



Strategic Housing Unit

Housing Strategy

Department for Community and Constitutional Affairs

March 2016

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A decent place to call home is one of the most important aspects of our lives. It is not just a question of a decent home, or even an affordable home, it is also about the communities and environment in which we live. Having a decent home matters for all sorts of reasons - our comfort, security, health, sense of stability and belonging, influencing our participation in economic and social life. This strategy is about all these things, setting out a range of actions to make things better.

One of the main challenges is affordability, which concerns people of all walks of life. Housing is expensive in Jersey. To help address this, we must deliver more homes, including more affordable homes and homes that meet the needs of our changing and ageing society, while at the same time striving to deliver migration that is targeted, sustainable, and supports economic growth. Achieving this balance also requires us to get more out of our existing housing stock - avoiding where we can leaving homes empty and using our social housing stock as best we can.

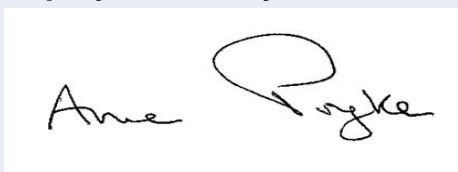
Alongside this emphasis on more homes that are better used, we also need to improve our housing standards and the communities and environment in which we live. So we need to support good design, more intelligent space standards, and energy efficiency, while ensuring our housing is resilient to future climate change; investing in the renewal of our ageing social housing estates; and delivering new and proportionate regulation to help the social housing sector grow and flourish, while promoting best practice in the private sector.

Importantly, we need to ensure that the regeneration of St Helier supports these objectives. In this way, we also preserve and protect our precious countryside and coast for the benefit of all. To do this, we need to use public land better; to deliver the investment necessary for improved amenities and more public space; and to ensure that the development of new offices on the Esplanade is accompanied by the conversion of older office space into good quality and decent sized homes.

All this relies on a strong, confident construction industry delivering the buildings we need.

This is how we help Islanders achieve their housing aspirations. Our ultimate aim is to make things better. There are considerable challenges. We cannot make housing more affordable overnight, and it takes time to improve standards and our environment, but we can move firmly and clearly in the right direction. Let us work together to make sure this happens.

Deputy Anne Prkye

A handwritten signature in black ink on a white background. The signature reads "Anne Prkye" in a cursive, flowing script. The first name "Anne" is written in a smaller, more compact cursive, while "Prkye" is written in a larger, more prominent cursive with a large, sweeping loop for the 'P'.

Minister for Housing

Executive Summary

The Housing Strategy has been developed by the Strategic Housing Unit under the direction of the Minister for Housing, with the advice of the Strategic Housing Group of Ministers, including the Ministers for Environment, Social Security, Treasury and Resources, and Health and Social Services. It has been subject to consultation, considered the expressed views of Islanders and the available statistical evidence, and helpfully and instructively, has been reviewed by the Environment, Housing and Technical Services Scrutiny Panel. ⁽¹⁾

The result is a single coherent programme of work which will improve our housing.

Strategic Context

The Council of Ministers has a collective responsibility to deliver better lives for Islanders and a better future for Jersey.

To help do this, a new strategic planning framework is being developed which recognises the importance of achieving a sustainable balance between our community, economy and environment. This new framework breaks down these big themes into detailed and tangible objectives, against which we can set targets for where we want to be in the future, compared to where we are now.



Figure 1 Strategic planning framework

1 The States Assembly approved 16th May 2013 (P33.2013) the establishment of a new Strategic Housing Unit ("SHU") under direction of the Minister for Housing

The community need to be fully engaged in developing this new vision. It will not work otherwise. Over the course of 2016, we will working hard with community groups, stakeholders, and the general public to do this, making sure that it is genuinely a shared vision tackling the challenges we face as a community and delivering a better Island.

Housing Strategy

As to what needs to be done and by whom to achieve this vision, this will be set out in individual core delivery strategies. Each delivery strategy will set a longer term perspective on what we hope to achieve, but also provide a more detailed focus on planned activity in the short to medium term.

This Housing Strategy is one of these core delivery strategies, having been developed through consultation, and based on the available evidence. It will have a significant impact on a number of the areas in the new framework, in particular, whatever goals we set ourself for 'affordable living', 'built environment' and 'sustainable resources' goals, and will also play an important part in supporting others, notably 'health and wellbeing', 'jobs and growth' and 'attractive business environment'.

Through these cross-cutting contributions, the Housing Strategy also supports the Council's stated priorities for 2015-18, in particular, optimising economic growth, improving health and wellbeing, and regenerating St Helier. It also aligns and supports other core delivery strategies, including the Island Plan, the Energy Plan Pathway 2050

As the overall vision for Jersey develops, we will review, consider and monitor the Housing Strategy to make sure it continues to deliver on things Islanders say they want and need and lines up properly with the vision.



Figure 2 Strategic Planning Framework and the Housing Strategy

A more detailed breakdown of the connection between the new Strategic Planning Framework and the Housing Strategy can be found in the delivery plan section of this document.

Vision for Housing

All Islanders live in secure, high quality homes they can afford

We want Jersey to be an inclusive place to live with suitable, high quality housing available to all residents. It should support a thriving economy by offering security, promoting health and wellbeing and reduce its impact on the environment. We want to tackle housing inequality by promoting access to quality housing which will in turn help bring about a society that values everyone.

Key challenges for Housing

Jersey has many challenges to overcome in meeting its vision:

1. The population is increasing and changing, which will increase the demand for housing
2. The population is ageing which requires specific housing measures and increase pressure on the delivery of existing services
3. Access to housing is restricted for people moving to Jersey - impacting on the ability to develop stronger communities
4. Housing supply is inconsistent, and needs to more closely match the needs of an increasing and changing population
5. The affordability of housing is a significant challenge for Jersey
6. There are a number of vulnerable and specific housing groups whose needs are currently not being fully addressed
7. The condition and energy efficiency of housing needs to meet new higher standards.
8. The quality of urban living needs to improve to support the delivery of new and better homes
9. We need to be financially innovative if we are to support good quality housing and communities

Meeting the Challenge

1. **Balanced housing supply - Ensure the supply of decent homes meets the identified needs of the Island**

- ✓ Maintain a balanced housing supply, including affordable homes, to rent and own
- ✓ Increasing the range of housing options available to those with specific housing needs.

2. **Best use of housing - Make the best use of the existing and future housing stock**

- ✓ Reduce under-occupation in the owner-occupied and affordable housing sector
- ✓ Reduce the number of long-term empty properties
- ✓ Ensure the private rental sector is responsive to meeting housing need

3. **Improve standards - Improve the condition, security, energy efficiency and suitability of homes**

- ✓ Ensure that a robust, proportionate and effective legal framework exists to encourage good standard and properly managed residential accommodation across all categories of tenure.
- ✓ Ensure that all new homes are built to high quality standards.

4. **Stronger Communities - Create strong communities and neighbourhoods**

- ✓ Promote sustainable communities with greater involvement in housing developments so that they better meet their needs
- ✓ Address the housing needs of unqualified residents

Governance

The SHU has developed the Housing Strategy, but delivering and meeting the objectives requires a co-ordinated approach across government. Accordingly, a governance structure has been established, chaired by the Housing Minister and supported by other Ministers, to ensure engagement and support across government, including working with the Environment, Housing and Technical Services Scrutiny Panel.

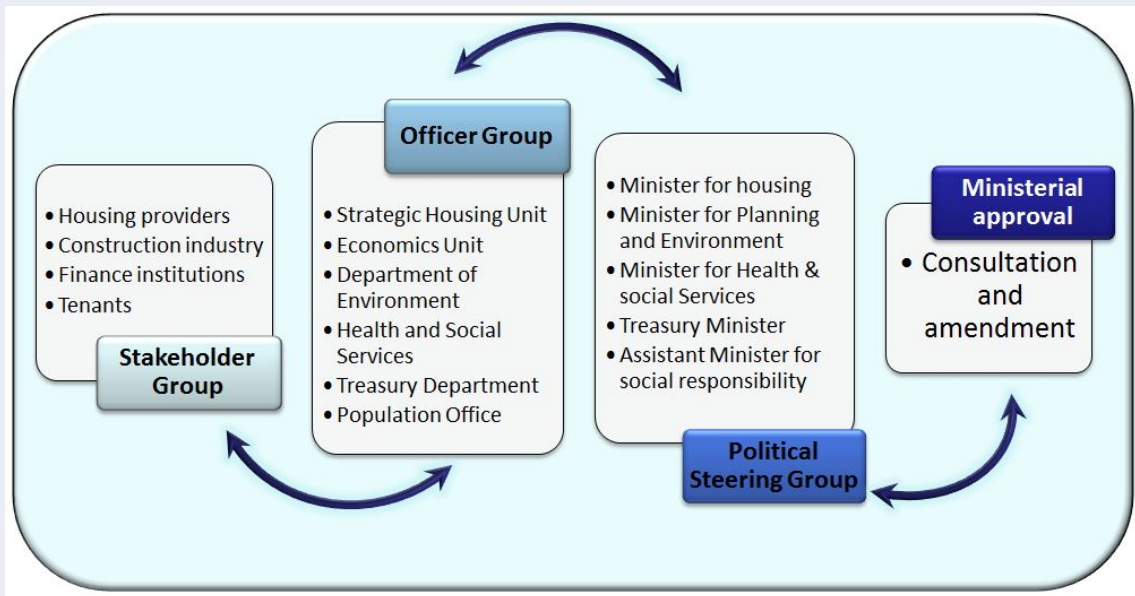


Figure 3 Governance

Ultimately, a number of the specific policy proposals identified in the Housing Strategy will require their own consultation and engagement on the details, and consideration by the States Assembly.

Evidence base

Housing markets are dynamic and complex and in order to support current and future policy decisions, the Housing Strategy needs to be based on a comprehensive up to date evidence base.

Establish an authoritative evidence base

The SHU will publish an annual Housing Assessment Report which will provide evidence on current and future numbers of households in need, across all housing tenures. This will be matched against the anticipated supply, in order to provide the evidence base to support the objectives of the Housing Strategy and inform policy decisions.

Next steps

A number of work streams and more detailed policy papers are being developed, as identified in the Delivery Plan, which will support the key objectives identified in this Strategy, and will be brought forward for consideration by the Assembly.

1 Identifying the Challenge

Jersey is a prosperous and successful Island, and we should be proud of our achievements, but the Island is also a place of contrasts.

While many Islanders enjoy a good standard of living, others in our community experience significant difficulties. The pressures of an ageing population, relatively high property prices, pockets of poor quality housing, and limited opportunities for new development, have an impact on the housing of many people in our community. There are also vulnerable people in our society, and it is important that we should and encourage social cohesion through better housing and supported living. The Island also operates a two-tier housing sector, with newer migrants restricted in where they can live.

Population

Understanding future housing needs is fundamentally derived from estimating and modeling the future size and make up of the population, together with household size, income levels and other variable factors – such as length of time living in Jersey.

The main factor affecting household projections in Jersey is not just net migration, but also an ageing population, which means that the average size of households is falling (headship rates). The outcome is that even with a nil-net migration scenario, the demand for homes will continue to rise as the average household size continues to fall.

Another issue is that income growth affects household formation rates. In population projections, the future is often assumed to be like the past. The recession had relatively little effect on headship rates in Jersey – unlike most of the British Isles - as incomes were not dramatically affected. There may, however, be some catch up to do, especially if affordability improves or incomes grow more rapidly in the future as the economy recovers. Projections are therefore more likely to be exceeded in a buoyant economy.

Recent population figures show that the total annual rate of growth is around 900 people per year and net immigration levels are around 600 per year. This is higher than the current planning assumption adopted by States Departments when planning services of net migration of 325 people per year. The recent Housing Needs Survey has not highlighted this as a particular problem now, but if net migration rates were to return to the level of the mid-2000s, it clearly would need to be addressed. As to other areas of housing, they are relatively insensitive to the level of net migration in the short-term and medium term because of the system of housing qualifications operated by the Island.

