Government of Jersey

Assessment of Housing Supply Methodology

November 2021

Introduction

This is a supplementary report to provide further evidence requested by the planning inspectors on the methodology used to inform the estimated housing supply table in the draft bridging Island Plan.

Supply source		Five-year supply estimate 2021-25	
		Affordable	Open Market
Under construction (end 2020)		625	700
Planning permission (March 2021)		0	700
Town Capacity	Private sites	0	600
	Government/approved housing provider sites	425	150
Windfall (outside of Town)		0	500
Rezoning - strategic extension sites		150	0
Rezoning - suburban extension sites		150	0
Rezoning - rural extension sites		150	0
Total estimated supply		1,500	2,650
		4,150	

Draft bridging Island Plan: Table H1: Sources of housing supply

Data sources

The principal housing data sources for new homes with planning approval, under construction and completed, are derived from two separate database systems maintained and operated by the regulatory planning and building control functions within the Government of Jersey Infrastructure, Housing and Environment Department.

These are separate systems and analysis of the data involves cross referencing of the development process, from the grant of planning permission; to the award of building bye-law consent through to the development stages of commencement/under construction and final completion.

Notwithstanding the need to extract and analyse data from two separate systems in order to provide a comprehensive view of permission and completions, the data sources are the best that is available, and any anomalies are considered to be minor in nature, with all of the reviews undertaken generally highlighting unreported permissions and completions, rather than over reporting.

Sites under construction

A snapshot of the building system in March 2021 revealed that there were 1,325 homes under construction. Some of these have now either been completed, or further sites have been started, but this is still considered to provide an appropriate baseline for the draft bridging Island Plan housing supply table. A summary of the homes under construction, by building inspection type, location and size, is set out in appendix 1.

Of these, the following are the most significant developments that were under construction at that time, most of which will progress to completion within the next 12 months.

- Horizon (Waterfront) 280 units
- 86 Bath Street 144 units
- Hotel de France 120 units
- Summerland 74 units (affordable)
- Ann Court 165 units (affordable)
- La Collette flats Green street 147 units (affordable)
- Troy Court 123 units (affordable)

The overall numbers used in the draft bridging Island Plan housing supply table have been rounded, given the constant changing nature of this data source, however, this is considered to provide a reasonable representation of the completion data for purposes of assessing the overall supply.

Sites with outstanding current planning permission

A review of the planning system for residential units with current planning consent (which lasts for three years) but which have not commenced development identified that just over 1,000 units have planning permission (as of March 2021). This estimate was net of those permissions that have since been given building permission and are either now under construction or completed. It is accepted that not all of the outstanding applications are likely to come forward immediately and so a conversion rate of 70% was used to provide the estimated 700-supply figure identified in the draft bridging Island Plan housing supply table.

To demonstrate the buoyancy of the future supply of housing, the following development proposals have recently been approved (and since the initial assessment was made) and these developments are also expected to be under construction during the plan period.

- Stafford and Revere Hotels 106 units (affordable)
- Mayfair Hotel 201 units (affordable)
- The Limes 127 units (affordable)

A summary of sites under construction is set out in appendix 2

Completions

Simple housing completion data has been captured since 1986 and has been supplemented with additional data over time, including the size, tenure, location, and type of housing.

Details of the size and location of homes, which was available from 2013 onwards with the addition of further information captured from the planning and building systems and the development of digital mapping systems, has been used to provide evidence of the distribution of windfall development.

The figures used are net of existing housing supply. For example, if an existing three bed house is demolished and replaced with two new three bed houses, then the net new supply is one new three-bedroom house.

At the time of drafting the draft bridging Island Plan it was forecast that 4,300 homes would be completed in the period, however, as a consequence of the impact of the pandemic and Brexit the completion of some of the larger housing developments have been delayed and are now being delivered later in 2021-22.

Table 1 is a summary of the completion data for the last planning period 2011-21.

Year	Flats	Bedsits	Staff/ holiday	Houses	Total	Affordable purchase	Affordable rent
2011	522			87	609	6	20
2012	139			268	407	48	93
2013	121	-4	27	83	227		29
2014	83	-12	35	212	318	25	49
2015	110	11	2	208	331		75
2016	123	-4		172	291	6	82
2017	202			99	301	14	-101
2018	317	-1	5	144	465	46	68
2019	310		11	135	456		76
2020	187	-16		161	332	35	132
2021	246	-3	-1	79	321	25	
Total	2360	-29	79	1648	4058	205	523

Table 1: Completions by type 2011-21[1]

Based upon the actual total supply of 4,058 units over the period 2011-21, the average annual supply of homes is just over 400.

