## WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES BY DEPUTY A.F. CURTIS OF ST. CLEMENT QUESTION SUBMITTED ON MONDAY 19th MAY 2025 ANSWER TO BE TABLED ON TUESDAY 27th MAY 2025

## Question

"Will the Minister advise what data she holds regarding the costs of construction in Jersey, including -

- (a) any direct construction costs (e.g. structural works, internal fit-outs, electrical installations, landscaping);
- (b) any professional service fees (e.g. architecture, structural engineering, legal, ecological, and drainage services);
- (c) total new-build costs per square metre; and
- (d) total new-build costs per unit type;

and will she explain how, as shareholder representative, she (including her department and any independent advisors used) uses this data to ensure that developments by Andium Homes Limited represent value for money and are viable for the future?"

## Answer

I do not personally hold or maintain data on construction costs, nor does the Economics Team. The Jersey Competition Regulatory Authority (JCRA) has, however, recently undertaken a review of the construction sector and is currently consulting on its draft findings (construction-sector-review-draft-findings-consultation-apr-2025.pdf), which may help inform our understanding of cost dynamics in the sector. So far as the assessment of Andium developments, it is the responsibility of the Andium Board, an independent board of professionals, to assess whether their developments represent value for money and are financially viable. Project costs (including construction costs) and project viability are reviewed by the Andium Board, and provided that the project meets their business strategy and viability metrics, the scheme will be considered by the Board for approval.

Once a scheme is approved by the Board, it undergoes further independent assessment. An independent expert, appointed by my department and with relevant construction industry experience, prepares an assurance report on the project. This report draws on local market data, independent sources such as Spon's Price Books and the Building Cost Information Service (BCIS) and their experience on "live" projects to benchmark the proposed costs.

If the independent review supports the Board's assessment of the project's viability and alignment with strategic priorities and, if the Minister for Housing supports the scheme from a policy perspective, I will consider a Ministerial Decision to authorise Andium to proceed with the necessary contractual arrangements.