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## Jersey's Housing Assessment 2008-2012

### Report on the 2007 Housing Needs Survey

#### Executive Summary

This report was jointly commissioned by the States of Jersey Planning & Environment and Housing Departments to assist their understanding of future housing needs. All aspects of the survey, analysis and compilation of the report were conducted independently by the States of Jersey Statistics Unit.

The report provides detailed estimates of Jersey's *potential* housing requirements for 2008 to 2012 *as expressed by households*. As such it represents an update of the study conducted in 2004<sup>1</sup>.

The study is based on a random sample survey of private households in Jersey. The results presented are derived from some 5,500 respondent households, scaled up to represent the total Island population of households.

It should be emphasised that these results constitute *potential* housing requirements based on the expressed aspiration of households in late 2007 and thus represents a point in time estimate of the dynamic housing market.

Whether households actually move as they wish will depend on many factors including: the availability of existing and new properties (including those under construction); economic circumstances; and the degree to which people change their mind. Where households can and do move it will free up properties for others to occupy and thus create supply of dwellings. However, where households cannot move, the expressed demand from other households would have to be addressed, or otherwise, by other means. The results, therefore, represent a complex jigsaw where all the pieces (i.e. moves) are fitting together; the extent to which moves can and do take place will determine whether the potential shortfalls and surpluses actually occur.

Results are presented in terms of the supply and demand of dwelling units by:

- type (flat, house);
- size (number of bedrooms); and
- tenure (qualified and non-qualified under the current Jersey Housing Law).

Potential surpluses and shortfalls are derived as the differences between supply and demand in each of these categories.

Specific analyses of the demand from first-time buyers and for older persons' accommodation are also presented, as is an indication of expressed affordability of owner-occupied housing.

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<sup>1</sup> Jersey's Housing Requirements 2005 to 2009 (Report on the 2004 Housing Needs Survey); Statistics Unit, January 2005.

## **Key findings**

- total demand for dwellings over the next five-year period is estimated to be about 10,700 with total potential supply being slightly greater, at around 10,900 (Tables 1 and 2). These figures correspond to more than a quarter of the current total dwelling stock.
- simply subtracting supply from demand in the various categories of dwelling type and size (Table 3) highlights a large potential surplus of 1-bedroom flats but sizeable potential shortfalls in larger sized houses.
- **more informatively, conducting supply minus demand analysis by tenure of dwellings indicates the effective potential surpluses and shortfalls in each category.**
- **notable potential shortfalls occur in 2-, 3- and 4-bedroom owner-occupier properties (Table 7).**
- demand for such owner-occupier properties is driven by:
  - current owner-occupier households wishing to increase or decrease their dwelling size;
  - new forming households, presently contained within existing larger households, wanting their own accommodation;
  - households in qualified private rental accommodation wishing to purchase;
  - in-migrant households moving into the owner-occupier sector.
- a potential surplus of 1-bedroom accommodation in most qualification and tenure categories, but dependent on the complementary availability of larger accommodation so that households can move.

## **Timing**

- more than 60% of the potential shortfall in owner-occupier properties is based on households desiring accommodation over the next 2 years, and as such is likely to represent robust data reflecting the firmly-held current aspirations of households (Table 8).

## **Sensitivity to qualification period and migration**

- reducing the qualification period from the current 12 years to 10 years increases the potential shortfall in 2-, 3- and 4-bedroom owner-occupier properties by some additional 200 units (Table 17).
- the effect of net inward migration is to increase the potential shortfall in 2- to 4-bedroom owner-occupier accommodation by less than 1½% (corresponding to some 35 properties over five years) for every 50 net inward-migrant households per year.
- the survey results provide a generalised modelling tool that may be used to derive additional surpluses and shortfalls for any profile and level of net migration.

## **Affordability**

- all households expressing a desire to move within Jersey were asked to indicate the approximate cost of the property they were looking to purchase. Existing households have a fairly good understanding of current property prices whereas the concealed households generally indicated prices lower than the mean selling prices seen in 2007 (Table 13).

### **First-time buyers**

- a large demand for 2-bedroom properties and for 3-bedroom houses is apparent from first-time buyers. Over two-thirds of such demand comes from households in the private rental sector.
- buying a property with a standard mortgage is the preferred method of purchase for nine out of ten first-time buyers.
- if it were not possible to get a standard mortgage, two-thirds said they would consider shared equity.

### **Older Persons' Housing**

- there is a total five-year potential shortfall of up to 400 dwelling units for older persons' housing. This upper bound includes the shortfall observed directly from households planning to move, those wishing to move if such accommodation were available and also known reductions in supply.

### **Comparison with previous survey**

- the total potential shortfall in the qualified sector has increased by about three-fifths since the previous round of the survey.

Jersey's Housing Needs 2008-2012  
Report on the 2007 Housing Needs Survey

## **Overview**

This report provides estimates of Jersey's potential housing requirements for the medium-term (the five-year period 2008 to 2012 inclusive) in terms of type, tenure and size of dwelling unit. The analysis is based on a random sample survey of private households. The following issues are presented:

- estimates of the demand for housing by **size, type and tenure**<sup>2</sup> and of the supply of housing from the existing stock;
- the effect of currently **non-residentially qualified households gaining qualified status**;
- the effect of **net migration** on housing requirement;
- **affordability** in terms of expressed anticipated purchase cost and household income;
- estimates of housing demand for **first-time buyers**, including affordability;
- demand for **older persons' housing**.

This study provides a detailed picture of supply and demand resulting from the stated aspirations of households at the end of 2007. It must be emphasised that the supply component does not include any new dwellings available at or completed since that time, nor any subsequent planned or approved developments.

## **Survey Design and Analysis**

A voluntary postal survey was sent out to random households with the aim of compiling robust data on current housing circumstances and anticipated housing requirements over the next five years.

### **Sampling and response rate**

A total of 10,160 households were sampled (representing more than a quarter of all private households in Jersey).

A total of 5,548 completed questionnaires were returned, representing an overall response rate of 56% (taking into account ineligible and undeliverable addresses).

### **Survey data and weighting**

The results from respondent households were weighted according to tenure type and raised to the full Island total ("grossed up") using the updated tenure profile.<sup>3</sup>

### **Supply and Demand Analysis**

Supply and demand analysis is presented from two perspectives:

- I. Type and size of dwelling;
- II. Tenure and size of dwelling.

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<sup>2</sup> See Annex B for definitions of the residential status and tenure categories.

<sup>3</sup> See Annex A for detailed methodology of weighting and grossing up from the sample survey.

The latter perspective allows potential shortfalls and surpluses to be highlighted under the current housing regulations, and as such is the most relevant for policy assessment purposes. The basic analysis from this latter perspective is then extended to examine the effect of:

- II.a Non-qualified households gaining residential qualifications, in particular the effect of reducing the current 12-year rule to 10 years in the next five-year period;
- II.b Annual net migration under current migrant profiles: net  $\pm 50$  households;
- II.c Annual net migration for specific categories of residential qualification of migrants: net nil and net  $\pm 50$  households for each category.

Section IIc makes the point that the survey results have enabled the development of a modelling tool whereby the effect of other scenarios of net migration may be explored.

For all of the supply and demand analysis considered above, older persons' housing is excluded and is analysed and presented separately in Section III. Finally, an updated measure of average households' size in Jersey is presented in Section IV.

## Definitions

The potential supply and demand is based on the following categories of household:

### Supply

- Existing: dwelling units becoming available due to all members of existing households moving together within Jersey.
- Leaving: dwelling units becoming available due to all members of existing households expressing an intention of moving together outside of Jersey.
- Death and care: dwelling units becoming available due to occupants dying or moving into extended care facilities<sup>4</sup>.

### Demand

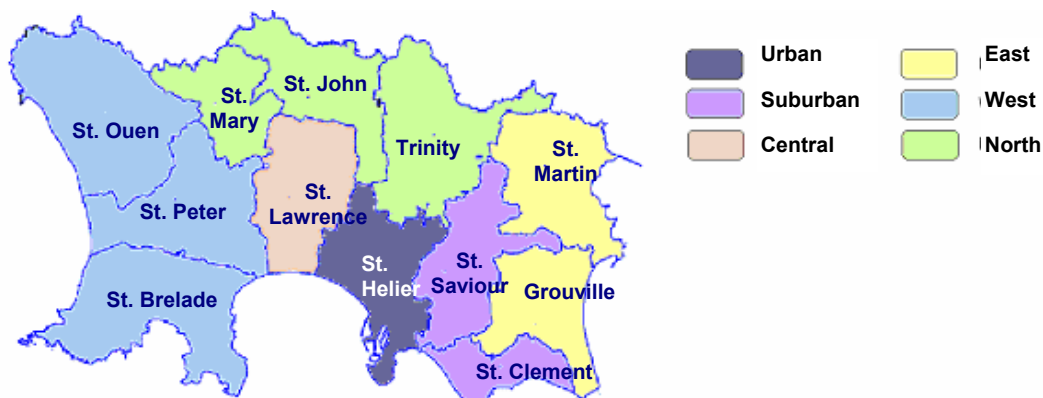
- Existing: dwelling units required due to all members of existing households moving together within Jersey.
- Concealed: new forming households (presently "concealed" within existing households) emerging within the Island. e.g. family members leaving home and establishing separate households. In the analysis allowance has been made for those households formed by members currently living in separate households in Jersey joining to form one household.
- In-migrants: migrants arriving from outside of Jersey to establish households; **for the baseline analysis presented in this report, annual net migration is set to zero.** Under such a nil net migration assumption, the number of in-migrant households is assigned to be equal to those leaving. The effect of non-zero net migration is explored in sections IIb and IIc.

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<sup>4</sup> The level of supply from "Death and care" was estimated from life-table analysis (using age specific death rates), the number of people living alone and the distributions of such people by type, size and tenure of dwelling as recorded by the 2001 Census. Normalisation of estimates was cross-checked against data compiled by the Housing Department on States tenants over recent years.

## Areas of Jersey

Throughout this report, Parishes within Jersey have been grouped together into six different geographical areas, as shown below.



## I. Type and Size of dwelling unit

Tables 1 and 2 present the estimated potential housing supply and demand, respectively, over the next five years<sup>5</sup>. The tables break down both supply and demand by dwelling type (flats and houses<sup>6</sup>) and size (number of bedrooms).

Table 1: Five-year **supply** by type and size of dwelling unit.

| Type/Size    | Existing     | Leaving      | Death & Care | Total         |              |
|--------------|--------------|--------------|--------------|---------------|--------------|
| <b>Flat</b>  | 1 bed        | 1,945        | 530          | 645           | <b>3,125</b> |
|              | 2 bed        | 1,815        | 320          | 215           | <b>2,350</b> |
|              | 3+ bed       | 160          | 105          | 25            | <b>295</b>   |
| <b>House</b> | 1 bed        | 95           | 25           | 60            | <b>185</b>   |
|              | 2 bed        | 1,025        | 160          | 180           | <b>1,370</b> |
|              | 3 bed        | 1,560        | 360          | 485           | <b>2,405</b> |
|              | 4 bed        | 570          | 85           | 125           | <b>780</b>   |
|              | 5+ bed       | 270          | 60           | 50            | <b>380</b>   |
| <b>Total</b> | <b>7,440</b> | <b>1,655</b> | <b>1,790</b> | <b>10,885</b> |              |

Table 2: Five-year **demand** by type and size of dwelling unit.

| Type/Size    | Existing     | Concealed    | In-migrants  | Total         |              |
|--------------|--------------|--------------|--------------|---------------|--------------|
| <b>Flat</b>  | 1 bed        | 985          | 490          | 325           | <b>1,800</b> |
|              | 2 bed        | 1,280        | 685          | 395           | <b>2,360</b> |
|              | 3+ bed       | 170          | 5            | 40            | <b>215</b>   |
| <b>House</b> | 1 bed        | 85           | 20           | 25            | <b>130</b>   |
|              | 2 bed        | 1,200        | 350          | 235           | <b>1,780</b> |
|              | 3 bed        | 2,300        | 340          | 435           | <b>3,075</b> |
|              | 4 bed        | 900          | 45           | 135           | <b>1,080</b> |
|              | 5+ bed       | 205          | 15           | 70            | <b>290</b>   |
| <b>Total</b> | <b>7,130</b> | <b>1,945</b> | <b>1,655</b> | <b>10,730</b> |              |

<sup>5</sup> In the tables of this report, all numbers have been rounded independently to the nearest 5; numbers less than three are denoted by +. Individual rows or columns may, therefore, not sum to marginal (i.e. row and column) totals.

<sup>6</sup> "Flats" include bedsits, and "Houses" include bungalows, terraced, semi-detached and detached properties.

The total potential supply of all units is 10,885. This figure is some 150 greater than the total demand, indicating that the overall potential supply over the next five-year period for all types and sizes of housing combined is marginally greater than overall potential demand<sup>7</sup>.

Over the next five-years, approximately two-thirds of the total potential supply and demand is from 'existing' households planning to move within Jersey. Amongst these, the largest contributor to potential supply is from 'existing' households expressing a desire to move out of 1- and 2-bedroom flats and 2- and 3-bedroom houses. The complementary large demand is for 1- and 2-bedroom flats and 2-, 3- and 4-bedroom houses.

Table 3 presents a breakdown of the difference between the supply and demand for each dwelling type according to size (derived by subtracting Table 1 from Table 2). The table highlights surpluses and shortfalls within each dwelling type and size category.