A summary of the completion data for the period 1986-21 is set out in appendix 3; and appendix 4 summarises completion data for the period 2011-2021.

Windfall rates

Windfall rates, by planning zone, have been derived from analysis of past trends using data from the planning and building record systems.

As stated, it is only possible to analyse the windfall rates by size, type and location of new housing developments since 2013. Analysis of the supply of housing for the period 2013 – 21 [2] (Table 2) by type and location indicates that 45% of total supply came from within the Town of St Helier, as defined in policy SP1 of the 2011 Island Plan (figure 1).

[1] Data up to 31/08/21
[2] The map location of planning and building applications was only available after 2013

Category	Flats		Houses		Bedsits/staff		Total Supply		Windfall rate per annum
	Total	%	Total	%	Total	%	Total	%	
Town of St Helier	1189	70%	181	14%	29	58%	1369	45%	171
Outside of Town	510	30%	1112	86%	20	40%	1673	55%	209
Grand Total	1699		1293		50		3042	100%	380

Table 2: Housing supply by type and location 2013-21

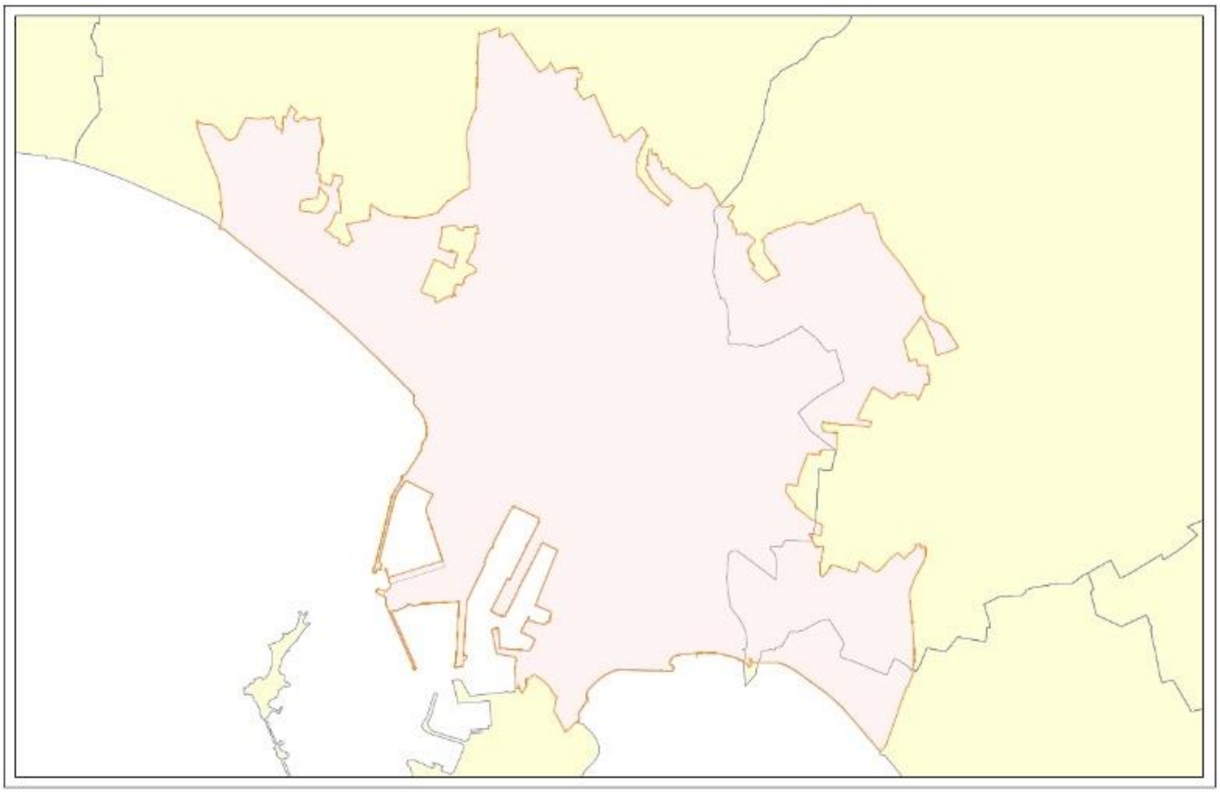


Figure 1 – Town of St Helier

The annual windfall rate for the eight-year period (2013-21) is 380 units per year, which compares to the higher windfall rate over the ten-year plan period (2011-21) of over 400 p.a.[3].

