

## **Twenty-first Annual Report of the Jersey Homes Trust**

The following topics are covered in this report:

### **Governance and future strategy:**

Working closely with the Strategic Housing Unit, the JHT has completed its review of governance and sustainability. It has re-defined its vision and set new objectives.

### **New developments:**

Two further housing developments for JHT were commenced in 2016.

### **The proposed Regulation of Housing Trusts:**

An excellent level of consultation is being conducted by the Strategic Housing Unit. JHT is strongly supportive of the principle of regulation if needless bureaucracy and expense can be avoided.

### **The other social housing providers:**

We continue to exchange views and experiences with the other providers in a helpful and positive discourse.

### **Tenant engagement:**

The results of the satisfaction survey of all our tenants exceeded our expectations.

### **Benchmarking our performance:**

Each year we compare our own standard performance indicators with those of UK housing associations. Our results continue to be reassuring.

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### **Governance and future strategy:**

The Trustees enter a new year re-energised and re-focussed. In my report last year I described the nature of ongoing reviews and discussions arising from our twentieth anniversary and the challenges faced by Trustees in succession planning, sustainability and risk and managing an expanding multi-million pound business.

The following positive results flowed from these reviews which included close engagement with the Strategic Housing Unit (the SHU):

The Trustees approved a new Vision and Strategy Statement, which is appended to this report.

The duties and responsibilities of Trustees, both collectively and individually, were listed and described in a detailed document submitted to the SHU.

The constitution of the JHT was amended and Registered in the Royal Court after

receiving the approval of the Minister for Housing and the Law Officers. The amendments bring the constitution up to date to take advantage of technology and current practice. A restriction on the remuneration of Trustees was removed.

A strategic objective for the next twenty years, to replicate the number of housing units developed during our first twenty years, was evaluated and adopted by Trustees. The JHT is now financially self-sufficient to undertake this development programme without government subsidy. Nevertheless, we shall continue to work closely with the SHU in identifying and responding to continuing housing need and we shall continue to take our new tenants from the Affordable Housing Gateway. We would be well placed to accelerate this ambitious housing programme with States' subsidy and support and there needs to be a conversation regarding the transfer of States' brown-field sites to housing trusts willing to invest in them for the benefit of the community.

### **New developments:**

We have had an exciting year. The long-awaited development by the States of Jersey Development Company at College Gardens got under way and the JHT acquired the site upon which the Garrett Anderson House comprising 40 units will be constructed. We look forward to the completion of the JHT homes in 2018 and we are delighted to be part of this very attractive housing development in a superb town location.

JHT also acquired the site in Grouville of the former De La Mare Nurseries and signed a construction contract with Hacquoil & Cook for 35 3-bedroomed houses, six of which will be sold as affordable housing units to first-time buyers nominated by the Gateway. The development, to be known as Jardin de la Mare, is close to our existing estate at Le Jardin Fleuri, also in Grouville. The demolition of the redundant glasshouses has revealed a truly beautiful site and we eagerly await completion in 2018.

Finally, we recently took possession of a small new development of four flats and a bungalow in Rue de Haut, St Lawrence. Although this is, for JHT, a small development it is of very high quality and conveniently close to our estate at La Folie.

### **The proposed Regulation of Housing Trusts:**

I have been reporting on this topic for many years. I fully recognise the difficulty faced by any States minister or legislator in framing a regulatory system tailored for Jersey social housing providers. This is a very small jurisdiction and there are only a very few providers. To replicate a system designed to hold to account hundreds of providers, some of them enormous by Jersey standards, covering all the counties of England, would appear to be a bridge too far. If the object of regulation is to monitor the financial soundness of the regulated bodies, to ensure accountability and to achieve transparency, there are simpler and better solutions.

I would submit that all the Jersey providers measure up to all the required standards and, in fact, are already quite highly regulated. In our case, we are required to submit our audited accounts to both the Minister for Housing and the Treasury Minister. Our rents are capped in line with the Housing Minister's requirements. Our lease agreements are in a format approved by the former Housing Committee. We take our tenants from nominations handed down by the Gateway. We are making a contribution from our rental receipts to the States Treasury to balance increased Income Support payments arising from the gradual introduction of 90% of market rentals. We benchmark our performance

indicators against those of UK housing associations, in response to a request from a former Treasury Minister, and submit these annually to relevant Ministers. We are bound by our own very detailed constitution. Appointments to our Board have to be approved by the Minister. In the event of our accumulating uncommitted and unneeded nett cash surpluses, these must be paid to the Housing Ministry. We are also transparent, putting abundant information (including our audited accounts) in the public domain through our website. We also share with the SHU and discuss openly our strategies, objectives, tenant engagement and development plans.

