

CHRISTIANS TOGETHER IN JERSEY
HOUSING TRUST

Helping provide homes for people in Jersey

www.ctjhousingtrust.org.je

3rd June 2021

Scrutiny Office
States Greffe
Morier House
ST HELIER
JE1 1DD

Dear Panel Members

Thank you for the opportunity to comment to you on the Draft island Bridging Plan. The views of Christians Together in Jersey Housing Trust were sought on seven items:-

(1) How do you think the Government can address the supply and affordability of homes?

The Terms of Reference focus on planning challenges and "barriers" to development of affordable housing. Evidently the major influence which the Government has on the provision of affordable homes is through planning policy, but it also is a substantial property owner in its own right, and the use, disposal or acquisition of publicly owned properties has a direct influence on the supply of land for housing, and on the property market generally. The Draft Island Bridging Plan has a number of proposals in respect of planning policy, but it is necessary to refer to the Island Public Estates Strategy to find out what future use is intended for publicly owned land. The Draft Island Bridging Plan seeks to influence the development of affordable housing by requiring developers to set aside a portion of the development for social housing, and also proposes rezoning of land which is currently not available for house building. The Island Public Estates Strategy leaves open the possibility of publicly owned sites being released for affordable housing, but the Strategy adopts the approach of making exceptions to the areas of land in public ownership, and in effect it deals with the residue of publicly owned land not included in the exceptions. The residue of sites which are considered in some detail in the Strategy do not for the most part seem very likely to be made available for affordable housing. It does, however, seem possible that some of the sites included in the exceptions might be better candidates for affordable housing if their current use changes. The hospital project might enable some of the sites currently used for purposes related to the existing hospital to be released, and developments in technology might make some of the other existing sites no longer needed. It is appreciated that the changes would not happen for some time, if they do happen at all, and the eventual use of these sites might have to be a matter for consideration in the next Island Plan. It would, however, be reassuring if the current use of the excepted sites were kept under review during the term of the Bridging Plan.

(2) Other than planning policy, what other policy mechanisms should be explored to address supply and affordability?

Historically, the Government assisted both tenants and purchasers, the tenants by building estates for rent, and building houses for purchase as well as providing States Loans to purchasers. The Government has now stepped away from these policies, having transferred the estates for rent and the building programme to Andium.

Andium is publicly owned, but it has been required to seek funding in the commercial market. Given the constraints on the public finances, it does not seem likely that the Government would provide a subsidy to house purchasers as it did in the past, but decisions about the release of land from the public estate are open to it. In current circumstances, no doubt the first thought would be that any transfers of land should be for the open market price, but a release of individual sites for affordable housing (i.e. below the open market price) could be justified. Planning Obligation Agreements could secure the continued use of the sites for affordable housing. Supply and affordability of housing is closely related to population policy, and the law on access to housing. Population policy is a work in progress. The housing and work law was revised some years ago, and may require revision again if the population policy changes. As the Draft Island Bridging Plan seems to recognise, while undoubtedly the policy decisions on migration could have a major impact on the supply and affordability of housing, there are at the moment too many uncertainties about the direction of these policies for them to be inputted to the Draft Plan as definitive.

(3) Is the target delivery of 1,500 homes before 2025 sufficient to meet demand and achievable?

It seems unlikely that 1,500 homes would meet the demand, but it is difficult to assess the extent of the demand, as distinct from the need, for affordable homes. The Affordable Housing Gateway is some measure of the need for affordable housing, but affordable housing providers have generally been of the view that the Gateway's current structure does not enable all the need for affordable housing to be identified. It does, however, not appear that any further revision of the criteria for inclusion on the Gateway is contemplated. The demand for affordable housing also comes from individuals and families who are already housed, but in accommodation which is unsuitable, but not to the extent that they are on the Gateway. Migration policy will also have an effect on the demand, and the uncertainties about this are compounded by those relating to economic recovery from the pandemic. The target of 1,500 homes does seem achievable with the developments already in the pipeline, and the adoption of the Bridging Plan in respect of release of sites formerly protected under the 2011 Plan, and the requirement on developers to provide affordable housing. There is usually a time lag in the completion of projects after an Island Plan is approved, so it might be close to 2025 before many of the houses were delivered.