When broken down by flats and houses, the Town of St. Helier delivered 70% of the total supply of flats in the island, whilst 86% of houses were delivered outside of the town. It is also evident that the proportion of homes to flats, delivered over the current plan period, is at about 40:60, which indicates that the approach of securing provision of different housing types is capable of delivering both family houses along with other, more compact forms of development.

These figures are consistent with the expected windfall rates of development across the island which are driven by the very strong and consistent policies of the current and previous Island Plans to have a presumption in favour of new development in the built-up areas and to protect the coast and countryside from development. This is illustrated by the fact that 80% of development since 2013 has been in the built-up areas (figure 2), as can be seen from table 3.

[3] There were higher supply rates on average in 2011 and 2012

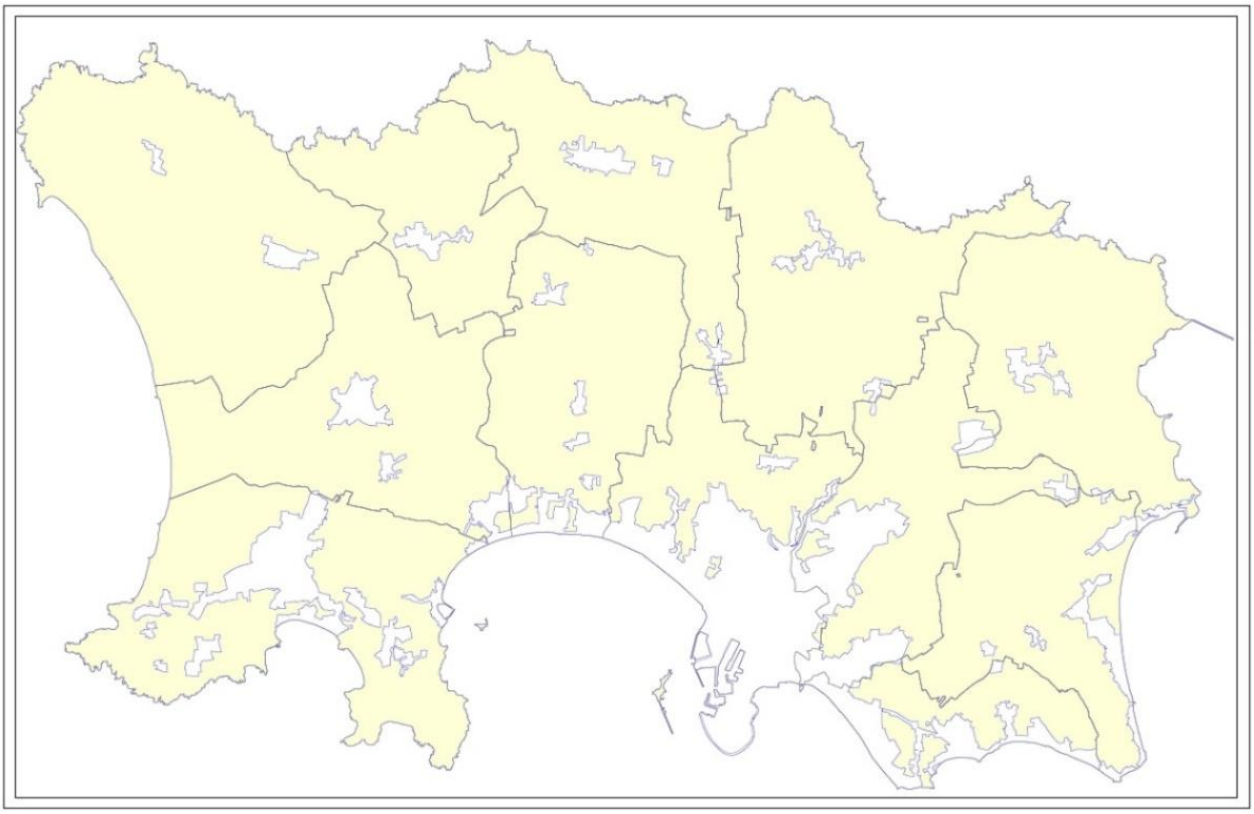


Figure 2 Built up area boundary

Category	Total Supply		Annual rates
	Total	%	
Built up area	2434	80%	304
Coast and Countryside	608	20%	76
Grand Total	3042	100%	380

