

# STATES OF JERSEY

## OFFICIAL REPORT

WEDNESDAY, 28th MARCH 2007

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**The Roll was called and the Dean led the Assembly in Prayer.**

**PUBLIC BUSINESS – (Resumption...)**

**1. Former Jersey College for Girls: proposed sale (P.30/07)**

**The Deputy Bailiff:**

Just before we return to public business, following yesterday's proceedings, there is of course a need to appoint a new President of the Chairmen's Committee. It is suggested that that should take place immediately after the luncheon adjournment, so I advise Members of that. Very well, we now come to P.30 - Former Jersey College for Girls: proposed sale, lodged by Deputy Duhamel, and I ask the Greffier to read the proposition.

**The Greffier of the States:**

The States are asked to decide whether they are of opinion; (a) to request the Minister for Treasury and Resources to take no steps to conclude the sale of the former Jersey College for Girls as reported to the States on 20th February 2007 until the documentation relied upon by the Minister to establish the value of the property, land and buildings has been presented to the States Assembly; and (b) to agree that the sale of the property and the terms proposed by the Minister for Treasury and Resources does not represent good value for the public of Jersey.

**Deputy A.J.H. Maclean of St. Helier:**

Unfortunately, I am conflicted in this, Sir, and I wondered if I could ask for your permission to withdraw from the Chamber. I know the owner of the business who is interested in this property personally and, from a business point of view, my company also does work with the same company.

**The Deputy Bailiff:**

Very well, yes.

**Deputy A.J.H. Maclean:**

Thank you, Sir.

**Deputy P.N. Troy of St. Brelade:**

I should say, Sir, that as someone involved in the construction industry, I do know the director of this company, not on a personal basis, but I have had dealings with him in the past when he was working at another company. But I feel, Sir, that I have no direct pecuniary interest in this and I would like to stay in the debate and see the debate through, but I may contemplate abstaining at the end of the debate.

**The Deputy Bailiff:**

Very well. Yes, Deputy Duhamel?

**Deputy R.G. Le Hérissier of St. Saviour:**

Sorry, Sir, before the Deputy starts, can I raise an issue in reference to Deputy Troy's participation? I find it very odd, Sir, that he will stay and make his mind up when the vote comes. Surely, Sir, the principle should be established under which he is going to act from the very beginning. Either he has got a stake in development germane to this particular development or he has not. And if he has, he should withdraw, I would have thought. Thank you, Sir.

**Deputy P.N. Troy:**

I have no particular stake in this development or in the company that belongs, I believe, to Mr. Whalley and perhaps others; I do not know, but I have no connection with them apart from the fact

that I know Mr. Whalley from the past. But if Members feel that I should withdraw ... but I do not have a direct pecuniary interest so I do not think there is any requirement.

**The Deputy Bailiff:**

The test is whether you have an interest which requires you to withdraw and, from what you say, you do not. In other words, you have no financial interest, direct or indirect, in this matter, is that right?

**Deputy P.N. Troy:**

That is correct.

**The Deputy Bailiff:**

You simply know the developer concerned?

**Deputy P.N. Troy:**

Yes.

**The Deputy Bailiff:**

Well, then, it is a matter for you, it seems to me, as to whether you stay or whether you go, but I can see the point made by the Deputy. You must make that decision now. It cannot depend on how the debate goes. Either you now feel comfortable to stay and vote or you do not, so you must make your mind up.

**Deputy P.N. Troy:**

I feel comfortable. I thought that I might be able to make some contribution during the debate perhaps.

**The Deputy Bailiff:**

It is a matter for you, Deputy.

**1.1 Deputy R.C. Duhamel of St. Saviour:**

The disposal of any States asset is an extremely serious issue. In particular, the disposal of any States assets at a value which does not satisfactorily represent its true value is an even more serious issue. It is with this in mind, Sir, why I am bringing this proposition today to allow States Members the opportunity to request that the Minister for Treasury and Resources takes no steps to conclude the sale of the former Jersey College for Girls as reported on 20th February 2007 until the documentation relied upon by the Minister - Senator Le Sueur - to establish the value of the property, the land and the buildings, has been presented to the States Assembly. That is the first part of my proposition, Sir. The reason that I am asking for this is that we have a property schedule which does not consist of just one property. It consists of many properties. The States are strapped for cash - without putting too fine a point on it - and this is one of the reasons why we are seeking to have a disposal of some of our assets in order to put some short-term capital monies back into our coffers. Every States' Member has a duty to the public purse and that duty to the public purse must necessarily override any other political affiliations or other political issues. It is about value for money. I do not see, Sir, how we can be party to consenting, as we are not being asked to do indirectly, to any asset disposals unless we know the rules of the game and by which the valuers involved have arrived at the suggestion for the value of whatever property we are talking about. Sir, I think most Members, particularly those involved in Scrutiny, would be interested in knowing the underlying assumptions that are being brought to bear to value this particular piece of real estate. The second part of the proposition is to agree with what I am putting forward... I should have said, that the sale of this particular property, in the terms proposed by the Minister for Treasury and Resources does not represent good value for the public of Jersey. And in arriving at that conclusion, Sir, I have to mention to the House what happened earlier on. My interest in this

matter did not arise earlier this year. It arose last year when the suggestion was that this particular property was going to be sold. I contacted the department and had a meeting with the Treasury Minister and indeed the other valuation officers from the Property Services Department to suggest at that time that I felt that the valuation figure that was being put on the particular property was not sufficient. At that time, Sir, I had the Treasury Minister tell me that he did have some reservations about the figure and, in his view, he encouraged me to go out and to look into the private market to see to what extent betterment could be found. That, Sir, is what I did. I wrote to the departments again on 6th January and the letters are appended as part of the report. Having taken soundings on the valuation of the site, I used figures for the average house prices from the Statistics Department for the third quarter of 2006 and using an assigned value of some 40 per cent - which I was told was a sensible figure to be using - arrived at the following valuations which would suggest that the site value for the new-build properties which, as everybody can see from the plans, are the buildings to be built at the rear of the Girls' College and to the side of the Girls' College, should be valued at something of the order of £3.8 million. Since that time, Sir, one developer has suggested - although you do not have this particular valuation or offer as part of your brief - that indeed that is the same opinion in terms of valuation that he would have arrived at and he has assessed the rear building at some £1.8 million and the side buildings - the 9 townhouses - again assigned value at some £1.8 million which equates to £3.6 million without touching the front which would be an additional sum. That, Sir, was pretty much in line with my feelings and I went on in my report to suggest to the Treasury Minister that indeed if you applied similar valuation exercises according to the published statistics, then if you applied those similar figures to the front part of the building, then in essence, the site value would come out at something like £5.3 million. Now, it is interesting, Sir, to note that in the supporting documents - some of which are the documents from the developers who have suggested alternatives which I was asked to come up with - we have been given a schedule which states that we should be notionally adjusting the figures in the schedule by some £100,000 per unit. That £100,000 per unit was for a one or 2-bedroom unit. If you apply a crude rule of thumb and say: "Well, if you can knock off £100,000 per unit, whether it be one-bedroom or 2-bedroom, in order to make an adjustment to these figures, then how many units are we talking about as part of the whole development?" Well, we are talking 56, and 56 times £100,000 is £5.6 million for those who do not have a calculator. And that is pretty much of the order that I was coming to when I suggested that the total site should be valued at some £5.3 million. I went on, Sir, to say: "Well, okay, let us not be greedy about things", albeit that people do pay around about 40 per cent of selling prices' full-site valuations these days, and sometimes in excess if the site is particularly worthy for development in a particular way. I say, well, let us reduce it a little bit and come down to 30 per cent. And, in doing that, that produces a site value in excess of £4 million. Sir, I am still of the opinion that those figures are the right figures or closer to the right figures. Indeed, the exercise, as I have told the House, was for me to see whether or not there was interest because the Treasury Minister was not particularly satisfied that the deal that was being put forward was the best. Now, it is unfortunate, Sir, that the Treasury Minister is not here today to speak on the issue and I wish he had been. But I was not told that he was going to be away when we asked for a different date and, as I say, if he is on holiday, he is on holiday; that is fine. But it would have been nice to have had him here to get his point of view. Now, one of the things that were said by the department at the time when I went out to a number of people was that they thought that no other people were interested in bidding for this particular property. And we have appended to the schedule the adverts that were placed in the local newspaper. I have a letter also from a U.K. developer and I would like to read a part of his letter to me over this issue. He goes on and he says: "I have spent the last 15 years redeveloping listed buildings across the U.K. from schools to hospitals, from 50,000 square feet to over 500,000 square feet, and in May 2005 [note the date: May 2005] wrote to Mr. Tucker at the Department of Property Services to express my interest in the Girls' College building should it ever come to the market. Sadly, I did not see the property marketed in any of the national press, nor did any of my contacts in the Island let me know that it had eventually come on to the market. No one's fault but my own, I hasten to add." Further: "I

have been buying buildings such as the Jersey College for Girls for many years now in a very competitive market in the U.K., and as such I would welcome the opportunity to maximise the capital receipts for the States while, at the same time, getting the opportunity to work on a building I know well from the many aunts, cousins and sisters who were all at school there. Is there anything I can do? I would love to have had the chance to have bid for the property and am prepared to make an offer should you feel that it is both in the interest of the Island and the building itself.” That is one particular company, and he has subsequently sent some further documentation offering of the order of £3.5 million with the suggestions that his particular expertise in the development of listed buildings would be of interest and perhaps benefit to the Island in order to perhaps retain an element of public access to the buildings which are afforded an S.S.I. (Site of Special Interest) status. My point here, Sir, is that we have 2 adverts appearing in the newspaper. It was only advertised in the *Evening Post* and I think perhaps that we missed a bit of a trick, bearing in mind that our overarching kind of duty hacks on to the public purse. I think we should have been advertising a little bit further afield, but we did not do it and I think perhaps we should have done. Now, not having done it and knowing that there is at least one developer in the specialist refurbishment of listed buildings and indeed other developers who are interested in bidding for this property, I think the way forward must be - even at this late stage - to go and reopen the tender process. And these were the discussions that I was entering into with the Treasury Minister with his encouragement. The first offer - if you turn to your schedules - by Developer A, was made to myself and forwarded to the Minister and the department. The basis on which that offer was made was that any money upfront is better than a profit share agreement which is dubious and retains an element of probability about it. We are told that the deal that is being proposed to the Minister is that there should be a profit share. It has subsequently been described by the Deputy of St. Lawrence as not a profit share but a proportion of the sales. The proportions that are being spoken about is 40 per cent to the States and 60 per cent to the developer. Now, as mentioned by Senator Shenton on the radio the other day, £1 in your pocket is probably preferable to £10 promised by somebody who is going bankrupt. The issue, Sir, is that the £3 million that was offered was a firm offer and, as a starting offer to the Treasury Minister, the Treasury Minister was very interested and suggested to me that this was sensible to be looking at because it did take away the uncertainty of whatever the element of the profit share was going to be. So £3 million up front is definitely better than £1.8 million plus 40 per cent of profits which are going to be organised or delivered by the developer himself. Now, I thought that was sufficient at the time, having had a handshake from the Minister, to put the whole process back into the public domain and to go out for a further tendering process. However, the Minister advised me that he would be telling me at a later stage, and I received an email a couple of days later suggesting that I should tell him who the developers were, which I duly did, and they should be in a position to put up or shut up. And they are, because we have the letter here subject to contract and he was satisfied that they were *bona fide* offers. At that meeting, Sir, a number of days later, he did suggest that he had had second thoughts and that £3 million up front, although better - because it was a fixed deal - than £1.8 million plus a profit share, was not really enough to excite him. Luckily, Sir, I had had another development proposal up my sleeve and I gave him a second one, as in your bundle of records, for Developer B suggesting that £4.2 million upfront plus a profit share to be agreed, plus the opportunity, should the States so wish, to achieve a public interest activity within the building was something that this particular developer would be keen to bid for. At that stage, the Minister said that that was a particularly interesting offer and he thought that we would be in a win-win situation as he suggested because £4.2 million is better than £1.8 million; £4.2 million plus profits is much better than £1.8 million plus profits. And if you take one away from the other, that is £2.4 million difference. I thought again at that time that that was sufficient to put the matter on hold, but, Sir, I am told that...

**Senator F.H. Walker:**

Can I just request clarification, if I may?



**Deputy R.C. Duhamel:**

Yes.

**Senator F.H. Walker:**

Could the Deputy tell me where the £4.2 million plus profit comes from and which particular letter he is referring to?

**Deputy R.C. Duhamel:**

Yes, I am referring to Developer B and it says at the bottom: "First of all, we did not tender for the scheme originally as it was not sold as a residential opportunity." So that goes back to my first point about the lack of advertising appeal to bidders in the market. "I can confirm that the current proposal is definitely of interest to me. As regard valuation of the current proposal, I would value as follows and be prepared to pay as much." He goes on to suggest that £4.2 million is the amount of money that will be paid: "I agree that a car park deck in front of the historic building, retaining gardens on top, will only enhance the value of the properties." And, at that time, the further discussions were about the potential to have an element of the building open to the public if indeed the States wanted to do that. Then he goes on to say at the end: "I understand that the site will be put out to public tender and we will bid if an agreed profit uplift can be included." Now, I was there at the discussion.

**Senator F.H. Walker:**

A profit uplift for whom, Sir?

**Deputy R.C. Duhamel:**

A profit uplift for the States, right? That is what it says. I have just read it out, Sir. It says: "We will bid if an agreed profit uplift can be included." It is pretty clear, black and white, Sir. I spoke to the developer and he said that he was offering £4.2 million plus profits. Subsequently, Senator Perchard received an offer. Again, a suggestion was that due to the historic nature of the existing buildings and the close ties it has with many members of the public, this particular developer, Developer C, would also be amenable to retaining part of the existing building for use by the public, as indeed was discussed with Developer B, or as commercial office suites: "This would not prevent us from completing the cash offer outlined above" which was for the order of £3.6 million plus an overage (that means profit) calculated as a percentage of sales value achieved in excess of a pre-agreed amount. So quite clearly, it is a fixed sum plus a share of the profits. It is there in black and white, Sir, for everybody to read. So where does that leave us? That leaves us with the schedule and it looks as if the Council of Ministers is struggling with this one in particular because we have got, at a very late stage, a schedule which produces a bending of the branches or whatever in order to try to meet the figure that I have suggested is available. That is not to say that any betterment of that figure is not available because at the meeting I had with the Treasury Minister where I revealed to him the name of the developer who wanted to bid £4.2 million plus a share of the profits, I said to the Minister that I did not wish to go out and publicly embarrass him or the department in what appeared to be the inability of the department to come forward with better deals than the one that was being suggested to go with at the time but that if I had to, I would go and ask other developers whether or not better deals were available. And I have felt sure, from the figures that I have been given in the discussions that I have had with people, that betterment, even of the £4.2 million is possible. Now, I refer Members to my letter, and Members will know that I have a particular interest in planning, particularly long-term planning, and I did ask the Minister for a reply but he has not given me one on this. I said: "Finally and generally, I wonder whether any thought has been given to the future synergistic use of the land in public ownership which lies to the north of the site", i.e. the area that is used for Centre Point at the moment and a car park, and then further up the hill we have a primary school which may not be there in the long-term future. In particular, the new build will impact on the light available to the buildings currently occupied by Centre Point

and perhaps facing consideration of their demise and replacement. Now, in looking at the sites and how they link together, if you think a little bit outside of the box - as I was told I do yesterday - it is pretty obvious that we are sitting on a very large site that could be developed further up the hill. That has not escaped the interest of developers and one would think that bearing in mind the car park and the Centre Point facilities are not going to be there in the future, that those facilities should be considered perhaps as part of an even bigger package which would release an even bigger sum of money to the Treasury Minister in order to fill his coffers. As I said, Sir, I have not had anything back on that particular suggestion, but I think it is something that we should be considering in addition. Going back to the schedule - the last gasp of the dying man - we have, I think, an embarrassing schedule here where figures are trying to be made to fit a particular solution. We are told that the Grange Developments offer is £1.8 million. There is an expected overage - profits, call it what you like - of £1.4 million.

**Senator J.L. Perchard:**

Could the Deputy refer Members to the exact page, Sir?

**Deputy R.C. Duhamel:**

I beg your pardon. This is the supporting documents. The pages are not numbered. That is the third page in. It is called "Former J.C.G. (Jersey College for Girls) Comparison of Offers". So it is time, Sir, to do a few sums. Sir, if you look at the deal that is being offered to the States at the moment, it is £1.8 million guaranteed minimum price, a proportion of the profits, call it what you like, of £1.4 million. It was suggested earlier to me by the department themselves that it was £1.2 million, but that has gone up to £1.4 million and we are told that perhaps there is an uplift because we are not getting the money immediately; we are getting it in a couple of years' time when the development has been sold. Then we have planning enhancements and benefits to the public realm which has suddenly appeared. There is another £500,000 - not an insignificant sum - in order to arrive at a value of scheme to the public of £3.7 million which sounds quite good. Developer A was the staying offer, saying that £3 million now is a better offer than the expectation, with no risk attachment attached, of £1.4 million in 2 years' time. We do not know that there is going to be any profit. We are being told there will be a big profit and that will be our share of it. But if the properties are not marketed in the correct way or there is a whole host of things that could go wrong or if the costs of the site get out of hand, then the expected overage might not amount to the figures that we are being told. Surprisingly, at the bottom, we are told that there are repayment costs minimum of £150,000 assuming that if the existing offer does not go ahead, then those monies will be payable to the existing developer. In valuing anything, I think is biasing the figures. The figures we should be comparing are what is on offer now and what is the profit attributable. Now, I would argue, Sir, if there are planning enhancements and benefits to the public realm - and you have heard me tell you that they could be even bigger planning enhancements and benefits to the public realm if indeed an element of the old Girls' College building were used for some kind of public activity which indeed a number of other developers would like to achieve - then that might arrive at £500,000 worth. Now, why are those planning enhancements not attributable to the other developers? They should be. So I would argue that that £500,000 should be across the row and that starts to paint a different picture. The £4.2 million, as I said, and indeed the £3.6 million from Developer B and C, both of those options suggest that there will be profit shares on top. But we have the department or the Council of Ministers, I am not sure who prepared the schedule, telling us that there are no profit figures to be included, so we have an empty element in that row suggesting that there is no profit share at all. That obviously decreases the overall costs, the overall price to the House in order to try and get the spending to try and say that £3.7 million is the same as £4.2 million minus whatever you can knock off it. I think we are bending the truth a little bit here, Sir. There is also the suggestion that because one of the units within the 58 units that were spoken about was number 13 - and for some reason I did not notice it when I looked at the plans of the department - apparently, in big developments, number 13 is not normally allowed to be developed,

so although it was put down as the thirteenth unit, there is not a unit 13 in the numbers. The second thing that has happened, Sir, is that there has been a change in the development application by the developer number one, Grange, themselves suggesting that instead of going for the number of one-bed units that they thought they would go for, they have reduced the number of units overall and gone for 2-bedroom units. Furthermore, one of the units has gone from, I think, a one or 2-bedroom up to a 3-bedroom unit which will increase the value rather than decrease it. As we all know, a 3-bedroom flat is obviously worth a lot more than a 2-bedroom. So we have not lost 2 units. We have only lost one unit, and 2 units have been amalgamated to give that bigger unit. So I would argue very strongly, Sir, that any adjustment that is being attempted to be made to the overall £4.2 million - which, as I say, is Developer B's starting point in negotiations - is being unfairly taken off. Take off £100,000 if you want, but it is a marginal difference, and the other point is do not take out the £150,000 because you are not comparing like with like. Part of the reason why I am here, Sir, is to suggest to the States that we should have really been in a better position than we are and for whatever reason and that is what I am asking for, that the reasons for the valuation be exposed to Members of the House, we should have been told or we should be told just how the deal is being arrived at in terms of the valuation assumptions underlining those figures. So at the end of the day, Sir, what is the deal on the table that Members should be looking at? Well, I think it is go for whatever you like but bear in mind that we are trying to maximise the potential of this particular site in monetary terms. That is the remit of the department. That is the remit of the Minister trying to fill his coffers. What deals are possible? Well, at the moment, the best is £4.2 million fixed, money in your hand, put it in the bank, leave it there for 2 years, do what you like, plus a percentage of the profits. From my calculations, Sir, I think that will always be better than £1.8 million plus profits by at least if not £2.4 million. So Members have a clear choice. Long-term, what I would like to happen - as I said - is for us to be certain that the valuation exercises that are going to be undertaken by the Property Services Department and upon which the Minister will rely, are as robust as possible and capable of meeting the demands that this House is placing on the Minister to raise the maximum funds that he is able to raise in any deal. I am not sure we are in that position to do it as yet. So to finish off, Sir, I do not think that the sale of the property in the terms being proposed by the Minister is sufficiently good. I think better deals - and I have made the case, Sir - are available, even better perhaps than the ones that we have. As such, I think the whole situation should be that there is a re-tendering process that takes place. But we are not here to force the Minister to go for a re-tendering. All we can do, because the Minister will be the one to decide, is to agree that perhaps he needs a bit of a nudge or a pointer to suggest that the deal that he is being advised is the best is not necessarily the best. He should maybe try again at this late stage in order to maximise the monies that are coming back to the States Chamber which we all have a duty to acquire. I think a number of other Members will no doubt wish to speak and I think I will leave it at that, Sir, thank you.

