An Objective Assessment of Housing Need (OAHN)

2018

The States of Jersey

Final Report

January 2019

Please note that in this report some of the tables include rounded figures. This can result in some column or row totals not adding up to 100 or to the anticipated row or column 'total' due to the use of rounded decimal figures. We include this description here as it covers all tables and associated textual commentary included. If tables or figures are to be used in-house then we recommend the addition of a similarly worded statement being included as a note to each table used.

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1.   Introduction

1.1   The purpose of this report is to estimate the Objectively Assessed Housing Need (OAHN) for Jersey. The OAHN calculation is prepared with a method consistent with the current and proposed English National Planning Policy Framework (NPPF) and the approach set out in associated Planning Practice Guidance (PPG).

1.2   In order to estimate an OAHN it is important to recognise that there are significant differences to the structure of the housing market in Jersey compared to England.

1.3   Before presenting the OAHN in Section 3 of the report, in Section 2 we describe the process of stakeholder consultation that has led to an understanding of Jersey's housing system. This stakeholder process has also provided significant insights into the implications of the system for groups of the population, enabling us to nuance the OAHN estimate.

1.4   This report sets out a range of data relating to future housing need and presents some initial findings regarding the scale of housing needed over the time horizon of the next Island Plan (2021-2030). This is a technical assessment of need based on the latest available data and establishes the potential need for additional dwellings. Crucially however, this does not necessarily mean new dwelling stock – better use of existing stock has the potential to help address some of the need being evidenced. It is understood that a Housing Reform Policy Board is being established with the remit of driving forward appropriate housing policies (including affordable housing) and the evidence in this report will inform the work of this Board.

2.   Understanding Jersey's housing system

Introduction

2.1   A summary of the key features of the system is summarised in Table 2.1.

2.2   This is included to ensure that the report authors and readers have a shared understanding of the system in order to understand the nuances of the OAHN estimates and other topics described in this report.

2.3   It is based upon interviews held with officials and published information. Interviews also yielded a great deal of policy and context-related information. Key points are summarised after the figure.

Table 2.1	Synopsis of Jersey's housing system			
Residential and employment status *	**Access to housing**	**Access to benefits**	**Employment related**	**Notes**
Registered up to 5 years	Registered housing only (lodgings)**	Only if covered by state insurance through contributions	Can work if employer is licensed to employ registered workers	May be seasonal or duration of contract specific
Entitled to work (registered more than 5 but less than 10 years)	Registered housing only (lodgings)**	Contributory benefits plus income support (housing component capped)**		
Licensed	Qualified (lodging, rent or buy)****	Contributory benefits plus income support (housing component capped if private rented or owner occupied)***	Can work if employer has a licence employ the specific skill	Licensed, a.k.a. key workers
Entitled to work (10 years or more or Island born)	Qualified***** (lodging, rent or buy)	Contributory benefits plus income support (housing component capped if private rented)***	Employer can offer any vacancies to an entitled person	

Notes

*   If married or civil partnership, the partner has the status of entitled to work.

**   No access to social housing.

**   Registered housing means registered lodgings.

***   Is uncapped if a social housing tenant and if an appropriate size of home is occupied.

****   Not eligible for designated first time buyer housing or social housing.

*****   Except for licensed residents, social housing is qualified housing.

Summary of arc[4] notes and observations based upon interviews with officials and stakeholders

2.4   We should not assume that the **social housing** system is comparable to the UK social or affordable housing system:

- it is for persons who have qualified under the residency status policy;

- it is a periodic tenancy rather than offering permanent security of tenure although most tenants experience an indefinite tenancy;

- for new tenants, it is priced up to 90% of open market value to support the business model of returning surpluses to the States of Jersey and servicing borrowing capital expenditure from a fund raised from a public bond; and

- it is accessed via the Housing Gateway administered by Social Services, eligibility is equivalent to eligibility for income support.

