



Environment, Housing and Technical Services

Scrutiny Panel

Supply of Housing Review

THURSDAY, 9th JULY 2015

Panel:

Deputy D. Johnson of St. Mary (Chairman)

Deputy J.A. Martin of St. Helier

Deputy M. Tadier of St. Brelade

Mr. P. Mooney (Adviser)

Witnesses:

The Minister for Planning and Environment

Chief Executive Officer

Director: Policy, Projects and the Historic Environment

Principal Planner, Island Plan Review

[11:31]

Deputy D. Johnson of St. Mary (Chairman):

I apologise for the absence of Simon Crowcroft who cannot make it, so I am standing in as Vice Chairman. Welcome to our Environment, Housing and Technical Services Scrutiny Panel meeting scheduled to last for a maximum of 1.5 hours. I think we might all hope it is somewhat shorter. For the record, perhaps we can go round the table introducing ourselves. I am David Johnson, Deputy of St. Mary, Vice Chairman.

Mr. P. Mooney:

Mooney.

The Deputy of St. Mary:

Mooney, sorry. If we may, perhaps he will be allowed to ask questions at appropriate times as well. Okay. Right, perhaps we could begin by referring to the 2011 Island Plan. Are you confident that the States can deliver the 1,000 affordable homes by 2020 in spite of maybe some development delays?

The Minister for Planning and Environment:

Confident is an interesting word. There are certainly some challenges. I would say immediately that one site springs to mind and that is the site at Summerland, which was meant to be delivered in the first Medium-Term Financial Plan and is now looking as if it could be a challenge for the second Medium-Term Financial Plan. From that perspective, you have to say that some of the aspirations in the Island Plan for housing are, as I have just said, a challenge. It may well be that during the course of the final stages of the plan we need to come back to the Assembly again to see whether we need to look at further zoning. It will be down to demand and supply and if the supply does not look like it is coming forward as is intended, it would probably be wise to maybe think about whether the States, the Minister for Housing, myself, your panel as well, feel that it is important that we deliver the houses that we promised we would and if they are not going to be delivered by the fields or the sites that we have zoned for that purpose, we may need to look at alternatives.

The Deputy of St. Mary:

You mentioned the final stages. If you are “challenged” now should we be thinking now of looking at alternative sites which could be researched more thoroughly maybe?

The Minister for Planning and Environment:

Well, it is certainly a possibility. I have already alerted my officers to my own personal view, which would be exactly yours, I think, which is if it does not look like the sites are going to deliver what we had aspired to when the plan came into force that we need to look at alternatives. We seem to go through phases where some months the sites that are zoned seem to be moving forward well and other months, like with any other complicated and large planning applications, they have their ups and downs during the process. Occasionally, we feel that things are not moving as fast as they might and then all of a sudden things move ahead again. But there are some sites which have been only very recently zoned for housing and occasionally they do appear to be challenging. If we look at the areas in St. Clement, for example, some of the initial social housing in the Le Squez and Le Marais area, certainly the first Le Squez one when I remember it being built as a teenager or in my 20s there was lots of open space. The units were not particularly high; the density was not great. As we are looking to replace that we have to make best use of the zoned areas that we have, and that involves usually a little bit more density. That is unfortunate

from the perspective of what people have become used to, but I think we always have this ... another one of our challenges, if you like, is when sites are zoned for housing is to make best use of them, and that is not always easy. People seem to think, you know, obviously we want open space, we need amenity and green space, and we are very aware of that. We want that space ourselves, but at the same time space in Jersey is difficult to find and when we do find it, it is up to us to make sure we make best use of it and that we fit as many units as we can in while creating green and open space for the people who live in those units to use.

Deputy J.A. Martin:

Can I have a supplementary on the specific Summerland site, please, Minister? You said or I think it was said in the States it is not in the capital programme until at least 2020 and I think you might have just then said it even might be moved back. So this is just for the capital to redo the fire and ambulance on the other side of the road. Is that going to be holding up all the houses on the Summerland site?

The Minister for Planning and Environment:

Well, I have asked the question and the information was that to make best use of the money and best use of the resources as we are building, they would like to build ... I am told that they would like to build the site out in one go, and that means having it all available for building at the same time. Then we start getting into the list of things that have to happen before we can do that. Obviously, the police need to move and the new police station is being built. That is going to happen and the police will move. Then the ambulance station needs to be relocated in order to free up that part of the Summerland site so it can be developed in one hit. You look at the timing and you think: "Is it going to happen?" Certainly, I think I am correct in saying that the capital monies for the relocation of the ambulance site have now been taken out of there or the intention is to take them out of the M.T.F.P. (Medium-Term Financial Plan), which would make moving the ambulance a challenge. Therefore, that part of the Summerland site will not be available so building it out in one hit will not be possible in the M.T.F.P. 2 timing anyway. You know, the question has to be asked, I suppose, as to why we cannot develop out some of it. I do not know, is there anything you would want to add, Andrew?

Chief Executive Officer:

Yes, I think that is right. I think we are not likely to see that coming forward, that site, for ... probably colleagues here have some more specific times, but I think you are right. The anticipated delivery of that site has gone back from where we thought it would have been when we started the Island Plan review and the work we did last year.

Deputy J.A. Martin:

The Summerland site was going to be States-owned housing, is that correct, and first-time buyer?

Chief Executive Officer:

Yes, the planning permission is for category (a) housing, yes.

Deputy J.A. Martin:

Yes, so I know there is not at the moment, but has there been any discussion with the flexibility of the £250 million bond to get this going and then a repayment at the end? Because if you do not have the money now you might have it then, but Andium actually have it or Treasury have it. It seems a very long hold-up. There is money somewhere but you do not ... you know, and I know at the moment it is very tight on what they can draw down, but this is a big site that one building is going to be holding up for probably another 10 years.

The Minister for Planning and Environment:

I am not sure of the rules surrounding the bond, but it may well be that one could put something together where the bond provided the funds for the relocation of the ambulance station, which then allowed the whole site to be built out and then the money was repaid once the site was built. I do not know, there might be ... you would want something legal ...

Chief Executive Officer:

Yes, definitely the majority of the bond monies' purpose is to improve the existing housing stock and, if you like, the quality of our existing stock and there is some money set aside for new developments, but I guess that is the discussion, I think, with Andium and with Treasury as to how flexible that money could be.

Deputy J.A. Martin:

So these have not started but you are considering having the conversations?

Chief Executive Officer:

I think it would be ...

Deputy J.A. Martin:

As they have taken out the capital?

Chief Executive Officer:

It would be a matter that we would probably have to prompt that question. If we think the supply of housing is not coming in in the way that we envisaged in the Island Plan I think it would then

prompt some questions back to the landowner, ourselves in that case, the States of Jersey, and other providers as to whether that ... is that immovable; therefore, we have to plan for something else, or how immovable is that site? I think that is the question.

The Deputy of St. Mary:

I think you have answered my next question. You said you will prompt it. I mean, would the initiative on that come from yourselves or ...?

Chief Executive Officer:

I think the onus would be on us. If we are going to go ... the review of the Island Plan is not a thing we would embark upon ... it is not a very quick thing for us to do and it is quite a weighty thing for us to do, so we would do it sensibly. Before we did that, we would need to make sure that we are doing it for all the right reasons and that there was not something else that could be done to free up housing supply.

