

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY J. RENOUF OF ST. BRELADE
QUESTION SUBMITTED ON MONDAY 10th MARCH 2025
ANSWER TO BE TABLED ON MONDAY 17th MARCH 2025**

Question

“Further to [Ministerial Decision MD-TR-2025-135](#), will the Minister, in her capacity as majority shareholder of Andium Homes, advise –

- (a) the reasons for allowing Andium to acquire part of the Maisons Les Arches site;
- (b) who initiated discussions over the acquisition of the site;
- (c) what analysis was undertaken to confirm that this would be a commercially advantageous transaction for Andium; and
- (d) whether there has been any analysis undertaken on whether falling house prices will impact the commercial viability of the development, and if not, why not?”

Answer

(a) The Maison Les Arches site is what was known as the Northern Quarter development. By Ministerial Decision MD-TR-20022-493, the then Minister for Treasury and Resources approved the acquisition by Andium of the majority of the Northern Quarter site and permitting Andium to enter into a Development Agreement relating to the development of the site.

The Contractor would deliver 195 homes on the site, 169 of which were to be acquired by Andium as affordable homes, the balance of which would be retained by the Contractor and sold as open market homes. The development also provides resident parking, commercial spaces for local businesses, a community centre and public realm improvements.

In signing Ministerial Decision MD-TR-2025-135, I have authorised Andium to acquire the balance of homes on the site from the Contractor which means that the 26 remaining homes, which would otherwise be sold on the open market, will now provide more affordable housing opportunities. Of the 26 homes, 4 are 3-bedroom town houses which provides a rare opportunity for family houses in the heart of St Helier. The homes come with the remaining 46 car parking spaces on the site. The acquisition also received the support of the Minister for Housing from a housing policy perspective.

(b) The Contractor initiated the discussions with Andium Homes.

(c) The Andium Board carefully considered whether the acquisition of the additional homes was a commercially advantageous transaction for Andium, ensuring financial viability and assessing the benefits of the additional supply against its objectives within its approved Strategic Business Plan for the delivery of additional affordable housing.

In addition, the Treasury Department commissioned a third-party assurance review which concluded that was an excellent opportunity for Andium to both create a more cohesive development as well as increase stock numbers in the short term as Andium looks to secure permissions and funding for further developments, most notably on the Bridging Island Plan sites.

(d) The analysis that Andium undertakes when considering opportunities like this includes stress testing various scenarios, including declining house prices, and the third-party assurance review considers that stress testing work.

The Deputy's question refers to the commercial viability of the development. That analysis and stress testing was undertaken before the Northern Quarter development commenced in July 2022, and updated for these additional 26 homes. Whilst the original development agreement between Andium and the Contractor provided for fixed prices for the delivery of each unit, the viability of the development is kept under continuous review.