

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES  
BY DEPUTY M.B. ANDREWS OF ST HELIER NORTH  
QUESTION SUBMITTED ON MONDAY 14th APRIL 2025  
ANSWER TO BE TABLED ON WEDNESDAY 23rd APRIL 2025**

**Question**

“Will the Minister provide details of any outstanding debt owed by Andium Homes and advise what assessment, if any, has been undertaken of the reduction in rental income which Andium Homes could sustain and yet remain economically viable; and if no such assessment has been undertaken, will she explain why not?”

**Answer**

At the end of 2024, Andium Homes had property assets designated for social housing rental valued at £1,172m (under existing use for social housing). The outstanding debt, all of which is unsecured, as at the end of 2024 was as follows:-

- £227.6m from the States of Jersey Housing Development Fund
- £100m from the Private Placement (PP) arranged in November 2024
- £105m from the Revolving Credit Facility (RCF) arranged in 2020 and extended in January 2022. Andium has the capacity on the RCF to drawdown to a maximum of £250m.

Andium has a robust and carefully balanced business model that enables it to maintain its homes and invest in the delivery of new homes for Islanders. The premise of the model is the Minister for Housing’s social rents policy and the annual return Andium makes to the States of Jersey each year, currently c.£30m pa.

The rent policy sees new tenancies set at 80% of market rent and annual increases are capped at 4%. Tenants are also protected through Income Support, which is available for up to the full amount of rent charged, with c.60% of Andium tenants in receipt of Income Support.

Andium’s sole purpose is to provide homes for Islanders but is not funded by Government and so all its services and the delivery of new homes are funded through the rental income it receives and sales proceeds.

If Andium’s rental income was reduced, Andium may have to undertake the following steps to remain economically viable:

- Reduction in maintenance and other services
- Reduction in delivery of new homes
- Increased borrowing
- Mixed tenure sites to incorporate some open market products

Andium regularly assesses its financial position to ensure it remains financially stable by projecting its cash flows over a 40-year period, with all borrowing projected to be repaid by 2050. These projections are then stress tested for the impact of, for example, changes in the rental and sales market, inflation and interest rates. It is the responsibility of the Andium Board to monitor financial viability and debt levels in

accordance with their own risk appetite, and I am satisfied that the necessary assessments are being regularly undertaken.