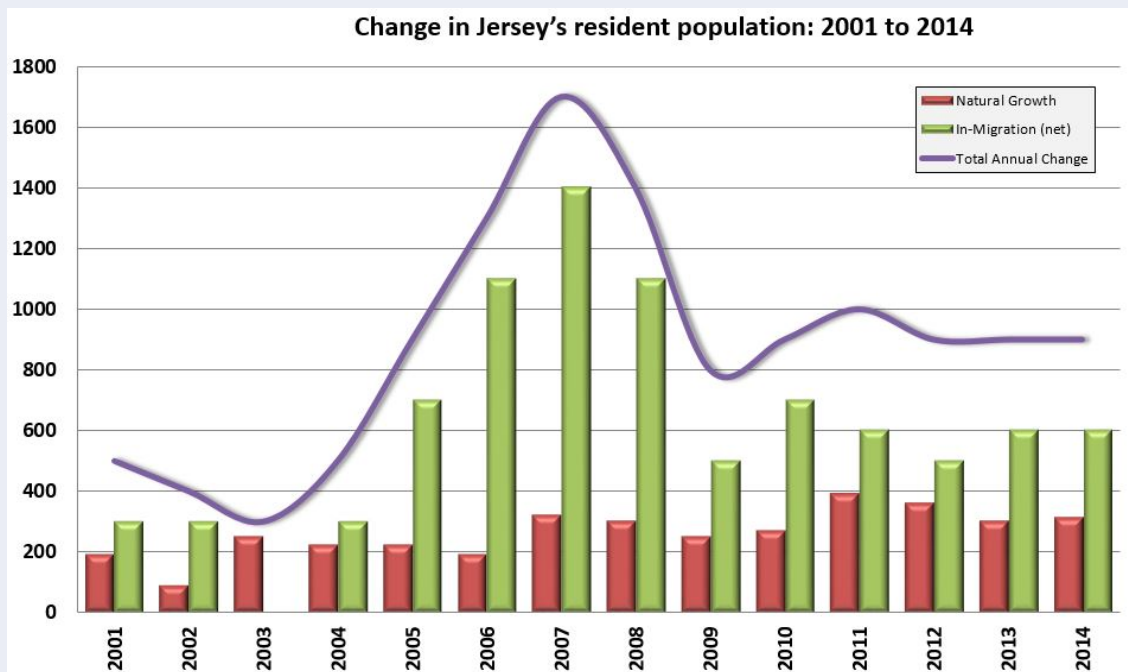


Figure 4 Change in Jersey's Resident Population 2001-14

Demand for housing

The States of Jersey Statistics Unit have developed a population model which can generate estimates for the size of the resident population up to 2065, and household projections for each year up to 2035. These are based on changes in household structure that were seen between the 2001 and 2011 censuses, such as an increasing proportion of adults living in single person households. Using this model, and based upon the current planning assumption for net migration of 325 people, which equates to an additional 150 households per year, it is estimated that an additional 8,000 households will be formed by 2035.

The latest Housing Needs Survey (for the period 2016-18) provides a detailed picture of supply and demand resulting from the stated intentions of Jersey households captured in mid-2015. The figures show that there is a potential shortfall of around 1,000 units, which is a reduction of some 500 units when compared against the previous survey (2013-15).

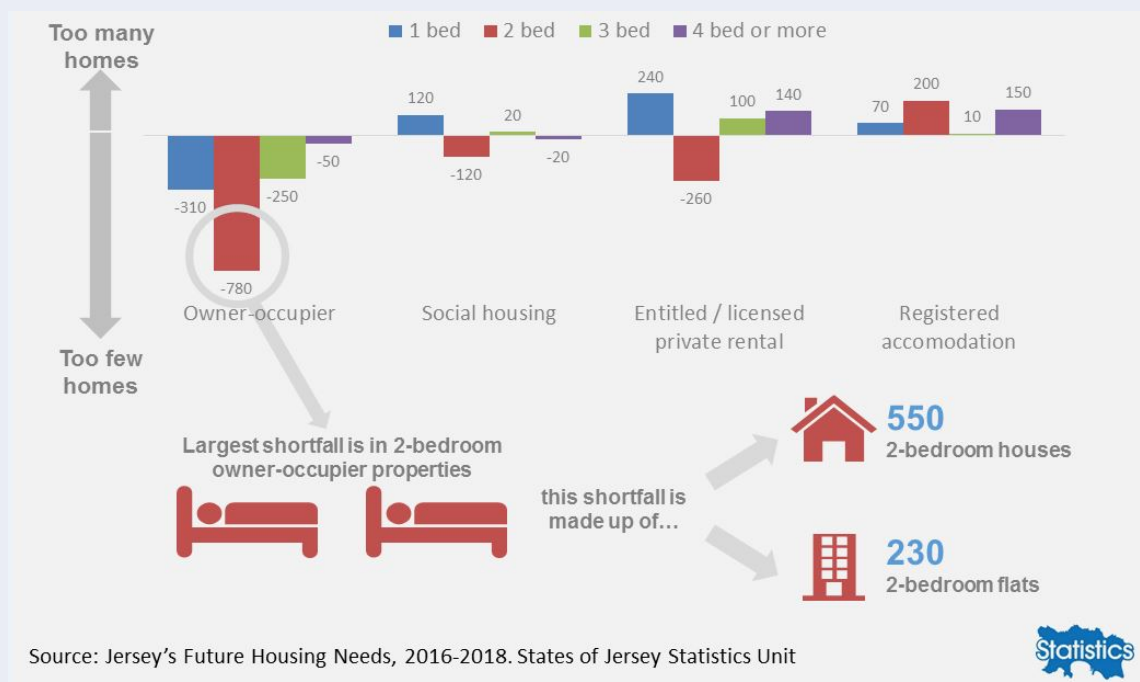


Figure 5 Surpluses and shortfalls of dwellings; current migration trends

The current shortfall is particularly for two bedroom properties in the owner-occupier sector, whilst there is a balance of supply of social housing and a small overall surplus of registered accommodation for people without their housing qualifications.

It is clear that there is an issue of housing stock management, as in some sectors there are both surpluses and shortfalls for certain house types. It is important to note that these figures do not automatically translate into direct increases of net demand, as affordability and existing policy restrictions (e.g. housing qualifications) are factors that influence a household's ability to move between sectors or property types/sizes.

Applying practical affordability criteria (based on lower quartile property prices) considerably reduces the levels of the potential shortfalls in the owner-occupier sector implied by expressed intention alone - in particular, the large shortfall of 2- bedroom owner-occupier properties is substantially reduced, as while people expressed an intention to become owner-occupiers, they could not afford to do so.

These issues need to be constantly reviewed and monitored.

Key Challenge 1: The population is changing and increasing, which will increase the demand for housing

Ageing society

Our population will increasingly see a significant increase in the number of older people needing care, leading to additional demand for long-term care services and increased social care costs.

- The number of people over 65 will nearly double by 2035
- The number of people over 85 will nearly triple by 2035

The funding challenges faced by the States and, to some extent, the third sector need to be met by making the best use of the resources available.

Health is an outcome of a wide range of factors - such as changes to the natural and built environments and to social and work situations. Many of these factors lie outside the responsibility of the health sector and require a shared response across Government.

Key Challenge 2: The population is ageing which will require specific housing measures and increase pressure on the delivery of existing services

Housing people who move to Jersey

The Island has for many years operated a two-tier housing sector, with only certain people having the right to buy or rent and occupy any property in the Island. Those unable to rent or buy any property are classed as "Registered" and can only lease 'Registered' property as a main place of residence under the Control Of Housing and Work (Jersey) Law 2012. Approximately 10,000 people have this status.

These people generally can only occupy Registered accommodation, which is mainly property converted from commercial space, for example, from a hotel or office space. This type of accommodation is limited in supply, and in times of increased economic activity tends to fill up as people move to Jersey to work, and becomes more expensive (although the evidence at this stage, from the 2015 Housing Needs Survey, is not showing a shortfall in this type of accommodation).

The quality of this accommodation also varies considerably, and although standards have improved considerably in recent years, as well as some very good quality, there remains relatively poor accommodation in the market. More recently improvements have been made, with registered people now receiving security of tenure and related rights, such as protection of their deposits. The system also presents challenges for people in particular hardship, for example, medical hardship, or in cases of relationship breakdown.

Key Challenge 3: Access to housing is restricted for people moving to Jersey - impacting on the ability to develop stronger communities

Housing Supply

The supply of homes over the last 20 or more years, as depicted in Figure 6 'Net Housing Completions (Built) 1986-2015' has been variable and influenced by the prevailing market and economic conditions, as well as land use planning decisions, such as the approval of specific housing supply policies in Island Plans (1986, 2002 and 2011/14).

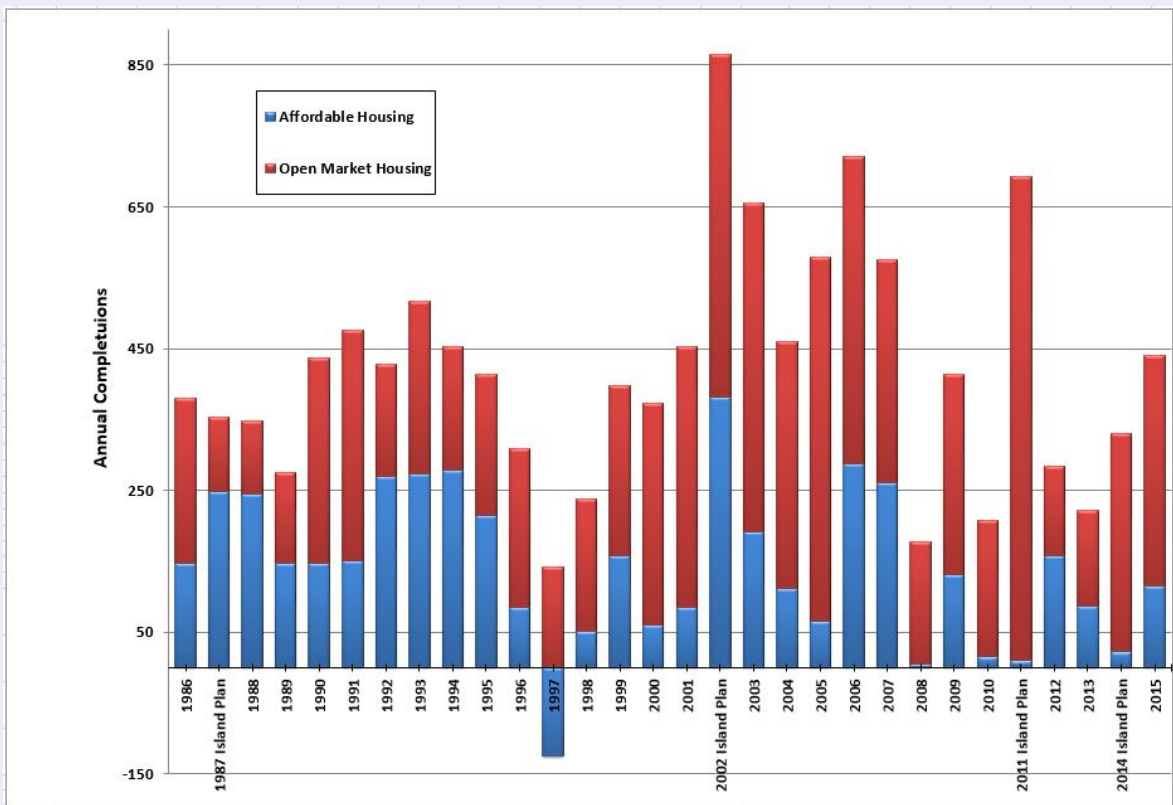


Figure 6 Net Housing Completions (Built) 1986-2015

The planning system has a direct impact on housing supply, although the prevailing housing market and economic climate have equally significant influences on the construction of homes.

