

**METHODIST HOMES FOR AGED (JERSEY) LIMITED:
LOAN.**

Lodged au Greffe on 29th January, 1985
by the Finance and Economics Committee.



STATES OF JERSEY

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion -

- (a) to agree that a loan of £150,000 be made free of interest to the Methodist Homes for Aged (Jersey) Limited, towards the cost of constructing a home for elderly persons at Stuart Villa, Millbrook, subject to the conditions that -
 - (i) if at any time the property ceased to be operated by the Company as a home for elderly persons, the States may require repayment of the loan by an amount equal to 21 per cent of the assessed market value of the property at that time;
 - (ii) if at any time the Company wish to repay the loan, such repayment must be of an amount equal to 21 per cent of the assessed market value of the property at that time;
 - (iii) no person shall be allowed to take up accommodation in the home without the prior agreement of the Housing Committee.

FINANCE AND ECONOMICS COMMITTEE

Report

The States have, from time to time, granted financial assistance to organisations providing accommodation for the elderly. In recent years, this has been by way of loans to Parishes and charities.

Methodist Homes for Aged (Jersey) Limited were assisted by the States with a grant of £40,000 in providing a home for the elderly at the Rope Walk in St. Helier in 1974. The Company has now become owners of a property known as Stuart Villa, Millbrook which it proposes to extend and adapt in order to provide accommodation for 26 residents and 2 staff, together with common facilities by way of a lounge, a dining room, T.V. lounges etc. The scheme is expected to cost £725,000 of which the Company has at the present time raised approximately half.

The Finance and Economics Committee, having consulted with the Public Health Committee and the Housing Committee, which strongly support the Company's plans, proposes to make an interest free loan of £150,000 towards the development. The loan would be for an indefinite period but may become repayable if the Company ceased to operate the development at Stuart Villa as a home for the elderly. The Company would be permitted to repay the loan at any time it chose, subject to the condition that such repayment was an amount equal to 21 per cent of the assessed market value of the property at that time.

As with the Company's first project at the Rope Walk, only persons holding Jersey residential qualifications will be accepted as residents of the home.

If the States agree to the proposition, the Finance and Economics Committee would conclude a formal agreement with the Company, incorporating the above conditions.