minister for Planning and Environment:

I would say so, yes.

Deputy J.H. Young:

Would there not be an expectation among States Members who voted for this policy and once these facts become known ...

The Minister for Planning and Environment:

There is an expectation, yes.

Deputy J.H. Young:

Thank you, Minister, for that frankness.

The Deputy of St. Martin:

Can I just move a little bit further on the same thing? Minister, we have spoken about South Hill and you have given us your views on the possibility of affordable housing there, but would you not accept that there is the possibility of realising a lot more money at South Hill for something else and then using that money to achieve even more category 'A' houses in another part of the Island?

The Minister for Planning and Environment:

No, not necessarily. It really depends on your definition of the provision of affordable housing. If affordable housing can only be delivered by States subsidy, then you have a different definition to the one that I currently hold. I do not think it automatically follows.

The Deputy of St. Martin:

You would not think from a value-for-money point of view that you would be better off selling South Hill and using that money to purchase something which would give you a lot more land somewhere else?

The Minister for Planning and Environment:

No, not necessarily, no. It is a short-term measure and I think housing is a long-term measure.

Deputy J.H. Young:

But, Minister, we have confined generally, I think, our discussion to affordable homes if not explicitly but for purchase. There is an issue of rental accommodation. Would you accept, Minister, as well - we have not asked about it - there is a shortfall of social rented housing in the Island at the moment, is there not?

The Minister for Planning and Environment:

It depends whose figures you believe or go by.

Deputy J.H. Young:

Well, I am going on what the Minister for Housing reports.

The Minister for Planning and Environment:

I think there is a perceived shortfall. It is certainly true that, of the figures that were produced by the Stats Department, if you take out aspiration then the figures change.

Deputy J.H. Young:

The reason why I ask, because I think it is relevant to your answer to Deputy Luce's point, is that I can see an argument which States Members would raise: "Well, if we have major shortfalls of social rented housing to find and pay for, we should use the States-owned sites that are in our ownership to the best advantage to effectively produce that housing."

The Minister for Planning and Environment:

That might well be a case that could be made on some sites, yes.

Deputy J.H. Young:

Right. So your mind would not be closed to that in your response to Deputy Luce's point?

The Minister for Planning and Environment:

No, absolutely not, no. Social housing and affordable housing is in 2 parts. There is affordable housing for purchase and affordable housing for renting.

Deputy J.H. Young:

So a review of the policy would take that into account then?

The Minister for Planning and Environment:

I would have thought so.

Deputy J.H. Young:

Are you content with that?

The Deputy of St. Martin:

Yes. Are we sticking on affordable or ...?

Deputy J.H. Young:

No, I was going to move on to H3.

[15:30]

The Deputy of St. Martin:

Can I just ask about windfall development, Minister? In the policy it says that we are hoping to have 1,700 dwellings which might come forward over the course of the plan and 250 of those would be category 'A' homes which would be windfall. I just wondered in this first couple of years how many of those have been realised in category 'A'.

Director, Policy, Projects and the Historic Environment:

I think the provision of category 'A' homes from windfall developments is dependent on the implementation of policy H3.

The Minister for Planning and Environment:

That is right.

Director, Policy, Projects and the Historic Environment:

So until such time that policy H3 takes effect then that source of supply would not deliver.

Deputy J.H. Young:

Oh, okay. I thought windfall was something outside of anything that you have in mind at the moment. H3 I would have thought would be ...

Chief Executive Officer:

Windfall is unidentified sites, so most of those sites which were unidentified tend to be private sites coming forward by developers.

Deputy J.H. Young:

On that basis, the answer is not very ...

Director, Policy, Projects and the Historic Environment:

That is right. What we did is we took previous development trends and projected that into the future and said we expect the plan to deliver this many category 'B' homes. If you then applied the H3 policy, that would yield you some category 'A' provision.

Deputy J.H. Young:

In terms of process, I have been told that we cannot build this note into our transcript. I suppose we could ask for your agreement, Minister, that this note could be published.

The Minister for Planning and Environment:

Yes, I think it is all in the public domain and certainly it is a very factual position, Chairman.

Deputy J.H. Young:

That is certainly helpful. Just looking down this list of the sites, presumably we can write off the former D'Hautree site as a potential housing site. What is your view about that? I have raised it in the States several times and keep getting very negative answers.

The Minister for Planning and Environment:

That was an issue that was considered during the Island Plan debate and, in planning terms, the site is protected as an education site. Until such time that it is deemed no longer required for education then the policy framework in the plan would presume against its use ...

