

STATES OF JERSEY



HOUSING TRADING ORGANISATION: ESTABLISHMENT

**Lodged au Greffe on 26th September 2005
by the Housing Committee**

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

- (a) to acknowledge the need to bring the States social housing stock up to an acceptable condition and maintain that standard through an adequately funded maintenance programme, based on further investigation of a range of measures contained in the report of the Housing Committee dated 12th September 2005;
- (b) to approve, in principle, the creation of a Housing Trading Organisation, within the meaning of Part 4 of the Public Finances (Jersey) Law 2005, to operate the landlord activities in respect of the States social housing stock; and
- (c) to charge the Finance and Economics Committee, in conjunction with the Housing and Policy and Resources Committees, to bring forward detailed proposals within the States Business Plan 2007 - 2011 to effect the necessary changes from 1st January 2007.

HOUSING COMMITTEE

REPORT

Introduction

The provision of long-term, sustainable and affordable housing to meet the needs of all Island residents is the main aim of the Housing Committee. Meeting the needs of those least able to secure suitable accommodation is a large part of the Committee's work and this is reflected in its responsibilities as landlord for 4,629 States rental dwellings.

However, unlike other social rental landlords, the Housing Committee currently has a responsibility to administer and fund rent subsidy schemes for both the private and public sector. These schemes ensure affordability for tenants but place significant demands on the annual Housing Committee budget to the point where reasonable budget provision to carry out repairs and maintenance to the States rental stock has been, and continues to be, compromised.

Housing Stock Condition

Over a number of years the Department has reorganised its maintenance function. Schedules of rates have been introduced for both void property refurbishment and response repairs with a substantially reduced number of contractors. Combined with revamped processes, the Department is recording performance measures which place it with the top performing social landlords in the U.K. The Department has a sound knowledge of its stock. It has produced a comprehensive refurbishment programme covering an 8 year period and has planned and cyclical maintenance programmes for the next 20 years. The Department is therefore well organised to face future demands but suffers from a chronic shortage of funding to make the required improvements the rental stock requires.

Surveys of the stock under management have revealed that a sum close to £7 million per annum is required to maintain the buildings in good and safe condition: the current budget allocation is around £4 million per annum.

Each year that passes with under-funding in place has a number of negative effects. It places higher demands on costly response repairs in future years. It upsets planned maintenance programmes by requiring more significant works to be carried out on a more expensive, ad hoc basis. It increases the risk of accident and injury to residents with potential for claims against the States. Ultimately it leads to residential accommodation being closed down as unfit or unsafe for human habitation. A summary of the work required on an annual basis is attached as Appendix A.

As well as the annual maintenance requirement there is also a significant backlog in the modernisation/improvement programme with, in this instance, the lack of capital funding being the critical issue. The programme of modernisation and improvement of the stock has fallen behind and it is estimated that an injection of funding of some £90 million is required to bring the Committee's stock up to an acceptable standard.

Housing Committee Revenue Budget

Excluding the income and expenditure associated with Housing Control and Building Loans, and recharges to Treasury funds the Committee's revenue budget for 2006 is broadly as follows –

<u>Income</u>	£'000
Rents	(32,623)
Other income	(412)
-	
Total	(33,035)
<u>Expenditure</u>	
Rents Subsidies	25,050

Staff	2,947
Net Operations, administration and service charges	2,559
Building Maintenance	4,130
	<hr/>
Total	34,686
	<hr/>
Net Expenditure (cash limit)	1,651

The fundamental problem with this revenue budget is that the burden of funding private and public rent subsidies results in an insufficient provision to meet the cost of maintaining the housing stock in good order.

The Housing Committee's revenue budget has for many years hovered around balance, managing to nearly cover the rent subsidy schemes as well as maintenance, staffing and operational costs from rental income. Unfortunately, in complying with the States wide need to reduce expenditure over the last few years, the Committee has not had sufficient funds to carry out its landlord's responsibilities in regard to building maintenance to an acceptable and sustainable standard. One can get away with reducing building maintenance for a few years but it does not take very long for problems to accumulate to an unacceptable degree.

Quite simply the Housing revenue expenditure budget needs to be increased by £3m per annum to provide for a fully funded maintenance programme.