2.5   **Affordability** is an issue across all tenures:

- land prices are high and drive the price of new build housing compared to older housing;

- private rented sector prices are rising partly due to employers subsidising housing costs and increasing spending power;

- registered lodgings are in high demand which impacts on prices; and

- social housing rents will increase in line with market rents.

2.6   Because of high land prices there is a **disincentive** to households **right-sizing**:

- long standing, older social tenants are likely to be paying much lower rents than on change of tenancy to a more suitable home; and

- home owners find that the price of newer more suitable housing is close to their present house values and it may be uneconomic to move home once fees are taken into account.

2.7   **Development density** is observed to be very high with intensification particularly noticeable on the south eastern coastal strip.

2.8   **Vacancy rates** in qualified housing are perceived to be high:

- conveyancing chains can be long and fragile resulting in empty homes remaining vacant for longer;

- some households resort to taking winter lettings to foreshorten chains;

- accurate information is problematic due to the parish-based rating system; and

- some high value buy-to-let investments are allegedly not being occupied.

2.9   **Registered housing** is offered by families as rooms, landlords and employers as rooms or lodging houses. The latter can take the form of farm buildings, temporary buildings or suitable larger buildings such as former hotels. Many are unsuitable for families and families with children.

2.10   Some **single people** aged under 50 can find themselves disadvantaged, especially if their residential/employment status has been elevated due to marriage or civil partnerships. If these break down legally (death or divorce of the partner), then their housing rights may shift from qualified to unqualified. If qualified they are not regarded as a priority for social housing.

2.11   **Vulnerable groups** such as people with mental health issues, learning disabilities, physical disabilities, and single parents, might not be well supported due to:

• skill shortages and shortage of specialist workers;

• lack of informal and voluntary sector care and support; and

• not perceived as a high priority.

2.12   There is anecdotal evidence of a **grey economy** that is having an un-quantified impact on the economy and housing supply.

2.13   Interviews were held with stakeholders including estate and letting agents, a property developer; Digital Jersey and a selection of parishes.

2.14   **Estate agents** told us that demand for re-sale and rented housing was so high that there was no pool of vacancies. Homes sell and let very quickly so potential buyers have to act quickly. There was a clear gap in supply for first-time buyers and first-time movers at the £400,000 to £500,000 price point. The 'move up' price point on the island is £750,000, which is beyond the financial reach of many families. The rental market was described as fast-moving with many being traded via Facebook. We were told that people seeking rentals with children or pets were "at the back of the line". In general terms, low interest rates were pushing prices up and the market needed a 're-set' as they were ahead of affordability. Rental levels were artificially high due to subsidies paid by companies to their employees. Other agents commented upon the need for households to be able to right-size – especially older people. They cast doubt on lack of choice being the barrier, emphasizing that it was not economically possible for some owners and social renters to downsize especially if their preference was for new-build.

2.15   **Digital Jersey** told us that digital was the fastest growing part of the economy. They felt it was difficult for entrepreneurs to get started on the island and this was to the detriment of the economy. They believed that digital workers did not have the same status as other key workers and people in the financial sector, possibly because they do not need to be island based.

2.16   We were welcomed by 3 **parishes** all of whom had an interest in ensuring that local people's housing requirements were met and that they made a contribution towards helping meet the island's needs. Two of the parishes had a particular interest in meeting the needs of first-time buyers, seeking some age balance in the community. Another parish explained that local need for older people was a particular focus as housebuilding in the 70s meant that there was a significant number of original occupants in need of more suitable housing. We were shown schemes that were aimed at home owners (first-time buyers) and people who were renting with the parish as their landlord. The design and build quality were exceptional. All parishes stressed the importance of balancing growth with environmental stewardship and

minimising impact on the rural landscape believing that growth had to be proportionate.

2.17   Several stakeholders alluded to the increasing difficulty of recruiting and retaining service workers. The value of the currency (GBP) was such that eastern Europeans could get a better deal in the Euro Zone. We were told that some were working simply to service the rent, and work that provided accommodation was a priority for them when seeking work. Some service and agricultural labour was being sourced from Africa.