### **The Deputy Bailiff:**

Thank you. Is the proposition seconded? **[Seconded]**

### **1.2 Senator F.E. Cohen:**

I wish to explain to Members my involvement with the application for the former Ladies' College. Shortly after my appointment as Minister for Planning and Environment, the then current proposals were brought to my attention. I looked at the proposals carefully and concluded that the proposals were unsatisfactory for a number of reasons, including the proposals did not adequately respect the historic building. The proposals included, in my view, unnecessarily the loss of many of the architectural features of the building. As one example, the proposals included altering the floors and ceiling heights, resulting in the loss of many architraves and cornices. As another, the proposals included moving the library. Moreover, the design of the proposed new houses to the east of the historic building, were not in keeping with the architecture of the old school building. I therefore decided to ask for the assistance of Mr. Marcus Binney, C.B.E. of Save Jersey's Heritage

and Mr. Kip Martin, known to many as the father of country-house conversions in the U.K. Mr. Martin is a former council member of Historical Buildings of Scotland. Mr. Martin subsequently visited the Island to inspect the building, and together with Mr. Binney worked out revised proposals ensuring that the historic building would be better protected. The existing floors and ceilings would be preserved. The internal and external architectural details would be preserved. The library would be retained in its present position, forming a natural part of a quite superb apartment. The external treatment was improved by moving parking away from the historic building. The roof structure of the historic building is to be retained and largely preserved. Perhaps more significantly, the Binney/Martin proposals identified the potential for this development to act as a springboard to regenerate the area. The concept of creating larger and more elegant apartments in the historic building could have the effect of encouraging refurbishment of the many villas that abound in the area. The preferred developer most enthusiastically embraced the Binney/Martin proposals and even visited Mr. Martin at his estate in England. They have taken on board virtually all of the proposals. The planning process I insisted upon in order to adequately preserve the historic building has been long and, I am sure for the developer, rather tortuous. The developer could have taken an alternative approach and accepted a refusal of their original plans and taken this to appeal. It may be considered somewhat unreasonable therefore to penalise the developer for taking a positive approach to the Binney/Martin proposals. It should also be clear that the planning conditions attached to the consent are particularly onerous as I am determined that the historic building will be properly and painstakingly restored. The scheme must not be able to be dumbed-down during development. This is not the usual case of the developer agreeing to anything to get the approval and then removing the difficult elements of the scheme as the development progresses. The conditions will be retained and highest standards will be insisted upon throughout. The improvements have a clear and identifiable public value. However, despite these stringent conditions, the scheme has so significantly been improved by the revised proposal that Mr. Martin feels that the revised scheme not only better preserves the historic building but also provides a more profitable and more easily saleable range of elegant apartments on the site. Furthermore, the construction work can now be better phased. The Binney/Martin revisions may therefore be responsible for all or part of any increase in the land value. Obviously, any extra value would only have been quantifiable after I approved the revised plans at the end of 2006. It is important to point out that this was an application I dealt with personally and it did not go through the Planning Applications Panel. This is a case demonstrating that properly respecting our historic buildings can, with the advice of appropriate experts, result in a win-win for both the developer and the historic building. The building is more appropriately refurbished and greater value is generated. I would like to take this opportunity of noting my thanks to Mr. Binney and Mr. Martin who, other than refunding Mr. Martin's direct expenses, did not charge for their expert advice. In my view, their efforts have been a great service to the Island and I hope to use this approach again in the future, particularly if it is free. I would also advise Members that as issues of value were to be discussed at the recent meeting of the Council of Ministers, I left the room after having outlined the history of the application and did not participate in the main discussion. On another matter, I was very surprised that Senator Shenton circulated an email to Members on Monday questioning whether I had any connection with Grange Developments, the current developers. I can assure Members that I have no connection whatsoever with the company or in fact any other development company in Jersey. In fact, I had never met the principal of the company before I was appointed as Minister. I have made it very clear in the past the importance I place on having no conflict of interest, either real or perceived, in my role as Planning Minister. To ensure that I met this stringent test, I have, since my appointment, sold my Jersey investment property and I have no conflict of business interest that would in any way compromise my decision making ability as Minister for Planning and Environment. In fact, my only remaining Jersey property is my home. Consequently, I sincerely hope that Senator Shenton will withdraw his extraordinary insinuation.

**Senator B.E. Shenton:**

It was just a question. I just asked a question. I did not make any insinuation. I asked a question.

**Senator F.E. Cohen:**

I think any reasonable person reading the email would come to a rather different conclusion. Finally, as depending on the decision of the States that this site could be the subject of a revised or new application, I intend to abstain in the vote. Thank you.

**The Deputy Bailiff:**

Does any Member wish to speak?

**1.3 Deputy J.A.N. Le Fondré of St. Lawrence:**

As we have heard today, this proposition requests 2 things: firstly, to defer the proposed sale and development of J.C.G. until the Minister has given certain information to the House and secondly, to agree that the sale does not represent good value. Reference has been made to various offers recently received from potential developers purporting to offer more money than it is perceived we will be obtaining from the present proposal. Members will see these reproduced in the information pack that was given to them yesterday, and I will later be challenging a number of the assertions that are starting to go round. Firstly, please appreciate the difference between profit and sales prices. I would have quite strong reservations about any arrangement to do with profit, as that would be far less transparent. This process is based upon the actual sales prices of houses, not the profit arising from the overall sale. I think it is very important to appreciate that difference. To that extent, it is the old story of a bird in the hand and 2 in the bush. Do we go for the best that we can get at the time, now, or do we wait on the off-chance that something better might come along? Let us go through these matters quite carefully. Deputy Duhamel lodged his proposition, I think about 3 weeks ago. With the exception of him, a brief request from my fellow Deputy and a request for information from Senator Perchard which I received on Saturday, I have not really had any queries or comments from other Members on this matter. That does obviously exclude Senator Shenton's comment just before midnight on Monday which I shall also address later. The report accompanying the decision was not put into the public domain because the information included in it was considered to be commercially sensitive and therefore, as does happen in a number of these things, it was not really deemed appropriate to give it to the world at large. However, I do accept with the wonderful benefit of hindsight, the decision signed by the Minister could perhaps have been better worded. That is one of the issues: communication. But I would also make the point that we tend not to try and have debates through the media, especially on the basis of some of the information that has been passed over the front pages of the *JEP (Jersey Evening Post)* has not been as accurate as it might purport to be. However, Members always have the right - and do not forget this - to request the department for information, and have had ample time to do so. The public perception is that we are selling something for £1.8 million when we could get over £3 million for it. Now, I do have to say I am getting rather fed up with hearing that we are selling the J.C.G., as I shall refer to it, for only £1.8 million. It is really not as simple as that. It is only if everything goes absolutely wrong that we get £1.8 million. For that to happen, house prices must have stayed absolutely frozen between November of last year and 2009. Now, obviously, they have not. I can say that even now. So if everything goes as we expect, the department anticipates receiving around or just over £3.2 million. That is in addition to various works being done by the developer for the benefit of the public which I shall explain a little later. To explain the deal in simple terms, the minimum we will get is £1.8 million. As house prices increase over and above a set of values from November of last year, which have been subject to review, we will initially get 40 per cent of the change in prices. Now, that is not the same as profit. That is revenue. Once we get above a certain threshold, which basically allows the developer a fair but not an excessive return, we will get 50 per cent of the change in prices that the units are sold for. And that is unlimited. I hope that assists matters in outlining the terms of the deal, or the arrangement perhaps. I would also comment on certain aspects of the proposal from Deputy Duhamel, particularly those

contained within the letter forming the majority of his report. For example, the Deputy talks about preserving the public use of the existing old building. Well, to be blunt, we do not really want it any more. I am not saying I am entirely convinced about the past history of how the building had been treated, but where we are here and now is we have an old building which is a designated S.S.I. which is costing us at least £25,000 a year to keep in a deteriorating state. Do we want to sell off part of the site and then just spend that money on restoring the old fabric for some unclear purpose? If we are worried about wasting public money, that would be one of the first places to start. It is not only just the façade that is protected. It even goes as far as some of the metalwork in the atrium behind the building. That is why it is not feasible, for example, to separate the old building from the back. If we could demolish it, the site would be far, far more valuable. Can you imagine the outcry that would have arisen if that had been suggested? I do not really want to take on the accumulated history of the old Girls' School for demolition. Consider the process of how we have got here today. Approximately one and a half years ago - which is certainly before my time in the States - the then Environment and Public Services Committee sought expressions of interest for the redevelopment of the site. Now, I have been informed that at least 20 interested parties took information packs away as a result of the advertising. So, it was not not advertised and judging by the level of initial interest it was not hidden away either and the adverts are included in the pack that had been given to Members. Members will also see an article in their pack from the *J.E.P.* of 17th August 2005, reporting on a proposed sale. It was an open process, as far as we are concerned. Now, out of those displaying interest 5 parties applied, but only 4 made proper submissions. As we have heard one of those was the current proposed developer. As far as I am aware none of them included any of the developers that have recently expressed interest. Now, because of the potential complexities, and I have kind of touched on them already, it was agreed at the time that the developer's costs in obtaining planning permission would be underwritten to £100,000, which was then increased to £150,000. Now, that is only in the event that we, as the States, walk away from the arrangement, having caused the developer to run up significant costs. I will come to this point later, but this was also referred to in the recent Ministerial decision. Let us have a little look at the offers that have been received very recently which are in the pack in front of Members. It may be helpful to turn to those pages. Let us take Developer B first. The letter first refers to the Deputy's ideas for a much improved scheme. So, immediately we are talking about a scheme which does not have planning permission and we do not know how long it will take to get that planning permission, or even if such permission will be forthcoming.

**Deputy R.C. Duhamel:**

A point of clarification. That is the wrong interpretation and I shall refer to that in my summing-up.

**Deputy J.A.N. Le Fondré:**

Sorry, I could not hear what the Deputy said.

**The Deputy Bailiff:**

Could you repeat yourself, Deputy?

**Deputy R.C. Duhamel:**

The implication, Sir, that is being made by the Deputy is that this is for a new planning application. The actual deal is for the existing one. That is what it says. Discussions did take place as to any betterment that might be able to be achieved in terms of the retention of the front lawn space then some aspect of public use being retained in terms of access.

**Deputy J.A.N. Le Fondré:**

I am sorry, Sir, I would have to say it says: "A much improved development on the above site." It says later down: "I agree a park car park deck in front of the historic building, retaining gardens on

top will only enhance the value of the properties.” That implies to me that we are talking significant amendments to what we already have planning permission for. To me that has a huge bearing upon how we deal with matters. The letter then says the site was not sold as a residential opportunity. Well, let us compare that claim to the adverts in the *Gazette*, which is at the front of the pack. In there it says: “The community is looking for an imaginative but sensitive scheme and a use or uses which reflect the architectural importance etc. of the building.” There was no restriction of what the proposals could encompass at all. Thirdly, and most importantly, specifically for this developer, they were contacted informally by an officer from Property Services at the time to see whether they were interested and they declined. So, my view, their claims are simply wrong. Let us have a look briefly of an analysis of their valuation and I will move on to them again in a little more detail. I think the starting point is, as we vaguely touched on already, the numbers do not match what the permission has been granted for, so they are overstated. As I said, the rest of the letter talks about matters which again require planning permission. It does refer to a profit uplift which again is relatively unclear but it is not a percentage based upon the sales price and it is a little bit sketchy about any other offers. Essentially, because of the review we have done of that, we are not prepared to walk away from what we consider to be a good deal on the basis of this letter. Now, Developer C - over the page - offers a lump sum plus an overage calculated as a percentage of sales value achieved in excess of a pre-agreed amount. That is exactly the principle of the agreement we have. There is obviously a difference in the value of the lump sum, but again, the number of units is too high and in addition they make reference to retaining part of the existing building for use by the public. The question that raises in my mind is, surely that will reduce the number of units still further. Again, it does not commit to anything, it is subject to contract and crucially it is subject to due diligence. In my mind this is enough to raise doubt, which it is very easy to do, but does not offer anything different to what we are already receiving. Finally, in reverse order, as it were, let us go to Developer A. They offer a straight £3 million. We are aiming to get more than that. We have no idea of the number of units they are basing their proposal upon, but the other letters are inaccurate and there is no mention of any of the planning enhancements that we will be receiving. Let us go to the schedule in front of those offers and let us talk about average values per unit. The £100,000 per unit that the department has adjusted the valuations by, relates to specific changes to the top end of the range which basically consists of converting 2 large units into 4 smaller units. It cannot be rolled-out as an average across the site. To put that into English, broadly speaking, if you do the maths on the valuations that have been presented to Members, you will find that on average Developer B at 58 units comes out at £72,000 a unit and Developer C on 59 units comes out at £61,000. What we have tried to adjust for is specifically where we know the number of units are wrong. As an example, if we go back to Developer B, if you look at the analysis they have of 31 apartments, 9 townhouses and 18 refurbished units, the average price per unit there ranges, by my figures, from £41,900 per unit up to £144,000 but predominantly it is £41,000 and £88,000. So, one has to be very careful - and it applies to all of us - on how we deal with averages. It is not as clear-cut as the Deputy is making out. The enhancements which, as I said I will outline shortly; the reason we have not included them against Developers A, B and C is because obviously they are not aware of the actual details of what has been provisionally agreed with the developer on this scheme and which have been basically brought in together over a period of time and negotiation with the developer that we have grown to developments. Therefore it is not appropriate to apply them across A, B and C. It is appropriate to include in the valuation for Grange. The current proposals have been drawn up to take account of future development and potential for the site to the north. Centre Point is being permitted - and we have to take great account of the activities of Centre Point - they will be permitted to operate from the current site for at least 5 years. The other point to mention, which again I will refer to later, about time value of money, the figures offered by others cannot be payable immediately. They do not have planning permission. Now, I am aware of the comment from Deputy Duhamel in respect of the U.K. developer and I have raised it with the department in the past. The officer’s recollection is that the developer had accepted although he had missed that

particular tender process he had also expressed interest in a number of other sites that may or may not be coming up in the future and they are not in this year's property plan and he does continue to remain in contact with the department. We are retaining contact with that developer as and when that comes up, but he had accepted, as far as we were aware, that he had missed the tender - the advertising process - for this site. To reiterate the point, none of the so-called offers have planning permission, none of these offers are unconditional. They will all take time to sort out and therefore payment will not be immediate. Now, the difficulty we have had here is our ability to talk to these other parties. Basically, what is the position, having signed the Ministerial Decision, of suddenly going out and speaking to other potential purchasers? At the very least we are going to seriously upset our relationship with someone who has been designated preferred developer since 2005 and at worst it is a breach of contract. It is certainly the case that if we walk away from the present deal it will cost us at least £150,000. Now, does that matter if we could get an extra £1 million for the site? Or are we? The letters we have received are great headline-grabbing items. In fact specifically in one case a headline-grabbing item. They are however subject to contract and subject to various other stipulations. The developers are also presumably unaware of the various planning conditions and the various additional gains that have been stipulated in the negotiations with the proposed developer. Within the information pack... well, we have been through the analysis but I accept it is difficult to be precisely accurate because of the lack of information in these purported offers and the discrepancies in the number of units. Let us take for example the small road to the east of J.C.G. which is called Drury Lane. That is going to be resurfaced. There are also going to be traffic calming measures introduced. Centre Point will have the rooms it presently uses in J.C.G. replaced at the developer's cost. Now, in total, all of these extra measures and the other planning enhancements have been estimated to be worth in the order of £500,000. I do not mean estimated like that, they have been reviewed by professionals. At the very least on this basis the £4.2 million so-called offer from Developer B appears to equate quite well with the expectations of the value to the States from the present scheme. If you like we have the bird in our hand now. Now, for example, the Deputy infers from his report in the proposition that the townhouses could be a higher number of stories. It is my understanding that the reason these have been capped at their height is due to the objections received from the residents of Drury Lane, i.e. it is a planning stipulation applied to the present scheme. So, this immediately in my mind casts an element of doubt upon the accuracy of these offers. We have said Developer B talks about a much-improved development site and therefore as far as I am concerned it is not this scheme for which we have planning permission. This scheme for which there has been quite considerable planning involvement by the Planning Department, as we have heard from the Planning Minister. How long would it take to get any significantly different permission on this site which, to reiterate, does incorporate an S.S.I? Yes, a different scheme might be treated differently, but given a panel that selected the developer in the first place, partially comprised representatives from Planning, it would seem difficult to believe that a different scheme would be significantly different than the one on offer. A more acceptable scheme was certainly not on offer at the time of the selection process. Are we being misled, for example, by the developer? Well, firstly, I think we have gone into this with our eyes open and watching for potential pitfalls. Advice has been sought from a variety of private sector organisations and a private sector lawyer was in the process of pawing over the detailed proposals in respect of an agreement at the time this proposal was lodged. As inferred in the Ministerial Decision we are still considering the details of the scheme and how it could be structured. For example, the department is considering the creation of an S.P.V. (Special Purpose Vehicle) possibly to own the land over which we would still maintain control during the development. That has not yet been finalised. The base values are as at November 2006, i.e. 4 months ago. House prices have moved since then and as previously stated we believe we have a reasonable expectation of receiving a decent amount from the scheme. The return is based on a comparison between the final sales amount and the base November 2006 figure. That is a reasonably transparent computation. So, in short, we believe that the potential for discrepancies has been covered. Now, as one would expect the developer is aiming to make as much money as



possible from the scheme and this is in our own interests, under the proposed agreement, as if he makes more money from sales than so do we. So, in short, I do not at this stage have any additional information that would warrant reopening the whole process which would certainly cost us the minimum £150,000 and would potentially cost us more than that. That is the monetary angle. What about the ethical side? Firstly, this is an S.S.I. This is a scheme that has been managed and designed, quite significantly, by the Planning Department and more recently by the Minister. In other words, as the seller of the property, do we just want to sell to the highest bidder and walk away, or do we, as the public, have an interest in ensuring that the building is re-used and restored appropriately. More importantly, this developer is the one that has taken the risk. These plans have cost the developer significantly more than the £150,000 to produce. They have been at least one and a half year's in the making. Thus far they have been backed by various departments. To me, it does seem a bit rich that having missed the tender process, having avoided the risk of putting in plans in relation to the conversion of an old historic building, which is never an easy process, but having seen that permission has been forthcoming the sharks are suddenly circling to cut out the present individual involved. Ethically, are we just encouraging gazumping? I would say that we appear to have selected the best deal that was available at the time. The tender process was advertised and the best scheme of those proposed at the time has been selected that is appropriate to the site. It is the current developer that has planning permission. Do we really want to wait another year or more while permission is sought in some new scheme? I would say not. If the States pull out of this deal then there is also a credibility issue. Who will want to tender with us again if we are never going to stick to the arrangement if all we are going to do is horse trade their offer against someone else's? I would say, Sir, that different sites required different approaches and this has been a partnership-driven method but partially because of the difficult nature of the site. By way of example we are looking at another site in St. Helier. That is a clear site. We do have to negotiate with the neighbours on certain matters but what we have done there, Sir, is we have had drawn up some professional plans for which planning permission will be sought. That should be a much cleaner process, as we can then market a site with planning permission looking for a straight sale. The old J.C.G. site is not a straightforward site and it was felt at the time that the approach needed to be different. So, different sites do warrant different approaches. Now, I appreciate I have spoken for a long time, Sir, but I would like to address the rather long email of late Monday night by Senator Shenton. His late night response, if you like. In my view it makes a number of comments which need to be addressed and answered. Senator Shenton begins: "The public may receive a low market value for taking developers risks." You do not use the word "will" in arrangements of this type. The public is not taking any developer's risks. All the cost risks lie with the developer. The developer agreement is linked to sales price and not profit. If the market conditions are as stated in that first bullet point that Senator Shenton is responding to, the public will receive this sum. He continues: "The process of advertising used by Property Holdings was neither professional nor likely to entice bids. The advertising process lacked creativity and did not encourage the bidding process." I think we covered the process of advertising. The fact that Property Services received over 20 inquiries from the advertising process; that seemed to be a fairly reasonable result to me: "Property Holdings have a reputation for favouring certain developers." Well, I think Senator Shenton had better back up that statement with some facts. I am sure he will do. I would certainly strongly refute any suggestions that Property Holdings favours certain developers. Property Holdings is impartial in all its dealings. Neither Grange Developments, nor its principal, have ever been involved in any previous deals with Property Services or Property Holdings. I understand that many of the other offers were at much higher levels. None of the others were unconditional and they ranged between £2 million and £2.6 million, excluding the Housing Trust bid which was at zero land value.

**Deputy D.W. Mezbourian of St. Lawrence:**

If the Deputy would give way, I would seek a point of clarification. I may have misunderstood but I thought the Deputy told us early on that 5 parties had expressed interest following the advertising process and he has just told us that there were 20 inquiries.

**Deputy J.A.N. Le Fondré:**

Twenty packs of information were given out to individuals as a result of the advertising process, 5 people then started making formal applications effectively, of which one dropped out. Is that sufficient clarification? So, what my argument is, is that if 20 people came along and had received notice that this site was on offer, that does not imply it was a closed process. The offers were assessed on both likely returns to the States and on the basis of satisfying the planning brief. Senator Shenton could have identified that by speaking to the officers before making that comment. He says: "Please also advise the shareholders and beneficial owners of Grange Developments." We are delighted to. Grange Developments is wholly owned by local resident David Whalley, the company was set up in 2002 and pays tax in Jersey. We will be carrying out formal due diligence in the course of finalising the development agreement with Grange Developments and that will be performed by our legal adviser. In response to the next bullet point: "You make it appear as if Grange is doing the States a favour." I think he is missing the point. The main point we were trying to make is that it is the present developer who has done the work and who has obtained the planning permission and most importantly, who owns that planning permission. He asks: "When is the £1.8 million going to be paid? If you adjust this amount for lost interest or inflation over a 4-year period" it carries on. Then he says: "Similarly £3.2 million on deposit grows to £3.9 over 4 years." I hate to say it, but I am not too sure where 4 years has come from. It seems to have been plucked out of the air. I do thank the Senator for his comment in there as well concerning the time value of money; £1.8 million received today is worth more than £1.8 million received tomorrow. Oddly enough, I was already aware of that. That is one of the points: to go out to tender again on the basis of inaccurate information when we have a deal that does offer value to the public will just delay matters longer. That will cost us. That is certain. To answer the question eventually posed by the Senator, payments are to be made during the development process as units are sold. The development period is 30 months and not 4 years. A new developer starting from scratch will take months, if not more than a year, to achieve planning permission. The land, floor and overage offer were negotiated between December 2006 and the Minister's decision in February of this year. So, when was the price agreed? 2005 with no adjustments. Heads of term are agreed when the Minister signs a Ministerial Decision based on an independent November 2006 valuation which has since been updated in March 2007 by a local commercial estate agent. The Planning Minister was involved here. I think the Minister for Planning has already addressed those comments. He alleges: "The reason no further offers were made was probably because the site was not advertised in the most commercial way. If the acceptable offer is below expectations you re-advertise." I am sorry, I do disagree with the insinuations here. Expressions of interest were sought in the normal manner through advertisement in the *Jersey Gazette*, backed by media coverage. As a result of this over 20 information packs containing full details of the site including planning brief, S.S.I. designation requirements, existing plans and photographs were requested and distributed to interested parties. We have covered the process to quite some detail. The offer is not below our realistic expectations. We try to deal in reality not in dreams on something which balances the achievement of the planning brief and what was required from the scheme against the value of which we are going to receive. He talks about reopening the bidding and he also talks about investigations into Mont Mado, Sunshine Hotel and Howard Davis Farm. If the bidding is reopened now there is no definite prospect of a greater yield being achieved. None of the so-called offers are unconditional and they relate to schemes that have no planning permission. Indeed it is possible they will not come to fruition at all and then the current proposal could collapse, leaving the States with a decaying building which we will have to continue to maintain and we have examples of that in the past. As far as we are aware there are no investigations into the Mont

Mado, Sunshine or Howard Davis Farm sites. Mont Mado is still out to tender and if the Senator wishes to challenge the accumulated costs in relation to the Sunshine site, that is not the responsibility of this department and should not be used to muddy the waters. Ultimately the matter of Howard Davis Farm has been resolved and I would say successfully resolved. The Senator again makes reference to the tendering process but he has never looked into the matter in any detail. I trust Members will now appreciate that the tendering process was commercially sound and was open to any bidder and surely, Sir, while the developer is fully aware that he operates at risk he would not expect an ethical commercial partner to hawk his proposals around all and sundry. He talks about a return of an extra £1 million. We do not believe we have the prospect of an extra £1 million, that any new tender process will not produce a total package that is significantly greater or significantly better compared to what we have on the table in front of us today. He continues: "Integrity in my book does not mean giving the heads-up to preferred developers, as has been alleged." Now, while I am sure that Senator Shenton will not be too worried about the result, I would say that the officers within Property Holdings are extremely angry at the scurrilous accusations that have been made. The main person making the allegations is Senator Shenton. If he has proof, then give it to me. If he does not, do not deal in rumours. The matter of the P.A.C. (Public Accounts Committee) report recommendation was addressed yesterday in question time. We do bring in expertise as and when we need it and Senator Walker will provide further details on that matter. Deputy Duhamel raised concerns with the Minister in November 2006, as we have heard, and the Minister met with the Deputy and invited him to come forward with detailed alternative proposals which fully satisfied the planning brief by the end of December 2006. No detailed proposals, which could be properly compared to the Grange Developments' scheme had been received by that deadline. Senator Shenton concludes, in red capitals: "Revoke, re-advertise, re-tender result and Senator Le Sueur repent." I would reply, realism and not rumour please, accuracy and not allegations or innuendo. I am nearly finished, Members will be delighted to hear. To summarise and to get back to the proposition, I am convinced that this was the best deal on offer when the process was started. For all of the reasons laid out above I continue to be comfortable that this transaction represents good value for the public of Jersey. I do not believe that the supposed offers that have recently been received are of sufficient basis to throw out the whole process out the window. They contain inaccuracies and wrong assumptions and it would certainly be the case that to reopen the whole process it would cause significant delay and would threaten the integrity of the States in dealing with individuals; individuals who will never trust us again if we walk away from this matter on the basis of the poor information that has been supplied. We have a deal in front of us. It has taken a long time to get to this point. Let us show our support for it. Let us get on and make that deal. Time is important on this matter. If there is too much delay it will end up costing us money and much more beside. Accordingly, Sir, I do ask Members to reject this proposition.