Capital Expenditure Requirements

In the last 10 years a number of estates– Oak Tree Gardens, Cherry Orchard Court and others – have been redeveloped or refurbished to a high standard, and works are in progress at both Le Squez and Le Marais. Many estates are awaiting attention, with some such as Ann Court and The Cedars having provisional funding in the States forward capital programme. Unfortunately there is a great number which need attention and for which there is no prospect of direct capital funding within the foreseeable future.

The current estimate is that 2,300 properties in some 60 locations, ranging from larger estates to single dwellings, are in need of modernisation, improvement or redevelopment within the next 6 years. The estimated total cost of these projects, at current prices, is £89,170,000. A summary of this programme is attached as **Appendix B**.

Housing currently relies on a number of different approaches, in addition to capital allocation from the States, to raise funds to finance modernisation, improvement or redevelopment of its rental stock –

- **Sales of selected properties on the open market.** Some sales have already been achieved and future sales over the next few years could realise about £9 million.
- **Sales to tenants.** This approach will finance the Le Squez and Le Marais redevelopment, the cost of which is not included in the £90 million requirement above. Extending this approach to a number of other estates could yield about £35 million.

Although further research is necessary it is possible that the introduction of a shared equity scheme could increase options for sales to existing tenants. This will be explored but at this stage should not be regarded as a major contributory factor in raising funds for the capital programme. This is because only part of the value of the asset is realised when sold and, in the case of refurbishment, this may be less than the sum expended on the whole.

- **Transfer of stock requiring improvement/redevelopment.** Stock has been transferred to Housing Trusts at a sum that recognises the cost of improvement/redevelopment and the Trusts raise private funding to bring the property back into social rented housing.
- **Stock Transfer to Housing Trusts.** In addition, the Committee has considered the Transfer of tenanted

stock in a good state of repair to housing trusts. Large scale stock transfer has never been undertaken and should this policy be pursued it would, of course, require the agreement of both the tenants and the Trust. The transfer of about 400 dwellings could yield some £42 million.

It can be seen that a combination of these approaches could, over a period of time, raise a sum close to the necessary circa £90 million funding for the programme to be carried out.

It should be noted that –

There would be implications for the total number of social rented dwellings available at the end of the 6 year programme and so decisions on sales to the open market and to tenants would have to be balanced against delivery of new social rented housing and the needs reflected in the States Rental Waiting List.

Transfers to Housing Trusts should be neutral in terms of rent subsidy as this will result in a transfer from rent abatement to rent rebate (both of which will be incorporated into the future Income Support System).

However, sales to tenants, Trusts and the open market would result in reduced rental income to the Housing Committee, potentially increasing the £3 million shortfall arising from additional maintenance expenditure to close to £8 million.

Operating as a Trading Organisation

In approving P.93/2005 – ‘States of Jersey Property Holdings: Establishment’, the States agreed to exclude the management of States social rented housing from the remit of Jersey Property Holdings. An alternative structure is required to manage the States social housing stock, which takes into account the absorption of rent subsidy (rebate and abatement) into the proposed Income Support System.

The Housing Committee considers that its landlord functions should be managed through a financially ‘ring-fenced’ account and considers that the appropriate structure is that of a States Trading Organisation, as defined under Part 4 of the Public Finances (Jersey) Law 2005 (extract attached as **Appendix C**).

The creation of a Trading Organisation would not alter the ownership of the property or the responsibility of the Housing Department to the States. It would however provide an accounting vehicle which would reflect the nature of the work done, i.e. that of a property owning landlord, so that costs of investments made in maintenance and upkeep are reflected in income received in future years.

It will free the management from short term decision making based on working within a continuing inadequate budget and allow the medium and long term planning more suited to both the provision of homes and the maintenance of property. The Trading Organisation will be able to concentrate on these core landlord functions, providing tenants with a more efficient and responsive service.

The creation of a Trading Organisation will not, in itself, produce any additional funding to address the stock condition issues, but will establish a more transparent relationship between the social housing rental account and the States general funds.

