

STATES OF JERSEY



LES QUENNEVAIS PARK FLATS LOAN SCHEME (P.19-2021) – RESCINDMENT (P.54/2021): COMMENTS

Presented to the States on 29th June 2021
by the Council of Ministers

STATES GREFFE

COMMENTS

Proposition: P.54/2021 – LES QUENNEVAIS PARK FLATS LOAN SCHEME (P.19/2021) RESCINDMENT

Response from Council of Ministers

1. Summary

The Council of Ministers urges Members to reject each part of this proposition.

The Minister for Housing and Communities proposition P.71/2021 provides owners and leaseholders the opportunity to extend the loan period from 10 years to 15 years, therefore reducing the monthly repayments.

2. Background

P.54/2021 invites the States Assembly to rescind the previous unanimous decision of the assembly p.19/2021 to allow a variation to the purpose and terms of the Fund known as the 99-Year Leaseholders Fund to enable monies from the Fund to be lent to individual property owners for the repair of balconies on properties in Blocks A to H, Les Quennevais Park Flats. The original proposition was supported by the Environment, Housing and Infrastructure Scrutiny Panel.

By rescinding this decision many of the owners and leaseholders will be unable to access commercial loans.

There is a safety issue with delaying the works carried out.

An unacceptable precedent will be set if the funding of this work is paid for by taxpayers.

The blocks at Quennevais Park were built 55 years ago. Under established precedents, where a contractual relationship exists between a developer or contractor or a procurement team - and a purchaser of a property, a claim can be made by the purchaser for latent defects for a period of up to 10 years. Therefore in the case of the Quennevais Park flats, the time period far exceeds that, and is closer to the normal expected maximum lifespan of reinforced concrete elements. It has to be recognised that buildings deteriorate, and components end up failing through time. It is not clear that the use of the beams for the balconies over in-situ concrete is the only factor in the defects seen at present. Age is a clear factor.

In addition, most of the current owners of the flats are not the original purchasers. The original purchasers could be said to have had the closest link to the Government as the provider of the apartments in the 1960s, but subsequent purchasers acquired the flats under normal market conditions and had to take a view on the level of due diligence undertaken at the time of purchase.

The apartments were built c1964, and it is now virtually impossible to determine what led to the balconies being built with beams rather than in-situ concrete as shown in the architect's general arrangement drawing. It has not been possible to locate any structural engineer's detailed drawings, or any contract records of decisions made by the design

team and/or contractor. Therefore, it is risky to make assumptions about that happened at the time and where the responsibility lies.

The States offer of low interest loans is intended to assist those owners who would have difficulty paying for the repairs without some assistance. There is grave concern about simply paying for the repairs using Public money – for the reasons stated above. It is considered to be an inappropriate use of Public money.

Comment under Standing Order 37A

This comment was provided late to the States Greffe due to an administrative delay.