**Connétable D.J. Murphy of Grouville:**

Sir, point of clarification please. The figure of £1.8 million has been mentioned several times. Can I ask the Minister how this is being paid? Is it being paid in one hit, or is it in graduated payments?

**Deputy J.A.N. Le Fondré:**

Can I take a couple of minutes just to confirm the information? I do know what I think it is and I will come back to the Constable in 2 or 3 minutes, if that is all right, Sir.

**1.4 Deputy S.C. Ferguson of St. Helier:**

There has been a lot of quotation of the Public Accounts Committee so I thought I had better comment on it myself. It is absolutely correct. The Public Accounts Committee report on the Property Plan recommended strongly that commercial experience should be acquired by Jersey Property Holdings and no large disposals should be brought under Rule 163. As far as the

Committee is concerned Property Holdings are getting there but there is obviously still some way to go, but we will be revisiting the operations of Jersey Property Holdings later in the year. I also agree with Deputy Duhamel that the marketing could have been better but perhaps once they get the in-built commercial expertise these things will be sharpened-up. On the other hand there were 20 respondents to the advertisement out of interest so that perhaps it was not as bad as it looks in the documents. Some of the Members in the House have more experience of property development and I would welcome their comments. The original plans for the site, before Senator Cohen was working on them, had one-bedroom units of about 500 square feet, which is a mousetrap. So that I would submit that the revision of the plans by Senator Cohen to his specification is an improvement in the quality of life there. There is a considerable risk in abandoning a definite position in order to investigate the other offers which may or may not materialise. I might be being cynical but I do wonder if the offers perhaps are inflated for business advantage and of course if we do not get them until 2 or 3 years down the line then again the time value of money comes into play because the money, as I understand, will not be paid until after planning permission and due diligence and everything sorted out and frankly £X million in 3 years' time is worth considerably less than £X million today. It is also very easy to have 20/20 hindsight. This Assembly is incredibly good at revisiting decisions and looking at it with 20/20 hindsight and you cannot do that. You must make a decision on the basis of the information that is available to you at the time and this is what we did. Now we are trying to revisit it again. I do wonder if any of these offers will materialise with increased interest rates; and the trend, I understand, is up. Also, the best value is not necessarily the highest price. Now, I believe quite a lot of people heard the Comptroller and Auditor General talking about this at the Institute of Directors' meeting. Senator Cohen has underlined the rationale behind this development; the fact that the historical aspects are cherished rather than built over. This makes me wonder whether by bailing-out of this with our 20/20 hindsight, and trying to go for a higher price... if we do that we may as well be selling our heritage for a mess of potage. This revisiting a decision, which was correct at the time, was one of the reasons we changed to Ministerial government and why we have a Scrutiny set-up. I am sorry, I cannot support this proposition.

### **1.5 Deputy J.J. Huet of St. Helier:**

Sir, I know you always like a change. You do not like us all to repeat exactly what everybody has said before, so I was going to start somewhere different for you. I was thinking that when I used to work on the Community Services Board I used to be offered an awful lot of furniture from very well-meaning people and I never had anywhere to put it and it used to annoy me because I used to know that we used to have to go and buy this furniture for people that needed help and yet I could have had some if I had had somewhere to put it. Then a place did come up and it was called the Le Seilleur Workshop, which I am sure you are aware of. I can remember going to Property Services and saying: "Well, look, could I borrow it, if you are not going to use it straightaway, because I could really put it to good use?" "No, no, no, no. We are going to be selling it very shortly." "Right, okay, fine." Then in this Chamber, I suddenly remembered this the other day, we had a discussion that Planning had found a tenant for the Le Seilleur Workshop and it was at a certain price and I have to say, Sir, I cannot remember whether we were going to sell it or lease it. My memory did not go back that far. But they had a tenant and they were quite happy with this tenant who was going to renovate it, I presume, in the way that they wanted and everything and I think everyone was reasonably happy but then it was brought up in this Chamber. "No, no, this was not good value for money" and it was Deputy Duhamel that brought this to the Chamber and he said that he knew of somebody, I believe, that would offer a lot more money for it, so we should not let it go to this person that Planning wanted because it could be disposed of at a lot more money and we all fell for it. We all thought: "Oh, more money. Yes, yes. We would be very stupid to leave it to go to Planning if there is a lot more money being offered on the counter. That is not good business." So, we all agreed. But guess what I saw in the paper the other day; it is still there. Whoever it was that was going to offer more money never turned up or obviously disappeared into

smoke. So, where we changed our mind from what had been a deal never materialised. That was not good value for money, was it? I think we got that wrong in this Chamber. So, though when I first read this I thought: "Oh, we cannot do that possibly. Oh, no." Then I had another little thought and remembered this workshop with the furniture and the planning and I thought: "Hold on. This is not a good idea." Then I had another thought, and this is my own thought; I have sold properties and I have sold a property on a handshake as late as last year. Okay, I know that this is not the way that business is done nowadays and if you go to America, after you have had a handshake you need to count your fingers, but I do not believe you need to do that in Jersey. I know that is not a commercial way of looking at things but I think it is a way of honour, to a certain degree, that if you do that and you keep to your word it is not a bad thing. I do not think that is a bad thing and I think that this one, besides the workshops, this also would be very much a stain on us if we did not honour it. It was not done just on a handshake, it was obviously done more commercially but to me it falls into the same lines, Sir, and I will not be backing this projet. Thank you, Sir.

**Senator S. Syvret:**

Can I just make a point of clarification. I do not believe it was Deputy Duhamel who brought the matter of the Le Seilleur building to the Assembly. It was the old Health and Social Services Committee. I brought the proposition to sell it on behalf of the Le Seilleur Trust because it is not a States' asset. It is not a States' building. It belongs to the Le Seilleur Trust and any proceeds from that sale go back to that Trust. I brought the proposition under great reluctance because I was far from persuaded at the time, given the very substantial square footage of the site that the sum, which going by recollection was below £300,000. I was not really convinced that it was the best price we could get and ultimately I voted against the sale myself, even though I brought the proposition. I believe that better value - much better value - could be obtained for the site, plus much better value for the Le Seilleur Trust with a little relaxation and a little more of a sensible approach with the onerous and completely impractical degree of listing that is currently on the building at the moment.

**Deputy J.J. Huet:**

Might I say to the Senator, Sir, because I am glad that he brought it up but I can remember Deputy Duhamel putting up an excellent case for it. But thank you very much, Senator Syvret.

**The Deputy Bailiff:**

Does any other Member wish to speak on the proposition?

**1.6 Deputy C.J. Scott Warren of St. Saviour:**

Firstly, I commend Deputy Duhamel for his keen interest regarding this site and his work. I also appreciate the Minister's concern to retain the essential features of this historic building. There does seem to have been some significant concerns raised about the tendering process and the fact that it was not extended to advertisements in the U.K. and even France. Was sufficient time allowed before selecting the preferred developer? Can we learn lessons from the process we have engaged in here regarding this process? I did not appreciate before this debate how far along the road we are with this proposed developer. I feel that the States has to be careful and maybe learn lessons and realise that a £1 million difference here and there is very important. We have a black hole to fill, but again we have to come back to the fact that we are obviously are a long way down the road with this and it would appear that our credibility is now at stake. Thank you, Sir.

**1.7 The Connétable of Grouville:**

I would like to firstly say that I think a big mistake was made in not advertising this property in the U.K. It is quite normal. We are talking here about an eventual sell-out of, I would suggest, something in the region of £20 million worth of property, at the end of the day. This should have been advertised either in the *States Gazette* or the *States Times*, which are the Bibles, if I borrow

the divine phrase from the Housing Minister, of the property industry and I think we probably have a lot more interest in it. The other point I am going to make, and I feel I should make it quite strongly, is that Property Services do not have the expertise, the experience, or the ability to really judge a risk deal; and this is a risk deal. It is not straightforward. It is not pay your money and take the property. This is a deal where a great degree of trust is being put into a developer. We do not have the right to gamble with public money. We are the trustees of that money. We are the trustees of the assets. We should be safeguarding those assets. Several times people have mentioned that it is straightforward. We just wait until the end, he sells out, we get a cut off the top. Well, do we? We have 2 risks here. We have the risk of the developer, who could be wrong, who could go bust or whatever, and we also have the risk that he is going to panic at the end and sell everything off in a fire sale situation where in fact our cut is going to be cut first. So, this is a risk situation and I do not think that we can credibly say that we are taking no chances with public money here. We are risking public money. I am also worried about the fact that, as I understand it, I have not had the answer yet from the Minister, but if they pay £1.8 million up front for this they are then going to have to, I assume, gear-up with their banking friends in order to do the construction, but we have lost control of that for £1.8 million, whereas if we are going to lose control of it I would rather lose control of it for £4.2 million, plus a share of the profits. So, I am going to back Deputy Duhamel on this. I think he is absolutely right to bring it to our attention. I am very grateful and I am disappointed that it was not marketed properly and it seems to me that there is a lack of thinking on the actual machinations of doing the deal. Thank you, Sir.

**The Deputy Bailiff:**

Deputy, are you in a position to give the clarification sought?

**Deputy J.A.N. Le Fondré:**

Yes, Sir. By the sounds of things maybe a further point of clarification. Firstly, the £1.8 million is to be paid on a graduated basis, presently scheduled to commence in May of next year. That obviously depends on the exact development process. We have only just had planning permission this year. You have to go through building bylaws, *et cetera*. I emphasise the developer will not receive any profit until that sum has been paid. On one aspect that came before that I think requested clarification about control, I did make reference to the fact that we were considering a Special Purpose Vehicle which would enable us to retain control of the site while development takes place.

**The Connétable of Grouville:**

Can I ask for a little more on that, Sir? Does that mean that if you have a Special Purpose Vehicle that we do become in fact partners with the developer?

**Deputy J.A.N. Le Fondré:**

In my speech, Sir, I did refer to it as a partnership approach. We are not taking any risk on development cost or loss. So, in other words, the arrangement on the return is based on sale price. That is why we are not going anywhere near profit and that is why we are in consideration and that is why the Ministerial Decision was in principle leaving the details to be resolved by the department in conjunction with the developer, so as to sort out these type of details to make sure that the risk, if there is any, to the States is minimised.

**The Connétable of Grouville:**

Can I just finalise, Sir, on the information that I have been given that in fact if, at the end of the day, there is a panic or there is a problem with the developer we will walk away with our £1.8 million only. Nothing else.

**Deputy J.A.N. Le Fondré:**

I think that will depend on the finalisation of the detail because we are aware of that risk and that is why we have an S.P.V. which would retain control of the land. Then if the developer, for example, did go bust we would retain the land. There are arrangements. I have to say I have seen them. I do not have the recollections - and we can get hold of the information very rapidly - of what the position is on charges and over financing but it is one for a face to face discussion rather than across the Assembly, I would suggest, Sir.

### **1.8 Senator L. Norman:**

Most unusually I have come to this debate open-minded with no preconceived assumptions and no prejudices. In all honesty, Sir, what I wanted and what I still want to happen is for the proponents of the deal to convince me that what they are promoting represents good value and fair value for the taxpayer. That is all. Good value and fair value. I do not need to be convinced that they have squeezed every last pound out of the deal, but that it is fair and that it is good. I am absolutely convinced that the Treasury Minister, the Council of Ministers, Property Services, all believe that that is the case. But I need a little bit more than that. I need the evidence that this is good and fair value for the taxpayer. It is clear that the main players in this debate on both sides have entrenched positions. Deputy Duhamel, Senator Shenton, the Assistant Minister for Treasury and Resources. They have entrenched positions. That is quite clear and therefore their arguments will be biased by their particular spin on the proposed deal and the other deals which may or may not be on the table and for someone who is not prejudiced, who is open-minded, that was not particularly helpful. So, what will satisfy me? Quite simply, I believe that this particular deal needs to be scrutinised. Not by one of our formal Panels, but by an independent qualified valuer who will say that this deal, as I said before, offers good and fair value. That will be sufficient evidence for me. That will be good enough for me. That evidence has not been provided and if it is not provided today then I will have no alternative but to support paragraph (a) of Deputy Duhamel's proposition and I hope that when it comes to the vote and that evidence has not been provided, that he will allow us to vote (a) and (b) separately because paragraph (b) I cannot support. Paragraph (b) says to agree that sale of the property and the terms proposed does not represent good value for the public of Jersey. I cannot support that because I do not know. There is no evidence being provided one way or the other, and quite honestly I need independent, professional advice, professional evidence to enable me to support the deal as proposed. Thank you, Sir.

### **1.9 Senator J.L. Perchard:**

I would like to address particularly my concerns with regard to the way the tender process was conducted for the J.C.G. site. I am of the opinion, Sir, that the process was not a proper open, transparent tender process and I would like to explain to Members as to why. Developers were asked in August 2005 - and you can see a cutting from the *Jersey Evening Post* in the Minister's supporting documents - to express an interest and from that expression of interest a preferred developer was selected and that process took approximately half a year to November 2005. The key and vitally important ingredient missing at this time was of course planning consent for the site. A preferred developer was chosen but planning consent was not afforded. I remind Members that planning consent was not obtained until November 2006. So, while the expression of interest was open to all interested parties, once the level of interest had been gauged, the preferred developer was appointed almost certainly because the scheme they proposed was one that was preferred by Planning. The main shortcoming of this process was that Planning naturally only focused on the scheme design and what it could deliver, whereas the financial aspects were only considered - and very importantly - after their preferred developer had been appointed. This practice, I submit, is like having an auction without bidding. It is almost barmy. The developer only seemed to have to come up with his financial offer after he knew he had the rights on the property. It is crazy. How could the States put a value on a site when they, the seller, or in fact the buyer, did not really have any idea as to what could be built on it? There was so much uncertainty due to the nature of it being a listed building, a large part of which has to be preserved, it was not until a lot of

architectural design and work and consultation with Planning had been carried out that one was really able to see how the whole scheme could fit together. Only then could you determine how many units and of what type are going to be built and so be able to calculate the anticipated future sales value and thus the current worth. In the commercial world of property development for large sites a sensible landowner who did not want to, or could not afford to get planning consent themselves, would either sell the developer an option to buy the land with the purchase price being calculated as an amount per unit type passed by Planning, or alternatively sell the site with an overage of total sales value within the agreement. We chose not to do that. The J.C.G. scheme has of course now received planning consent and, as I said earlier, it took until November 2006 to satisfy the constraints and demands of the Site of Special Interest. So, as a result most of the uncertainty now has been taken out. We now know what can and cannot be built there. Yes, it will be an expensive build, underground car parks, winter gardens, renovations of listed buildings, lift shafts, *et cetera*, which has the potential to be unexpectedly costly. The preferred developer has undertaken to obtain planning consent and will have done a lot of work - a lot of work - up front with his architects and what was likely to get passed and then worked out his bid with this vital information, naturally making sure it was in his favour. That is why he is in business. Once selected, the preferred developer was in a fairly low risk position as he was virtually guaranteed to get planning permission and, as he structured his bid on the worst case planning scenario, that is what he feels is the lowest entity likely to be passed, he bid a mere £1.8 million. No risk. To maximise the value of the site the States should have had the plans approved first and then put the property out to the tender process. I put it to Members, if they were fortunate enough, Sir, to inherit a granite farm in the middle of the countryside, would they sell it to a developer as inherited, or would they ask an architect to see what could be done with the granite outbuildings and get plans approved and then suggest to a developer that it is for sale with planning permission? Or would you sell it without planning permission? This is not rocket science, Sir, this is commonsense. We are employing professionals at this department. Providing clarity and certainty for a prospective developer is so important. I am confused that the Property Services Department seem to have a figure in their minds now of around £3 million. I ask: "Where did this figure come from?" Only a commercial tender with planning permission in place could have exposed the real and full value of the site and that is what of course the States must do now. We have a responsibility, Sir, to ensure that we maximise the yield from this site and if it does take an extra year, so be it. We cannot give the site away without ensuring that it yields its full value. I would like to read a letter to Members from Developer C. It is in your bundle but I want to remind you what it says. Developer C wrote to the Minister for Treasury and Property Holdings and copied to myself. I do not intend, as the Minister has also not done, to divulge the name of the development company and I want to say one thing. I have no connection with this company. I know the individual who contacted me because of his frustration and it is a good local business of many years standing and a company of integrity: "Dear Minister, following the recent media reports concerning the offer of £1.8 million for this site, which is a listed and S.S.I. and has planning consent for 32 number one-bedroom flats, 17 number 2-bedroom flats, one number 3-bedroom flats and 9 number 3-bedroom houses" which incidentally has since been changed, as has been aforementioned, to bigger units and less of them.

**Senator F.H. Walker:**

Sir, on a point of order it has not been changed subsequently. The planning consent for 56 units was granted in November, some 4 months before that letter was written.

**Senator J.L. Perchard:**

That is exactly right, Sir. The Chief Minister points out a fact that I did not mean to misrepresent the facts. If Members wish to turn to the bundle supplied by the Minister, planning permits, first page after Developer C submission, third paragraph: "Proposed redevelopment of building and land to the north and east, comprising of 32 1-bedroom apartments, 17 2-beds, one 3-bed and 9 3-bed terraced houses" all with associated parking and stores, amended plans and that is what the Chief



Minister is quoting. Yes, I regret if I misrepresented the facts it was certainly not intended. My point is, the plans from the point in time of this gentleman understanding that 32, 17, 1 and 9 units were approved, the plans are different now, but the fact is the site is the same size, the value of the lower density will go up and the offer is calculated not to be significantly different, even by Property Services. I will continue, if I may: "We would like to formally register an interest in this site. Should the States decide to invite further offers we will of course carry out further due diligence but at this stage we would anticipate making a cash offer in excess of £3.6 million plus an overage, calculated as a percentage of sales value achieved in excess of a pre-agreed amount. [I will come back to that later to expand on that.] Such an overage is obviously far more transparent than one linked to profit and allows both the States and the developer to share in any profit market price increase. Due to the historic nature of the existing buildings and the close ties it has with many members of the public, we would also be amenable to retaining part of the existing building for use by the public, i.e. the library or exhibition area or commercial office suites. This would not prevent us from completing the cash offer as outlined above. We trust you find this of interest and look forward to hearing from you in due course." Sir, I did say a moment ago that I would talk about overage. An overage on sales value is the proposal being promoted by Developer C who contacted me and the Minister and Property Services. It is a means whereby the States can genuinely participate in any increase in sales value from a figure set out at the outset against the prices achieved when the houses being built are finally sold. For example, I suggest only figures here as example numbers and they are no way intended to be accurate numbers but examples. With sales value overage J.C.G. at today's values, say, could deliver or yield, say, £10 million worth of development. The developer would work out an offer using this figure but to make the deal even more attractive to the States, agree with them that if the sales achieved more than, say, £10.5 million then anything over this would be split 50/50. So, when sold in 2 years' time the market, for example, had grown by 10 per cent per annum then one will probably achieve sales of, say, £12 million and therefore the difference would be split between £12 million and £10.5 between the States and the developer yielding an extra £750,000 for each party. The States and the developer both gain in the market rises. This example is subtly different but very different to the Grange proposals. Firstly, the developer takes all the risks, i.e. if the developer encounters building problems which incur additional costs, which is very common particularly in a building like J.C.G., then although this will affect the developer's profit, it will not affect the amount the States are paid, which is what I have already said. The States would be paid an additional - to the £3.6 million - sum linked to the final sales value of the units. Unit sales are totally transparent and cannot be manipulated. They are a matter of public record in the Royal Court. Conversely, development profits are easily manipulated and are well-known in property circles for such.

**The Deputy Bailiff:**

Senator Perchard, I am reluctant to intervene but my understanding of Deputy Le Fondré, and if I have misunderstood the position I am sorry, is that he was saying this is what the present deal is.

**Senator J.L. Perchard:**

I think the deal is subtly different, Sir, as I have just said.

**The Deputy Bailiff:**

He has said it was on sale proceeds, not profit.

**Senator J.L. Perchard:**

I can hear the Chief Minister chuntering away behind me, I am sure he will correct me shortly.

**Senator F.H. Walker:**

I was going to let the Senator dig himself even deeper but you have pulled him out of hole.

**Senator J.L. Perchard:**

I think that is a little bit unfair, Chief Minister. **[Laughter]** I do not think it is me that is in the hole. Conversely, development profits are very easily manipulated and are well-known in property circles as such. For example, say a developer has other projects in progress and at the same time he is building J.C.G. then in order to increase his costs on J.C.G. and so reduce the profit shared to the States he could record materials and labour from another site. I maintain that the proposals are subtly different.

