

**Draft Island Plan Review
Supporting Planning Statement**

**Proposal to Re-Zone
Samares Nurseries
for Category A Housing**

Policy H1 (3)

CONTENTS

1.0 Introduction	1
2.0 Proposal	1
2.1 Dwelling Provision	1
2.2 Open Space Provision	2
2.3 Cycle Route Provision	2
3.0 Relevant Planning History	2
4.0 Need for Additional Dwellings	3
5.0 Need for Category A Housing	3
6.0 Meeting the Demand for Housing	4
6.1 Political Background	4
6.2 Town of St. Helier	5
7.0 Principal of Development	7
7.1 Potential Landscape Impact	7
7.2 Potential Impact of Additional Dwellings on the Character of St Clement	8
8.0 Traffic Generation & Access	9
8.1 Access onto La Grande Route de St. Clement	9
8.2 Traffic Generation & Alternative Modes of Transport	9
9.0 Ecological Status	10
10.0 Landscaping	11
11.0 Foul and Surface Water Drainage	12
12.0 Demolition and Waste Management	12
13.0 Other Material Considerations	13
14.0 Conclusion	14

APPENDICES

Jersey Evening Post Extract	Appendix 1
A Review of Social Housing - Cambridge Centre for Housing & Planning Research	Appendix 2
Jersey Evening Post Extract	Appendix 3
Transport Appraisal	Appendix 4
Noise Assessment	Appendix 5
Ecology – Extended Phase 1 Survey Report	Appendix 6
Phase 1 Geo-technical and Geo-environmental Desk Study Report	Appendix 7

1.0 INTRODUCTION

This submission to the Independent Inspector has been prepared on behalf of the owner of the former Samares Nurseries and in support of the Planning Minister's proposal to re-zone the site (Policy H2 (3)) for Category A Housing in the White Paper relating to the Draft Island Plan.

It has been developed in response to the publication of the Draft Island Plan and the received public representations. Its purpose is to inform the Independent Examination in Public regarding the key issues relating to the re-zoning, namely housing need and potential yield, traffic generation and access requirements, and impact on the character and amenity of the area.

It is hoped that the extensive investigations and reports prepared by AECOM and the University of Cambridge, as summarised within this document, will address any concerns raised by local residents, their representatives and the Planning Inspector.

In providing a more in depth analysis of the site, this document supports the Minister for Planning and Environment's proposal to re-zone the site. It demonstrates the reasonable nature of the proposal having regard to all the material considerations and how it will assist in achieving the aims of the States Strategic Plan, Draft Island Plan "Proposal 16" the Provision of Homes" and "Policy H 1", Category A Housing Sites.

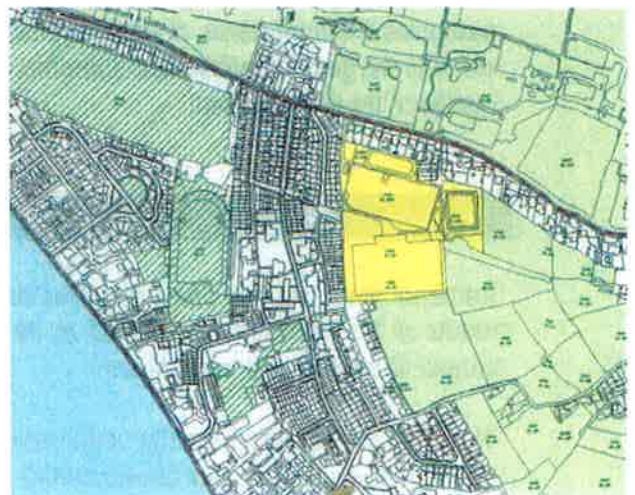
It is also clear from the Housing Minister's recent declaration that the Draft Island Plan does not make sufficient provision for affordable or first time buyer housing (See JEP Extract in [Appendix 1](#)). Therefore the possibility of losing this site because of political pressure, would result in the loss of half of the Category A Housing provided for in this Draft Plan, which has to be untenable given the adverse consequences this would have.

2.0 PROPOSAL

The Draft Island Plan proposes that the site is re-zoned for Category A housing and should also include provision for the eastern cycle route and open space.

2.1 Dwelling Provision

It is estimated that the 9.8 acre (22 verges) site will yield between 100-150 dwellings at 10-15 dwellings per acre. It is by far the largest Category A site of the seven proposed and would yield half the total of Category A homes provided for by this Draft Plan. Its strategic importance cannot therefore be underestimated. Regardless of the total number of dwellings, 25% would be "first time buyer" and 75% Jersey Homebuy.



H2 (3) Samares Nurseries site proposed for re-zoning (shown in yellow)

The owners, although agreeable to the principle of a mix of homebuyer and 1st time buyer housing, need to reserve their position in this respect. Given the likely costs of demolition and site assembly, remediation of the land, provision of the Eastern Cycle route, off-site costs and Percentage for Art, it is

worthwhile questioning whether the ratio of homebuyer to 1st time buyer will be sufficiently commercially attractive to develop it on this basis.

In order to meet identified need, the Draft Island Plan requires the anticipated 100-150 dwellings to have a mixed tenure of dwelling types as set out in Table 1 albeit the actual mix of tenure and relative final number of dwellings of each type would be subject of the final Housing Development Brief.

Dwelling Type	Percentage
1 bed flat	10
2 bed flat	20
2 bed house	20
3 bed house	40
4 bed house	10

Table 1

2.2 Open Space Provision

Amenity space, anticipated by the Draft Housing Brief as a “village green”, would account for 10% (approx. 1 acre or 2.25 verges) of the site in addition to the private amenity space provided to each dwelling.

2.3 Cycle Route Provision

The site’s location within the Eastern Cycle Route Corridor means, in accordance with Policy TT3, that the Samares Nurseries site would be assessed against its potential to contribute to the Eastern Cycle Route. Given the size of the development, the need for sustainable transport solutions, its location near existing residential and community facilities and the location of the former railway line running through the site, it is anticipated that the Planning and Environment Minister would require cycle track provision as part of the development.

It is understood that the cycle track would have to be a minimum of 3m wide (and appropriately landscaped) thus reducing the potential number of units on the site. However, the owners of the site recognise the importance of such a public facility, the benefits it could bring to both the residents on the site and the general public, and therefore support its provision within the site as part of raising the overall quality of the development.

3.0 RELEVANT PLANNING HISTORY

Samares Nurseries has been identified since 2002 as potentially important to meeting the acute housing needs of the Island. It was zoned as an H3 Housing Site that is appropriate for Category A Housing subject to undergoing consultation.

The Draft Island Plan currently under review acts as the public consultation process previously required to bring the site forward for development. It is important to note that the 2002 Island Plan advises that the decision to re-zone the site (and other similar status sites) would “*depend on housing demand and land availability*” and, essentially, the premise remains.

As set out in the Draft Island Plan and this document, there is substantial housing demand (4,000 units) and limited land available for new housing. Indeed this later point is reflected by the Samares Nurseries site, albeit relatively small at just 9.8 acres, would provide 49% of only 20 acres available to Islanders for

new Category A dwellings. Despite the resulting importance to providing Category A Housing, this would be achieved without harm to the character of St. Clement or the amenity of area.

It should also be noted that because of the glasshouse footings, the concrete yard and driveways and the potential level of contamination and waste material within the site, it would simply not be economically viable to remediate the land, remove all the waste and revert it to agricultural use. For instance, it is not readily apparent from visiting the site that the part of the land, between the entrance and the existing main reservoir, was formally a reservoir but has been in-filled with material from the demolition of the original glasshouses. The development of the site would allow such issues to be dealt with but means that the possibility of reverting the site back to agricultural use, as is suggested by the opponents to the re-zoning, is simply not viable.