Deputy J.H. Young:

For the plan period it is out?

The Minister for Planning and Environment:

Well, unless during the plan period it is declared surplus to education requirements.

The Deputy of St. Martin:

Can we ask why it is still on the list then? Why does it still appear on the list if it is now under educational safeguard?

The Minister for Planning and Environment:

Well, you will see in the policy it says: "Policy H1 includes other sites that may be deemed surplus to requirements during the plan period."

Deputy J.H. Young:

That is out. We regard it as out. South Hill, what is your minimum estimated time for you to be able to pack up, leave and find somewhere else? It could be at least 5 years?

Chief Executive Officer:

There is no plan before us that would say: "This is where we are going". So for the current time we are sitting tenants.

Deputy J.H. Young:

But the States could suddenly have a brainstorm and suddenly ask you to move into one of these thousands of square feet of vacant office space in town if they so wish?

Chief Executive Officer:

I guess, if they so wished. What we have not yet had presented to us is a solution for us moving in.

Deputy J.H. Young:

Who presents you with that solution?

Chief Executive Officer:

That would be Property Holdings.

Deputy J.H. Young:

Not States of Jersey Development Property Company or whatever the ..
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Chief Executive Officer:

No. We are tenants of Property Holdings, so we would expect our landlord to speak to us and give us a solution.

Deputy J.H. Young:

The landlord, okay. What is your minimum period notice under the tenancy agreement? Do you have a tenancy agreement?

Chief Executive Officer:

I do not think there is a minimum period of notice. I would have to have a look, but I guess if we were offered a solution we could be out pretty quickly, as long as it met our needs.

Deputy J.H. Young:

Sorry, did you want to get in, Steve?

The Deputy of St. Martin:

No, I was just thinking in a joking fashion about how Planning might occupy some of their own buildings, but then it is not their buildings, is it?

Deputy J.H. Young:

Now, Ann Court, when is that going to happen? At the moment they are digging out for drains, are they not?

Chief Executive Officer:

That is correct, yes. We have not yet had a planning application submitted on the site, although there is some discussion with an applicant over an affordable housing scheme.

Deputy J.H. Young:

But we might see someone there in 5 years?

Chief Executive Officer:

I think the reality has to be time-wise you have got to look at what is going to be built. Certainly the Phillips Street shaft work is going on at the moment. That has got to be completed and then there will be an application. There is premium work. In terms of someone unlocking the door to a new property, that is at least, I would say, 2 or 3 years away.

Deputy J.H. Young:

Can you build housing on top of drains?

Chief Executive Officer:

Yes, you can as long as you have got enough clearance over the access points.

The Minister for Planning and Environment:

I thought there were already active discussions with Housing ...

Chief Executive Officer:

Okay. So there are more prospects on that one.

The Deputy of St. Martin:

That will include parking?

The Minister for Planning and Environment:

Yes, in the drains.

Deputy J.H. Young:

Summerland and Ambulance, this I suspect rather depends on your decision on Green Street, Minister, does it?

The Minister for Planning and Environment:

Not exactly, no.

Deputy J.H. Young:

It does not?

Chief Executive Officer:

We have a planning application in. I guess what the Minister said previously is the planning decisions may come out. He has no control over whether they are built. That is the issue. So clearly the development at Summerland and Ambulance would require the current uses to be relocated off that site.

Deputy J.H. Young:

Right, okay. Well, I take the distinction.

Chief Executive Officer:

Yes. There is a bit of a domino effect.

Deputy J.H. Young:

What about Fort Regent? There is nothing on here for Fort Regent. Are we going to get any housing there? Is that one of the possible other sites that has been spoken about?

The Minister for Planning and Environment:

I think there is a working party at the moment looking at master planning of the site, building on work that other groups have built on.

Deputy J.H. Young:

Are you on that, Minister, or is one of your team on it?

The Minister for Planning and Environment:

I am on that, yes.

Deputy J.H. Young:

Excellent. Do you think housing is suitable on the list?

The Minister for Planning and Environment:

I am on one of the groups. There is another parallel group that is being run by the Treasury.

Deputy J.H. Young:

Two groups doing the same thing?

The Minister for Planning and Environment:

Yes.

The Deputy of St. Martin:

When you say "parallel" are you working in the same direction or opposite directions?

The Minister for Planning and Environment:

I do not know, but parallel lines never meet.

