4.2 Deputy M.B. Andrews of St. Helier North of the Minister for Treasury and Resources regarding outstanding debt owed by Andium Homes, ports of Jersey and the Jersey Development Company (OQ.209/2025):

Will the Minister state the total amount of outstanding debt owed by Andium Homes, Ports of Jersey and the Jersey Development Company, and advise whether any consideration has been given to the ongoing servicing of this level of debt?

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

The outstanding debt of each organisation is currently Andium Homes, £488.1 million; Ports of Jersey, £47 million; States of Jersey Development Company, £36.1 million. Each of those organisations operates under the oversight of an independent and professional board that is responsible for managing their finances, including the monitoring and servicing of debt. I receive regular updates through quarterly shareholder meetings, and I am satisfied that the boards are exercising sound financial governance and oversight.

4.2.1 Deputy M.B. Andrews:

Obviously, the Minister is currently undertaking work to review Andium Homes' rental policy, and I want to know whether there are any concerns that she has about the potential lowering of rents and the ability to then service the debts.

Deputy M.E. Millar:

I think the piece of work that the Deputy refers to is being conducted by the Minister for Housing.

[9:45]

I have not been directly involved in that as yet. But, yes, if rents are reduced then that may have an impact on Andium's ability to service the debt going forward, and that is something that does need to be taken very carefully into account.

4.2.2 Deputy I. Gardiner of St. Helier North:

Would the Minister confirm if all outstanding debt for the companies that were mentioned is guaranteed by the public?

Deputy M.E. Millar:

No, I do not believe there are formal guarantees. Each company enters into its financing arrangements independently. I do not recollect signing any guarantees, and the responsibility of the payment of the debt in the first instance rests with the directors, but each company will have considered very carefully the amount that it borrows and the way in which it is going to repay.

4.2.3 Deputy I. Gardiner:

Would the Minister confirm that none of the outstanding debt borrowing by the companies is guaranteed by the States and if not, is there a maximum debt ceiling set to each of these entities because they are still public-owned entities?

Deputy M.E. Millar:

As I say, I am not aware that the Government have given formal guarantees. I am quite sure we have not given formal guarantees. The debt, for example, the Andium debt, will be secured ... if it is secured, it will be secured against its assets. It has something like 300 per cent asset-to-debt coverage. Its assets are worth significantly more than the amount of the debt. The raising of the debt is considered by the directors in line with professional advice, and we are then consulted as appropriate.

4.2.4 Deputy M.B. Andrews:

Obviously the Ports of Jersey have unveiled plans at the harbour and that will require borrowing. I just want to know whether the Minister for Treasury and Resources is concerned that this could have an impact for service users, who could then be facing higher charges.

Deputy M.E. Millar:

I have not seen details about how that debt will be raised or secured. I am sure that the Ports of Jersey will take professional advice on that, and I am sure that everybody will use their best endeavours to ensure that there are no increases as a result of the debt. I would be very surprised if the public were being asked to pay more to refund borrowing.