4.0 NEED FOR ADDITIONAL DWELLINGS

The need for additional development in Jersey to house a growing and ageing population is abundantly clear; therefore the arguments will not be rehearsed in full within this document.

However, it should be noted that the States of Jersey Strategic Plan 2009-2014 has committed the Planning and Environment Minister to providing adequate housing without further re-zoning of green areas. The resulting Island Plan has been tasked to deliver sufficient housing of various affordable tenures, in a sustainable manner without re-zoning undeveloped areas, whilst also bringing about regeneration.

This is an ambitious target and it has been questioned (and is likely to be subject to debate at the Independent Examination in public) whether St. Helier and the Category A sites identified will alone be able to achieve the necessary number of dwellings. Notwithstanding whether the States of Jersey decide to allow a more flexible approach to the provision of housing, the Samares Nurseries site (which is a genuine brownfield site) is an ideal site to meet the requirements of the States of Jersey and Islander's aspirations for good quality accommodation.

A total of 4,000 additional homes are estimated to be required between 2009 and 2018, however this considerable number is 625 dwellings below the total potential estimated supply. The question therefore arises, particularly amongst those opposed to the re-zoning of Samares Nurseries, why this site, that will supply 100-150 homes, needs to be re-zoned at all. This narrow view is clearly addressed later in this document. However, the underlying drivers for increased housing demand are:

1. Increased population because of net migration
2. An increasing number of smaller households
3. Provision of new housing for an ageing population
4. New households arising from existing sharing households

These trends are well established and anticipated to continue during the life of the Island Plan, however, they do not fully explain the current and anticipated need for Category A Housing.

5.0 NEED FOR CATEGORY A HOUSING

Category A housing is recognised as the main way in which Jersey can provide affordable housing to, primarily, house young local families. It is anticipated that this will be delivered mainly through the Jersey Homebuy scheme. This scheme which has been debated and approved by the States of Jersey, initially

for two sites on the 10th July 2008, allows first time buyers to purchase homes at 65% of the first time buyer value.

This policy should ensure that young people, and in particular young families, can have access to good quality housing which would otherwise be beyond their reach and it is acknowledged that this is a key element in achieving the States' objectives of a diverse and sustainable economy particularly in the face of an ageing population. The Strategic Plan specifically states that supporting the development of affordable housing, as would be the case at Samares Nurseries, is one of the means to adequately house the population. This need is unlikely to abate given the startling backdrop of local house prices being some 50% higher than for example greater London. As a result, 20% of Jersey's population are unable to buy a property at all and a further 40%, at best, being only able to afford a 1 or 2 bedroom flat (Cambridge Centre for Housing & Planning Research – A Review of Social Housing (See [Appendix 2](#))).

Whilst it is acknowledged that there is little unmet demand for social housing because of the allocation rules (Cambridge Centre for Housing & Planning Research) and presumably the sheer number of properties (6,200 units), the "*highly restrictive planning framework*" means that it is difficult to provide new housing for those that are ineligible for social rented housing, because their income is too great, but also cannot afford first time buyer homes. To address this pressing social issue, the Samares Nurseries site could contribute 75-113 Jersey Homebuy properties.

6.0 MEETING THE DEMAND FOR HOUSING

Given the limited number of sites zoned specifically for housing, where their delivery can be guaranteed, Samares Nurseries plays an important role in meeting the demand for 4,000 homes and as previously noted, particularly for identified Category A dwellings.

The following table summarises the supply of dwellings until 2018.

Supply	Total (No. Cat A)
2002 Island Plan	
Cat A sites	125 (125)
Lifelong Homes	300 (300)
Draft Island Plan	
St Helier Waterfront	1000 (None)
Town of St. Helier	1500 (300)
Windfall	1700 (300)
Rural Centres	100 (100)
Cat A sites	200 (200)
Less (States of Jersey) housing stock refurbishment	(-300)
Total	4625 (1025)

Table 2

The importance of Samares Nurseries should not be underestimated given that 300 homes are likely to be lost due to necessary redevelopment and refurbishment of States' housing stock and because the potential for housing in St. Helier, the rural centres and windfall sites, may not materialize, as is anticipated. None of these factors appear to have been considered by the opponents of the re-zoning when simply comparing the 4,625 supply with the 4,000 demand figures.

6.1 Political Background

In our discussions with the Housing Minister, it is clear that he sees Samares Nurseries as the most important site in the Draft Island Plan as it would deliver by far the most homes of the 7 Category A Housing sites proposed, indeed it is capable of delivering half the total of the 300 Category Homes over the next 10 years.

The Minister for Planning and Environment believes that the Draft Island Plan is what the Islanders want, however, this optimism is severely tested by the Housing Minister's comments at the Draft Island Plan Stakeholders meeting (26/11/09) that the 7 category A housing sites would not satisfy half the need for this form of housing. This concern is further validated by the comments of the Assistant Housing Minister who stated in January 2010 (See JEP Extract in Appendix 3) that a housing supply shortage existed and that, in this regard, the Draft Island Plan was flawed. In addition, little political support has arisen for the rural centre developments particularly in the face of public criticism of green field development.

It is also widely known that the Minister for Planning and Environment has given an undertaking to the Committee of Connetables that no sites would be taken forward that they objected to. Given that the Connetable of St. Clement has instigated a petition against the re-zoning of Samares Nurseries, it is extremely worrying that political pressure might prevent the most important Category A housing site from delivering housing which, as demonstrated by the Housing Minister and Assistant Minister's comments, would be disastrous to local lower income and 1st time buyer families.

Moreover, this concession to the Connetables will ensure that parochial interests are given more importance than island-wide interests, which runs counter to the purpose of the Island Planning Law (2002) which requires orderly and comprehensive development. It also places the whole consultation process in disrepute if such decisions have already been pre-determined.

6.2 Town of St. Helier

Perhaps most worrying however, is the heavy reliance of the Town of St. Helier to deliver 1500, and in combination with other windfall sites, to deliver 3200 units.

Whilst St. Helier is portrayed by the Draft Island Plan as the focus for new development and that residential development is likely to be the "driver" for regeneration, it is unlikely that the town of St. Helier will be able to provide the mix and quality of residential development desired by the Island either initially or in the longer term, particularly if high density standards are to be adopted. Even where development could be said to be easier, on green field sites, public pressure has forced residential densities lower.

The recent economic troubles have for instance, halted the development of the Esplanade Quarter and therefore have delayed (at the very least) the "expected" 400 homes on this site as well as the primary office development that may have enabled some limited residential development in St. Helier. Whilst such international financial pressures undoubtedly affect Jersey, local economics in combination with Draft Island Plan policies will also lessen the potential for residential development in town still further. Specifically, there is no commercial incentive as residential land values fail to outweigh existing commercial land values particularly if, as proposed within the Draft Island Plan, most windfall sites would be required to provide 40% "affordable housing" thus reducing land values of these sites by 40% (BNP Paribas Real Estates), effectively making residential development more risky and less profitable. As a result, the credit required from leading institutions to finance residential development, would be more difficult to obtain.

In addition, previous attempts to direct development into the Built-Up Area and re-use remaining brownfield or underutilized areas of the town, have failed to produce developments of a significant

enough scale to arrest the growing housing shortage. In part this is because there has and will continue to be, other commercial and public development pressures that competes for the same finite land resource. Indeed, where St. Helier has delivered, a large proportion of these new homes have in fact been created on the waterfront where the complexity of landownership and meeting development control standards is less.

The historically restrictive and in-flexibly applied standards, such as for amenity space and car parking provision, and also a reluctance to embrace more innovative design solutions, has dogged development within St. Helier. However there are a multitude of factors in the development process, including the longstanding aspiration of Islanders living in low residential density environments, preventing large numbers of high-quality residential units being constructed in town. In addition, the opportunities for family dwellings rather than flats in town will be very limited.