**Table 3: Five-year requirement (supply-demand) by type and size of dwelling unit.**

| Type/Size    |        | Total Supply  | Total Demand  | Surplus | Shortfall <sup>8</sup> |
|--------------|--------|---------------|---------------|---------|------------------------|
| <b>Flat</b>  | 1 bed  | 3,125         | 1,800         | 1,325   | -                      |
|              | 2 bed  | 2,350         | 2,360         | -       | <b>(10)</b>            |
|              | 3 bed  | 295           | 215           | 80      | -                      |
| <b>House</b> | 1 bed  | 185           | 130           | 55      | -                      |
|              | 2 bed  | 1,370         | 1,780         | -       | <b>(415)</b>           |
|              | 3 bed  | 2,405         | 3,075         | -       | <b>(670)</b>           |
|              | 4 bed  | 780           | 1,080         | -       | <b>(300)</b>           |
|              | 5+ bed | 380           | 290           | 90      | -                      |
| <b>Total</b> |        | <b>10,885</b> | <b>10,730</b> | 1,550   | <b>(1,395)</b>         |

Overall, 1-bedroom units show potential surpluses whilst larger-sized units (2-, 3- and 4-bedroom) exhibit potential shortfalls. The largest potential shortfall is in 3-bedroom houses, 670 dwelling units.

The sum of all potential shortfalls of dwelling units over the next five years is 1,395.

Although, surpluses in one category of dwelling may be used to off-set shortfalls in neighbouring categories, Table 3 indicates, however, that the potential shortfalls and surpluses occur in dissimilar property types and sizes. For example, the surplus of 1-bedroom flats is unlikely to satisfy the shortfalls in larger-sized units.

<sup>7</sup> These totals are about a sixth lower than recorded by the previous survey (run in 2005) due to the inclusion in the latter survey of households "wishing to move", i.e. a less definitive statement of intention.

<sup>8</sup> In Table 3, and all subsequent tables, potential shortfalls are shown in bold and enclosed in parentheses.

## II. Tenure and Size of Dwelling Unit

Tables 1 to 3 present an overview by type and size of dwelling unit. However, in order to understand and identify in more detail where surpluses and shortfalls may potentially occur, it is necessary to look at the data by tenure and size.

The potential supply and demand of dwelling units by tenure and size are presented in Tables 4 and 5, respectively. In both tables, the four columns to the left of the hatched line relate to tenure categories in the residentially qualified sector; the four columns to the right represent the non-qualified sector.

**Table 4: Five-year supply by tenure and size of dwelling unit.**

| Tenure/<br>Size         | Qualified Sector |               |                             |                | Non-Qualified Sector             |                    |                |                 | Total         |
|-------------------------|------------------|---------------|-----------------------------|----------------|----------------------------------|--------------------|----------------|-----------------|---------------|
|                         | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ) <sup>9</sup> | Registered Lodging | Staff/ service | Private Lodging |               |
| <b>Existing</b>         |                  |               |                             |                |                                  |                    |                |                 |               |
| 1 bed                   | 270              | 165           | 20                          | 1,045          | 415                              | 75                 | -              | 50              | <b>2,045</b>  |
| 2 bed                   | 655              | 330           | 65                          | 1,505          | 205                              | 50                 | 25             | -               | <b>2,840</b>  |
| 3 bed                   | 910              | 135           | 30                          | 460            | 155                              | 25                 | -              | -               | <b>1,720</b>  |
| 4 bed                   | 355              | 15            | 20                          | 175            | -                                | -                  | -              | -               | <b>570</b>    |
| 5+ bed                  | 215              | +             | -                           | 55             | -                                | -                  | -              | -               | <b>270</b>    |
| <b>Leaving</b>          |                  |               |                             |                |                                  |                    |                |                 |               |
| 1 bed                   | 50               | 5             | 20                          | 195            | 205                              | 25                 | 25             | 25              | <b>560</b>    |
| 2 bed                   | 75               | 10            | 10                          | 230            | 130                              | -                  | 25             | -               | <b>485</b>    |
| 3 bed                   | 135              | 15            | -                           | 195            | 105                              | -                  | -              | -               | <b>450</b>    |
| 4 bed                   | 35               | -             | -                           | 20             | 50                               | -                  | -              | -               | <b>105</b>    |
| 5+ bed                  | 45               | -             | -                           | 20             | -                                | -                  | -              | -               | <b>60</b>     |
| <b>Death &amp; Care</b> |                  |               |                             |                |                                  |                    |                |                 |               |
| 1 bed                   | 125              | 315           | 105                         | 145            | 15                               | -                  | -              | -               | <b>705</b>    |
| 2 bed                   | 235              | 55            | 20                          | 85             | 5                                | -                  | -              | -               | <b>395</b>    |
| 3 bed                   | 450              | 10            | 5                           | 50             | +                                | -                  | -              | -               | <b>510</b>    |
| 4 bed                   | 115              | +             | -                           | 10             | -                                | -                  | -              | -               | <b>125</b>    |
| 5+ bed                  | 50               | -             | -                           | 5              | -                                | -                  | -              | -               | <b>50</b>     |
| <b>TOTAL</b>            |                  |               |                             |                |                                  |                    |                |                 |               |
| 1 bed                   | 450              | 485           | 150                         | 1,380          | 635                              | 105                | 25             | 75              | <b>3,305</b>  |
| 2 bed                   | 970              | 395           | 95                          | 1,815          | 340                              | 50                 | 50             | -               | <b>3,720</b>  |
| 3 bed                   | 1,495            | 160           | 35                          | 705            | 260                              | 25                 | -              | -               | <b>2,680</b>  |
| 4 bed                   | 505              | 15            | 20                          | 205            | 50                               | -                  | -              | -               | <b>800</b>    |
| 5+ bed                  | 305              | +             | -                           | 75             | -                                | -                  | -              | -               | <b>380</b>    |
| <b>Total</b>            | <b>3,725</b>     | <b>1,060</b>  | <b>300</b>                  | <b>4,185</b>   | <b>1,285</b>                     | <b>180</b>         | <b>75</b>      | <b>75</b>       | <b>10,885</b> |

<sup>9</sup> The tenure category "Private rent (NQ)" technically does not exist under current Jersey Housing Law but is used throughout this report to characterise residentially non-qualified households who were unsure of their exact classification in terms of private lodging (i.e. lodger), registered lodging house or staff/service accommodation.



Table 5: Five-year **demand** by tenure and size of dwelling unit.

| Tenure / Size      | Qualified Sector |               |                             |                | Non-Qualified Sector |                    |                |                 | Total         |
|--------------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|---------------|
|                    | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |               |
| <b>Existing</b>    |                  |               |                             |                |                      |                    |                |                 |               |
| 1 bed              | 180              | 295           | 180                         | 220            | 200                  | -                  | -              | -               | <b>1,075</b>  |
| 2 bed              | 1,405            | 230           | 170                         | 490            | 155                  | 25                 | -              | -               | <b>2,475</b>  |
| 3 bed              | 1,870            | 175           | 60                          | 290            | 70                   | -                  | -              | -               | <b>2,465</b>  |
| 4 bed              | 775              | 25            | 15                          | 95             | -                    | -                  | -              | -               | <b>905</b>    |
| 5+ bed             | 205              | -             | -                           | -              | -                    | -                  | -              | -               | <b>205</b>    |
| <b>Concealed</b>   |                  |               |                             |                |                      |                    |                |                 |               |
| 1 bed              | 245              | 40            | 15                          | 210            | -                    | -                  | -              | -               | <b>510</b>    |
| 2 bed              | 840              | 50            | 25                          | 120            | -                    | -                  | -              | -               | <b>1,035</b>  |
| 3 bed              | 320              | 5             | 5                           | 15             | -                    | -                  | -              | -               | <b>345</b>    |
| 4 bed              | 45               | -             | -                           | -              | -                    | -                  | -              | -               | <b>45</b>     |
| 5+ bed             | 15               | -             | -                           | -              | -                    | -                  | -              | -               | <b>15</b>     |
| <b>In-migrants</b> |                  |               |                             |                |                      |                    |                |                 |               |
| 1 bed              | 60               | 10            | 10                          | 65             | 180                  | -                  | 25             | -               | <b>350</b>    |
| 2 bed              | 45               | 10            | 10                          | 360            | 115                  | 25                 | 70             | -               | <b>630</b>    |
| 3 bed              | 145              | 5             | -                           | 190            | 90                   | 25                 | 25             | -               | <b>470</b>    |
| 4 bed              | 70               | -             | -                           | 45             | 25                   | -                  | -              | -               | <b>135</b>    |
| 5+ bed             | 40               | -             | -                           | 30             | -                    | -                  | -              | -               | <b>70</b>     |
| <b>TOTAL</b>       |                  |               |                             |                |                      |                    |                |                 |               |
| 1 bed              | 485              | 345           | 205                         | 495            | 380                  | -                  | 25             | -               | <b>1,930</b>  |
| 2 bed              | 2,290            | 290           | 205                         | 970            | 270                  | 50                 | 70             | -               | <b>4,140</b>  |
| 3 bed              | 2,330            | 185           | 65                          | 490            | 160                  | 25                 | 25             | -               | <b>3,280</b>  |
| 4 bed              | 890              | 25            | 15                          | 140            | 25                   | -                  | -              | -               | <b>1,090</b>  |
| 5+ bed             | 260              | -             | -                           | 30             | -                    | -                  | -              | -               | <b>290</b>    |
| <b>Total</b>       | <b>6,250</b>     | <b>850</b>    | <b>485</b>                  | <b>2,125</b>   | <b>835</b>           | <b>70</b>          | <b>115</b>     | <b>-</b>        | <b>10,730</b> |

The differences between supply and demand, indicating potential surpluses and shortfalls within each tenure and size category, are shown in Table 6.

The distribution of potential shortfalls is similar in both the Type/size and Tenure/size perspectives (Tables 3 and 6, respectively), predominantly occurring in the larger-sized dwelling units within the qualified owner-occupier and social rental tenures<sup>10</sup>.

<sup>10</sup> Social rental sector consists of States, Housing trust and Parish rental tenants.

Table 6: Five-year requirement (**supply-demand**) by tenure and size of dwelling unit.

| Tenure /Size | Qualified Sector |               |                             |                | Non-Qualified Sector |                    |                |                 | Total        |
|--------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|--------------|
|              | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |              |
| 1 bed        | <b>(35)</b>      | 140           | <b>(55)</b>                 | 890            | 255                  | 105                | 5              | 75              | 1,375        |
| 2 bed        | <b>(1,320)</b>   | 105           | <b>(110)</b>                | 850            | 70                   | 5                  | <b>(15)</b>    | -               | <b>(420)</b> |
| 3 bed        | <b>(835)</b>     | <b>(25)</b>   | <b>(30)</b>                 | 215            | 100                  | 5                  | <b>(25)</b>    | -               | <b>(600)</b> |
| 4 bed        | <b>(380)</b>     | <b>(10)</b>   | 10                          | 65             | 30                   | -                  | -              | -               | <b>(290)</b> |
| 5+ bed       | 45               | +             | -                           | 45             | -                    | -                  | -              | -               | 90           |
| <b>Total</b> | <b>(2,525)</b>   | 210           | <b>(185)</b>                | 2,060          | 450                  | 110                | <b>(35)</b>    | 75              | 155          |

As Table 6 indicates, the majority of the potential shortfalls over the next five-years are within the qualified sector. The largest shortfalls are predominantly in the owner-occupier sector for 2-, 3- and 4-bedroom dwellings, with a total shortfall of over 2,500 units. These large shortfalls are driven by 'existing' dwellings planning on moving, concealed and private rental households wanting to purchase property in the owner-occupier sector and also some in-migrant households entering the owner-occupier sector.

About a sixth (16%) of the potential shortfalls in the owner-occupier dwellings, totalling some 400 units, comes from j-category households requiring mostly 2-, 3- and 4-bedroom dwellings. Of these j-category households, about half (53%) of the demand is from in-migrant households and the other half is from existing and concealed households already on-Island.

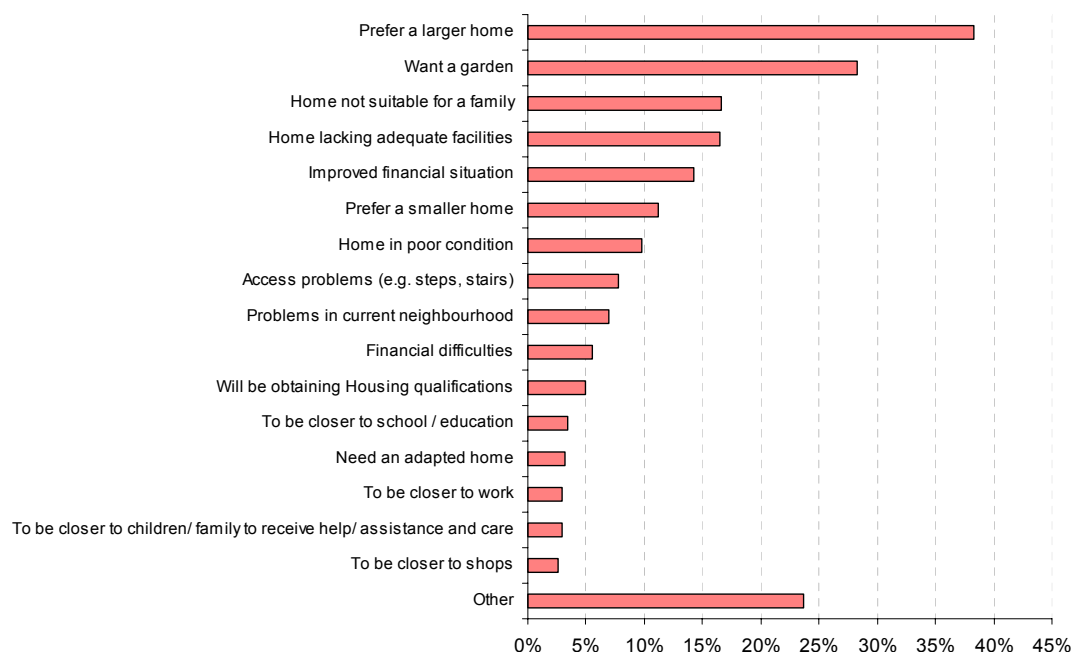
The large potential surpluses occurring in 1-bedroom dwellings are driven by the potential supply from private rental units in the qualified and non-qualified sectors wanting to move into the owner-occupier sector, some 2,270 such households in total.