The Housing Committee recommends that a States Trading Operation be established to manage and account for the provision of States social rented housing. If approved, the Committee will work with the Finance and Economics and Policy and Resources Committees to bring forward detailed proposals.

Meeting the shortfall in returns to central funds

The intended transfer of responsibility for rent subsidy from Housing to Employment and Social Security (ESS) is planned to take place in June 2006, but, ESS can only take this on if initially allocated the same sum, £25 million which Housing budget for private and public sector rent subsidy. If a Housing Trading Organisation is established, this budget transfer will take the form of a return to the States. However, for the Housing Trading Organisation to meet its obligations to provide decent homes for its tenants, the return to the States will be

£8 million less than the £25 million required to operate the Income Support System.

The Committee has always sought to work corporately with the best interests of both the States and its tenants at heart. At a time of increasing pressure on States resources, it would be naïve of the Housing Committee to simply request the Finance and Economics Committee to provide additional funding of this magnitude. The Committee will work closely with the Finance and Economics Committee to determine a sustainable funding solution in the medium to long term, but the problems facing the Committee are significant and must start to be addressed now. As outlined above, failure to act could lead to the closure of residential accommodation within a relatively short time frame.

Many days have been spent in deliberating over reductions and increases in committee capital and revenue budgets before reaching the proposals to be approved by the States. The Housing Committee has accepted for several years that no more money is available and has, with States approval, utilised asset disposal and sales to tenants and Housing Trusts to help raise the necessary funding for building maintenance as well as refurbishment and redevelopment. However, this alone is not enough and, without the significant adjustment to the Committee's finances outlined above, the situation will steadily worsen.

About £8 million per annum is needed from 2007 onward. In order not to interfere with fund allocation decisions for 2006 and provisional decisions for future years **the Committee proposes that potential funding sources, including the following, should be considered and further investigated –**

- **Capital Allocations:** As the Trading Organisation will meet the cost of capital works from its Trading Fund, the following proposed funding allocations in the future capital programme could be directed to meeting the shortfall –

<i>Year</i>	<i>Item</i>	<i>Amount £000s</i>
2006	Minor Capital Allocation	250
2007	Minor Capital Allocation Ann Court Phase 1	250 5,129
2008	Minor Capital Allocation	250
2009	Minor Capital Allocation	250
2010	Minor Capital Allocation The Cedars	250 9,088
	TOTAL 2006 – 2010	£15,467

This would reduce the allocation to capital by an average of £3 million per annum, which could be diverted to the ESS revenue budget to meet part of the £8 million shortfall. This will require some reprioritisation of the forward capital programme 2007 – 2011 in next year's States Business Plan.

- **Dwelling House Loans Fund (DHLF):** This fund was established in 1950 in order to lend money to individuals (as identified in the relevant Law) to acquire a house. In the initial years the Fund received cash injections totalling £3.753 million from States general revenues (equivalent to more than £50 million a current value).

The terms of Article 2 of the Building Loans (Jersey) Law 1950 states “...*there shall be established a fund, to be called the ‘Dwelling-Houses Loan Fund’ (in this Law referred to as ‘the Fund’), into which the States may pay, and from which the States may withdraw, such sums as they shall from time to time determine.*”

At 31st December 2004, the DHLF had a balance of some £34 million greater than that required to cover

outstanding loans. With few new loans being taken out and existing loans repaid or transferred to commercial lenders, this balance will grow.

- **Sale of ‘non-standard, high value’ Stock:** The Committee has previously brought to the States proposals to dispose of properties that are not considered best suited for social housing, on the basis that funds generated are used to improve and repair retained stock. It is the intention of the Committee for the Trading Organisation to continue this process where a sound business case can be made so to do. If not all receipts are required for the modernisation/redevelopment programme, the balance could be put toward meeting the revenue shortfall.

The Committee recognises that an open-ended policy of selling property to fund the remaining stock is not sustainable in the long run. Capital receipts generated, combined with funding from other sources, will enable the Committee to bring its remaining stock up to a standard that can be maintained through an adequately funded ongoing maintenance programme.

By 2012 the ‘catch-up’ programme of modernisation, improvement and redevelopment should be completed, although there will be an ongoing, smaller programme which will need to be costed but should be substantially less than £15 million per annum.