3.   Findings in relation to the OAHN

Background and overview of the OAHN process

3.1   The purpose of this chapter is to establish an Objectively Assessed Housing Need (OAHN) for Jersey. The OAHN calculation is prepared with a method consistent with the English National Planning Policy Framework (NPPF) and the approach set out in associated Planning Practice Guidance (PPG). The NPPF and PPG are being revised and draft text for consultation was published in March 2018. Revisions are seeking to simplify and standardise the approach to assessing housing need. In this chapter, the approaches under the original 2012 methodology (PPG2012) and revised 2018 methodology (PPG2018) are considered to derive an appropriate methodology for calculating an OAHN for Jersey.

3.2   Advice to support the assessment of OAHN using the PPG2012 approach has been published, namely the Planning Advisory Service (PAS) Objectively Assessed Need and Housing Targets Technical Advice Note, Second Edition, July 2015; and the Local Plan Experts Group (LPEG) report: Local Plans: report to the Communities Secretary and the Minister of Housing and Planning, March 2016. Where appropriate, these documents are referred to in the narrative.

3.3   Table 3.1 sets out the broad principles of establishing housing need under the English planning system that can be used to establish a framework for assessing OAHN in the Jersey context. The table summarises the frameworks for analysis established in both the PPG2012 and PPG2018 approaches.

3.4   The starting point for calculating OAHN for both approaches are the latest household projections. PPG2012 recommends that adjustments are made to the household projections, taking into account local demographic trends, future jobs, past delivery, market signals and other local circumstances not captured by past trends, such as short and long-term migration trends. Under PPG2012, the OAHN figure is derived from baseline household projections and adjustments to establish a 'policy off' figure. Planning Advisory Service (PAS) guidance emphasises that the OAN should exclude any policy objectives and value judgements and evidence should be entirely about need and demand, to the exclusion of any supply-side factors such as physical constraints, policy designations and adverse impacts of development. However, these factors should be considered when translating the OAN into a housing requirement which can be higher or lower than the OAHN figure.

3.5   PPG2018 proposes a simplified adjustment mechanism to take account of market signals relating to median house price and to median workplace earnings. This is called the standard model. PPG2018 then notes that *'there may be circumstances where it is justifiable to identify need above the need figure identified by the standard model'*. The need figure generated by the standard method should be considered as a minimum starting point in establishing a need figure for the purposes of plan production. The method relies on past growth trends and therefore does not include specific uplift to take account for factors that could affect those trends in the future. Circumstances where an uplift will be appropriate include, but are not limited to, where growth strategies are in place, strategic level infrastructure improvements are planned, and

funding is in place to facilitate growth. In these circumstances, the local housing need figure can be reflected as a range, with the lower end of the range being as a minimum figure calculated using the standard method.

Table 3.1	Comparison of OAHN methods	
	Existing 2012 NPPF/PPG	**Proposed 2018 NPPF/PPG**
Starting Point	Latest household projections	Latest household projections
Adjustments	Local demographic trends (migration and headship rates)	Market signals (capped at 40%)
	Employment trends	Additional voluntary uplifts
	Market signals	
Outcomes	Objectively assessed housing need	Local housing need (can be expressed as a range where appropriate)
	'Policy-on' Housing requirement which can adjust the OAN to take account of policy objectives, land constraint and affordable need	

3.6   An OAN should be based on reasonable assumptions that take into account baseline demography, adjustments to reflect local demographic trends, past delivery, market signals, future jobs and other local circumstances. Planning Advisory Service (PAS) guidance suggests that the OAN should exclude any policy objectives and value judgements and evidence should be entirely about need and demand, to the exclusion of any supply-side factors such as physical constraints, policy designations and adverse impacts of development. However, these factors should be considered when translating the OAN into a housing requirement.

3.7   Regarding affordable housing uplifts, PPG2012 paragraph 2a-029 advises on how housing need assessments should take account of affordable housing need: *'the total affordable housing need should be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing-led developments. An increase in the total housing figures included in the local plan should be considered where it could help deliver the required number of affordable homes'*.