At the other end of the spectrum, a small potential surplus (of about 100) 5+ bedroom dwellings is apparent.

The non-qualified sector encompasses a range of surpluses from 1-bedroom up to 4-bedroom dwellings and has very few shortfalls. The reason behind this is that, on top of the ongoing churn in this sector, some non-qualified households gain residential qualifications and intend to move into the qualified sector, thereby freeing up accommodation in this sector. There are almost 660 current non-qualified households planning on moving into the qualified sector over the next five year period.

To help understand the large potential shortfalls in the owner-occupier sector it is informative to consider the reasons behind households moving (Figure 1). (When answering this question households could tick more than one reason and therefore totals do not sum to 100%).

**Figure 1: Reasons for existing households planning on moving over the next five-year period.**  
*Percentages of respondents to this question*



Almost two-fifths (38%) of existing households (planning to move) indicated they would prefer a larger home, over a quarter (28%) want a garden and a sixth (17%) want to move to a more suitable family home. Other reasons given included: “wanting to own a property”; and “having suitable parking”.

The reasons for moving are particularly informative when looking at the current tenure of households.

#### Owner-occupiers moving within the owner-occupier sector

There is a potential demand for 3,320 owner-occupier units from current owner-occupiers wanting to move. The most popular reason for such households moving is that they would prefer a larger home (47%). Over a quarter of them (28%) would like a garden and a fifth (20%) have an improved financial situation.

However, the need for larger units is not the only factor driving the demand for owner-occupied dwellings from current owner-occupiers. More than two-fifths (44%) of existing owner-occupier households that plan to move in the next five years plan on downsizing, with reasons given including: they would “prefer a smaller home” (seven in ten of such downsizing households) and having current “access problems”, e.g. steps and stairs (one in eight).

#### Qualified private rental households moving into the owner-occupier sector

A large number of households currently living in the qualified private rental sector want to move into the owner-occupier sector, some 1,895 households. When asked the reasons behind their planning to move, over two-fifths (44%) indicated they would prefer a larger home, a third (34%) want a garden whilst almost two-fifths (37%) selected the ‘Other’ option, more than half of whom stated that they wanted to own their own property.

#### States rental moving within the States rental sector

Interestingly, there is a large demand (from almost 500 households) of current States tenants who wish to move within the States rental sector itself. Almost a third of such households (31%) want a garden and a quarter (26%) want a larger home. However, almost one third (31%) of households intending to move within the States rental sector plan to downsize into a smaller sized dwelling unit, with three-quarters of these indicating that they would prefer a smaller home.

**Figure 2: Current tenure of households that plan to move into the owner-occupier sector in the next five years.**

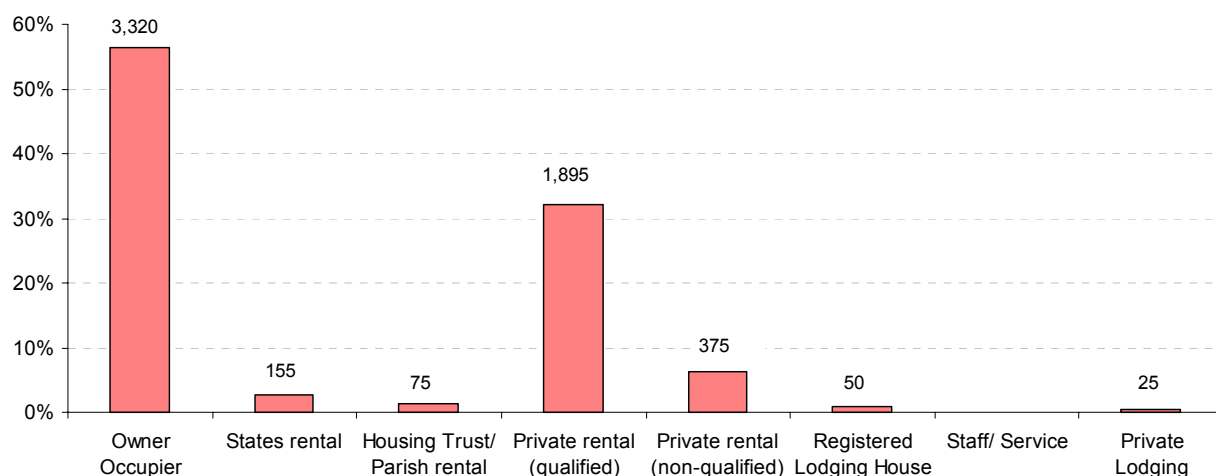


Table 7 presents the potential shortfalls and surpluses in the qualified sector of Table 6 broken down in terms of houses and flats.

**Table 7: Five-year requirement (supply-demand) by house and flat in the qualified sectors.**

| Tenure / Size | Owner-occupier |                | States rental |              | Housing Trust/ Parish rental |              | Private rental |       |
|---------------|----------------|----------------|---------------|--------------|------------------------------|--------------|----------------|-------|
|               | Flat           | House          | Flat          | House        | Flat                         | House        | Flat           | House |
| 1 bed         | (65)           | 30             | 160           | (20)         | (45)                         | (10)         | 840            | 45    |
| 2 bed         | (565)          | (755)          | 125           | (20)         | (55)                         | (55)         | 420            | 425   |
| 3 bed         | (90)           | (745)          | 25            | (55)         | 30                           | (55)         | 80             | 130   |
| 4 bed         | (10)           | (375)          | -             | (10)         | -                            | 10           | 20             | 45    |
| 5+ bed        | -              | 45             | -             | -            | -                            | -            | -              | 45    |
| <b>Total</b>  | <b>(730)</b>   | <b>(1,795)</b> | 310           | <b>(100)</b> | <b>(75)</b>                  | <b>(110)</b> | 1,365          | 695   |

As Table 7 indicates, the potential shortfall in the qualified sector is predominantly in owner-occupier accommodation, amounting to more than 700 flats and some 1,800 houses.

The distribution of the shortfalls in 2-bedroom dwelling units indicates two-fifths (43%) of the total shortfall is for flats and three-fifths (57%) for houses. As the property size increases it becomes apparent that the demand for houses supersedes flats, with for example 90% of the potential shortfall for 3-bedroom units being for houses.

The private rental sector shows large potential surpluses in 1- and 2-bedroom flats (1,260 units) and in 2- and 3-bedroom houses (555 units). *If tenure were not an issue, these large potential shortfalls could potentially satisfy some of the demand in the owner-occupier sector.*

Households were also asked to indicate when they planned to move within the next five-year period. The results are presented in Table 8 for the immediate two-year period (2008-2009) and the subsequent three years (2010-2012).

Table 8: Housing requirement (**supply-demand**) by tenure and size of dwelling unit **and by time**.

**Now to two years (2008-2009)**

| Tenure /Size | Qualified Sector |               |                              |                | Non-Qualified Sector |                    |                |                 | Total |
|--------------|------------------|---------------|------------------------------|----------------|----------------------|--------------------|----------------|-----------------|-------|
|              | Owner occupier   | States rental | Housing Trust/ Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |       |
| 1 bed        | 5                | 120           | (40)                         | 525            | 160                  | 90                 | +              | 40              | 900   |
| 2 bed        | (655)            | 110           | (95)                         | 670            | 60                   | (10)               | (20)           | -               | 65    |
| 3 bed        | (645)            | (45)          | (25)                         | 185            | 90                   | 15                 | (10)           | -               | (430) |
| 4 bed        | (320)            | (5)           | 10                           | 40             | 15                   | -                  | -              | -               | (260) |
| 5+ bed       | 50               | +             | -                            | 50             | -                    | -                  | -              | -               | 105   |
| <b>Total</b> | <b>(1565)</b>    | 185           | <b>(150)</b>                 | 1,475          | 325                  | 95                 | <b>(30)</b>    | 40              | 370   |

**Three to five years (2010-2012)**

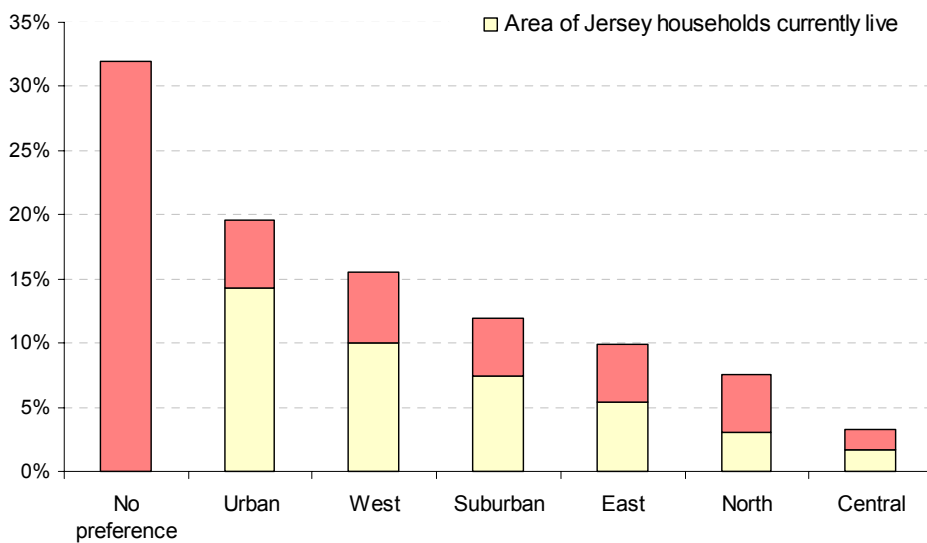
| Tenure /Size | Qualified Sector |               |                              |                | Non-Qualified Sector |                    |                |                 | Total        |
|--------------|------------------|---------------|------------------------------|----------------|----------------------|--------------------|----------------|-----------------|--------------|
|              | Owner occupier   | States rental | Housing Trust/ Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |              |
| 1 bed        | (35)             | 20            | (15)                         | 365            | 95                   | 15                 | +              | 40              | 475          |
| 2 bed        | (665)            | (5)           | (15)                         | 175            | 10                   | 15                 | 5              | -               | (485)        |
| 3 bed        | (190)            | 15            | (5)                          | 25             | 5                    | (10)               | (10)           | -               | (165)        |
| 4 bed        | (60)             | (5)           | -                            | 25             | 15                   | -                  | -              | -               | (30)         |
| 5+ bed       | (5)              | -             | -                            | (5)            | -                    | -                  | -              | -               | (10)         |
| <b>Total</b> | <b>(960)</b>     | 25            | <b>(35)</b>                  | 585            | 125                  | 15                 | <b>(5)</b>     | 40              | <b>(215)</b> |

Three-fifths (62%) of the total potential shortfall in owner-occupier properties is expressed as short-term need i.e. within the next two years.

The 2-bedroom shortfall in owner-occupied accommodation (1,320 units) is spread evenly across the five-year time scale, half being required in the next two years and half being required in the subsequent three to five years. The demand for the 3- and 4-bedroom dwelling units appears to be more pressing, with more than three-quarters being required in the next two years.

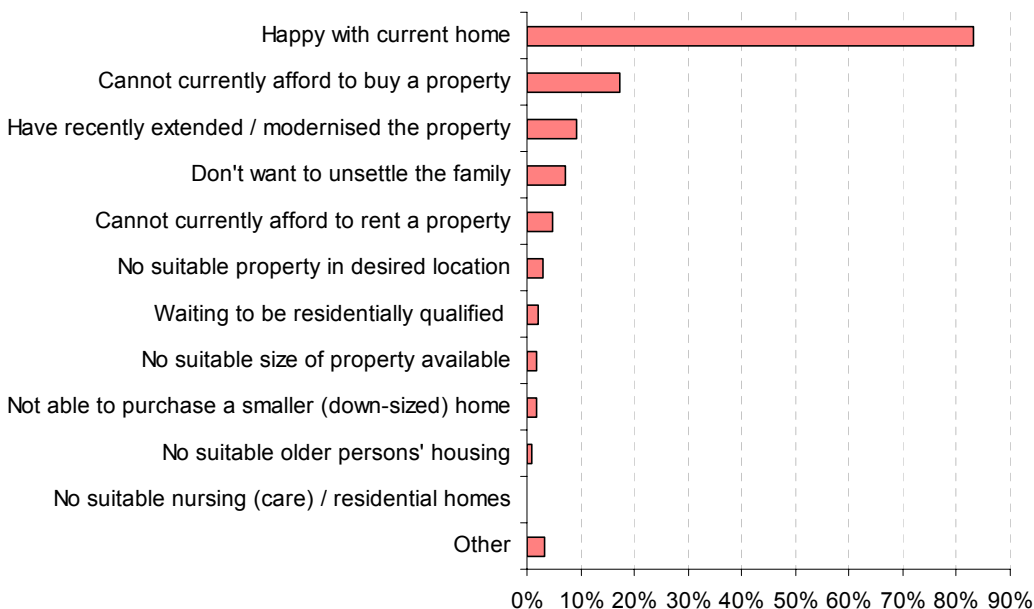
When asked in which area of Jersey (see definitions) households were planning to live, a third indicated no preference (32%), with half of these households currently residing in the urban area of Jersey (Figure 3). A fifth (20%) of households indicated they would prefer to live in the urban area of Jersey (with three-quarters of such households currently residing there) and a further sixth (16%) preferring the west of Jersey (two-thirds of which were currently residing there). The least favoured areas within the Island were the central and northern parts of Jersey, with a total of one in ten (10%) households wishing to live there.

**Figure 3: Preferred area of Jersey for households to live in.**



All the above analyses correspond to the third (31%) of households who indicated in the postal survey that they were planning on moving over the next five-year period. The two-thirds (69%) of households not planning on moving over the next five years were asked what their reasons were (Figure 4). (The respondents were able to tick more than one reason and therefore the percentage points do not sum to 100 percent.)

**Figure 4: Reasons given by those households *not* planning on moving over the next five years.**  
*Percentage of respondents to this question*



More than eight in ten (83%) of the households which were not planning to move indicated that they were “happy with their current home”.