Additionally, site constraints such as poor access, the increasing numbers of Registered Buildings and proposed conservation and archaeological areas, further restricts potential development opportunities. An increased level of public and therefore political interest in development, as acknowledged by the Island Plan Review and the Cambridge Centre for Housing & Planning Research, has meant that securing planning permission has become more difficult and the threat of third Party Appeals further complicates the system (i.e. Westmount Quarry permit has been quashed following a 3rd Party Appeal). Even sites within public ownership, such as the former Sunshine Hotel and Salisbury Crescent have lain vacant for years despite benefiting from planning permission. The difficulty in encouraging and achieving development within St. Helier is highlighted by the fact that only 1 of the H4 Category A sites, as defined by the Jersey Island Plan, 2002, within the town has been successfully developed (but, significantly not for Category A Housing) during the Island Plan period thus highlighting the need to provide some alternative sites outside the town for much needed Category A Housing.

In addition, it is likely that a number of the potential private sites will not be released as expected for two specific reasons. Firstly, the delay in the commencement of the Esplanade Quarter means that secondary offices will certainly remain occupied and will not be released for residential development, notwithstanding the lower values achievable for residential compared to office use, and the obligation on landlords to honour long-term leases, effectively prevents this anyway. Secondly, the Draft Island Plan does not appear to provide adequate industrial/commercial land to enable the wide range of commercial premises within St. Helier (often housed in inefficient buildings) to be relocated to release land for residential development. Compounding these factors is proposed Policy E1 which presumes against the loss of employment land in town and on other potential windfall sites, subject to a viability test. It is clear that this policy will (and is designed to) prevent the development of many sites for purposes other than employment which, in the local context, means opportunities for residential development will be further limited.

However, the States of Jersey's inability to encourage land owners to assemble sites in order to use land efficiently and to remove potential development control concerns has often lead to refusal of otherwise acceptable developments and is likely to continue to delay or prevent the development of the expected 1,500 homes. In reality, multiple and fragmented ownerships of land in town has lead, and will most likely continue to do so, to the varied interests of individual owners being paramount. Given that Compulsory Purchase is neither considered desirable nor politically and financially acceptable, as highlighted by the recent Plémont Holiday Village site decision by the States of Jersey, it is unlikely that this situation will change.

Yet, despite all these factors, the Draft Island Plan is clear in stating that the supply of 1500 homes in the Town of St. Helier is "*dependent upon opportunities emerging through the release of sites driven by private sector development proposals*". Given the practical and political difficulties outlined above it is

critical, therefore, that the more realistic opportunity at Samares Nurseries is realised, particularly to meet the short-term need for lower income and 1st time buyer family housing.

7.0 PRINCIPLE OF DEVELOPMENT

The Island Plan Review process acknowledges the increasingly politicised nature of land use decision making in Jersey and it is against this backdrop that the proposed re-zoning of Samares Nurseries will be considered.

For this reason, and the degree to which development has taken place within St. Clement since 2002, the proposal is likely to raise a relatively large number of public representations. Indeed, the Connetable of the Parish of St. Clement has organised a petition by sending it, it is understood, to every household in the Parish.

Nevertheless, the public responses posted on the Island Plan consultation portal to date have been more positive than negative. Many of the comments received in relation to the H1 sites, Category A Housing and Sustainable Development support either all the H1 sites or the principle of the re-use of already developed land. Overall, there seems to be a general acceptance that re-using brownfield sites is the most beneficial manner to provide new housing whilst maintaining green fields.

It is disappointing therefore that a petition, based on an entirely negative premise put forward by the Connetable may sway the political debate without a reasoned review of the benefits of the site as set out in greater detail below. In particular, there is real concern about the validity of the petition given that minors are believed to have signed it, and door to door canvassing has taken place without an explanation of all the relevant issues surrounding the need for Category A Housing. The Connetable's assumption that the provision of housing (4,625 units) outweighs the need (4,000 units) means that there is no problem. This is an over-simplistic view and quite disingenuous having regard to the fact that the Connetable has previously served as Housing Minister so should understand the complexities involved and, therefore, the pressing requirement to supply Category A houses for local young families, which is seriously under provided.

Aside from the difficulty in delivering the 4000 homes required, the Connetable is ignoring the Island wide benefits arising from the fact that the Samares Nurseries site is sustainable spatially and will offer a good quality of living for people whom would otherwise be unable to afford a property. Moreover, the concerns raised fail to acknowledge that to revert the land to agricultural use is economically unviable, nor the limited impact that the development would have on the Parish of St. Clement. Moreover, this is the only site proposed to be re-zoned in St Clement so it is not as though the Parish is being burdened with a disproportionate amount of sites for Category A Housing.

7.1 Potential Landscape Impact

The development would not result in the loss of any open fields or undeveloped land. The Parish, and in particular neighbouring properties, would benefit from the removal of redundant and increasingly derelict buildings. These are increasingly used as a fly tipping area for household effects, garden waste and building materials and also as a playground to the children on surrounding estates and therefore pose a real threat to their safety.

Public views of the site are in fact extremely limited resulting in the any future development of the site, therefore, having only a very minimal impact on the visual character of the Parish. Aside from the access point, it is not possible to see the site at all from La Grande Route de St. Clement due to the adjacent Manor Close and Le Squez Estate, and the ribbon development of dwellings fronting the main road for

approximately 500m to the east. Views are similarly restricted from the southwest. Along La Rue du Maupertuis (south and southeast of the site) views are also obscured by existing development and field boundaries. However, where views of the site are possible (including from private dwellings), these are only of decaying glasshouses that are harmful to the scenic quality of the area.

Equally, any new Category A Housing on this site would be seen within the landscape as a natural extension of the existing dwellings and this is preferable, both politically and in terms of the character of Island to development on isolated green field sites which is the only practical alternative to re-zoning already developed land. Indeed, as recently as 25th February 2010 the Minister for Planning and Environment stated in the Jersey Evening Post that *"we have not proposed re-zoning large areas of countryside [because] that is not what Islanders want us to do"*. The re-zoning of this site, as one of very few put forward, demonstrates that the Planning Minister does not believe it would have an unreasonable impact on the landscape. This logic is supported by the Countryside Character Appraisal that states that the *"St. Clement area has some capacity for change and can accept new development, provided this is carefully located and linked with appropriate environmental measures"*.

The Countryside Character Appraisal goes on to offer specific criteria to ensure that new development does not harm the landscape character of the area. The proposal fulfils all these requirements in that it:

- Does not encroach upon the area north of Samares Manor.
- Does not involve land on the flat peninsular of land extending to La Rocque Point.
- Will not result in the loss of any long view out over the coastal plain.
- Will not result in the loss of any view from the coast road of rural areas.
- Will result in environmental enhancement and restoration of field boundaries.

7.2 Potential Impact of Additional Dwellings on the Character of St Clement

The States of Jersey Statistical Unit report (2008) states that 51% of St. Clement's land is cultivated or natural vegetation and 2% is commercial glasshouses. 38% is defined as the built environment (which includes man-made surfaces such as buildings, roads, footpaths, domestic gardens, harbour areas etc). The re-zoning and development of the Samares Nurseries site would not reduce the amount of undeveloped land, and at just 9.8 acres of the Parish total size 1,063 acres, could not have a significant effect on the character of the Parish.

Furthermore, the addition of between 100-150 households would not have a significant impact on the number of residents in St. Clement which stood (in 2001) at 8,196, and similarly on essential services which, in any event, are mainly located in nearby St. Helier.

As a result of this and the landscape issues detailed above, the proposal to re-zone this part of the Parish, which is essentially urban in character, would not have a detrimental impact on the character of the area or the clearly defined countryside to the east and southeast which would remain.