3.8   PAS[1] guidance provides helpful guidance in interpreting affordable need in the context of objectively assessed need under the PPG2012. Paragraph 9.6 states *'in practical terms, there is no arithmetical way of combining the two calculations set out in PPG to produce a joined-up assessment of overall housing need'*. We cannot add together the

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[1] Planning Advisory Service Objectively Assessed Need and Housing Targets Technical Advice Note Second Edition July 2015

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calculated OAN and the calculated affordable need, because they overlap: the OAN of course covers both affordable and market housing, but we cannot measure these components separately, because demographic projections – which are the starting point for the OAN – do not distinguish between different sectors of the housing market. Para 9.7 continues: *'In summary, it seems logically clear that affordable need, as defined and measured in paragraphs 22-29 of the PPG, cannot be a component of the OAN. The OAN does have an affordable component – which cannot be measured separately but will normally be much smaller than the affordable need discussed at paragraphs 22-30. When paragraph 47 of the NPPF says that plans should meet in full 'the need for market and affordable housing', it is referring to that component rather than the separately calculated affordable need'*.

The principles of an OAHN for Jersey

3.9   Given the unique nature of the Jersey housing market, the physical constraints of development and the changing method for calculating need in England, it is appropriate and necessary to derive a Jersey-specific method for calculating future housing need. It is proposed that the OAHN for Jersey is established in the following way:

- Step One: demographic starting point;
- Step Two: demographic adjustments: migration and employment; and
- Step Three: adjustment for key worker and affordable housing.

Step One – Demographic starting point

3.10   Statistics Jersey regularly produce population projections that are also used to calculate household projections by age cohort and household type. The latest 2016-based projections were released in October 2016. The report provides data on the projected future size and structure of Jersey's resident population that would arise under particular scenarios of births, deaths and migration patterns.

3.11   For Jersey, migration is a key determination of population and resulting household change. According to SoJ population data, net inward migration over the decade 2005-2015 was 900 persons each year and in 2013 to 2015 this averaged 1,000 persons each year. Therefore, the +1,000 population scenario provides a useful benchmark that establishes the scale of population change based on a reasonable expression of the scale of migration that the island had experienced over the recent past. The scenario also takes into account the age profile of in- and outward migrants and assumes an additional 1,000 people move into the island over and above the number that leave the island, each year from 2016 onwards.

3.12   Population and household change under the +1,000 migration scenario are presented in Table 3.2 and this shows an overall population increase of 13,200 and a household increase of 6,700 over the 10-year period end 2020 to end 2030. There is also a marked change in underlying demography, with a 29.7% increase in the population of those aged 60 and over.

Table 3.2	Demographic change (+1,000 migration) end 2020 to end 2030 (10 years)			
Population	**End 2020**	**End 2030**	**Change**	**% Change**
0-15	18,600	20,300	1,700	9.1
16-29	17,800	19,900	2,100	11.8
30-44	23,000	25,400	2,400	10.4
45-59	24,100	23,600	-500	-2.1
60-74	17,100	21,100	4,000	23.4
75+	8,500	12,000	3,500	41.2
Total	109,100	122,300	13,200	12.1
Households and age of First on Form	**End 2020**	**End 2030**	**Change**	**% Change**
16-29	3,600	3,500	-100	-2.8
30-44	12,600	14,300	1,700	13.5
45-59	14,700	14,900	200	1.4
60+	16,500	21,400	4,900	29.7
Total	47,400	54,100	6,700	14.1

Source: (population) Statistics Jersey Population Projections (2016 release)

Source: (households) Statistics Jersey Household Projections (2016 release)

Note: numbers rounded to nearest 100

Step Two – Demographic and economic adjustments

3.13 The demographic starting point based on a +1000 migration takes into account a need to maintain a workforce to support and grow the island's economy. The workforce needs of the island can be largely regulated by government policy and the key to this is migration. Therefore, unlike in England, where consideration is given to migration and economic growth as separate elements of the OAN calculation, it is proposed that the Jersey OAHN calculation takes into account future migration assumptions as a reasonable proxy for the dwellings needed to maintain and support economic growth.