Director: Policy, Projects and the Historic Environment:

I think on that point we undertake monitoring of the performance of the plan and in the next quarter we will be reporting on the level of housing supply that has been delivered since the plan was approved by the States. We have to recall the revised Island Plan was only approved in 2014, so we will be reporting on the performance of the plan against the housing targets later on this year. That will then give us an opportunity to look at how the plan is performing against the sources of supply that we identified in the plan at that stage. I think it is worth remembering that the supply of homes, particularly the category (a) homes, is made up of a number of sources of supply. One of those is on States-owned land and clearly the Summerland site was an important element of that, but it also includes things like the former J.C.G. (Jersey College for Girls) site, which is obviously now moving forward, and is likely to deliver additional homes than we anticipated when we were drawing up the Island plan, so that is going to be an additional source of supply. The Minister has already made reference to the fact that we are working to bring forward other sources of supply of category (a) homes, specifically the rezoned sites that were put forward in the revised 2011 Island Plan. We are working on development briefs for those sites. They are currently out to consultation and we are considering the responses to consultation on that. Once we have done that, we will then issue those as formal development briefs for those sites, enabling those sites to move forward. That includes big sites such as the site at Samarès Nursery and the De La Mare site at Grouville. So there is movement on some of the other sites that were identified in the Island Plan to deliver category (a) homes.

Deputy J.A. Martin:

Can I just ask then ... it is a big picture and I know you will not have the answer as the Minister for Planning and Environment. From memory, 2011 to 2014 is the around 1,000 deliverable affordable homes by 2020. What figure of population is that based on? Because if it was 2011 when we got, let us say, the last census, we know in 2021 everyone who was in Jersey in 2011 will be able to buy. They would have done their 10 years. Has all this been taken into consideration on your targets?

The Minister for Planning and Environment:

Ralph?

Principal Planner, Island Plan Review:

It is. We obviously rely on statistics from the Statistics Unit to generate the numbers on demand, so what they will do is they will look at those numbers going forward based on exactly what you described there as people getting their qualifications over a certain period. In every year there is a certain number of additional households that will come into that particular additional demand category. So we ask statistics to factor that in all the way through the plan period, absolutely, so you are right on that. I just wanted to pick up on a point about the ambulance station site as well. I think that was 150 units on that site and I know it is more of a technical note, this one, but looking at ... until we do our proper analysis of the monitoring and we know exactly where we are, we actually had a small buffer of about 150 units in category (a) anyway. So in technical terms, although we are moving that ambulance station site beyond 2020, probably to 2021, 2022, depending on when we can fund it, in theory it should not cause us too much of a problem from a technical point of view but obviously until we do our proper monitoring we will not know that answer.

[11:45]

Deputy J.A. Martin:

So when you say 150 buffer, is that included in the 1,000 homes?

Principal Planner, Island Plan Review:

Yes.

The Minister for Planning and Environment:

We identified a demand for 1,000 homes between 2013 and 2020 and we think the supply was at the time going to be 1,150. So we presumed there was a supply of 150 homes more than the demand, but you make a good point and certainly the numbers that we have had from the

Population Department recently, all that sort of thing will need to be fed into the calculation to see whether the increase in the population is going to make a difference on the demand.

Deputy J.A. Martin:

No, it is good to hear you work with statistics and so have much more information with the where you work and move and everything. Every year they will know exactly who is coming down the line. It is just whether planning can keep up with ... you have to have that number in sight 10 years previous for planning it, building it and then they are ready to move in.

The Minister for Planning and Environment:

While the Summerland site is 150 and we do have 150 leeway in what we think is going to be coming forward in the supply, the Summerland site on the other side of the coin demonstrates the difficulties sometimes we have in delivering homes which we have had planned. It is going to be the best part of nearly 8 years that we have had an intention to do Summerland and it is not going to happen within those 8 years, which is ... you know, unfortunate I suppose is the word to use.

Deputy J.A. Martin:

Frustrating.

The Minister for Planning and Environment:

Frustrating is another one, but it does show the difficulty we have when we plan forward and we say: "Here is a site, it is 150 homes." I think when we first said it, there would have probably been no intention that it would not have been done within 7 or 8 years but it clearly is a challenge.

Deputy M. Tadier:

Can I ask some questions? You have said that it is likely that the Government is going to fail to deliver its target of 1,000 affordable homes by 2020.

The Minister for Planning and Environment:

I did not say that.

Deputy M. Tadier:

So is it going to meet it then?

Chief Executive Officer:

I think "challenge" is the word used.

Deputy M. Tadier:

Is it likely they are going to meet that target? I appreciate we are only there until 2018, any of us.

The Minister for Planning and Environment:

Well, it is early days to say that. I did say it was going to be a challenge and I am sure it will be. As I have indicated, things like the Summerland site demonstrate how difficult it can be sometimes to deliver on what we think is quite doable when we are 7 or 8 years away.

Deputy M. Tadier:

What are the difficulties in particular with the Summerland site or more generally?

The Minister for Planning and Environment:

Well, the difficulty with the Summerland site particularly was I think when we first mooted building out of it we did not see the challenges associated with our finances and whether we would be able to ... I guess at the time there was no challenge to the money that was going to be required, that would be needed to relocate the ambulance station. Obviously, we are in a different financial situation now where we are having to prioritise where we spend our money. We are looking at health, we are looking at education, we are looking at stimulating the economy, and the amount of money required to relocate the ambulance has fallen off the bottom of the list because we have to balance our budget. So it is extremely unfortunate that we have had ... you know, one of the difficulties of making decisions is that sometimes if you are challenged financially you have to prioritise and decide where you are going to spend money.

Deputy M. Tadier:

Can I ask whether you think if you and your Council of Ministers colleagues spent as much energy and commitment to affordable housing as you do to building office space for the private sector do you think that you might have a better chance of meeting that target of 1,000 affordable homes by 2020?

The Minister for Planning and Environment:

I think the time and effort you refer to in building private office space is interesting inasmuch as I do not know that we would have had to have spent so much time and effort on those sites if people had just let the development company get on and build. We have a Master Plan that says that the proposals that we have had pursuant with the Master Plan ... we have had to spend some time defending our position, but the position is there. It has been debated in the Assembly on a number of occasions. It is not the States' fault that we have had to spend an awful lot of time defending that position. It is just that people have sought to challenge it.

Deputy M. Tadier:

But I guess the underlying question is that when premium land becomes available which is States owned, a decision is made to build office space rather than affordable homes on that area. Is that something ...

The Minister for Planning and Environment:

Well, the reason for that must be fairly clear inasmuch as there are an awful lot of private sector financial services buildings down there already. The idea is to keep everybody together. The last thing we would want to do would be to go and build a block of financial services at Summerland.

Deputy M. Tadier:

There is already some housing there across the road but perhaps we can leave that. I guess in terms of what you can deliver in your term of office, which ends in 2018, what do you think the number of affordable homes that will be delivered when you have left your office, or perhaps even continued in it, at that point?

The Minister for Planning and Environment:

I am not sure. Is it ...

Principal Planner, Island Plan Review:

Well, a large number of affordable homes will be delivered by that point. Obviously, they will be through the Andium route because they obviously got the bond money to redevelop their housing stock. So I am just ... without giving an absolute number because I will have to work it out in a more accurate way, but it is of the order of about 700 by the time ...

Deputy M. Tadier:

Is that net?

Principal Planner, Island Plan Review:

That is net after decants and after refurbishment, and obviously that assumes as well that we get the supply coming forward from Samarès and all these other ones ...

Deputy M. Tadier:

That is by 2018 you think we can have 700 new?

Principal Planner, Island Plan Review:

That is ... yes, based on our current thinking, absolutely, of that order.

Deputy M. Tadier:

So you should be on target then, really?

The Minister for Planning and Environment:

Well, I would point out that is why it is important to have these figures. That is why it is important to look forward and see where you expect to be. Again, on the other side of the coin, if we get to the middle of next year or the end of next year and we start to see that those numbers are a challenge, then we have to come back and have a serious conversation about are we going to be able to deliver what we expected to in the timeframe.

Deputy M. Tadier:

Can I just ask perhaps the last question in this bit? How do you define affordable homes? What is that figure and what is that definition?