8.0 TRAFFIC GENERATION & ACCESS

The development of the site has the support of the Highway Authority. However, in recognition of the potential traffic implications of 100-150 new dwellings, a Transport Appraisal (See [Appendix 4](#)) has been completed. It concludes *"at this stage it is considered that there are no significant transport reasons why a proposed residential development of up to 150 dwellings at the Samaras Nursery site should not be included in the adopted Island Plan"*.

8.1 Access onto La Grande Route de St. Clement

It is acknowledged that the proposed development would increase the number of vehicular movements to and from the site and therefore it is reasonable to improve the existing access which is substandard in terms of both pedestrian and highway visibility.

An access, designed in accordance with T&TS standards for highway and pedestrian visibility can easily be provided to serve the development by demolishing a bungalow (within the same ownership) which is of no architectural value. The neighbouring land owner to the east has confirmed that they are prepared to agree to the setting back of the roadside wall and fence by 1m should this be necessary to provide improved visibility.

The Traffic Assessment also demonstrates that this access from the site onto La Grande Route de St. Clement would not cause any highway capacity issues immediately adjacent and queuing would not occur on the public highway.

8.2 Traffic Generation & Alternative Modes of Transport

Traffic generation from the proposed development has been calculated in accordance with T&TS rates. 150 dwellings would result in 128 more two-way movements at the AM peak (0800-0900), and 38 more at the PM peak (1700-1800), 75% of which would be expected to use La Grande Route de St. Clement both to and from the site.

Whilst it is acknowledged that the affect of the development on the existing junctions in the La Greve d'Azette and Georgetown area would be material and therefore would require further assessment as part of the normal planning application process, this is likely to be the same for any new housing site and does not preclude the site from being re-zoned. In addition, the Noise Assessment has concluded that only a minor increase in road traffic noise would be noticeable along La Grande Route de St. Clement.



View east of existing access which has the potential to be improved.

More importantly, because of the site's excellent location spatially, supported by some of the most frequent bus routes in the Island, and within easy cycling and a reasonable walking distance (along a complete footpath network) of St. Helier, the development of this site will allow residents to choose more sustainable forms of transport other than the private car. Given that the level of traffic resulting from the development is linked to on-site parking provision, the maximum level of parking provision (Proposal 19 of the Draft Island Plan) should lessen private vehicle trips and, as a result, traffic generated by the

development may be less than is predicted, particularly at peak times. Considerate design would also prevent traffic noise (estimated to be only 10 dB(A) more than currently (See Noise Assessment in Appendix 5)) from harming the amenity of neighbouring properties.

Moreover, the development of this site will actually contribute, through the provision of part of the eastern cycle network and additional support for local bus services, to reducing private car journeys in the longer term and thus assist in meeting Objective TT1 of the Draft Island Plan. This Objective supports the Draft Integrated Travel and Transport Plan to increase bus patronage, cycle use and pedestrian levels, particularly in the context of the site's close proximity to Primary and Secondary schools, community, recreational and shopping facilities.

The transport choices available to the future residents of the site and its contribution to alternative means of transport, in combination with the re-use of already developed land and immediate access to facilities, are important reasons why this site is appropriate to meeting the Island's need for affordable housing.

9.0 ECOLOGICAL STATUS

Neither the current nor the draft Island Plan identifies the site as having any ecological importance. However, in order to inform the examination in public, an Ecological Survey Report (See Appendix 6) of the site has been undertaken. The aim of this survey is to outline the ecological issues associated with the site, provide advice for any other more detailed surveys and advise on the potential ecological constraints and opportunities.

The results demonstrate that it is unlikely that a residential development would have any significant negative effects given that the site is of only very limited ecological value. In particular, the report states that no negative impacts would result upon the nearest sites designated for Nature Conservation as none of them are physically linked to the site or are of the same type of habitat.

Although this single ecological report cannot be taken as confirmation that particular species are absent, the data collected and information received states that the most important species, common toads (or indeed any other amphibian species), bats, the roosts of protected birds, reptiles, red squirrels or protected plants have not been recorded on the site. However, it is acknowledged that the site could have the potential to support many of these species and as such a detailed species survey would need to be undertaken and mitigation works if these species were found to be present.

There would appear to be no reason why the re-zoning and subsequent development should harm protected species and indeed, could be used to permanently enhance their habitats through careful planning, design and delivery of boundary treatments, the cycle track, open space and gardens.

10.0 LANDSCAPING

The existing boundary planting is sufficient to soften the appearance of glasshouse complex and provide a definitive delineation between the site and the countryside beyond. However, the Ecological Report, supported by the description in the Countryside Character Appraisal, demonstrates that these are species poor and also defunct in places, no doubt reflecting the commercial use of the site and recent years of neglect.

To maintain the character of the area it is envisaged that the southern boundary planting and bank would be retained and strengthened as part of the development to improve the character of the area and address the above bio-diversity issue. The western boundary adjacent to La Blanche Pierre has some Poplar trees however these are being removed by the States of Jersey because they are unsafe. The re-zoning and development of the site would therefore provide considerable opportunities to strengthen boundary planting and, in particular, to replace those areas and trees that are in poor condition or whose replacement could enhance the ecological value of the site. It is envisaged that new and replacement planting would consist of mixed indigenous species, which will better serve as a natural screen and a more effective wildlife corridor.

Such measures could be specifically targeted to improve the habitat for the many species identified in the Ecological Report that inhabit the Samares area but do not necessarily make use of the existing commercial agricultural site. In particular, the potential provision of a cycle path through the site presents an opportunity, in concert with the required public open space, not only to promote more sustainable forms of transport but to establish a permanent 'green corridor' through the site. This is in stark contrast to the evolution of the site which has resulted, albeit understandably, with landscaping and environmental issues being secondary to commercial interests.

Within the site, invasive scrub growth is well established and those trees that exist, contribute little to the character of the area or the amenity of neighbouring properties.



Development would provide considerable opportunities to strengthen boundary planting and enhance the ecological value of the site



Existing southern boundary planting



Existing screen planting has insufficient space to mature and would consequently be threatened with removal as has occurred elsewhere on the site

Many existing trees appear to have been planted only to screen some of the glasshouses but without sufficient space to mature. Similarly, most of the trees to the rear of Manor Close (western boundary) are in a similar condition or have already been removed. The majority of the site is however classified as only poor semi-improved or semi-improved grass which implies a very limited ecological value.

This demonstrates that, there would appear to be little reason, ecologically or for landscape purposes, to retain much of the planting within the site. This is particularly the case when an alternative comprehensive landscaping plan suitable for the 'village green', domestic gardens and streets would have a greater and beneficial impact on the landscape and the amenity of neighbouring properties in the longer term.

11.0 FOUL AND SURFACE WATER DRAINAGE

As with any development, drainage, both foul and surface water, will need to be considered carefully. However there is no known specific reason why both should not be achieved in accordance with T&TS specifications.

Additional survey and investigation is required to finalise the drainage proposals however the development of the site will enable any on-site attenuation, upgrade of existing surface and foul sewers and pumping stations as required.

12.0 DEMOLITION AND WASTE MANAGEMENT

The demolition of the existing commercial glasshouses should not be resisted as they currently blight the site and do not contribute positively to the landscape or the amenity of the neighbouring properties. Principally however, the removal of the glasshouses and associated structures will enable the development of much needed Category A Housing.

The clearance of the site would give rise to the generation of waste material from the structures, foundations, associated storage tanks, reservoirs, boilers, chimney and dumped material all of which are a result of the site's commercial activity and recent years of disuse. It should be noted however that for safety reasons all the glass has previously been removed from the remaining glasshouses.

It is anticipated that the vast majority of the waste (including metals and hardstanding) would be able to be recycled off-site, and unlike many other brownfield sites, would give rise to comparatively little waste.