3.14 SoJ has run a series of scenarios to test the impact of net migration assumptions on population growth and assumptions around maintaining, increasing and decreasing the registered worker population. The scenarios considered as part of the OAHN calculation are:

- net inward +325 persons: an additional 325 people move into the island over and above the number that leave the island, each year from 2016 onwards;

- net inward +700 persons: an additional 700 people move into the island over and above the number that leave the island, each year from 2016 onwards; and

- net inward +1000 persons: an additional 1000 people move into the island over and above the number that leave the island, each year from 2016 onwards.

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3.15   The following scenarios have been prepared by SoJ to review demographic change, but these have not been translated to household change and therefore not currently part of the OAHN calculation:

- maintaining the size of the registered and licenced population: the number of newcomers to Jersey is set in order to maintain the size of the registered and licensed populations at the same level as at the end of 2015. The overall net migration averages 600 persons per year into the island, every year for 30 years;

- adding 200 registered workers: the number of newcomers to Jersey is set at a level that increases the size of the registered population by 200 registered workers (plus their dependents), each year for 10 years, before maintaining the size of the registered population for the remainder of the projection. This models the impact of granting 200 active business permissions over and above those taken away each year. The size of the licensed population is kept constant. The overall net migration averages 900 persons per year for the first decade and 700 persons per year for the subsequent 20 years; and

- reducing 200 registered workers: the number of newcomers to Jersey is set at a level to reduce the size of the registered population by 200 registered workers (plus their dependents), each year for 10 years, before maintaining the size of the registered population for the remainder of the projection. This models the impact of removing 200 active business permissions over and above those granted each year. The size of the licenced population is kept constant. The overall net migration averages 400 persons per year for the first decade and 500 persons per year for the subsequent 20 years.

3.16   Note that annual net inward migration over the decade 2005-2015 was 900 persons each year and in 2013 to 2015 this averaged 1,000 persons each year.

3.17   The impact of alternative migration scenarios on overall household numbers is summarised in Table 3.3. Under alternative migration scenarios, household increase ranges between 3,800 (+325 migration) to 6,700 (+1000 migration which is the baseline scenario for the OAHN calculation). This compares with actual annual net inward migration over the decade 2005-2015 of 900 persons each year and in 2013 to 2015 this averaged 1,000 persons each year. Note that this analysis does not factor in an allowance for vacancy which is consistent with latest (PPG2018) government guidance in England.

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Table 3.3	Household change (migration scenarios) end 2020 to end 2030			
Age of First on Form	**Baseline**	**Alternative migration scenarios**		
	+1000 migration	**Net Nil**	**+325 migration**	**+700 migration**
16-29	-100	-400	-300	-200
30-44	1,700	-600	100	1,000
45-59	200	-1,300	-700	-200
60+	4,900	4,500	4,700	4,900
Total	6,700	2,200	3,800	5,500

Source: Statistics Jersey Household Projections (2016 release)

Note: numbers rounded to nearest 100

3.18   It is proposed that the OAHN is based on the +1,000 migration scenario. This allows for a continued net in-migration in line with recent trends and will help to maintain an economically active population to facilitate economic growth against a backdrop of an ageing population.

Adjustments for affordable and key worker housing

3.19   Stakeholder consultation has identified affordable and key worker housing as key accommodation gaps across the island. The need for affordable housing is modelled as part of Steps 1 and 2 of the need's assessment process. It is proposed that a further adjustment to take account of affordable need is made if there is evidence that the modelled need underestimates future affordable housing need. This is consistent with PPG, which recommends affordable housing uplifts where significant need is evidenced within the context of likely delivery.

3.20   An adjustment for key worker housing is also proposed in Step 3. Steps 1 and 2 of the need's assessment process consider change in non-qualified accommodation, but stakeholders report a particular gap in temporary, high quality housing to attract and retain population to support economic growth and help to deliver key services, notably health.