If regulation pulls together all this reporting and practice, in a proportionate and reasonable approach, to achieve reassurance amongst all stakeholders, it is surely to be welcomed. The Minister is placed to resolve finally this difficult policy by entering into bi-lateral agreements or Memoranda of Understandings with each separate provider, in bespoke arrangements tailored appropriately to the realities and issues requiring attention, with a degree of self-assessment based upon published standards. It is to be hoped that the very detailed consultations taking place will lead the Minister to this solution, which will avoid the delay of legislating and the cost of implementing the statutory-based alternative, with all its undesirable and unnecessary bureaucracy and cost.

#### **The other social housing providers:**

We greatly value our cordial and very helpful relationships with the other social housing providers. From time to time meetings are convened and attended by Ian Gallichan, Managing Director of Andium Homes, Diarmuid Lynes, Chairman of Christians Together Housing Trust and Francis Le Gresley, Chairman of the Les Vaux Housing Trust. Views and experiences are shared and I am always particularly struck by the dedication of my colleagues in their respective roles. Jersey is very well served by these agencies for good and I am proud to be part of this.

Andium Homes has now, as expected, taken on the mantle of the major developer of new social housing schemes. For many years this was the role of JHT and the main reason for its formation. We wish Andium well in this challenging objective. JHT will continue to look for smaller development opportunities, broadening the scope for choice amongst social housing tenants and contributing to an essential social provision.

#### **Tenant engagement:**

We have conducted another satisfaction survey of all JHT tenants, with the very able assistance of Marion Falle, our public relations consultant. Marion helps us design the questionnaire and advises us generally on how to conduct the survey and on what to expect. She also independently assesses the results and reports them back to Trustees. These results have always been really encouraging, with a high response rate and excellent scores. What we did not expect was to receive even better scores on such parameters as estate vandalism and anti-social behaviour.

742 questionnaires were posted to tenants. Responses were received from 247 (33.3%) which is regarded as a good response rate. The following scores were obtained:

72% agreed that they enjoyed living in their home and a further 22.6% "tended to agree".  
70% agreed that their home satisfied their family needs and 17% tended to agree.  
Whilst only 38.8% agreed that communal areas are well maintained, only 5.6% disagreed.  
Tenants were generally happy with the cleanliness of communal areas, lifts and bin stores.

81% agreed that the property managers' representatives are "polite and courteous".  
73% agreed that maintenance issues are dealt with efficiently whilst 18% tended to agree.  
79% agreed that maintenance staff were courteous.  
65.5% reported that vandalism "is not a problem" (compared with 49% in 2011) and only 2.8% disagreed with the statement.  
65% reported that anti-social behaviour is not a problem (compared with 53.8% in 2011).  
75.7% would recommend a friend/relative to live in a JHT home and 16% tended to agree.  
61.5% found our news bulletin "Home Front" informative and useful and 30% tended to agree.

All the above scores are similar or an improvement on previous results, which were considered more than satisfactory at the time. We are very encouraged by this clear confirmation that we are getting it right. This is not to indicate complacency and JHT and our managers will continue to search for improvement. The landlord activity of the Trust is by far its most active and its most important role.

The questionnaires also contained a comments section in which tenants were invited to make their own specific comments. 93 comments were made. In every case in which the tenant's name was notified our managers responded directly and individually. Other issues will be dealt with through our newsletter. Happily, there were a good number of excellent comments praising our performance or expressing a high satisfaction experience as JHT tenants.

Our managers conducted a separate study during 2015, relating to the 3,580 maintenance call-outs activated in the year. 2,520 tenants were provided with short questionnaires, giving them the opportunity to inform the managers about the service provided. 243 responded (9.6%), indicating presumably a high rate of satisfaction by those not responding. Of those who did respond, 96.7% stated that the problem had been dealt with satisfactorily. 85% reported "excellent" attention and 15% reported "good".

Tenant engagement does not just happen. It is an important function of a social landlord and we recognise the need to maintain a courteous, responsive and efficient interface with tenants and their family members on a day to day basis, to work sympathetically with tenants who may be challenged to manage their finances to achieve compliance with rental obligations, and also to engage generally with tenants with newsletters and surveys. The JHT website is regularly updated and contains abundant information for the benefit of tenants and also the wider community.