The Minister for Planning and Environment:

Ralph is going to tell you. There is a calculation.

Principal Planner, Island Plan Review:

Well, the current definition is in the Island Plan. That was written at the time of approval last year. It is based on 2 elements. Obviously, for rental, so affordable rent, so that is defined by the gateway criteria, so the allocation criteria through the housing gateway, which obviously has a financial element and an element of who can apply for affordable rent. Then on the homes for purchase it is based on median incomes, which was from ... at that period around £60,000 per household. So in round terms if you base that on normal mortgage periods and deposits and all the rest of it, it would equate to around £300,000 for a 3-bed home, so of that order at that time. So it is obviously based around the 80/20 split we have on the Island Plan sites, 80 per cent rental and the 20 per cent for purchase.

The Deputy of St. Mary:

Can we now move on to planning policies generally? I do not want to go down a particular route about heritage, but do you think we have the correct balance between protecting heritage on the one hand in St. Helier and the need to build affordable housing? Or do you see heritage aspects as getting in the way? I am deliberately avoiding any particular case going through at the moment.

The Minister for Planning and Environment:

Well, to talk specifically about the case that I am appealing to the Appeal Court is that my view was that the Royal Court ruling, the most recent Royal Court ruling, took a certain view on a policy and that reflected in their decision. They found that the setting of listed buildings was very

important and they gave more importance to it than myself and the department felt was the intention when the policy was written. We think it is important enough that we need clarification on that because the potential - and I say potential moving forward - would be that we have a large number of listed buildings in St. Helier and the court ruling could have implications on the development of St. Helier around or nearby or in the setting of other listed buildings in the town. We think it is very important to get a definitive ruling on this because what we would not want to find moving forward was that we have propositions for development, whether that is for new office development or new housing - most importantly for new housing - which might be near or in the vicinity of a listed building and somebody uses the court ruling to challenge the application saying that the setting of the listed building is being interfered with by the proposed development. Obviously, we all have to change. We have an intention with the future St. Helier project to build new and more residential accommodation in town and we want green space, open space, amenity space. We want to do great things with traffic and pedestrianisation, but while we would want to retain the heritage of the town, the important parts of the heritage of the town, I think it is important that we are in a position to be able to develop at the same time. The Co-op building at Charing Cross, for example, could have had a very different outcome if we had been forced to look at the setting of the listed buildings in Pitt Street and Dumaresq Street more carefully. The outcome of that one may have been different if the importance of the listed buildings had been given even more importance than they have been. So it is a challenge. We certainly want to retain the heritage of the town. We have some fantastic heritage in St. Helier, which we want to look after and we want to maintain, but at the same time it is really important that we are allowed to develop St. Helier and the new residential, as I said, is important to us, but we also need to be able to move forward for no other reason other than the housing and our obligations to try to meet the signing ... we have signed up to Kyoto and we want to reduce our emissions, we want to reduce our energy, and that is another reason for having to move forward. We have some office space which is going to become available for residential if ...

The Deputy of St. Mary:

Yes, all I wanted to establish was that the litigation is really to establish a principle that heritage is perhaps ... should not be given undue prominence and override everything.

The Minister for Planning and Environment:

I think like everything it is a balance to be struck between the two. We want to maintain our important heritage in St. Helier but it cannot be ... the really important stuff will be maintained but on the other hand we need to be able to move forward and develop our town.

Director: Policy, Projects and the Historic Environment:

I think the other issue is they should not be seen as mutually exclusive. We have some very successful examples of historic buildings used to provide social housing. We have a number of arsenals in the Island, St. Peter's Arsenal, for example, that is used for ... successfully converted for social housing with social housing adjacent to it. La Collette Flats is a good example of a more modern structure that is listed and it is used for social housing. So they should not be seen as mutually exclusive.

The Deputy of St. Mary:

Yes, and I am not attacking the principle at all, I am just seeking clarification, I think, yes. Do you want to go next, anything?

Deputy M. Tadier:

Not on that one.

The Deputy of St. Mary:

Okay. What, if any, changes are you considering making to allow new housing schemes to progress? I know there is Andium but are there any other housing schemes in the offing? Are you encouraging them?

The Minister for Planning and Environment:

Well, we are certainly encouraging people to come forward with schemes. I might say recently I have had ... this is a little bit divergent from your question, but recently had two Constables come to me who just wanted to have general discussions around over-55 accommodation in their parishes and we have told them that while that would be probably a zoning issue which would need to come back to the Assembly, that the idea of people retiring in their parishes where they have been brought up is one that we have looked at in the past; it was one that we probably would look at again. As regards social housing, people are always at liberty to come forward with schemes. The challenge is that if the scheme is in the green zone that needs to then go to an inspector and the States Assembly to get these fields rezoned. As the Chief Officer has already indicated, that can be a challenge.

Chief Executive Officer:

Yes, we generally have a lot of activity in the market with the department in terms of looking for housing opportunities full stop. The vast majority of those are for category (b) private housing. So there are a number of schemes either in train at the moment through planning applications or we are in pre-application conversations with land owners, developers, to develop their sites out. So I would say there are healthy levels of interest in the construction market for housing. You know, I

think it does depend on what the market is doing at a certain point. So we have seen some developers of late look at providing a slightly different product on site, a category (b) product still but a cheaper form of category (b) because that is ultimately what they will be able to sell into the market. So we are seeing certain developers do that, changing their products around, changing some of the existing permissions around. One example I would give is Westmount Quarry, which is under construction at the moment. The scheme that is being built up now is a revision to the original planning permission and the developer there came back with a different product because that is what will be sold into the market now. The original ideas have been superseded. So we are seeing quite a healthy level of interest and, as Kevin has already pointed out, we have some level of interest certainly on our two big rezoned sites and they are progressing quite well.

[12:00]

Also with the Andium proposals within existing estates there is also quite a lot of supply we are envisaging coming through that route. So I would say it is fairly buoyant at the moment.

The Deputy of St. Mary:

Okay.

Deputy J.A. Martin:

You mentioned a specific site, Westmount, there and I am just at question 5 here. In the U.K. (United Kingdom) since 2010 the planning rules have made planning systems more permissive towards the development of new housing. Do you think we should be moving that way? I think they did it for economic reasons, exactly like what we have said we are ... we are not far from the U.K.

Chief Executive Officer:

I would say we are fairly permissive. We permit about 85 per cent of applications that come through the door here. So while the way that the planning system is often portrayed in the public eye, it is often portrayed as a very negative process, but we permit the vast majority of applications that come through that we handle.

Deputy J.A. Martin:

Sorry, could I just ask ... because this was brought to my attention by my adviser. Maybe I have explained the question wrong. Could you just elaborate on that for us? The permissive ...

Mr. P. Mooney:

Yes, no, you worded it correctly and explained it correctly. Certainly, during the course of the review a number of people, whether they were builders, developers, landowners or members of the public, did say the permissive environment for development in England is not replicated on Jersey and they find it one where instead of it being: "We will allow it unless there are good grounds for saying no" on Jersey it feels like you have to make an extraordinary case to get approval.

The Minister for Planning and Environment:

Well, I think ...

Mr. P. Mooney:

It could be that that has been exaggerated slightly, certainly, if 85 per cent are allowed to go through. But typical policies that people said they have had difficulty with were complying with lifelong homes, the provision of car parking spaces, density levels, where people said there might be a logic to build upwards in order to get more properties built, but the policies are against that. It may be that people are not even coming forward, so there is almost a sense of self-censorship because they know they will not get through.