However, a sixth (17%) of households were not planning on moving due to not currently being able to afford to buy a property. The issue of affordability of property on the Island could clearly influence households’ decisions in moving off the Island. Therefore, it is informative to consider those households which expressed an intention to leave the Island in the next five years in terms of their stated reasons for leaving.

Table 1 indicated there were some 1,655 households planning to leave Jersey over the next five years. When asked to select the reasons for leaving, two-fifths (40%) of these stated that they were unable to afford to buy property, more than a fifth (23%) indicated that they were leaving to seek employment off-Island and a similar number (22%) indicated that they were unable to afford to rent. A third (32%) also selected 'Other' as an option, with the majority of these implying that Jersey was too expensive.

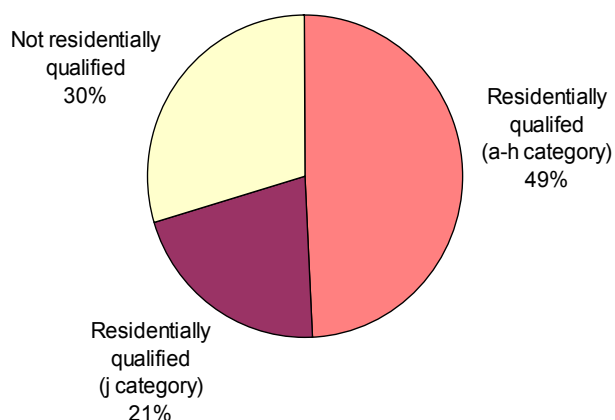
The residential status of households expressing an intention to leave Jersey in the next five years is shown in Table 9. Half (49%) of such households are residentially qualified (a-h category) and almost a third (30%) are not residentially qualified. A further fifth (21%) of households leaving in the next five years are qualified as j-category.

**Table 9: Housing qualifications of households planning to leave Jersey in the next five years.**

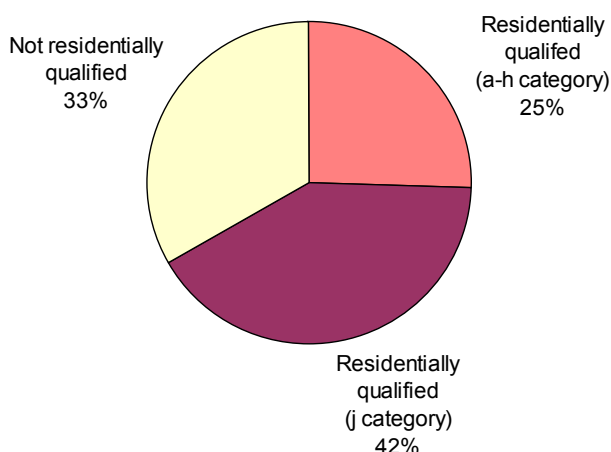
| Housing Qualifications of 'Leavers' <sup>11</sup> | Number of Households | Percentage |
|---|----------------------|------------|
| Residentially qualified (a-h category)            | 810                  | 49         |
| Residentially qualified (j-category)              | 350                  | 21         |
| Not residentially qualified                       | 490                  | 30         |
| <b>Total</b>                                      | <b>1,655</b>         | <b>100</b> |

Within the framework of the analysis under nil net migration, the number of households leaving the Island is set equal to the number of in-migrant households. Comparing the distribution of housing qualifications of intended leavers to that of recent in-migrants which have established residency, it becomes apparent that the residential qualification profile of households leaving the Island differs from that of those entering the Island (Figures 5 and 6). About two-fifths (42%) of resident in-migrants are j-category qualified households, which contribute to the demand for owner-occupier dwellings.

**Figure 5: Housing qualifications of 'Leavers'.**



**Figure 6: Housing qualifications of 'In-migrants'.**



<sup>11</sup> See Annex B for definition of housing qualification categories.

## “Realistic Aspiration”

The main results presented throughout Tables 1 to 6 present detailed estimates of the total potential housing requirement based on the recorded responses of households to the survey questionnaire. *Including all such responses provides an upper limit of the potential future housing requirements.*

Further analysis has been carried out in an attempt to distinguish more firmly-based need (termed “realistic aspiration” in this report) from rather less well-founded expectations. The analysis presented in this section aims to put the estimates of potential shortfalls and surpluses into the context of “realistic aspiration” by establishing a certain level of housing need based on household size (number of occupants) and the number of bedrooms of the desired dwelling unit.

Households which expressed the following desired move were excluded from both the supply and demand analysis (i.e. assumed not to move):

- desired dwelling size (number of bedrooms) > number of occupants + 1

For example, the following household moves were excluded: a 1-person household wanting to move to a 3-bedroom dwelling; a 2-person household wanting to move to a 4-bedroom dwelling.

The five-year supply and demand analysis by tenure and size of dwelling unit (Tables 6 to 8) was repeated applying the above criteria.

**Table 10: ‘ Realisitic aspiration’ five-year requirement (supply-demand)**  
**by tenure and size of dwelling unit.**

| Tenure /Size | Qualified Sector |               |                             |                | Non-Qualified Sector |                    |                |                 | Total |
|--------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|-------|
|              | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |       |
| 1 bed        | (70)             | 140           | (55)                        | 835            | 255                  | 105                | 5              | 50              | 1,265 |
| 2 bed        | (1,390)          | 105           | (110)                       | 795            | 45                   | 5                  | (15)           | -               | (570) |
| 3 bed        | (740)            | (10)          | (30)                        | 285            | 70                   | 5                  | (25)           | -               | (440) |
| 4 bed        | (155)            | (10)          | 10                          | 30             | 30                   | -                  | -              | -               | (100) |
| 5+ bed       | 90               | +             | -                           | 25             | -                    | -                  | -              | -               | 115   |
| <b>Total</b> | <b>(2,265)</b>   | 225           | <b>(185)</b>                | 1,970          | 400                  | 110                | <b>(35)</b>    | 50              | 270   |

The main impact of excluding “unrealistic” aspiration is reducing the potential shortfalls in the owner-occupier sectors for 2-, 3- and 4-bedroom dwellings by some 250 units (2,535 units reduced to 2,285). Most significantly, the original shortfall of 380 4-bedroom owner-occupier units reduces to 155 units. Further more, the potential surplus in 5-bedroom properties could potentially address more than half of the 4-bedroom owner-occupier shortfall.

The greatest impact due to excluding “unrealistic” aspiration is seen in the case of 2-, 3- and 4-bedroom owner-occupier houses (see Table 11). The shortfall for such houses falls by over 300 units, giving a total shortfall of 1,565 houses (compared to an original shortfall of 1,875 units).

The shortfall of 2-, 3- and 4- bedroom flats has increased slightly, to around 700 units compared to approximately 650 units without excluding “unrealistic” aspirations.



Table 11: **“Realistic aspiration”** five-year requirement (**supply-demand**)  
by house and flat in the qualified sectors.

| Tenure / Size | Owner-occupier |                | States rental |             | Housing Trust/ Parish rental |              | Private rental |            |
|---------------|----------------|----------------|---------------|-------------|------------------------------|--------------|----------------|------------|
|               | Flat           | House          | Flat          | House       | Flat                         | House        | Flat           | House      |
| 1 bed         | (95)           | 30             | 160           | (20)        | (45)                         | (10)         | 790            | 45         |
| 2 bed         | (625)          | (765)          | 125           | (20)        | (55)                         | (55)         | 385            | 410        |
| 3 bed         | (90)           | (650)          | 25            | (35)        | 30                           | (55)         | 80             | 205        |
| 4 bed         | (10)           | (150)          | -             | (10)        | -                            | 10           | 20             | 10         |
| 5+ bed        | -              | 90             | -             | +           | -                            | -            | -              | 25         |
| <b>Total</b>  | <b>(825)</b>   | <b>(1,445)</b> | <b>305</b>    | <b>(80)</b> | <b>(75)</b>                  | <b>(110)</b> | <b>1,275</b>   | <b>700</b> |

The effect of excluding “unrealistic” aspirations on the time profile of the potential shortfalls and surpluses is shown in Table 12.

Table 12: **“Realistic aspiration”** (supply-demand) by tenure, size of dwelling unit and **by time**.  
**Now to two years (2008-2009)**

| Tenure /Size | Qualified Sector |               |                              |                | Non-Qualified Sector |                    |                |                 | Total      |
|--------------|------------------|---------------|------------------------------|----------------|----------------------|--------------------|----------------|-----------------|------------|
|              | Owner occupier   | States rental | Housing Trust/ Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |            |
| 1 bed        | (15)             | 120           | (40)                         | 490            | 160                  | 90                 | +              | 40              | 845        |
| 2 bed        | (705)            | 110           | (95)                         | 620            | 35                   | (10)               | (20)           | -               | (65)       |
| 3 bed        | (620)            | (25)          | (25)                         | 235            | 65                   | 15                 | (10)           | -               | (365)      |
| 4 bed        | (130)            | (5)           | 10                           | 25             | 15                   | -                  | -              | -               | (90)       |
| 5+ bed       | 55               | +             | -                            | 30             | -                    | -                  | -              | -               | 85         |
| <b>Total</b> | <b>(1,415)</b>   | <b>205</b>    | <b>(150)</b>                 | <b>1,395</b>   | <b>275</b>           | <b>95</b>          | <b>(30)</b>    | <b>40</b>       | <b>410</b> |

**Three to five years (2010-2012)**

| Tenure /Size | Qualified Sector |               |                              |                | Non-Qualified Sector |                    |                |                 | Total        |
|--------------|------------------|---------------|------------------------------|----------------|----------------------|--------------------|----------------|-----------------|--------------|
|              | Owner occupier   | States rental | Housing Trust/ Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |              |
| 1 bed        | (55)             | 20            | (15)                         | 345            | 95                   | 15                 | +              | 15              | 415          |
| 2 bed        | (685)            | (5)           | (15)                         | 175            | 10                   | 15                 | 5              | -               | (505)        |
| 3 bed        | (120)            | 15            | (5)                          | 55             | 5                    | (10)               | (10)           | -               | (70)         |
| 4 bed        | (25)             | (5)           | -                            | 5              | 15                   | -                  | -              | -               | (10)         |
| 5+ bed       | 35               | -             | -                            | (5)            | -                    | -                  | -              | -               | 30           |
| <b>Total</b> | <b>(850)</b>     | <b>25</b>     | <b>(35)</b>                  | <b>575</b>     | <b>125</b>           | <b>15</b>          | <b>(5)</b>     | <b>15</b>       | <b>(140)</b> |

Excluding “unrealistic” aspiration has had little effect on the distribution of the owner-occupier shortfalls over the next five-year period, with three-fifths (62%) still being expressed within the next two years.

## Affordability

Households expressing a desire to purchase owner-occupier property were asked to estimate the cost of the accommodation that they would anticipate purchasing.

Table 13: Expressed affordability by type and size of dwelling unit (£ thousand).

| Type/ Size                          | Existing | Concealed | Jersey average<br>2007 <sup>12</sup> | Inter-quartile range <sup>13</sup> of<br>Jersey house prices Q4 2007 |
|-------------------------------------|----------|-----------|--------------------------------------|--|
| <b><u>Older Persons Housing</u></b> |          |           |                                      |  |
| 1-bed                               | 270      | -         |                                      |  |
| 2-bed                               | 290      | 320       |                                      |  |
| <b><u>Flat</u></b>                  |          |           |                                      |  |
| 1-bed                               | 160      | 180       | 180                                  | 160 to 210   |
| 2-bed                               | 250      | 210       | 250                                  | 230 to 290   |
| 3-bed                               | 350      | -         |                                      |  |
| <b><u>House</u></b>                 |          |           |                                      |  |
| 1-bed                               | 310      | 130       |                                      |  |
| 2-bed                               | 320      | 270       | 340                                  | 300 to 420   |
| 3-bed                               | 440      | 360       | 440                                  | 390 to 550   |
| 4-bed                               | 690      | 400       | 570                                  | 530 to 850   |
| 5-bed                               | 1,000    | 1,500     |                                      |  |

Prices are rounded to the nearest £10,000.

Table 13 demonstrates that the existing households who are planning to move generally have a good understanding of property prices in Jersey. Such households wishing to purchase property indicated prices which were generally close to the mean selling prices in 2007 and within the bounds of the inter-quartile ranges, with two-thirds (67%) intending to purchase property between £250,000 and £750,000.

However, the concealed households, constituting a potential cohort of first-time buyers looking to form new households, generally expressed prices that were slightly below the lower end of the inter-quartile range. This indicates their understanding for purchasing properties of a preferred dwelling type at the lower-price end. Three-fifths (59%) of concealed households planning to purchase aimed to buy a property of their preferred dwelling type for less than £250,000.

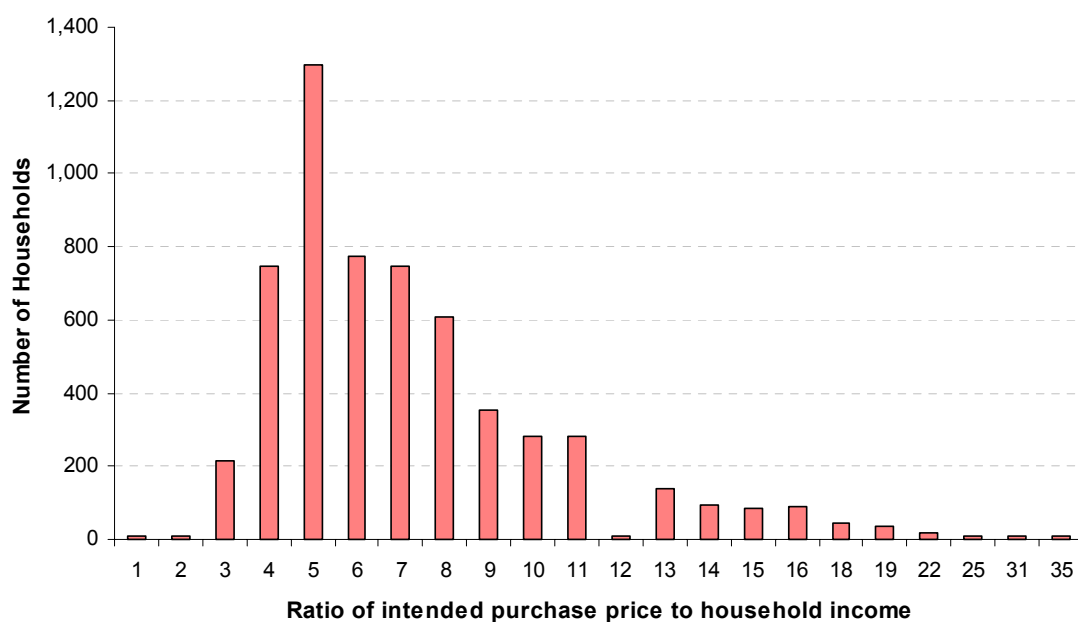
Figure 7 highlights the affordability distributions<sup>14</sup> for both existing and concealed households based solely on their household income. About half (52%) of households that expressed a desire to buy a property intend on purchasing one valued at up to six times their total household income. In contrast, one in ten households (9%) were looking to purchase property which was more than twelve times their household income, raising concerns about realistic affordability.

