

22.03.01

6 Deputy K.G. Pamplin of St. Saviour of the Minister for Treasury and Resources regarding tenants' rents at Spencer Lodge and Spencer Close (OQ.31/2022)

Following the recent purchase and, hopefully, soon completion by Andium Homes of Spencer Lodge and Spencer Close in St. Saviour, will the Minister, as shareholder representative, advise what, if anything, will change in both the short and medium term in respect of the tenants' rents?

Deputy S.J. Pinel of St. Clement (The Minister for Treasury and Resources):

The Assistant Minister will take this question. Thank you.

Deputy L.B.E. Ash of St. Clement (Assistant Minister for Treasury and Resources - rapporteur):

Firstly, I should be clear to Members that the formal purchase of these properties by Andium Homes has not yet been completed. I have signed a Ministerial Decision to provide Andium with authority to complete the transaction, which is scheduled for 11th March at the earliest, subject to the remaining due diligence processes. The Andium board is, however, committed to acquiring the properties, subject to these final standard procedures. I am delighted that a solution has been found to what was indeed a very awkward problem. I would like to thank one or 2 Members, thank you for the question because it gives me a chance to do it. I would like to thank Andium for the speed they moved on resolving this, I was told Christmas Eve ...

The Bailiff:

Assistant Minister, you did hear what the Chair just said about succinct answers.

Deputy L.B.E. Ash:

Can you repeat, Sir? [Laughter]

The Bailiff:

There should be an answer to the question and ...

Deputy L.B.E. Ash:

I shall forego thanking anybody, it is not in my nature anyway. I shall move straight to answer the question. Andium have confirmed that on assuming ownership rents will not be increased. Furthermore, in the medium term Andium has committed to not increasing rents at all in 2022.

3.6.1 Deputy K.G. Pamplin:

On behalf of my fellow neighbours and residents in the district, we would like to thank, but also to seek reassurance for the date when things are completed that the much-needed maintenance on the 2 properties will not affect the rents, as the Assistant Minister has outlined, thank you?

Deputy L.B.E. Ash:

I can confirm that Andium will be refurbishing properties that need refurbishment, as they do with all their properties, and that will not result in an increase in rent.

3.6.2 Senator S.Y. Mézec:

I am obviously delighted with this outcome and very pleased that this has been the result, and I am pleased with the Assistant Minister's answers on the short and medium-term situation with rents. I hope it is not stretching it to ask about the long-term implications for rents because Andium does have a policy of setting rents at 80 per cent of the market rate and they do have a formula for helping tenants get to that position, which involves either freezing rents until they are at 80 per cent or slowly raising them. Can he confirm if the long-term intention is to apply that formula to those rents?

The Bailiff:

I will just allow that, because it is specifically outside, it is sufficiently linked, but it is a matter for the Minister how he answers.

Deputy L.B.E. Ash:

I understand that Andium will use their standard processes with the rents. It will not be a special case in any way.

3.6.3 Deputy K.G. Pamplin:

To be brief, when the completion is made, will the Minister ensure that everybody is informed timely and to arrange a meeting with everybody concerned on the next steps?

Deputy L.B.E. Ash:

Yes, Andium have always kept the residents in close contact and they will continue to do so. Should they require a meeting for the next steps they will do.