



ENVIRONMENT, HOUSING AND TECHNICAL SERVICES SCRUTINY PANEL

ENVIRONMENTAL POLICIES REVIEW

The Terms of reference for the review are:

1. To consider the identification and implementation of environmental strategy and policy since the publication of Jersey into the Millennium: A Sustainable Future;
2. To question the Council of Ministers, and in particular the Minister for Planning and Environment, on planned strategy and policy in respect of environmental matters; and
3. To consider the draft Strategic Plan in relation to environmental strategy and policy.

COMMENTS FROM ANDIUM HOMES LIMITED

These comments focus on the matters covered in the Executive Summary of “Jersey into the Millennium: A Sustainable Future when it was reissued as background to Amendment No 8 to P.40/2006 Strategic Plan 2006 to 2011.

There are 3 main areas where Andium Homes would like to make comment, either to set out what has been achieved or is already planned, or to draw attention to issues which it is felt may be a particular challenge and worthy of the Panel’s specific attention.

Section 6. Energy

Andium Homes commenced operations on 1st July 2014 with a clear commitment to bring all of its homes up to the English Decent Homes Standard within 10 years.

Reference to the Decent Homes Standard as defined by the DCLG in 2006 shows that for a home to be decent it must meet 4 main criteria, the fourth of which is that it must provide a reasonable degree of thermal comfort¹.

This criterion requires dwellings to have both effective insulation and efficient heating.

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7812/138355.pdf Para 4.6

Andium Homes has recognised that the cost of heating a home is a major cost for its clients, particularly those that may be on limited incomes and volatile or unpredictable energy prices increase the risk of fuel poverty. It also recognised that homes heated by fossil fuel systems, predominantly oil and gas carried with them a number of challenges some of which created risks to the environment. The decision was made to transfer all possible properties over to electric heating systems generally based around off-peak night storage heating systems.

A heating transition programme has been undertaken alongside a programme of improving the energy efficiency of buildings specifically in respect of glazing, loft and wall insulation. Only 19 of Andium Homes 4,600 properties still use fossil fuel heating systems. These properties predominantly use oil to provide their heating and hot water provision and are properties which are in locations where installation of electric heating is not feasible, are properties identified for disposal/demolition or are occupied by Charities providing services for the vulnerable where a large whole house centralised heating system is seen as important.

Less than 1% of Andium Homes properties now fail the Decent Homes Standard in respect of their thermal performance; all of these homes are either scheduled for demolition or refurbishment as part of Andium Homes published Decent Homes Programme.

Some assessment was undertaken during the transition of energy consumption costs at Oak Tree Gardens, Trinity Hill where relatively modern homes constructed within the past 15 years were converted from Oil fired central heating to electric off peak Comfort Heating. This gave tenants direct control over the operating times of their heating and hot water as well as giving them direct responsibility for paying for the energy they consumed, rather than as previously being charged a flat rate as a rental component irrespective of their consumption. This adopts the principle of 'User Pays' and creates an incentive for tenants to manage consumption. The table below compares the average cost before and after heating conversion.

**Case study - Oak tree Gardens - 'Annual cost' comparison –
April 2010 to April 2011**

Property Type	Total current annual electricity costs on Comfort Heat	Total annual costs on Oil and General Domestic tariff	Annual Saving	Average % Saving
1 Bed Flat	£749.10	£1,320.20	£571.10	43%
2 Bed Flat	£899.98	£1,546.30	£646.32	42%
2 Bed House	£991.58	£1,829.70	£838.12	46%
3 Bed House	£1,197.05	£2,017.60	£820.55	40%
4 Bed House	£1,597.97	£2,424.98	£827.01	34%
Average	£1,055.78	£1,804.58	£753.03	42%

A similar assessment of energy costs was carried out on 3 bedroom houses at Clos de Roncier, following their conversion to Comfort Heat from Oil. As part of that programme the homes were externally insulated and double glazing was installed. Data collected in the first year after conversion indicated that average energy costs for those tenants reduced by over £600 in the first year.