<sup>12</sup> Jersey House Price Index- Fourth quarter 2007; Statistics Unit, February 2008. Figures are the mean average for 2007.

<sup>13</sup> The range of prices covering the middle half of the distribution, between the 25<sup>th</sup> and 75<sup>th</sup> percentiles. Underlying data from: Jersey House Price Index- Fourth quarter 2007; Statistics Unit, February 2008.

<sup>14</sup> Comparing the mid-point of intended purchase price range with the mid-point of household income range.

Figure 7: Affordability distributions for existing and concealed households; (calculated using mid-range values).



Applying a restriction on the affordability ratio (removing households with a ratio greater than 12) has little effect on the overall potential shortfalls in the owner-occupier sector over the next five-years (Table 14). The shortfalls in the 2-, 3- and 4-bedroom owner-occupier dwellings are reduced by a total of around 100 units, mainly occurring in 2-bedroom dwellings.

Table 14: Five-year requirement **excluding property price to income ratio greater than 12**, (supply-demand) by tenure and size of dwelling unit.

| Tenure /Size | Qualified Sector |               |                             |                | Non Qualified Sector |                    |                |                 | Total |
|--------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|-------|
|              | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |       |
| 1 bed        | (35)             | 140           | (55)                        | 890            | 255                  | 105                | 5              | 75              | 1,375 |
| 2 bed        | (1,150)          | 105           | (110)                       | 830            | 70                   | (25)               | (15)           | -               | (295) |
| 3 bed        | (875)            | (30)          | (30)                        | 215            | 100                  | 5                  | (25)           | -               | (640) |
| 4 bed        | (395)            | (10)          | (5)                         | 65             | 30                   | -                  | -              | -               | (315) |
| 5+ bed       | 40               | +             | -                           | 45             | -                    | -                  | -              | -               | 85    |
| <b>Total</b> | <b>(2,415)</b>   | 205           | <b>(195)</b>                | 2,040          | 450                  | 85                 | <b>(35)</b>    | 75              | 210   |

## First-time buyers

A new aspect of the 2007 Housing Needs Survey was a series of questions specifically aimed at exploring issues related to first-time buyers<sup>15</sup> in Jersey. Of all households which expressed a desire to purchase a property within the next five years, half of these (corresponding to some 3,100 households) would be purchasing a property in Jersey for the first time.

There are two main potential components of first-time buyer demand, from existing and concealed households (see Table 15), almost two-thirds (63%) being from existing households in Jersey.

Half (51%) of all potential first-time buyers are currently living in the qualified private rental sector and one in ten (11%) are in the non-qualified private rental sector. Almost a third (30%) currently live in an owner-occupied dwelling, constituting for example concealed households still residing with their families or households living in share transfer accommodation.

Table 15: Current tenure of households intending to purchase a property for the first time.

| Current tenure                 | Existing     | Concealed    | All Households |
|--------------------------------|--------------|--------------|----------------|
| Owner Occupier                 | 110          | 815          | 930            |
| States rental                  | 100          | 45           | 145            |
| Housing trust/ Parish rental   | 45           | 15           | 60             |
| Private rental (qualified)     | 1,380        | 205          | 1,585          |
| Private rental (non-qualified) | 285          | 65           | 350            |
| Registered lodging house       | 25           | -            | 25             |
| Staff/ service                 | -            | -            | -              |
| Private lodging                | 25           | -            | 25             |
| <b>Total</b>                   | <b>1,970</b> | <b>1,145</b> | <b>3,115</b>   |

Table 16 shows the type and size of property that first-time buyers would like to purchase during the next five-year period. Over 40% of first-time buyers would like a 2-bedroom property, amounting to some 720 flats and 625 houses. There was also a large demand for 3-bedroom houses, with more than 1,000 households stating that they would like this type of property. Only 3% of potential first-time buyers stated that they would like a 3-bedroom flat, suggesting that when people want a 3-bedroom property they generally do not immediately consider flats as an option.

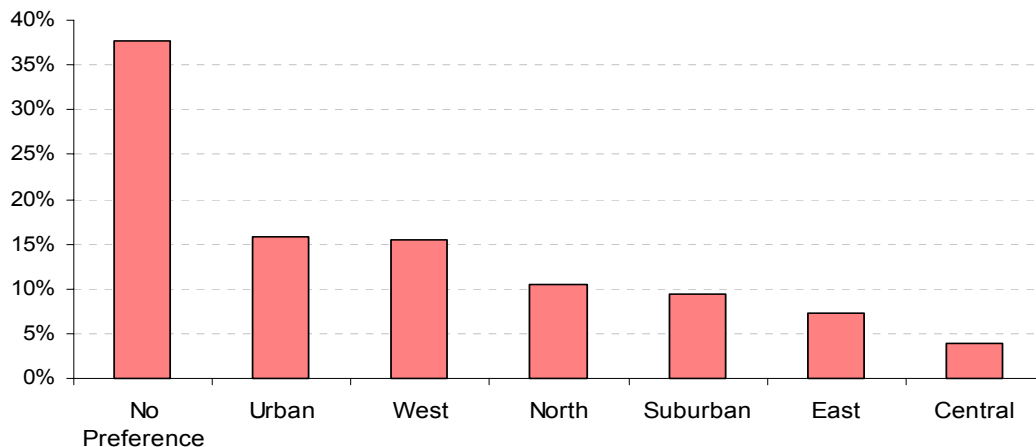
Table 16: Demand by property type for first-time buyers over the next five-years.

|               | Percentage | Number of Households |
|---------------|------------|----------------------|
| <b>Flats</b>  |            |                      |
| 1 bed         | 10%        | 295                  |
| 2 bed         | 23%        | 720                  |
| 3+ bed        | 3%         | 110                  |
|               | <b>36%</b> | <b>1,130</b>         |
| <b>Houses</b> |            |                      |
| 1 bed         | 1%         | 20                   |
| 2 bed         | 20%        | 625                  |
| 3 bed         | 33%        | 1,040                |
| 4+ bed        | 10%        | 305                  |
|               | <b>64%</b> | <b>1,990</b>         |

<sup>15</sup> In this report the term "First-time buyer" represents respondents who would be buying a property in Jersey for the first time. Such respondents who report that they are first-time buyers may not necessarily be eligible to purchase first-time buyer properties under the Housing Law.

When asked which area of Jersey (see definitions) first-time buyers would prefer to live, four in ten (38%) showed no preference. One in six people indicated that they would choose to live in the urban area (16%), with a similar number preferring the west (15%) of Jersey (Figure 8). Living in the central area of Jersey was the least preferred option for first-time buyers (4%).

**Figure 8: First-time buyers: preferred area of Jersey in which to live.**



There are marked differences between the income levels of concealed and existing households which would be purchasing property for the first time, with concealed households (generally children leaving home for the first time) tending to have lower household income than established households. For concealed households, the income distribution peaks at £20,000-£29,999 with more than a third (36%) of such households in this income band. The income distribution for existing households peaks at £50,000-£69,999 with more than a quarter (28%) of existing households falling within this income band.

**Figure 9: Annual household Income for first-time buyers.**

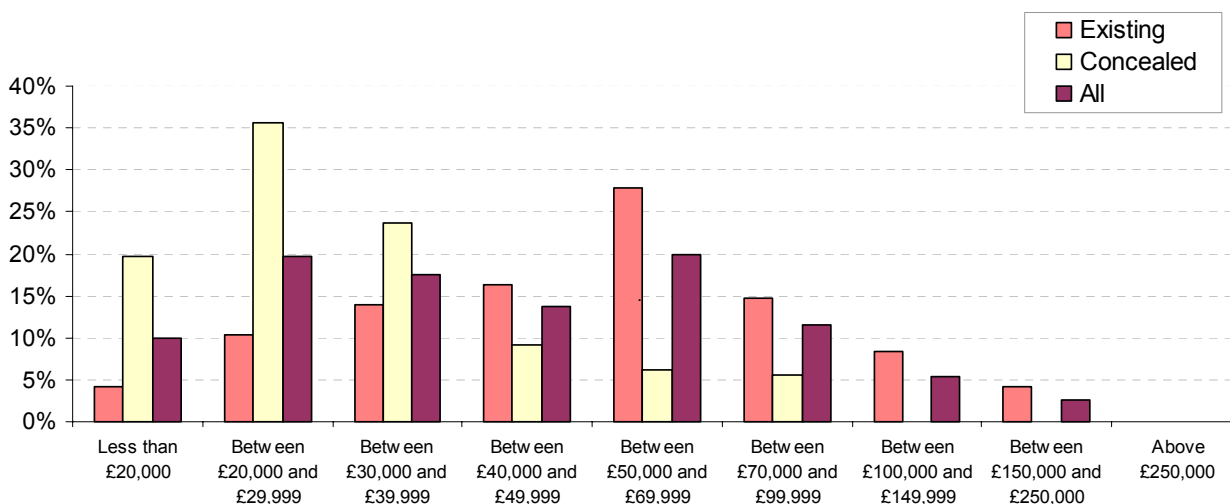
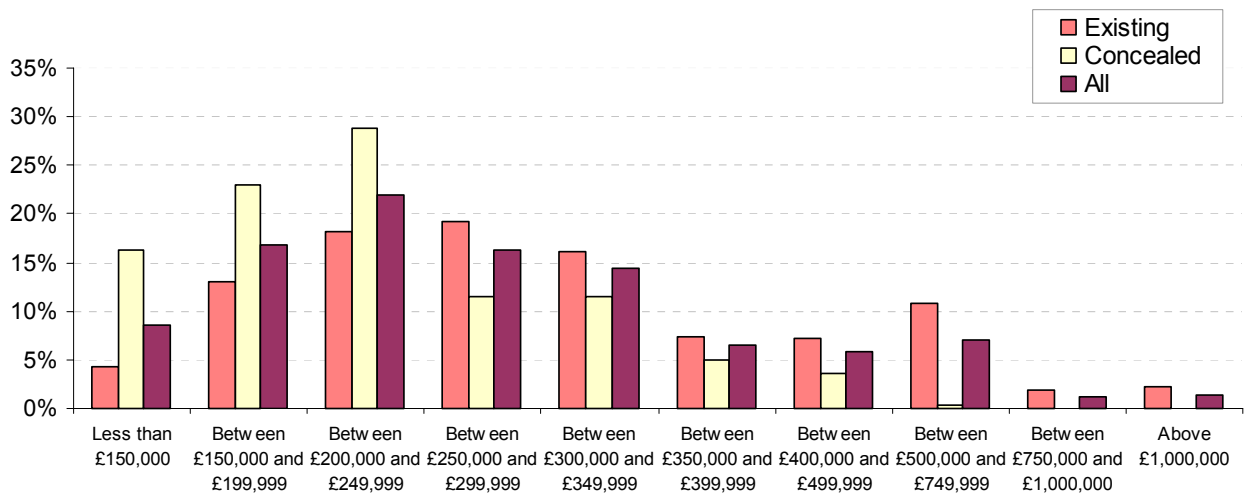


Figure 10 shows the price ranges for properties that first-time buyers would like to purchase. Around half (47%) of first-time buyers are looking to purchase a property priced under £250,000. Intuitively, the value of property that households are able to buy is closely linked to income levels, and the price ranges for property differ for existing and concealed households. The majority of concealed households favour lower-priced properties with two-thirds (68%) looking to purchase properties below £250,000. The distribution for existing households is more evenly spread and there is a slight shift away from the lowest price bracket. About half (53%) of existing households are looking to purchase properties between £200,000 and £350,000.

Figure 10: Price ranges for first-time buyers purchasing property.



About three-fifths (62%) of first-time buyers plan to purchase a property valued at up to six times their household income<sup>16</sup>. Over three-quarters (77%) of existing households, and two-fifths (40%) of concealed households are looking to purchase property up to six times their household income. Two-thirds of concealed households intend to purchase property valued at seven times their annual household income or more. This raises the question of affordability - whether people hoping to purchase property for the first time will actually be able to do so.

When asked for the preferred method of purchasing a property, nine out of ten (89%) first-time buyers would choose a standard mortgage and less than one in ten (8%) would choose shared equity. If it were not possible to get a standard mortgage, two-thirds (67%) said they would consider shared equity.

<sup>16</sup> Comparing the mid-point of the property price range with the mid-point of household income range.

## **II.a Effect of reducing the residential qualifications to 10 years**

In the analysis presented above, residentially non-qualified households who expressed an intention to move into the qualified sector were able to do so if they would have satisfied the current 12-year qualification period by 2012. In this section analysis is presented which looks into the effect of reducing the qualification period to 10 years before 2012.

By examining Census data, reducing the qualifying period down to 10 years results in a potential *maximum* of around 500 additional non-qualified households qualifying by 2012. Data recorded by the Housing Department over recent years indicate that approximately two-thirds of those households which gain qualified status actually take up consent to enter the qualified sector. Thus, it may be estimated that around two-thirds of the potential number of additional qualifying households, (i.e. some 330) would take up consents to enter the qualified sector.