The Minister for Planning and Environment:

I think comparing ourselves to the U.K. is always difficult inasmuch as we are a small island of 45 square miles and even though we have always known it, we have most recently reinvigorated our desire to keep our countryside green and pleasant, which is going to mean redevelopment maybe within the built-up areas that we have at the moment. That in itself gives us a challenge because, as I said, most of our Island is green zone and the presumption is against development in the green zone. So it stands to reason that we do not have vast areas or acreages that we can develop into, and ones that we decide that we are going to develop into require a large amount of work, a planning inspector and a States proposition, which is no small amount of effort. As regards the height, there is a policy in the plan - of which I am sure one of my officers will have the exact wording in their heads, but I do not - but it is no secret that I have indicated myself that height is something I think we need to look at. I have also said not necessarily for residential because I do not want to build large, high buildings for people to have to live in.

Deputy M. Tadier:

Why not?

The Minister for Planning and Environment:

Because I think it is always in the past been ... the intimation was that they were difficult to live in and had created the sort of societies that we might ...

Deputy M. Tadier:

But you have talked about Le Marais being actually a good example, which are low-ish density with a lot of amenity space on the ground, simply because they are high up, so you can get more in. How are you going to meet the housing demand unless you go up?

The Minister for Planning and Environment:

Well, what I would be looking to do would be ... I mean, in St. Helier, for example, we share businesses and housing and green spaces and all that type of thing, but certainly businesses could go higher, which would require less square footage and that would then free up more square footage for the other options.

Deputy M. Tadier:

But what is the difference, because surely with residential and office accommodation, residential is just storage units for people when they are not at work, and similarly work is where people spend their daytime when they are not at home, so ...

The Minister for Planning and Environment:

Well, that might be your view, but my view is that residential is not storage units for people when they are not at work. Residential is people's homes, where they expect to have a certain amount of value and amenity and pleasure.

Deputy M. Tadier:

Exactly. But is the choice not to go out or go up? If we are going to crowd people into St. Helier and not go into the green zone, how do we get 1,000 affordable homes without going up or going out into the green zone?

The Minister for Planning and Environment:

Well, I just said; I think we go up on business and we use the space that we create by putting businesses on the smaller square footage to the betterment of residential units.

Chief Executive Officer:

If I could pick up on the permissive point, having seen both sides of it - I have experience of practice in the U.K. as well as here - I think our permission rates in terms of what we allow through the system here is very comparable to many areas which are regenerating themselves in the U.K.

I think some of the perception that the planning system is more difficult here ... I think there is more attention to detail and quality here, through the planning system and through architectural design than I have certainly seen in other places in England and Wales. So, certainly I think some applicants here have to go through a bit more rigour in terms of design, architecture, that sort of level of detail, than I have seen elsewhere. But I think generally we are very comparable and as a developer here it is easier; we do not extract the amount of planning gain, for instance, with the planning system here that some of the planning authorities do in England and Wales, as an example. So it is just different. I would not say it is ... I think we are the smaller island with a tighter land resource; I think undoubtedly we have to concentrate far more on impacts on neighbours and quality. The third party appeal system we have here as well also brings that to the fore in our decision making, because we are very aware of what neighbouring owners and residents have to say about their developments next door, whereas that is not something that we see in the U.K.

Mr. P. Mooney:

Could I just come back on a specific? The requirement for new housing to be lifelong homes standard compliant is not something that is standard in the U.K. It has been put to me by a private developer that that adds 15 per cent to the cost of the properties. So it makes them less affordable if you count in that, it is making them more expensive for the purchaser, but the developer is also having to work with that. Is that an entirely necessary requirement? I understand the positive sides of it, but for first-time buyers who might only be in the property for 3, 5 years, is it really necessary?

Chief Executive Officer:

I think in a small island where the propensity to move for geographic reasons is obviously less, once you have a home and you are happy with your home, I think there is a duty to make sure that home can be lived in as long as possible. Therefore, I think the lifelong home standard in an Island context is more important than in a bigger geographic context where you can move far more easily and you have more reasons to move house.

The Deputy of St. Mary:

I accept that point, but ...

Chief Executive Officer:

But I think also, you have to ... in terms of society, I think the lifetime cost of a home, if we can keep people in their homes, in their community, being cared for in their homes for a longer period of time, because of the standard of their housing, it will help our costs elsewhere within the government system, so we are not moving people out of a too tiny, confined home into a

residential care setting, or forcing a move when people do not need to do it. So I think the lifelong home standard is more than just the cost of housing; many things we could put into a lifelong home in terms of width of doors, where the plugs are, where the sockets are; there are some bathroom space implications. The house has to be adaptable for lifts if required; those sorts of things. I think with imaginative design that can be delivered with, I would say that I would be surprised if it adds 15 per cent to the cost. Even if it did add to the cost of a home, you would probably see less of a cost somewhere else in the government system by someone being able to stay in their home for longer, and throughout their life. So the sort of government equation on the cost of public services is an entirely different one. I think we have a duty that once people have ... it is hard to own a home sometimes here. You have to be able to get a deposit together, and buy a home. If that home then can serve you for a longer period of time, it must be sensible that we are not forcing people to move because their needs have changed.

The Minister for Planning and Environment:

I would say, I would have shared some of your views 10 years ago, but having had experiences now of people in wheelchairs and certain disabilities trying to use my own home, there is absolutely no question that having the doors wide enough and bathrooms big enough are ... it makes a huge difference to people's ability to just function as normally as they can when they find they do have a disability.

The Deputy of St. Mary:

I accept all that. Again, the first situation, the first home I bought was basically one bedroom. Four children on, there is no way I could have stayed there, and I think what Ralph is saying is that there must surely be a proportion of homes where you do not really need the lifelong flexibility built in, because ...

The Minister for Planning and Environment:

I think we have a proportion of those coming through.

Principal Planner, Island Plan Review:

I spoke to the Director of Building Control about this last week, because I knew this was going to be a question. The issue he raised is that it is not just people living in the homes, it is visitors. I think you just indicated that as well. It is people being able to visit your home and be able to use the bathroom facilities properly in your own home, as a visitor, for example, is quite an important point. On the cost, they did look, because this came in in 2007, so it has been running for a while now. They looked at the costs at that point, and obviously it went out to consultation in any event, as they changed the bylaws. Certainly, 15 per cent is way off being what they were getting at that time, and clearly a developer would probably have a slightly different view to anyone else.

Deputy M. Tadier:

I guess the point we are making ... could I challenge one point about the movement in the sector? I imagine that Jersey would have more movement, certainly in terms of the private rentals, than the U.K. because the private rental sector is larger than the U.K. So it seems strange that if we put such a big bite of that sector that there are all these requirements being put on which may be overly onerous in terms of lifelong homes when we do not even have minimum standards of homes for the rental sector in the first place. It could be argued that we have got the cart before the horse on this one.

Director: Policy, Projects and the Historic Environment:

I think the work on standards came out of some work that the States did across the States, looking at the ageing society, and if you think within the context of the demographic that we have and the challenges that that poses to society, the recommendation came out from that joint working group which involved Planning, Health, all departments across the States, that that was something that the Island should adopt. The fact that they do not do this in the U.K. is something that we should not necessarily slavishly follow and we should perhaps look at that as an opportunity. I think, in terms of household size, you talk about one-bedroom flats; clearly we see household size falling, clearly with people living longer, more people are likely to be living as single households, and therefore the requirement for the adaptability of the home applies all the way across the range of housing standards.

Deputy M. Tadier:

I understand that, but we have a system, it seems, of having over-55s housing both for purchase and for rental in some cases. There is no such thing as an under-55s home or an under-35s housing scheme. It seems that there is an element of duplication if you are saying that we will be putting an onus on new developers to provide homes for lifelong, whereas actually their target audience may not be that; it may be that they want to build one-bedroom flats on the waterfront which are targeted towards young and upcoming individuals, and it is not appropriate to put wet rooms et cetera in those kinds of properties.

