



PRESS RELEASE

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GSD Deeply Jealous of this Government's Successful Housing Record

- It is wrong to seek to prevent 18 year olds from applying for housing
- Prices are as low as can be, starting at £44,500 and mainly below £150,000
- 1,100 applications already received in 3 days with a month and a half to go

The latest press release issued by the GSD on housing is as wrong as it is contradictory.

Faced with another exciting and impressive affordable housing development to be delivered by this GSLP/Liberal Government, the GSD's unjustified criticism and confusion is, however, totally predictable. This Government's track record on delivering housing in such an unprecedented way only shows up the GSD for their own shortcomings, particularly in this important area of social policy.

PRICES HAVE BEEN KEPT LOW

Prices for these new homes at Hassans Centenary Terraces have been set only in accordance with construction costs and with no profit. There is no other basis of valuation other than the total cost of the development in relation to total built up area. The only costs of preparing the plot and revetment which are factored in are only those required for the estate, and even then they are only a proportion. All other costs will be met by the eventual developer of the Eastside. It is not the Government who sets the prices but the cost of construction. Is the GSD saying that they would subsidise Affordable Homes even further, at tax payers' cost? The policy of the GSLP/Liberal Government is that all homes are available to be purchased on a 50 / 50 basis and applicants will not be at a disadvantage if they choose to buy 50% only. Within three days of launch and with 6 weeks still to go, there have already been more applications (1010) than there are flats! This is not surprising given prices start at £44,500 (for a one bedroom), with most flats available at less than £150,000 (for up to 4 bedrooms) and maxing out at no more than £169,000 (for a 5-bedroom flat bought) on a 50/50 basis.

RENTALS

Since 2011, this Government has built 895 affordable homes and a further 140 purpose-built homes for rental for the elderly where priority of allocation was given to applicants on the pensioner exchange list. This resulted in the release of government rental stock in the majority of



the cases. This system obviously provides an increase in the available rental housing stock. This logic is blindingly obvious.

ELIGIBILITY CRITERIA

Furthermore, the carefully thought out new eligibility criteria clearly shows that priority will be given to tenants in the Housing Waiting list who release rental Housing stock. This released Housing stock will then be made available for rental by those on the waiting list. This is totally contrary to the GSD who gave preference to purchasers wanting to buy at 100%. In a nutshell, those who could afford to pay more were treated preferentially by the GSD over those purchasers only able to purchase the 50% share. This is not the case with this Government as no one will be treated differently whether they purchase a 50% or 100% share of the property they wish to buy.

GSLP/LIBERALS ENVIABLE TRACK RECORD

This GSLP/Liberal administration has already built more homes in under two terms than the GSD did in 16 years of office. Hassans Centenary Terraces is now a reality. A new estate which it will actually develop, and not an empty promise of the type being made once again by the GSD.

HOUSING APPLICATIONS BY 18 YR OLDS

What is also apparent from the GSD press release is that Mr Phillips believes that Gibraltar's young people should not be entitled to apply for housing. The GSD says it objects to people joining the housing waiting list at the age of 18. This position is a stark contrast of policy between the GSLP/Liberals and the GSD. The GSD is wrong to adopt this policy and we will fight them on it in the next election.

The Chief Minister, the Hon Fabian Picardo QC MP said: "This latest press release by the GSD is nothing short of farcical. It demonstrates that the GSD are clutching at straws to denigrate anything and everything achieved by this Government, a Government that represents progress. It is nothing short of a political tantrum by Elliott Philips when faced by another great Housing success by the GSLP/Liberal Government. Since the development was announced last Friday afternoon, the government has received over 1,000 applications. This demonstrates a real interest in this development by our community. It also shows we have got the design and the price points of the new estate right. And at the next election we will fight the GSD over their policy to discriminate against young people and stop them going on the housing list. I will defend our record on housing and I will defend young Gibraltarians right to be eligible for housing."

Samantha Sacramento MP Minister for Housing said: "This press release from the GSD is incredibly disappointing but not surprising. It just makes no sense. On the one hand they criticise capital and recurrent expenditure, yet seek that cost of construction not be recovered from those purchasing, despite the prices being entirely affordable. They also seem to suggest the taxpayer should further subsidise the construction costs by almost £80 million pounds. These are "cloud cuckoo land" policies designed to be populist. They are not serious policies designed to make affordable housing something the taxpayer can continue to provide. The allocation criteria has been very carefully thought out and gives priority to Government rental tenants who release their Government flats. In this way, flats are being recouped and provided to the housing stock. This is also a more efficient



and cost effective way of creating available rental stock for the taxpayer than construction of a new building for rental by government.”