

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY J.A. MARTIN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 19th MARCH 2013**

Question

Can the Minister advise whether there is an existing budget or an identified funding source for the development of 150 category 'A' residential units on the Summerland site and, if not, would he explain how the units could be built on the site, as stated by the Minister for Housing in his written comments on P.92/2013 ('Police Station Relocation: review of decision' (P.92/2012))?

Answer

The funding for these sites is included in the borrowing arrangements, as described in R15/2013, the Full Business Case which supports the Report and Proposition for the Reform of Social Housing.

The Business Case recognised that the new Housing Company requires new sources of finance beyond the traditional capital programme in order to meet its objectives.

The States of Jersey may, for major investments such as social housing, which have long term benefits, decide to borrow in order to finance the project.

The Treasury is presently exploring a range of financing options. These include the use of infrastructure investment and external borrowing against the rental income stream.

It is proposed that the Housing Department, in its future form as a wholly States-owned Housing Company, will develop these sites.

It is planned that the sites will not be sold, but retained by the proposed new wholly States-owned Housing Company for affordable housing.

If for any reason the Housing Company did not develop the sites, they could be developed by another social housing provider as Category A housing and financed through equity, commercial borrowing or a combination of both.