

GCF – Media Statement on Proposed Construction Village

The States of Guernsey plan to invest £5m in a Temporary Construction Worker Village with 50 “Sleeper Units” at the Ozouets site to accommodate contractors and sub-contractors for major projects. The accommodation would be owned by the States but run by users under a service agreement and subject to Population Management regulations.

The scheme’s financial justification, practical implementation, and potential to favour off-island contractors have raised concerns. The Industry fears the village may become a £5m failure once the initial project it was intended for is completed. Deputy Trott has defended the initiative, citing industry concerns over labour shortages and accommodation availability.

Historically, contractors have independently managed accommodation needs, successfully delivering various phases of hospitals, schools, commercial projects, and more than 1,000 GHA housing units.

Neither Guernsey Construction Forum, GBTEA or Industry as a whole have been consulted in this expedient multi-million pound initiative perceived to assist its Industry and the Community.

A key concern is the funding method, which diminishes preliminaries on specific projects, disproportionately benefiting off-island contractors rather than local firms. This will result in decreased tax revenues and higher costs for capital projects. The village is also erroneously compared to the key worker village, which accommodates permanent, tax-paying States employees, whereas the Construction Village would serve private, predominantly off-island companies with fluctuating workforce demand.

If local firms cannot use the village, it effectively subsidises foreign companies, giving them an unfair advantage while reducing tax receipts. This is a direct contradiction of States procurement policy. The rapid implementation lacking detail and economic justification raises serious concerns that we hope dialogue with the States will address. Our initial concerns being:

Key financial questions include:

1. Why is the States involved rather than allowing contractors to provide their own accommodation?
2. Does £5m cover all fees, enabling works, and decommissioning?
3. What is its expected lifespan?
4. What will users pay per person per night?
5. What is the expected occupancy rate, and who covers unoccupied rooms?
6. Who pays for cleaning and maintenance?
7. How often will relocation be needed, and at what cost?
8. What is the actual cost per bed per night?
9. How does this compare to traditional hotel accommodation?
10. Will users pay local Tax and SI Contributions, and has a loss of revenue been factored in?

Practical concerns include:

1. The site is not zoned for development; what precedent allows approval?
2. Have ground and road work costs been assessed?
3. Who qualifies to use the village (skilled/unskilled, local/foreign)?
4. Is use restricted to specific States projects?
5. What happens to accommodation during project gaps?
6. How will this initiative support local apprenticeships?

It must be remembered that local firms and employees pay local taxes. They invest in our community and in training apprentices, ensuring a prosperous future for our island.