The reduction in stock and improved condition of property, arising from the capital programme, will also reduce the annual maintenance requirement. These factors may not wholly eliminate the £8 million per annum annual shortfall which is relevant to the proposals from 2007 – 2012 but should reduce the sum significantly. From thereon the required contribution from the Housing Trading Organisation would need to be weighed against competing demands for funds from other States sectors.

Financial and manpower implications

This proposition has significant financial implications as outlined above, although the States is only asked to give an ‘in principle’ decision at this stage, with detailed proposals to be prepared in conjunction with the Finance and Economics Committee (Treasury and Resources Ministry) for inclusion in the 2007 – 2011 States Business Plan.

No manpower implications arise from this proposition and it is expected that the creation of a Housing Trading Organisation will have a neutral impact.

GENERIC 20 YEAR CYCLICAL AND PLANNED MAINTENANCE PROGRAMME – HOUSE

PERIOD	ACTIVITY
YEAR 1	Service Boiler
YEAR 2	Service Boiler Service Windows
YEAR 3	Service Boiler
YEAR 4	Service Boiler Condition Survey Inspection
YEAR 5	Service Boiler External Decoration Service Windows
YEAR 6	Service Boiler Electrical Check
YEAR 7	Service Boiler
YEAR 8	Service Boiler Service Windows
YEAR 9	Service Boiler Condition Survey Inspection Change Smoke Detectors
YEAR 10	Service Boiler External Decoration Overhaul/Replace Kitchen
YEAR 11	Service Boiler Service windows/Check Double Glazed Units Electrical Check
YEAR 12	Service Boiler
YEAR 13	Service Boiler
YEAR 14	Service Boiler Condition Survey Inspection Service Windows
YEAR 15	Service Boiler External Decoration Overhaul/Replace Heating System
YEAR 16	Service Boiler Overhaul/Replace Bathroom Fittings

Electrical Check

YEAR 17

Service Boiler
Service Windows

YEAR 18

Service Boiler
Change Smoke Detectors

YEAR 19

Service Boiler
Condition Survey Inspection

YEAR 20

Service Boiler
External Decoration
Change Windows
Overhaul/Replace Kitchen

GENERIC 20 YEAR CYCLICAL AND PLANNED MAINTENANCE PROGRAMME – FLAT

PERIOD	ACTIVITY
YEAR 1	Nil
YEAR 2	Service Windows
YEAR 3	Nil
YEAR 4	Condition Survey Inspection
YEAR 5	Service Windows External Decoration
YEAR 6	Electrical Check
YEAR 7	Nil
YEAR 8	Service Windows
YEAR 9	Condition Survey Inspection Change Smoke Detector
YEAR 10	External Decoration Overhaul/Replace Kitchen
YEAR 11	Service windows/Check Double Glazed Units Electrical Check
YEAR 12	Nil
YEAR 13	Nil
YEAR 14	Service Windows Condition Survey Inspection
YEAR 15	Overhaul/Replace Heating System External Decoration
YEAR 16	Electrical Check Overhaul/Replace Bathroom Fittings
YEAR 17	Service Windows
YEAR 18	Change Smoke Detectors
YEAR 19	Condition Survey Inspection
YEAR 20	Overhaul/Replace Kitchen External Decoration Change Windows

GENERIC 20 YEAR CYCLICAL & PLANNED MAINTENANCE PROGRAMME FOR COMMON AREAS

	CYCLICAL MAINTENANCE	PERCENTAGE OF STOCK INCLUDED	PLANNED MAINTENANCE	PERCENTAGE OF STOCK INCLUDED
YEAR 1	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 2	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 3	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 4	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 5	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 6	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		

YEAR 7	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 8	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 9	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 10	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 11	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 12	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 13	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		

