

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY THE DEPUTY OF ST. PETER
ANSWER TO BE TABLED ON TUESDAY 12th FEBRUARY 2019**

Question

Will the Minister, as shareholder representative, request from Andium Homes a breakdown of the costs (both to date and forecast) relating to the Ville du Manoir housing project in St. Peter and confirmation of how any income arising from the project, once completed, is planned to be used?

Answer

Andium Homes have provided the following response and information, in answer to the Deputy of St Peter's question:-

The actual costs to date relating to the Ville du Manoir project are as follows: -

Legal & Planning Fees	£37,179
Professional Fees	£63,536
Site Surveys & Investigations	£19,274
TOTAL	£119,989

The overall forecast cost of the project will be influenced by several factors, such as:-

- Inflation
- The state of the construction market and the cost of building at the time
- House prices at the time that sales can take place
- The final design of the scheme
- Additional costs not directly associated with the homes themselves such as offsite planning gain and Planning Obligations imposed by Planning
- Professional fees
- Finance costs
- The timing of the project, the longer it is delayed, the more uncertainty over cost

The Ville du Manoir project is a development of approximately 65 first time buyer homes for sale to purchasers who are registered on Band 5 of the Housing Ministers Affordable Housing Gateway with priority being given to those families who can demonstrate strong links to the Parish of St Peter. The homes will be sold at an estimated 75% of their prevailing market value. Controls are put in place to ensure that owners cannot profiteer from the discounted purchase and all subsequent sales are at the same proportional value, to ensure that the homes remain affordable in perpetuity. Andium Homes is not anticipating making any income or profit from the development which will need to break even, with the full cost of the development being repaid from the sales.

By way of an example, Andium Homes recently sold 6 properties at the De La Mare site, constructed by the Jersey Homes Trust, at between £325k and £335K, using a similar discounted arrangement with homes remaining affordable in perpetuity. Andium Homes did not make any profit from these sales.