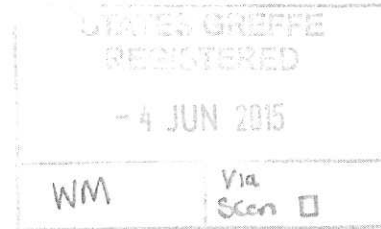


CHRISTIANS TOGETHER IN JERSEY
HOUSING TRUST

Helping provide homes to people in Jersey

www.ctjhousingtrust.org.je



Connétable A S Crowcroft
Scrutiny Office
States Greffe
Morier House
St Helier
JE1 IDD

3rd June 2015

Dear Connétable Crowcroft

Re: Supply of Housing – Written Submission by CTJ Housing Trust

Thank you for inviting us to make a written submission to the Scrutiny Review on the supply of housing in Jersey. Below is a brief overview of our strategic plan, as well as a brief discussion of some of the issues we are facing as a social housing provider and which we feel are relevant to the terms of reference outlined for this review:

CTJ Housing Trust's Strategic Plan 2015-16

Presently, we own a total of 143 social-rented properties, split as follows:

Bas Du Mont, Pier Road, St. Helier

9 x 3 bed flats, 6 x 2 bed flats, 1 x 1 bed flat

Clos des Charmes, La Rue de L'Eglise, St. Peter

16 x 3 bed houses, 3 x 2 bed houses, 12 x 1 bed flats

Le Benefice, Le Marais, St. Clement

9 x 4 bed houses, 64 x 3 bed houses

Lempriere Street, St. Helier

2 x 4 bed houses, 1 x 1 bed flat

Les Frères, Le Chemin des Maltieres, Grouville

20 x 2 bed over 55's bungalows

We are actively seeking new developments and have specific strategic considerations for our future growth. Recent changes to the delivery of social housing through the incorporation of Andium Homes and the creation of the Strategic Housing Unit have prompted us to reassess our current positioning in the social housing sector. It is clear that Andium Homes is well placed and well-funded to develop and manage the greater part of the main stream social housing and as such we have adjusted our strategy to become a niche provider for housing the marginalised.

Our sponsors, Christian's Together in Jersey, have previously expressed some concern that whilst the Trust was doing an excellent job developing and managing social homes, they asked that we consider changing our focus to concentrate on making a difference for the marginalised in our society i.e. individuals recovering from alcohol / substance dependency, prison leavers integrating back into society and requiring accommodation and many others who are greatly disadvantaged in our society.

We have been in talks with Shelter Jersey as to the possibility of us being able to provide accommodation for clients of Shelter who can progress to living in halfway houses. There is an existing challenge moving these clients into mainstream social housing, as well as being able to find suitable accommodation in the private sector. Whilst most of these individuals will meet the Affordable Housing Gateway criteria, many will be low priority simply because they are male and single. This backlog of people waiting to be housed impedes Shelter's ability to help more people and could potentially result in many who require assistance being turned away.

In addition, we are looking to grow the number of our one and two bedroom accommodation as we currently have a disproportionate amount of 3 bedroom accommodation in comparison to other bed sizes within our stock. In some cases we have tenants under-occupying 3 bedroom accommodation wishing to downsize, however we simply do not have any suitable units to downsize them to.

For the past twelve months we have been searching for new sites / opportunities to fulfil our above-mentioned objectives and which leads us to the first issue which we wish to raise:

Lack of sites / Funding

As mentioned above, we are actively seeking new sites or development opportunities; however, we are finding that despite our best efforts we are unable to secure suitable sites. We have been actively looking for the last 12 months, but are unable to identify a suitable site/property. The vendors are still looking for unrealistic prices. It is frustrating to the Trust that we cannot expand our number of units as we have the energy to progress and have reasonable cash resources to enable us to seek and obtain funding from our bankers. Our bankers will not now give us a 20/25 year commitment of borrowing and will only commit to 5 years and one has to renegotiate after this term. We were hopeful to be able to get a tranche of the recent bond issue, but as we do not have a specific project in hand our request for funding cannot be entertained. However, once we have a property identified and purchase agreed we can reapply. In our view, as we progress it would be far better for all concerned if our funding could come from the States. It appears to us that the majority of this bond issue will go to Andium, with a small amount being allocated to Jersey Homes Trust.

We strongly feel that the States of Jersey should:

- deliver on its promise to work in partnership with the third sector and be supportive of the Trust in its activities and initiatives to provide good quality housing for the marginalised in our society;
- be willing to help the Trust acquire and re-develop redundant office space in St. Helier and in accordance with its strategic priorities;
- prioritise the re-zoning of suitable sites for social housing via the Planning system and to offer incentives to developers to develop these sites.

Shared Equity / Ownership

We have always been of the view that steps must be taken, in partnership with the States of Jersey, to help young people who aspire to home ownership, to be able to get onto the housing ladder.

There is anecdotal evidence that young people arrange to live together because pooling of their incomes is the only way in which they can aspire to homeownership. This often puts great pressure on relationships. Not to mention, an increasing demographic of young people staying at home simply because they cannot afford their own home. For this reason, another key element of our strategic vision is to be able to provide homes to young people on a shared equity basis.

We believe steps are being taken to make the required changes in Jersey's property law and we hope that this will be completed this year. In the meantime we are actively seeking suitable sites or developments, so that once the legislation is in place, we will be able to offer these properties to young people on a shared equity basis. Perhaps further research could be undertaken by the States to ascertain the proportion of different bed size / type of accommodation which has the strongest appeal for shared equity schemes and co-ordinate this information with the development of future sites.

Mixed-Tenure Housing

We greatly consider mixed-tenure housing developments to play an important role in the promotion of social cohesion for our island community. Larger estates exclusively made up of social-rented housing can create areas of social residulisation and stigma. Whereas, mixed-tenure estates have been proven to create sustainable, easy to manage communities. For this reason, we wholly endorse that mixed-tenure housing developments should be a key consideration in the supply of new housing going forward. Our estate, Clos des Charmes, is an excellent example of how this works.

90% Market Rent Policy

We have some concerns that the new 90% market rent policy will cause problems affecting both the affordability and the supply of homes. Currently, there are a number of our existing tenants registered with the Affordable Housing Gateway looking to downsize from their current accommodation. The two largest social housing providers apply the rent policy to all new tenancies, including tenancies created when an existing social housing tenant downsizes to smaller accommodation. This creates a disincentive for tenants to downsize if their rent is either likely to increase or remain around the same level. Whilst this will not affect those in receipt of income support, it will inevitably lead to an increase in under-occupation for those who are not. Our Trust has taken the view to exercise discretion by allowing existing tenants to downsize without increasing their rents to 90% of market rent, in order that we make the best use of our housing stock. This is an area which requires further thought across the whole social housing sector, so that we do not see a reduction in the number of 3 / 4 bed homes being made available due to those who are currently under-occupying choosing to remain in their current accommodation.

I hope the above information proves a useful contribution to the review and I look forward to the panel's final report.

Should you require any further information about us, or have any further queries regarding our submission, please do not hesitate to contact me.

Yours sincerely

Diarmuid Lynes
Chairman
CTJ Housing Trust