YEAR 14	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 15	Service Windows	20%	Decorations	20%
	Electrical Check	20%	Minor Refurbishment of Lift Equipment	10%
	Service Play Areas	100%	Replace Batteries on Emergency Lighting	10%
	Service Pump Equipment	100%	Overhaul / Refurbish Play Areas	20%
	Service Lifts	100%	Replace / Overhaul Pump Equipment	10%
	Service other Plant & Machinery	100%	Replace / Overhaul other Plant & Equipment	10%
	Drain Cleaning	100%	Replace Boiler	8%
YEAR 16	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 17	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 18	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 19	Service Boiler	100%	Decorations	20%
	Service Windows	20%	Minor Refurbishment of Lift Equipment	10%
	Electrical Check	20%	Replace Batteries on Emergency Lighting	10%
	Service Play Areas	100%	Overhaul / Refurbish Play Areas	20%
	Service Pump Equipment	100%	Replace / Overhaul Pump Equipment	10%
	Service Lifts	100%	Replace / Overhaul other Plant & Equipment	10%
	Service other Plant & Machinery	100%		
	Drain Cleaning	100%		
YEAR 20	Service Boiler	100%	Decorations	20%
	Electrical Check	20%	Minor Refurbishment of Lift Equipment	10%
	Service Play Areas	100%	Replace Batteries on Emergency Lighting	10%
	Service Pump Equipment	100%	Overhaul / Refurbish Play Areas	20%
	Service Lifts	100%	Replace / Overhaul Pump Equipment	10%
	Service other Plant & Machinery	100%	Replace / Overhaul other Plant & Equipment	10%
	Drain Cleaning	100%	Replace Windows	