Director: Policy, Projects and the Historic Environment:

It is not necessarily about putting wet rooms in those buildings; it is about making sure they are adaptable, and it is about ensuring that the new housing stock that is built in the Island is capable of accommodating somebody throughout their lifetime, whether they are sold to young, single, first-time buyers or whether they are housing a spouse whose partner has died and they need to downsize their property. If the housing stock is robust and adaptable ...

The Minister for Planning and Environment:

I think flexibility is really important. Certainly, 20, 30 years ago children stayed at home with their parents, generally speaking, they got married and they moved out with their wife into a unit with a 2, maybe 3-bedrooms. More recently, 10, 15 years ago, there was a lot more money around, youngsters were earning sums of money which allowed them to move out of home and there had been a huge increase in demand for properties for older teenagers, people in their 20s, single professional people. It may well be that we find ourselves in the future with a situation where children do not enjoy the levels of income that they might have done 15 years ago and they end up staying at home longer. I think Kevin is right, I think flexibility is really important.

The Deputy of St. Mary:

Before we go on to other specifics, can I just go back to the general planning policies in your - and I want to remind you of it - speech to become Minister. You referred to the planning laws being 50 years old and would need review. I know that certain amendments have been made to it; are you happy with the law as it is or is it undergoing a major ...

[12:15]

The Minister for Planning and Environment:

I think, generally speaking, we are happy with the law as it is. I think we look back to what we have achieved with the 50 years of having the planning law and, generally speaking, we have managed, to the best of our ability, to keep our countryside green and pleasant. We could have done things very differently and it might look a lot worse than it does now. I am not saying everything is perfect and we can always make improvements. But I think, generally speaking, the law has served us well. We are looking through the year at ways that we can improve it; we are coming up with some changes to permitted development and we are going to make some quick wins which we are going to do this year, and we are going to develop the permitted development theme over the 3 years that I am hopefully Minister, and come up with some bigger changes. But all the time we must always be looking to change the law, but the difficulty we have, of course, is that it is not easy to do and it is quite consuming and involves a lot of consultation.

The Deputy of St. Mary:

Moving on a bit, I have a sub-heading called "Land hoarding." I am told that we have consent for 2,000 homes at the moment, which is not being built on. What sort of measures are you considering to "encourage people" to build ...

The Minister for Planning and Environment:

I do not think it is any secret; I have said that, unfortunately, what I cannot do is force people to build homes. They can apply for permission and if the application meets the criteria they get an approval. What I cannot do then is to force them to do anything with that approval. But we do see some people who make a number of applications which modifies an approval and modifies it again and revises it. Or, in other instances, people gain approval and just leave it for 5 years and then renew it. In both instances, I do not think it is particularly good planning - if you want to use the word "planning" in that context - inasmuch as the planning department is trying to plan forward for how the Island will develop in the future; granting permissions for things which then do not happen does not make that job any easier. Certainly, one of the criticisms we have levelled at us is that we have granted approval for a vast number of flats and offices and other various things and why do we need any more? The answer is that, provided the demand is there, the applications will keep coming in, but we cannot force people to build, which is extremely unfortunate.

Deputy M. Tadier:

What can you do, then? You could force people to build if you put in the right mechanisms.

The Minister for Planning and Environment:

What I have indicated is that I would like to see ways that we could maybe try to encourage people to build when they do get applications. Certainly, there are two things which I have asked my officers to look at; the first one is to reduce the amount of time the application is approved for. At the moment it is a 5-year approval and we will be looking to see if we might reduce that. The other thing that we might do is to charge for renewals, and that also might help to encourage people to build out. I know neither of them can force ... I do not know if we are ever going to be in a position to force people.

Chief Executive Officer:

It is a very difficult thing. Ultimately there is always a drop-off in terms of the number of permissions given anywhere, frankly, around the world, and how many are actually implemented. There are a number of reasons why schemes do not get implemented: the market may have changed - the sums added up at the time but the market shifted and therefore the scheme would never be financially viable; that is therefore a reason that schemes do not come forward. Sometimes the developer does not get hold of the site as expected and ultimately you need to secure the land ownership to deliver the scheme but the landowner may have changed their minds. There may well just be reasons of timing in terms of when is the right time to get the supply into the market, and so the housing developers will try and develop a scheme when they think they can sell it. They do not want to incur all the cost up front, develop a scheme and then not be able to sell it. So, timing of when things get developed is often a very delicate equation for

them to balance. Ultimately, we cannot force somebody to develop a scheme, we cannot force somebody to incur expense, potentially loss, build homes which then do not get sold or that sort of thing.

The Minister for Planning and Environment:

We have to be careful what we wish for, as well. I am aware that in Egypt, for example, they have a roof tax, so that when you have finished your development and you put the roof on your house, you pay a tax. If you go to Cairo you will find that 90 per cent of the buildings do not actually have a roof on, so they are just completely unfinished. Similarly, if you said: "Well, once you have started the development that will count as a start," we might find that people just dig holes for foundations and then just move away, rather than leave a property ...

The Deputy of St. Mary:

What about some other financial inducement, like if a builder wants planning permission to build 100 homes, then say, perhaps after a grace period, he could be paying some annual rates as if they were there.

The Minister for Planning and Environment:

Well, yes, absolutely. The rates is something that you could look at; you could say once the permission is granted, in the intervening time between the granting and the approval and the completion of the building, maybe there would be a half rates charge or a certain percentage of the rates which could be proportioned. That would be another way.

Deputy M. Tadier:

But what reduction? Are you saying 5 years? Let us say, for argument's sake, you reduce that to one year; what would the difference be? Would that be effective?

Chief Executive Officer:

I think you would get a lot more renewals. I think, ultimately, what drives the development industry often is not what the planning authority will or will not do with a renewal or permission. I think if the permission only lasted 12 months, we would still see a proportion that are ready to go and they would be developed. We may just see some which are permitted and will come back for renewal after renewal. I think we have seen a big number of unimplemented permissions lately because the market, in effect, through the recession, has corrected itself downwards. Some of the sums ... I am sure developers were getting hold of sites at a certain value, got permission with that certain aspiration in mind, the market has gone down a bit and therefore it is not viable.

The Minister for Planning and Environment:

However, an approval which might be brought in under a certain set of guidelines or guidance or policy and if the policy changes between the approval and the renewal, you would not get a renewal; I think that is correct to say. There was always a danger for a developer, a risk in coming back after 5 years; if the policy and the guidance have changed, you would not get the renewal.

Chief Executive Officer:

That is the other thing that drives the developer actions, in the sense that if there is an acknowledgement that things are going to get more stringent, build now with the permission they have. If they come back in 3, 4, 5 years' time and the policies have become more stringent and more planning gains being extracted and that sort of thing, the sums will not be as viable as they are today. There is also that going on in their minds.

The Deputy of St. Mary:

Is there some sort of intention to go public on that, to say that we are considering reducing the time, and ...

The Minister for Planning and Environment:

I have already, in at least two speeches I can think of, indicated that I am looking at renewals, I am looking at charging and I am looking at ways to try to encourage people to actually build what they apply for. As I said 10 minutes ago, it is very frustrating for the department to do a lot of work and give approvals for plans which look very good, only to find that people then do not go out and develop.

Deputy M. Tadier:

Can I ask a related question? It is to do with empty properties, whether that is commercial but primarily I think residential, for our purposes. Are there any similar things that can be done either to induce or encourage property owners not to leave the properties empty, given that we have a chronic shortage of housing?

The Minister for Planning and Environment:

I am not sure that that is a planning issue, as such.

Chief Executive Officer:

Again, it depends on why the property is empty. There are always a number of properties that are empty in any locality.

Deputy M. Tadier:

Can I stop you there? I think that the important thing is not so much why they are empty but how long they are left empty for.