Section 12. Social Issues – Health, Law and Order, Education

Bullet point 5 of the recommendations is key to sustainability, particularly in respect of the challenges faced by Jersey's Ageing population. Well-designed homes that are capable of adapting to the changing needs of occupants as they age and suffer periods of ill health or require care in the home are essential if we are to avoid the need for premature residential care or hospitalisation.

Generating such homes is not a great challenge in terms of design but pressures will come to bear and will include:-

- Larger circulation areas for those with limited mobility and extra bedrooms and space to provide for carers in the home potentially create a need for more land per unit.
- Jersey's revised Island Plan 2011 made some provision for the release of former green fields for affordable home development. However, this was clearly a short term measure to allow other means of delivering new affordable homes such as the regeneration of St Helier to gather pace. Further green field development is to be resisted and so the challenge in terms of the delivery of new homes will be to create these within the existing built up area.
- Adaptable homes will need to include facilities and technology which may add to construction costs.
- Larger units are more expensive to construct on a per square metre basis.
- Larger homes will have a higher market rent and this has created a tension with the benefits system as has been experienced with recent developments at Langtry Gardens and Ernest Briard Crescent.

Bullet point 6 of the recommendations is undoubtedly right but will present challenges in terms of:-

- Increased Density - Increasing the density of the existing urbanised parishes, particularly St Helier. As we saw in the review of the 2011 Island Plan, the Parishes where new development was proposed argued against rezoning. There has been further evidence of this resistance in debates over sites such as the Gas Company premises in Tunnel Street.

- Building Heights – One obvious means of generating greater density and using valuable land resources more intensively is through building taller buildings albeit context is important and it is clearly important to consider the relationship of new taller buildings to more traditional neighbouring properties.
- Amenity Provision - Ensuring that with new higher density development there is adequate provision made for amenity spaces such as the new Millennium Town Park which has so enhanced the North of Town.
- Transport - Planning policies still require a relatively high level of car parking provision as standard, which seems at odds with the sustainable transport policy. At times it can seem that the car and the needs of the car owner and commuter are put ahead of the needs of residents. Parking requirements will generally drive development below the ground adding significantly to overall costs. Against that there does still appear to be a strong desire for car ownership even by the urban population and may be an indication of a lack of confidence in other forms of transport.
- Cost – Sites in the existing built up area will tend to have a current use which will give the site a high existing use value. The site value is an added development cost that means that development for affordable homes may only viable with significant subsidy from the States. This is not a new problem and there are lots of examples over the years of the States subsidising affordable housing development in urban areas either directly through capital subsidies (Le Coie Hotel £8m subsidy for the Jersey Homes Trust), the provision of States owned land or through the provision of ‘letters of comfort’ to support borrowing. There may be an understandable reluctance to provide these subsidies in future, given the pressure on public finances, but if relatively inexpensive land either in the form of green fields or States owned land are not available for Affordable Housing development and direct public subsidy is to be avoided then organisations such as Andium Homes are going to have to be supported in finding means of financing urban development on land acquired from the market at market value.

Section 13. Social Issues – Housing needs and Poverty

Jersey has a significant affordability issue in respect of housing.

There is a limited stock of affordable rental housing access to which is heavily constrained. The recent introduction of the Affordable Housing Gateway has been a significant improvement and has harmonised the previously varied waiting list and application criteria across the various providers (excluding the Parishes) but has as yet not been widened to allow access to affordable housing for groups such as couples and singles under 50 without children or key workers.

Jersey does not have a long term Housing Strategy which seeks to set down policies which in the long term will address affordability and ensure that there is a regular sustainable supply of new affordable homes of the right type to meet prevailing needs.

The recently formed Strategic Housing Unit has set out to produce a strategy but a timescale for this is not yet clear and key issues such as the continued lack of a clear definition and policies relating to key workers are a frustration.

There are a number of potentially good States owned sites where homes could be developed or which could be intensified such as:-

- Summerland and Ambulance HQ site – this site is identified for development by Andium Homes but potential delays to the movement of the Ambulance HQ will mean that new homes will not be available on these sites until at least 2025.
- Former D’Hautree School site
- St Saviour’s Hospital site

Andium Homes Limited
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