

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY THE DEPUTY OF ST. JOHN
ANSWER TO BE TABLED ON TUESDAY 16th JULY 2019**

Question

Will the Minister, as shareholder representative –

- (a) explain why the States of Jersey Development Company continues to advertise the Horizon Development as ‘lock up and leave’ (i.e. a reference to investment for capital gains only);
- (b) advise what consideration, if any, has been given, in light of the housing shortage (especially for those seeking starter homes), to ensuring that a proportion of developments such as this are allocated at affordable purchase and rental prices;
- (c) advise what discussions, if any, have been undertaken with the Company regarding the prospect of properties within the Horizon Development being left vacant, in light of the Government’s aim to improve the quality and affordability of housing; and
- (d) undertake to review the current arrangements to ensure that greater emphasis is placed on the provision of affordable housing for Jersey residents in the Company’s role and functions?

Answer

The responses to the questions are as follows:-

- (a) The advertising of ‘lock up and leave’ is not intended to be a reference to “investment for capital gains only”. It is meant to highlight that the maintenance of the units is undertaken by others and that down-sizers, who may have extended periods of travel outside of the Island, can do so knowing that their homes are secure and are being maintained in their absence.
- (b) As shareholder representative my responsibility is principally for the governance and oversight of the Company. The determination of housing policy and how it should be implemented and delivered through individual schemes, rests with the Ministers for Housing and Environment.
- (c) Buy-to-let investors have purchased approximately 54% of the pre-sold units at Horizon and all except five of those units have sold to local investors. These purchases will have been made based on a certain projected rental yield being achieved. Therefore, it is considered very unlikely that these investment properties, owned by local individuals, will be left vacant.
- (d) The States established Andium Homes as its key delivery vehicle of affordable (Category A) homes for rent and sale, whilst the States of Jersey Development Company was set up to be the States property development arm, with a focus on commercial development (office and residential). However, the latter can also be a delivery vehicle for affordable homes as demonstrated on the recently completed Jersey College for Girls development. As such, a review to ensure greater emphasis is placed on the provision of affordable housing for Jersey residents by the Company is not required, but they will be expected to continue to co-operate and co-ordinate with Government to identify the optimum, financially viable opportunities to deliver on the States priorities in respect of affordable homes.