The inconsistent completion rate for new homes is concerning and makes estimating future supply of housing more difficult, as it is then dependent upon assumptions around economic and other behavioural factors. This is often despite the existence

of a large number of planning approvals for residential development. ⁽²⁾. Unlocking this would lead to a more consistent housing supply rather than the stop-start conditions that exist.

A range of reasons can explain the slow take up of planning permissions including financial viability, prevailing market conditions, access to sites, construction capacity and sequencing arrangements. However in addition, there is concern that developers 'land bank' sites to control the flow and ultimately the value of new build housing. The strategy will need to consider how to address this issue in order to ensure a more consistent supply of housing.

Another interesting perspective is gained from looking at the capacity of the industry to develop and supply homes over the period. Looking at the employment statistics, in 2002 the highest year of supply (865 units) in the above chart, the construction and quarrying sector employed 4,660 full and part time staff. This contrasts with June 2015, when the sector employed 5,250 people, but supplied nearly half the number of homes. This shows that housing development is only one part of the output of the construction sector - while the current size of the workforce is at its highest level when set against previous housing supply growth periods.

Since 2002, more than 6,500 homes that have been built, of which 63% have been classed as open market and 37% as affordable housing (Housing Completions by Type 2002-14). Over this period the annual average building rate has been over 450 per year.

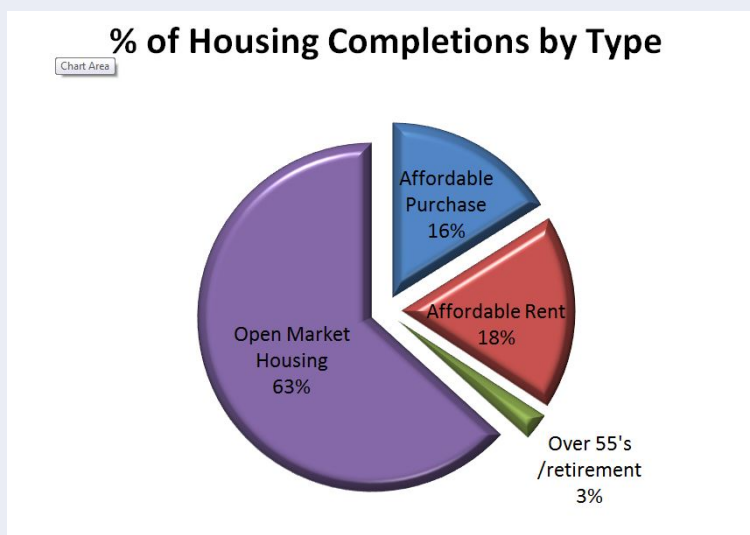


Figure 7 Housing Completions by Type 2002-14

2 The Department of the Environment indicates that there are currently over 1,000 dormant planning permissions for housing that are yet to be built

Over the last few years we have successfully secured additional affordable housing through the approval of new sites, driven by the adoption of the Island Plan and the through the development of sites by the Affordable Housing Providers and the recent creation of Andium Homes Limited, which has access to a housing fund to redevelop their existing stock and to develop new affordable homes. Andium Homes is a wholly States-owned, but independent company that manages formerly administered States of Jersey housing stock.

The 2014 Revised Island Plan identifies total housing supply up to 2020 to be estimated at 3,630 units with estimated demand slightly lower at 3,300 units. The estimated supply for affordable housing (1,060) and demand (1,000) for affordable housing is also closely matched. It is recognised that there is a risk of imbalance if key sites are not developed in a timely manner and this is being carefully monitored for the lifetime of the Plan ⁽³⁾.

A key challenge will be to maintain a healthy supply of homes on an Island that has constrained resources.

Key Challenge 4: Housing supply is inconsistent, and needs to more closely match the needs of an increasing and changing population

Housing affordability

Average house prices in Jersey, when compared nationally, are amongst the highest outside London, coming within the top ten UK local authorities. High rents in the private rented sector make rent unaffordable for many households. Despite the recent downturn in the economy and related cooling of the housing market, Figure 8 'House and rental price index 2002-2015' highlights that the current prices are still at a high level for both owner occupiers and private renters.

3 <https://www.gov.je/PlanningBuilding/LawsRegs/IslandPlan/InterimReview1/Pages/index.aspx>

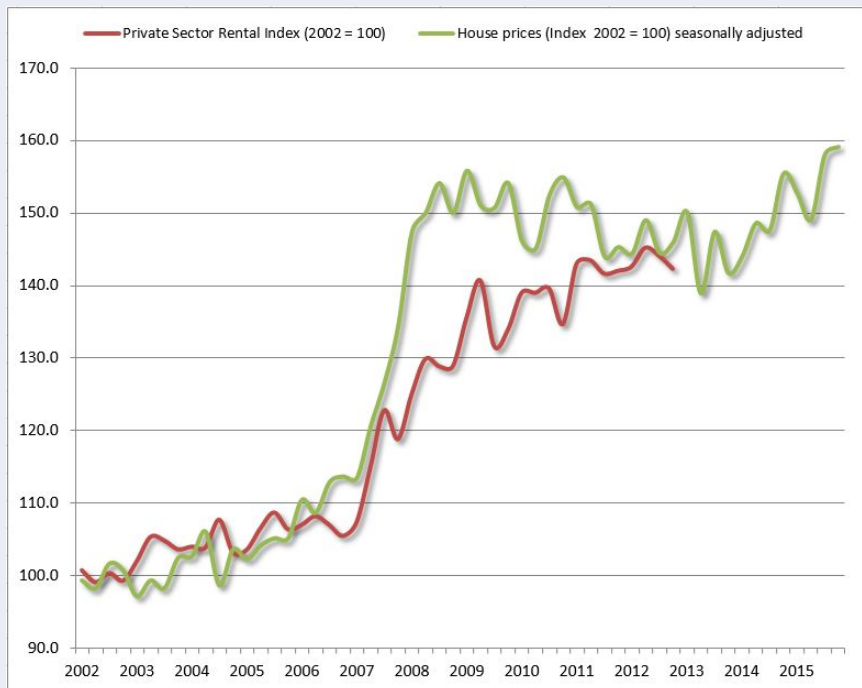


Figure 8 House and rental price index 2002-2015

Moreover evidence shows that in Jersey in 2013;

- **almost half of all working households could not service a mortgage affordably on the purchase price of a property (at the lower quartile price); a greater proportion than in 2011 and 2012**
- **around a third of lower income households in the owner occupier (with mortgages) and social rental sectors could be considered as being in housing stress (spending more than 30% of their income on rent)**
- **the average price of a three-bedroom house is seven times average household income**
- **a two bedroom flat is five times average household income**
- **56% of lower income people renting privately are in rental stress (spending more than 30% of their income on rent); 31% of lower income social housing tenants; 52% of lower income unqualified tenants; and 31% of lower income owner-occupiers were also in housing stress**

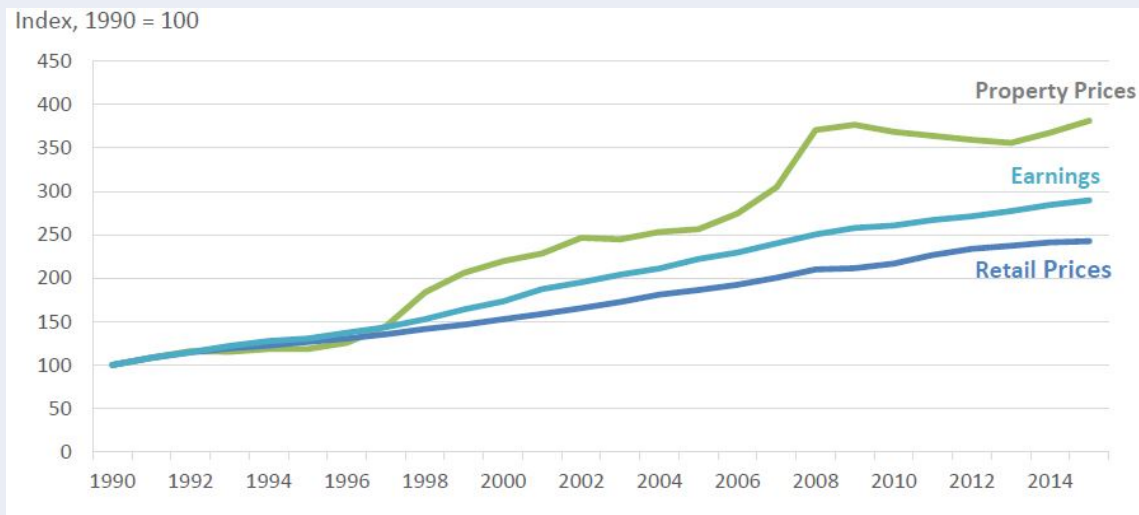


Figure 9 Long-term change in property prices, earnings and retail prices, 1990 to 2015

Over the long term, it is also evident that housing has become less affordable in Jersey, with the most prominent change being in the mid-2000s, before the global economic crisis. Since then, the gap between property prices and earnings has narrowed, but there is a risk as the economy recovers, if sufficient supply is not forthcoming, that this gap widens again.

The definition of affordable housing is currently defined by the Revised 2011 Island Plan, (known as "Category A" affordable housing for the purposes of the plan) and was written for the specific purpose of controlling Island Plan rezoned affordable housing sites, in the absence at that time of a housing strategy.

It is now right to set out the definition of affordable housing through the Housing Strategy which is capable of meeting the current and future needs of the affordable housing sector.

In order to support current and future policy decisions, we need a strong evidence base – which is recognised up front in this Strategy. The Jersey Private Sector Rental Index was published from 2007 until 2012 using rental consent data from the States of Jersey Population Office (which at that time did not cover unqualified accommodation). The Private Sector Rental Index has not been produced since December 2012, due a change in legislation that meant that people no longer had to ask for consent to rent property such that rental data was no longer collected. However, alternative data sources have been investigated and a new Rental Index, including unqualified accommodation, will henceforth provide a good evidence base to support future policy decisions on the rental sector.

With regards to controlling rents, our current policy is not to regulate rents in the private rented sector as evidence shows ⁽⁴⁾ that rent controls can discourage landlords from investing in and maintaining their properties. Landlords may also transfer to

4 <http://www.statesassembly.gov.je/AssemblyReports/2015/R.87-2015.pdf>

other types of tenure, which adversely affects supply. Almost all countries that have had rent controls have now liberalised their systems or limited their controls to rent increases within tenancies.

As to rents in the social housing sector, it has been agreed by the Assembly that rents should be at a slight discount to market prices and set at 90% of the market rental. This means that hidden subsidies through artificially low rents are removed, with people who need help being supported through the Income Support system. This provides a sustainable financial model for social housing, enabling considerable investment to take place in improving standards and providing new homes, and placing social housing tenants on a similar financial footing to people in private rental accommodation.

Improving Affordability

In order to create healthy and diverse communities, it is important to appreciate that housing affordability issues are not confined to high need households dependent on Income Support. These issues also affect moderate income households and key workers.

Improving the overall supply of housing to meet existing demand is the first step in improving overall affordability, and the previous section on supply has identified a number of challenges in this area. A direct way to address this has been undertaken through previous and current Island Plans, which have specifically re-zoned land for affordable housing, and other means, such as Andium Homes offering around 15 homes per year for sale through a deferred payment scheme, other shared equity schemes over the years, and schemes to lend people money, either in full or a deposit.

This form of intermediate housing (i.e. housing for those households whom cannot fully access open market housing, but are also not eligible for social rental housing), represents a significant challenge. To date, there has been an inconsistent approach in developing intermediate housing schemes in terms of the eligibility criteria and the types of homes, with affordable housing products changing over time. It is important that this strategy establishes a more consistent approach in addressing this sector of the housing market.