**Deputy I.J. Gorst of St. Clement:**

The Senator maintains the subtlety of the difference. I am being a little bit... I am not sure exactly what it is - could he maybe explain the subtlety of the difference more fully. He seems to be outlining exactly the same proposal that the Assistant Minister and the deal on the table is.

**Senator J.L. Perchard:**

I would be delighted to do that because there does seem to be some confusion. Developer C is suggesting that per unit there would be an overage. The rabbit that has been pulled out of the hat this morning from Property Services is that the total value yield from the site, if it reaches above the expectation, the profit will be shared. I am happy if that has not satisfied the Deputy.

**Senator F.H. Walker:**

Sir, I am sorry but the speaker is hopelessly wrong in what he is saying and I do suggest he does concentrate more on what the proposed deal with Grange actually says.

**Senator J.L. Perchard:**

The proposed deal with Grange, despite me requesting information, is vague and I maintain that the deal, as I understand it, with Grange is that the overage will be paid to the States on yield from sales of property as a total, not as individual units. I believe it is impossible to accurately calculate profits that will be made on completion of a project in 2 or 3 years' time and, secondly, as I have said already, it is in the developer's interest to show increased costs therefore reducing the profit. Finally, I ask Members to turn to the bundle of supporting documents prepared by the Minister. On page 4, just after the newspaper cuttings - Deputy Duhamel has already referred to this page but I have a few more comments. There is a page titled "Comparison of Offers." I suggest to Members that they disregard this Comparison of Offers. I believe it seriously distorts the facts to a level that can only be described as spin. Assumptions have been made and deductions wrongly calculated from the developer's offer. The other developers do recognise the historic nature of the existing buildings and certainly in the case of Developer C clearly states, and I have read just a moment ago, that they are amenable to retaining part of the existing building for use by the public as a library or exhibition or commercial office suites and they go on to say this would not prevent them delivering the cash offers outlined above. I notice under Developer C there is no contribution for planning enhancements. Also under Development C I see deductions of £300,000 assuming the States' share a unit of profit would be £100,000. Well, it is unlikely to be £100,000 because these developers are paying £3.6 million up front. I think this is just spin and should be totally disregarded and treated with how it deserves to be. It is rubbish. It is unfair to use this as evidence. I urge Members to send this proposal back with a stern warning to Property Services and the Minister that unless they get a grip on their affairs there will be a requirement for changes within this department. It is just unacceptable to sell properties at under-value. This proposal simply, Sir, is not on. I say to the Chief Minister, have the courage of your convictions and advertise the property again and prove me and so many Members of this House and the public wrong.

**1.10 Deputy C.F. Labey of Grouville:**

I would like to see a little more than Deputy Norman with this deal. I would like to see all the architectural and historical features retained and good value for money. There are 2 things missing from the papers that we have received and I would like the proposer or the Planning Minister

therefore to explain if and how the signatures inside the dome will be retained; and as the principal building is going to be painted, if and how the red crosses on the front of the building will be retained also? Both features, as well as all the others mentioned, have enormous historical and sentimental value and neither seems to have been mentioned in the papers supplied today. This is more than just a cash transaction. It is the States part of our heritage and we have got to get it right.

### **1.11 Senator F.H. Walker:**

This is, I regret, going to be a somewhat lengthy speech because not only will I be speaking to Members of this House but I will be speaking to members of the public who have been grossly misled over the nature and the robust and professionalism of the process that has been undertaken. There have been suggestions which have planted the idea in the minds of some members of the public that there has been corruption here and a deal has been cooked up with a favoured developer. I see Senator Perchard is shaking his head. Those suggestions have been made by Senator Shenton and taken up because I know I have had the emails and comments from others by members of the public. So I am talking to those members of the public this morning and therefore it is vital that I go through more detail of the process than perhaps I would normally do. Can I first of all explain why I am standing up here in the first place because this is a matter originated and is the overall responsibility of the Treasury and Resources Minister but we know that the Treasury and Resources Minister is out of the Island at this point and he asked me to take over Ministerial responsibility. That is why I am involved. The first time I came to this whole proposal was last week and I entered it entirely cold and, picking up on Senator Norman's points which I think were absolutely valid, with an absolutely open mind. I had no preconceived notions about whether the deal represented good value for the public. I had no prior knowledge of how the process had been undertaken and therefore I demanded - I did not ask - I demanded of the officers of Property Services that they satisfy me on 4 fundamental counts. The first is; prove to me that the process was properly undertaken. Prove it to me. I do not want ifs and buts, I want proof. The second was; prove to me that the deal you are proposing, that the Treasury Minister is proposing, represents good value to the States; not necessarily the highest price achieved but in a combination of price and the preservation of a - as Deputy Grouville has said - very historic and beautiful building. Prove to me that on both counts we have got a good deal. Compare the proposed deal with Grange with the other - in inverted commas, and I use that deliberately - "offers" received and show me again that we are in good shape, the public is getting a good deal. Reveal to me, and I emphasise this not once but probably 4 times, why there is any reason at all this deal should not proceed. So I started from those 4 basic demands with an open mind and needing complete satisfaction on those 4 basic demands. I said if there is anything other than 100 per cent honesty and clarity and anything other than 100 per cent transparency I will not stand up in the States and fight this proposition or support the policy of the Treasury and Resources Minister. There can be no gaps and no mistakes so make sure what you are telling me is right. So I started from that basis. Let me deal first of all with the process, and this is where I regret, mainly for the benefit of the public I am going to have to read, with your permission, Sir, fairly extensively from the notes that were distributed to Members yesterday. I accept that Members have them already and I apologise for that but I think the public need to know what has been going on here. What has really been going on, not what the insinuations might suggest. In April and May 2005, and I am paraphrasing, I am not reading the whole document, the Director of Property Services spoke to several developers informally to see if there was any interest in purchasing on a redevelopment of the site. At that time it appeared there was virtually no interest in the site whatsoever. Now what he was trying to do was whip-up interest. It was not, as Senator Shenton will allege, because I apologise, Senator Shenton, I could not help but see one of his notes, and I do apologise. **[Laughter]** It is not what Senator Shenton will allege, proof that he is in the pocket of a particular developer or number of developers, this was a genuine attempt on behalf of the people of Jersey to get expressions of interest. Basically it was not too successful at that time. But Grange, however, did follow up and Grange then visited the site and ultimately came forward with a presentation to the Chief Executive

of the States, the Managing Director of W.E.B. (Waterfront Enterprise Board), who because of his expertise was involved in the process at that time, and other senior officers of the States. No financial elements were offered or discussed and it was decided that although the scheme appeared to have considerable merit - and I am emphasising this deliberately - it would be improper to proceed with one development and any redevelopment of the site would have to be the subject of competition and offered formally to other interested parties. So there was no question of accepting Grange's deal at face value, the decision quite rightly and properly and necessarily was taken to advertise the site. On 4th August 2005 the then Environment and Public Services Committee considered a report from the Director of Property Services setting out the ways which could be adopted in proceeding to find a development solution for J.C.G., bearing in mind that for years, ever since the school moved, we failed to find a solution. It has gone on for years already, more delay I do not think is in the public interest, but that is for later, and they agreed that expressions of interest should be sought from property developers. Then the advertisement beginning on 15th August - the advertisement which Members have seen - was placed in at least 2 occasions in the Jersey Gazette of the *J.E.P.* At the same time as that advertisement an information pack was put together and more than 20 packs - and this point has been made already but I think it is worth emphasising - were requested by people who may have wanted to express an interest. More than 20. So any suggestion that this proposal was not widely known is clearly again destroyed by the facts - not the innuendo or suggestion - destroyed by the facts. More than 20 packs of information were sent out. On the back of that, 5 expressions of interest initially were received. Of the 5, one pulled out, there were therefore 4 expressions of interest to evaluate. On 12th October 2005 the 4 developers - note: all 4 developers - and their design teams were invited to give one hour presentations of their proposed schemes to a panel of senior professional officers from the Planning, Public Services, Housing, Treasury and Property Services Departments; so representing a considerable amount of expertise and a considerable amount of integrity as well. Of the 4 schemes, it was unanimously agreed by the panel - unanimously agreed - that the Grange Developments' proposal was the most appropriate scheme for the site. The one which most easily or most fully fulfilled the development brief taking account of the strict planning considerations and the sensitivity of the site. Very important considerations on this particular site. Following a further meeting on 21st October 2005 Grange Developments then set out the basis of their offer in writing with options for outright purchase, so Grange did offer outright purchase, staged payment and joint venture approaches. And the developer at that point made it clear that - and this again is significant when we come to look at the other "bids" received - the developer made it clear at that point that much would depend on what Planning would be prepared to approve on the site and the constraints and implications of the S.S.I. status. The recommendation of the panel was reported to the then President of Environment and Public Services, Senator Ozouf. In May 2006, the *J.E.P.* carried a further article, which Members have got a copy of, on the preferred developers proposed scheme and an invitation was extended to members of the public and States' Members by the developer to an on-site exhibition of the scheme. At that point, again very widely publicised, very widely known, to the best of my knowledge no other firm expressions of interest expressed at that point either. The comments of the public again significant - which came almost exclusively from residents of Drury Lane, and they were taken very much into account as we will see - were forwarded to the Planning Department and for the most part included in the design. The planning permit was issued on 8th November 2006, as I have already said, a full 4 months - and it was issued for 56 units - a full 4 months before other developers had sent in offers based on 58 and 59 units. Somebody did not check their facts. Somebody did not check the basis on which their offers were being put forward. Again, I will come to that in a minute. The planning consent... and I cannot answer the Deputy of Grouville's specific questions here; I hope the Planning Minister can, and perhaps I give way at this point to the Planning Minister who might take that point, sir?

**Senator F.E. Cohen:**

The Deputy of Grouville raised 2 issues. The first being the signatures on the dome and the second, the crosses. In relation to the signatures on the dome, they will be preserved as a condition. The exact method is to be agreed in consultation with the new Historic Buildings Officer who, for those who have not met her, is a formidable lady in whose care we can relax in the assurance that we will get exactly what is required. One of the keys to the Binney/Martin proposals is the painting of the building. The colour is reserved and will be agreed in consultation with Mr. Binney and Mr. Martin. The red crosses will be protected with a protective layer but they are not proposed to be visible.

**Senator F.H. Walker:**

I am grateful to the Planning Minister for picking that up. Now, Sir, I hope I have shown and I will go on to show that the process was transparent, professional and entirely proper. In common with Deputy Le Fondré and the officers of the Property Services Department, I have to say how much I deplore the insinuations made in the email by Senator Shenton and on the media that the process was anything other than entirely correct. That casts a shadow over many of our officers. It casts a shadow over the Treasury and Resources Minister, his Deputy Minister, and the Chief Executive of the States and others without any evidence to support it whatsoever and I think that is appalling. Can I now turn to the States process because this is something referred to by some speakers and it is important we understand why the States have a commitment, why we now have a commitment to Grange Developments assuming that the price is right. I will quote from Appendix A to the Strategic Plan: "Following advertising, 4 expressions of interest were received. A preferred developer has been chosen and is currently working with Property Holdings on a proposed scheme which involves residential provision but retains all the important features of the building and its surrounds. His design team are currently preparing a planning application and if successful the intention is to complete negotiation and seek approval for the sale of the site." When the States debated the Strategic Plan they knew that a preferred developer had been chosen, they endorsed that decision and therefore gave a commitment to that developer that he should go ahead on the basis of the fact that he was the preferred developer, having gone through a selection process he should go ahead and spend a considerable amount of time and money on preparing plans and offers on the site. He would not have done that, he would not have expended all that money without that States' decision, so we have a commitment to that developer which we all endorsed, and we cannot walk away from that. No matter what may be suggested we cannot - and I think picks up Deputy Scott Warren's point - walk away from that. To walk away from that would be to destroy absolutely our credibility and our reputation when it comes to agreeing property deals with developers and builders in the private sector. It is absolutely impossible for us to ignore that commitment. Sir, let me now, if I may, turn to the value. The question was asked this morning or it was suggested that the only reason that it was proposed the States should sell the site is to get money to fill the black hole. Not true. We have got an incredibly valuable site there in more ways than one, not just financially but architecturally, historically, culturally, whichever way you look at it, and to see it - I do not know if Members have been up to see it recently - and the state it is in and to allow that to continue would be unthinkable. We have got to take action on this site and frankly it has taken too long to get to this point already. From the time Grange were approved as the preferred developer, obtaining best value in monetary terms coupled with sympathetic development, as rightly demanded, as we have heard from the Planning Minister, was the priority. The Planning Minister, as he said, has worked throughout with expert advice to obtain best value from the developer within the strict planning requirements and restrictions he has laid down. Now Grange's bid, unlike any of the others that have been received - I understood what Senator Perchard said about Developer C. Developer C does not commit in his letter to meeting all the requirements of the planning permit, all the planning restrictions, apart from the fact it is based on the wrong numbers in the first place, nor does Developer C go on to commit to meeting all the requirements of the Planning Minister. I will come on to that later because there is a hugely important point which

has not come up yet in the way and the timing in which these “offers” have been received. Now taking up Senator Norman’s point, and I cannot, I agree, put in front of him today a letter from Richard Ellis, whoever it may be, which says: “This deal represents good value to the States of Jersey.” What I can say is that all the calculations, that is the building cost, the valuations of the property, the sales value, the developer’s profit, everything, has been done on a totally open book basis and has been available to any States’ Member, who may have wished to, to see. Now I think the communications here have been appalling. I do not know that States Members necessarily were aware of that but I am particularly concerned that neither Senator Shenton nor Senator Perchard have bothered to go into the Property Services Department, they have launched objections without bothering to go in to check the facts for themselves and to see the figures had they wished to do so. They have not done that, and I do not think that reflects well.

**Senator J.L. Perchard:**

May I, Sir? I have contacted the Property Services Department through the Minister and while I have not visited the Property Services Department, I have received the information I had asked for and I am very grateful for it.

**Senator F.H. Walker:**

Yes, Sir, that information was requested this last Saturday, and was duly given. It could have been given many weeks before - before the Senator committed himself to supporting apparently other, better; I say apparently - deals. So all the figures have not only been provided on an open book basis, they have been verified by quantity surveyors, by cost consultants, by valuers, all acting independently at every stage of the process. That is there for any Member to see should they wish to do so. Can I come back here to the overage calculations, because I am afraid Senator Perchard based his entire speech, or most of it, on completely misunderstanding what the deal is? In fact, he did a fantastic job of explaining exactly what the deal is when he was quoting in support of Developer C, he talked about overage on sales not profit; he talked about overage on unit sales; he said how transparent that was because everything goes through the Royal Court. Absolutely agree. And that is exactly what the deal with Grange is based upon. So, Senator Perchard has completely misunderstood - has not checked his facts - has completely misunderstood the deal and done a fantastic job in promoting the exact type of deal that the Treasury and Resources Minister has struck, or proposed to strike with Grange Developments. He could have seen that for himself at any time he had so wished but, no, he preferred to launch into opposition based on a preconceived notion and without checking the facts, and I do not think that is the way we should approach such important matters as this sale. I would accept, and I have already said, that the communications on this whole deal have been awful. I mean, Members are entitled and the public are entitled I think reading the R that was put out by the Treasury and Resources Minister - the decision - they are entitled to believe that £1.8 million is what we are going to get for the site. Absolutely not the case. But that is poor communications; not a pure deal. I apologise for that, I think that should have been handled very, very much better than it has been but it in no way suggests that the deal is poor, just suggests that it was not communicated to Members as well as it should have been. Let me emphasise at this point - and again I will go back on what Senator Perchard said because he has done a great job in this respect - the £1.8 million is risk-free. That is it. If there is a cost overrun, that is the developer’s problem not the States. The overage is based on sales and unit sales value. Let me say that there have been suggestions that the deal is based on historic values or something in 2005 before the property market improved, and what have you. Not true. The latest sales valuation was received in March this year, this month. March 2007 was the latest independently assessed sales value calculation. So we know that unless something tragic happens to the property market that we are going to get at least £3 million and it should be considerably more. The latest figure in that valuation was £3.3 million. The Treasury and Resources people being the conservative people they are have come in and said we should expect to get £3.2 million. The figure referred to in the

letter is £3.3 million. That was a valuation received last month. So again if the sales go as everyone would expect, if the market remains as it is, then that is what the States will receive based on the overage formula. But there is no risk to the States. We have... I forget what the technical term is, if the developer went bust, as the Constable of Grouville said he might - which I think is unlikely - but if he did then we have some sort of pre-emption right here anyway. Risk has been written-out of the equation to get the best possible deal for the public. It is noticeable that 2 of the other "offers" that have been received are based on overage as well so if Members think there is a risk attached to overage that applies to 2 of the other deals as well, and I will come back to that point later as well. The important question is: is this good value? Could it have been bettered? Well, yes, it could. We could have knocked the place down and probably got £5 million or £6 million for it as I am professionally informed, but I do not think that is what this House or the Island would want us to do with a building such as that. So the question is: is this the best value we could achieve given the planning restrictions that have been placed on it quite rightly and given the need to preserve the building, and I believe... and I will again come on to the comparative offers and Deputy Duhamel's proposition very shortly. I have already emphasised that the planning consent is given on 56 units - not 58, not 59 - but 56. I would also like to read out to the House, adding to what the Planning Minister said, what those planning restrictions include. I think Members will want to take note of these because this is of direct benefit to the public of Jersey. They include the resurfacing of the recently acquired Drury Lane at developer's cost, the provision of car spaces for residents of Dongola Villas at developer's cost, the provision of enhanced traffic management facilities for Drury Lane to eliminate it as a rat-run during peak traffic times, the separation and demolition of high level links between Centre Point - and who among us does not want to support Centre Point and the J.C.G. - the construction of new external walls and making good to Centre Point building. The provision of measures for the safety of the children at Centre Point during the course of the development and post-completion, the refurbishment of the former gymnasium changing rooms within Centre Point to provide replacement rooms for those lost in the demolition of the bridge links, the replacement of important external features of the J.C.G. building and grounds which have been damaged or destroyed through vandalism in recent years, the creation of a separate and safer pedestrian access way from La Pouquelaye to the existing steps leading to Centre Point and Janvrin School. Those are all public gains. They all have a value to the public, the cost of them is in excess of £450,000. All paid by the developer, all included in the deal struck by the Property Services Department. Not included, although evidence that they are included in any of the other "offers" received. Senator Perchard is again shaking his head, he did read out that Developer C would meet some form of planning restrictions, he did not read out that Developer C understood all of these and would adhere to and pay for all of these. There is no evidence to suggest that that is definitely the case. It may be the case but there is no evidence to support it. I have just been passed a note by the Housing Minister as well just to confirm to Members that again we could have got better value if we had offered the site on an (a) to (j) basis or even an (a) to (k) basis. All the units are (a) to (h). In other words, totally reserved for locally people. Totally reserved for local people. So again we could have got better value had we diminished somewhat the housing qualifications, and we did not. Now, Sir, can I turn to the comparison of offers, and there is the page - and I regret it is not numbered - in the pack that Members have which compares the Grange offer with that subsequently submitted. Can I again say that the offers have only come in, in the last month or so. Nothing early in the process. The process as we know has been a long one, no interest from other developers shown, offers only received and "offers" received because none of the offers are firm. There is no guarantee attached to any of these offers, they are all subject to contract, they are all subject to negotiating other bits and pieces to which we cannot attribute a value or a cost. We cannot say, no one can claim that these offers on the basis that the letters are written are in the bank, because they are not. Very straightforward, they are not. Grange is, they are not. That is a very considerable difference. Grange is based on 56 units, these are based on either 58 or 59 for which planning consent has not been given, and if they want planning consent for 58 or 59 units they would, at the very least, have to apply for a variation order to the

planning consent; at the very least. They will also have to confirm that they will meet all the planning requirements imposed by the Planning Minister and there is no evidence that they will do that and that will take time. Incidentally, the Planning Minister has told me this morning that it is very difficult to see how additional units could be incorporated on the site within the very proper planning restrictions that he has made. So the offers are flawed. You cannot compare these offers with what is on the table from Grange. They are based on completely different premise, you cannot compare the 2. So they effectively become meaningless in terms of doing an accurate calculation. Now it has been suggested by Senator Perchard that these calculations are meaningless. He did not explain why because there is an additional sales value if you had further units. Of course there is an additional sales value. The actual sales value is likely to be in the region of £500,000 or so. The net value is what is shown very conservatively in these figures and Senator Perchard cannot escape the fact, as I said earlier, that all the improvements to Drury Lane, to Centre Point, and so on, come at a cost. A cost of nearly half a million pounds. Those are hugely important to both the residents of Drury Lane and not least the operators and the children looked after so valuably by Centre Point. That is all included in here. When would those improvements take place and at what cost to the taxpayer if they were not included in this deal? Well, we do not know. Another uncertainty if we did not go ahead with this deal. Another vitally important point in relation to these offers is that the developers who submitted them knew the financial terms of the Grange deal before they submitted them. They knew what Grange had agreed financially. Now how fair is that? How transparent is that? Where is the level playing field here? That is not the way the States or any proper organisation should do business: "Oh, look, here I have a deal agreed over nearly 2 years with a developer. These are the terms, can you better it?" That is absolutely improper practice and we should not be involved in anything remotely approaching that. Just imagine any Member selling their house, agreeing a deal, in effect this is gazumping. In effect, this is gazumping. You have worked on a deal with a prospective purchaser, whatever it may be, for a couple of years and then somebody hawks it around and a better deal is taken at the last minute, and you have just spent a huge sum of money on your plans and your development proposal and the seller then says: "Sorry, forget all that, I am going to go to the highest bidder but I will show the highest bidder all the workings, the financial figures that I have agreed with you." That is just plain immoral and the States cannot, even if we do not agree necessarily - I do - but even if Members do not agree necessarily with my views and others on the value, the commitment we have made and the way these offers have been brought in, we cannot move away from that. If we want to retain any credibility, if we want to be regarded as honourable in this scenario, we cannot possibly treat these offers now as being legitimate, proper, throw the Grange deal out and go back to try and negotiate a new deal with one of these 3 proposed developers. Apart from anything else, the time that would take - and I disagree again with Senator Perchard - would diminish the value we are going to receive. It would put the whole thing back, who knows, probably at least a year. So it would be immoral. In financial terms there is little that I can see, if anything, to gain from these offers, particularly if you factor in the cost of the planning restraints and the delay caused by abandoning the Grange deal at this stage. But even if Members thought better value financially could be achieved, we have a moral commitment here which we simply cannot walk away from and I would urge Members to bear that very much in mind when they speak and finally vote. None of the other offers received are risk-free. None of them, as I have said already, are firm and we cannot take them as being like-for-like proposals in any shape or form at all. So there is no reason to delay. There is no excuse to delay; having gone through the entire process there is no excuse to delay at all. I will deal very briefly with the £150,000 agreed with Grange in the proposed agreement. It has been stated quite incorrectly that we paid Grange £150,000. We have not. We have paid them nothing and the £150,000 would only be payable if having told Grange, based on a States' decision, to go ahead and expend a huge sum of money on their plans and development proposals the £150,000 would only be payable if the States then walked away from the deal. If we do not do that then there is nothing payable to Grange whatsoever, and that is exactly as it should be. Can I now turn to the report and proposition? I do not in any way suggest it is anything other than well-