Chief Executive Officer:

Yes, sometimes it depends when they are measured. There are some properties where it is a publicly owned home, it is a States home and it is in a void period where tenants are changing over. There are private homes in that period as well where tenants are changing over. I think we also have people who are deceased and others, and properties become vacant. There are obviously properties that are second homes and are owned for holiday reasons. There is a variety of those sorts of tools, and I think it is very hard for the planning system to get involved with that. There may well be more levers in terms of property taxation or rates systems, in terms of how these properties are managed. Certainly housing authorities, if I look at council taxes as an example, as a lever in the U.K., how the Council Tax is applied to vacant properties has changed over recent years. You used to be able to get a very big discount for a vacant property, but many local authorities are removing those sort of ...

Deputy M. Tadier:

We are lucky with this Minister because he said in his opening speech to the States that he wanted to be Minister of a department with interconnectedness at its core, so the good thing with that is you will be working very closely with Housing and with the Treasury, for example, and with the Comité des Connétables; all have the possibility of implementing rates. For example, would you be minded to have a period of a year, after which, if a property is left vacant then perhaps a higher rate could be levied on that property increasingly, year on year, until something is done with that property?

The Minister for Planning and Environment:

I am certainly minded to explore all opportunities, and I will use the example of car parking, and I would apply the same rules to housing. Certainty, car parking spaces in St. Helier, I am looking to maximise the use of, 24 hours, for as many hours of the 24 in the day. That means, for a car park, if somebody wants to use a car parking space during the day, that car parking space should be available to somebody at night time, and vice versa. I would say the same for housing. We live in a very beautiful island where we have challenges to the places we can build. We do not want to build more than we have to and it stands to reason that if you have 100 properties on the Island which are empty for no good reason and you could have 100 families living in those properties, government should do all it can to make sure that those properties are best used. It is not right - whether it is green zone, built up zone, or what have you - it is not right that structures - for want of a better word - are empty and not being used when we have pressure on building for housing and

pressure on building for offices, or what have you. We should make best use of everything we have before we then go out and start building new homes on green field sites.

Deputy M. Tadier:

Are we likely to see any action on that in the next 3 years?

The Minister for Planning and Environment:

Certainly, I will be talking to the Minister for Housing. I talk to the Minister for Housing a lot. I am fortunate that I share an officer with her, so that we have a really good interconnectivity there. I am talking to TTS, I talk to constables, and certainly when we talk about how do we take a view on empty properties, I think it is quite right to think that it probably would be the rating system that would be the first port of call - and that means talking to the Comité - and I am more than happy to do that.

The Deputy of St. Mary:

You touched on car parking just now. The basic question is, do you think the car parking requirements continue in their present format, given that they add significantly to the cost to homes? Is there a justification for thinking in terms of a certain number of homes being built without the car parking requirement or a reduction in the ratio?

The Minister for Planning and Environment:

It is a very interesting question, and one that we probably will not come to an agreement or an answer to in this meeting because everybody has a view and not everybody's view is the same. Certainly, the people I speak to in St. Helier, the meetings I attend, the question of car parking is the number one topic for discussion, and in the vast majority of cases, the people I talk to who live in St. Helier say there is not enough car parking. Statistics will tell you that 30 per cent of the people who live in St. Helier do not have a car, but you can take that two ways. Do they not have a car because they cannot find anywhere to park it, or do they not have a car because they much prefer to walk or use public transport? It is certainly a challenge, and when you hear of instances in certain parts of St. Helier where we have almost verging on road rage over a single parking space that becomes available and suddenly there is a number of vehicles descending on it from different directions, you know there are challenges which need to be addressed. Certainly Deputy Martin is aware in the Havre des Pas region, the meetings I have attended, parking is a real, real challenge and I am saying to officers where applications come in and we have the ability to influence the amount of car parking, we must be looking to help where we can. Certainly, as part of the future St. Helier project I am looking to make the streets and roads in our capital more pedestrian-friendly, and one of the ways to do that is to take the cars out of it; whether that is cars driving on them or cars parked in them, and that means providing spaces for cars to park off site.

In most capital cities and large towns around countries, underground car parking is the way to go, but it is also the most expensive, and certainly in St. Helier we have great challenges with the terrain that we are trying to dig into. But we have got to do something about the car parking issue. It is a two-edged sword: on the one hand we are trying to encourage people to use public transport, but on the other hand everybody seems to think that they have the right to a car.

[12:30]

We need to continue to increase the frequency of public transport, see what we can do to reduce the cost, although I am aware that it does cost government a considerable amount of money already. But when it comes to building schemes, we are starting, I think it is fair to say nowadays, with a view of one car parking space per unit and moving backwards. But I think the official policy from TTS is still 0.7, is it not, Ralph?

Principal Planner, Island Plan Review:

No, the 0.7 was on a specific site, on an affordable housing site.

The Deputy of St. Mary:

Sorry, you said you are moving back which way?

Principal Planner, Island Plan Review:

Well, the guidance is not out yet. It will be out for consultation over the next few months, but certainly the current standard is one space per unit, where possible. But obviously, in town, where you have no spaces in existing units then it is impossible to achieve that, so there is obviously some sort of compromises that do go on, on a site by site basis already.

The Deputy of St. Mary:

Does anyone have any more general comments?

Mr. P. Mooney:

On car parking?

The Deputy of St. Mary:

Well, more generally, I think.

Mr. P. Mooney:

One or two, maybe, with your permission. Is there an official or implied policy which is then enforced through action limiting the height of new developments in terms of the number of storeys? I heard 6 storeys being mentioned quite a lot.

Chief Executive Officer:

We have a tall buildings policy, specifically in our Island Plan. So I pass that to Kevin; he could read it out to you.

Director: Policy, Projects and the Historic Environment:

Yes, we do have an Island Plan policy that deals with tall buildings. I think it is BE5 or BE3, off the top of my head, and that sets, it defines what a tall building is and it sets out the parameters against which applications for tall buildings will be assessed. The policy that is contained within the Island Plan was subject to amendment as it went through approval in the States, and to try and assist with the interpretation of the amended policy the Minister published some supplementary planning guidance and that is the design guidance for St. Helier, where we sought to clarify how we would apply that policy. What the policy says is that a tall building should not be higher than those of its immediate neighbours, or should not be higher than its immediate neighbours. What we sought to do through the issuing of supplementary planning guidance was to try and define the relationship to neighbouring buildings and we sought to define that through a character area that a building might be situated in. So St. Helier is divided up into 10 character areas so, therefore, that policy is used to assess buildings of a particular height against other high buildings that exist within that character area. So it is not necessarily the neighbouring ... not necessarily the adjacent properties, it is buildings that might be within that neighbouring character area. So that is how the policy works and the guidance sets that out.

Mr. P. Mooney:

So it is not as hard and fast in the way it was presented to me? All right, but earlier you indicated that if you cannot go outwards, the only other way is up.

Director: Policy, Projects and the Historic Environment:

I think the thrust of the Island Plan is that we seek to meet the majority of the Island's development needs from within the existing built-up area. The plan explicitly sets out, as a consequence of that, that issues like density are going to have to be increased. If the Island wants to meet its development needs, we are going to have to use the land that we have already developed more efficiently and the plan is very explicit about that. It says we are going to have to increase density. The standards that Ralph just made reference to relate to car parking, internal and external space standards for residential development. We have a current set of guidance for all of those. We are

reviewing those in the context of the thrust of the Island Plan. So the Minister's intention is that we will produce those for consultation in the not too distant future so that we can engage with stakeholders on a new set of standards for internal and external space for residential development including car parking, amenities space and, effectively, room sizes. So, you know, essentially the debate is to be had about a relationship between all of those elements in the context of seeking to meet our development needs.