### **Benchmarking our performance:**

The results of the annual benchmarking of the Trust's performance indicators are appended. These are compared with the summarised results of UK housing associations. The JHT benchmarking results are authenticated by the Trusts' independent auditors.

The UK results are based on the global accounts of associations of over 1,000 units (90% of the sector). The JHT had 741 units in the period of review. It is generally accepted that larger associations enjoy the benefit of economies of scale. I would also mention that the JHT operates in a cost environment considerably higher than many parts of the UK.

We operate under an out-sourced management model and we have no employees or place of business. This continues to be our preferred business model. The Trust has also benefitted from a constitution that provides in its regulations for remunerated services to

be purchased from firms connected to Trustees, under well understood protocols. The Trust's auditors report that all such contracts are negotiated in accordance with the regulations and the financial details of all such contracts are published in the financial statements of the Trust. The financial statements are forwarded to the Treasury and Housing Ministers and published on the JHT website.

### **Acknowledgements**

To:

Nigel Sweeny (our monitoring surveyor);  
Marion Falle (our public relations consultant);  
Stephen Van Neste and his team at Brunel Management (our property managers);  
Michelle Tinari-Lee and her team at Moore Management (accountancy services);  
Sylvia Lennon at Intertrust (secretarial services);  
and to my amazing Trustees (see below).

Thank you all for your services and kindnesses in 2016.

**MICHAEL VAN NESTE CIHM.  
CHAIRMAN**

The Jersey Homes Trust is a Jersey Housing Association, registered in the Royal Court on 9th June 1995 as an association for the purposes of the law entitled "Lois (1862) sur les teneures en fideicommiss et l'incorporation d'associations". The 1862 law provides for duly registered incorporated associations and trusts to hold land and property for charitable purposes.

### **The Trustees of the Jersey Homes Trust:**

Michael Van Neste, Chairman;  
Martyn Scriven, Deputy Chairman;  
Advocate Philip Le Cornu, Secretary;  
Ian Moore, (Chartered Accountant), Accountant;  
Chris Clarke, (Chartered Structural Engineer) Developments Director;  
Paul Labesse, (Chartered Building Surveyor) Estates Director.  
Frank Dearie; Risk, Regulation and Compliance.  
Jim Bailey; (Chartered Surveyor).

Michael Van Neste CIHM.  
CHAIRMAN

1<sup>st</sup> January 2017

## **THE JERSEY HOMES TRUST**

On 18<sup>th</sup> October 2016 the Trustees met to reconsider and restate the aims and the strategy of the Trust.

We, the Trustees of The Jersey Homes Trust, have agreed:

### **MISSION:**

Our mission is to provide decent affordable social rented housing for the people of Jersey.

### **VALUES:**

Our values are encapsulated in the word “Trust”:

- ⌚ **Transforming** - setting new standards for social housing provision;
- ⌚ **Respect** for our community and environment;
- ⌚ **Understanding** the needs of our tenants and their families;
- ⌚ **Strength** of purpose and determination;
- ⌚ **Teamwork** - working together to make a difference.

### **VISION:**

Our vision is to be a major force in procuring, developing and acquiring affordable homes of quality. We are, and intend to remain, the largest independent provider of social rented housing in Jersey. We aim to be a model landlord and efficient manager of our properties.

### **STRATEGY:**

We shall regularly update the policies and the means by which we achieve our vision, working with the Minister of Housing to define and share objectives.

### Our current objectives:

- ⌚ To procure and develop schemes of merit to help meet the housing need in Jersey, in accordance with the policies of the Strategic Housing Unit and the objectives of its Housing Strategy, in such endeavour.
- ⌚ Having successfully constructed a portfolio of over 750 homes since our inception, to aspire to repeat this level of development over the next 15 to 20 years. (Developments must meet prudent financial requirements of viability and the financial commitments arising from funding solutions.)
- ⌚ To protect the value of our properties and the integrity of our financial reporting through excellent management and maintenance procedures whilst obtaining best value.
- ⌚ To manage our tenancies with high regard to the interests and welfare of our tenants and to achieve the highest possible adherence to regulatory standards.
- ⌚ To engage with other social housing providers and the Strategic Housing Unit in developing policies, standards, transparency and regulatory procedures for the continued growth, reputation and success of the social housing sector.

