### **STATES OF JERSEY**



## ANDIUM HOMES: AUTHORISATION OF LOAN TO DEVELOP THE ANN COURT SITE (P.146/2018) – COMMENTS

Presented to the States on 29th January 2019 by the Chief Minister

**STATES GREFFE** 

2018 P.146 Com.(2)

#### **COMMENTS**

As Chief Minister, I wish to prioritise housing supply, while also improving St. Helier for the benefit of all residents, wherever they live, and for our businesses.

The North of Town has seen considerable development in recent years, much of it residential, especially social housing.

Nevertheless, while additional and improved housing is critical to the well-being of Islanders, it takes more than housing to make good communities – it needs public realm, amenities, and local businesses and facilities.

St. Helier is the engine of Jersey's economy. However, we have not always provided sufficient investment to capitalise on this key asset.

Our business district has moved gradually southward, and our plan for the North of Town is 7 years old.

We need new ideas for this area of town, helping local businesses and traders, including the Central Markets, in a challenging and changing retail environment – injecting an increased vibrancy by diversifying development in the area.

Having our public servants in the North of Town would do this – civil servants would frequent local businesses, and the 700+ customers each day accessing services would provide passing trade for businesses in the area.

Ann Court is a "clean site", one of the largest in our public property portfolio: it is a prime, once-in-a-generation opportunity for the regeneration of this part of town. It revives a previous position whereby Ann Court was the preferred location for the new focal point for our public services. After many years of delay, this is one of the few sites that remain available for such a project.

Ann Court is currently planned for 165 apartments (130 one-bed and 35 two-bed). However, initial indications are that a mixed-use development is possible, which would still deliver up to 80 apartments (51 one-bed and 29 two-bed) plus 100,000 square feet of office accommodation, and 10,000 square feet of space for third sector or commercial organisations. The car park underneath the site would continue to form part of this development, delivering residential, visitor and shopper parking.

Aside from regeneration, a mixed development of this nature offers lots of opportunities, not least, the efficiency improvements that hosting our government offices in a single location can deliver.

Understandably, a number of States Members, including the Minister for Children and Housing, are concerned that this approach will affect housing supply. In the short term it will, but we can keep this period short, with the current plans due to deliver housing by the end of 2021 against a possible delivery of a mixed-use site mid-2024. However, in the longer term, we have opportunities to deliver more housing by making better use of our public assets.

We have offices able to be replaced with housing which could be unlocked by a move to a single site, such as Cyril Le Marquand House (which will be vacated by March 2019

and is able to deliver 66 two-bed units by late 2022); La Motte Street (able to deliver 100 two-bed units by late 2026); and Le Bas Centre (able to deliver up to 80 one-bed and 54 two-bed units by 2022) (all figures indicative). This is a total of 300 new units. Developing Ann Court as a mixed-use site is part of releasing these, and other sites, for housing.

Our Government has commissioned a new estates strategy to ascertain how we can best use these public assets – saving money and supporting a wider regeneration of our town. This will be complex, and the simple answers are not always the right ones.

For example, the option of refurbishing and extending La Motte Street was originally attractive, but would involve up to £8–10 million in decant costs as staff are moved around or out of the building as it is developed. Against this, Andium have incurred costs of £6.5 million, of which a sizeable element was on site acquisition and preparation. Therefore, using Ann Court will save several million pounds.

As we do this, we need to think carefully about the future. The recently published Objective Assessment of Housing Needs Report showed we need up to 7,000 more homes by 2030. We need to use our land as wisely as possible if we are to deliver these homes without impinging on our natural environment.

To answer the Deputy of St. Martin when he states in <u>P.146/2018</u>: "Members should not be tempted by promises of 'other States owned replacement housing sites'; where are they?" The simple response is that we need a site to move to before we can vacate States offices for housing. Ann Court is one of the solutions to this issue.

#### Conclusion

In summary, yes we can proceed with delivering housing on this site, but that is a short-term fix to a long-term problem. It is not strategic to do so where we are able to create the opportunity to deliver more housing overall, increase the efficiency of our public services, and provide a more sustainable and revitalised urban environment.

This Government is still picking up the pieces of short-term thinking in the past – we need to be longer-term in our thinking, swayed by evidence and the best interests of our Island and future generations. This is what we are doing. We will present this information at the lunchtime presentation on Tuesday 29th January and I hope Members will attend.

If the Assembly decides to support the Deputy of St. Martin, we will miss an opportunity to rejuvenate the North of our town, failing to deliver the sort of mixed-use, vibrant community that this corner of our capital is capable of being.

For these reasons, I ask States Members to reject the Deputy of St. Martin's proposition.

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# Statement under Standing Order 37A [Presentation of comment relating to a proposition]

These comments were submitted to the States Greffe after the noon deadline as set out in Standing Order 37A, as drafting, data extraction, and final internal review processes had not been completed.