Dwelling size and tenure mix under Steps One and Two

3.21   The SoJ has provided further output from the 2011 Census which identifies the relationship between tenure, number of bedrooms and age of 'first on form'. Material has been prepared which considers the dwellings occupied by existing households on the island and also the dwellings occupied by in-migrant households as the profile of dwelling need from in-migrants differs markedly. This is important to consider when analysing the impact of net in-migration on dwelling need.

3.22   The data available (summarised in Table 3.4) can be applied to household projection data to establish how the dwelling size and tenure mix is expected to change over the 10-year period end 2020 to end 2030, assuming that the profile of dwellings occupied by different age groups of 'first on form' remains constant.

Table 3.4	Age groups, dwelling types, size and tenure	
Age group of 'First on Form'	**Dwelling size**	**Tenure**
16-29	1 Bedroom	Non-qualified
30-44	2 Bedrooms	Owner occupied
45-59	3 Bedrooms	Qualified rent
60+	4+ Bedrooms	Social rent
All	All	All

Source: 2011 SoJ Census

3.23   As shown in the following Table 3.5, for each age group, the proportion living in different tenure/size and type/size has been calculated.

Table 3.5	Relationship between dwelling tenure/size and First on Form age group: existing population					
Tenure Group	**Number of bedrooms**	**First on Form age group**				
		16-29	**30-44**	**45-59**	**60+**	**All**
NonQuals	1	26.1	12.1	5.0	1.3	8.1
NonQuals	2	5.2	5.8	2.2	0.7	3.1
NonQuals	3	1.0	2.1	1.4	0.4	1.3
NonQuals	4+	0.6	0.9	0.7	0.3	0.6
OwnerOcc	1	7.5	5.4	4.2	4.8	5.1
OwnerOcc	2	8.4	9.7	10.5	16.6	12.0
OwnerOcc	3	7.3	18.8	23.5	28.7	22.1
OwnerOcc	4+	3.5	11.7	20.0	18.2	15.3
QualifiedRent	1	13.9	7.9	7.4	4.9	7.4
QualifiedRent	2	8.3	8.3	6.0	3.7	6.2
QualifiedRent	3	3.7	5.1	4.1	1.6	3.6
QualifiedRent	4+	0.9	2.4	1.9	0.8	1.6
SocialRent	1	1.1	1.3	4.5	13.5	6.0
SocialRent	2	7.9	4.3	4.6	3.6	4.5
SocialRent	3	3.9	3.6	3.3	0.8	2.7
SocialRent	4+	0.6	0.5	0.5	0.2	0.4
	Total	100.0	100.0	100.0	100.0	100.0
	Base	4,203	12,095	12,345	12,800	41,443

Tenure Group	**Number of bedrooms**	**First on Form age group**				
		16-29	**30-44**	**45-59**	**60+**	**All**
NonQuals	All	32.9	20.9	9.4	2.7	13.1
OwnerOcc	All	26.6	45.5	58.3	68.3	54.5
QualifiedRent	All	26.8	23.8	19.5	10.9	18.8
SocialRent	All	13.6	9.7	12.9	18.1	13.6
Total		100.0	100.0	100.0	100.0	100.0

Source: SoJ 2011 Census

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Applying the demographic and alternative migration scenario data at island level

3.24   Applying the data on dwelling size at island level is done in a systematic way. Firstly, the change in the number of households by age group is established from household projections. Assuming that the dwelling needs of these household age groups do not change over the plan period, the overall impact on the tenure/size of dwellings can be determined. Table 3.6 presents the demographic data for Jersey under baseline and alternative migration scenarios.

3.25   This illustrates that the total number of households is expected to increase by around 6,760 under the baseline +1,000 migration scenario, with lower numbers under scenarios which assume a lower level of migration of between 2,230 and 5,400. In all scenarios, a key demographic driver is the increase in households where the 'first on form' is aged 60 and over.