In addition, the Geo-technical and Geo-environmental Desk Study Report (See Appendix 7) has identified that waste may also be generated from the moderate risk of pollution of the site. Whilst this risk is mainly concentrated within the boiler tanks it is also possibly that soil (and groundwater) pesticide/herbicide pollution resulting from the commercial agricultural practices on the site has occurred and will require resolution. The latter point will require further investigation but the moderate risk of pollution is not a reason to prevent the site from being re-zoned particularly as the development of the site would enable the resolution of any pollution issues which should be welcomed by the residents of neighbouring properties, as they are identified as potential receptors of pollution.

13.0 OTHER MATERIAL CONSIDERATIONS

Whilst it is often the case that change, no matter how appropriate or the extent to which it is in the Island's benefit, is resisted by occupiers or owners of neighbouring properties, it is essential to recognise that approximately only 50 dwellings may be affected as opposed to approximately 150 families that would directly benefit by the proposed re-zoning. This is not to disparage the public representations received or the inclusive nature of the process itself, it is simply appropriate to look beyond the initial concerns about change in the environment, and instead focus on how a development may, and to what degree, actually affect existing residential amenity.

Whilst some of the neighbouring properties presently have views, albeit mainly from secondary windows, over the site this is not of open countryside but instead towards a decaying former commercial site. The amenity of these properties is not improved by the current situation and is specifically harmed by the position of the access road adjacent to numerous gardens and the scale and siting of the existing buildings and structures, some of which have an overbearing relationship to the neighbours. Other properties which have their views over the site obscured by the most significant boundary trees are likely to remain largely unaffected. Furthermore, because of the likely positioning of gardens to the new properties and the need for open space within the development, it is unlikely that any neighbouring property's open aspect, where existing, would be significantly affected, and certainly not dissimilar to countless other developments adjacent to existing neighbourhoods.

In addition, it is appropriate to recognise the site may well be vacant at present but as a commercial agricultural site (or if redeveloped for a different commercial use) it would be the site of a range of potentially disturbing activities, including vehicular movements, and numerous employees. This would also have an effect on the amenity of the area albeit potentially different (and therefore more harmful) in terms of hours of operation and intensity to that normally associated with residential properties. It is simply not reasonable to consider the re-zoning, and the provision of dwellings, against a redundant site that is devoid of activity and employees. Instead, the reasonable affect of residential properties within a residential area should be considered in the context of replacing it with a working site and the loss of amenity to neighbouring properties that would inevitably materialise.

Furthermore, it is clear that development control standards, along with the Minister's published Design Principles and the need for a development brief, would ensure that the design of the individual dwellings and the entire development, its form, materials, layout and landscaping would be of sufficient quality not to harm residential amenity. Specifically, these factors would ensure that unreasonable overlooking or overbearing from a residential development would not occur. Indeed, set against a context of a decaying commercial site with inappropriate planting and potential pollution, amenity benefits are likely to accrue from the development, and the associated open space and provision of the cycle path.

Moreover, it is considered that the application of the Planning Minister's normal development control standards and design principles will enable the development of the site towards the upper limit of 150 dwellings such that it would be in keeping with the character of the area and not harmful to the amenities currently enjoyed by the neighbouring properties and, finally, make efficient use of already developed land which will reduce the pressure to release other less appropriate (i.e. greenfield) sites for Category A Housing.

Lastly, it is noted that anecdotal evidence suggests that archaeology may be present on the site. This evidence from the 1930's has triggered the site's inclusion as a site of Archaeological Potential. This potential would need to be evaluated at an early stage to provide sufficient information to enable the Minister for Planning and Environment to make an informed planning decision, having regard to the value of the archaeological remains and the likely impact of the proposed development. Nevertheless, the very limited evidence of archaeological interest on the site means that this issue should not prevent the site

being put forward for re-zoning particularly given that various options open to deal with archaeological remains.

14.0 CONCLUSION

The Draft Island Plan and the subsequent investigations submitted with this representation, clearly sets out the spatial benefits of re-zoning Samares Nurseries and demonstrates that the infrastructure required is either in place or can reasonably be achieved as part of the development.

It has been demonstrated that the development of this site for Category A Housing is practically possible and is essential if local families, which do not qualify for States Housing but cannot achieve open market prices, are to be given the opportunity to purchase a home during the next 10 years. It has been shown that re-zoning this site is actually crucial given the sparsity of other re-zoned sites and the potential difficulty of delivering family homes in St. Helier.

Indeed, in our discussions with the Minister of Housing, he has identified the Samares Nurseries site as being the most important strategic site for Category A Housing and he would consider its removal from the Island Plan as being calamitous, especially as he appreciates that the 300 Category A Houses proposed in the Draft Island Plan is wholly inadequate.

Equally, it has been demonstrated that the proposal will not give rise to significant increases in traffic and indeed will contribute to the provision of alternative means of transport, in particular safer cycling facilities. Other general development considerations such as design, landscaping and potential contamination can be managed in such a way as to maintain the amenity of the immediate neighbouring properties through the Development Brief and Development Control requirements.

The representation raised by the Connetable for St. Clement fails to acknowledge that re-zoning this derelict and potentially polluted site will not have a significant effect on the character of the Parish in terms of its urbanity or that visually, it will stitch comfortably into the existing Built-Up Area. Equally, it would not be economically viable to remediate the land to revert it to agricultural land. The charge that this site is not required does not stand up to scrutiny given the difficulty of development within St. Helier, the competing needs for land, and the lack of other available appropriate sites to provide Category A Housing which needs to be delivered in the short term.

It is hoped that all the issues raised in this representation, supporting the re-zoning of Samares Nurseries site, will inform the Independent Examination in Public and lead to the retention of the site for Category A Housing.

APPENDIX 1

Minister seeks more land for affordable homes

MORE land will have to be rezoned to meet the Island's demand for affordable homes, according to the Housing Minister.

Senator Terry Le Main plans to build over 2,500 homes over the next five years for Islanders with housing qualifications.

Last week he asked States Members to put pressure on the Planning Minister for more land to be made available for development.

He said that there was no way he

could meet the demand for homes without help. I am not in a position where I alone can deliver new homes which we need,' he said. 'New, affordable homes require land to be rezoned. I am constantly pressing the Planning department and the Planning Minister to rezone land for affordable social housing, including first-time buyer homes. All I can do is

continue to press and work and press and work to make that aim.'

His comments came following questions from St Helier Deputies Paul Le Claire and Debbie De Sousa.

They asked why the Housing department had not met the demand for extra homes, as identified in a 2005 survey.

The 'Planning for Homes' survey concluded that just under 2,000 additional social housing units were needed over the following five years.

Since 2002 just over 1,400 social rental and first-time buyer homes have been built, which falls short of the requirement recommended in 2006.

Senator Le Main said that this was to do with the Planning department's refusal to rezone land.

He said that 2,550 affordable homes for the 'qualified sector' would be built over the next five years, made up of a mixture of rental housing, first-time buyer homes and open market properties.

He urged States Members to get behind him and write to the Planning department so that homes could be built.

'Please lend support so we can get some land in the next Island Plan to provide affordable homes, not only for first-time buyers but the long waiting list of people who have physical disabilities or are at retirement age. Please write to the Planning Minister showing your support,' he said.

APPENDIX 2

Cambridge Centre
for Housing &
Planning Research

**A Review of Social Housing in
Jersey**

Summary of Main Report

July 2009

**Cambridge Centre for Housing and
Planning Research
Department of Land Economy
University of Cambridge**



**UNIVERSITY OF
CAMBRIDGE**

1. Introduction: the purpose of the Review

When the States Assembly agreed the States Strategic Plan 2006-2011, it tasked the Housing Department with reviewing, developing and implementing strategies for the provision of social housing in the Island, including the long-term management of States rental accommodation.