If it is further assumed that these additional qualifying households would plan to move into qualified tenure categories with the same distribution as those planning to do so under the current 12-year rule, then these additional qualifiers amount to 225 households (69%) wanting to purchase owner-occupier properties, 65 households (20%) wanting to move into qualified private rental accommodation and 40 households (12%) wanting to move into the social rental sector.

The effect on potential housing requirements of these additional qualifying households, (supply-demand) is shown in Table 17.

**Table 17: Additional shortfalls (qualified sector) and surpluses (non-qualified sector) due to households gaining residential qualifications by reducing the qualifying period from 12 to 10 years.**

| Tenure /Size | Qualified Sector |               |                             |                | Non Qualified Sector |                    |                |                 |
|--------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|
|              | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |
| 1 bed        | -                | (25)          | -                           | (25)           | 90                   | 25                 | -              | 15              |
| 2 bed        | (70)             | -             | (15)                        | (25)           | 85                   | 25                 | -              | -               |
| 3 bed        | (115)            | -             | -                           | (15)           | 90                   | -                  | -              | -               |
| 4 bed        | (40)             | -             | -                           | -              | -                    | -                  | -              | -               |
| 5+ bed       | -                | -             | -                           | -              | -                    | -                  | -              | -               |
| <b>Total</b> | <b>(225)</b>     | <b>(25)</b>   | <b>(15)</b>                 | <b>(65)</b>    | <b>265</b>           | <b>50</b>          | <b>-</b>       | <b>15</b>       |

The numbers presented in Table 17 can be superimposed directly onto those of Table 6. However, it must be re-iterated that the numbers shown in this Table are *potential maxima*, since a proportion of households which might qualify may actually leave Jersey before accumulating the necessary residency period.

Furthermore, data collected by the Housing Department over recent years indicate that the distribution of non-qualified households moving into the qualified sector differs from that expressed by qualifying households in this survey and used to construct Table 17. The Housing data suggests that, based on past behaviour, only a third (33%, corresponding to about 110 households) would actually move into the owner-occupied sector, about three-fifths (61%, some 200 households) would move into private rental accommodation and only about 6% (20 households) would go into the social rental sector.

Hence, based on previous behaviour rather than expressed intent, the effective shortfalls shown in owner-occupied accommodation in Table 17 would be reduced by a factor of about 2.

## **II.b Effect of Net Migration**

Changing the number of in-migrants entering or leaving Jersey over the next five years will have an effect on housing requirements. Table 18 presents the additional shortfalls in the qualified and non-qualified sectors that will occur from a net inward migration of 50 households per year, *assuming the profile of leavers and in-migrants remains as that recorded by the survey*. The figures presented in Table 18 can be directly superimposed onto Table 6, which was derived using the assumption of zero net migration.

The effect of net inward migration of 50 households per annum is thus an additional 35 households over the next five-year period (2008-2012) entering the areas of potential shortfalls (2- to 4-bedroom accommodation) already identified in owner-occupier accommodation by Table 6. The additional demand for over 100 private rental households can, in principle, be met by the potential surpluses within that sector.

The effect of a net outward migration of 50 households leaving per year is the sign opposite of Table 18. A potential surplus of 55 households over the period would become apparent within the owner-occupier sector and may offset a small fraction of the current large demand within that sector.

Table 18: Net inward migration of 50 households entering per year; 2008-2012.

| +50 HH<br>Tenure /Size | Qualified Sector |               |                             |                | Non Qualified Sector |                    |                |                 | Total        |
|------------------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|--------------|
|                        | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |              |
| 1 bed                  | (10)             | (+)           | (+)                         | (10)           | (30)                 | -                  | (5)            | -               | (55)         |
| 2 bed                  | (5)              | (+)           | (+)                         | (55)           | (15)                 | (5)                | (10)           | -               | (95)         |
| 3 bed                  | (20)             | (+)           | -                           | (30)           | (15)                 | (5)                | (5)            | -               | (70)         |
| 4 bed                  | (10)             | -             | -                           | (5)            | (5)                  | -                  | -              | -               | (20)         |
| 5+ bed                 | (5)              | -             | -                           | (5)            | -                    | -                  | -              | -               | (10)         |
| <b>Total</b>           | <b>(55)</b>      | <b>(5)</b>    | <b>(5)</b>                  | <b>(105)</b>   | <b>(60)</b>          | <b>(5)</b>         | <b>(15)</b>    | <b>-</b>        | <b>(250)</b> |

The potential shortfalls and surpluses resulting from other net migration scenarios (under the residential qualification profile of leavers and in-migrants recorded by this survey) may be derived simply by scaling Table 18 (i.e. multiplying by a constant factor); for example,  $\pm 100$  and  $\pm 200$  households per annum require scale factors of 2 and 4, respectively.



## II.c Effect of Net Migration by residential qualification

Any other scenario of net migration, involving different levels and profiles of leavers and in-migrants in terms of residential qualification, may be derived by examining the effect of the net migration of each category of residential qualification independently.

As an example of the more general modelling which may be conducted using the results of this survey, Tables 19 to 21 present the additional potential shortfalls and surpluses in the qualified and non-qualified sectors for (a-h), j-category and non-qualified households<sup>17</sup>, separately, under three basic net migration scenarios on top of the levels of potential leavers recorded in each category by the survey<sup>18</sup>:

- zero net migration;
- net inward migration of 50 households per year;
- net outward migration of 50 households per year.

### Locally qualified households (a-h category)

Table 19a: **Zero net migration** of (a-h) households for 2008-2012.

| Tenure /Size | Qualified Sector |               |                             |                | Non Qualified Sector |                    |                |                 | Total    |
|--------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|----------|
|              | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |          |
| 1 bed        | (10)             | (10)          | +                           | 40             | 15                   | -                  | -              | -               | 35       |
| 2 bed        | (5)              | (5)           | (5)                         | (70)           | 15                   | -                  | -              | -               | (65)     |
| 3 bed        | (20)             | 5             | -                           | 50             | -                    | -                  | -              | -               | 35       |
| 4 bed        | (30)             | -             | -                           | 10             | 15                   | -                  | -              | -               | (10)     |
| 5+ bed       | 5                | -             | -                           | -              | -                    | -                  | -              | -               | 5        |
| <b>Total</b> | <b>(60)</b>      | <b>(5)</b>    | <b>(+)</b>                  | <b>30</b>      | <b>40</b>            | <b>-</b>           | <b>-</b>       | <b>-</b>        | <b>0</b> |

Table 19b: Net **inward** migration of 50 (a-h) households per year; 2008-2012.

| +50 (a-h)<br>Tenure /Size | Qualified Sector |               |                             |                | Non Qualified Sector |                    |                |                 | Total        |
|---------------------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|--------------|
|                           | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |              |
| 1 bed                     | (35)             | (15)          | (5)                         | 25             | 15                   | -                  | -              | -               | (15)         |
| 2 bed                     | (25)             | (10)          | (10)                        | (145)          | 15                   | -                  | -              | -               | (175)        |
| 3 bed                     | (65)             | +             | -                           | 40             | -                    | -                  | -              | -               | (20)         |
| 4 bed                     | (60)             | -             | -                           | 10             | 15                   | -                  | -              | -               | (35)         |
| 5+ bed                    | +                | -             | -                           | -              | -                    | -                  | -              | -               | +            |
| <b>Total</b>              | <b>(180)</b>     | <b>(20)</b>   | <b>(15)</b>                 | <b>(75)</b>    | <b>40</b>            | <b>-</b>           | <b>-</b>       | <b>-</b>        | <b>(250)</b> |

<sup>17</sup> See Annex B for housing qualification definitions.

<sup>18</sup> In the modelling for each category of residential qualification, it is the number of inward migrant households which is varied whilst the number of leaving households is held constant.

Table 19c: Net **outward** migration of 50 (a-h) households per year; 2008-2012.

| -50 (a-h)<br>Tenure /Size | Qualified Sector |               |                             |                | Non Qualified Sector |                    |                |                 | Total |
|---------------------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|-------|
|                           | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |       |
| 1 bed                     | 10               | (+)           | 5                           | 60             | 15                   | -                  | -              | -               | 90    |
| 2 bed                     | 20               | +             | +                           | 5              | 15                   | -                  | -              | -               | 40    |
| 3 bed                     | 25               | 5             | -                           | 60             | -                    | -                  | -              | -               | 90    |
| 4 bed                     | (5)              | -             | -                           | 10             | 15                   | -                  | -              | -               | 15    |
| 5+ bed                    | 10               | -             | -                           | -              | -                    | -                  | -              | -               | 10    |
| <b>Total</b>              | 65               | 5             | 10                          | 130            | 40                   | -                  | -              | -               | 250   |

### j-category households

Table 20a: **Zero net migration** of j-category households for 2008-2012.

| Tenure /Size | Qualified Sector |               |                             |                | Non Qualified Sector |                    |                |                 | Total |
|--------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|-------|
|              | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |       |
| 1 bed        | (15)             | -             | -                           | 55             | -                    | -                  | -              | -               | 40    |
| 2 bed        | 10               | -             | -                           | 5              | (25)                 | -                  | -              | -               | (10)  |
| 3 bed        | 5                | -             | -                           | (35)           | 5                    | -                  | -              | -               | (30)  |
| 4 bed        | (5)              | -             | -                           | (50)           | 50                   | -                  | -              | -               | (5)   |
| 5+ bed       | +                | -             | -                           | 5              | -                    | -                  | -              | -               | 5     |
| <b>Total</b> | (5)              | -             | -                           | (25)           | 30                   | -                  | -              | -               | 0     |

Table 20b: Net **inward** migration of 50 j-category households per year; 2008-2012.

| +50 j cat<br>Tenure /Size | Qualified Sector |               |                             |                | Non Qualified Sector |                    |                |                 | Total |
|---------------------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|-------|
|                           | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging |       |
| 1 bed                     | (20)             | -             | -                           | 50             | -                    | -                  | -              | -               | 25    |
| 2 bed                     | 5                | -             | -                           | (85)           | (30)                 | -                  | -              | -               | (110) |
| 3 bed                     | (15)             | -             | -                           | (100)          | (15)                 | -                  | -              | -               | (125) |
| 4 bed                     | (15)             | -             | -                           | (65)           | 50                   | -                  | -              | -               | (30)  |
| 5+ bed                    | (5)              | -             | -                           | (10)           | -                    | -                  | -              | -               | (15)  |
| <b>Total</b>              | (45)             | -             | -                           | (210)          | 5                    | -                  | -              | -               | (250) |

Table 20c: Net **outward** migration of 50 J-category households per year; 2008-2012.

| -50 j cat    | Qualified Sector |               |                             |                | Non Qualified Sector |                    |                |                 |            |
|--------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|------------|
| Tenure /Size | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging | Total      |
| 1 bed        | (10)             | -             | -                           | 60             | -                    | -                  | -              | -               | 50         |
| 2 bed        | 10               | -             | -                           | 90             | (15)                 | -                  | -              | -               | 90         |
| 3 bed        | 20               | -             | -                           | 25             | 20                   | -                  | -              | -               | 70         |
| 4 bed        | +                | -             | -                           | (30)           | 50                   | -                  | -              | -               | 20         |
| 5+ bed       | 5                | -             | -                           | 15             | -                    | -                  | -              | -               | 20         |
| <b>Total</b> | <b>30</b>        | <b>-</b>      | <b>-</b>                    | <b>160</b>     | <b>55</b>            | <b>-</b>           | <b>-</b>       | <b>-</b>        | <b>250</b> |

**Non-qualified households**

Table 21a: **Zero net migration** of non-qualified households for 2008-2012.

|              | Qualified Sector |               |                             |                | Non Qualified Sector |                    |                |                 |          |
|--------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|----------|
| Tenure /Size | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging | Total    |
| 1 bed        | (10)             | -             | -                           | 5              | 20                   | 30                 | 5              | 30              | 80       |
| 2 bed        | -                | -             | -                           | -              | 25                   | (25)               | (40)           | -               | (40)     |
| 3 bed        | (15)             | +             | -                           | -              | 40                   | (25)               | (25)           | -               | (20)     |
| 4 bed        | -                | -             | -                           | -              | (25)                 | -                  | -              | -               | (25)     |
| 5+ bed       | +                | -             | -                           | -              | -                    | -                  | -              | -               | +        |
| <b>Total</b> | <b>(20)</b>      | <b>+</b>      | <b>-</b>                    | <b>5</b>       | <b>60</b>            | <b>(15)</b>        | <b>(55)</b>    | <b>30</b>       | <b>0</b> |

Table 21b: Net **inward** migration of 50 non-qualified households per year; 2008-2012.

| +50 NQ       | Qualified Sector |               |                             |                | Non Qualified Sector |                    |                |                 |              |
|--------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|--------------|
| Tenure /Size | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental (NQ)  | Registered Lodging | Staff/ service | Private Lodging | Total        |
| 1 bed        | (10)             | -             | -                           | (5)            | (65)                 | 30                 | (5)            | 30              | (25)         |
| 2 bed        | -                | -             | -                           | -              | (20)                 | (35)               | (70)           | -               | (120)        |
| 3 bed        | (20)             | (+)           | -                           | -              | 20                   | (35)               | (35)           | -               | (70)         |
| 4 bed        | -                | -             | -                           | -              | (35)                 | -                  | -              | -               | (35)         |
| 5+ bed       | (+)              | -             | -                           | -              | -                    | -                  | -              | -               | (+)          |
| <b>Total</b> | <b>(35)</b>      | <b>(+)</b>    | <b>-</b>                    | <b>(5)</b>     | <b>(95)</b>          | <b>(40)</b>        | <b>(110)</b>   | <b>30</b>       | <b>(250)</b> |

Table 21c: Net **outward** migration of 50 non-qualified households per year; 2008-2012.

| -50 NQ       | Qualified Sector |               |                             |                | Non Qualified Sector |                    |                |                 | Total      |
|--------------|------------------|---------------|-----------------------------|----------------|----------------------|--------------------|----------------|-----------------|------------|
| Tenure /Size | Owner occupier   | States rental | Housing Trust/Parish rental | Private rental | Private rental       | Registered Lodging | Staff/ service | Private Lodging |            |
| 1 bed        | (5)              | -             | -                           | 10             | 100                  | 30                 | 15             | 30              | 185        |
| 2 bed        | -                | -             | -                           | -              | 65                   | (10)               | (10)           | -               | 45         |
| 3 bed        | (10)             | +             | -                           | -              | 60                   | (10)               | (10)           | -               | 30         |
| 4 bed        | -                | -             | -                           | -              | (10)                 | -                  | -              | -               | (10)       |
| 5+ bed       | 5                | -             | -                           | -              | -                    | -                  | -              | -               | 5          |
| <b>Total</b> | <b>(5)</b>       | <b>+</b>      | <b>-</b>                    | <b>10</b>      | <b>215</b>           | <b>5</b>           | <b>(5)</b>     | <b>30</b>       | <b>250</b> |

It should be re-iterated that the survey results thus provide a generalised modelling tool whereby the additional potential surpluses or shortfalls (on top of those of Table 6) may be derived (using scaling and apportionment) for any net migration scenario specified in terms of the level and profile of migrants by residential qualification.