APPENDIX B

Scheme	Cost	Start Date	Finish Date	YEAR			
				2005	2006	2007	2008
Ann Court 1	E 4,000,000.00	31/12/2007	27/11/2008				E 4,000,000.00
Ann Court 2	E 6,000,000.00	01/01/2010	01/12/2011				
Bashford	E 1,000,000.00	01/12/2010	24/04/2012				
Caesarea Court HR	E 6,000,000.00	27/12/2010	25/08/2012				
Clos de Balman	E 500,000.00	01/07/2009	31/08/2010				
Clos des Sables 163 - 170	E 175,000.00	01/02/2007	20/07/2007			E 175,000.00	
Clos du Fort Phase 1	E 800,000.00	01/01/2007	30/08/2008			E 800,000.00	
Clos du Quennevais	E 500,000.00	01/03/2006	10/11/2006		E 500,000.00		
Clos du Roncier	E 3,000,000.00	15/08/2005	30/03/2008	E 3,000,000.00			
Clos Gossel	E 3,000,000.00	30/04/2008	18/03/2011				E 3,000,000.00
Clos St Andre	E 525,000.00	31/08/2010	18/09/2011				
Convent Court T4 - 82	E 180,000.00	01/02/2007	20/07/2007			E 180,000.00	
Convent Court HR	E 7,000,000.00	20/07/2007	20/04/2009			E 7,000,000.00	
De Quetteville Court HR	E 7,000,000.00	01/03/2010	29/11/2011				
Don Close	E 80,000.00	01/02/2010	08/06/2010				
Gorey Village	E 700,000.00	15/06/2009	05/11/2010				
Grouville Arsenal	E 200,000.00	01/07/2010	17/12/2010				
Hampshire Gardens PHASE 1	E 7,500,000.00	07/07/2008	22/04/2011				E 7,500,000.00
Hillside Court	E 80,000.00	11/02/2008	17/06/2008				E 80,000.00
Hut Court HR	E 8,000,000.00	27/10/2008	25/04/2012				E 8,000,000.00
Jardin des Carreaux	E 540,000.00	13/07/2009	17/06/2010				
Journeaux Court	E 4,500,000.00	01/01/2007	04/03/2009			E 4,500,000.00	
King George V Homes	E 250,000.00	01/01/2009	19/06/2009				
La Carrere	E 800,000.00	06/11/2007	21/11/2008			E 800,000.00	
La Collette Flats	E 7,000,000.00	02/02/2009	12/04/2013				
La Grande Piece	E 1,000,000.00	25/07/2007	23/04/2009			E 1,000,000.00	
Le Clos du Martin	E 500,000.00	13/08/2007	29/01/2008			E 500,000.00	
Le Grey Flats 1 - 21	E 300,000.00	10/11/2006	24/07/2007		E 300,000.00		
Le Marais 1		01/01/2005	31/07/2006				
Le Marais 2	SELF FINANCING	01/11/2006	31/07/2008				
Le Marais 3		01/08/2008	01/08/2010				
Le Suez 1 b		03/19/2005	04/07/2008				
Le Suez 2	SELF FINANCING	07/07/2008	15/01/2010				E -
Le Suez 3		18/01/2010	29/07/2011				
Le Suez 4		01/08/2011	08/02/2013				
Les Cinq Chenes 1 - 106	E 1,500,000.00	17/12/2010	23/01/2013				
Les Maisonnettes	E 250,000.00	01/01/2009	14/09/2009				
Les Vaux	E 250,000.00	06/07/2009	22/12/2009				
Lewins	E 25,000.00	01/10/2008	24/12/2008				E 25,000.00
Liberation Court	E 50,000.00	01/03/2006	24/05/2006		E 50,000.00		
Lord Couvanche Court	E 30,000.00	01/01/2008	12/03/2008				E 30,000.00
Maesteg House	E 20,000.00	06/07/2009	28/09/2009				
Nicholson Close	E 50,000.00	17/05/2010	21/09/2010				
Normandy Cottages	E 30,000.00	06/07/2009	17/08/2009				
Pillar Gardens	E 100,000.00	28/06/2010	26/01/2011				
Pomme D'Or Farm	E 3,000,000.00	16/09/2011	23/10/2013				
Pre de Talbot	E 200,000.00	01/05/2007	10/01/2008			E 200,000.00	
Princess Place Flats	E 100,000.00	26/05/2008	30/08/2008				E 100,000.00
Princess Place Houses	E 260,000.00	01/05/2007	14/05/2008			E 260,000.00	
Raleigh Avenue / House	E 60,000.00	05/05/2008	28/07/2008				E 60,000.00
Rosemount Estate	E 210,000.00	01/05/2007	07/01/2008			E 210,000.00	
St Georges Estate	E 200,000.00	01/05/2007	07/01/2008			E 200,000.00	
St Martins Arsenal	E 100,000.00	01/05/2007	07/01/2008			E 100,000.00	
St Peters Arsenal	E 160,000.00	01/05/2007	07/01/2008			E 160,000.00	
St Peters School Estate	E 80,000.00	01/05/2007	17/10/2007			E 80,000.00	
Stuton Court	E 80,000.00	04/05/2009	20/10/2009				
The Cedars	E 7,000,000.00	06/02/2006	06/11/2007		E 7,000,000.00		
Tom Mills	E 150,000.00	01/05/2007	07/01/2008			E 150,000.00	
Vauxhall Gardens	E 250,000.00	05/04/2010	03/11/2010				
Victoria Cottage Homes	E 500,000.00	07/03/2011	16/11/2011				
Vincert Court	E 700,000.00	02/05/2011	21/09/2012				
Wellington Park	E 800,000.00	02/06/2008	02/03/2010				E 800,000.00
Westmount Park	E 500,000.00	05/09/2011	10/01/2012				
Whiteley Close	E 150,000.00	15/06/2009	13/01/2010				
Wilkes Gardens	E 150,000.00	14/03/2011	12/10/2011				
Woodlands	E 28,000.00	04/07/2011	26/09/2011				
Miscellaneous Properties	E 1,140,000.00	01/01/2008	31/12/2010	E 100,000.00	E 160,000.00	E 180,000.00	E 100,000.00
Total	E 89,170,000.00			E 3,100,000.00	E 8,010,000.00	E 16,475,000.00	E 23,675,000.00

