

STATES OF JERSEY



ESPLANADE QUARTER DEVELOPMENT: SCRUTINY REVIEW AND REFERENDUM

Lodged au Greffe on 28th April 2015
by Deputy M. Tadier of St. Brelade

STATES GREFFE

PROPOSITION

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

- (a) to request the Minister for Treasury and Resources to give directions to the States of Jersey Development Company Limited in accordance with Article 22(a) of the Articles of Association of the company that no binding agreements should be entered into by the company for the development of new office accommodation on the site known as the Esplanade Quarter, St. Helier, and no preparatory building works should be started, until the Corporate Services Scrutiny Panel has presented to the States the final report arising from its current scrutiny review of the project;
- (b) to agree that, following the presentation of the scrutiny report referred to in paragraph (a), no agreements for development of office accommodation on the site should be entered into, and no preparatory building works should be started, unless the development proposals in question have been approved by the majority of those voting in a referendum held under the Referendum (Jersey) Law 2002, and to request the Minister to give further directions to this effect to the company.

DEPUTY M. TADIER OF ST. BRELADE

REPORT

Land in Jersey is a scarce and valuable resource. Whilst the majority of the Public may remain apathetic or disengaged from mainstream politics, the issues of planning and land-use remain hot topics in terms of interest and engagement – Plémont and Port Galôts are just 2 recent examples of this. In the last example, it was public opinion and pressure that caused a government to rethink its plans for that development, instead of charging ahead regardless.

I believe it is important that any significant developments, particularly when they involve risk, need to have public buy-in. I do not believe that what is being proposed for the office development at the so-called business quarter has that.

But aside from public opinion, there are other good reasons why we might want to reconsider our plans for this part of the Waterfront.

When it comes to planning and building on the waterfront area, the States of Jersey does not have a great track record. After all, *we* closed down a successful and popular swimming pool only to open up a less popular, less successful – privately run, heavily-subsidised alternative. Many have commented that the buildings and brands on the current waterfront are generic, and not the best use of the site.

Criticism, scepticism and questioning of the viability and desirability of the proposed Esplanade Quarter (Jersey Business Centre) is understandably prevalent across Jersey society and the spectrum of political thought, which is partly what has set alarm bells ringing.

There are those who do not believe that government should be engaging in State Capitalism – full stop. There are others, like myself, who are open to these kind of socialist initiatives, but only if they can be proven to work, provide a social, cultural need, as well as being economically viable, to bring a return to the taxpayer.

There are 2 key questions to ask: is the scheme *viable*? Is the scheme *desirable*?

On the first, it should be noted that there is a scrutiny review going on at the moment which will hopefully shed some light onto this area. We should certainly await the outcome of this, and use it to inform any debate on the merits of scheme. But it should be noted that there is *already* a brand new and extensive office complex being built now, privately, next to the Grand Hotel. This is in the vicinity of what has *organically* become Jersey's Business Quarter. It is in the advanced stages of development; it will be ready much before *our* new building, and there is a suggestion that, on completion, it may not be fully rented out.

So, the question remains: why are we competing with the private sector for the provision of office space, especially when there already appear to be others taking care of things on the supply side? If no-one else were building offices, maybe we would be justified in this speculative venture, but this is not the case.

Now, on the second question, is it desirable?

Well, it seems to me that, valid political differences aside, there are some things we can all agree on at a basic level: it is the role of government to provide basic infrastructure – schools, hospitals, roads, etc. There are things over and above that

which government is bound to have regard and/or where government is best placed to provide for. Such things are social and affordable housing (Article 25 of the UN declaration on Human Rights makes it clear that everyone should have the right to a standard of living adequate for the health and well-being of himself and of his family, including: *housing*).

The strategic priorities recently outlined in P.27/2015 – the Draft Strategic Plan 2015 – 2018 focus on 4 key areas: Health and Well-being, Economic Growth, Education and St. Helier.

So to partly answer the question of desirability in the context of the government's own strategic goals, one has to ask the further question: could this prime site be better used for any other function, including one that ties in with the strategic aims?

In terms of St. Helier, the aim is to '*improve the quality of its homes ... and the supply and quality of housing.*' Jersey has a chronic shortage of affordable and social rented homes. Could this site be better used for this purpose?

In terms of Health and Well-being, it is noted that social exclusion can itself cause health problems. An alternative use for the site, such as good quality housing, cultural/ community amenities or a mix of the two, could be a great alternative use of such a site, all in line with the strategic priorities.

But, moreover, could this also be a new site for the Hospital? I would certainly like to see a viability study of this, with the possibility of regenerating the current Hospital site for other development.

I have already touched on the suggestion of arts and cultural usage. Politics is the art of the possible, and many of us would like to see more done in Jersey to promote the arts, music and cultural diplomacy. Would a new Arts Centre, with integrated public gallery, installation space, concert hall, lecture theatres, etc., be something that was desirable for Jersey, and consistent with the image of the forward-thinking, cosmopolitan, vibrant successful image that we are trying to foster and project? Certainly, it is consistent with those parts of the Strategic Plan which seek to –

- *Promote sporting, leisure and cultural activities that enrich Islanders' lives.*
- *Promote Jersey's positive international identity. (page 3).*

We have heard much scaremongering about what would happen if we did not push ahead with the Finance Quarter, that we would lose business from it. *The lady doth protest too much methinks.* Jersey's success as an offshore centre relies on good regulation, a highly skilled and motivated workforce, good service and many other things that do not rely on States-owned office space.

I, for one, do not want to be responsible for a costly white elephant being built on premium, public land. This is why I think urgent, informed reconsideration is needed, with the Public being given an opportunity to have their say via a referendum, if necessary.

Putting the matter to a referendum will allow members to hear from a much wider scope of informed contributors than would be the case if this matter were simply decided *in house*.

Financial and manpower implications

There have been suggestions by some parties, including the States of Jersey Development Company Limited, Jersey Finance, etc., of major consequences if the development is delayed. I do not accept these as being valid, as I have alluded to in my report. I believe it to be ideologically driven and scaremongering. There are potential negative financial consequences, however, in pushing ahead with a scheme which is not economically viable and/or desirable, without taking into account alternative, recent evidence from many different sources – some of which were raised at the planning applications hearing of 23rd April 2015.

The estimated cost of the referendum would be in the region of £30,000, based on the cost of the last one held.