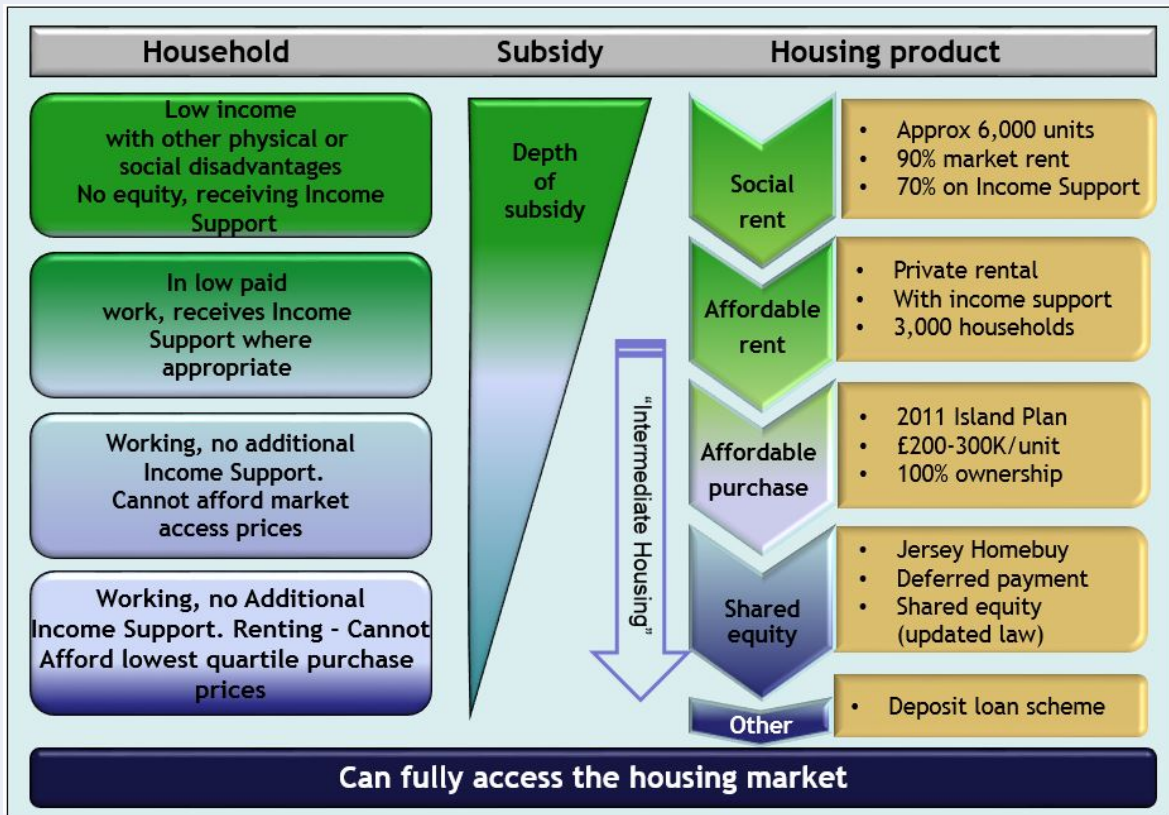


Figure 10 The Housing Continuum

The broad objective of the strategy with regards to affordability is to provide greater choices for households right along the Housing Continuum (figure 7), and more generally, to assist households to move away from dependence on subsidised social housing towards more intermediate and ultimately open market housing, and where this is not possible, (and where they cannot do this, to enjoy the best quality rental accommodation possible).

There is also the need to ensure that affordable homes are maintained as affordable in perpetuity, particularly those homes for sale through rezoned Island Plan sites. The SHU have commenced work to bring forward amendments to the relevant law(s) to achieve this.

Access to Affordable Housing

Access to affordable housing is managed through the Housing Gateway, which is used by all of the affordable housing providers, although the Parishes can also opt to just use their own lists. The Gateway assesses and then places households into one of six bands according to their level of need.

The housing gateway is the most current source for the demand of affordable housing as it provides a single waiting list that covers all social housing providers and assesses all those households within the existing affordable and the private housing sectors who have expressed a need for affordable housing. Details on the housing gateway

are found on the website, ⁽⁵⁾ but in summary, it is banded from 1-6: with **Band 1** being those in the most acute need (e.g. homeless), **Band 2** (e.g. overcrowded), **Band 3** (financial difficulty), **Band 4** (seeking improved accommodation), **Band 5** (those looking to purchase) and **Band 6** (independent living/extra care).

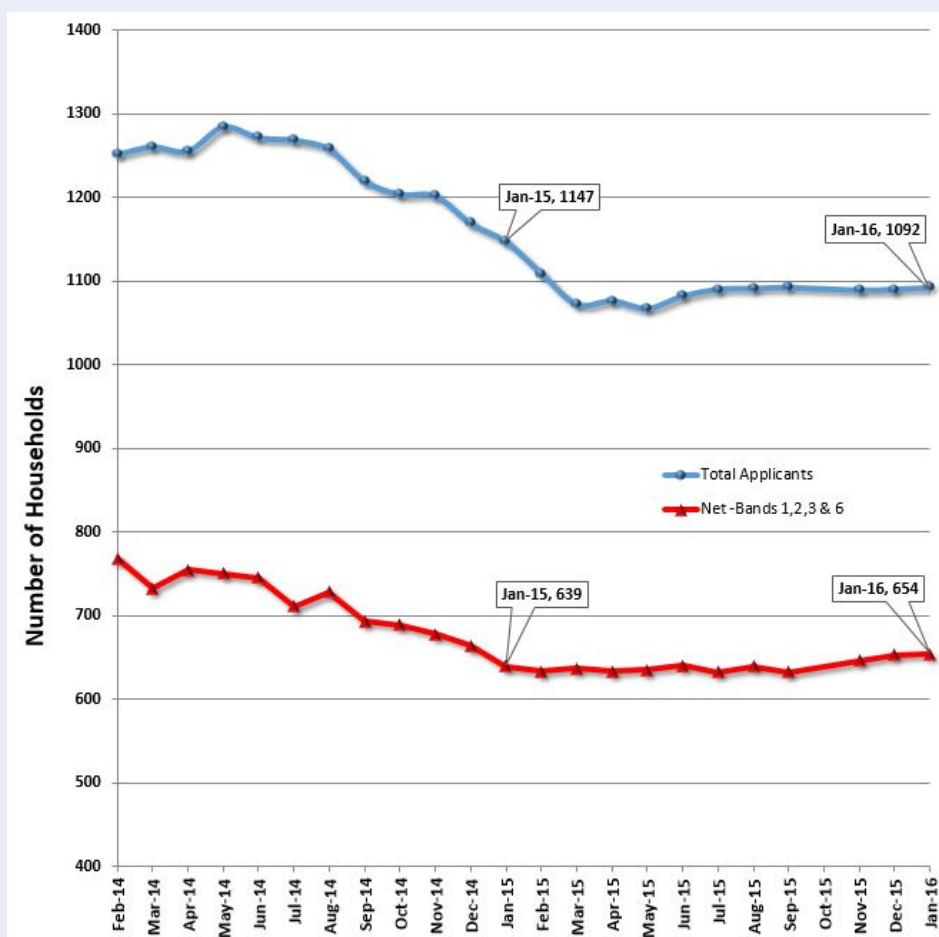


Figure 11 Housing Gateway List 2014-15

The total number, and proportion of households assessed as being in the highest level of need (bands 1,2,3 and 6), are key indicators that are closely monitored (Housing gateway waiting list 2014-15). The state of the economy, population structure and level of supply will have the greatest impact upon these numbers. Given that supply is expected to increase over the next five years, it is expected, given other variables being equal, that this will have a positive influence on the number of households currently on the housing gateway list.

The majority of the applicants on the Housing Gateway are seeking social rental accommodation. The current stock of approximately 6,000 units exists to support this need, and approximately 65% of households in social housing are assisted through the Income Support system.

5 (<https://www.gov.je/Home/RentingBuying/ApplicationAllocation/Pages/HowToApply.aspx>)

Key Challenge 5: The affordability of housing is a significant challenge for Jersey**Vulnerable groups**

Following discussions with a number of key stakeholders, it is recognised that the following groups will have specific housing-related requirements that will need to be addressed: people with mental illness; physical and learning disabilities; autistic spectrum disorder; ex-offenders; young people; older people (extra care "village" scheme ⁽⁶⁾); key workers; young parents; and the homeless and victims of domestic abuse.

The largest affordable housing provider, Andium Homes, currently provide a range of support through their in-house "independent living team" to clients and new applicants who have complex needs, helping them to maintain independent lives with access to appropriate services. Other housing providers are also keen to support and assist vulnerable people in our community. The challenge is to ensure that all housing providers can offer a service where they are housing and supporting vulnerable individuals, and that we also work with private sector landlords to help them do the same. In many areas, this need will become more essential in the future, especially as our society ages.

Connecting communities using the latest digital information technologies has been identified by Digital Jersey ⁽⁷⁾ who have been established to act as an accelerator for developing a more digitally enhanced society. There are opportunities to work with the digital sector to help meet some of the objectives of the strategy in creating more connected communities, and this could have a particular role to play in helping people to live independently.

Key Challenge 6: There are a number of vulnerable and specific housing groups whose needs could be better met, and this challenge will increase as our society ages**Standards and energy efficiency**

If our vision is to ensure that everyone has a right to a home then this should also ensure that every person has a right to a minimum amount of space in that home.

6 Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site to live independently.

7 <http://www.digital.je/about>

The challenge we face is to improve quality and sustainability across the board and deliver a significantly greater volume of new homes, at a price the Island can afford. We are committed to improving the quality of homes in all housing sectors.

Approximately 20% of households in the rental sector are unsatisfied with the state of repair of their home.

The introduction of additional regulation will improve housing conditions for residents living in private rental accommodation or Lodging Houses in Multiple Occupation (HMOs). In addition, Andium Homes have in place the resources to bring their existing affordable housing stock up to the national Decent Homes Standards and this will need to be undertaken by other Social Housing Providers to make sure that all affordable housing stock is of the same high standard.

Previous Jersey Annual Social Surveys have indicated inadequacies in housing standards, such as the size of rooms, availability of storage, amenity and parking spaces. A recent more detailed survey was undertaken to find out what residents think about their home as a place to live, and in particular about the space this provides for everyday living, both inside and outside. The results will be used to inform a review of the current residential space standards and may inform changes to be made to the minimum size of homes in the future. Raising the standard and quality of our homes can help to tackle wider social and environmental challenges.

Designing homes that reduce household energy bills can play a crucial part in bringing down the cost of living and help meet the 2050 Energy Plan for Jersey ⁽⁸⁾ target of reducing emissions by 80% compared to 1990 levels. In 2010, over 23% of Jersey greenhouse gas emissions came from the use of oil and gas for space heating in homes. The Energy Plan has an agreed set of actions to help reduce energy demand and greenhouse gas emissions from homes. New homes will be built to revised building standards and homeowners encouraged to install energy efficiency measures; together these actions could contribute to over 30% of the Islands' overall greenhouse gas emissions savings to 2050, in line with the Kyoto commitments and agreed Energy Plan targets.

Despite the clear benefits, the challenge for improving standards and meeting energy efficiency targets will be ensuring that developments are still viable, particularly in the affordable sector.

Key Challenge 7: The condition and energy efficiency of housing needs to meet new higher standards

8 <https://www.gov.je/Government/Pages/StatesReports.aspx?ReportID=1039>

Regeneration and revitalising the town of St Helier

Making better use of existing housing stock and encouraging regeneration schemes to improve the attractiveness of the town is a crucial part of the solution and is a key priority for the Council of Ministers. Good quality design and standards will need to be linked to a change in culture that elevates urban living as a desirable aspiration for Island residents. This will only be achieved through strong political leadership and collaboration with all the key stakeholders. This strategy aims to support and cultivate this change in thinking.

The Island Plan recognises the likelihood that a significant number of commercial occupants of the new financial and business centre in the Esplanade Quarter will have relocated from other premises in central St. Helier. Managing this change will be a challenge, as secondary office accommodation becomes difficult to sell or re-let, but it represents an opportunity to reuse some of this outworn older commercial stock as residential housing. The SHU will need to work closely with the Department of the Environment to ensure that the regeneration of the town can positively contribute to the supply of housing whilst improving the public realm for those communities living in them.