meaning, but it is misguided. Sir, Deputy Duhamel does have a reputation - this is not a criticism - for being unwilling to take decisions, and we heard that yesterday, and we have heard it from Deputy Huet this morning on the Le Seilleur site which has resulted in no development at all. We cannot afford to get into that position with the J.C.G. His proposition, just like the other offers received, is also factually flawed. It is based on 58 units - not 56 - 58. We have heard from the Planning Minister that it is difficult to see how additional units could be included in the site. So straightaway, again, we are not comparing like with like. And, of course, any such proposition, and we do not know what the proposition would be, has got no planning consent whatsoever. We do not know anything about it. The £5.343 million quoted in the proposition, Deputy Duhamel's own figures. There is no supporting evidence to back them up whatsoever and none, significantly, none of the "offers" received since come to that figure. Now where did that figure come from? Where is the verification? Deputy Duhamel mentioned a developer in the U.K. I think he said the developer would offer something like £3.5 million. Well, okay, maybe, maybe not. What conditions would be attached to that offer? We do not know. How many units would it be based upon? We do not know. It is all guesswork and really cockeyed optimism I think, so there is no evidence whatsoever from other developers to support the view that we should not proceed with this deal today. On the other hand, we have gone through an exhaustive, professional, robust and entirely proper process supported by or based upon a States' decision with Grange to arrive at the position we have arrived at today. There can be no question about the process unless anyone, as Senator Shenton sadly has done, is in effect questioning the integrity of those involved in it. I have already said what I think of that. The proposed Grange deal has been fully researched, fully costed, fully valued, fully verified, prepared on an open-book basis, meets all of the planning requirements and will result, given normal conditions in the property market, in a return to the public of significantly in excess of £3 million with no risk at all. If there is an overspend it is the developer's problem, not the States'. There is no evidence whatsoever that a better deal is achievable. There is a lot of spin, there is a lot of hype, a lot of proposal, no firm evidence of any better deal at all. So I am back where I started basically. I have apologised, and I do again, for the poor communications to Members of the way this has been put together and the final value. But all the concerns could have been avoided had those expressing them gone to the Property Office and seen for themselves what the deal consisted of. But the concerns could have been avoided as well by better communications and that is a lesson to be learned. So I apologise for that, but I most certainly do not apologise for supporting the proposed deal. My 4 demands, which Members will recall I put out at the beginning, proof that the process was robust, professional and correctly handled; proof that this represented good value; proof that there was no firm evidence of a better offer from other developers; and proof that there was no reason why we should not proceed. All my 4 demands have been met in full. Sir, to delay now there may be - there could possibly be, theoretically, no evidence to back it up, no hard facts - some marginal, on face value, financial benefit to delay. There might be ... on the face value. But that would be more than taken out by the delay itself and the extra cost incurred by that delay and do not forget, I repeat, we are not comparing - I am being very fair here to the other proposed offers and perhaps to Deputy Duhamel - but none of the alternative offers are based on 56 units, they are all based on more units. So I am being very fair to them. But any superficial financial gain would be at least wiped-out, probably more so, by the delay involved while this beautiful building continues to deteriorate and we need to get on, we do need to get on with it, and do not forget there is an investment in Centre Point included in this deal as well, and Drury Lane, which is not included in the other offers. So there is no reason or excuse for delay and not least there is the moral commitment issue which is very strong indeed. The States themselves in the debate on the Strategic Plan agreed that Grange should be appointed as the approved developer. That was our decision and everything that has happened since has been based on that decision. So I do not think there are any financial gains here at all. I suspect there would be financial losses in delay, although superficially I can see where there might be a slight gain, that would be taken out by the delay, so there is no significant financial gain, certainly in delaying, on going ahead with this development, and morally we would be wrecked. No property developer

would want to do business with the States ever again on the basis that we have agreed to approve him, her, them, the company as approved developer and then with no need, no excuse whatsoever, just torn-up all the work they have done, all the time they put in and said: “Sorry, we are going to hawk it around and we are going to accept a higher deal.” We just will not do business like that. No reputable organisation can do business like that, and we pride ourselves on being a reputable organisation. We are a government for goodness sake. We have got to be reputable, we cannot walk away from that. So, Sir, there is no excuse, no reason, no benefit whatsoever to delaying and I firmly recommend to Members that they throw this proposition out.

**The Connétable of Grouville:**

Can I have another point of clarification here? The first Minister has made much of the fact that there is a no-risk situation with Grange. Does he then have a guarantee on the overage or is it still in the air, because that is a risk?

**Senator F.H. Walker:**

No, Sir. You can never get a guarantee on overage, that is the whole idea of overage. You have a choice, when approaching a property deal such as this you have a choice; you either accept a flat payment up front or you accept a smaller flat payment up front with an overage with the firm prospect that that overage will give you a higher figure than the flat payment you could have received alternatively. That is the way it has been agreed by all the professionals and Property Services’ credibility has been brought into question here, they have been advised throughout by Drivers Jonas and others, all the professionals agree that this is the best deal for the States. But there is no risk on the £1.8 million whatsoever.

**Senator J.L. Perchard:**

Can I ask for a point of clarification on the Chief Minister’s excellent speech? He mentioned, Sir, that the States have a moral obligation to this developer because the States have worked with them for such a long time. But he said there was a States’ decision that approved Grange as the developer. Could he enlighten me as to what that was? Perhaps it was before my time.

**Senator F.H. Walker:**

I quoted from Appendix A of the Strategic Plan, and I will accept that it does not mention the name Grange but what it does say is a preferred developer has been chosen. A preferred developer has been chosen, historic. That preferred developer was Grange and the States endorsed that decision.

**Deputy D.W. Mezbourian:**

I seek a point of clarification from the Chief Minister or from the Solicitor General. The Chief Minister has made much of the fact that we have a moral commitment to the preferred developer and my question is: do we have a legal commitment to that preferred developer?

**Miss S.C. Nicolle, Q.C., H.M. Solicitor General:**

So far as the actual sale of the land goes you cannot have a specifically enforceable agreement for the sale of land under Jersey law. That means if you reach an agreement for the sale of land and one party defaults the other party cannot get an order from the court to say that the land must be sold. What you can get is damages by the existing party against the defaulting party. On the papers and information which I have seen, and only on that basis, I think that on balance there is not a sufficiently firm agreement which would give rise to an action for damages for failing to sell the site. As I say on the basis of the papers which I have seen that is my provisional view. However, there is in law such a thing what is known as a collateral contract and a collateral contract is what it sounds like, it is a contract which stands outside the main contract. There is in a matter of this kind the possibility that the disappointed party may argue that there is a collateral contract, that collateral

contract being that once the developer is appointed as the approved developer the party who did the appointing, that is the States, will continue working with the developer as approved developer and not go behind the back of the approved developer, taking the approved developer's schemes and proposals to other developers to get offers from them. Now I certainly cannot say with confidence that there would be no claim of that nature.

**Deputy F.J. Hill of St. Martin:**

Could I ask the Chief Minister another question following up from that because I am concerned about what we agreed to? Did we agree, when we said the preferred developer, to the price because I quite accept the fact that we have said we agree to a preferred developer, that is one thing. But if we did not know what the price we were agreeing to is another. Could you please inform myself and maybe the rest of the Members of the House, did we agree to the £1.8 million as well?

**Senator F.H. Walker:**

No, Sir, we did not. What we agreed to was to ratify the appointment of the preferred developer which was Grange and what I read out, and I will repeat: "Grange..." [well, the word in the document is "his"] "his design team are currently preparing a planning application and if successful the intention is to complete negotiation and seek approval for the sale of the site." So, no, we did not agree to a price, the price has been the subject of negotiations subsequently.

**Deputy P.J.D. Ryan of St. Helier:**

I passed a note just recently to the Chief Minister, I do not know if he has had a chance to read it yet, and I am anxious to avoid the kind of scenarios that we had a couple of months ago over the famous mast review that took up a lot of time of the Assembly deciding whether something should be referred to Scrutiny or not. I am going to ask for your advice, Sir, on the best way forward on this one. But it seems to me that there is just one thing that I am clear about on this, and that is I am unclear and I think many Members are feeling the same. I would like to support the Council of Ministers but I am finding it difficult and I do not know that that is in the best interests of the Island or the processes that we go through. I am going to ask the Chief Minister whether he would be prepared to allow this to go to my Scrutiny Panel for a period of 6 weeks. We believe we can report within 6 weeks. We know that if that is the case, and Deputy Duhamel agrees and clearly it would be his decision primarily, the review would be chaired by the Constable of Grouville, he will be ably assisted by the Deputy of St. Peter and Senator Len Norman. We will employ an independent valuer of professional status, preferably with experience both within and without the Island and, Sir, I ask for the way forward. I do not want a heavy debate on whether we do this or whether we do not, because I do not think that will suit anybody's purpose and I am also aware that we are getting close to lunchtime and there is lots more business to get through. So what would be your suggestion on the way forward to see if we can achieve that outcome?

**The Deputy Bailiff:**

The Chair is entirely neutral on these matters, Deputy Ryan. You have the right, as does any other Member under Standing Order 79, to propose without notice that the debate be suspended and that the States request the relevant Scrutiny Panel to consider having the proposition referred to it. But I think you must bear in mind, what is the proposition in this case? And the proposition is to request the Minister to take no steps to conclude the sale until the documentation relied upon the Minister to establish the value has been presented to the States. So that would seem on the face of it a slightly odd proposition to refer to Scrutiny because the proposition itself is, in fact, asking for a delay and asking for further information. So it is a matter for you, Deputy, but on the face of it, it would seem a rather unsatisfactory way of proceeding and, of course, if you make that proposition we have to have a debate on whether to refer it to Scrutiny which is just the sort of matter which came and brought the States...

**Senator B.E. Shenton:**

Sir, may I suggest that Deputy Ryan just looked into it anyway without the approval of the States as he is allowed to do. He can set up any Scrutiny Panel he wants and look into any matter.

**The Deputy Bailiff:**

Do you wish to add anything?

**Deputy P.J.D. Ryan:**

I am aware that lunchtime recess is coming soon. I do not want to delay it either any more than any other Member does. Yes, we can but it would seem a pointless exercise if the sale was going to go through anyway. I think what we need is to ask the 2 parties concerned how they feel about that prospect. It is the only way I can think of.

**The Deputy Bailiff:**

Sorry, this is the prospect of what? Scrutiny?

**Deputy P.J.D. Ryan:**

The prospect of Scrutiny taking this over for a period of 6 weeks and then returning to the Chamber with the debate. I do not know any other cute way of achieving the objectives, I am afraid.

**Senator B.E. Shenton:**

Are we talking on the proposition?

**The Deputy Bailiff:**

No, as I understand it, no proposition has been made so we are still talking on the main debate.

**1.12 Senator B.E. Shenton:**

On the main debate. Okay. So, back to the main debate after the interruption. I only really got involved with the J.C.G. site because I had picked up on the Mont Mado situation which I was not very happy with. I will not go into detail there because I am still collecting information but also we had the Sunshine Hotel debate in the Chamber a few weeks ago and so the J.C.G. situation also came up. Fortunately, Deputy Duhamel had put his proposition in, which brought it to the top of the pile, so to speak, and in a lot of ways it has made my life a lot easier because a lot of the information has come out without me having to go off and dig for it too much. Before I start on the main point, I would like to thank whoever put the picture up, which is very pretty. I know J.C.G. has got a connection with the Second World War. I believe German officers stayed at J.C.G. which is probably why we are putting up an eastern block style square building behind it. I am particularly interested in the chap at the front who seems to be walking away from the building with a bag of money but anyway, that is an aside. If I can just take Senator Cohen to task. I was confused as to why he left a Council of Ministers meeting when discussing this and I simply asked the question whether he had a connection with Grange Developments. I was not making any inference that he did have a connection and considering that he spent most of the morning passing notes to the Chief Minister so he can edit his script, I am very confused as to where he does stand on all this and perhaps he could enlighten us. Senator Vibert is tutting, but it is a fact. Similarly, I think Senator Cohen has to realise that his Planning Department when they put up Sites of Special Interest limitations on property it does push up costs and although many of them are well and truly justified, and I would hate to see our heritage disappear, he needs to bear this fact in mind. Since I joined the States, I have been impressed...

**Senator F.E. Cohen:**

Sir, would Senator Shenton give way for one moment?

**Senator B.E. Shenton:**

If you wish, yes.

**Senator F.E. Cohen:**

I would like to make it clear that while Senator Shenton may wish that I should take a more lax attitude with historic buildings, I have no intention whatsoever of doing so. During my term as Minister for Planning and Environment the House can rest assured that historic buildings will be given appropriate care and I will not be relaxing in any circumstances whatsoever.

**Senator B.E. Shenton:**

I think the Minister's action is commendable although it will obviously push up housing costs on the Island. Unfortunately, Senator Le Main does not understand business. **[Laughter]** The proposition here today seems to have been a little bit lost on certain Members because it is not asking us to accept any other offers or anything like that. It is just asking us to have a look at the facts that establish the value of the property and I, like Senator Norman, can support (a) but cannot support (b) because I do not have the facts on which to support (b). If you were in the commercial world, you would try and extract the last penny from any development and I understand that J.C.G. may be slightly different in as much that there is historical significance to the building which may mean that you are willing to take a slightly lower price in achieving the design that you want. As I say, the proposition - we had a long speech from the Chief Minister about accepting other amounts and all sorts but I do not think he really read the proposition carefully because all the proposition says is give us the facts. And the facts must be out there. Senator Walker has said everything was done correctly. I cannot see any problem. I cannot see why he did not support the proposition. But there are a few issues that I would like take up. Deputy Le Fondré mentioned that I made the scurrilous remark that developers were given the heads-up on the development and asked where I got this information from. I got the information from Property Holdings. In their notes, it clearly states: "In April/May 2005 the Director of Property Holdings spoke to several developers informally to see if there was any interest." This is before it went on the open market. Now, my definition of giving someone the heads-up is to speak to someone informally before it goes on the open market: "To see if there is any interest in purchasing or in a redevelopment of the site. Only one developer, Grange Developments, showed any interest and asked to visit the site. Following the visit to the site, Grange Developments was significantly interested to proceed informally with its architect to prepare a feasibility scheme for the site." This was all done before an open market tender process was established. The only parties that knew about the J.C.G. site at that time were the ones that the Director of Property Services telephoned and told. Now, if that is not giving people a heads-up, I do not know what is. So, they had already... I have got to be careful how to phrase this. I was going to say "preferred" Grange Developments but out of the ones they had spoken to, Grange Developments was already, at this very, very early stage, the preferred developer.

**Senator F.H. Walker:**

I must challenge that. That is just absolutely, totally untrue. Grange did not become the preferred developer until 20 perspective developers had received packs, until 5 bids had been received, 4 of which proceeded and Grange were unanimously chosen by all the experts as the preferred developer at that time, not very much more prematurely as the Senator has just suggested. He is completely wrong again.

**Senator B.E. Shenton:**

They were the only developer at that stage so if you have only got one developer, you must be the preferred one. 15th August 2005 an advertisement was placed on at least 2 separate occasions in the Jersey Gazette of the *J.E.P.* (*Jersey Evening Post*). Now, we are talking about a significant site

here that will retail for many millions of pounds. It was placed in the *Jersey Gazette* on Monday, 15th August 2005 right in the middle of the summer months when most people are on holiday. A similar advert was placed the following day and there are copies of the adverts in the pack. It is just above one for mystic spray tan. This is their idea of advertising a property of that significance. I put bigger ads than that in if I lose my cat. **[Laughter]** It is quite ridiculous that they should go about in this manner. Now, the Chief Minister is convinced that this is a professional way of advertising property. So they made a few phone calls and they have stuck a couple of small ads in the *Jersey Gazette* and that is it. Okay, they got 20 letters of interest. Ten of them were probably writing in for Mystic Tan which is underneath but there was no contact with U.K. developers, no contact in the trade press, no really pushing forward of the site and, of course, we already had Grange Developments in the background that had expressed an interest after being given a private viewing of the site. Senator Walker makes great play of the £150,000 that has been banded around and what the notes from Property Holdings say is: "In view of the risk involved and the cost in preparing a scheme using a professional design team and submitting applications to a committee, the Treasury agreed that £100,000 would be earmarked in the planning vote for the purpose of underwriting Grange Developments additional costs." Now, if we do use another developer and Grange Development walks away and we have paid the £150,000 development costs, does that mean that we - the States - own the plans to the development and, therefore, can get a price for the development on a post-planning application price? We also received within the pack this table here which I can only describe as both irrelevant and corrupt.

**Senator F.H. Walker:**

I must object to that most strongly.

**Senator B.E. Shenton:**

The definition of corrupt is containing errors or alterations. You were obviously thinking of a different definition. **[Laughter]**

**Senator F.H. Walker:**

Yes, Sir, and the insinuation is very clear.

**The Deputy Bailiff:**

Let me be clear. You are simply saying it is wrong. Is that right?

**Senator B.E. Shenton:**

It contains errors and alterations, Sir, as in the definition.

**The Deputy Bailiff:**

Perhaps you would use that sort of language.

**Senator B.E. Shenton:**

It depends on your mind. And that is where this House falls apart a little bit. I do not want to stand here and start discussing the merits of one development over another. We do not have the figure work, we do not have expertise, we certainly do not have the detail to do that. All this about A and B and C, it is all irrelevant. All I am interested in is are we getting the best price and have Property Services got the expertise to achieve the best price? Furthermore, they say that they followed their guidelines and they did everything by the book. Now, if their guidelines say 2 small ads in the *Jersey Gazette* is enough, then there is something fundamentally wrong with their guidelines. I do not think that we have the best value for money. I cannot see why the Chief Minister and the Council of Ministers cannot support (a) of the proposition as it stands and I would suggest before they make their speeches they re-read it because all it asks for is the information. Nothing else. We had the Youth Assembly in this building last week and I did not listen to the Youth Assembly but I listened to Hamish Marrett-Crosby's comments on the Youth Assembly and he was

disappointed because they voted in cliques and did not open their ears to the debate. Well, all I would ask is that everyone just opens their ears. I am not saying that any offer is better than any other. All I am saying is that we need the facts and the information to ascertain whether we are getting value for money and if there are weaknesses in Property Holdings, as I think there are. I think the P.A.C. report also pulled that out and I am very surprised that Deputy Ferguson is not supporting part (a) of the proposition, because it is the sort of things that P.A.C. should get their teeth into. I would welcome Deputy Ryan to set up a Scrutiny Panel to have a look at the way we deal with Property Holdings, the way this whole tender process has gone from the start, from when it became an open tender to before that when the phone calls were made to the few people that were known and so on and let us just establish where we are going. There is nothing wrong in business with making mistakes but if you make a mistake, you have to move forward and you have to put it right and you have to make sure you never make that mistake again. That is all I am asking. So, I will be supporting Deputy Duhamel in (a) of the proposition but unfortunately I cannot support (b) because I just do not have the information.

**The Deputy Bailiff:**

Deputy Le Claire, you were wanting to speak, I think.

**1.13 Deputy P.V.F. Le Claire:**

May I make just a very brief speech, Sir? Obviously I have still to hear more. I would say that my own position as far as the Planning Minister is concerned is one of confidence. I have always known that he declares an interest from a planning perspective when things are considered and excludes himself from those considerations because that is right and proper. So, I would just like to say that first of all. The second thing is - looking at the clock - we are being asked that no steps to conclude the sale be taken until the information is given to us, but it does not say: "Do not make the sale." How long does it take to get papers on to our desks if this deal needs to be done? I remember when I was trying to debate my work permit proposition and through months and months and months it was delayed because of the legal advice that was forthcoming. Once the States had decided, in the debate, not to debate it until they had the advice, the papers promptly appeared 20 minutes later on all Members' desks. The full legal advice. Sometimes departments and sometimes legal advice is withheld from the Assembly and Members because they have not asked for it correctly from the right person for the right reasons at the right time. In this instance, there is an important building with a large degree of money at stake and, quite importantly, I think also our reputations in relation to whether or not we are honourable. I think that is the strongest point that was made by Senator Walker today. I thought his speech was quite strong and I did come in here thinking that I would be forcefully behind the proposals before us, but having listened to the speeches some things have come upon me and one of them is that we must remain honourable. The second is that we must remain prudent and, therefore, I will support (a) because it is asking for information and I think we need that information before we can sign this off. We are not saying: "Do not make the sale." We are asking for the information. Unfortunately, until I see that information, I will not be, and I do risk putting to Members that they will not be, in a position to agree (b) either. How can we agree that the sale of the property represents poor value for money when we do not have the information because, on the face of things and on the surface of things, it does seem to be a good deal. What we are being told is that there were better deals. Maybe there were. Maybe the advertising was flawed. I sincerely hope that lessons have been learnt but I would put it to Members that if papers needed to be presented, they could be back on our desks before we return from lunch.

**LUNCHEON ADJOURNMENT PROPOSED**

**Senator S. Syvret:**

I propose the adjournment, Sir.

**The Deputy Bailiff:**

Adjournment is proposed. Very well. The Assembly to return at 2.15 p.m.

**LUNCHEON ADJOURNMENT**

**PUBLIC BUSINESS - (Resumption...)**

**Former Jersey College for Girls Proposed Sale (P.30/07) (Continued)**

**The Deputy Bailiff:**

This morning I indicated that after lunch we would deal with the question of an election of a new President of the Chairmen's Committee but do Members agree that perhaps we are better to do that at the end of the current debate? In other words, carry on with the current debate? Very well. Senator Vibert, you wish to speak?