Scheme	Cost	Start Date	Finish Date	YEAR		
				2009	2010	2011
Ann Court 1	£ 4,000,000.00	31/12/2007	27/11/2009			
Ann Court 2	£ 6,000,000.00	01/01/2010	01/12/2011		£ 6,000,000.00	
Bashfords	£ 1,000,000.00	01/12/2010	24/04/2012		£ 1,000,000.00	
Caesarea Court H/R	£ 6,000,000.00	27/12/2010	25/09/2012		£ 6,000,000.00	
Clos de Balmain	£ 500,000.00	01/07/2009	31/08/2010	£ 500,000.00		
Clos des Sables 163 - 170	£ 175,000.00	01/02/2007	20/07/2007			
Clos du Fort Phase 1	£ 800,000.00	01/01/2007	30/09/2008			
Clos du Quennevais	£ 500,000.00	01/03/2006	10/11/2006			
Clos du Roncier	£ 3,000,000.00	15/08/2005	30/05/2008			
Clos Gosset	£ 3,000,000.00	30/05/2008	18/03/2011			
Clos St Andre	£ 525,000.00	31/08/2010	16/09/2011		£ 525,000.00	
Convent Court 74 - 82	£ 180,000.00	01/02/2007	20/07/2007			
Convent Court H/R	£ 7,000,000.00	20/07/2007	29/04/2009			
De Quetteville Court H/R	£ 7,000,000.00	01/03/2010	29/11/2011		£ 7,000,000.00	
Don Close	£ 60,000.00	01/02/2010	08/06/2010		£ 60,000.00	
Gorey Village	£ 700,000.00	15/06/2009	05/11/2010	£ 700,000.00		
Grouville Arsenal	£ 200,000.00	01/07/2010	17/12/2010		£ 200,000.00	
Hampshire Gardens PHASE 1	£ 7,500,000.00	07/07/2008	22/04/2011			
Hillside Court	£ 60,000.00	11/02/2008	17/06/2008			
Hue Court H/R	£ 8,000,000.00	27/10/2008	25/04/2012			
Jardin des Carreaux	£ 540,000.00	13/07/2009	17/06/2010	£ 540,000.00		
Journeaux Court	£ 4,500,000.00	01/01/2007	04/02/2009			
King George V Homes	£ 250,000.00	01/01/2009	19/06/2009	£ 250,000.00		
La Camere	£ 800,000.00	06/11/2007	21/11/2008			
La Collette Flats	£ 7,000,000.00	02/02/2009	12/04/2013	£ 7,000,000.00		
La Grande Piece	£ 1,000,000.00	25/07/2007	23/04/2009			
Le Clos du Martin	£ 500,000.00	13/08/2007	29/01/2008			
Le Geyt Flats 1 - 21	£ 300,000.00	10/11/2006	24/07/2007			
Le Marais 1		01/01/2005	31/07/2006			
Le Marais 2	SELF FINANCING	01/11/2006	31/07/2008			
Le Marais 3		01/08/2008	01/08/2010			
Le Squez 1 b		03/10/2005	04/07/2008			
Le Squez 2	SELF FINANCING	07/07/2008	15/01/2010			
Le Squez 3		18/01/2010	29/07/2011		£ -	
Le Squez 4		01/08/2011	08/02/2013			£ -
Les Cinq Chenes 1 - 108	£ 1,500,000.00	17/12/2010	23/01/2013		£ 1,500,000.00	
Les Maisonnettes	£ 250,000.00	01/01/2009	14/09/2009	£ 250,000.00		
Les Vaux	£ 250,000.00	06/07/2009	22/12/2009	£ 250,000.00		
Lewina	£ 25,000.00	01/10/2008	24/12/2008			
Liberation Court	£ 50,000.00	01/03/2005	24/05/2006			
Lord Coutanche Court	£ 30,000.00	01/01/2008	12/02/2008			
Maesteg House	£ 20,000.00	06/07/2009	28/09/2009	£ 20,000.00		
Nicholson Close	£ 50,000.00	17/05/2010	21/09/2010		£ 50,000.00	
Normandy Cottages	£ 30,000.00	06/07/2009	17/08/2009	£ 30,000.00		
Pillar Gardens	£ 100,000.00	28/06/2010	26/01/2011		£ 100,000.00	
Pomme D'Or Farm	£ 3,000,000.00	16/09/2011	23/10/2013			£ 3,000,000.00
Pre de Talbot	£ 200,000.00	01/05/2007	10/01/2008			
Princess Place Flats	£ 100,000.00	26/05/2008	30/09/2008			
Princess Place Houses	£ 260,000.00	01/05/2007	16/05/2008			
Raleigh Avenue / House	£ 60,000.00	05/05/2008	28/07/2008			
Rosemount Estate	£ 210,000.00	01/05/2007	07/01/2008			
St Georges Estate	£ 200,000.00	01/05/2007	07/01/2008			
St Martins Arsenal	£ 100,000.00	01/05/2007	07/01/2008			
St Peters Arsenal	£ 160,000.00	01/05/2007	07/01/2008			
St Peters School Estate	£ 60,000.00	01/05/2007	17/10/2007			
Sutton Court	£ 60,000.00	04/05/2009	20/10/2009	£ 60,000.00		
The Cedars	£ 7,000,000.00	06/02/2006	06/11/2007			
Town Mills	£ 150,000.00	01/05/2007	07/01/2008			
Vauxhall Gardens	£ 250,000.00	05/04/2010	03/11/2010		£ 250,000.00	
Victoria Cottage Homes	£ 500,000.00	07/03/2011	16/11/2011			£ 500,000.00
Vincent Court	£ 700,000.00	02/05/2011	21/09/2012			£ 700,000.00
Wellington Park	£ 800,000.00	02/06/2008	02/03/2010			
Westmount Park	£ 500,000.00	05/09/2011	10/01/2012			£ 500,000.00
Whiteley Close	£ 150,000.00	15/06/2009	13/01/2010	£ 150,000.00		
Wilkes Gardens	£ 150,000.00	14/03/2011	12/10/2011			£ 150,000.00
Woodlands	£ 25,000.00	04/07/2011	26/09/2011			£ 25,000.00
Miscellaneous Properties	£ 1,140,000.00	01/01/2006	31/12/2010	£ 200,000.00	£ 200,000.00	£ 200,000.00