The Deputy of St. Martin:

No, but they can at least move in the same direction.

The Minister for Planning and Environment:

They can do.

The Deputy of St. Martin:

But they can also move in opposite directions.

Deputy J.H. Young:

So with all that, Minister, we have rather laboured it and I apologise for that, but we wanted to get the facts out and you have helped us immensely. Is it your view that these reserve sites that were mentioned specifically in the policy in the event of under-achieving the timescale and, I would suggest, under-achieving the targets would be brought into play in a review of the policy?

The Minister for Planning and Environment:

If we get to the point of reviewing the policy then the policy review will take place, but at the moment before we get to a review of the policy we have to agree that the existing policy review that is being undertaken to deliver a re-worked H3, a new affordability definition and the H1 ...

Deputy J.H. Young:

Sorry to interrupt. Therefore the affordability criterion is number one and then a review of H1, which may include those sites?

The Minister for Planning and Environment:

And H3.

Deputy J.H. Young:

Then H3. I wonder if we could move to H3 now.

Chief Executive Officer:

I think it is important to note that the policies are designed to work in concert with each other, so there is a certain amount of supply expected from H5, a certain amount from H3 and a certain amount from H1. Clearly if the policies balance differently over the duration of the plan then it may put pressure on other policies. So if H3 is not going to deliver as much then clearly it is incumbent on us to look at other policies.

Deputy J.H. Young:

Okay, if we can turn to H3 now because we want to find out where we are. My knowledge of this is very superficial. Other than what is in the plan, I understand that - I think in our earlier meeting - the States at the time of approving policy H3, which is at page 236 of the Island Plan, had agreed that this would not be implemented pending the Minister (because it was not you at the time) bringing back for the approval of the States a supplementary planning guide explaining how this would be worked in practice. Is that right, Minister?

The Minister for Planning and Environment:

A mechanism for making it work.

Deputy J.H. Young:

Right. So that was the States' decision?

The Minister for Planning and Environment:

That is correct, yes.

Deputy J.H. Young:

That was 20 months ago. Minister, I think when we last met you told us you had got to the point where the various industry groups had expressed an opinion that they did not consider this policy to be workable and that, therefore, it was being reviewed. Can you tell us where we are now, please, Minister?

The Minister for Planning and Environment:

I think where we are now is that the industry had expressed the point of view that they were not happy with a proportion of the units being built on their sites but they would be happier, although not ecstatic, that a commuted sum approach might be an alternative and that those commuted sums would be put into a ring-fenced fund out of which land would be purchased in the ownership of the States and on which would be built affordable homes of whatever capacity.

Deputy J.H. Young:

Are you able to tell us which groups have expressed that view?

Chief Executive Officer:

I think it is fair to say from where we went from June 2011 the intention initially within the plan was that this would be brought in, in effect, 6 months later, in early 2012, and that would be the debate in the House. Clearly we had a ministerial resignation fairly soon after the Island Plan was approved. We had a new Minister. This Minister was with us for the period from July. There was probably a view: "Well, we have got to do some work to progress this", but we then had another ministerial decision to be the Minister again in November. I think it is fair to say that we have had a lot of pressure from the development industry and land-owning interests obviously in the Island around the implementation of this policy. The policy is designed to take value out of land and to, in effect, pass that back as a benefit on affordable housing. It results in the lowering of land values and for that value to be captured to enable housing to be subsidised in one form or another to deliver affordable housing. Unsurprisingly, we had a lot of lobbying around that issue. We have done a lot of work on viability. One of the key questions is: "Is this policy going to be viable in

practice?" We have had some affordable housing experts working for us who look at land viability. They very much feel that it is viable. We have shared that in consultation with the development industry and they are adamantly against the policy. I think it is fair to say they are not supportive of the principle. They question its viability and its impact on the market and whether it would work in practice. The biggest risk they have highlighted, and it is a fair risk to highlight, is the fact that landowners may not wish to part with their land at a lower value and that is an issue that this policy delivers. This policy delivers a lower value because it ...

The Minister for Planning and Environment:

That was the old policy. The new policy that has been proposed is the alternative of taking out a commuted sum which accepts that the land prices would be whatever the land prices are, that allows a mechanism to have a pot of money which is ring-fenced out of which the land is purchased for affordable homes and the land remains on the ownership of the States.

Deputy J.H. Young:

They have expressed a view in support of that?