Table 3.6 Change in number of households by age group end 2020 to end 2030 under baseline and alternative migration scenarios				
Age of First on Form	**Baseline**	**Alternative migration scenarios**		
	+1000 migration	**Net Nil**	**+325 migration**	**+700 migration**
16-29	-90	-430	-320	-190
30-44	1,690	-630	120	990
45-59	190	-1,240	-770	-240
60+	4,970	4,530	4,670	4,840
Total	6,760	2,230	3,700	5,400

Source: Statistics Jersey 2016 household projections (note: data is rounded to nearest 10)

3.26   Table 3.7 considers the impact of household change on dwelling tenures and sizes.

Table 3.7	Impact of change in households on dwelling tenure and size					
Tenure	**Number of bedrooms**	**Baseline**	**Alternative migration scenarios**			
		+1000 migration	Net Nil	+325 migration	+700 migration
NonQuals	1	630	-1080	-520	120
NonQuals	2	280	-400	-180	80
NonQuals	3	130	-180	-80	40
NonQuals	4+	70	-90	-40	20
OwnerOcc	1	290	200	230	260
OwnerOcc	2	910	750	800	860
OwnerOcc	3	1,580	1,340	1,420	1,510
OwnerOcc	4+	1,030	750	830	940
QualifiedRent	1	330	140	200	270
QualifiedRent	2	310	50	140	230
QualifiedRent	3	180	-60	20	110
QualifiedRent	4+	110	-80	-20	50
SocialRent	1	650	650	650	650
SocialRent	2	190	180	180	190
SocialRent	3	60	50	60	60
SocialRent	4+	10	10	10	10
Total		6,760	2,230	3,700	5,400
Summary					
NonQuals	All	1,110	-1750	-830	250
OwnerOcc	All	3,800	3,040	3,280	3,570
QualifiedRent	All	930	50	340	670
SocialRent	All	920	890	910	910
Total	**All**	6,760	2,230	3,700	5,400

Source: SoJ 2016 household projections; 2011 Census (note: total figures have been rounded to the nearest 10)

3.27   Under the +1,000 migration scenario, the largest increase would be in owner occupied dwellings (3,800) accounting for 56.2% of overall dwelling increase. This is followed by non-qualified rented housing (1,100 or 16.4%), then qualified rented (930 or 13.8%) then social rented (920 or 13.6%). Within the owner-occupied sector, an element of additional housing should be for first time buyers.

3.28   Analysis of trends in housebuilding data (actual completions 2011-2017 and projected completions 2018-2020) indicates that a total of 4,256 dwellings have been built or are

planned to be built across Jersey (Table 3.8). Overall, 30% of the new-build is affordable (mainly rented) and 70% is open market housing (owner-occupied and rented).

Table 3.8	Newbuild activity (actual and planned) 2011-2020 across Jersey	
Tenure	**Total built (actual and planned)**	**% of new-build**
Affordable Purchase	206	4.8
Affordable Rent	1,077	25.3
Open Market Housing	2,973	69.9
Total Completions	4,256	100.0

Source: SoJ

3.29 Analysis of future housing need over the period 2021-30 indicates a need to maintain the delivery of affordable rented housing but shifts the emphasis of affordable housing delivery towards affordable purchase. This is evidenced in the ongoing need for first time buyer housing within the Gateway statistics.

3.30 Assuming that 30% of dwellings built are affordable, this would result in a need for 2,030 affordable dwellings. Analysis presented in Table 3.7 indicates there is need for 920 social rented dwellings (840 no. 1 or 2-bedroom and 70 no. 3 or more bedroom) and the balance (1,100) would be affordable purchase for first-time buyers.

3.31 Demographic analysis recommends a focus on the delivery of 2, 3 and 4+ owner occupied dwellings, and this is also reflected in Gateway statistics. Therefore, dwellings for first-time buyers should be predominantly 2 and 3-bedroom.

Step Three – Further adjustments for affordable, key worker and supported housing

3.32 Further adjustment to the housing need figure is to address structural imbalances in the housing supply to help meet housing need. This section considers the extent to which an uplift is required to support the delivery of affordable, key worker and supported housing.