In carrying out this Review, we were asked to provide a comprehensive picture of current social housing provision in Jersey; to identify areas of strength and weakness; and to recommend approaches which could meet social housing need in a more sustainable and effective way.

The specific terms of reference, developed with the input of the Health, Social Security and Housing Scrutiny Sub-Panel, were as follows:

1. to establish the nature and extent of the need for social housing in the Island, including whether that need is primarily related to affordability or to access;
2. to identify the agencies, including housing trusts, presently providing social housing in the Island, and the nature and extent of their involvement in each case;
3. to establish the present overall and agency-specific costs, including grants, development and interest subsidies, of providing social housing in the Island;
4. to examine the extent to which those who are presently receiving the benefit of social housing in the Island are actually in need of that assistance;
5. to establish the nature and extent of any currently unmet social housing need and known future need, with particular reference to demographic changes;
6. if there is found to be any mismatch between provision and need, to estimate the costs and any other implications of moving to a position where Jersey social housing provision targets social need more accurately;
7. to analyse the present regulatory structure, compare it with regulation in other jurisdictions, and recommend a suitable framework;
8. to analyse current policy and systems for setting social housing rents, including differentials with open market rates, and recommend changes accordingly; and
9. to consider, and to make recommendations for the future structure/status of the States of Jersey Housing Department.

2. The context of the Review

The Review takes place in a context where the vast majority of households are well housed but house prices are high by international standards and there have been growing problems of access to owner-occupation. Equally the States maintains a large role in housing provision owning and managing some 4,600 dwellings which are allocated to lower income and more vulnerable households.

The Review has also been undertaken against rapid changes in the economic environment in Jersey; increased uncertainties about government revenues; important developments with respect to both economic and land use planning in the Island and the introduction of a new Income Support system.

The Review looks not only at specific issues but also offers an opportunity to the States to take stock, and possibly redefine, the broader policy objectives which States (and more generally social) housing in the Island aims to support.

The most fundamental housing objective across developed countries is to ensure 'a decent home for every household at a price within their means'. This objective is generally achieved by a mix of regulation, subsidy and direct provision and allocation of social housing.

Regulatory standards are normally applied across all housing in a country. Acceptable standards generally rise with the standard of living and also address specific issues such as energy efficiency and the effective use of public services. However they can be costly to achieve and enforce. In the Jersey context a particular issue relates to whether the same minimum standards should apply in the non-residentially qualified sector as in the core tenures for long term residents. Another relates to where housing may be built.

Subsidies are required to ensure that those on lower incomes are able to afford decent homes and still purchase the other necessities of life. These subsidies can be in the form of income subsidies, or through rents that are below market rents, or through a mix of both approaches, especially when those in need are concentrated in a particular tenure. In Jersey both types of assistance are provided. Income Support is available for all low income residents who rent their accommodation; and below market rents across the social rented sector where large proportions of lower income vulnerable households are accommodated.

Further, there is the question of the conditions on which 'a decent home' should be provided. Owner-occupation is generally seen as being a matter of choice where households should be able to manage their own risks (although there are growing concerns across Europe about the need for safety nets). The rented sector provides for two groups of households: those who are mobile and whose circumstances are changing and do not yet want to buy and those, mainly on lower incomes, for whom renting is likely to be their lifetime tenure. For this group security of tenure is important, especially as people grow older and more settled. The social sector in Jersey, unlike most other countries, does not provide security of tenure with respect to the individual dwelling, but rather to an appropriately sized dwelling. There are obvious tensions between, on the one hand effective targeting and management of the social stock and on the other tenants' rights to security, the resolution of which forms part of a broader social housing policy for the twenty first century.

In Western Europe, these policy aims have generally been achieved by a mixture of income support and the provision of some form of social housing although the extent of provision varies widely, from around 3% in Norway, to just under 20% in England, up to around 40% in the Netherlands.

There is also a wide spectrum of forms of ownership of social housing across Western Europe, from public ownership (mainly by local authorities and municipalities), to not-for-profit ownership (mainly by housing associations) to common ownership by tenants (mainly housing co-operatives). Many countries, such as England and Sweden, have a 'mixed economy' with more than one kind of ownership (mainly a combination of local authorities and housing associations).

Jersey is unusual in that the bulk of social housing (74%) is directly owned by the state itself. There is a fundamental tension between detailed States control and efficient day-to-day management of the large social housing asset. There is a more fundamental tension in that Jersey has a strongly market oriented economy, while the emphasis with respect to social housing is on providing accommodation at below market rents.

Our remit is to examine these issues within a comprehensive review. We do this first by reviewing the current housing situation and the extent to which there are unmet housing needs; second by looking at the specific position of social rented housing; and finally by examining the options available to generate a social housing sector that can effectively ensure that housing needs are met.

3. Key features of the housing market in Jersey

This section briefly summarises some of the key features of the housing market in Jersey which have influenced the conclusions of this Review.

3.1 Population, migration, land use planning and new housebuilding

The small size of Jersey, relative to its population, and the attractiveness of the island as a place to live and work, have resulted in a long standing policy of migration control and residential qualification linked to housing eligibility through the Housing Law of 1949 and its subsequent amendments and regulations.

In addition to concerns about the extent of in-migration, there is also general public concern about the pressure on land use, particularly for new housebuilding. The Island Plan Review 2008 commented that:

'The location of new housing has been subject to ongoing levels of objection and increasing politicisation over recent years.'

It is in this context that current States policy decisions about migration, housing land allocation, new building and regeneration plans have been developed.

3.2 Housing demand, supply and house prices

The land use planning system seeks to maintain a tight balance between the requirement for housing on the Island, and the supply of land for new housebuilding. The Island Plan Review 2008 sees new building coming primarily from within the existing built up areas of the Island, mainly St Helier and from already agreed extensions, and not from the re-zoning of green field sites.

The combination of continuing increases in the number of households on the Island (arising from smaller households as much as population growth), a tightly controlled supply of new housing, and high incomes means that house prices on the Island are very high by UK standards (over 50% higher than in Greater London in 2008).

The result is that a significant proportion of the residentially qualified population cannot afford to buy their own home.

- Households in the bottom fifth of incomes (under £17,500) cannot afford to buy at all
- Households in the next fifth of incomes (between £17,500 and £28,000) can only afford a one bedroom flat in the bottom fifth of the market
- Households in the middle fifth of incomes (between £28,000 and £40,000) can only afford a two bedroom flat
- Buying a house without assistance is effectively only possible for the top two fifths of incomes (with incomes above £40,000 per annum)
- Buying a home also involves borrowing very high multiples of income. Multiples of six to eight times income has been the norm in Jersey, which would be regarded as high risk by UK lenders even when funding was readily available. In the aftermath of the credit crunch, multiples of five times income were the maximum generally available by June 2009.

The States of Jersey have a policy objective to increase the proportion of qualified households who are owner-occupiers. To this end Jersey also provides assistance to access home ownership through First Time Buyer houses, Jersey HomeBuy and discounted sales of States housing to social rented tenants, as part of a broader policy of enabling households to own their own home.