**1.14 Senator M.E. Vibert:**

Briefly. Really it is just to make a few points and I think hopefully to not labour the detail. One detail I will mention is that a previous speaker, I think it was Senator Shenton and some others, mentioned about the adverts and referred to 2 small adverts. They failed to mention, which is in the pack, the half page article asking for interest which followed up the adverts which anybody who got the *J.E.P.* it was a half page on page 7. It is on page 3 of the packs. They must have worked very hard to miss that. The adverts and the articles produced 20 expressions of interest. I do not know how many one would expect to get for a development of this size but I would have thought 20 was a very good number. I do not think it is likely as is being suggested that developers did not know about this. Obviously 20 did and I would have thought on the grapevine that works every developer who was interested did. But I think that is a minor point. I think the scenario we are faced with today could be construed, looking in from the outside, as we have got one developer chosen by an open tender process, a preferred developer who, in good faith, has been working with us, and then suddenly when it is coming here to fruition others circle around, sensing a quick buck, a quick killing, and some Members seem tempted by this and I urge them to resist. We might want to ask ourselves why other developers have suddenly become interested in this. Sir, they are not, as a breed - and with due respect to Deputy Troy - renowned for their altruism. So, these other developers are they concerned about the public interest? Are they more concerned that building on someone else's work and making a quick and as big a profit as possible? Sir, it was said, and again by Senator Shenton I think, a commercial developer would try to extract every last penny from any development. I do not disguise that at all or dispute it but it sounds to me as someone who knows the cost of everything and the value of nothing. We are talking about our heritage here. We should not risk it and sell it off for a few pennies more. The question, I think, States Members really have to address in something like this is, do we, as a States, behave honourably in a statesman-like way and continue with the agreement we have made openly including approved by the States in the Strategic Plan or do we behave like a bunch of spiffs, dishonourably breaking our word for the illusion of making a possible pound or 2 more, but which might end up costing us many pounds less and destroying the heritage we want to protect?

**Senator B.E. Shenton:**

That is not the proposition. The proposition is just to let the information be available. Senator Vibert seems to be debating... I do not know what he is debating to be honest with you.

**Senator M.E. Vibert:**

I welcome the Senator's wonderful intervention.

**1.15 Deputy D.W. Mezbourian:**



No-one in the House today can be in any doubt that this issue is foremost in the minds of many members of the public or indeed that Deputy Duhamel has every right to bring his proposition to the House for debate. We must all agree that it is essential that we are given full and factual information on the process that has led us to this position and on which we must today make an informed decision. I am sure that both the Chief Minister and the Assistant Minister for Treasury and Resources would argue that providing us with that information is, in fact, what they have done. Indeed, what they have done at length. We must question then why, in order to save the time we have spent debating this today, did the Treasury and Resources Minister choose to not supply the House as requested in the proposition with the documentation he relied upon to establish the value of the land and buildings? This question has not been answered. If we support part (a) of the proposition, as a number of Members have indicated that they will be doing, and if the Minister chooses to comply with that request, we will each be given the opportunity to scrutinise for ourselves the evidence upon which the Minister will, no doubt, be basing his decision to conclude the sale of the J.C.G. site to the preferred developer. It will give us the opportunity, as asked by Deputy Duhamel in his opening speech, to know the rules of the game and to see behind the underlying assumptions made in valuing the property. We have heard from Deputy Le Fondré that we do not want it anymore. That may well be the case. It may be questioned by others. Nevertheless, we will no doubt all agree that what we do want is the maximum price for the public purse upon disposal of this asset. This proposition does not ask that the tender process be reopened and we have heard from the Chief Minister that there is no firm evidence of a better deal. However, there would only be firm evidence of a better deal if the tender process was reopened. I am able to say with certainty, but without guarantee, that a Jersey resident has indicated to me an interest if that process was, in a fair and transparent manner, to be reopened. We have heard from the Solicitor General to my question on whether or not we have a legal commitment at this stage. Members may decide for themselves upon the moral issues voiced by the Chief Minister. In conclusion, Sir, we have heard information today on the process leading to the current position. Whether we concur that what has happened was a satisfactory process, a process that was fair, objective and transparent, a process that will obtain maximum value for the public purse is, of course, for us each to decide. What I believe we should take into account before making our final decision is what the position would be if we were starting this process today. We know our economy is growing, we know the house market is growing. Prices are still rising. What price could be negotiated for this prime 4 and half vergées site if we were to establish a fair, open and transparent tender process in today's market? I urge Members to give due consideration to what they have heard today. Let us remember the words of the Solicitor General. Let us remember that nothing has been signed by which to bind us. Let us remember that no concrete has been poured and let us support the proposition we have before us.

**The Solicitor General:**

Sorry, I wonder if I could make clear? What I said was that on the papers, which I had seen, I did not think that there was a legally binding contract which would give rise to an action for damages for failure to perform an agreed sale, but that I was not able to give the same assurance as to whether there would be any course of action if someone who was told he was a preferred developer, and in reliance upon that went through the process that has taken place, were then to find that the other party had been approaching other people unbeknown to him. I do hope that was clear to Members. They were 2 separate issues.

**Deputy D.W. Mezbourian:**

If I may thank the Solicitor General for that clarification and if I may just remind the House that what I did say was let us remember the words of the Solicitor General. Thank you.

**1.16 Deputy J.B. Fox of St. Helier:**

In my district of No. 3 and No. 4 district, this has got to be one of the most outstanding buildings that there are. There are one or 2 others, but this one is on the ring road and clearly it is a building of Island importance and, therefore, when it talks about maximising the price for the public purse, I think we have got to look at that in the broad sense and the broad sense being that that is the public gain and the public gain is very important. It is not all monetary. It is about maintaining the standards and ensuring that a new use for the building is productive in the quality sense that the people that are either going to live there or work there or have other use within and around that building can do so and raise their heads with pride. But also I want to see the people that went to school there. There are other people that were involved in the building in some way and we have heard briefly about the red crosses from the Occupation days. Extremely important that we recognise that. But, on the other hand, we also must recognise that the longer we delay doing something, the greater the deterioration and the less chance we have of restoring it into a fine detail. But, on the other hand, we have also got to recognise that it has to be practical for modern living. We do not want to see hordes of cars parked around it and if they can be incorporated in the design, which they have, that is for the good. So, that is a cost factor but it is a gain and a gain is very important. Certainly one of the proposals that I had sight of, I liked. It is not in this particular Grange one but it was offering, I think you could describe it, a small mews of shops which would be wonderful for the local residents, a new music academy to replace the use of the Education Services having to move to Fort Regent. But again, these were gains. Now you cannot have a gain for everything. There has to be a balance but I think the balance in this case is that a process has been gone through. It has been an honourable process. There is a question about cost and a lot of offers have been put in since, *et cetera*, but there is a balance and it is not just about are we going to make an extra £500,000 or not. It is going to be the longevity, it is going to be ensuring that our Island retains some of its best features, and when we need to put other buildings around them to enhance the value or to create extra housing, *et cetera*, then we need to make sure that it is of quality that the people that are going to live there, are going to enjoy living there. They are going to respect it. It is not going to turn into one of tomorrow's slums and these are the sort of things in buildings and around buildings like this that we need to consider. One of the attractions, of course, and it was something that we looked at years ago in Education that there was some potential future developments at the moment, green field sites and that. That is obviously where the potential market could be for developers. But we must not lose sight that we have a building with a proud history. It has got unique features in there such as the library, such as the grand staircase, such as the dome. It has a beautiful façade so, therefore, I am not prepared to vote for this proposition. I want us to hang our heads up high, be honourable in what we do and yes, it might very well be that for future propositions in relation to the £1.6 billion of States' property that we might look at it in a different way, but a process has been through at the moment. It is honourable. It will provide good quality in historic advancement to such a proud building and I hope we do the same and honour it.

#### **1.17 Deputy A.E. Pryke of Trinity:**

I shall be brief. As an 'old girl', I must say I am proud that I have got my signature up in the dome. And I am glad it is going to be preserved. I think this proposition is too late in the day. As it has all been said and that adverts were out in August 2005, and here we are March 2007. This is too late. You just cannot stop the process happening at this stage. Not only 2 but as Senator Vibert said, a half page advert in the *J.E.P.* I must congratulate Property Services that presumably it was free of charge. So, that is good cost saving. But there have been many newspapers articles about it. Twenty packs were sent out and it has gone through the proper procedure through planning. I congratulate my Minister on making sure that all the conditions... there are a lot of conditions - 16 or 17 conditions - which is a lot for any developer to cope with and to come up with. I think this proposition is too late and I urge that we vote against it and stick to our moral principles. Thank you, Sir.

#### **1.18 Deputy S. Power of St. Brelade:**

I have listened with great interest to this debate this morning and I feel there are 3 or 4 queries that I have that I hope the Assistant Minister will be able to clarify and, if not, perhaps Deputy Duhamel or the Planning Minister if he is allowed to speak again. First of all, the Chief Minister said this morning that, in his view, there was an issue with communications and that the clarity of the communications to do with the deal was not as good as it could have been and I think from what we have heard this morning that we all accept that. So, I think there is a need for the Assistant Minister of the Treasury to clarify some of the issues to do with communications and one of the issues I have in communications is the Assistant Minister's reference to graduated payments. I would like clarification on what he means by graduated payments. Are they staged payments in the payment of the £1.8 million to the States for the building on its own or does it mean that it is staged payments which includes the £1.8 million and the uplift based on the development which is referred to as a figure in the region of £3 million? I would like clarification on what he means. Whether the £1.8 million is paid first and then the rest is paid afterwards, or what exactly graduated payments means? I also picked up on what the Deputy of Grouville said. She asked the Planning Minister how the red cross markings on the façade of the building during World War 2 were to be preserved and the roof of the building were to be preserved and I was unclear from the Planning Minister as to how he was going to do that even though you could not see it. So I would like clarification on that and finally, I would like clarification again on what the Deputy of Grouville said. There was a reference in our supplementary information which refers to the dome of the building. I would like clarification as to whether the dome of the building will become part of a private apartment or whether the dome where all the signatures of former pupils of JCG will be...

**Deputy G.W.J. de Faye of St. Helier:**

I wonder if you would give way for a brief moment? I interrupt the Deputy solely to remind him, Sir, that Senator Cohen will not be allowed to speak and nor will the Deputy of Grouville or the Assistant Minister, Deputy Le Fondré, and if the Deputy is seeking clarification I would strongly advise him to give way while he is still on his feet to either Senator Cohen or Deputy of Grouville to allow them to clarify the points he wants clarified. Otherwise, they will not get another chance to speak.

**Deputy S. Power:**

I was going to say that I would give way if the Planning Minister could clarify the status of the dome and the actual red cross markings. As the Assistant Minister is not here, I am not quite sure what...

**The Deputy Bailiff:**

Even that is stretching things a bit, but there we are.

**Senator F.E. Cohen:**

If the Deputy will give way, the red cross markings as everyone is well aware have significantly faded. In fact, Sir, they are hardly visible, therefore, simply leaving them as they are is not an option. What we will be doing is delivering a mechanism in consultation probably with English Heritage of covering them with an appropriate base form of paint or resin and then the colour to the whole building, which as I have said the details of which have been reserved at the present time, will then be painted on top. As far as the dome is concerned, the dome will be preserved. I cannot remember whether it forms part of one of the apartments but I am not sure that that really matters because what is quite clear is there will not be any public access to it. This is a private development and there is not a general public access to it. Thank you, Sir.

**Deputy S. Power:**

Thank you for indulging me in that. My final issue on clarification was to do with the graduated payments and I am sure if he is allowed the Assistant Minister might be able to clarify that. Thank you, Sir.

**1.19 The Deputy of St. Martin:**

I would like to compliment Deputy Duhamel for bringing this proposition to the House because I think what he has done, he has put something into a public domain which is now questioning the whole integrity of this Chamber. I do not know if Members are aware of that but certainly from the calls I have been getting, people are concerned are we doing deals behind closed doors? So, whichever way this debate goes, I think it is good that we have it because at least things are coming out in the open. Really what we have is a very simple proposition. It was lodged a month ago and yet we have had no comments whatsoever from Planning or from the Minister. Again, one must question why. They are really so head in the sands they are not aware that what we are dealing with here is something very special to a number of people. I did not go to the Girls' College. Obviously I did not [Laughter] but there are a lot of people... oh, disappointment. I may well have done a sex change. But at the same time, it does have a lot of feeling for a lot of people and I can understand that. We want to know why we have not had those comments and, in fact, everything we have had to do we had to drag out today. We got information from people today. We dragged it out. In fact, one thing I have learnt today is that I have not a clue who put this on my... I know who put it on my desk. I assume, the usher but there is no one to tell us who it has come from. I thought it had come from Deputy Duhamel only because I thought, in fairness, we are all Back-Benchers. We know how difficult it is to put something. It almost looks like a pack of fags but it is not. In actual fact, it has not even got a number on and lo and behold, this is coming from the Treasury and Resources. A Ministry. I am appalled to think that is a... they have not got the courtesy to tell us who it is from. So, that is all we have got and we got that yesterday. So, where is this information? We also heard, quite surprisingly, and I thought he made an excellent speech but I was surprised that the Chief Minister said he only took an interest in this last week. This had been lodged a month. It is a very honest remark and, as I say, I compliment him on his speech. It told us a lot of things which we are not aware of. In fact, I am glad I asked the question about when we agreed the Strategic Plan about selling the property, that we had not agreed to a price because I do not mind. If we are going to sell it, let us sell it. I do not have a problem but I do think we should get the best deal out of it. Of course, I want us to be honourable and I certainly think that if we should be selling this thing to a developer, so be it. But I also want to be honourable to the electorate who put us here. They are expecting us to do the best for the Island. Not for the developer. If it is best for the developer and the Island, so be it, but I do not think we are doing justice to the electorate.

**Senator F.E. Cohen:**

Would the Deputy be prepared to give way for a moment?

**The Deputy of St. Martin:**

Yes, quite happy.

**Senator F.E. Cohen:**

The Deputy has raised the question about why there were no comments from the Planning Minister. The reason there were no comments from the Planning Minister is that this relates to matters of value. It is not the job of the Planning Minister to consider matters of value and it has been made very clear to me on a number of occasions by the Council of Ministers that I am to keep out of matters of value [Laughter] so it would be completely inappropriate for me to have commented on that as a value. Thank you.

**The Deputy of St. Martin:**

I thank the Minister again. It may have been even a no comment to tell us why he is not giving us one but that is another matter. I think what we have learnt today ... a lot from the debate. I think also what this debate has done is posed probably more questions than answers. I am not satisfied with what has happened today. All I am asking for, in fact, is for people to look at what we are asking for. The proposition says: "Request the Minister to take no steps until he brings the documentation." It is quite simple. Look, I would say, Sir, through the Chair, Sir, that it would take no more than 2 weeks for this to be lodged. If it is there, bring it forward so we can see and then we can debate it 2 weeks after. So, all I am asking for is one month and I would ask through the Chair of the Assistant Minister, who is not here, but whoever can take that responsibility for the Minister, please accept this and let us move on. Thank you, Sir.

**1.20 Connétable T.J. du Feu of St. Peter:**

We heard the Chief Minister this morning, in quite an extensive speech, tell us that we were morally bound by the Strategic Policy document. Now, while I believe that certainly we should take heed of that particular view, nevertheless that was not certainly recent. There was no indication in any other form of information relayed to the Members or publicly that there was such credence being placed upon that, and I think he almost went on to give the reasons why when he stated that it was covered in there, but acknowledged that it was not perhaps as clear as it might have been. I think that is a fair summary of it. The outcome of all this is the one clear guarantee that we have, and the public have, that we are going to get £1.8 million from this transaction. That is not disputable in any shape or form. As far as what I would term the on-going benefits, i.e. the reference to the £1.4 million, now yes we will hopefully gain that but I think the worrying aspect of that, not only in here by Members' comments this morning and on the subject, but indeed the public at large, is very clear that they want some sort of demonstration that that will take place. They want some sort of proof that that will be effective, and a simple question that I would like clarified, possibly by the Chief Minister, will there be written into any transactional agreement the mention of this figure because on the comments that have been made to date there has been no suggestion that there is going to be a conclusive agreement which is going to take part in illustrating and clearly demonstrating that benefit on the overall complex at the end of the contract. I think if the Chief Minister could satisfy this House that clearly there is going to be proof, undoubted demonstration and an ability to show that we will be gaining that I am sure that that would allay the fears of many. I would say again, in his opening remarks, he stressed that beyond the £1.8 million, there was an element of risk. Now, quite frankly, when you are dealing with contracts of this size and scale, this House should not be playing with a risk when you are talking about the gain or the loss of £1.5 million in that order. We should be more responsible than that and if he can prove that point, I am sure that a lot of the Members will feel a lot happier, a lot comforted and indeed it will go a long way then to determine the outcome of this vote. But, without that information, I rather fear there will remain too many questions unanswered in the whole scenario, Sir.

**Senator F.H Walker:**

Sir, I have of course already spoken but may I respond to that?

**The Deputy Bailiff:**

It is a question of whether you wish to clarify what you said?

**Senator F.H Walker:**

Yes. If I could, I would be grateful. Sir, I did say in my speech that when one enters into an overage agreement such as this there is no absolute cast iron guarantee. I accept the point the Constable is making but what this is based upon... I see Senator Perchard shrugging his shoulders but he himself was recommending an entirely identical deal in his speech this morning, so let us have some consistency here.

**Senator J.L. Perchard:**

Sir, I am shrugging my shoulders because it did sound like another speech.

**The Deputy Bailiff:**

I was going to say, could you keep to the...

**Senator F.H Walker:**

Yes, Sir, I will. The overage arrangement is based on unit sales and those unit sales are expected to reach a figure where the States return will go up to at least £3.2 million. Now, what guarantee have we got? Well, we have not got a positive guarantee but the point is that the property market is currently growing at 7 per cent per annum. If 7 per cent continues, and there is no reason at this point why it should not, we will get a minimum of £3.2 million. That has been confirmed by an independent estate agent valuation this month. They say that we can reasonably expect to get a minimum, and it could be more, of £3.2 million. Now, the question, as I said earlier, is whether we got for a flat rate which will be lower or an...

**The Deputy Bailiff:**

I think you are going a little bit beyond clarification.

**Senator F.H. Walker:**

Well, I hope I have clarified the position from the Constable's point of view.

**The Deputy Bailiff:**

Now, does any other Member to speak?

**1.21 Deputy G.C.L. Baudains of St. Clement:**

Several speakers throughout the day have touched upon the morality of renegeing on an agreement which we have already allegedly made. Sir, I too would be extremely concerned about that scenario but less so because of 2 factors. Firstly, have Property Services done the best job? Well, Sir, I for one doubt it. We only have to look at the Mascot Motors site and the Le Coie Hotel sites to realise that problems do occur. In the case of Mascot Motors, the £200,000 worth of drainage was lost somewhere in the calculations and we all know we paid too much for the Le Coie site. So, the truth is possibly in answer to comments made by the Chief Minister earlier in the day, this Assembly is not held in high regard by developers. We are really seen as amateurs who buy too high and sell too low and do not have much idea about developing in between. Believe me, Sir, developers are in business to make money and I believe if we did withdraw from the current deal, there will be no shortage of developers wanting to come forward to deal with us in the future. Secondly, Sir, and building on the first point that I have just made, are we getting the right price and how did we end up where we are at the present time? If it is, as it seems to be, that every deal will be too far advanced for us to ever challenge it then we are wasting our time. We need a different process because, at the present time, we can only react after a deal is announced. So, we simply do not have the detail beforehand. But surely it is our duty, as other Members have already said, to have regard to the current owners of the property, the public. If we are selling it, we need to do 2 things. We need to ensure that the future use of the site is in accordance with the public's wishes and we have the Planning Minister's word that this will be the case. He has assured us that will be so and in light of ensuring that proper use is made, the best possible price is achieved, Sir, and I have to say from what I heard today. I very much doubt the present deal is best value.

**1.22 Senator P.F. Routier:**

I have to say I have been a little bit disappointed with today's debate really because I think we are in one of those occasions again whereby Members have had a proposition before them and have just sat on our backsides until today before even thinking about the matter, which is a great shame, because it does create an impression that we have not done our homework beforehand and come to the debate with the information we need. The basis of this debate, I am afraid, has been set off on a

few misconceptions. We have had highlighted to us that the information that was given to the developers who are now coming out of the woodwork have been at a different basis to what was being asked of the developers we have lined up raring to go. For instance, we know the Planning Department are only permitting 56 units and the people who are coming along presently are working on the basis of 58 units and 59 units. So, obviously, they are going to be able to offer more money. There is also the requirement to refurbish Drury Lane itself. The other developers - the developers who are coming along now - have not taken that into consideration. There is the refurbishment of Centre Point. We are going to have a renewed, refreshed Centre Point. The other developers have not considered that. The whole basis of this debate, I am afraid, has been misguided totally and it is a great shame. I would hope that Members will think about those issues and the Treasury and Resources Minister and the Department of Property Services have carried out a process which has been fair, open, honourable, and I do not think you could wish to have... you could wish to have carried it out in a more public way. Fair enough, but I do not think that it is something that they could be wholly criticised for because I think they have carried it out. They have had 20 expressions of interest of people who wanted to know about the project and they have worked on that and it has come forward with the proposal we have before us today. Well, not that we have before us, the one that is being tried to be stopped. Senator Perchard, in his comments this morning, he was really wanting to ensure that the process would expose the real value of the site and this will expose the real value of the site - the proposition with which Property Services has come forward. We will achieve the £1.8 million up front and on the sale of every apartment that goes on we will receive a slice of that sale price. It is not a slice of the profit, as Senator Perchard tried to muddy the waters by insinuating that perhaps a developer might - if he is working in another site - move some of his men around and shift some of the profit around and you might not get to know what the profit is. That is exactly why a Special Purpose Vehicle has been established so that that cannot be achieved. So the sale price for each individual apartment, we will get a slice of that sale price. The whole proposition is about asking for more information. I would say that Members have had the opportunity before today to get that information and if they have not done, you would question that. But during today even we have had so much more information come to us, I am not sure what more information we could be given. I do not know what would be achieved that any more information would come out. I suggest to the Members that this proposition is ill-founded because it was set up on the wrong footing right from the very start from wrong information being given to other developers and I would suggest they reject it.