(4) What key challenges have you identified regarding the supply and delivery of affordable housing, and how might these challenges be addressed?

The main challenge is the supply of sites at a price which the affordable trusts can fund. We have to obtain funds at commercial rates, but the lenders discount the amount of the loans because of the reduction in value when the site is designated for affordable housing, leaving us to fund the difference out of income. This is a very limiting factor. We are competing with developers who under current legislation can afford to build up land banks, and are less constrained in the amounts which they can offer for sites. A secondary challenge is that many sites are not suitable for social housing, even if the price was right. Out of town sites are not suitable for many prospective occupants, and the smaller sites in town do not yield sufficient units to make their development viable. As set out above we feel that government assistance is needed to address the first of those challenges. We think that the second is one that we have to live with to some extent, but a remedy for the first as outlined above would have a beneficial consequence for that challenge also.

(5) What future role can CTJ play in the provision of affordable housing?

CTJ has for some years past concentrated on providing homes for occupants with vulnerabilities in so far as new projects are concerned, although we also maintain the estates which we acquired in earlier years. The more recent provision has to a large extent been "supported housing", with a degree of care which exceeds that usually provided by landlords (through the agency of Shelter and other charities such as JAYF) and in one case with onsite supervision, in that instance the salary being paid by CTJ. This type of affordable housing would probably be in even greater demand under the Jersey Care Model, and subject to the availability issues discussed above, CTJ would be able to progress the provision of "Extra Care" homes, drawing on the experience we have been gaining in this regard with the before-mentioned developments. Almost certainly, this would need to be in the built up areas.

- (6) What views do you have on the Government owned sites identified for potential affordable housing development in the Draft Bridging Island Plan?

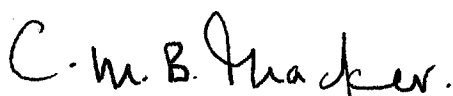
All of the sites except St. Saviour's Hospital are in town, and are of potential use by CTJ for its purposes. The St. Saviour's site would be larger than CTJ is likely to need, but presumably the site could be sub-divided. As mentioned above, it is to be hoped that more sites will become available during the term of the Plan as the Government begins to release other sites as its need for them ceases.

- (7) Do you have any views on the types of housing development which should be considered for older people and what barriers might exist to achieving this?

CTJ Housing Trust has acquired a development at Les Freres, Grouville, which is for tenants over 55. This was developed in 2013, so we have nearly a decade of experience of this. The arrangement has in our view worked well. The tenants have a community spirit, and seem to remain integrated in the wider community in the Gorey area. As we understand, most of the tenants were downsizing from larger premises, and seem content with the transition. We would be willing to consider another development for over 55s, but that being said, there are other models of housing for older people which have more of a mix between generations, and catering to some extent for vulnerable younger people. This has been the arrangement to some extent at Ed Le Quesne House in Minden Place. Although many of the occupants are young people, we also have a number of older people, who were on the Gateway, and this also seems to have worked well. Undoubtedly, that type of development does call for the "Extra Care" model in which the provider employs someone in a supervisory role. It seems likely that the Extra Care model will be preferred for the future, but the choice does depend on the type of site available. The multi-generational developments seem likely to require more space than the ones designed solely for older people. A possible barrier to the provision of housing for older people is that there is a reluctance to relocate away from familiar surroundings. It maybe that the community care model would make the prospect of relocation more acceptable. From CTJ's perspective, the requirement that the potential occupants are on the Affordable Housing Gateway is a limiting factor where older people are concerned, as they often have financial resources which would disqualify them from the Gateway. Nonetheless, the experience with the recent developments which were primarily designed with vulnerable people in mind confirms that there are numbers of older people on the Gateway who do qualify for affordable housing.

As a general comment on the Draft Bridging Island Plan, it is very thorough and well researched, and CTJ's comments as set out above are intended to add value to the draft rather than to suggest that it is lacking in beneficial proposals for the affordable housing sector.

Yours sincerely



Advocate Charles Thacker
Chairman - CTJ Housing Trust