The Minister for Planning and Environment:

They said that was more supportable and the final discussions were to determine whether or not the levy that will be made by way of a commuted sum was on a per square footage basis on everything that was being built or whether or not it could be placed at a different rate on any overage in terms of extra planning potential that a particular site would be able to be generating.

Deputy J.H. Young:

Are discussions ongoing about that level of those payments?

Chief Executive Officer:

The issue of whether it would be onsite delivery of affordable housing ... let us say you build 10, one of them has got to be affordable. The value of that affordable unit clearly is less than the remaining 9. Therefore, that is a direct impact on the financials of that scheme. What the developer would do if that scheme is would pass that onus back on to the landowner and therefore would pay less for the land in the first instance. So it affects the land value. Any other form of planning gain that you take out of the system ultimately has to be worked into the cost of the development. Whether it be a commuted sum, whether it be an onsite house, whether it be a bus shelter or whatever the planning gain is, it has to be worked out as a development cost and the developer, in working out his or her costs, would have to take that off the land value. They do not want to pay too much for the land, with knowing what they are going to get for it at the end of the day. They would have to put it into their residual land valuation. So the issue that we have got is

that the developer side of the business, if you like, does not feel that landowners will part with their land at a lower value than they have done previously. Clearly if this policy is implemented year on year and it does not ever go away and this is now a new picture of planning policy then I think land values will adjust over time, but the question that ...

The Deputy of St. Martin:

Well, that was the question I was coming to. How long are we prepared to wait for ...

Chief Executive Officer:

The development industry have flagged up the fact that they do see successive states potentially changing the policy and the ability to change policy in the States Assembly is relatively quick compared to potentially other jurisdictions. There would be a feeling that some landowners would just sit it out and wait for a new States Assembly to come in and change the policy. The planning inspectors during the public inquiry made that point very clear and the policy makes it very clear that this requires long-term political commitment to make the market change and to take the value out of land. If you do not have that long-term political commitment the policy will not work.

Deputy J.H. Young:

Is that commitment still there from you, Minister? Do you want to see that principle that the Chief Executive Officer has just outlined there maintained? Is that your ...

The Minister for Planning and Environment:

Absolutely. I think it is the fairest way to deliver affordable units on our own sites.

Deputy J.H. Young:

But is it true, though, that your now more flexible than the original plan, which was very formulaic, in terms of providing a mix of developers providing some units that are at a low price and others ...

The Minister for Planning and Environment:

Yes.

Deputy J.H. Young:

So you would have one side a mixed usage ...

The Minister for Planning and Environment:

It is a much simpler system.

Deputy J.H. Young:

So simplicity ...

The Minister for Planning and Environment:

It is a simpler system and it did engender a greater measure of support from the construction industry forum than the previous forum ...

The Deputy of St. Martin:

Your experts that advised on the previous one, have you passed this ...

The Minister for Planning and Environment:

Yes. The new policy will work just as well, a commuted sum. Most developers, if they are doing a private category 'B' housing development, do not want to see affordable housing on that site. It would affect the end values.

[15:45]

Deputy J.H. Young:

They want to sell with one price for the whole lot.

The Minister for Planning and Environment:

Yes. They would prefer to write a cheque for a planning tariff or whatever we end up calling it. Potentially they would rather write and pass money over to a tariff base. That tariff could build up over time and then, as a cash amount, be used ...

Deputy J.H. Young:

So what is stopping that happening then? What is stopping that policy from going forward to the States and us having a new mainstream policy? What is stopping that happening?

The Minister for Planning and Environment:

I think it is fair to say there is still a measure of uncertainty in the industry about a commuted sum. A commuted sum still removes land value because it is still an additional cost to deliver that. There is still an issue there.

Deputy J.H. Young:

I understand that, but ...

The Deputy of St. Martin:

The Minister is the only person that can bring the policy change to the Assembly. You said the industry sounded more enthusiastic than they were with the original one. It has got to be worth a try, surely?

The Minister for Planning and Environment:

I think it is worth a try and certainly it is something that this Minister should do, but I do not think the same point of view is shared by my other colleagues on the Council of Ministers.

Deputy J.H. Young:

Minister, are you saying that they do not share in the intention then, because this was the States intention.

The Minister for Planning and Environment:

That is for them to decide.

Deputy J.H. Young:

This States made a clear intention this policy was in principle designed to produce a mechanism to take a claw back from privately-owned sites that were developed for States category 'B' housing.