Table 3 – Housing completions – countryside v built up area (2013-21)

Maintaining a spatial strategy which focuses development activity in the island's built-up areas, especially the Town of St Helier, has enabled the delivery of more challenging urban sites for residential development. This has come from the redevelopment of existing residential sites at higher densities, and from the redevelopment of outworn commercial sites (such as hotels)). Another major factor in the town has been the development of the new financial quarter on and around the St Helier Waterfront, which has provided much needed higher quality offices and released older office stock for redevelopment or conversion into new housing development. Several office developments have come forward in this period, including:

- Waverley House, David Place 15 units
- 43 La Motte Street 39 units
- Kleinwort Benson House, West's Centre 48 units
- La Colomberie House 55 units

Town capacity

Private sites – 600 units

The estimate of windfall development in the town, as set out in the housing supply table in the draft bridging Island Plan has been derived from consideration of two key data sources.

Based upon trend data from the current plan period (as set out in table 2), the theoretical future windfall development could be projected at 170 units per year, equating to a potential total of 850 units over the five-year plan period.

A town capacity review has also been undertaken to test this future forecast from windfalls. The review included the identification of sites that have been the subject of pre-planning application discussion with IHE (Regulation: Development Control) and through a desktop GIS analysis of known outworn or under-developed commercial sites.

Having regard to the updated St. Helier Urban Character Appraisal and current planning policies and guidance, to assess potential development density and yield, this review estimated that there is the theoretical capacity within the Town of St Helier to provide a total of up to 1,175 units over the next five years.

Since the drafting of the windfall estimates, two private hotel sites identified in the capacity study have been given planning permission for affordable housing (307 homes to be developed by Andium), which adds further weight to conclusions reached by the capacity review.

The 600 units windfall figure (125 per annum) from the Town of St Helier is a conservative estimate and therefore, considered to be a sound and reasonable assumption of future housing supply to be used within the draft bridging Island plan housing supply table.

Government/approved housing provider sites - 575 units

The supply estimates from Government owned land and States' owned organisations have a greater degree of certainty as the sites are part of future strategic planning, under the direction of the recently adopted Property Strategy; and their release is supported by the Minister for Housing and Communities' Housing Action Plan. Management of the public estate and the potential release of sites within it often involves interdependencies and, at the time of plan preparation, the following sites were identified as having the potential to come forward over the plan period.

- South Hill offices (150 units)
- The Limes (125 units)
- Westaway Court (75 units)
- Ambulance station (75 units)
- Le Bas Centre (100 units)
- La Motte Street offices (100 units)
- St Saviour's Hospital (part) (150 units)

The release of some of these sites is dependent upon other government-sponsored projects and, therefore, an assumption of a potential yield of 575 homes from Government/approved housing provider sites is considered to be a reasonable estimate of future housing supply to be used within the draft bridging Island Plan supply table. Greater certainty about the specific use and deliverability of these, and other sites in the public estate (such as the former Les Quennevais School site), for the provision of homes will emerge through the implementation of the Public Estates Strategy and decisions on the provision of community infrastructure.

Windfall outside of town

The capacity of sites outside of the town, which includes other built-up areas and the countryside, are based upon past trends and the average based upon the period available for analysis (2013-21) set out in table 2, indicates an annual average supply rate of 213 units.

Given that sites are likely to be smaller in other parts of the built-up area (than those within the Town of St Helier) and land assembly for redevelopment more difficult; and there are more limited development opportunities in the green and national park policy zones in the draft bridging Island Plan, a conservative estimate of 500 units (average of 125 units per annum) has been used.

A capacity review for estimating the windfall rates outside of St. Helier, similar to that undertaken for the town, was not undertaken, given the geographic extent and resources required.