Density

The density of housing development is closely linked to the regeneration of St Helier and is an important consideration in making a constrained land supply go further. Estimates of the capacity of the town to deliver additional housing supply will come from further work being planned to be undertaken by the Environment Department. The Island Plan seeks to protect the most valuable natural assets of the Island and this means that most new developments will be in the existing built-up areas and in particular, the town of St. Helier. This clear policy direction is sustainable but must be accompanied by good design to avoid over development and poor living environments. Density policies will need to be developed in the context of neighbouring buildings and the local area in terms of scale, layout and accessibility. In addition, the Strategic goal for better standards of urban living, (including access to more green spaces and public realm improvements), but at the same time increased housing supply will be a challenge

Key Challenge 8: The quality of urban living needs to improve to support the delivery of new and better homes

Finances

The States of Jersey has a significant financial involvement with and impact on the cost, delivery and funding of housing in the Island.

Housing bond

The establishment of Andium Homes and the availability of a £250 million bond to fund the refurbishment of the existing social housing stock and develop more units, is improving the standards and supply of social housing. A large proportion of the bond (£207 million) is being used to bring the existing Andium owned properties up to Decent Homes Standards and re-develop existing sites to increase supply. The remaining part of the bond is to be used for the development of new sites, including those rezoned in the Island Plan.

To repay the bond, Andium rentals increase by 0.75% above RPI on an annual basis and as tenants move within Andium stock, rental levels increase to 90% market. 70% of Andium tenants receive Income Support and therefore will be supported with these additional rental costs through government funding. The other 30% will meet these costs directly.

The SHU is working closely with all of the approved housing providers, but recognises that the housing bond will not fund all of the identified supply, and so additional/alternative financial arrangements will need to be made. The involvement of the housing providers, the Treasury, and indeed the private sector will be required to take this forward and the SHU will co-ordinate this to ensure that the supply objectives of the Strategy can be met.

Income Support

The spend on accommodation, of approximately £30.6 million a year, represents the largest component (39%) of the tax-funded Income Support budget. This funding is the principal driver for the provision of affordable accommodation to those in most need on the Island.

Given the current States budgetary challenges, it is essential that the SHU works closely with the Social Security Department on the key objectives and actions arising from this Strategy to ensure that they can be delivered within this financial context. The annual cost of Income Support is already increasing in line with the move to 90% market rentals and the annual rental increases of RPI +0.75%. Care must also be taken to understand the financial implications of increased regulation within the private rental sector and the possible expansion of the rental sector to all residents.

Taxation

The taxation system imposes costs on housing through:

- stamp duty and land transactions tax are charged when property is transferred and when debts are secured against property.
- Parish rates and the Island-wide rate are charged annually on both owners and occupiers of most properties in the Island.
- income tax at 20% is paid by landlords on the rental income they receive, and by property developers on their profits.

The taxation system does, however, offer relief from personal income tax to marginal rate taxpayers through the availability of mortgage interest tax relief ("MITR") on their main home.

MITR was considered in the property tax review green paper, it stated:

"From an economic perspective, the existence of MITR merely acts to increase the price of properties, as it means that prospective buyers are in a position to afford to borrow more, as the additional repayments will be met through tax relief. Again, the unintended consequence of MITR is to push up property prices, which does not help people to afford to buy homes".

The relief currently costs the Jersey taxpayer approximately £12 - £14 million per year. The 2016 Budget proposes the gradual phasing out of Mortgage Interest Tax Relief over the next decade. This change was driven by creating greater fairness for the taxpayers of Jersey – many of whom rent property – to not subsidise those who wish to purchase a property. Moreover, international benchmarking, research by the OECD and work by PWC for the Treasury conclude that MITR is inefficient and counterproductive. It actually increases the cost of private-sector housing and potentially increases costs in the rented sector.

To support those households to get on to the property ladder, the 2016 budget statement also proposed to increase the Stamp Duty/Land Transactions Tax more progressive in respect of the registration of mortgage debts. This means that anyone buying a home costing not more than £450,000 will be able to benefit from reduced rates of duty/tax on the registration of their mortgage.

The full findings of the Property Tax Review are expected to be released in due course, and the SHU will work with Treasury to consider changes that may support the objectives of the Housing Strategy around supply and affordability.

Planning Obligations Agreements (POA's)

Planning Obligations are legal agreements between a developer and the Minister for Environment. They are made in order to ensure that the implications of new development are balanced by the provision of necessary services. The cost of the provision of these related services will be met by the developer.

The planning process is therefore capable of enabling the provision of affordable housing supply either directly on site, or indirectly through some form of financial contribution to be used to develop other sites or support other affordable housing policy initiatives.

A specific form of POA was intended to be introduced under the 2011 Island Plan ([Policy H3](#)) which would require developers to provide affordable housing and/or a financial contribution in order to boost affordable housing supply. There has been natural opposition by a number of key stakeholders, notably the development industry and land owners to this approach, and proposed policies have been deleted from the Revised 2014 Island Plan.

The issue of POAs (and similar arrangements) is now subject to a further review, the Department of the Environment will lead this review working with the Treasury and Environment departments to review the policy options for increasing affordable housing supply through such arrangements. This review will draw on the comments made in the responses to the Property Tax Review green paper on the issue of development gains.

Institutional finance and investment

Access to finance by both the construction industry and private households, has become increasingly difficult, despite the current climate of low interest rates. Institutional investment in the local housing stock, which in the UK has enabled a number of housing developments to be undertaken through investments by pension funds, for example, is not being undertaken in Jersey, which could contribute to improving the funding of housing initiatives.

High Net worth families

Locate Jersey (www.locatejersey.com) seeks to attract 15 high net worth families to Jersey each year – this in addition to inward investment companies.

The team now seek to attract a more entrepreneurial (possibly younger) high value resident with the hope that they will establish a business in Jersey leading to local employment. Properties that meet the needs of these new residents are not in huge supply, however many potential residents see huge potential for redeveloping some properties for the market and Locate Jersey are working closely with these families to stimulate investment opportunities. The economic advantages are clear to all and of course the end result is that we bring to the market some suitable properties for the high net families of tomorrow.

Key Challenge 9: We need to be financially innovative if we are to support good quality housing and communities

2 Meeting the Challenge

2.1 Balanced Supply

Objective 1: Ensure the supply of homes meets the identified needs of the Island

- Maintain a balanced housing supply, including affordable homes, to rent and own
- Increasing the range of housing options available to those with specific housing needs.

We will do this by:

1. Monitoring the demand and supply of housing and introduce measures to increase the supply of housing as necessary.
2. Defining affordable housing and delivering policies that are sustainable, and meet the long term needs of the Island.
3. Developing and promoting home ownership initiatives, such as shared equity and ownership.
4. Using States-owned land, assets and existing housing portfolio to build more affordable homes.
5. Working with the Department of the Environment in developing a land development levy that can contribute towards creating more affordable housing.
6. Developing detailed housing plans for specific groups, in order to provide them with the right accommodation. These include: people with mental illness; physical and learning disabilities; autistic spectrum disorder; ex-offenders; young people; older people (extra care village scheme); key workers (including a definition); young parents; the homeless; and victims of domestic abuse.

2.1 The overarching aim of this strategy is to ensure that there is sufficient supply of housing of all tenures to ensure that these homes better support the Jersey economy. The shortage of housing pushes up prices and rents and there can be no doubt that Jersey has a considerable affordability challenge.

Monitoring

2.2 The SHU will closely monitor the supply and demand for all types of housing over the plan period to ensure that the supply of homes meets the estimated demand and will work with the Department of the Environment should additional supply be required from new sources. The requirements for housing beyond 2020 will be undertaken by the SHU as part of the annual Strategic Housing Market Assessment report to inform the Housing Strategy, related housing policies, and future Island Plans.

Measures to increase supply of housing

2.3 We need a strong construction industry complemented by a strong economy. This is our best means of delivering more homes – a private sector confident enough, and certain enough, to make investment decisions today, and not tomorrow, supporting them with their staffing needs, and providing as much certainty as we can when they navigate the planning system.

2.4 The SHU will work with key stakeholders to review and introduce measures to assist the delivery of affordable housing. This will include working with the Minister for the Environment to help develop policy mechanisms to support the provision and delivery of affordable homes, in line with Proposal 23 of the 2011 Revised Island Plan.

2.5 The Minister of Environment is leading the development of a broad, low and fair charge, similar to that of the Community Infrastructure Charge (CIL) in the UK, to help fund community infrastructure and affordable homes. The charge, which would require extensive consultation and validation to make sure that it is viable and does not stop the supply of new developments, would make sure that land owners or developers who gain a profit from any increase in land value when planning permission is granted make a contribution. Although this policy is more targeted towards funding infrastructure improvements, particularly in the town, it could encourage developers, by exempting affordable housing from such a levy, to directly build affordable homes on their sites, or using a proportion of the pooled levy to provide affordable housing through the funding of shared ownership or deposit loan schemes. The Property Tax Review showed general public support to capture any increase in land value after planning permission has been granted.

2.6 Securing new sources of investment is also an opportunity to deliver greater supply, particularly from long term financial institutions seeking annuity type returns and the Minister will work with other key stakeholders, particularly the Treasury Minister, to explore this.

2.7 The regeneration of the town and the development of the Esplanade Quarter will create opportunities to increase supply in the older areas of town as the town's centre of gravity will shift south. The SHU will be a strong voice in the future direction of this project in ensuring that the housing objectives are taken forward with any

future policies and plans for the town. Meeting the fourth objective outlined in this Strategy of "*Creating Strong Communities and Neighbourhoods*", will be an important delivery mechanism in the successful regeneration of the town.

Affordability

2.8 This highlights the need for the SHU to consider those areas where the States of Jersey has influence and to explore the development of a range of different housing products including, alternative ownership models. The strategy will deliver a wider range of housing products, such as shared equity/ownership schemes, and the SHU are already exploring how this can be achieved.

2.9 There is a need to provide a better deal for low to middle income families who find it difficult to step onto, or step up, the housing ladder - they face increasing rents as a proportion of their income, have a challenge raising a sufficient deposit, and are unlikely to access social housing. There is significant potential for shared ownership to provide a flexible and lower cost route for these families to own their home, and to create a bigger market that will deliver more homes. By providing a bridge between renting and owning outright, shared ownership would support the development of mixed communities, offering people more choice and a cost-effective alternative to renting privately.

2.10 Improving the affordability of housing is a complex issue and many factors affect both the demand and supply of homes, as demonstrated by Figure 12 'Factors Influencing the Affordability of Housing'. The Strategy will focus on those areas which are under control or influenced by the States to improve the affordability of housing.