The Minister for Planning and Environment:

I think there is a suggestion at the moment that, because of the economic climate, any system that takes monies out of the private builder's system or other private person's pockets is not to be supported.

Deputy J.H. Young:

But could I put a contrary suggestion? One is that you are certainly not asking developers to subsidise that development. You are asking them to reduce the profit element on the land.

The Minister for Planning and Environment:

Yes.

Deputy J.H. Young:

Secondly, you are still generating economic value for the construction industry, are you not, by such treatment?

The Minister for Planning and Environment:

Absolutely, I agree. Yes. The development industry will still build units.

Deputy J.H. Young:

You are producing homes that people want.

The Minister for Planning and Environment:

Yes.

The Deputy of St. Martin:

So the pressure is coming via the landowner rather than the developer?

The Minister for Planning and Environment:

No, I do not think it is coming via the landowner because the land value would not necessarily be affected. If there is a pot of money that is contributed to by the commuted sum approach then there is still the possibility to use that pot of money to purchase land at whatever price, but the key difference is that the land is then being put into the ownership of the States and we can do things on it that ...

The Deputy of St. Martin:

The point I make, Minister, is if there is a resistance against this policy coming into play it is either from the developer or from the person who is selling the land for the development on the site which will have a commuted sum addressed to it. So it is either the developer who is anti or it is the landowner or a combination of the 2. But you said the developers are generally happy, so we presume the resistance coming via other Ministers that you alluded to is coming via landowners.

The Minister for Planning and Environment:

I do not know.

Chief Executive Officer:

I think it is both. Any additional cost of development which warrants ... prices of houses are not going up. So the gross development value achieved on the sites is not going up. That is a fixed end point. The market will only bear a certain value. Therefore, that is what developers will get back. Working back from what they get back, if they get back all their costs, their profit, their construction costs, all of that is currently built in. Anything else that is then added, such as a commuted sum or an extra affordability requirement, that is an additional cost. So it comes off the land value.

Deputy J.H. Young:

Is not the issue then deciding where to set that level because ...

Chief Executive Officer:

Yes. Clearly landowners and land-owning interests are not wholly supportive of something that will reduce land values but, secondly, the biggest concern is from the development industry not because of the workability of the policy. They have said to us that if they get the land they are happy this policy works. Their concern is that landowners will not pass ...

Deputy J.H. Young:

They will not get the land.

The Minister for Planning and Environment:

They will not part with their land because they will expect a future fiscal decision to change.

Deputy J.H. Young:

Can I put another sub-issue to you? Such a policy working the way you have now described, an amended policy, would it not be true that you would have to recognise whatever is the existing land value and use? For example, if it were a green field there would be much more capacity to drive that value down than it would if there was already an established use on the site that is being paid for.

Chief Executive Officer:

That is correct, yes.

Deputy J.H. Young:

For example, would that not be a mechanism whereby people who take ... you have used the word "windfall". If you have windfall gains from people making windfall profits on sites that are green field sites or sites with a low current value, is there not a case for such a policy distinguishing between the current values generated on sites?

Chief Executive Officer:

Yes. Any policy that is implemented under H3 would have to have a viability model built into it, so that if you have got an existing high-use value then clearly there may not be so much viability in the scheme there as compared to a bit of agricultural land which has then changed its use and gone up thousands of per cent. So it would have to have a viability test built into it. If you are then applying a tariff across all developments sites it opens up other discussions.

Deputy J.H. Young:

But can you achieve both within a new policy? Can you have both a tariff and have some sensitivity towards the value and use?

Chief Executive Officer:

I think you can. What the industry has said is they are probably more happy more for this approach to be taken on green fields rather than brown fields because clearly brown fields have a higher use value and therefore the viability ...

Deputy J.H. Young:

Could you not do this as a first stage? Could you not bring in this policy as a green field policy ...

The Deputy of St. Martin:

Well, you are going to have to go against the ...

Deputy J.H. Young:

I stand corrected. I recall my comment.

Chief Executive Officer:

I think you have just summarised the policy dilemma because clearly it is a lot easier to capture value where a lot of value has been created. A lot of value is created from green field or lower developed sites. The Island Plan does not have many of those in it. The Island Plan is expecting all of its development from built-up areas which have got higher use values to start with. This is why we have this conundrum in terms of ...

Deputy J.H. Young:

Let me give you an example. If we get an application in to get rid of a horrible old shed and put in place 4 houses, there is a horrible old shed where you can hardly get a viable rental off it. Is that not an example of a brown field site, where the policies do allow it to be developed but where there is a better enhancement ...