### III Older Persons' Housing

With Jersey's ageing population, provision for older persons' housing is becoming increasingly important; therefore a separate analysis for older persons' housing has been undertaken. "Older persons' housing" refers to housing designed for people aged 55 or over to live in independently, whilst also being able to receive assistance from agencies such as Family Nursing and Home Care. Such homes could be houses, bungalows or flats. The following analysis does not include Nursing/residential care; the five year demand for this type of accommodation is some 75 1-bedroom units.

The total potential supply for older persons' accommodation over the next five years is 125 units, almost evenly split between 1-bedroom and 2-bedroom dwellings (60 and 65 units, respectively). The majority of the supply (90 units) arises from units becoming available due to occupants dying or moving into extended care facilities, ('death and care').

Over the next five years there is a potential total demand for 305 older persons' housing units. Two-thirds of this demand is for 1-bedroom dwelling units. The majority (130 units) of the demand is from people wishing to purchase older persons' accommodation followed by demand for States' rental accommodation (100 units). Just over half of the demand (55%) is short-term need, i.e. people wanting to move within the next two years.

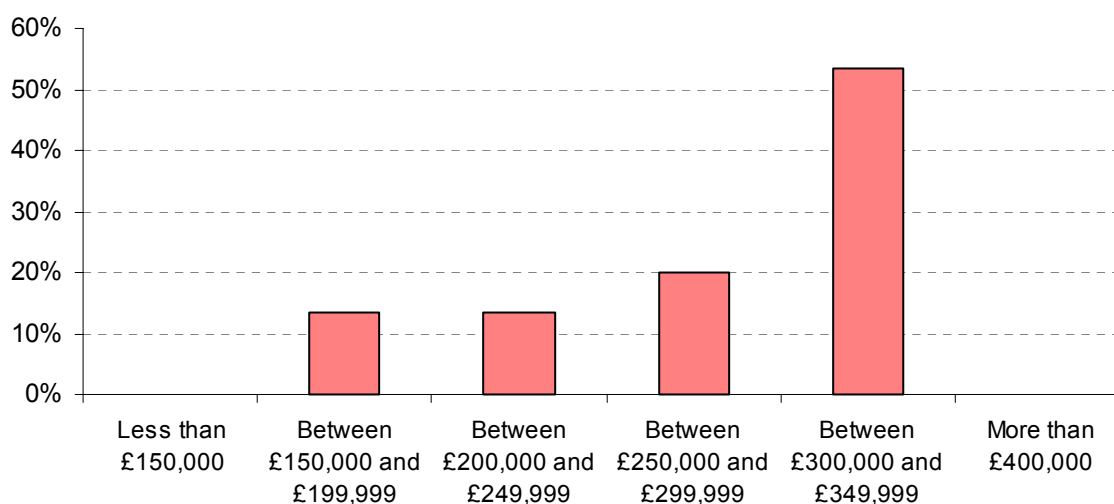
The differences between supply and demand, indicating potential surpluses and shortfalls within each tenure and size category, are shown below. Overall, there is a shortfall of 180 dwelling units over the next five-year period. Two-thirds of the shortfall (120 units) is for 1-bedroom units and a third (60 units) for 2-bedroom units.

Table 22: Five-year requirement (supply-demand) by tenure and size of dwelling unit.

| Tenure/<br>Size | Owner<br>occupier | States<br>rental | Housing<br>Trust/Parish<br>rental | Private<br>rental | Total        |
|-----------------|-------------------|------------------|-----------------------------------|-------------------|--------------|
| 1 bed           | (40)              | (55)             | (25)                              | (+)               | (120)        |
| 2 bed           | (40)              | (40)             | (10)                              | 30                | (60)         |
| <b>Total</b>    | <b>(85)</b>       | <b>(90)</b>      | <b>(35)</b>                       | 25                | <b>(180)</b> |

Of households wishing to buy older persons' housing, around half (53%) are looking for a property priced between £300,000 and £349,000 (see Figure 11).

Figure 11: Price range requirement for households wishing to purchase older persons' housing.



More than a quarter (28%) of households planning on moving to older persons' housing in the next five years wish to live in the urban area of Jersey (see definitions), followed by just under a quarter (23%) showing no preference. About a sixth (18%) would like to live in the west of the Island.

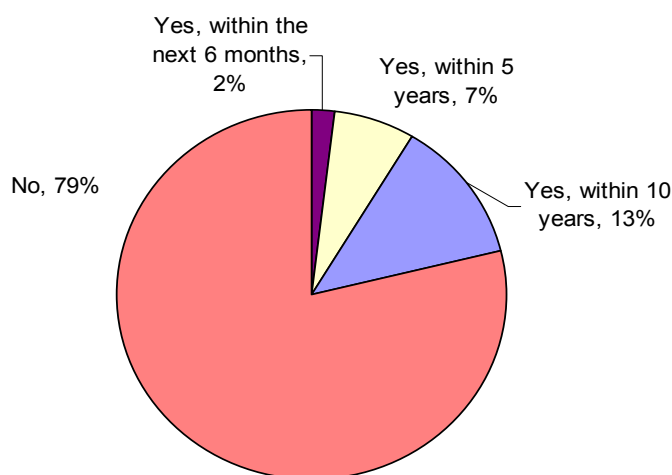
### **Older Persons' Housing - Inclination**

To gauge the potential level of interest in older persons' housing in Jersey, all respondents (whether planning to move or not) were asked to answer a separate section of the questionnaire relating to older persons' housing. This section asked whether respondents or member(s) of their household would be interested in moving into older persons' housing, if it were available. **Responses to such a hypothetical question would tend to be based more on inclination rather than on actual need.** However, other questions in the section do provide interesting information relating to what facilities might be required in older persons' housing.

Of the respondents who answered this section, one fifth (21%) expressed a desire to move into older persons' housing, if it were available, within the next ten-year period (Figure 12). One in ten people (9%) said they would be interested in moving to older persons' housing within the next five years.

It must be pointed out that of the respondents expressing an interest in older persons' housing within the next five years, about half (53%) had stated in earlier parts of the survey that they were **not** planning on moving within the next five years. This, in principle, could be interpreted as suggesting that a large number of people would like older persons' housing but are unable to move as it is not currently available. However, the most popular reason given for such people not moving is that they are "happy with their current home" (71%). **Such responses taken together highlight the likelihood that people answered this question in terms of inclination towards a broad concept rather than in terms of actual need.** Fewer than one in six (15%) stated that their reason for not moving was due to no suitable older persons' housing being available.

Figure 12: Percentage of households expressing a desire to move into older persons' housing.



Keeping in mind the lack of a consistent reported basis of the need for such accommodation, the grossed up numbers of households with person(s) interested in older persons' housing is shown in Table 23. Of those interested within the next ten years, nearly half (46%) were from households currently in owner-occupied accommodation and a third (33%) currently in qualified private rental. Of the 540 households interested within the next six months, more than half (56%) currently live in private rental accommodation.

**Table 23: Current tenure of households expressing an interest in older persons' housing in the future.**

| <b>Current Tenure</b>          | <b>Yes, within 6 months</b> | <b>Yes, within 5 yrs</b> | <b>Yes, within 10 yrs</b> | <b>Total Interested</b> |
|--------------------------------|-----------------------------|--------------------------|---------------------------|-------------------------|
| Owner Occupier                 | 100                         | 655                      | 1,840                     | <b>2,600</b>            |
| States rental                  | 115                         | 315                      | 480                       | <b>910</b>              |
| Housing trust/ Parish rental   | 20                          | 110                      | 120                       | <b>250</b>              |
| Private rental (qualified)     | 300                         | 675                      | 885                       | <b>1,860</b>            |
| Private rental (non-qualified) | -                           | -                        | 25                        | <b>25</b>               |
| Registered lodging house       | -                           | -                        | 50                        | <b>50</b>               |
| Staff/ service                 | -                           | -                        | -                         | <b>-</b>                |
| Private lodging                | -                           | -                        | -                         | <b>-</b>                |
| <b>All Tenures</b>             | <b>540</b>                  | <b>1,755</b>             | <b>3,405</b>              | <b>5,700</b>            |

Table 23 shows if older persons' housing were available almost 2,300 households would be interested in it over the next five years. With a potential demand of some 300 units (Table 22) recorded from households who responded that they were actually planning to move, the number of additional households interested in such accommodation reduces to about 2,000. Although the majority of these 2,000 households seem to have answered the above question in terms of inclination rather than need, it is possible to derive a measure of who have expressed a latent but real need for such accommodation. Of these 2,000 households some 8% stated they were not currently planning on moving in the next five-years due to there being no suitable older persons' housing; this corresponds to some 160 households. These 160 households may thus be considered as representing a further latent need for older persons' housing in addition to the shortfall of 180 units presented in Table 22.

Taking the above figures (180 and 160 units), and also factoring in some known reductions in current supply, a total shortfall (representing an upper bound) of up to 400 dwellings for older persons' accommodation becomes apparent.

Households were also asked which facilities they would require for older persons' housing. Respondents were able to select as many facilities as they wished. Having a small garden was the most popular facility with seven in ten (69%) respondents requiring it. This was followed by around five in ten (56%) people requiring lifts and a further four in ten (37%) requiring a warden (Figure 13). The 'Other' category included: parking/garage, being near a good bus route and having a ground floor flat.

**Figure 13: Facilities required by those interested in moving into older persons' housing in the future.**  
*(Percentages of respondents to this question)*

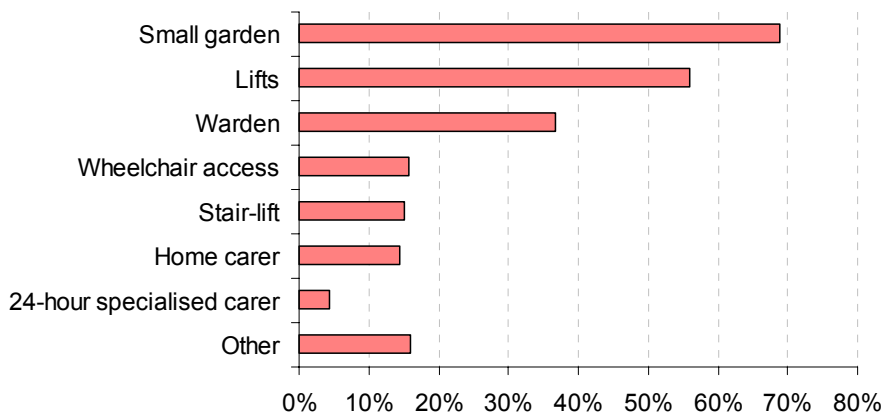
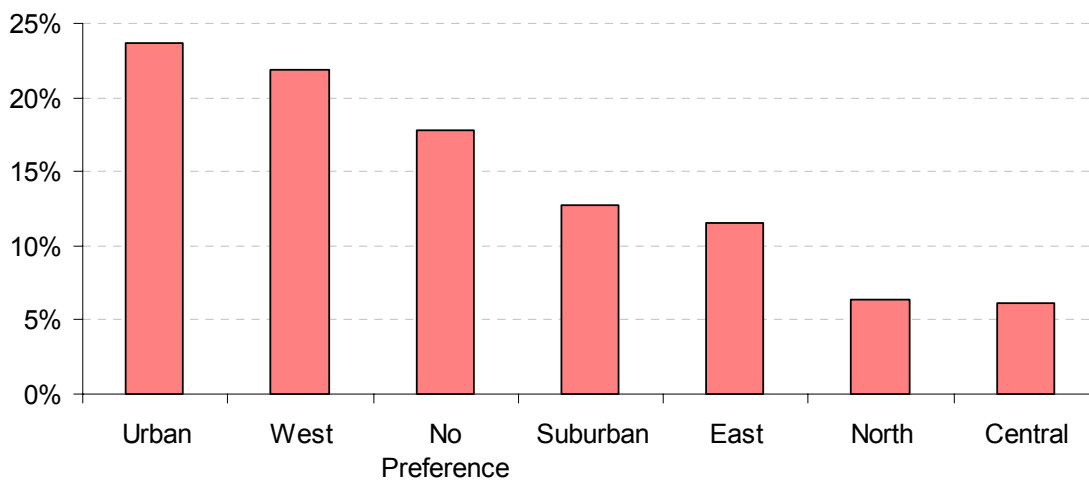


Figure 14 shows the areas (see definitions) of Jersey in which respondents interested in older persons' housing would prefer to live. The most popular choice was the urban area (24%) followed by the west (22%). About a sixth of respondents (18%) showed no preference for a particular area. The least popular areas for older persons' housing were the northern and central parts of Jersey (both 6%).

