

2025.03.18

**4.14 Deputy A.F. Curtis of St. Clement of the Minister for Treasury and Resources regarding the Maison Les Arches development (OQ.74/2025):**

Will the Minister provide the reasoning behind the decision that it was in the public interest to approve the Andium Homes purchase of the remainder of the Maison Les Arches development under Ministerial Decision MD-TR-2025-135 and the evidence to support that decision?

**Deputy M.E. Millar of St. John, St. Lawrence and Trinity (The Minister for Treasury and Resources):**

One of the 12 priorities contained in the 2024 Common Strategic Policy approved by this Assembly in May of last year was to provide more affordable homes for Islanders. In providing approval for Andium to acquire 26 affordable homes that would otherwise have been sold on the open market, this Government continues to deliver on that strategic priority. I consider this acquisition to be clearly in the public interest. Of the 26 homes, 4 are 3-bedroom townhouses which provide a rare opportunity for family homes in the heart of St. Helier. The homes come with the remaining 46 car-parking spaces on the site. Finally, I would add that the acquisition also received the support of the Minister for Housing from a housing policy perspective.

**4.14.1 Deputy A.F. Curtis:**

No doubt the Minister was provided with evidence, as is explained in the written response to Deputy Renouf's question, but given the site developer and owner initiated the discussions for the purchase of this site by Andium, which is a scheduled public authority under the F.O.I. (Freedom of Information) Law, will the Minister confirm why any document or evidence the Minister had to evaluate the decision were exempt from publication under clause 33(a), commercial sensitivity, when the Ministerial Decision was published?

**Deputy M.E. Millar:**

I would imagine if anything was exempt it was on the basis of commercial sensitivity and how much Andium would have paid for the houses, and I do not think that is anything particularly unusual.

**4.14.2 Deputy J. Renouf of St. Brelade:**

I think the issue that some Members are trying to get at here is to understand where the risk lies and how this has come about. The developer asked for this to be taken over which suggests that they feel there may not be a commercial viability in this scheme. Can she reassure the Assembly that Andium are not simply borrowing money to take over a property development that means effectively risk is being transferred to their balance sheet from a private company's balance sheet?

**Deputy M.E. Millar:**

No, I do not believe that is the case; Andium have a demand for homes. It makes a huge amount of sense for them to take the entire development so they can either provide those homes through social rental or through affordable home purchase schemes. It gives them a consistent and cohesive view if a developer may have considered they did not want to sell the homes. I do not believe Andium is digging any of it out of a hole. They would not have entered the transaction at anything other than a viable price that they felt worked for them and their business models as the States provides an extra opportunity for more homes. Whether Andium wants to sell them or rent them, there will be a demand for those homes, either on an affordable basis or on a social rental basis, and I entirely support the decision.

**4.14.3 Deputy J. Renouf:**

I am not sure the question is entirely answered. I think Members would welcome reassurance that their data supports the idea that these are homes that can be sold profitably by Andium and that the development is not a purchase from a developer in distress who feels that there is no possibility of selling them at a profit.

**Deputy M.E. Millar:**

It has never been indicated to me that the developer is in any kind of distress and I think that kind of language is really unhelpful for everybody. I also would just remind everybody that Andium is a professional organisation, they exist to develop and let and sell homes. They are professionals, they know what they are doing. They would have taken advice before they entered into the development agreement in the first place, and they would have considered it very carefully before buying the latest 26 homes. Government also have third party assurance about the transaction. I really do not believe there is any risk issue with this transaction.

**4.14.4 Deputy A.F. Curtis:**

I think the question that Deputy Renouf highlighted is there is here a question of real risk, these are the accounts that are linked to the States of Jersey group accounts. It is really just to once more ask the Minister, given that these homes clearly were not of interest for a developer to build for the open market at 100 per cent open market sales, what evidence did the Minister use to guarantee that sale or rent under Andium's model is truly viable?

**Deputy M.E. Millar:**

I can only say again, we had third party independent experts advising us on the transaction to confirm that it was a sensible transaction. Again, Andium are a professional organisation, there is clearly a demand, and I am afraid if you want to know more about that demand you will have to address those questions to the Minister for Housing because that is not a question I can answer. I have no doubt that those houses will not be sitting empty or unloved or unwanted and that they will not be able to be sold not at a loss in due course.