The estimated figure of 500 units (100 units per annum) identified in the housing supply table of the draft bridging Island Plan is, therefore, considered to be a sound and conservative estimate of future housing supply from this source.

Future strategic, suburban, and rural extensions to urban areas (rezoning)

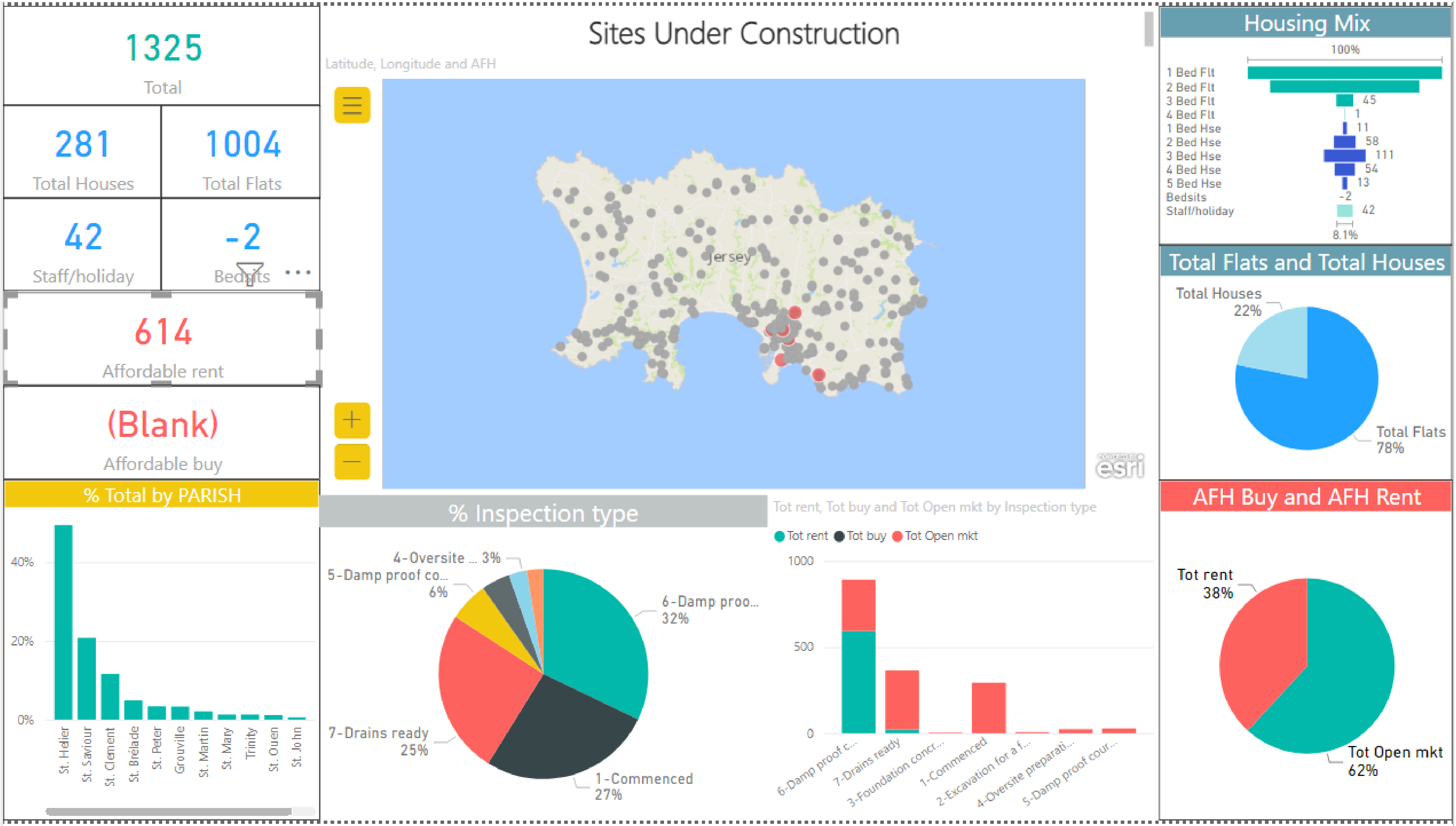
The sites identified in the call for sites analysis are estimated to deliver between 300-650 units, based upon a density range of 30 - 45 dwellings per hectare. For the purposes of this review the estimated supply from these sites, given the uncertainty of having all sites approved for rezoning is estimated to be 450 units. This accounts for some potential lower yields being applied because of more detailed design issues that may emerge.