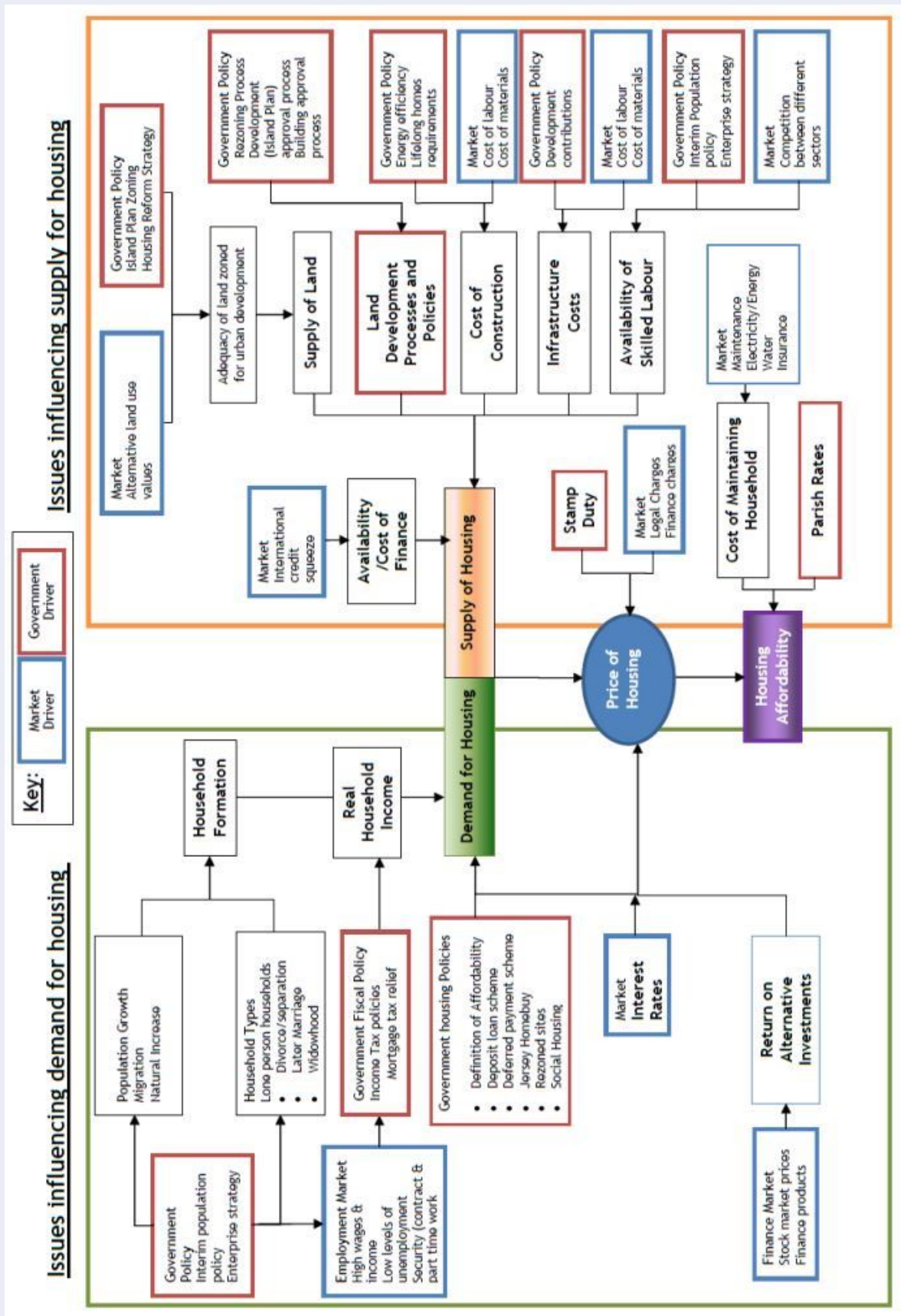


Figure 12 Factors Influencing the Affordability of Housing

Working with housing providers

2.11 Discussions with housing providers have highlighted that the resources needed to increase housing supply – land, infrastructure, the proceeds from planning gain and particularly, finance – are all in short supply. There is an opportunity for affordable housing providers to cross subsidise the delivery of affordable homes by mixing sites with open market homes for private sale or rent. This also helps to ensure new developments create more balanced communities. Improved partnership working across the house building sector could maximise the use of assets and increase the speed of delivery.

2.12 The SHU will support the entry of new providers to the regulated market, ensuring that they meet the required standards. This will stimulate not only the affordable, but possibly the private sector, by encouraging more innovative forms and approaches to development and alternative thinking around investment finance.

Housing for specific groups

2.13 A series of policy papers will be developed to specifically address the needs of a number of key housing groups.

Older people

2.14 The ageing population will drive the future demand towards more supportive products and the Strategy will address this change in need. Since 2002, all new homes are required to meet the lifelong homes standards through the need to comply with the building bye laws⁽⁹⁾ The Minister is keen to promote services that make use of technology (telecare and telehealth) to help people live more independently. The strategy will consider the need for extra-care housing, which refers to a model of care similar to residential care, but with the emphasis on enabling individuals to live as independently as possible. The housing policy paper arising from this strategy will ensure that it meets and supports the objectives set out in both the Long Term Care Scheme (P.99/2013) and the overall Health Strategy (P.82/2012) as approved by the States Assembly.

Younger people

2.15 Currently the Housing Gateway criteria does not explicitly support the provision of affordable housing for younger people. For those finding it increasingly difficult to live independently, the strategy will explore new housing products and consider changes to the criteria tailored to young people, perhaps linked to Back to Work schemes, as they represent an essential part of contributing to a successful economy.

Key workers

9 <http://www.gov.je/PlanningBuilding/LawsRegs/Technical/Pages/index.aspx>.

2.16 Housing key workers, especially those in the health and social services, who have proven to be less able to afford housing, are a key priority of the Minister. The strategy will set out a definition of key workers together with development of an associated housing policy.

Vulnerable Groups

2.17 The strategy recognises the importance of ensuring that people with complex and specific housing requirements, including serious medical conditions and disabilities, live in accommodation suitable for their needs. The strategy will explore options for providing more specialist housing and housing options that are tailored towards the needs of vulnerable groups.

2.2 Maximise Use of Existing Resources

Objective 2: Make best use of the existing and future housing stock

- Reduce under-occupation in the owner-occupied and affordable housing sector
- Reduce the number of long-term empty properties
- Ensure the private sector is responsive to meeting housing need

We will do this by:

1. Reviewing Housing Gateway eligibility criteria and allocation policies, which will be more equitable and responsive to demand and supply.
2. Reviewing transfer incentives for households in affordable housing to downsize to more appropriate accommodation.
3. Ensuring we have an efficient and flexible allocation process to swiftly relet homes that become vacant in the affordable rental sector.
4. Ensure that the needs of vulnerable groups are met by all housing providers, where appropriate.
5. Investigating ways to incentivise the development of undeveloped land with existing planning permission.
6. Investigating ways to make more vacant properties available to the market.

2.18 The supply of homes can also be increased through the efficient management and use of existing housing stock.

Housing Gateway and allocation criteria

2.19 The current Housing Gateway process and eligibility criteria will be reviewed and given statutory status under new regulation. The review will look to see whether any changes should be made to the existing policies and procedures to better reflect local housing need and resources. It will also allow housing providers to ensure they are flexible to demand; able to respond better to the circumstances of individual households; make better use of public subsidy and increase the supply of affordable housing.

2.20 There are several actions ongoing already to make the Gateway process work better. For example, the Gateway is supporting the introduction of Choice Based Lettings by Andium Homes, which gives applicants on the housing waiting list the ability to bid for available properties that they like and which are suitable for their needs. Choice Based Lettings has the potential to address difficult to let properties and empowers applicants to make choices about where they live.

2.21 The SHU is also working with affordable housing providers to review current Gateway policies around bedsit accommodation to make sure this type of accommodation is effectively utilised. The SHU is also investigating whether bedsit accommodation can be used by other groups such as care leavers, ex-offenders, and key workers.

2.22 The SHU wants to make sure that people with complex housing needs, including serious medical conditions and disabilities are adequately housed. An important element of this work is to ensure that the right type of accommodation is made available and allocated efficiently so that vulnerable people requiring immediate accommodation are allocated homes and associated support services more rapidly.

2.23 Andium Homes have an independent living team which provides a vital service in meeting the needs of vulnerable groups and the SHU will work collaboratively, co-ordinate and develop plans to deliver solutions across all providers, where appropriate.

2.24 The SHU will work closely with the gateway team, affordable housing providers and the Social Security Department to ensure that the criteria that are fit for purpose, efficient and fully affordable.

Undeveloped land with planning permission

2.25 In order to ensure that planning permissions are used it may be necessary to consider options such as a reduction in the period of time before permission lapses, with higher fees applying for renewal of expired permissions, whether greater substantive work should be required to count as the commencement of development or that developers can demonstrate that finance is in place and the development can be built out in good order rather than just being a valuation exercise. Consideration may also be given to allowing parishes to levy a charge equivalent to rateable value if land allocated in a plan with or without planning permission is not brought forward within a certain period of time. Any potential measure should be applied only where land is voluntarily put into a plan and can be demonstrated to be deliverable and should be accompanied by a mechanism for appeal.

Vacant properties

2.26 Vacant homes are a wasted resource and the Housing Minister is keen to see that all homes are occupied as efficiently as possible (whether new build or existing homes) and will consider measures to bring long term vacant homes back

into the market. Data from the 2001 census shows that of the 3,103 properties (7% of total) classified as vacant, a large proportion were for valid short term reasons and would not necessarily contribute to the additional supply of homes. However, there is a percentage that are long-term vacant and these should be targeted though a policy review to return them to the active housing market where possible.

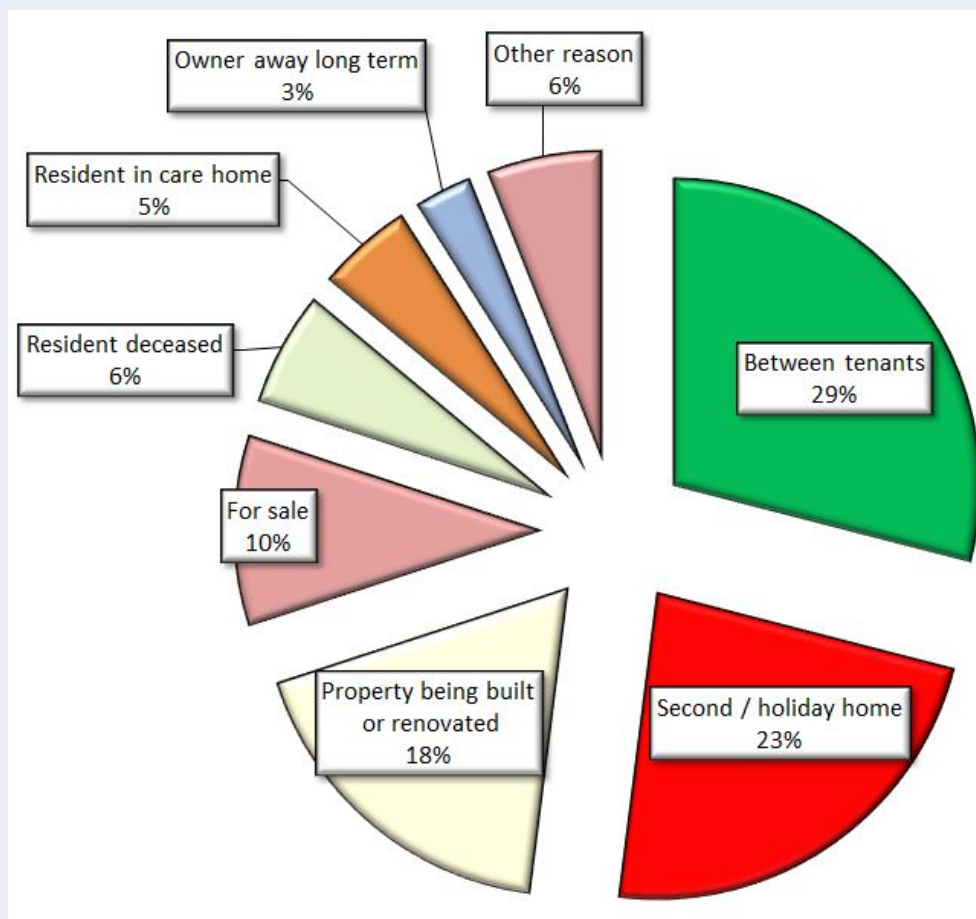


Figure 13 Vacant Homes - Reasons

2.27 In the UK there is now the possibility for charging higher council tax on properties that have been vacant for longer periods (although in the past it has often been used to reduce tax on vacant units when the market has turned down). So far there is little evidence on how this approach is reducing vacancy. Other countries use taxation both to incentivise higher usage and to offset problems associated with the economic cycle. There are also important issues around vacancy relating to regeneration when extended vacancy may be inevitable. All these issues will be explored.

2.3 Improve Housing Standards

Objective 3: Improve the condition, security, energy efficiency and suitability of homes.