PUBLIC FINANCES (JERSEY) LAW 2005 (EXTRACT)

PART 4

STATES TRADING OPERATIONS

25 States may designate States trading operations

- (1) The States may by Regulations made on a proposition lodged by the Minister designate any disparate or distinct area of operation of the States to be a States trading operation.
- (2) The Regulations must specify –
 - (a) the area of operation of the States that constitutes the States trading operation; and
 - (b) the trading operation to be undertaken.

26 Financial control and administration of States trading operations

- (1) The provisions of this Law apply to a States trading operation subject to this Article.
- (2) A States trading operation shall maintain –
 - (a) a profit and loss account; and
 - (b) a balance sheet including a trading fund, (that shall not for the purposes of this Law be considered part of the consolidated fund) that may be used for such purposes as the Minister may by Order prescribe.
- (3) The Minister may by Order prescribe financial controls to be observed by States trading operations.
- (4) Financial directions may be issued in respect of the financial control and administration of States trading operations.
- (5) States trading operations shall observe such financial directions and any other financial directions expressed to apply to States trading operations.

27 Returns of States trading operations to be agreed

- (1) When requested to do so by the Minister, the Minister with responsibility to the States for a States trading operation shall discuss with the Minister and determine the estimates mentioned in paragraph (2) in respect of the business activities of the trading operation during the succeeding financial year.
- (2) Those estimates are –
 - (a) the estimated income and expenditure of the trading operation;
 - (b) the estimated minimum contribution (if any) (which may be expressed by reference to a rate of return) that the trading operation will be required to make to the income of the States;
 - (c) the estimated amount of any surplus of income over expenditure of the trading operation that may be retained by it and placed in its trading fund or, where there is estimated to be a deficit, debited to its trading fund; and
 - (d) the estimated deficit (if any) of the trading operation,and shall be taken to include details of any capital expenditure.
- (3) The estimates as so determined shall be included in the draft annual business plan for the next financial year when it is lodged for approval by the States.

- (4) If during that financial year the Minister with responsibility to the States for the States trading operation satisfies the Minister that the trading situation of the trading operation makes it impossible or difficult for the trading operation to contribute the minimum contribution agreed in accordance with paragraph (2)(b), the Minister may waive or delay payment of all or any part of the contribution
- (5) The Minister shall at the first practicable opportunity advise the States of any action taken under paragraph (4), and the reason for taking the action, together with details of any revised estimates of the States trading operation.
- (6) Paragraph (1) shall not be taken to imply that the matters that may be discussed and agreed must be limited to the succeeding financial year or to the estimates mentioned in paragraph (2).