It is also recognised that during the review process some of these sites may be lost, although it is anticipated that these will be replaced with alternative suitable sites to maintain the overall estimated supply.

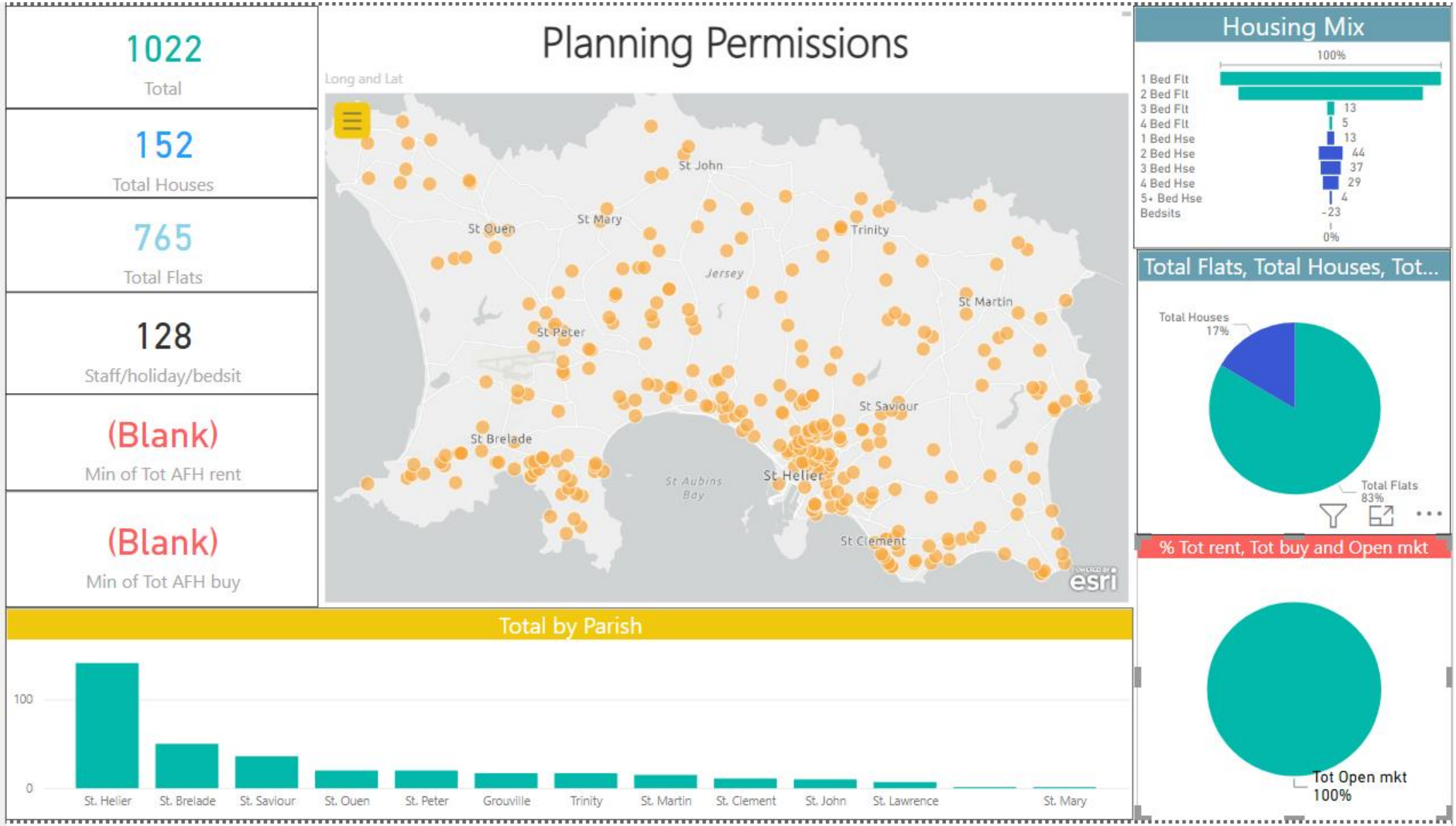
Conclusion

It is acknowledged that this methodology and some of the detailed analysis has not been provided as evidence in support of the draft Bridging Island Plan to date. This report now formally sets out the methodologies used to support the supply assumptions made in draft bridging Island Plan and provides further evidence that they are considered to be reasonable and sound.