The Minister for Planning and Environment:

I think you can probably see the way that the Island Plan is slowly developing its direction on policy on tall buildings, as Kevin alluded to. Original policies said, you know, a building cannot be higher than its neighbours, but now it has been expanded with further guidance to say, you know, it must ... in a particular area you could go as high as another building and I think what we are doing is slowly developing a policy which is going to allow us to build higher because we are going to have ... if we are going to only build 2 or 3 storey buildings in Jersey, we will end up covering the whole Island. What we need to do is, you know, we have green and pleasant land and we will have to build more in town. Build higher in town.

Deputy M. Tadier:

Just build around the Le Marais. Build lots of blocks around the Le Marais and then we would get past the problem.

Director: Policy, Projects and the Historic Environment:

I think you can see from some of the consents that have already been issued, going back to the point you raised earlier about not being a permissive environment. I mean, clearly the plan makes it very clear that we are encouraging development in the Island's built-up areas. The plan makes that clear. We have issued supplementary planning guidance in the form of master plans, site-specific development briefs which will encourage land-owners, developers to come forward and to bring forward sites, typically residential sites, sites for residential use, and we have seen that manifest in some of the consents that have been granted. We talked about Westmount Quarry, the Minister has granted consent to places like the Jersey Gas site. We have seen some of the former hotels in town be redeveloped for significant numbers of flats in some of the large hotels have come forward and been redeveloped for those purposes and they are big buildings. You know, you do not have to go very far to see some of those, in Gloucester Street, for example. So I think, you know, the perception is perhaps different from the reality in terms of both the outputs, in terms of physical buildings that have been built and also some of the consents that we have.

Mr. P. Mooney:

Is there any intention to try and reintroduce planning policy H3, the one requiring to developers to deliver certain planning conventions particularly if they were building to the open market housing, to include within it that scheme? So affordable housing either on the same site or at another site elsewhere?

The Minister for Planning and Environment:

Well, it certainly has not been discussed recently. Again, if we moved into the future and things were not developing in the way we would wish, maybe it is an option we would want to look at. Have you any comments on that, Ralph?

Principal Planner, Island Plan Review:

Well, it is in the current Island Plan that we were going to review policy H3. It was a policy that was removed from the plan after 2011 when it was originally approved. I think we have discussed this already. So we are looking at that. I think the actual proposal describes ... it is basically a working group with Treasury, Planning and Environment, Housing and Economic Development. So we started that work already. The early work the Treasury did was around property tax. So they have done a review of property tax on the Island. We are then going to be taking that forward and seeing where that leads a new policy around policy H3, whether that is an on-site policy or a levy-based policy as you have in the U.K. with the same type of approach. But that is all to be decided and it is something we need to do a little bit of work on.

The Minister for Planning and Environment:

I think we have to be seen to be working with the industry. It does not mean to say we have to be, you know, in each others' pockets and what have you but, I mean, the one thing we can see from policy H3 is that when it was produced the industry and the land owners and developers said this is not going to work and it did not work.

Chief Executive Officer:

What it is, there is a lot of concern around how that policy ... ultimately the policy catches land value and reinvests it back into some form of affordable housing. So there is a debate to be had in the Island about how you capture elements of land value and recycle that back into affordability or some form of housing subsidy. The concern around H3 when it was first mooted was around the effect it would have on land supply because you would have land owners potentially not selling land to developers to build housing on. That was the primary concern at the time of recession that landowners would wait for a change of government, a change of government policy, and then release land into the market at that point. It is fair to say that the Island does not have other levers that other jurisdictions have in terms of forcing land transactions. So people do sell land, if you

have to look at the English planning system, because of inheritance tax, capital gains tax, those sort of things. People have to sell land to pay duties. We obviously do not have those things going on in our land market and housing market. So what makes a landowner want to sell his or her land to a developer at a price lower than they were aspiring to the previous year? The only way of affecting those sorts of behaviour in the land markets would be a consistent application of policy so that landowners knew that successive governments would not change this policy. That is the view that, obviously, landowners would take, and our government is likely to change its policy at some stage in the future and that is the sort of pressure we have back to the industry. We were very concerned at that point that H3 would stop any economic regeneration or any supply of housing full stop. So it is a very complicated equation and I am not sure what the answer is. We either take it out through the planning system, the planning gain, or there is the debate at the time with some form of other property taxation to capture land value.

Deputy M. Tadier:

Which would be inheritance tax.

Chief Executive Officer:

Places have tried to do it via different mechanisms and I am not sure anyone has truly cracked it but it is something as has been pointed out we have to keep live so it is something we have to consider again, I think.

Mr. P. Mooney:

It is a question of whether it could be seen in a wider package of measures. So in this case we have tried to extract something from the landowner, the developer. In other areas there may be some give that you could give them in policy terms, reduced fees or car parking or whatever in order to say: "Well, if we want to include this, what do you want to achieve?" Because sometimes it is better to get something of not the perfect outcome rather than standing on your principles but getting nothing.

The Minister for Planning and Environment:

I think you hit it on the head exactly there when we have a number of greenhouse sites around the Island and they have always been the classic examples that people allude to when you see greenhouse sites falling into disrepair, and the intimation has always been in the past that eventually if you wait long enough you will get it passed for a housing site. Now, that is no longer the case but what we do say to people now is if you have derelict greenhouse site we may allow you a small compensation against the cost of putting it back into the environment and make it green again. We might allow you a development that is proportionate to the amount of money you are having to spend to take down the derelict glass. In another vein, we may identify in the future

a greenhouse site which could be social housing and we would say: "Right, we will take this forward as such and we will take it to an inspector and take it to the States Assembly. But if it is passed, it is not passed a housing site or building site, it is passed by its specific purpose. That purpose may not give you the money you expected 10 or 15 years ago but it does allow you to sell it for something." The alternative would be take it down and return it to agriculture.

Deputy M. Tadier:

Or you could just say: "Take this down otherwise you are going to be fined and if you cannot pay that you have to sell it to pay the fine." Much simpler.

Chief Executive Officer:

Certainly our most recent re-zonings have been 100 per cent affordable housing. So we have extracted land value by that route and we created value through the zoning and then extracted it through the designation on-site being affordable housing. So that is the other way that we traditionally have done it in the Island, and we have created value through a rezoning and then captured that value through the rules on what you can build on site. So I do think it is fair, you know, the planning system creates huge values and I think it is fair that if we are creating huge values that some of that is captured for the community benefit. I think, obviously, the devil is in the detail and what does that mechanism actually look like, and at what point do you capture the value? We also have a lot of developer behaviour in the Island which will ... and I think that is natural in a small place where you have land becoming available, developers often try and get the land first and come and ask permission second and that is because there is limited land supply. As a result of that, we are often not having that conversation with the landowner. The land deal has already been done and then we are into a conversation around a development going through a planning permission where the developer already owns it. That is a far more difficult conversation to have than with a developer who has only bought an option on a site and would pay the landowner once they have been through the planning system. So it is an intricate equation we have to deal with.

[12:45]

The Deputy of St. Mary:

Perhaps not a matter for this panel but picking up on a point of inheritance tax and inducing people to sell. There is, ultimately, a large fee payable when someone dies and passes on the property to the next of kin. The overall context it might be small beer but there are number of houses occupied by elderly single people who could be persuaded to perhaps pass on that property to the next generation if there were no stamp duty on a gift. At the moment they are penalised quite heavily and I think it would encourage large properties to be passed down within the family and

maybe to younger ones who could then perhaps obtain mortgages on it, et cetera, to develop it as they want and that might make some small contribution towards getting the bigger properties better used. Not for this panel, as I say.

The Minister for Planning and Environment:

Well, I know, but I mean certainly you raised the point but the subject of downsizing is something which we need to talk around the table with the other Ministers. We know we have instances where people who get to the retirement age in the house and the children have left home and they are looking to downsize. It is not always easy to do but there are a number of instances that I know of where people would like to move into a smaller house and free up quite a large family home for others to take on. That is not always easy if the availability of the type of property they are looking for is not there. You have issues around what would be termed as first-time buyers and there is a whole number of issues, which could be thrown into that.