- Ensure that a robust, proportionate and effective legal framework exists to encourage good standard and properly managed residential accommodation across all categories of tenure.
- Ensure that all new homes are built to high quality standards.

We will do this by:

1. Developing a regulatory framework for affordable housing providers which promotes the rights and well-being of tenants; supports the supply of new affordable accommodation for rental and purchase; and meets the social needs of the community.
2. Supporting professional management standards and secure occupancy by introducing a tenancy deposit scheme; developing the Rent Safe landlord accreditation scheme and ensuring that the legal rights and responsibilities afforded to landlords and tenants promote appropriate levels of security, transparency and accountability.
3. Introducing minimum standards for the physical condition, repair and maintenance of all categories of rental accommodation to secure the health and wellbeing of tenants.
4. Encourage residents to make homes more energy efficient and therefore cheaper to run.
5. Improving the design of new homes through the introduction of new space and density standards and exploring innovative approaches to design, including modern methods of construction.

Standards in the affordable housing sector

2.28 Affordable housing provides a safety net for low income households and vulnerable groups who cannot afford to rent or buy in the private sector. They provide secure, affordable and good quality homes which meet the housing needs of tenants and contribute towards wider social aims in respect of health and well-being, economic participation and the renewal and regeneration of communities.

2.29 It is important to ensure that the sector is well regulated and that there are consistent, fair and transparent standards across all affordable housing providers.

2.30 The Minister for Housing will bring forward a draft regulatory framework for affordable housing, which will set the standards that housing providers should meet when delivering their services to tenants. These include affordable rents, good standard homes, tenancy security, and good customer service, communication and engagement.

2.31 The outcome will be an affordable housing sector that sets the benchmark for the whole rental sector, and which promotes the interests of current and future generations of tenants, delivers value for money, and contributes towards the policy aims and priorities of government.

Standards in the private rental sector

2.32 The private rental sector provides homes to a range of different people, including those who are unable to access other forms of tenure, or who are attracted to the choice and flexibility that renting in the private sector offers them.

2.33 The private rental sector has an important role to play in meeting people's housing needs, and it is therefore important to ensure that the sector is effective and adheres to professional standards. The strategy sets out specific measures to improve the repair and maintenance of private rental housing, and also to support responsible tenancy management standards between landlords and tenants.

2.34 The Strategic Housing Unit, working with other departments, is already developing a number of proposals that will help to secure and embed improvements in the condition of rental accommodation, and improve management standards generally across the rental sector. These include:

- The introduction of the draft Public Health and Safety (Rental Dwellings) Law to monitor and enforce minimum health and safety standards for residential rental accommodation. This is expected to be brought forward during 2016.
- The drafting of a regulatory framework to oversee the provision of affordable housing which will protect and promote the interests of tenants and other service users
- The increase of support and information on housing issues, including a good practice guide for the rental sector
- The Rent Safe voluntary accreditation scheme for landlords
- A compulsory licensing scheme for owners of Houses in Multiple Occupation
- Measures to deal with poorly performing landlords
- A review of security of tenure provisions across the rental sector, particularly for households which occupy 'lodging' accommodation.

2.35 In advance of new legislation to introduce minimum health and safety standards for rental accommodation, the Environmental Health team, working with the Strategic Housing Unit, Environment Department and Social Security, have formulated the Rent Safe landlord accreditation scheme.

2.36 This will help provide tenants with better choice; encourage professional management practice by landlords, and letting and managing agents; give advice and guidance to landlords and tenants; and begin to improve the standard of accommodation in the private rented sector. It will also prepare the ground for legislation.

New building standards

2.37 There is currently a review of residential density, building (looking at both external and internal space) and parking standards, which are likely to be adopted by the Minister for the Environment in 2016. Space is an important issue to be addressed in ensuring the homes we build meet people's needs.

2.38 Improving the energy efficiency of newly developed homes is controlled and currently being updated through the building bye laws. This is included in the Energy plan (pathway 2050) as one of the interventions aimed to reduce energy consumption in the domestic sector by 73% (of 1990 levels) by 2050. The other specific measures are;

- energy efficiency measures applied to pre-1997 stock of properties
- introducing a 'low-carbon' standard for new homes through Building Bye-Laws
- implement micro-renewables in the domestic sector
- assisting the uptake of micro generation
- improved energy efficiency through behaviour change programme

2.39 The affordability of energy is a key consideration of the Energy Plan and the SHU will work closely with the Minister for the Environment to support this important shared objective so that energy is affordable to all members of the community. Investment in small scale energy efficiency measures deliver life long benefits to occupiers through improved comfort and wellbeing as well as cost savings.

2.40 There is also ongoing work being undertaken by Health and Social Services in delivering assistive technology and home improvement services to enable people to live safely in their own homes as their needs change. Work is also undertaken by the affordable housing providers and works are also directly funded by the Social Security Department.

2.41 The SHU will explore with the building industry innovation in construction methods to assist with the affordability of housing.

Improving Design

2.42 All new homes will be built to lifetime homes standards, meaning that they will be capable of adaption over their lifetime to meet the changing needs of the household. The SHU will undertake research and explore with the building industry innovation in design to improve these standards, where appropriate, and consider alternative construction methods to assist with the affordability of housing.

2.4 Create Strong Neighbourhoods and Communities

Objective 4: Create strong communities and neighbourhoods

- Promote sustainable communities with greater involvement in housing developments so that they better meet their needs
- Address the housing needs of unqualified residents

We will do this by:

1. Developing and promoting a framework to ensure that new developments and communities are diverse, have influence and provide a good quality of life.
2. Promote independent living for residents with specific needs
3. Increasing the engagement of registered affordable housing providers with local communities
4. Review the current system of residential regulation to create a more equitable rental market.

2.43 We need to give communities the channels they need to influence change and to deliver the homes they need now and for future generations. Issues such as links with neighbours, access to transport, feelings of safety, a positive local identity and the ability to influence what goes on are important to people and communities.

2.44 We will develop a framework, (based upon similar work undertaken by Berkeley Group, for example ⁽¹⁰⁾) which covers both the physical and the social fabric of a neighbourhood. This has three dimensions:

- social and cultural life (what it's like to live there)
- voice and influence (how people affect what goes on)
- amenities and infrastructure (the design and facilities)

10 <http://www.berkeleygroup.co.uk/sustainability/reports-and-opinions/social-sustainability-reports>



Figure 14 Influences (Source: Berkely Group)

2.45 The framework that we develop will be applied pre-planning, during the development process, and afterwards to assess the quality of what has been delivered.

2.46 This offers developers a structured approach to place making in which the approach to the planning, design and management of public spaces is people-centered. It tries to encourage a shift in mindset away from thinking mostly about physical development to thinking more broadly and creatively about what makes a place somewhere great to live. This will enable planners to make informed judgements about the quality of applications and what is required from new housing to create a strong community. It will help convince the community and politicians that new proposals will genuinely add value to the local area and coherently address all the issues that affect people’s quality of life.

2.47 This strategy will support the work of the Department of the Environment in ensuring that the need for more housing is balanced against the impact that they will have on the local environment. The need for improved public and private amenity spaces, which can follow from the regeneration of areas, particularly in the town, will need to be considered as part of the drive to improve communities. Housing developments will play an important part in the regeneration initiatives envisaged by the Minister for the Environment through the Future St Helier project ⁽¹¹⁾ and the SHU will take an active part in pushing forward this agenda.

11 <https://www.gov.je/planningbuilding/lawsregs/islandplan/plansframeworks/pages/improvingsthelier.aspx>

2.48 Connecting communities using the latest technology will also be explored and the SHU will work with Digital Jersey to ensure that their initiatives can also support the objectives of the Housing Strategy. This includes some of the innovations around "E-Health", which may also support the ability for households to live more independently ⁽¹²⁾

Independent living

2.49 We are committed to work collaboratively with Adult Services, Health and Social Services and the voluntary and community sector to reduce long term social care cost pressures. This will include housing options that enable people to live independently at home for longer wherever possible, including older people, adults with learning disabilities, mental health needs and physical and sensory disabilities.

2.50 There will always be some people who need to be in residential care, but it is vital to reduce the occasions when people feel that there is no option other than going into care. This will include making sure that existing homes are adapted to enable people to live independently for longer, and increasing the amount and variety of homes to which people can move to in order to continue living independently.

2.51 As some people will need or wish to move to other independent accommodation the strategy also aims to increase the amount and variety of homes to which people can move to in order to continue to live independently.

Registered (unqualified) residents

2.52 The aim of creating strong neighborhoods, should not be limited to only certain parts of the community. The island has for many years operated a two-tier housing sector with those having obtained housing qualifications given the right to buy and rent any property on the Island. The housing strategy does not intend to change the fundamentals of this system – that a person's ability to buy or rent any property is contingent on a period of residence or essential employment.

2.53 In addition to the drive to improve the general standards of accommodation, the strategy will specifically commit to a range of work to see how this sector can be improved:

- Review hardship (e.g. Medical needs) and marriage and relationship breakdown policies – supporting some "entitled to work" or "registered" people to stay in their homes when their marriage or relationship breaks down, especially where children live in the home
- Review whether more employees should be deemed essential – many "registered" employees are skilled, but are not deemed to be sufficiently high paid or senior to obtain licensed essential employee status.

12 <http://www.digital.je/ehealth>

- Review whether security of tenure should be extended to people in shared communal, commercial lodging arrangements (excluding lodgers in private owner-occupied homes)
- Review, and where possible remove, unnecessary regulatory burdens on landlords of registered accommodation – supporting instead good practice and targeted regulation, and giving landlords confidence to invest in better accommodation.

2.54 Having outlined the above, the Minister for Housing also sits on the Housing and Work Advisory Groups, and working with ministerial colleagues, will do all that is possible to ensure that migration is as highly targeted as possible – delivering the skills the Island needs to deliver economic growth, while seeking to ensure that more people are not permitted to work in Jersey than there is accommodation available.

2.55 These proposals will not remove residential qualifications for housing, but will seek to make the sector more equitable and better wherever possible.

3 Delivery plan

Housing Strategy Objective	Action	How we will measure success	Lead/Sponsor	Start	End
Objective 1: Ensure the supply of decent affordable homes meets the identified needs of the Island. <ul style="list-style-type: none"> Increasing housing supply, especially the supply of additional affordable homes, to rent and own Ensuring all new homes are built to high environmental standards Increasing the range of housing options available to those with 	1.1 Monitoring the demand and supply of housing and introduce measures to increase the supply of housing as necessary.	<ul style="list-style-type: none"> Publish a monitoring report with key indicators that can trigger policy changes 	DoE	Ongoing	Ongoing
	1.2 Defining affordable housing and deliver policies that are sustainable, that meet the long term needs of the Island.	<ul style="list-style-type: none"> Adoption of an affordable housing policy paper 	SHU	Underway	Q3 2016
	1.3 Developing and promoting home ownership initiatives such as shared equity/ownership and deposit loan schemes	<ul style="list-style-type: none"> Availability of new housing products 	SHU	Underway	Ongoing
	1.4 Using States owned-land, assets and existing housing portfolio to build more affordable homes	<ul style="list-style-type: none"> Number of new affordable homes built 	SHU, Treasury and JPH	Ongoing	Ongoing
	1.5 Working with the Department of the Environment in developing a land development levy that can contribute towards creating more affordable housing.	<ul style="list-style-type: none"> Introduction of a policy/policies that delivers affordable housing windfall gains through private developments. 	SHU, Treasury and DoE	Underway	Q4 2018