Chief Executive Officer:

Then we get into a debate about hope value and the landowner already thinks that site is valuable because it is within the built-up area and it is previously developed. It is a lot easier to extract value from development which have got such a huge change in value and if it is a green field site going to development then clearly the landowner is going to be very happy with any increase, I would have thought.

The Deputy of St. Martin:

That is extremely unlikely.

Chief Executive Officer:

But we have got an Island Plan which takes it back to brown field development predominantly and brown field schemes generally have a higher use value to start with, hence we have got a big viability debate to be had with the industry.

Deputy J.H. Young:

Do you think you can find a way forward for the States to consider in a reasonable length of time?

The Minister for Planning and Environment:

I think we can and I think we have done pretty much.

Deputy J.H. Young:

You are there already?

The Minister for Planning and Environment:

I think we are pretty much there, yes.

Chief Executive Officer:

We are not the only jurisdiction to suffer with this issue. If I look at the U.K. (United Kingdom) as an example of a similar planning system, trying to capture development value and recycle it into community benefit has been something that has gone round a number of iterations in the U.K. system. Their latest iteration is like a community infrastructure levy and maybe that is where this policy potentially has some legs in developing it that way, but a tariff-based approach whereby development pays for its development and community impacts is not a bad thing to do. The States has said that is what they want to do, but putting it into practice is incredibly difficult to overcome the risk that landowners will not part with their land. That is the biggest risk and the planning system cannot force landowners to part with their land. That is the biggest problem we have got.

Deputy J.H. Young:

So we have got a policy and a lot of progress. We have kind of dwelt on the elements of it. You have told us what they are. Minister, what is your intention now? When are we going to see this policy come to the States or when are you going to lodge it, put it that way?

The Minister for Planning and Environment:

In order to lodge it I have to go through a consultation process. In order to go to a consultation process I had to inform the Council of Ministers of my intention to go to a consultation process.

That took place in the last fortnight and there are differences of opinion as to whether or not it should be something that this Minister should do.

Deputy J.H. Young:

But are you not the only Minister that can do it?

The Minister for Planning and Environment:

I am and there is a political issue here.

Deputy J.H. Young:

You are not describing a stalemate, Minister, or are you?

The Minister for Planning and Environment:

It is not a stalemate, no. It depends on whether or not the consultation goes ahead in the form that it has been presented.

Deputy J.H. Young:

Surely, Minister, you can issue your own consultation, can you not?

The Minister for Planning and Environment:

I do not know.

Deputy J.H. Young:

The Minister for Planning and Environment is the only Minister that can ...

The Deputy of St. Martin:

The difficulty is I think we are all trying to make progress and we do not seem to be making much.

The Minister for Planning and Environment:

I disagree. I think progress has been made by this Minister over the last year. We have got to a position where we have had a change in policies on what was proposed, which was unworkable. We have come up with alternatives and I am having hiccups at the moment.

The Deputy of St. Martin:

But to the man in the street, he does not see that.

The Minister for Planning and Environment:

The man in the street, he does not even see the tip of the iceberg.

Deputy J.H. Young:

One last go. Would it not be true that nothing is more damaging to economic confidence and the confidence of developers and landowners than uncertainty, if they do not know what the policy is?

The Minister for Planning and Environment:

I agree.

Deputy J.H. Young:

Would you agree it is more damaging to be in this limbo land where we have got a non-policy - we do not know where it is going to go, nobody does, nobody can predict it - and therefore developers hold off?

The Minister for Planning and Environment:

I agree.

Chief Executive Officer:

I think the key issue for developers - and it is around past practice - is that a lot of developers will buy land first and come to seek planning permission afterwards. A policy such as this has to rely on developers buying options on land and then paying for the land upon receiving planning permission. We get a lot of developer behaviour in the Island that buy the land first, hence they buy it for a certain value and then that price has to be justified through the planning process. These sorts of policies only work if that purchasing behaviour changes and an option is built in.

Deputy J.H. Young:

That is why it is long term?

Chief Executive Officer:

That is why it is long term, yes.

Deputy J.H. Young:

Therefore you need the policy in soon?

Chief Executive Officer:

Looking at the policy mechanism of trying to capture land value and recycling it for community benefit is still something I think the States ... well, it has made 2 decisions on that, one in 2008 and one in 2011 in the Island Plan, but it is certainly something that we still need to progress. The debate that we have got is about the timing that it is going to bring in and what it is going to deliver

in this plan period. It has got to change the market to bring this in. So the debate has got to be what is it going to ...