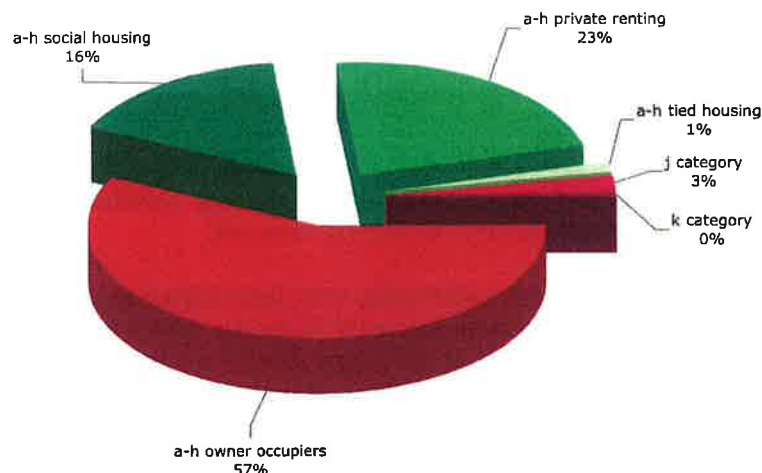
3.3 The rented sector

Younger households, single people, and those on lower incomes who cannot afford to become owner occupiers, rent their accommodation, either from private landlords or in the social housing sector.

Among the residentially qualified population, 40% rent their homes. Fifty seven percent of residentially qualified households are owner occupiers, while the remaining 3% are j and k category residents. (Figure 1)

Figure 1

Housing tenure in 2001 for residentially qualified categories



Source: Census 2001 (A category showing 0% indicates that there is a positive number, but less than 0.5%, and therefore rounded downwards)

The diagram also shows that among households who rent, the majority (60%) do so in the private sector. Social housing accommodates a minority (40%) of renters, and only 16% of all residentially qualified households are social housing tenants.

In addition those who are not residentially qualified (i.e. the majority of those who have lived in Jersey for fewer than 12 years) only have access to the lodging house sector.

3.4 The social housing sector

The social rented sector in Jersey consists of some 6,200 units. Three-quarters of the social housing stock is owned by the States, a fifth by six Housing Trusts, and the remainder (5%) by Parishes and charities.

Restrictions on the types of households eligible for States housing mean that roughly half of all residentially qualified households are ineligible. A financial means test further restricts eligible households to the lower 40% of incomes. In effect, only 20% of the population appears to be eligible to be considered for States housing (or for nomination to a Housing Trust). Within this group allocations are made to those in the greatest housing need.

Since 12% of those in the residentially qualified sector live in properties owned by the States, and a further 4% in those owned by the Housing Trusts, it appears that the majority of households who are eligible to apply for social housing do so, and are actually accommodated. It is therefore an outcome of the allocations rules that there appears to be little current unmet demand, as reflected in waiting lists and the estimates of future requirements.

States housing tenants are characterised by:

- low incomes: 80% of tenants are in the bottom two quintiles, with household incomes of less than £28,000 per annum, and 64% of States tenants are in receipt of Income Support
- high proportions of pensioners (32%) and single parents (13%). More than two in five (44%) of all States tenants are separated, divorced or widowed women
- lower levels of economic activity compared to other tenures: over half (55%) of States tenants are economically inactive. Nearly half of the economically inactive (44%) are retired, over a quarter (27%) are either homemakers or in full time education and more than a fifth (22%) are long term sick or disabled.

Consequently, the overwhelming majority of social housing tenants are likely to be lifelong renters. Even among those tenants who leave States housing every year, nearly 80% continue to rent, moving into care, to the Cottage Homes, to the Housing Trusts or into the private rented sector. Only 10%, or some 20 tenants each year, move to owner-occupation, reflecting the gap between the average levels of earnings among States tenants and house prices in Jersey.

Equally, the characteristics of the social sector population means that housing managers play an important role in supporting their tenants by providing housing related services and access to other assistance.

The States has nomination rights to a proportion of Housing Trust vacancies, but the Trusts are responsible for letting the balance of their dwellings to whomsoever they wish. The outcome of this is that the average income of Trust tenants is some 16% higher than that of States tenants. The rents of Trust properties are also higher than those of States properties, but are controlled to fair rent levels.

The Trusts are managed by Boards of volunteers, and outsource their housing management and maintenance functions. Their ability to cope with tenants who cannot manage their finances, or who exhibit difficult or anti-social behaviour, is limited. As a result, the States housing stock tends to function as the 'landlord of last resort', even within the social housing sector.

3.5 The current position in the housing market: summary

Overall the evidence shows that the vast majority of households in Jersey are well housed, especially within the residentially qualified sector. The projected numbers of additional households who will form over the next decades is not well understood but will certainly increase, generating greater pressure to expand supply but in a highly restricted planning framework. A large proportion of residentially qualified households in the private rented sector would like to own, but do not have the income to afford to purchase.

Those within the social, and particularly the States housing sector, are on very low incomes and in addition many face other problems which make them vulnerable. Waiting lists for States housing are quite small mainly because of allocation rules. Those for Trust accommodation are larger, because less restrictive allocation rules apply.

It is difficult to assess the extent to which there are households in need who are currently ineligible for States housing. These are mainly among working age households without children, many of whom are paying high private sector rents for poor quality accommodation. Addressing these needs would involve policy change.

4. States housing: key issues

In this section we discuss the key issues which must be addressed when choosing between options for reorganising States housing to make it better able to meet future requirements.

4.1 Financial viability

The current financial arrangements for States housing cannot be considered to be viable into the longer term.

Although the total rent income collected each year is some £32 million, the States has consistently restricted expenditure by the Housing Department on the management and maintenance of the housing stock to just over £10 million. The balance, currently £22 million per annum, is transferred to the Treasury. (Prior to the introduction of Income Support, this sum was used by the Housing Department to fund both the payment of rent abatements to States tenants, and rent rebates to housing trust and to private sector tenants.)

While the expenditure budget allocated to the Housing Department may be adequate to fund housing management and day-to-day repairs, expenditure on the maintenance, replacement and updating of the housing stock has been seriously underfunded for many years. This had allowed a backlog of major repairs and improvements to build up over the years, estimated to amount to £75 million by 2006, a figure which does not include the costs of the ongoing major regeneration at Le Squez and Le Marais, estimated at £58m.

Without a fundamental rethink of the financing of States housing, it is not possible to achieve decent homes for all social tenants into the next decades.

4.2 The Social Housing Property Plan 2007-2016

The Social Housing Property Plan 2007-2016 addresses the need to deal with this backlog, within the existing financial framework in which there were few options available. They sought to fund the backlog through a combination of additional revenue expenditure by the States, amounting to £30 million over the period from 2007-11, with the balance, coming from asset sales.

The Plan proposed the sale of 800 States rental homes over a ten year period. This programme is seen to meet three distinct goals: providing the funds for reinvestment in the remaining stock; helping to expand owner-occupation; and changing the mix of States housing.

The Plan proposed that the balance of capital receipts from sales, once the backlog of major repairs and improvements had been completed, should either be invested to produce an income to support the housing revenue budget, or to acquire an additional 400 life-long homes for the over 55s.

The net effect of sales (mainly family homes) and the proposed acquisition of life-long homes for older tenants would shift the mix of lettings available away from family accommodation towards a higher proportion of childless and older households. This reflects the current understanding of requirements based on the Housing Needs Survey. However this takes no account of additional household formation. Nor does it take account of households in need who do not fall within the current restrictive allocation rules.

4.3 Rents policy

Rents across the social housing sector, both for States housing and for the Housing Trusts, are set in relation to 'fair rents'. These are determined by the Housing Department, and represent an upper limit for the rent of a property with a given number of bedrooms. A property may have a lower rent than the 'fair rent', if this is justified by its condition or location, but not a higher rent.

'Fair rents' are also used by Trusts to determine maximum rents on their properties, even though much of their stock is newer and of higher standards. Finally, fair rents determine the maximum rental payment that is allowed across rental tenures under the Income Support system. A household's actual expenditure on rent is taken into account in the calculation for Income Support, but only up to the 'fair rent' level. Any expenditure on rent above the 'fair rent' must be met by the household from its remaining income. A third of tenants in the private rented sector who receive Income Support have rents above the 'fair rent' maximum.