### **1.23 Deputy G.W.J. de Faye:**

I was sorry to hear that the Deputy for St. Martin has at no time had the advantage of education at the Jersey College for Girls. Unlike him, I am a former pupil at the Jersey College for Girls and I know the Minister - Senator Vibert - would be proud of me because I went down there on a comprehensive basis for both education, sport and leisure. **[Laughter]** Yesterday we spent several hours rearranging the chairs around the committee room table for the Scrutiny Chairman. Today I regret that the level of debate, as far as I am concerned has not really been particularly edifying either. Today we have all been able to assume the armchair role of estate agents and developers and it was always my understanding of one of the values of Ministerial-style government was this was the sort of debate that we were precisely trying to avoid. That was one of the reasons why executive government was brought forward and indeed I really do question what is the value of bringing out documentation as asked for to establish the value of the property. We have had quite enough and fully adequate discussion on this matter and it is obvious that the one way to maximise value of the property is to demolish the building that stands on it. What exactly and how much further are we going to get if we all get supplied with the documentation that allegedly allows us to establish values? Because what is the expertise of States Members in this area? The value, as I think we have clearly seen, is whatever price someone interested is prepared to put on this particular property. It has really been, I think, quite interesting to see that from the 3 developers we have had before us, when you do all the mathematics everybody seems to come out roughly in the

same ballpark area. So what on earth are we going to achieve by having all this extra information? As for part (b), well, I do believe that all the efforts that have gone into this process so far do represent good value for the public of Jersey and I think it is a great shame to have seen the amount of assertion and disinformation that has surrounded this particular subject and, understandably, the public have been alarmed when they heard that the value being placed upon the property was £1.8 million. But it was not. It was considerably more than £1.8 million and, in fact, as we have heard, I think thoroughly explained, there are substantial extra monies to come in on top and at the rate property prices are increasing those values are going up. So I think that we are getting good value for the public of Jersey already. But for me this entire debate revolves around one word and that word is integrity. I believe the States, as an employer, has a duty to be a model employer; to set the example, and I believe also that in the way we carry out transactions the States should set the example of integrity in the way that we carry out our business affairs. Now, this whole exercise of the sale of Jersey College for Girls has been thoroughly advertised, although there may be an argument as to the extent of advertising, but there always is an argument as to how much one could advertise anything. It has been properly advertised. There is no question that those who work in the sphere of developing knew that this proposal was on the table. Indeed, the expressions of interest came in. A tender process took place and, under circumstances that have been explained in great detail, a preferred tenderer was chosen. Now I believe that once the States has gone through that process it is a matter of integrity to stick with your preferred developer, because how on earth are departments in all their various modes of procedure and business going to carry out business with the public at large when there is no certainty as to what the States is going to do next, when there is always this question that all of a sudden one proposition down the road will change our minds. I believe that we do face a matter of integrity here. I am not at all... and I find I have to say the commercial arguments being put forward to wring-out the last drop of cash from this project to be utterly unedifying and I do not believe they will bring any credit upon this Chamber. This - and I think the Deputy for Trinity was quite right - is far too late in the day to upset this entire apple cart and start all over again on the back of a number of letters that have been knocked-out with some speculative proposals, half of which do not seem to fully understand the details of the planning application that has been approved by the Minister for Planning. I say we should maintain our integrity. There is no need to disseminate any further information on this matter. This does represent good value for the people of Jersey and we should kick this proposition out.

**The Deputy Bailiff:**

Does any other Member wish to speak? Very well. We have had 23 speeches. Can I remind Members of Standing Order 104 which says a Member of the States must not unduly repeat his or her own arguments or the arguments of others. If you feel you have something new to say, please speak.

**1.24 Senator P.F.C. Ozouf:**

I will use my right to speak. I will first of all declare various interests in this matter. It is appropriate that I speak probably at the end of the evening. I was going to say I declare an interest as being an "old girl" because I went to Jersey College for Girls and did my A levels. I was part of the Housing Committee when the Housing Committee discussed the use of Jersey College for Girls as a social housing site, which a number of other Members will do. I was a St. Helier Deputy that was very concerned about the decay of the building and it is, in fact, the former Environment and Public Services Committee that took the issue of J.C.G. and brought us to where we are in the position today. I have listened to the debate this morning and I have listened to various contributions and I think it is important that I say exactly what my Committee did. Because my Committee - with the responsibilities of both Planning and Property Services - decided to do something about it. Members will remember that there was huge public concern. No less a person than the Constable of St. Helier was expressing - rightly - public concern about the state of the building at the time. It had been left to decay and was in an appalling state of repair and that



continues today; and we were determined to do something about it. The first thing that we did is we designated it an S.S.I. It had not been designated an S.S.I. It did not have the appropriate protection in place, not only as a cultural establishment - which is part of the S.S.I. designation - but also for all of the historical architectural and other issues. We did a report and it was basically designated an SSI. We then made inquiries of comprehensive assessment of uses - whether or not it should have been States' offices. The former President of Housing will remember that a scheme was worked up for social rented housing and the Committee, after much deliberation and having sought expressions of interest from other States' bodies, effectively decided that the best course of action was to sell the building. It was my Committee that made that initial decision. My Committee insisted and put in place the mechanism for - and Deputy Huet was on my Committee and other members of the Committee - Deputy de Faye and other people that are in the Assembly will remember - we insisted that there be an open process and a transparent process for the selection of a preferred developer. I heard Senator Shenton's contributions this morning about whether or not the advert was in the *J.E.P.* I will remind Members that not only were there adverts in the *J.E.P.*, I doubt whether there was anybody in Jersey that did not know that the J.C.G. was going to be sold and expressions of interest... I know I did numerous interviews, both on B.B.C., Channel and elsewhere. I cannot remember which ones I did. But there were numerous T.V. expressions of interest.

**Senator B.E. Shenton:**

I was unaware that the *Jersey Evening Post* was an international newspaper.

**Senator P.F.C. Ozouf:**

We wanted a local company with local expertise and the understanding of local sensitivities to deal with what is, as we know, a fundamentally important building and there are developers and there were developers that were around in order to deal with that issue. There can be no doubt of the fact that a wide trawl was made to trawl through to see if there was a preferred developer and that was carried out. We did want a local company to do it and that is one of the reasons why there was a conscious decision made that there would not be an advertisement put in the *Estates Gazette*, because there was local expertise with local companies paying local tax to deal with this particular issue. Now, that is, in fact, the last Act of my Committee or one of them was to appoint the preferred developer after interviews by officials, the Committee and I think it was my final decision that appointed Grange Developments as the preferred developer. I was determined. I knew of their interest. We all knew of various different companies' interest in the building previously, but we wanted the right company to be the partner of the States in it and, effectively, as far as my previous Committee is concerned, that is where our involvement ended until this debate. But what I will say is that the Committee did want an objective of certainly getting more than £3 million for the site. When my Committee was making decisions the Jersey economic situation was not quite as we are seeing it today; and those are the 2 final points that I want to make because, effectively, the deal that we have - and I know that none of us are property experts, including me but I do know a thing or 2 about it, having been involved in various different W.E.B. matters and all the rest of it over the years - I do know 2 things. The first thing in terms of the economics and financial of deals - I see Deputy Southern smiling - but I am sure that he understands the basics of the factors when you lock-in costs but when you have an uplift in valuation that is quite a good deal to be in. We are facing a very positive economic situation; in fact, almost too positive in terms of the house price and flat inflation that we are looking at. I am concerned about apartment inflation for all matters apart from the J.C.G. sale, because what I do know is that the fact that the valuations that have been put into the model - as in 2006 - certainly will be higher figures achieved when this, I think, very good development which Senator Cohen, I think, has done an excellent job in improving yet further. From the minimal standards we put in he has put forward an architectural building or at least the proofed one which is going to be, I think, a credit and to keep all those important façades of the building: the dome, the staircases, the library and all the rest of it and we wanted to achieve

that. That is what designation is supposed to do and I think they have made the best; and I think they have also made a good deal of the rest of the development in terms of the other houses, *et cetera*. So we have the costs locked in, but we have a share of the uplift and that is exactly the position we want to be in. That is why I have almost winced at the suggestion that we are selling J.C.G. for £1.8 million. I hope that the economy continues to perform extraordinarily well and that apartment values - which there will be some very spectacular apartments here - will achieve very high levels of sale. Because if we do so we will achieve for the States, on behalf of the public of the Island and as trustees of the public of the Island, a much superior increase over which we originally, on Environment and Public Services, wanted to achieve, which I believe we have achieved. I think this is a good deal for the Assembly based upon the information that I have seen. There is no evidence, I think, there have been no arguments. You can always go back and always go back and say: "Oh, you should have done things differently" but if you go forward and if you appoint a preferred developer and you have a structured deal which we have and you have a share of the uplift, then that is a deal which this Assembly should be supporting. I can see no evidence of Deputy Duhamel to say that there should be anything different and I urge Members to comprehensively oppose Deputy Duhamel's proposition.

### **1.25 Deputy G.P. Southern of St. Helier:**

I do believe there are, I think, 3 fresh points to be made. First of all, the first one is to berate myself for missing the debate whereby we accepted this some time ago. Well, where was it? Right, it was in the Strategic Plan debate and here it is. It is true: on page 80 of the Strategic Plan and I can remember we spent hours surely debating the sale offer of properties, did we not? How did I fail to miss it? But it does say there, on page 80: "Following advertising 4 expressions of interest were received. A preferred developer has been chosen. Intention is to complete negotiation and seek approval for the sale of the site." It was there. Of course, the second opportunity I might have got to take a look at that and say: "Are we getting good value for this?" was surely in the Annex to the draft Annual Business Plan 2007-2011 and it was surely there and again how come I missed it on page 190 of this Plan? Thirteen properties up for sale; how did I miss it? It is not on it. It has disappeared. Between the Strategic Plan and the Business Plan it has gone. That is how I missed that, so that is not my fault but that should surely have spent half an hour of the Strategic Plan debate examining in detail what we were going to sell off and for what price, so that there is no price there anywhere. Okay. It is refreshing to see that the Minister for Everything - sorry, Economic Development - is back to his normal form and is lecturing us about his depth of expertise. But I find it somewhat upsetting to find that both he and the Chief Minister are lauding the fact that we are in a period of rampant runaway house priced inflation; and why are we lauding it instead of going: "Cannot our people afford to buy a house? Why? Because we have signed a deal. We have become little developers ourselves so the runaway house price inflation is a good thing now because we are getting a cut of it and we will make a little bit more money." The public will; jolly good. Jolly good! But bear it in mind, and we were also told earlier that, of course, these are (a) to (h) and that (j) cats. will not be purchasing here. Really? We are changing the (j) cats. to be licensed under the migration policy and as far as I am aware we are giving these new (j) cats. - the new licensees - the ability to buy, when they arrive on the Island, in their own name as long as the property is worth over £250,000 or thereabouts. That is almost every property and these houses will be at the luxury end. These flats, the larger ones, will be at the luxury end.

### **Senator P.F.C. Ozouf:**

Point of order, Sir.

### **Deputy G.P. Southern:**

I will give way. I am about to finish. I am on my feet. These houses will not be guaranteed to go to local buyers for one reason - because local buyers will not be able to afford them and (b) because (j) cats. will be let in. Licensed people will be let in to make sure that house priced inflation is

stoked-up by demand and it is a question of supply and demand so that we get our nice little tasty cut of the price they achieve. That is the reality of what we are doing today. But of those 3 points the most important one is to look to the future and remind yourself of what happens in this House. We get a massive, big Strategic Plan and I was blaming myself, but we surely all blamed ourselves. Why have we not kicked this apart in great detail, spotted this at the time and had it debated? Because the intention was that we would not spot it and that we could get through with it and come back to the House saying: "You have already agreed to it." Beware! This is the way this Government - this Executive - is running and what is going to happen again this year? Why, we are going to have a new Business Plan. Will everything be in it? Will it have an Annex this size? Will there be things in there that are going to slip past us that we do not notice? I hope it has a little less volume because then we might stand a chance to get hold of it and pick out some of the finer details that will go forward, not quite on the nod, but with a debate on some issues but missing a great deal more of the issues that are contained in business plans and strategic plans that come before us. That is the con that is going on, to think that we are sovereign; we are getting fooled left, right and centre 9 times out of 10.

**Senator P.F.C. Ozouf:**

Deputy Southern said that the properties would be sold under (j) categorisation. I think it is important for the Housing Minister to confirm, because I am a member of the Migration Working Party that now considers (j) category, and the Minister should confirm for the avoidance of doubt to the Assembly that, while a request was made to designate some of the units as (j) units, I think I am right in saying that the standard policy of all new developments is that they are (a) to (h) and the Minister was unmoved by the pleas of having any Js and that they are all to be (a) to (h). So I am afraid that Deputy Southern's arguments are seriously in error. All of them will be (a) to (h).

**The Deputy Bailiff:**

Thank you, Senator. Does any other Member wish to speak? Very well. I call upon Deputy Duhamel to reply.

**1.26 Deputy R.C. Duhamel:**

If Members would refer to my report, based on the information available to me at the time I wrote to the Minister for Treasury and Resources on 6th January and my letter - which I hope all Members have read - is reproduced below. Within that letter I set out the basis of evaluation quite clearly so, contrary to the Chief Minister's suggestion that the basis for those calculations is not exposed, it is there in black and white using figures from established departments - the Statistics Department - for the third quarter and applying 40 per cent of the selling price as a rough guideline, the figures for the valuation were clearly outlined. In my letter to the Minister of the 6th I made other points to seek reassurance that the valuation figure that I had been told about - the £1.8 million plus a share in the selling price or profits - was a good one. I waited for over a month. I spoke to the Treasury Minister on several occasions in this House and outside and I received a letter on 12th February: "Dear Bob, Former Jersey College for Girls. I am writing in response to your letter of 6th January and our subsequent conversations." You will recall the Treasury Minister had asked me to substantiate my views that I had expressed very clearly in the letter to his finance officers. Apparently his finance officers were not in a position to do the calculations in the way that I had done the calculations, although the actual methodology behind those calculations is very, very simple and detailed within my letter. "You will recall that I asked you to provide more detailed information and costings to substantiate your views on the value of the former Jersey College for Girls' site. As yet I have not received anything further." I was at that time, Sir, trying to get in touch with the officers who, for various reasons, were on holiday or out of the Island. The Treasury Minister went on to suggest that both his department and the Planning Departments had spent considerable time and effort working with their preferred developer to produce a scheme that met the planning and heritage requirements of the location. Within the letter, Sir, I said I was

worried that there appeared to be, from the figures that I had seen, hidden monies which had been put into heritage refurbishment or upgrade or whatever and I wanted to make sure that if that, indeed, was the case that those costings and valuations were set out above board so that everybody could see them upfront as is the best practice in accounting. The Minister went on to say that he was satisfied at that time that the proposals currently before him, which were the outcome of an open and competitive process, derived an appropriate return to the States given the complexities of the site and the planning requirements. He was not willing to watch the building deteriorate further and he said that, at that point, he had agreed in principle to proceed with the development. At that point, Sir, I met with him further and the department and he suggested that, seeing as the officers had been unable to meet with me in the intervening period from 6th January to 12th February, that a meeting would be arranged whereby both sides could exchange their points of view, as indeed he had asked for, and I had asked for earlier on. Those meetings took place, Sir, and it was suggested at the meetings by the Property Services Department that, indeed, better deals were available or could be achieved but, in line with a number of speakers, that the clock had been ticking and it was too late to do anything about it. But nevertheless, if I did feel that a better deal was available, then I should approach parties in order to bring those details forward on the basis that, should the Minister agree that any of those details merited further attention, then he would desist in making the final decision and reopen the process. On more than one occasion, Sir, I have been told by the Minister privately that he did not particularly think that the deal that had been brokered was the best one that could have been brokered and, indeed, in those terms, Sir, I have been encouraged to go out and speak to a number of developers, which really was not my job to do. That said, Sir, people have queried the facts and figures that I have come forward with. There are better deals on the table but that is really not what we are talking about. We are not here to decide on what deal is done because we do not have that power. We gave that power away when we set up Ministerial government and Members should realise that because the decisions on property disposal or acquisition are taken on our behalf by the Treasury Minister and this really is what it is all about. We have abdicated, I think, responsibility for having anything to say - other than in an indirect fashion - as to whether or not deals that are being done are in the best interests of the Island. With that in mind, Sir, I decided to bring forward this proposition, to do the only thing that I could do under the circumstances, which was to request the Minister for Treasury and Resources not to take any steps to conclude the sale - as reported to this House on 20th February - until the documentation relied upon by him to establish the value of the property had been presented to the States Assembly. Now, the Minister has to satisfy himself that his advisors, which are the Property Services Department... that on that particular advice he is happy to go ahead and conclude deals in our name. Now, that begs the question, Sir, certainly in my mind as to where the decision-making powers of this House really lie and it looks at the moment as if it is very firmly in the hands of the Minister. That said, Sir, there is a hidden issue here as to the extent to which we are able to make statements as to whether or not in value for money terms, and as I prefaced in my remarks earlier, when I was making the incoming speech, I said that we all have a duty to the public purse. Well, we do but the point is how can we express it? There are only certain mechanisms that we have allowed to be set up which enable us to raise these issues on the floor of the House. So, be absolutely certain, States Members, that you are not making a decision here as to whether or not the Minister will decide on a particular deal or not; you have given that power away. All you can do is to ask for the information on which that Minister has relied to determine whether or not you think the best deal was done under the circumstances, whether or not changes and conditions should be asked for and sought under a scrutiny process of review or some other mechanism in order to give a different steer to the Minister and it is not even clear that we can do that. I think, from a number of Members, more notably the Deputy from St. Martin and Deputy Mezbourian from St. Lawrence, both of them have hit the nail firmly on the head, Sir, in suggesting that, should the information that we are being told is available within the department and it has not been given to me from 6th January to 12th February or even up to now. Although it is within the department somewhere, it has not been given. There are no comments from the Treasury Minister. The Treasury Minister, unfortunately,

is on holiday at the moment and he cannot answer for himself. I wish he could. But we do not have those facts and figures. I cannot possibly be in a position to determine, as is my right and duty as a States Member - an elected Member - whether or not I am in agreement that the Minister is carrying out his job and, indeed, maximising the potential of this particular site. Now that concerns me, Sir, because I cannot do it without the release of that information. If that information is available within the department, and it is because those are the documents upon which the Minister has relied, then why could it not have been released by way of comment before the debate as some Members have suggested? It could have done; it has not been done and we have spent hours skirting round the topics without hitting the nails firmly on the head. If these documents are available they should be made available and that, in essence, is what I am calling for and if any States Member wants to be in a position to determine whether or not value for money is being achieved on any scheme this is the very least that we have to have in order to be able to make a satisfactory decision on that issue. We cannot skirt around it, Sir. There is absolutely no way that we can all come to the conclusion that it was a good deal, a bad deal, an indifferent deal or anything else unless we have those figures. I would urge Members, therefore, to vote for part (a). Now, part (b), on information that I have been encouraged to seek for better deals that are potentially available, I was asking Members to agree with me on the basis of information that I had gleaned, that I think that from what has been proposed to me compared to what I think could be available that the deal as proposed by the Minister for Treasury and Resources does not represent good value to the public of Jersey. I fully understand and appreciate that most Members are not in the same privileged position that I have been in, in talking to other people or spending a bit of time looking at this subject. So I would wholeheartedly agree that, perhaps, it is asking a little bit too much at this stage to ask Members to agree with me, agreeing that the deal that has been put forward by the Minister for Treasury and Resources does not represent good value. All I can do is to say that from what I have seen from my side of the fence better deals are available. Now, we have to make up our minds one way or the other, Sir, which way we are going to go on this. I mean from a simplistic point of view there is a £2.4 million difference. It is up to us at the end of the day - whatever we want the monies for - there is this level of difference. We are also being told, Sir, by the Assistant Minister that the £1.8 million guaranteed minimum price is not payable upfront. It is payable in stage payments once the thing has been built and units are being sold off. We are also being told, Sir, that S.P.V.s - a new part in the Finance Law - are having to be set up to approach this deal in a way, quite clearly, that we have never approached deals before. If a company has money and they have enough money in the bank or they can acquire funds through funding and they bang on the door of the bank and we have got something they want, an offer will be made, money is upfront. This is what I want to do. I take it on the chin. I suffer all the risks or take all the risks of going to get planning permission or whatever and it is my money and, if I give you enough, that is my fault if I do not bring off the deal that I want. We are not entering into that type of deal here. It is substantially different and as Members can appreciate I think we have missed some tricks when we discussed the Property Plan, as Deputy Southern said, in the Strategic Plan and, indeed, as we are going to discuss when the new Property Plan comes to the House. We have missed tricks but from my point of view, Sir, all I can advise the House is that, from the deals I have seen, the one that is on the table is not the best. As far as the morality of the situation goes, we are told that a deal is not a deal until you go to court and we have to ask ourselves: "Whose money is it?" It is not ours; it is the public's money. We are looking after the assets of the public in this regard, or at least the Minister is, and the only way to record - not necessarily dissatisfaction, but that sufficient interest to query the process as to whether or not what is being done in our name is good or not - is to ask the Minister to release the valuations and possibly to agree that maybe the deal on the table is not the best. That is all I want to say, Sir, other than to thank those Members who have spoken. I do not think we should be led down the route though that the Chief Minister was suggesting, that this is a misguided proposition. It clearly is not. That I have a reputation for not making decisions; I have a reputation, Sir, or I hope I am making a reputation, not for not taking decisions, but for trying to encourage this House and, indeed, other States Members to take

good decisions, quality decisions, because it is not about the speed of decision-making that is important. It is the quality of the decision that is important. It is all very well to say: “Well, let us go ahead”, slam the table and sign up and lose £2.5 million. £2.5 million today, we have got a property schedule worth what - 20, 30 properties? How much tomorrow? Does it matter? Whose money is it? It is the public’s and we have a duty to look after that whether we are on the Ministries or not. I would like the proposition to be voted on by an appel, Sir, on both parts separately, if I may, and I make the proposition.

**The Deputy Bailiff:**

Very well. The appel is called for so I invite Members to return to the Chamber and the proposition is to be voted on in 2 parts so we will take part (a) first. The first matter which Members are to vote on is part (a), for or against the proposition of Deputy Duhamel and the Greffier will open the voting.

<b>POUR: 25</b>	<b>CONTRE: 19</b>	<b>ABSTAIN: 3</b>
Senator L. Norman	Senator S. Syvret	Senator F.E. Cohen
Senator B.E. Shenton	Senator F.H. Walker	Connétable of Grouville
Senator J.L. Perchard	Senator P.F. Routier	Deputy P.N. Troy (B)
Connétable of St. Mary	Senator M.E. Vibert	
Connétable of St. Peter	Senator P.F.C. Ozouf	
Connétable of St. Clement	Senator T.J. Le Main	
Connétable of St. Brelade	Connétable of St. Helier	
Connétable of St. Martin	Connétable of Trinity	
Deputy R.C. Duhamel (S)	Connétable of St. Lawrence	
Deputy A. Breckon (S)	Connétable of St. John	
Deputy of St. Martin	Deputy J.J. Huet (H)	
Deputy G.C.L. Baudains (C)	Deputy J.B. Fox (H)	
Deputy C.J. Scott Warren (S)	Deputy S.C. Ferguson (B)	
Deputy R.G. Le Hérissier (S)	Deputy J.A. Hilton (H)	
Deputy J.A. Martin (H)	Deputy G.W.J. de Faye (H)	
Deputy G.P. Southern (H)	Deputy J.A.N. Le Fondré (L)	
Deputy of St. Ouen	Deputy S.S.P.A. Power (B)	
Deputy P.J.D. Ryan (H)	Deputy I.J. Gorst (C)	

Deputy of Grouville		Deputy of St. Mary		
Deputy of St. Peter				
Deputy P.V.F. Le Claire (H)				
Deputy D.W. Mezbourian (L)				
Deputy of Trinity				
Deputy S. Pitman (H)				
Deputy K.C. Lewis (S)				

**The Deputy Bailiff:**

Very well. We then come to paragraph (b) and so I invite the Greffier to open the voting for or against paragraph (b). Have all Members had an opportunity of voting?