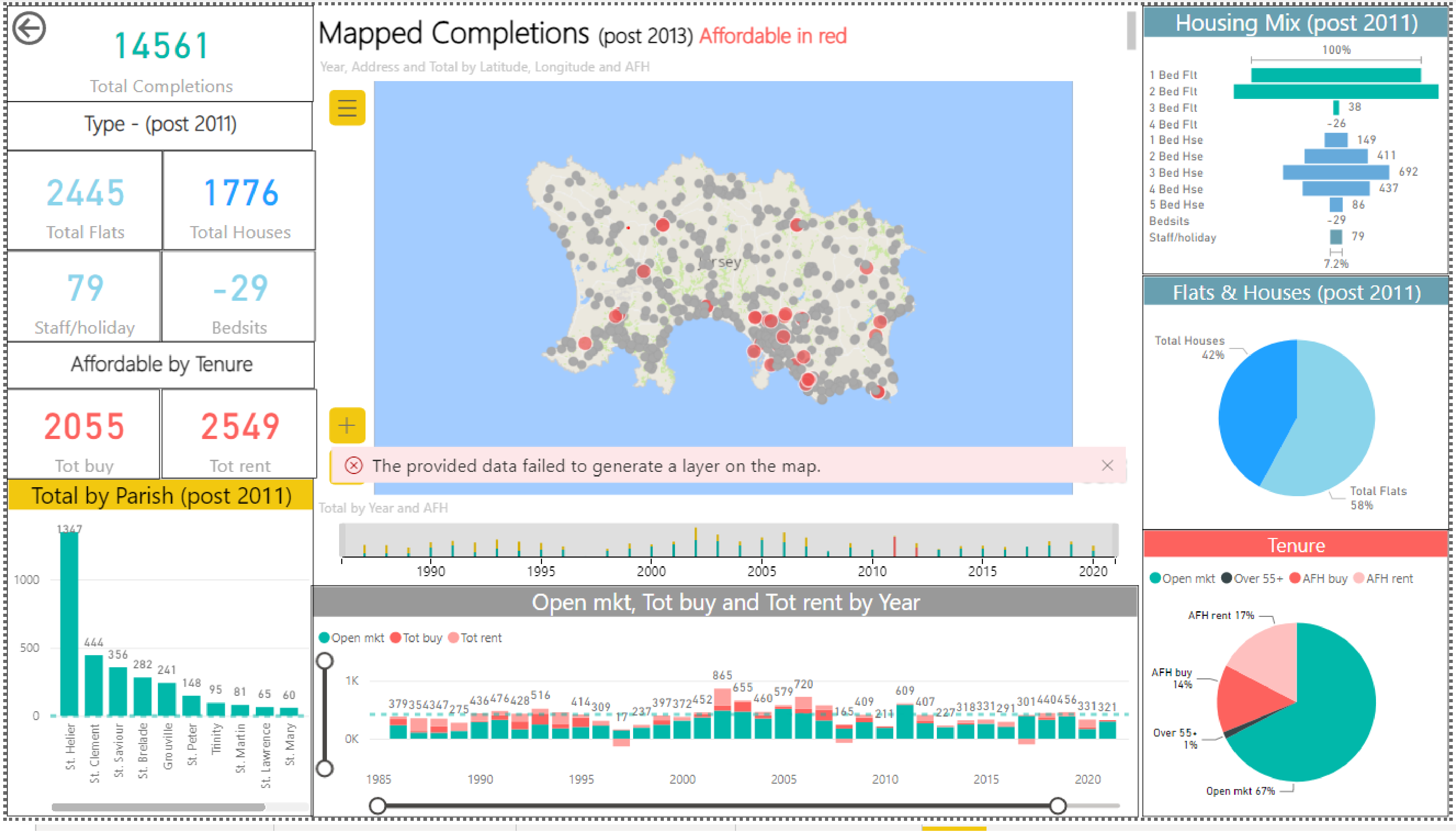
Appendix 1 – Sites under construction



Appendix 2 –Sites with outstanding planning permission



Appendix 3 – Completions 1986-2021



Appendix 4 – Completions 2011-2021