Affordable housing uplift

3.33 Both PPG2012 paragraph 2a-029 and PPG2018 advises on how housing need assessments should take account of affordable housing need. PPG2012 states *'the total affordable housing need should be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing-led developments. An increase in the total housing figures included in the local plan should be considered where it could help deliver the required number of affordable homes'*.

3.34 There is some slight change in wording in PPG2018:

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'The total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments. An increase in the total housing figures included in the strategic plan may need to be considered where it could help deliver the required number of affordable homes'.

3.35   Under the modelling carried out under Steps 1 and 2, a minimum of 920 social rented and 1,100 affordable home ownership dwellings are projected to be needed over the Plan Period 2021 to 2030. This equates to 30% of total dwelling stock needed to reflect demographic change under the baseline +1,000 migration scenario. The latest Gateway housing register evidence is a need for 736 rented and 965 first time buyer properties (with 2 and 3-bedroom dwellings mainly required).

3.36   Given the high level of need for affordable housing evidenced in the demographic modelling, it is not recommended there is a further affordable housing uplift, but the scale of affordable need expressed in the modelling should be viewed as a minimum figure.

Key worker accommodation

3.37   Stakeholders report a particular need for accommodation for key workers and in particular, the needs of those working temporarily on the island. This would be delivered as licenced accommodation. Specific stakeholders have identified a need for accommodation for health staff, in addition to short-stay flexible housing to provide accommodation for those supporting the development of the digital economy of the island. Concerns have been raised by stakeholders that there are a high number of temporary workers with no housing rights; private landlords are reluctant to rent to temporary workers due to probationary work periods; and the availability and condition of non-qualified housing results in particular shortages of key worker and temporary housing.

3.38   Quantifying the actual scale of key worker housing is a challenge and it is recommended that the SoJ take a policy position to increase the level of key worker and housing for temporary workers. A recommendation is to provide 250 dwellings to help address this need or 25 each year over the plan period over and above the non-qualified housing growth already modelled.

Supported housing

3.39   The housing needs of residents who require supported or specialist accommodation has been discussed with stakeholders. Establishing the actual number of people requiring supported housing can be a challenge, particularly as needs can often be met in the existing home. PPG identifies two particular groups of supported housing need: older people and people with disabilities.

3.40   The ageing demographic of Jersey means that there will be a growth in the need for older person's accommodation. One demographic indicator is the number of people living in care homes and how this may change over the period 2021 to 2030. The 2011

Census identified 983 residents living in care homes (583 with nursing and 400 without nursing). This represented 14.8% of island residents aged 75 and over. Over the period end-2020 to end-2030, the number of residents aged 75 and over is projected to increase from 8,500 (in 2020) to 12,000 in 2030 under the +1,000 in-migration scenario. Applying the 14.8% figure to this increase in population results in a need for 520 additional care home bed-spaces or 52 each year.

3.41   For people with disabilities, the SoJ should liaise regularly with support groups to establish any specific accommodation needs. It is recommended that any identified need for supported housing is in addition to the OAHN figure.

Objectively assessed housing need for Jersey 2021-2030

3.42   Having taken into account English PPG guidance, demographic data and uplifts to support economic growth, key workers and supported housing, it is recommended that the objectively assessed housing need for Jersey 2021-2030 is at least 7,010 dwellings which comprises:

- A baseline demographic requirement for 6,760 dwellings which is based on the +1,000 migration scenario which reflects recent trends. This requirement also supports economic growth which would be facilitated by on-going net in-migration;

- no further uplifts to support affordable housing delivery but an uplift to deliver additional licenced accommodation for key workers/temporary worker housing (250[2]) and identified supported housing need, with 520 additional bed-spaces required in nursing/residential care.

3.43   The overall objectively assessed housing need for Jersey over the island plan period 2021-2030 is at least 7,010 dwellings plus around 520 bed-spaces in nursing/residential care accommodation and identified supported housing need.

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[2] This is an initial estimate and further work would be necessary to refine the number