

# **STATES OF JERSEY**



## **PROPERTY SOLD BY THE PUBLIC: RESTRICTION ON RENTING BACK**

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**Lodged au Greffe on 20th January 2009  
by Deputy P.V.F. Le Claire of St. Helier**

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**STATES GREFFE**

## **PROPOSITION**

**THE STATES are asked to decide whether they are of opinion –**

to agree that the States should not rent back any property that has been sold out of public ownership for a period of at least 10 years after the date of the sale.

DEPUTY P.V.F. LE CLAIRE OF ST. HELIER

## REPORT

In an e-mail to all States members recently, Deputy John Le Fondré wrote about the use of States assets, an excerpt follows –

“Social benefit and the financial return.

As noted and explained in the business plan, my department is presently working on, and is close to finalising, a States office utilisation strategy which will demonstrate how greater efficiencies and improved ways of working may be achieved through a holistic approach to the way in which we use our buildings.

This is a time when the States needs to seriously address and eliminate all areas of waste in order to live within its means. The under-utilisation of States Property assets is one such area and the direction which is being taken in respect of La Pouquelaye is one that we intend to pursue throughout the States Portfolio. We will no longer consider sites in isolation but will be seeking to consolidate the use of buildings into a smaller estate and linking together development opportunities to realise maximum value.”

My proposal is made in order that the States does not sell off for a snip, public property, only to rent it immediately back from the purchaser, the next day at an exorbitant rental.

In that event the cost would be borne ultimately by the taxpayer, in order to house States employees or quangos in what was publicly-owned property weeks earlier.

The only one who would benefit in this instance is the purchaser or conglomerate, that might invest in some cosmetic improvements but who would certainly gain a guaranteed GOLD-PLATED tenant agreement, to negotiate any finance that they would require at the bank.

This may inhibit some of the States plans but it would ensure that the public and the States are not taken for a ride.

If we need to rent our own property then we should access a loan against its value for its improvement, which would save money.

Any work could be conducted by the new Skills Executive in refurbishing and training people to re-enter the workforce.

If the States needs to rent office space within 10 years and retain the flexibility to do so, then it should not sell it out of public ownership in the first place.

### **Financial and manpower implications**

There are no financial or manpower implications for the States arising from this proposition.