Deputy J.H. Young:

Just going out at the very top level. You have told us that we need to have a review of affordability, crucial to everything. You have told us that we need to have a review of H1. You have told us that we need to have a review of H3. Minister, could you put that in sequence for us? Which comes first? Which is more crucial that we get straight away? What is the order of priority from your point of view?

The Minister for Planning and Environment:

I was proposing to come forward with all 3 in one go because you cannot separate out the bits and pieces of the argument. It is a holistic approach which is integrated and it is hopefully addressing all of the different ...

Chief Executive Officer:

I think it is what is encapsulated in the comment that the housing chapter is being looked at. There are some policies in the housing chapter which will not change, but certainly policy H1 and H3 work in concert.

Deputy J.H. Young:

We have kind of run out of time. I do not want to entirely omit, so if we can have a brief couple of minutes, the other stuff in there to do with sheltered housing, rural housing and the need for that. Can you just tell us have we got the policies right? In your view is enough being done to deliver on those requirements: elderly housing, over-55s, sheltered housing?

The Minister for Planning and Environment:

I think broadly it is. I think people's viewpoints on over-55s housing is changing as we all live older. So 55 is pretty young these days.

Deputy J.H. Young:

All right. So are there no needs for sheltered housing?

The Minister for Planning and Environment:

I would not say there are no needs. That is an extreme point of view. I think there is a measure of needs and, the same thing with all of the planning issues, it is a question of finding that balance point, which changes over time.

Deputy J.H. Young:

What about people who have brought their children up who are living in 3-bedroom family homes where they are looking for a different type of unit to buy within their own communities, in the communities they have spent most of their lives, and want to free up family homes for young families. Is there not a case for a policy that does that sort of thing?

The Minister for Planning and Environment:

I think we have those policies already.

Chief Executive Officer:

Yes. The last rezoning was predominantly for over-55 homes. That was the 2008 rezoning. A lot of those homes are now being built. Most of those sites are either on site or completed.

Deputy J.H. Young:

Are they successful?

Chief Executive Officer:

In terms of ...

Deputy J.H. Young:

Yes. Are they being taken up?

Chief Executive Officer:

The major site is the Dandara scheme at St. Saviour. That is the last lifelong home site that is now on site. So the indications are that they have been taken up.

[16:00]

Deputy J.H. Young:

Would you agree that this is an area where people want to spend the latter part of their lives in the communities in which they have been brought up in the Island and therefore it is important that that policy is spread around the Island?

The Minister for Planning and Environment:

I think that is absolutely right but there is a nuance to that argument and you just said: "Living their lives in the communities they were brought up in." If you are taking people from those communities and putting them into 55-plus kind of accommodation you are undoing the communities that have grown up over the period of time that the parents and children were there.

Deputy J.H. Young:

But is that not a case of free choice, that if people ...

The Minister for Planning and Environment:

There is free choice, yes.

Deputy J.H. Young:

Are we going to see extensions of that current policy in your review to other parts of the Island where it may not be happening now?

The Minister for Planning and Environment:

It will be revised by the housing function.

Deputy J.H. Young:

At the moment there is no case coming forward for that?

The Minister for Planning and Environment:

There has not been ...

Deputy J.H. Young:

Is there a dialogue on this subject?

The Minister for Planning and Environment:

There is a general dialogue.

Chief Executive Officer:

Certainly what we would look to do in the chapter of the Island Plan would be H5, which is about parish vitality and viability. Policy H5 does expect parishes to come forward with a certain amount of rezoning or new sites for parish planning. There is potentially some fertile territory in that policy to look at what are the longer-term parish needs. We are not talking about major sites here.

Deputy J.H. Young:

But that is limited to northern parishes, is it not?

Chief Executive Officer:

It is, although the debate will be had whether we need to extend that into other parishes.

Deputy J.H. Young:

Right. So will you review that?

Chief Executive Officer:

Yes.

Deputy J.H. Young:

Are there any mechanisms to encourage parishes to do this, to help them do it?

The Deputy of St. Martin:

It is identified in the Island Plan.

Director, Policy, Projects and the Historic Environment:

Policy H5 sets out the criteria against which ...

Deputy J.H. Young:

I think we might follow that up, Steve.