Housing Strategy Objective	Action	How we will measure success	Lead/Sponsor	Start	End
specific housing needs, including; older households and those with disabilities.	1.6 Developing detailed housing plans for specific groups, in order to provide them with the right accommodation. These include: people with mental illness; physical and learning disabilities; autistic spectrum disorder; ex-offenders; young people; older people (extra care village scheme); key workers (including a definition); young parents; the homeless; and victims of domestic abuse.	<ul style="list-style-type: none"> Adoption of housing policy papers for specific groups 	SHU, Health and Social Services and Parishes	Underway	Q1-4 2016
Objective 2: Make best use of the existing housing stock <ul style="list-style-type: none"> Reduce under-occupation in the owner-occupied and affordable housing sector 	2.1 Revising housing gateway criteria and allocation policy which will be more equitable and closer match the demand with supply	<ul style="list-style-type: none"> Housing provision offered to a wider definition of households in need. 	SHU, affordable housing providers, Housing Gateway team & Social Security Department	Underway	Q3 2016
	2.2 Reviewing transfer incentives for households in affordable housing to downsize to more appropriate accommodation.	<ul style="list-style-type: none"> Number of households transferred to more 	SHU, affordable	underway	ongoing

Housing Strategy Objective	Action	How we will measure success	Lead/Sponsor	Start	End
<ul style="list-style-type: none"> Reduce long-term empty properties Ensure the private rental sector is responsive to meeting housing need 		appropriate accommodation	housing providers and Housing Gateway team		
	2.3 Ensuring we have an efficient and flexible allocation process to swiftly re-let homes that become vacant in the affordable rental sector.	<ul style="list-style-type: none"> Reduction in time households are on waiting list and the period properties are vacant. 	SHU, affordable housing providers and Housing Gateway team	Underway	Ongoing
	2.4 Ensure that the needs of vulnerable groups are met by all housing providers, where appropriate.	<ul style="list-style-type: none"> Monitoring through regulation the services provided by the affordable housing providers. 	SHU	Underway	Ongoing
	2.5 Investigating ways to incentivise development of undeveloped land with existing planning permission.	<ul style="list-style-type: none"> Reduction in the amount of land left undeveloped 	DoE and Parishes	Underway	Q4 2016
	2.6 Investigating ways to incentivise vacant property owners to make more properties available to the market.	<ul style="list-style-type: none"> Reduction in the amount of properties left vacant 	SHU and Parishes	Q2 2016	Q1 2017

Housing Strategy Objective	Action	How we will measure success	Lead/Sponsor	Start	End
Objective 3: Improve the condition, energy efficiency and suitability of homes. <ul style="list-style-type: none"> Ensure that a robust and proportionate system of regulation exists around the standard of existing residential accommodation. Ensure good design of new homes 	<p>3.1 Developing a regulatory framework for affordable housing providers which promotes the rights and well-being of tenants; supports the supply of new affordable accommodation for rental and purchase; and meets the social needs of the community.</p>	<ul style="list-style-type: none"> Adoption of new affordable housing provider regulatory framework. 	SHU, Law Officers and Housing providers	Underway	Q2 2016
	<p>3.2 Supporting professional management standards and secure occupancy by introducing a tenancy deposit scheme; developing the Rent Safe landlord accreditation scheme and ensuring that the legal rights and responsibilities afforded to landlords and tenants promote appropriate levels of security, transparency and accountability.</p>	<ul style="list-style-type: none"> Availability of a tenancy deposit scheme (completed Q4 2015) Adoption of a landlord accreditation scheme 	SHU	Underway	Q3 2016
	<p>3.3 Introducing minimum standards for the physical condition, repair and maintenance of all categories of rental accommodation to secure the health and wellbeing of tenants.</p>	<ul style="list-style-type: none"> Adoption of a new dwelling houses (health and safety) law 	SHU, Law Officers and Environmental Health	Underway	Q3 2016

Housing Strategy Objective	Action	How we will measure success	Lead/Sponsor	Start	End
		<ul style="list-style-type: none"> number of properties meeting standard Decrease in number of households in fuel poverty. (Cross reference to Energy Plan action statement 26 - understanding affordable energy in the Jersey context) 			
	3.4 Encourage residents to make homes more energy efficient and therefore cheaper to run.	<ul style="list-style-type: none"> Number of properties implementing energy efficiency measures. Cross reference to Energy Plan actions statement 3 and 6 	DoE	Ongoing	
	3.5 Improving the design of new homes through the introduction of new space and density standards and exploring innovative approaches to design, including modern methods of construction.	<ul style="list-style-type: none"> Adoption of new residential space and density standards 	DoE	Underway	Q3 2016

Housing Strategy Objective	Action	How we will measure success	Lead/Sponsor	Start	End
Objective 4: Create Strong Communities and Neighbourhoods <ul style="list-style-type: none"> Promote sustainable communities with greater community involvement in housing developments so that they better meet their needs Address the housing needs of unqualified residents 	4.1 Developing and promoting a framework to ensure that new developments and communities are diverse, have influence and provide a good quality of life.	<ul style="list-style-type: none"> Adoption of a new sustainable communities framework 	DoE and SHU	Q3 2016	Q2 2017
	4.2 Promote independent living for residents with specific needs	<ul style="list-style-type: none"> Availability of independent living options for residents 	SHU and Affordable Housing Providers	Underway	Ongoing
	4.3 Increasing the engagement of registered affordable housing providers with local communities	<ul style="list-style-type: none"> Number of households/communities that positively engage with housing providers 	SHU and Affordable Housing Providers	Ongoing	Ongoing
	4.4 Review the current system of residential regulation to create a more equitable rental market.	<ul style="list-style-type: none"> Existence of a more equitable, accessible private rented housing market for all island residents. 	SHU and Population Office	Q3 2016	Q1 2017

Relationship of the Strategy with the Strategic Planning Framework

Goal	Island Vision		Housing Strategy		
	Island Outcome	Impact	Relevant Objectives	Contribution	
Built Environment	Jersey's built environment provides quality homes and neighbourhoods	High	<ol style="list-style-type: none"> 1. Balanced supply 2. Best use of housing 3. Improved standards 4. Stronger communities 	<p>Jersey must accommodate demographic change by developing more, better, housing within its existing built environment</p> <p>Good quality housing and neighbourhood design will be key to improving Islanders' perceptions of urban living</p>	
	St Helier is a vibrant capital that people want to use, visit, invest and live in				
Sustainable Resources	Jersey has secure, affordable and sustainable energy	High	<ol style="list-style-type: none"> 3. Improved Standards 	<p>Building new homes to revised building standards and adopting energy efficiency measures could contribute to over 30% of Jersey's overall greenhouse gas emissions target to 2050</p>	
Safety & Security	People and property are protected against crime and disorder	Medium	<ol style="list-style-type: none"> 3. Improved standards 4. Stronger communities 	<p>Building strong, cohesive communities living in well-designed neighbourhoods will play an important part in further enhancing Jersey's record on community safety</p>	
Learn & Grow	Jersey's children have the best start in life	High	<ol style="list-style-type: none"> 1. Balanced supply 3. Improved standards 4. Stronger communities 	<p>Neighbourhood and housing characteristics have been shown to impact on children's educational development</p>	
Vibrant, caring community	A welcoming, caring community that cares and looks after each other	Medium	<ol style="list-style-type: none"> 4. Stronger communities 	<p>Many aspects of housing, including tenure type and location, affect the level of social cohesion within a community</p>	
	Illness and injury are reduced				
Health & Wellbeing	The effects of illness and disability are minimised	High	<ol style="list-style-type: none"> 3. Improved standards 	<p>Housing is recognised as one of the key determinants of health and wellbeing</p>	
	Islanders can independently sustain a decent standard of living	High	<ol style="list-style-type: none"> 1. Balanced supply 3. Improved standards 	<p>A growing number of Islanders will have specific housing needs if they are to live independently and access appropriate services</p>	
Affordable Living	Islanders who need help are supported and protected	High	<ol style="list-style-type: none"> 1. Balanced supply 2. Best use of housing 3. Improved standards 	<p>A balanced housing supply of efficient and well-designed homes will assist with affordability and improve the standards of living</p>	
	A skilled workforce aligned to the needs of business			<p>Increased supply and better access to social rented accommodation will support the most vulnerable households.</p>	
Attractive Business Environment	A skilled workforce aligned to the needs of business	Medium	<ol style="list-style-type: none"> 1. Balanced supply 	<p>The availability of quality, affordable housing is key to retaining and attracting the talent Jersey needs</p>	



4 Definitions

Affordable housing

The current definition of affordable housing, also referred to as "Category A housing", is found in the 2014 Revised Island Plan and is defined as:

Affordable (Category A) housing includes homes for social rent and purchase, provided to specified eligible households whose needs are not met by the commercial housing market.

Affordable housing should meet the needs of persons on median incomes or below, who would otherwise have financial difficulties renting or purchasing residential accommodation in the general residential market, determined with regard to income levels and house prices prevailing in Jersey; and

Affordable housing may be owned and managed by a housing trust or association which provides homes to eligible families or individuals by means of sale or lease or by any other means on conditions that will ensure that the home will remain available for eligible families in the future. In order to ensure that the benefit of and access to affordable housing provided under this policy is not lost to future eligible households, conditions or restrictions may be imposed to ensure that the benefit may be recycled or retained in order to ensure the provision of affordable housing meets the needs of this and future generations.

The eligibility of households to access affordable housing shall be determined by their assessment through the Affordable Housing Gateway.

The Minister is committed to good quality design in housing and, in particular, will require that affordable homes be built to meet or exceed the standards for homes set out in supplementary planning guidance. To ensure that homes are truly affordable the Minister will encourage innovation in construction methods and alternative methods of home ownership and housing delivery.

The clear relationship between affordable housing and the Affordable Housing Gateway means that housing that is developed for sale on the open market (Category B) is excluded from the definition of affordable housing whatever price it is sold at.

Extra care housing

A style of housing and care for older people in the UK which falls between sheltered housing and accommodations, and the level of care provided in a traditional residential home.

Independent living

A living arrangement for disabled people and others with special needs, usually in their own home, affording them as much independence and autonomy as possible.

Housing Gateway

The Affordable Housing Gateway deals with all social housing in Jersey. It provides a single waiting list that covers all social housing providers. Each provider will then allocate their empty homes according to the greatest need and waiting time.

Housing in Multiple Occupation (HMO's)

A house which is occupied by three or more unrelated persons, who do not form a single household – this definition is supported by Sections 254, 257 and 258 of the Housing Act 2004

Lifetime home standards

Building control regulations for internal layout and adaptability of the dwelling which aim is to make the dwelling adaptable to the occupiers long-term needs and to incorporate features that will enable occupants to cope better with reducing mobility and to 'stay put' longer in their own homes.

Open Market Housing

Market housing includes all other forms of private sector housing where its price is set in the open market (this includes owner-occupation, private rental and private lodgings); together with staff accommodation and registered lodging houses and accommodation for people with special requirements sheltered housing).

Registered lodging houses

Lodging houses are privately owned properties offering accommodation for occupation. People can live in lodging houses as both lodgers and tenants. Lodgers do not have the same legal status as tenants, particularly in relation to protection from eviction. To become a tenant, you must have a registration card.

Residential Status

A residential status determines where you can work and live and is established in the Control Of Housing and Work (Jersey) Law 2012. There are four categories. Your residential status will be printed on your registration card.

Residential Status	Definition	Housing	Work
Entitled	Someone who has lived in Jersey for 10 years	Can buy, sell or lease any property	Can work anywhere and doesn't need a licence to be employed
Licensed	Someone who is an 'essential employee'	Can buy, sell or lease any property, apart from first time buyer restricted or social rented housing, in their own name if they keep their 'licensed' status	Employer needs a licence to employ a 'licensed' person
Entitled for work	Someone who has lived in Jersey for five consecutive years immediately before the date the card is issued, or is married to someone who is 'entitled', 'licensed', or 'entitled for work'	Can buy property jointly with an 'entitled' spouse / civil partner. Can lease 'registered' (previously 'unqualified') property as a main place of residence	Can work anywhere and doesn't need a licence to be employed
Registered	Someone who does not qualify under the other categories	Can lease 'registered' property as a main place of residence	Employer needs a licence to employ a 'registered' person

The third sector

The segment of a nation's economy that is made up of neither public nor business concerns, as nonprofit health or educational institutions

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