The Deputy of St. Mary:

I accept that but it is something that ... it is strategy that has quite a heavy contribution, I think, yes.

Deputy M. Tadier:

Just one question. Do we have a land registry over here? Do we know who owns which bits of land?

The Minister for Planning and Environment:

We do.

Deputy M. Tadier:

That is publically available, yes?

Deputy J.A. Martin:

Yes.

Deputy M. Tadier:

Or it is available to you ...

The Minister for Planning and Environment:

It is available but certainly ...

Chief Executive Officer:

It is not my area but certainly you can ...

The Minister for Planning and Environment:

But certainly the Department of Environment would hold details of every field and every piece of land.

The Deputy of St. Mary:

It is not as it is in England but you can get details of it?

Deputy M. Tadier:

It is that useful for general purposes? I imagine it would ...

The Minister for Planning and Environment:

Well, it is useful in as much as if something happens in a field and you need to find the landowner, you can go to the department ...

Chief Executive Officer:

You can find out if there has been a transaction, so to speak. So there is a register of property transactions which is held in the States building here. But we do not have a register of land ... if it is not transacted, then it is more difficult to understand who owns it.

Deputy M. Tadier:

Just one, more. You talked about sometimes developers will acquire the land first because land is scarce and then applying for permissions. Is that something that the States in its various guises does or could do as well? Just acquire land and then at least we have the land so you can either keep it green or you can build on it?

Chief Executive Officer:

With its Property Holdings function, there is no reason why the States could not acquire land and in some cases we do acquire land. I say "we" as a government, as opposed to our department. But yes, the States property holding section can acquire land as much as dispose of it. It does not do much of the acquisition. It does more of the disposing nowadays.

Deputy M. Tadier:

Is that something we could consider, Minister? Given that other people are doing it, why do not we just get our own land bank and hoard as much land as possible?

The Minister for Planning and Environment:

My initial reaction would be that we have far big enough land bank at the moment to worry about without acquiring any more. But I would just expand on something we were talking about, you

know, the purchase of land before you get the application, and I think when we talk about trying to keep properties affordable and build houses that people can afford to buy, it is very frustrating to see a site, if you like, sold for development and then resold maybe not even once or twice but even 3 times before the properties are built and you know in those instances that the 3 different sales have all produced profit for somebody and it will be the people buying the houses at the end which will have to pay for that, and that is very frustrating.

The Deputy of St. Mary:

Yes, back to taxation of some form, is it not? Yes.

The Minister for Planning and Environment:

Well, it gets us back to the situation that Andy was talking about before where, you know, it has been normal interest for people to grab hold of land when they can get hold of it because it is scarce and not being built anymore and then worry about what they develop after, whereas it is a much better way from our point of view to talk about what you can do with it, then go out and purchase it.

Chief Executive Officer:

Traditionally, we have always operated in a rising housing market. So acquiring our land today is likely to pay the developer back at some point in the future. So that is why people do have that behaviour. Clearly, over the most recent sort of 3, 4, 5 years the market has sort of changed slightly but there is still a view that if you can get hold a site today, it will pay back at some point 5, 6, 10 years down the line.

The Deputy of St. Mary:

Sorry, can I ask one final point. It is not on my agenda for which I apologise but we have quite a few construction projects hopefully on the go on the Island, with the hospital, commercial buildings. In the context of the Housing Strategy Framework, are you concerned that those projects will compete against the idea of creating affordable housing?

Deputy J.A. Martin:

Are you talking about manpower?

The Deputy of St. Mary:

I am talking about manpower and resources, without bringing more people in.

The Minister for Planning and Environment:

Very shortly after I became a politician in 2012 I was voicing my concerns about the potential upswing in construction and the ability for us to all of a sudden to go from having very little to having an awful lot on the Island. We do not seem to be ... we seem to go from boom to bust when it comes to construction at regular intervals. Certainly from a planning perspective this gets, this comes back to, you know, encouraging people to build things that they get approved but from a planning perspective it would be so much easier if we could say that this is the amount of work that the construction industry in Jersey can get through and release projects just kept out of necessity for a certain size of industry on the level. There is no doubt in my mind that, you know, we are seeing a bit of an upswing now and we have some major projects coming down the line which we know are going to be there and there will be some challenges to having the number of people on the Island to do the work, whether that is, you know, putting in the foundations, putting bricks on mortar, putting roofs on, fitting out kitchens and the rest of it. I think there will be some pressures. I hope they are not going to result in pressures on building affordable homes. At the end of the day, a building is a building but they are all going to have to be done and getting it all done is going to be interesting.

The Deputy of St. Mary:

Yes, a related question to that is whether ... they are not sort of hothouses now but pre-constructed houses outside the Island, is there a view of planning of bringing in ...

The Minister for Planning and Environment:

Well, certainly we are increasing the specifications. Not only are we increasing the size that we want properties, the minimum sizes that we want properties to be, but we are increasing annually and, again, by significant amount this year the amount of insulation and the quality of the houses that we want to build so that they cost a lot less to heat. I think we are getting to the point now where the houses that you refer to will or may well be an option that people look at and the way we construct houses may change. Certainly, the amount of insulation that we are going to be looking for. If you use conventional cavity walls, the cavity is going to have to be bigger because we are going to want more insulation in that cavity and the only way to do that would be to ... but we are also aware that that level of insulation can be created by other building techniques and certainly when I am talking to the Jersey Construction Council and the industry generally, I am suggesting to them that there is great opportunity here for them to change the techniques that they use and I am aware that these buildings - and Kevin will know more about it than I - but as we increase the technical spec for insulation, the way we build houses will change and it may well be that we look to other techniques at the moment available outside the Island. But it would be my hope that in the future the industry will up-skill, change the way people ... it will be a new industry within the construction industry.

The Deputy of St. Mary:

Yes, a basic question is whether it could be to save ... employ more resources here and to stop population explosion we ... there is no objection in principle to your Ministry to importing sort of pre-constructed units, et cetera?

The Minister for Planning and Environment:

Well, not as such if that is what the ... if that is the way the construction industry decides to go, that is fine. I mean, it would be my hope that we may look at the way some of these pre-built units are delivered from the U.K. or from elsewhere in Europe and see whether we could not find way to construct the panels on Island.

Chief Executive Officer:

Yes, I think most of our building materials are imported. I think if we can pre-fabricate in-Island, within the Island and then take to site, that would be the way that we would seek to do it. Most of the S.I.P. (Structured Insulated Panels) panel, the insulated panel homes that we have seen built or extensions built, you know, they are fairly standard construction. They can be made within the Island. You can get the very high-end system-built housing which is done in a spotless factory facility somewhere else, but they have a huge range of products but at its base level, a S.I.P.s panel is a wooden frame with super insulation in the middle and a couple of pieces of decent plasterboard on either side. That is what a S.I.P. panel ultimately is, with service channels put inside them. So there is no reason why building materials coming in cannot be pre-fabricated within the Island and then used on-site.

The Deputy of St. Mary:

Okay, I was just trying to reduce the amount of people employed in constructions for here, that is all.

Chief Executive Officer:

Often the construction method can be also a very key thing to produce the affordability of the construction costs. So you can potentially build a system-built home for a very low per square metre price. How that gets then released into the market is a different conversation but you can keep the construction costs very low at the start.

The Deputy of St. Mary:

All right. Thanks for that. I have not anything else? Have you?

Deputy J.A. Martin:

No, I think we have covered everything.

The Deputy of St. Mary:

Okay, well, thanks, Minister and colleagues, for all your time and we will see you again shortly. Or not too shortly I hope.

[12:56]