

3.2 The Connétable of St. John of the Minister for Treasury and Resources regarding tenders for the financial Quarter of the Esplanade:

Following the announcement that Camerons and a U.K. (United Kingdom) company are to work with the States of Jersey Development Company on the financial quarter of the Esplanade, can the Minister give details of all the companies who tendered and prices quoted for the work?

Deputy E.J. Noel of St. Lawrence (Assistant Minister for Treasury and Resources - rapporteur):

S.o.J.D.C. (States of Jersey Development Company) undertook a pre-qualification exercise in June 2013, which led to a formal tendering process being undertaken in September 2013. The procurement of the first phase of the Jersey International Finance Centre was the subject of a Ministerial decision that the Minister for Treasury and Resources took on 30th October 2013. This decision approved a 2-stage design and build procurement route to be followed. This means that at this point in time the joint venture between Camerons and Sir Robert McAlpine Limited has been appointed as the preferred contractor. Under the terms of the pre-contract service agreement they will undertake a certain role up and until the main contract is let. No sub-contractors have been appointed at this stage. These packages will be tendered by the joint venture body during the course of the first stage on an open-book basis.

[9:45]

On 5th December 2013 the Camerons and Sir Robert McAlpine Limited joint venture held a meet the buyer event to provide local businesses with the opportunity to find out more about the scene and to present their businesses to the preferred contractor. The Social Security Department and Jersey Business also attended the event and more than 80 local companies registered to take part. This project has the potential to be a major stimulus for the local construction industry and the appointment of Camerons will ensure that local companies will have an opportunity to tender to undertake the construction work with the target of delivering as much as possible on Island.

3.2.1 The Connétable of St. John:

Could the Minister answer the question? I will read it again. Following the announcement that Camerons and a U.K. company are to work with the Jersey Development Company on the financial quarter of the Esplanade, can the Minister give details of all the companies who tendered and prices quoted for the work?

Deputy E.J. Noel:

To take the last point first, I cannot give the financial details, but what I can give is that there are currently 3 local contractors with experience of delivering such large construction projects. The first of which is Dandara, which were not invited to tender as they have a competing office scheme. The other 2 are Camerons and AC Major. Both submitted expressions of interest and pre-qualified. Tender documentation was sent to both. Given the size of the project both companies were joint venturing with U.K. contractors and Camerons with Sir Robert McAlpine Limited and AC Major with Kea. In the event AC Major did not submit a tender as its partner, Kea, withdrew due to the upturn in the workload in the U.K.

3.2.2 The Connétable of St. John:

Yet again, the Minister has been spending public money and will not tell Members. Will we please be told how much the price was quoted on, if they have received a tender and it has been given out? We are entitled to know that figure.

Deputy E.J. Noel:

It is quite interesting because I had a conversation with the Constable just before this sitting commenced and he agreed that it would not be in the interest of Islanders for this information to go into the public domain. It is confidential information and I cannot disclose it.

3.2.3 Deputy S. Power:

Would the Assistant Minister not agree with me, that it is hardly an acceptable position to have one company tender for works on the financial quarter, because it gives the department no benchmark as to how competitive that tender might be?

Deputy E.J. Noel:

That is exactly why S.o.J.D.C. are using cost consultants, EC Harris, to ensure that they receive good value for the contract.

3.2.4 Deputy M.R. Higgins:

I ask the Assistant Minister for Treasury and Resources, we are being told repeatedly that you cannot provide information because it is confidential. I have been looking at a number of contracts, including managed print contracts in the United Kingdom, which are being released. Many local authorities are now giving all the rates that are being provided by the people who have tended for the contracts. More and more local authorities are going for more openness. When is the Minister's department going to be far more open and provide details of contracts, including things like the incinerator contract, which is 5 years old, and any information would no longer be confidential and should be in the public domain?

Deputy E.J. Noel:

We are as transparent as we can be. S.o.J.D.C. in its remit, as I have already pointed out, there were only 3 contractors on the Island that could carry out the scheme. To put such financial information into the market place would be unfair.

3.2.5 Deputy M.R. Higgins:

The Assistant Minister has not explained why it is that other local authorities in the United Kingdom are now publishing contracts, especially when they have taken place say 4 or 5 years ago and the information could no longer be considered commercially sensitive. Will he review his policy?

Deputy E.J. Noel:

We always review our policies. In fact we have recently reviewed that policy on grants being made by the States. We have reduced the limit down from £100,000 to £75,000. That means that all grants given at £75,000 or above, those recipients will have to publish those accounts via the States. So, we are being more transparent and open with the public where we can.

3.2.6 Senator S.C. Ferguson:

We seem to have regressed a little. This information was always available 30 or 40 years ago. Why has it changed?

Deputy E.J. Noel:

Unfortunately I was not around some 40 or 50 years ago, so I could not possibly comment on what was the States policy then. But now we work in very competitive times. We cannot give a competitive advantage over one body against another.

3.2.7 Senator S.C. Ferguson:

Yes, but this particular tender has now been awarded, so there is no commercial confidentiality to worry about.

Deputy E.J. Noel:

What has been awarded is a pre-contract service agreement. The actual final contract has not been let yet. This is a pre-contract service agreement not the final contract.

3.2.8 The Connétable of St. John:

Can I correct the Assistant Minister? Yes, I agree confidentiality does pay a major part, but not when a contract or service contract has already been awarded. Assistant Minister, will you please give the Members of this House, who are responsible for money being spent, the actual figure that was quoted and accepted for the work that is being carried out by Camerons and Sir Robert McAlpine Limited, please?

Deputy E.J. Noel:

Unfortunately, no, I am not able to.

The Connétable of St. John:

Are we going to be running a government that is going to be doing its business behind closed doors? Are we going to allow a Minister to get away with not answering questions?

The Deputy Bailiff:

This is entirely a political matter Connétable and it requires no intervention on that score from the Chair at all. We now go back to the first question which Deputy Higgins will ask of the Chief Minister.