The Deputy of St. Martin:

Yes. I just have one final question. Minister, as the Chairman said, we sat in your meeting last week and saw you deciding on a permit that would lapse over time. Have you got any intention to reduce the amount of time that permits are good for in order to try and stimulate something going on? If people knew they only had 3 years to start building and then their permit would lapse, do you think that would get them going?

The Minister for Planning and Environment:

I thought we had decided on that in the last Island Plan. I think Terry Le Main put forward an amendment.

Chief Executive Officer:

Yes. Previously it was discussed. It is a policy mechanism. The reality is whatever the time limit we have on there if someone has not developed their permit they will come back for renewal. We are increasingly seeing renewals of commercial schemes.

The Deputy of St. Martin:

Are you obliged to renew?

Chief Executive Officer:

We are not obliged to renew. What we need to do when we re-assess it is look at has anything changed on the policy framework. So if something has not fundamentally changed in the policy framework we would tend to renew it.

The Deputy of St. Martin:

Is that just an obligation that has evolved over time, or would it be a good idea every once in a while to just not renew one?

Chief Executive Officer:

We could do. We would then ...

The Deputy of St. Martin:

Sit back and watch.

Chief Executive Officer:

We would need to demonstrate ...

The Minister for Planning and Environment:

We do that but I think you have got to be careful with that because there is the infringement of people's rights and freedoms. If you put in an application you pay planning fees and you expect to deliver and then your financial circumstances change or whatever, I think it would be wholly wrong for the Minister for Planning and Environment at the time to come back and say: "Well, I am sorry, time has run out and you have got to come back and put in another application and pay again to do something."

The Deputy of St. Martin:

I certainly was not thinking of instances like that.

Chief Executive Officer:

There is always a really big debate in the development process as to whether the planning regulatory system can force developers to get on site and the reality is it cannot because of the human rights angles of: "You cannot force someone to build something which may not be viable at the time." There may not be demand or there may be a host of other reasons why ...

The Deputy of St. Martin:

But it does put you in a very difficult situation where you have 1,400 or 1,500 homes which have been passed and nobody is building.

Chief Executive Officer:

Yes.

The Minister for Planning and Environment:

I think where we got to with the proposition last time was that it was felt that there was going to be a 3-year period but if you had made some efforts during it to put down your footings then that meant you had done sufficient not to be in a position where your permit would be withdrawn.

Chief Executive Officer:

If you legally commenced development.

The Minister for Planning and Environment:

If you put in footings then you can ...

Chief Executive Officer:

Yes, if you legally commenced development your permit is brought into effect and that is it. The planning system therefore ends.

The Deputy of St. Martin:

You can have it like Egypt where they have a roof tax, where you get lots of houses built but no roofs put on the top.

Chief Executive Officer:

As always, while the debate always focuses on the planning process, the planning process is a big enabler of planning permissions and it can get things out there to be built, but ultimately it cannot force things to be built because people need money to build and they need money to buy. Without that lubricating the system it is quite difficult.

Deputy J.H. Young:

It occurs to me there is a debate there about alternative mechanisms such as stamp duty, et cetera, but that is an economic debate. Can I just close with one last question and it is going to be a very high-level one. Can we have a policy for multi-generation homes, please? Do you have one? Are we going to have one?

The Minister for Planning and Environment:

Personally I am in favour of that and, having spoken with banking organisations, I think the mortgaging facilities are now available worldwide to give people multi-generational mortgages as well. So I think it does make sense to look at the long-term possibilities of moving in that direction.

Deputy J.H. Young:

I raise it, Minister, because I am aware that Guernsey have a policy. I think they call it a dower policy and there are many people in the current economic circumstances that are looking to live as multi-generation families. Would you accept the policies do not make it easy for them at the moment?

The Minister for Planning and Environment:

No, they probably do not. For me, one of the things that I wanted to do as Minister for Planning and Environment when we get a chance is to move people in the direction of improving their communities and their neighbourhoods. Obviously one of the key issues is the length of time that you reside as part of your family in a particular district. So it goes without saying that if you can lay down your roots to be a St. Martinais or whatever, living close to the parish church forever and a day, that is something that I would certainly wish to encourage.

Deputy J.H. Young:

We will watch this space, Minister. I am sorry to have to rush that because it is such an important subject, but I did say 4.00 p.m. and I have failed by 7 minutes, so apologies. I would like to thank you and your team. You have given us a wealth of information today and you have answered our questions frankly, openly and honestly. Thank you for that.

[16:07]