MICHAEL VAN NESTE  
CHAIRMAN  
29 November 2016

## **THE JERSEY HOMES TRUST**

### **Annual Benchmarking of Performance (2013 – 2015)** **against Performance of UK Housing Associations**

	<b>UK Associations 2015</b>	<b>Jersey Homes Trust</b>		
		<b>2015</b>	<b>2014</b>	<b>2013</b>
Average stock	7,974	751	744	744
Void Stock	1.7%	0.0%	0.0%	0.0%
Stock failing Decent Homes Standard+	1.9%	0.0%	0.0%	0.0%
Average re-let time (days)*	33.2	0.0	0.4	0.0
Rent arrears at year end	4.60%	0.06%	0.18%	0.21%
Bad Debts	0.80%	0.13%	0.20%	0.21%
Operating cost per unit (excluding major repairs); Weekly	£52.81	£46.06	£40.40	£36.71
Annual	£2,746	£2,395	£2,101	£1,909
Management cost per unit; Weekly	£19.88	£16.00	£14.74	£14.70
Annual	£1,034	£832	£766	£764

#### **NOTES:**

“**Management Cost**” includes all administration costs, management fees, accountancy and audit fees, property insurances, P.I. Insurance and legal and professional fees.  
(Note: The costs for 2014 and 2013 are re-stated to comply with current accounting)

“**Operating Cost**” includes all the above, all repairs and maintenance and bad debts.

To achieve like-for-like and meaningful comparisons:

All costs are nett of depreciation and impairment costs.

JHT costs are nett of Foncier Rates (for which there is no UK equivalent).

#### **Sources:**

The “2015 Global Accounts of Housing Providers” published by the Homes & Communities Agency (over 95% of homes in the sector, being Housing Associations with over 1,000 units).

The independently audited Financial Statements of The Jersey Homes Trust and reports to Trustees by Managing Agents.

+Stock failing Decent Homes Standard per 2012 reporting (this PI no longer reported)

\*Re-let times for UK associations taken from 2010 reporting (this PI no longer reported)

Average re-let time calculated by number of void days divided by number of re-lets in year.

JHT benchmarking is not suitable for comparison with UK local authority housing departments or with Andium Homes in Jersey.

**JERSEY HOMES TRUST  
PROPERTY DETAILS and RENTALS CHARGEABLE**

PROPERTY	Number of bedrooms					Total	Attainable Rents	
	1	2	3	4	5		Mthly (Qtrly*)	Annualised
Brooklands	1	11	3			15	14,851	178,217
Berkshire Court	113					113	84,020	1,008,244
Berkshire Court Shop						1	3,156*	12,622
Belle Vue	24	53	11	2		90	88,711	1,064,530
Clement Court	27	5				32	24,571	294,848
Clos Du Ruisseau			19			19	24,544	294,531
Cherry Grove		12				12	11,420	137,038
Le Grand Clos	14	6	27	7		54	60,114	721,372
Hameau de la Mer	18	3				21	18,849	226,182
John Wesley Apts	17	23	1			41	35,018	420,221
Kent Lodge		7				7	6,469	77,632
Le Coie	49	46			1	96	81,144	973,728
Le Coie Commercial Units						2	8,189*	32,755
La Folie	3	27				30	29,089	349,073
Le Jardin Fleuri		4	12			16	19,332	231,987
La Roseraie	4	14	27			45	50,039	600,468
Millbrook Gardens		1				1	1,100	13,200
Maison St Nicolas		6				6	5,604	67,248
Parkside	1	6	8	2	2	19	20,261	243,126
Clos Le Gallais		2	11			13	15,895	190,739
5 St Clements Road	9	1				10	7,683	92,192
St Paul's Gate		17				17	15,409	184,908
St Saviour's Court		24	4			28	26,347	316,167
Victoria Place Group Home	5					1	13,724*	54,895
Victoria Place	22	51	4			77	68,505	822,058
<b>TOTALS</b>	<b>307</b>	<b>319</b>	<b>127</b>	<b>11</b>	<b>3</b>	<b>766</b>	<b>717,332</b>	<b>8,607,982.80</b>

All properties are held through freehold or flying freehold title.

The above table is correct at 31<sup>st</sup> December 2016.

All properties are fully let except Millbrook Gardens, which was handed over to JHT by the developers in recent days. This property consists of four 1-bed flats and one 2-bed house.