A 'fair rent' is not defined in legislation, but it has been broadly accepted that 'fair rents' should 'follow, but not lead' the market. In practice, this has been taken for many years to mean that a 'fair rent' should be set at around 90% of the open market rent for a comparable property.

However, in recent years, 'fair rents' have not been increased to follow comparable open market rents. Successive decisions to limit annual rent increases in 'fair rents' to around 2.5% as an anti-inflationary measure have opened up a widening gap between 'fair rents' and comparable open market rents. The extent of the gap varies greatly between property types and locations.

The creation of this gap between 'fair rents' and market rents has a number of consequences:

- First, as market rents rise faster than 'fair rents', it imposes an additional burden on those tenants in the private rented sector who are in receipt of Income Support but paying open market rents
- Second, it creates an unplanned 'subsidy' for social housing tenants, which is not the result of conscious policy, and which may be thought to be inconsistent with the introduction of the new Income Support scheme
- Third, this unplanned financial advantage in becoming a social tenant is an important factor in lengthening the waiting lists for Housing Trust properties
- Fourth, the Housing Department is prevented from raising the rent of a property following its modernisation beyond the fair rent cap because the fair rent is based only on property size. This policy limits the income available to the Housing Department for the future management and maintenance of the housing stock.

4.4 Eligibility, allocations and lettings

The current eligibility criteria are extremely constraining. They inherently mean that the majority of existing tenants are vulnerable (and often segregated) and are likely to remain life-long tenants. The criteria also mean that many, mainly couple and single person households in need of adequate standard housing, are excluded from the sector.

A fundamental issue is whether social housing should be available to a wider range of lower income households or whether other means of support should be provided.

Where low income households are likely to be in long-term housing need the case for social housing provision can be strong (as in the Netherlands, Scandinavia, and to a lesser extent the UK). In the Jersey context however, any change which opened up States social sector provision to a broader range of lower income households would represent a significant development in current policy.

4.5 Security of tenure

The terms and conditions on which tenants rent their property are important elements in determining both the value of the home to the tenant and the financial value of the social sector stock.

At the present time social tenants have no security of tenure with respect to the individual dwelling. Tenants can expect to be required to move if their needs change. In particular if the size of the household decreases, tenants can be required to downsize within the social sector stock and away from their locality.

This level of insecurity is extremely unusual. In most European countries security of tenure with respect to the specific property is seen as a major benefit of being a social tenant that reflects their long term requirements and tenants have security for life as long as they pay the rent.

4.6 Organisation, management and ownership

A particular feature of Jersey is the way that public sector organisations are financed, including the provision of States housing. The construction of States housing has been funded from general state revenue streams. The social housing stock is thus debt free and does not pay for these assets through interest charges. On the other hand the Housing Department is expected to make a large contribution to government funds to enable other services (notably Income Support provided through the Social Security Department) to be funded from the housing revenue stream.

The implication of a revenue funded social housing system that has been developed over many years is that there will inherently be a surplus over-and-above the direct annual costs of managing and maintaining the existing stock. Decisions that involve investment thus require a trade-off between returning funds to the centre to be used for other purposes and increasing expenditure on social housing, either to ensure decent homes or provide additional accommodation.

A rather different issue is the current organisational structure within the Housing Department. Staffing levels at some 39.4 FTE are probably less than half those that would be employed in comparable English local authorities and housing associations. This is in part a reflection of efficiency but is also because of the relatively limited service provision associated with a highly constrained sector.

4.7 The position with respect to States housing: summary

The outcome of the financing and governance regime is that the vast majority of social housing is provided through a States Department with few powers of its own and very limited staffing. Appropriate improvements to the existing stock cannot be undertaken without selling off housing assets; the housing assets are completely unencumbered by debt, but cannot be used as security to enable further investment; the group who benefits from social provision is a subset of those who experience problems in achieving adequate affordable housing; within that group the vast majority have no other option except a far more expensive private rented sector and are thus segregated in tenure terms; and yet it is unlikely that large scale new developments will occur to reduce pressure on the housing system and social housing in particular.

This is a very different scenario from most other social housing systems in Western Europe. These generally have a ring-fenced financial framework in place within which investment expenditure by independent landlords based on clear business plans can be assessed and then financed through borrowing, funded through future rents and government capital subsidies where appropriate.

The conclusion from this Review of current conditions is that States housing, while operating as effectively as possible within the current policy and financial regime cannot hope to maintain a twenty first century social housing sector which is value for money.

The next section therefore examines the options available to ensure a better operating sector that can effectively meet the States housing objectives.

5. Restructuring States housing: the options

There is a spectrum of options that need to be considered with respect to the governance, management, financing and ownership of States housing in the future. Not all are likely to be acceptable, but it is important to understand the full range of possibilities so that relative strengths and weaknesses can be clarified.

The potential options range from doing nothing, through separating the management of the housing from its ownership, to a variety of ways in which ownership could be transferred to different types of landlord.

The various options are briefly outlined below, together with an assessment of their key strengths and weaknesses.

Option 1: The status quo

This is the 'do nothing' option, leaving the housing stock owned by the States and continuing to be managed by the Housing Department.

The disadvantages of this option are that it would provide no answers to the existing problems and difficulties which have prompted this review. In particular:

- The existing underfunding of the housing service would continue. While this means that there would be no contribution from taxes to rent rebates in States housing, it also means that some £4.5 million of rents actually paid by tenants themselves would continue to be transferred to the Treasury for spending on other social objectives

- Spending too little on the maintenance and improvement of the housing stock from revenue, combined with the States' policy of not borrowing, inevitably means that after the current phase of improvements (funded from sales of houses and States' revenue), the stock will start to deteriorate again, eventually requiring another round of asset sales and revenue injections, in an ongoing cycle
- To continue with the current practice of setting rents at or below the rate of inflation further reduces the real resources of the Housing Department available to ensure an adequate management and maintenance service. It also ensures large variations in rental subsidy between tenants
- Continuing to set 'fair rents' in this way not only affects the financing of States housing, but also creates additional unintended 'subsidy' to all social housing tenants; puts increasing pressure on the funding arrangements of the Housing Trusts; and lowers the real value of the maximum rents in the private sector that are eligible for Income Support.

The advantages of this option are mainly that its weaknesses are already well known and familiar. It would no doubt be possible to muddle along with the current constraints for a number of years to come.

Option 2: Separating the management of the stock from its ownership

There are two possibilities under this option. Both would mean that the States continued to own the housing stock, while transferring the housing management and maintenance functions of the Housing Department to a separate company.

In England, ALMOs are companies, wholly owned by the local authority, and governed by the Companies Acts. The relevant staff are transferred from the local authority to the ALMO, and become employees of the ALMO, thereby retaining existing expertise. A similar approach could be used in Options 2a, 2b and 4 below.

Option 2A: An Arm's Length Management Organisation (ALMO)

This option would be similar to the model successfully developed in England over the last seven years, under which the management of around half of the remaining local authority owned housing has been transferred to ALMOs since 2000.

In the English model, the local authority sets up a wholly owned company (the ALMO), and transfers the housing management and maintenance functions (and the staff) to the ALMO. The ALMO is run by a Board consisting of councillors, tenants and independent experts. ALMOs are inspected by the Audit Commission, and must reach an agreed standard of performance in order to qualify for substantial additional borrowing powers, provided by the government, in order to bring the housing stock up to the Decent Homes Standard. Rents continue to be set within the framework specified by central government.

The advantages of this option are:

- Ownership of the assets of the housing stock is retained by the States
- Setting up a separate company creates a clear, transparent, structure for decision making, which, while being less subject to day-to-day intervention by elected members, retains elected member influence and oversight through the Board
- The separate company allows the housing organisation to focus more clearly on improving performance.