**Figure 14: Preferred area of Jersey for older persons' housing.**



Of the households interested in older persons' housing, more than half (55%) of the demand would be for single person's dwellings, with the remainder interested in dwellings for two people.



## IV Household Size

With such an excellent response rate to this survey, the resulting robust data has allowed an updated calculation of average household size in Jersey to be made.

The average number of persons per private household has continued to decline over the years with the average now standing at 2.33, a reduction of 0.05 from the 2001 Census figure (Table 24).

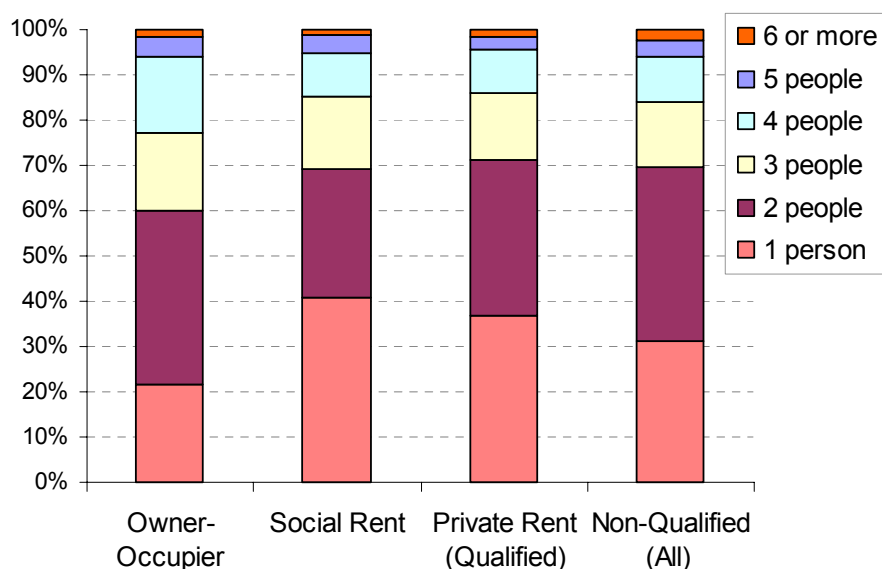
Table 24: Percentage of private households by household size.

|  | <b>2001<br/>Census</b> | <b>2007<br/>HNS</b> | <b>2006<br/>Great Britain</b> |
|--|------------------------|---------------------|-------------------------------|
| One person   | 28                     | 29                  | 29                            |
| Two people   | 36                     | 36                  | 36                            |
| Three people   | 16                     | 16                  | 16                            |
| Four people  | 14                     | 13                  | 13                            |
| Five people  | 5                      | 4                   | 4                             |
| Six or more people                                   | 2                      | 2                   | 2                             |
| <b>Average household size<br/>(number of people)</b> | <b>2.38</b>            | <b>2.33</b>         | <b>2.4</b>                    |

Almost two-thirds (65%) of private households in Jersey are comprised of one or two persons with more than a quarter (29%) of the overall total being one-person households. Owner-occupied households tend to have more people per household, with two-fifths (38%) of such households containing two people and a similar number (40%) comprising three or more people (Figure 15). Two-fifths (41%) of social rented households (States, Housing Trust and Parish tenants) are one-person households.

The long-term trend towards smaller household sizes is a contributing factor to the number of dwelling units required for the resident population. With a reduction in household size, the number of households will tend to increase and consequently so will demand for housing.

Figure 15: Household size by tenure.



## Annex A - Methodology

The rationale behind conducting a large random sample survey, such as the 2007 Housing Needs Survey (HNS), is that the results and inferences drawn from the sample are representative of the overall target population.

### Response rates

The target population of the HNS was resident private households. A large sample of over 10,150 private households (including all States tenants) was randomly selected. Within this sample there were a number of ineligible addresses (e.g. businesses or unoccupied dwellings) meaning the total number of eligible addresses was 10,000. Of these eligible addresses some households refused or were unable to complete the survey. A total of 5,548 private households completed this voluntary postal survey, giving an overall excellent response rate of 56% and thereby providing a large and robust set of data for analysis.

### Weighting

Response rates usually vary by the type of respondent, e.g. age, gender, tenure. In order to compensate for different response rates between household types, and to avoid the sample constituting a biased sub-set of the total population, the sample data was weighted. Weighting data allows the point and parameter estimates generated from the sample (e.g. totals, means and proportions) to be unbiased population estimates. The process of weighting involves assigning a particular weight to each survey respondent.

To verify that the survey profile is representative of the entire population, it is important that it is checked against other available data, e.g. from the Census or updated profiles if available. In particular, appropriate weighting must account for the disproportionately large number of States tenants sampled in the HNS.

Since the 2001 Jersey Census some changes in tenure structure have occurred, notably the increase in the total number of private households, as the population has increased, and the decrease in residentially non-qualified households as a result of the decrease in the residential qualification period. Changes made to the Jersey Housing regulations have resulted in the period of residency being reduced from 19 to 12 years, resulting in a lower proportion of non-residentially qualified households in today's population. The 2001 Census tenure data has therefore been updated to account for this change in qualification period, as well as using robust updated total population measurements and actual numbers of current social rented households obtained from States and Housing Trust/Parish rental data. The resultant updated tenure profile is shown in Table A1 along with the 2001 Census profile.

Table A1 – Household Tenure from 2001 Census and updated profile, percentages.

|                                      | <b>2001 Census</b> | <b>Updated profile</b> |
|--------------------------------------|--------------------|------------------------|
| <b>Tenure</b>                        | Percentage         | Percentage             |
| Owner Occupier                       | 51                 | 52                     |
| States/ Housing trust/ Parish rental | 14                 | 16                     |
| Private rental (Qualified)           | 22                 | 24                     |
| Non-Qualified                        | 13                 | 9                      |
| <b>Total</b>                         | <b>100</b>         | <b>100</b>             |

Table A2 presents the sample tenure data alongside the *updated* tenure profile. As expected, a considerably larger proportion of States tenants responded to the HNS than their representation in the overall population, which is simply a result of all States tenants receiving a survey. In contrast, a much lower proportion of households living in non-qualified rental accommodation responded to the HNS.

Table A2 – Household Tenure profile of the un-weighted HNS responses.

| Tenure                         | HNS        | Updated tenure profile | Implied weighting factor |
|--------------------------------|------------|------------------------|--------------------------|
|                                | Percentage | Percentage             |                          |
| Owner Occupied                 | 40         | 52                     | 1.28997                  |
| States rental                  | 46         | 12                     | 0.25678                  |
| Housing trust/ Parish rental   | 2          | 4                      | 1.64033                  |
| Private rental (Qualified)     | 9          | 24                     | 2.68244                  |
| Private rental (Non-Qualified) | 2          | 9                      | 3.91198                  |
| Unspecified                    | +          | -                      | 1.00000                  |
| <b>Total</b>                   | <b>100</b> | <b>100</b>             |                          |

Given the differences in response rates from different tenures, it was necessary to apply the weighting factors to the survey data to make the data representative of the target population of private households in Jersey. This process of post-stratification meant, for example, that every response from a household living in States rental accommodation had a reduced weight (by a factor of 0.26) whilst those living in non-qualified private rent had an increased weight (by a factor of 3.9). Table A3 shows the sample tenure profile after weighting, and highlights that the weighted tenure distribution is now the same as the full updated tenure profile. The weighted data is known as the “effective sample”.

Table A3 – Tenure profile of weighted HNS respondents.

| Tenure                         | Number       | Percentage |
|--------------------------------|--------------|------------|
| Owner Occupied                 | 2,865        | 52         |
| States rental                  | 659          | 12         |
| Housing trust/ Parish rental   | 220          | 4          |
| Private rental (Qualified)     | 1,304        | 24         |
| Private rental (Non-Qualified) | 485          | 9          |
| Unspecified                    | 15           | +          |
| <b>Total</b>                   | <b>5,548</b> | <b>100</b> |

After weighting the data by tenure, the distributions of household structure, Parish and property type from the HNS were compared with those of the 2001 Census and the most recent Jersey Annual Social Survey, JASS 2007. Agreement was generally very good, as is apparent in Tables A4-A6.

Table A4 – Household structure profile of weighted HNS sample, percentages.

| <b>Household composition</b>                             | <b>HNS</b> | <b>2001 Census</b> |
|--|------------|--------------------|
| Couple (both not pensioners)                             | 19         | 18                 |
| Couple with at least one dependent child aged under 16   | 18         | 20                 |
| Single parent with at least one dependent child under 16 | 4          | 4                  |
| Person living alone (not pensioner)                      | 17         | 16                 |
| Person living alone (pensioner)                          | 12         | 12                 |
| Two or more pensioners                                   | 10         | 8                  |
| Other  | 20         | 23                 |
| <b>Total</b>   | <b>100</b> | <b>100</b>         |

Table A5 – Household Parish profile of weighted HNS sample, percentages.

| <b>Parish</b> | <b>HNS</b> | <b>2001 Census</b> |
|---------------|------------|--------------------|
| Grouville     | 6          | 5                  |
| St Brelade    | 11         | 11                 |
| St Clement    | 9          | 9                  |
| St Helier     | 35         | 36                 |
| St John       | 3          | 3                  |
| St Lawrence   | 5          | 5                  |
| St Martin     | 4          | 4                  |
| St Mary       | 2          | 2                  |
| St Ouen       | 5          | 4                  |
| St Peter      | 5          | 5                  |
| St Saviour    | 13         | 14                 |
| Trinity       | 2          | 3                  |
| Unspecified   | +          | -                  |
| <b>Total</b>  | <b>100</b> | <b>100</b>         |

Table A6 – Property type and size profile of JASS and weighted HNS sample.

| <b>JASS 2007</b>              | <b>One bedroom</b> | <b>Two bedrooms</b> | <b>Three bedrooms</b> | <b>Four bedrooms</b> | <b>Five or more bedrooms</b> |
|-------------------------------|--------------------|---------------------|-----------------------|----------------------|------------------------------|
| Bedsit                        | 15                 | 0                   | 0                     | 0                    | 0                            |
| Flat/ maisonette              | 75                 | 58                  | 6                     | 0                    | 0                            |
| Semi-detached/ terraced house | 5                  | 23                  | 54                    | 33                   | 20                           |
| Detached house/ bungalow      | 5                  | 19                  | 40                    | 67                   | 80                           |
| <b>Total</b>                  | <b>100</b>         | <b>100</b>          | <b>100</b>            | <b>100</b>           | <b>100</b>                   |

| <b>HNS 2007</b>               | <b>One bedroom</b> | <b>Two bedrooms</b> | <b>Three bedrooms</b> | <b>Four bedrooms</b> | <b>Five or more bedrooms</b> |
|-------------------------------|--------------------|---------------------|-----------------------|----------------------|------------------------------|
| Bedsit                        | 12                 | 0                   | 0                     | 0                    | 0                            |
| Flat/ maisonette              | 79                 | 57                  | 7                     | 1                    | 4                            |
| Semi-detached/ terraced house | 4                  | 21                  | 52                    | 33                   | 23                           |
| Detached house/ bungalow      | 5                  | 21                  | 41                    | 66                   | 74                           |
| <b>Total</b>                  | <b>100</b>         | <b>100</b>          | <b>100</b>            | <b>100</b>           | <b>100</b>                   |

Thus, the weighted scheme makes the sample data more representative of the total target population and therefore enables us to draw robust estimates about the population as a whole.

## **Grossing-up Methodology**

The second important factor involved within the analysis of the sample data is that of “grossing-up”. This process involves applying a multiplying factor to the sample data so that results refer to the whole target population.

With the sample of respondents representative of the Jersey household population as a result of weighting, a simple uniform grossing up method can be used to obtain aggregate estimates. The method involves taking the sum across all respondents of the variable of interest and to multiply it by the ratio of the number of households in the population to the number of total respondents in the sample. The resulting grossing factor was approximately 6.6. An updated total number of households for year-end of 2007 will be included in the upcoming report on Jersey’s resident population (to be published on 4 June 2008).

## Annex B - Notes

The tenure categories specified in this report correspond to those of the 2001 Census (except for “Private rental (NQ)” – see below) whereby the residential status of a household corresponds to that of the designated head of household. The (a-h), (j) and (k) classifications of residential qualification are as defined by Jersey Housing Law.

### Housing qualifications:

- (a-h category): qualifications through a period of residence;
- (j category): qualifications through essential employment;
- (k category): high value resident.

### Residentially qualified tenure categories:

Owner-occupier: includes purchase by share transfer or on a lease of more than 9 years; principally (a-h), but also some (j) and (k) category

States rental: (a-h) tenant of States housing

Housing Trust /Parish rental: (a-h) tenant of a Housing trust or Parish association

Private rental: (a-h) or (j) tenant or occupier of private accommodation

### Non-residentially qualified tenures:

Private rental (NQ): non-qualified occupier of private accommodation;  
*the tenure category “Private rent (NQ)” technically does not exist under current Jersey Housing Law but is used throughout this report to characterise residentially non-qualified households who were unsure of their exact classification in terms of private lodging (i.e. lodger), registered lodging house or staff/service accommodation.*

Private Lodging: non-qualified *lodger* in a private dwelling

Registered Lodging House:  
non-qualified *lodger* in a Registered Lodging House

Staff/service: non-qualified occupier of tied (i.e. staff) accommodation

## Definitions

Throughout the report, and within the survey on which the analysis was completed, the following definitions have been applied.

### Housing Type

- Older persons’ housing: housing designed for people aged 55 or over to live in a socially supportive environment which enables them to live somewhat independently, whilst also being able to receive assistance from agencies such as Family Nursing and Home Care. Such homes can be houses, bungalows or flats. (It is also known as, or incorporates, sheltered accommodation, retirement homes and life-long homes)
- Nursing (care)/residential homes: communal establishments which provide full-time care for residents, e.g. Silver Springs

### Household

One person living alone, or a group of people (not necessarily related) living at the same address with common housekeeping, i.e. sharing either a living/sitting room, or at least one meal a day.