

## FURTHER ADDENDUM

Dated            of            2022

### Background

- (A) **The States of Jersey, acting through the Minister for Treasury and Resources** (the “**Guarantor**”); and **Andium Homes Limited** (“**Andium Homes**”) whose registered office is 33-35 Don Street St Helier Jersey JE2 4TQ, each a “**Party**” and together the “**Parties**” entered into the agreement (the “**Original Agreement**”) dated 22 July 2014 for the purpose of setting out the contractual commitments of the Guarantor and Andium Homes in supplement to the Social Housing (Transfer) (Jersey) Law 2013.
- (B) The Original Agreement was amended pursuant to the following Ministerial Decisions:
- a. MD-H-2018-0020: social housing rents – revised annual rent adjustment policy dated 29 October 2018, on the terms set out in an agreement addendum dated 21 June 2019 (the “**First Addendum**”); and
  - b. MD-H-2020-0017 dated 6<sup>th</sup> November 2020, on the terms set out in a second addendum (the “**Second Addendum**”) (the Original Agreement, as amended by the First Addendum and the Second Addendum, the “**Amended Agreement**”).
- (C) The Parties now wish to make further amendments to the Amended Agreement pursuant to the Ministerial Decision dated            2022, on the terms set out in a further addendum (the “**Further Addendum**”).
- (D) The Further Addendum is the third amendment to the Original Agreement.

The Parties agree to the terms and conditions set out below:

### Amendments

1. The Amended Agreement is further amended as follows:
  - 1.1. The following additional clauses are inserted:

“2.1.8 relating to the period from 1 January 2022 to 31 December 2022, the Annual Return amount shall reduce to £28,815,764.43.

2.1.9 relating to each subsequent quarter ending on a Quarter Date after 1 January 2023, the sum payable shall be, the amount payable in respect of each quarter of the previous year increased by Jersey RPI as of September of that previous year, and the sums payable in respect of a quarter shall be paid on the date falling fourteen days after the end of that quarter.”
  - 1.2. Existing clause 2.3 is deleted in its entirety and replaced with the following wording:

2.3 An illustration of the Annual Return amount, based on the calculation set out above, for the 5-year period 2021 to 2025, is attached at Schedule 1. The illustration shows two examples:

- (a) One based on RPI of 3.6% up to and including Q.3 2018 and thereafter applying clauses 2.1.3 to 2.1.9 above; and
- (b) One based on RPI of 2.5%.

### **Amendments to Schedule 1 of the Amended Agreement**

2. Schedule 1 of the Amended Agreement is amended as follows:

2.1. The illustration “RPI @ 3.6%” shall be replaced by the following illustration:

RPI 3.6% up to Q.3 2018; then 0.0% Q.4 2018; then 3.25% for Q.1 to Q.4 2019 to 2020 inclusive; then 0.0% for Q.1 to Q.4 2021; and 3.25% thereafter					
<b>No changes in table for 2014-20</b>					
	Q1 (£m)	Q2 (£m)	Q3 (£m)	Q4 (£m)	<b>Total (£m)</b>
2021	7,548,441	7,548,441	7,548,441	7,548,441	<b>30,193,764</b>
2022	7,203,941	7,203,941	7,203,941	7,203,941	<b>28,815,765</b>
2023	7,438,069	7,438,069	7,438,069	7,438,069	<b>29,752,277</b>
2024	7,679,806	7,679,806	7,679,806	7,679,806	<b>30,719,226</b>
2025	7,920,400	7,920,400	7,920,400	7,920,400	<b>31,717,601</b>

Figures may not be exact due to roundings

2.2. The illustration “RPI @ 2.5%” shall be replaced by the following illustration:

<b>No changes in table for 2014-20</b>					
	Q1 (£m)	Q2 (£m)	Q3 (£m)	Q4 (£m)	<b>Total (£m)</b>
2021	7,548,441	7,548,441	7,548,441	7,548,441	<b>30,193,764</b>
2022	7,203,941	7,203,941	7,203,941	7,203,941	<b>28,815,765</b>
2023	7,384,040	7,384,040	7,384,040	7,384,040	<b>29,536,159</b>
2024	7,568,641	7,568,641	7,568,641	7,568,641	<b>30,274,563</b>
2025	7,757,857	7,757,857	7,757,857	7,757,857	<b>31,031,427</b>

Figures may not be exact due to roundings

### **No other change**

3. Except where expressly provided in the Further Addendum, all of the terms and conditions of the Amended Agreement remain unchanged.

Signed by ..... Date [ ] of [ ] 2022

Minister for Treasury and Resources

Signed by ..... Date [ ] of [ ] 2022

Chairman, Andium Homes Limited