

2.9 Deputy S. Power of the Minister for Treasury and Resources regarding the re-use of the Bellevue site at Les Quennevais for Housing:

Would the Minister explain why it is taking so long to progress the ultimate re-use of the Bellevue site at Les Quennevais for housing for those in their retirement who want to downsize to a much needed 2-bedroom accommodation?

Senator T.A. Le Sueur (The Minister for Treasury and Resources):

Could I ask the Assistant Minister, Deputy Le Fondré who has responsibility for housing matters to deal with this issue, please?

Deputy J.A.N. Le Fondré of St. Lawrence (Assistant Minister for Treasury and Resources - rapporteur):

As the Deputy is aware, the department has been working on this matter for some time and has prepared a number of different schemes, each one of which has now been evaluated. I would say, Sir, in general, Property Holdings seeks to obtain value for sites, however unless the scheme was to prove unviable the main criteria in this case is the fulfilling of the relevant social need. We have been in discussions with Housing, Health and Planning regarding the most appropriate sizes and mix of units on the site. The key issue appears to be whether it is appropriate to provide one or 2-bedroom units to meet the needs of the ageing population and/or which would be more appropriate on this site. At the end of the day houses have a life of over 50 years and it is better to get the planning right up front before making a decision which will last the rest of our lifetimes. It has taken longer than we would anticipate to resolve the issue but we hope that a scheme will be ready for a planning application quite shortly. I would note that there will be a presentation to all of the relevant parties before that is done.

2.9.1 Deputy J.A. Martin:

I would just like to ask the Assistant Minister, we have all been invited this evening to see some lifelong retirement dwellings. It has been reported to us that all new-builds' lifetime home standard in the U.K. will have to comply with these standards by 2016. Are any of the plans on this site we are discussing now going to meet these requirements?

Deputy J.A.N. Le Fondré:

I would probably like to come back and confirm definitively to the Deputy, but my understanding would be firstly that will be a matter for the detailed planning application. Where we are at the moment is at the step before of seeing the type of units and what type of units can go on to the site. But I would basically give my understanding that it would have to comply. But that is subject to a confirmation, Sir.

2.9.2 Deputy S.C. Ferguson:

Surely if we are considering one and 2-bedroom apartments, the important factor is the residual value. What is the differential between one and 2-bedroom flats? As I understand it this is the return to the taxpayer.

Deputy J.A.N. Le Fondré:

In general, Sir, the indicative figures of putting one-bedroom units on the site would result in a deficit to the public, while a 2-bedroom scheme would result in a reasonably positive return. In broad terms, the cost of adding an additional bedroom to an apartment is in the order of about £10,000 a unit, but the increase in value is fairly significant. I do have some indicative figures so I can give them to the Deputy and to the Assembly. I would add a caveat that these are high-level at this stage, it is very much indicative numbers but as a ballpark figure the residual value on a predominantly one-bedroom scheme would end in a loss as it were to the public of in the order of £600,000 to £640,000 as compared to a positive value of between £2.3 million to £2.8 million for a 2-bedroom scheme.

2.9.3 Deputy S. Power:

I wonder, could the Assistant Minister clarify - could I clarify to the Assistant Minister and could he respond - that in the 2 years that I have held a surgery at Communicare, with the Housing Minister and the Assistant Housing Minister, all of the people that have visited the surgery have indicated a need for 2-bedroom accommodation? I might also point out to the Assistant Minister that the same people come back every month looking for a progress report on this development. Can the Minister indicate as strongly as he possibly can that the development will be largely biased in favour of 2-bedroom accommodation to sell and 2-bedroom accommodation to rent?

Deputy J.A.N. Le Fondré

That is the key issue, as I said previously, that we have been trying to identify and it is probably one of the reasons why... because obviously it is that balance between social need and also the financial impact to the public. I have to give a personal view on this point; I think the results of the Housing Needs Survey and anecdotal comments I have heard previously would indicate from a personal perspective a preference for 2-bedroom units. I think that is a discussion that is being had and needs to be finalised. My understanding is that it is fairly close to being finalised, Sir.