<b>POUR: 8</b>		<b>CONTRE: 35</b>		<b>ABSTAIN: 4</b>
Senator J.L. Perchard		Senator S. Syvret		Senator F.E. Cohen
Connétable of St. Mary		Senator L. Norman		Connétable of Grouville
Deputy R.C. Duhamel (S)		Senator F.H. Walker		Deputy P.N. Troy (B)
Deputy A. Breckon (S)		Senator P.F. Routier		Deputy P.V.F. Le Claire (H)
Deputy of St. Martin		Senator M.E. Vibert		
Deputy G.C.L. Baudains (C)		Senator P.F.C. Ozouf		
Deputy D.W. Mezbourian (L)		Senator T.J. Le Main		
Deputy S. Pitman (H)		Senator B.E. Shenton		
		Connétable of St. Peter		
		Connétable of St. Clement		
		Connétable of St. Helier		
		Connétable of Trinity		
		Connétable of St. Lawrence		
		Connétable of St. Brelade		

		Connétable of St. Martin		
		Connétable of St. John		
		Deputy J.J. Huet (H)		
		Deputy C.J. Scott Warren (S)		
		Deputy R.G. Le Hérisier (S)		
		Deputy J.B. Fox (H)		
		Deputy J.A. Martin (H)		
		Deputy G.P. Southern (H)		
		Deputy S.C. Ferguson (B)		
		Deputy of St. Ouen		
		Deputy P.J.D. Ryan (H)		
		Deputy of Grouville		
		Deputy of St. Peter		
		Deputy J.A. Hilton (H)		
		Deputy G.W.J. de Faye (H)		
		Deputy J.A.N. Le Fondré (L)		
		Deputy of Trinity		
		Deputy S.S.P.A. Power (B)		
		Deputy K.C. Lewis (S)		
		Deputy I.J. Gorst (C)		
		Deputy of St. Mary		

**Deputy P.J.D. Ryan:**

May I just say, therefore, as a result of that that my Scrutiny Panel will be launching an inquiry immediately in order to inform the States Assembly and the public as far as we are able. There will be confidentiality in there somewhere but we do not know what that will be until we get there. We would prevail in the strongest possible terms on the Council of Ministers - the Chief Minister and the Treasury Minister - that they would delay the final decision until we have a chance to report. We hope to be able to report in approximately 6 weeks time, and bearing in mind that there is at least 2 or 3 weeks of a holiday period in the middle there, we feel, and I hope Members will agree,



that this a tall order and we will do it really as fast as we can. The review will be led by the Constable of Grouville, who Members will notice abstained from both votes, and I think that is important. He will be ably assisted by Senator Leonard Norman and by the Deputy of St. Peter, and we will be employing a professional property valuer/adviser to help us with that review.

**Senator F.H. Walker:**

May I ask a question on that please? Although I appreciate the Constable of Grouville abstained from the vote, he did make it very clear where he stood when he spoke in the debate, and the importance of Scrutiny is that any review is impartial and approaches it with an open mind, and with the greatest of respect to the Constable of Grouville - and I do have a great deal of respect for him - I am not sure he can claim to be in that position at this time.

**Deputy P.J.D. Ryan:**

Perhaps the Constable of Grouville would like to say a word?

**The Deputy Bailiff:**

Well, I think, if I may, I am not sure it is a matter to be fixed over the floor of the Assembly, it seems to me it is a matter for the Chairman of the relevant Scrutiny Panel to consider with the Connétable, and if necessary with the Chief Minister to see if you can resolve matters.

**The Connétable of Grouville:**

I think I should be allowed to reply, Sir, do you not?

**The Deputy Bailiff:**

Well, if you wish to, of course.

**The Connétable of Grouville:**

Yes, I would. In fact, what I was doing this morning is I was waiting - as I understood that Senator Walker was going to be the lead proponent in this - for him to speak but eventually I got so tired and fed up I decided to speak on the information I had at that time. Now, he did come in with more information later, which has obviously made an impression, and that is one of the reasons that I abstained. The other one of course is that I believe that I am going into this with an open mind as well as anybody else is.

**The Deputy Bailiff:**

Well, as I say, I think ultimately it is a matter for the Scrutiny Panel in question to decide who should be on it.

## **APPOINTMENT OF MINISTERS, COMMITTEES AND PANELS**

### **2. The Deputy Bailiff:**

I invite therefore nominations for the position of President of the Chairmen's Committee.

#### **2.1 Deputy A. Breckon of St. Saviour:**

Could I propose Deputy Ferguson?

**The Deputy Bailiff:**

You propose Deputy Ferguson, is that nomination seconded? **[Seconded]** Are there any other nominations?

#### **2.2 Deputy D.W. Mezbourian:**

I would like to propose Deputy Ryan for the position of President of the Chairmen's Committee.

**The Deputy Bailiff:**

Is that nomination seconded? **[Seconded]** Are there any other nominations? No. Well, there being 2 nominations then the matter is dealt with by Standing Orders, which provide that each candidate should be able to address the Assembly for up to 10 minutes, and there is then a period of up to 20 minutes questioning of each candidate; and it also provides that each candidate must be out of the Chamber while the other candidate is speaking and being questioned. The order in which it takes place is the order of nomination, so Deputy Ferguson will go first and Deputy Ryan will go second. So, Deputy, I must ask you to withdraw and not to listen to the proceedings in another place. It is of course not required to speak for 10 minutes, but you may speak for 10 minutes, Deputy. A bell will go after 9 minutes, and after 10 minutes you will have to stop.

**2.3 Deputy S.C. Ferguson:**

Thank you to my proposer and my seconder - my fellow Chairmen - I am grateful to them. I think by the time yesterday was over you should all have been able to refer to the terms of reference of the Chairmen's Committee as set out in paragraph 143 of Standing Orders, so I will not go through them again, and I went through my philosophy of Scrutiny at length at the same time, so I will absolve you from listening to that again. I would just add though that not only have I got the philosophy I talked about yesterday, but I also add a non-adversarial approach. It is something we have tried very hard to bring into practice with the Public Accounts Committee on the principle that you catch more flies, and presumably more Ministers or civil servants, with treacle than with vinegar. I have made a few notes of the sort of direction that I think the President of the Chairmen's Committee should be perhaps going in. It is a question of organisation and communication, I think, and communication and organisation are driven from the top. There are a number of things, which I think need dealing with immediately. The Committee will work with the P.P.C. (Privileges and Procedures Committee) to change Standing Orders back to the original version, which places the election of the President back into the hands of the Chairmen's Committee. I would make one addition; that the appointment should be renewed annually. I have got a draft ready for discussion with the Committee if I am elected, and we will get cracking with that straightaway. It will be apparent as I whiz through my pages that my action plan - which cannot yet be dignified by the title of strategic plan - is all about communication. It is communication with the Council of Ministers, with the Assembly as a whole, especially with the other members of Scrutiny, and particularly with the public who pay for us all. The second point we need to deal with is the question of legal advice and the code of practice. I can visualise a fairly lively discussion on this, but I think commonsense will prevail and we must get this sorted, bring the code of practice to the House and then we can get on with the business of scrutiny. The matters that I think we will be attending to are in the immediate future; there is the public engagement policy, the website needs to be finished and launched in Scrutiny Week. The newsletter, which has been much maligned, has now been issued to everybody. We need to evaluate its usefulness; has it had the effect we needed? No? Where do we go from there? We have a school liaison group where we have been working with E.S.C. (Education Sport and Culture) to have a simulated scrutiny demonstration at one of the schools. I think we should get the Assistant Ministers involved and maybe this will give some meaning to their lives, but it would make the whole process very much more realistic. We need a co-ordinated evaluation of the different meeting practices; some Panels have been meeting in the evenings, we have been meeting at Parish Halls, we have had exhibitions, we have had standard exhibitions. Do these work better for certain topics? We do not know; we have not evaluated them, there is no summary of it. Do we need to have a delegation of public relations to one member of the Scrutiny Panels? That would give continuity and would save people seeing my picture on the front of things, if I was elected. I think it is important that we review working practices in liaison with the States Greffier and Scrutiny management. We have got a very useful pet document on working practices, and we have got to

follow this up because this is a review of Scrutiny from the officers' point of view and there are some very pertinent points, such as organisation and format of meetings, and scheduling of work. Again, it is all a question of tightening up communication. P.P.C: should we have a member of the P.P.C. on the Chairmen's Committee? Or perhaps a member of the Chairmen's Committee on P.P.C; would that give us better liaison? We should consider it. And then there is the thorny matter of the Chairmen's Committee meetings. The obvious thing is less voluminous agendas would mean that everybody would read all the agendas. So, we need to review that. I have been on committees where no supporting papers - except for exceptional circumstances - should be more than 2 sides of A4, and I am very much in favour of it. I would like to see all agendas and papers sent out by email. It is a much easier filing system; you know where it is and it is cheaper for the States. We have added to the Chairmen's Committee meetings quarterly full financial figures. This was after James and I threw our weight about a bit; mine is a bit more substantial than his. I would like summary figures, monthly management accounts...

**The Deputy Bailiff:**

I am sorry, who is James?

**Deputy S.C. Ferguson:**

I am terribly sorry, Sir, he is the revered Deputy of St. Ouen. I apologise. I would like to see monthly management accounts; summary figures monthly. I am told that the accounting system cannot provide such a report. Well, it may then be referred back to the P.A.C. We have got to look at the organisation of Scrutiny. We have been fiddling around with performance measures and accountability because we need performance measures. We need to measure the success of our performance using consistent measurements. Not targets - I am against targets - but performance measures, yes. I have a number of points here, but I am not going to bore you with them, but we have had a number suggested in our annual report which will be hitting you sooner or later. I think we need to go through our performance measures very carefully to make sure that we have got ones that are easily identified and work. I want to see more delegation; I want other members of Scrutiny to be responsible for particular projects; whether it is a standardised report, whether it is the working practices, the performance appraisals - again they will come in quite a lot - I am very keen on those, and our designated P.R. contact. I mean I do wonder whether we should have performance appraisal; it is a way of seeing whether the Chairmen are communicating with their Panels; an appraisal by Panels of the Chairmen, and Chairmen of the Panels. The idea needs to be discussed a bit more, it is just an idea, but when I was at grad school the professors reported on us through the usual medium of exams and class work, but we also assessed the professors. If it is taken seriously it is a valuable learning exercise. So, as I say, I have an action plan. There is the Scrutiny workload, the overtime is ridiculous. The Council of Ministers; better communication, but the liaison review of working practices cuts across the States' Greffier, the Council of Ministers and Scrutiny. If we have better access to policy at an early stage we can schedule work better, Ministers will know what is looming, and we can space out the workload for officers. There may be a criticism that I come from the P.A.C. rather than Scrutiny. I have served on 2 Scrutiny Panels, as well as being involved with P.A.C., and I can therefore take a slightly more objective approach to this position, which is effectively the heart of the organisation of Scrutiny. It is not to dictate what subjects Scrutiny Panels scrutinise; it is to make sure that Scrutiny is operating efficiently.

**The Greffier of the States (in the Chair):**

Time is up, Deputy. There is now a period of 20 minutes of questioning to the Deputy.

**2.3.1 Deputy R.G. Le Hérisier:**

I wonder before it becomes an accountants' takeover, Sir, if Deputy Ferguson could answer 2 questions. Firstly, obviously there are a lot of very bruised people around - rightly or wrongly - could she indicate other than adopting a non-adversarial position what her management style will

be to make a rather strong-willed group of people work co-operatively together? And secondly, Sir, how will she attempt to ensure that the officers feel an integral and indeed respected part of the process?

**Deputy S.C. Ferguson:**

Right: management style. I do not know. I can work with my 3 sisters, and if you can work with 3 sisters you can work with anybody. Possibly a touch of an Nye Bevan, which is walk softly but carry a big stick I do not know, I try and communicate with people. If people know what you are... if you say to people and you stand by your word, and you say what you mean, then I cannot see any problem. I have not had problems with working with people, unless they have not told me about it, but nobody has thrown anything at me yet. And I am sorry, the ...? The officers; again it is a question of communication. You treat people as people. This is management by walking about perhaps. People know who you are... can come to you, can talk to you; you may not agree but you will compromise, get a sort of consensus as far as is possible, and if your conscious is against it then you will not get a consensus and you have got to come back the other direction. But I think there is a degree of lateral thinking that is needed, but basically communication.

**2.3.2 The Deputy of St. Martin:**

It is to do with consensus; how will the Deputy handle situations when a decision is taken by the majority of the Committee but is not supported by herself?

**Deputy S.C. Ferguson:**

Well, if I cannot bludgeon you all into submission I shall present it in the best way I can possible. I have been in positions before where there has been a Committee decision with which I did not agree, this was many years ago, and you get on with it. I mean if this is what the majority wants, this is democracy, you cannot just ignore what... in that case it was 17 other people, so I suppose I was a bit outnumbered. But, no, if we cannot get a consensus - if we had to go to a vote and we have not got consensus - then I would feel that I had failed in what I was trying to do. In business, on a board of directors, you rarely come to a vote. If you come to a vote then the board is starting to fall apart. So that I would hope that I can keep talking and in the end you will all get so... no, I am sorry, we will not visit there again. No, I would hope to achieve consensus, and as I say, if we need to vote then I think we need to take a step back and say: "Hang on a minute, what is going wrong?"

**The Greffier of the States (in the Chair):**

Quite a large number of Members waiting to ask questions, Deputy, if you could be slightly more concise.

**2.3.3 Deputy J. Gallichan of St. Mary:**

During the debate on P.40 yesterday the statement was made that some members of the Chairmen's Committee wanted the Committee to have more powers and that that would lead to more of an opposition. Can I have the candidate's views on that please and say does she support the statement that it should have more power?

**Deputy S.C. Ferguson:**

No, I do not. As I say I will not read it out again, Sir, tempted though I am, I do not believe that Scrutiny is here to be opposition. I do not see that the Chairmen's Committee needs any more powers than it has got already. It is there to co-ordinate Scrutiny and to communicate, and those are the key elements that I would intend to follow. As I say, I do not agree with setting it up in opposition, principally because I think we will get less effective work done. I have already said that you catch more flies with treacle than with vinegar, and I think the same with Scrutiny; you will need to apply a bit of vinegar occasionally - sometimes more than occasionally - to pull people up sharply, but that is the business of the Scrutiny Panels. The Chairmen's Committee is to co-

ordinate and generally keep Scrutiny running efficiently. It is not to start getting into methods of policy, opposition or anything like that. I do not agree with trying to set up in opposition, and I would hate to be subject to the dictates of a political party.

#### **2.3.4 Senator P.F.C. Ozouf:**

Four brief questions; first of all, the terms of reference of the Chairmen's Panel are that they should bring recommendations for change for Scrutiny. Could she give 2 recommendations that she would bring, based upon on her agreement of understanding of Scrutiny? Secondly, at the P.A.C. - which she is Chairman of - has a published work programme: we know where the PAC is going. Does she agree that other Scrutiny Panels should also have a work programme, and, if she does agree, how will she attempt to achieve that?

#### **Deputy S.C. Ferguson:**

My first job would be to change the Standing Orders back to the original version in P.162/2005, which is the President should be appointed by the Chairmen's Committee; and the second is the question of dealing with legal advice, and I think commonsense dictates that we are not going to do anything with the Attorney General. He has stated his position, he has been painted into a corner, and therefore we go ahead with the code of practice without the legal advice and say: "Right, okay." The Panels are aware that they have got to work within their budgets and lawyers are expensive. This will concentrate their minds when considering whether legal action is really necessary, and given that there is some leeway in the budget I think we can run this for one to 2 years to see how it runs. If it does not work then we shall have to revisit it, but let us make a decision and get on with it. Do not let us just leave it hanging around.

#### **2.3.5 Deputy D.W. Mezbourian:**

It was suggested yesterday that Scrutiny should have its own chief officer. Does the Deputy agree with this suggestion, and, if so, how would she envisage such an appointment benefiting the Scrutiny function?

#### **Deputy S.C. Ferguson:**

Well, if Scrutiny is operating efficiently... we have a Scrutiny Manager who is, in effect, working as a chief officer. I see no reason to start increasing the bureaucracy. I think the important thing is to start playing with the workloads: I think the work programme is such that it is very hit and miss. In fact one of the problems is that this is where we need more communication with the Ministers because we are not always aware of what policies are coming through until they burst upon our desks in about 57 pages of closely typed paper. If there is more knowledge of the policy that is grinding through the system then we can reschedule the workloads and then there is much less problem with administering Scrutiny because you can plan your workloads, plan your work programmes, co-ordinate and get the whole thing running efficiently. But at the moment we are not getting in all instances knowledge of... the green paper situation that we have discussed. We need green papers so that we can plan our programme, therefore the Ministers know what is coming along, so they know what is looming; the whole thing could be very much more co-ordinated. At the moment it is... we are in early days - teething problems - but I do not see that we need to add any more bureaucrats to the wage roll.

#### **2.3.6 Deputy S. Power:**

I would like to ask Deputy Ferguson what her reason would be for the election of the President of the Chairmen's Committee, by the Chairmen's Committee alone, and why she would have an objection to the Assembly electing the President of the Chairmen's Committee. I have this vision of the Chairmen meeting in a room - the Le Capelain Room - and a puff of smoke going out to the Royal Square and an announcement: "*Habemus Presidentium*". [Laughter]

#### **Deputy S.C. Ferguson:**

Given the patriotism of the Chairmen's Committee it will be red, white and blue. No, because of the role of the Chairmen's Committee it is not a functional committee, it is a co-ordination committee, and therefore it really is not a pivotal role in these... it is pivotal in the communication and organisation, but it is more like a chief officer probably than a chief officer, if you see what I mean; it is a co-ordination and organisation role. The important... the cutting edge of Scrutiny are the Chairmen of each Panel. All we are doing is getting together and saying: "Well, there is a bit of organisation work to do, and there is a bit more paperwork, you can do it." We are not fulfilling a policy position as President of the Chairmen's Committee. I do not see it as an executive position; I see it as a co-ordination and communication position.

**2.3.7 Deputy G.P. Southern:**

Following on from that, would the candidate not agree that one prime reason for having control of the appointment of the President of the Chairmen's Committee vested in the Chairmen's Committee is that we can avoid situations of having to come to this House, as we did yesterday - reluctantly or not - and the debacle of that that then ensued?

**Deputy S.C. Ferguson:**

Absolutely. It arises in part because of the way the Chairmen's Committee is structured in that the Chairmen are on the Committee *ex officio*, and therefore a vote of no confidence is the only way to do it. Therefore, as it is an organisational position, as it is a communication position; it really is inappropriate to be bringing it to the House.

**2.3.8 Senator P.F. Routier:**

Can the Deputy explain how she would co-ordinate and prioritise the work of the Panels, especially in regard to the balance between scrutinising projects as opposed to legislation? The reason I ask the question about legislation is because it has been said to me that perhaps we do not spend enough time on scrutinising legislation.

**Deputy S.C. Ferguson:**

We do not scrutinise legislation. Scrutiny is not in the business of scrutinising legislation; Scrutiny is in the business of scrutinising the quality of a decision, the quality of the evidence. It is not in the business of going through every dot and whatever of legislation. As I said yesterday - obviously you were out of the Chamber - Scrutiny should focus in ensuring that policy has been properly formulated, all alternatives properly addressed, and valid reasons given for why particular courses of action have been followed. Scrutiny should be addressing the quality of the decision-making: this is not questioning the legislation. There is a Legislation Committee, I thought somewhere, or did we get rid of it totally? Perhaps it is a case for bringing back a Legislation Committee. We miss former Deputy Dorey from this point of view.

**Deputy I.J. Gorst:**

Sir, maybe if I could help at this point? There is a Committee, which has replaced the Legislation Committee, the Chairman of which is the Connétable of St. Ouen, and it sits in the Chief Minister's Department.

**Deputy S.C. Ferguson:**

Thank you, Sir. As I say, I hate to contradict the Senator, but we do not scrutinise legislation.

**2.3.9 Deputy C.J. Scott Warren:**

Could Deputy Ferguson please further elaborate on what she would envisage as the role within Scrutiny for Assistant Ministers?

**Deputy S.C. Ferguson:**

Well, not really. I was not thinking of shipping them in wholesale, although mention has been made that perhaps Assistant Ministers might find it interesting, and they might be useful to various Scrutiny Panels or Sub-Panels on occasion, but that is perhaps a longer term item to be considered. The particular event I had in mind is that the Public Engagement Group (P.E.G.) has set up a dummy Scrutiny project - or it is being set up - with the Les Quennevais School where we are working with E.S.C. to set this up, and if we are going to really run dummy Scrutiny hearings; review; report; then perhaps to add a touch of realism we could get the Assistant Ministers to participate so that the school children have a better feeling for what is going on in Scrutiny. We would promise to be really quite gentle with them to begin with.

**2.3.10 Deputy P.V.F. Le Claire:**

Does the candidate feel that there is any merit in debating Scrutiny reports in this Assembly?

**Deputy S.C. Ferguson:**

I think it really depends at what stage in the preparation of policy the report is produced. If the report is produced soon after a green paper then obviously there can be much better discussions face to face with the relevant Minister to discuss it. If it just happens to be something that has come to the House and suddenly strikes the House as requiring to be looked at then it is a different question and I think different procedures would apply. You would have to either bring an amendment to any proposition coming through, or if you wanted to bring a separate project then there is some discussion about lodging periods and so on, which we shall be addressing one way or another. The procedures really will depend on at what stage of the policy development the Scrutiny report is produced. If it precedes any sort of proposition coming to the House then that is one thing; if it is based on documents already lodged with the House then I think it is another.

**2.3.11 Deputy R.C. Duhamel:**

Would the Deputy advise Members her understanding of Standing Order 72? Perhaps I could help the Member; it is a referral of draft Law or Regulations for Scrutiny.

**Deputy S.C. Ferguson:**

Well, I think this is something I am going to have to change, because I do not think Scrutiny is there to scrutinise legislation; not legislation *per se*. I do not think scrutineers are qualified lawyers, we have already established that. I think this one is obviously up for discussion. I thank the Deputy for pointing this out to me. This does relate to the relevant Scrutiny Panel, and therefore I think it is something that the Chairmen of these Panels will have to discuss at a future Chairmen's Committee meeting.

**Senator P.F. Routier:**

Is the Deputy serious in suggesting that Scrutiny should not scrutinise laws?

**Deputy S.C. Ferguson:**

Scrutiny is scrutinising the policy behind the law.

**The Greffier of the States (in the Chair):**

Your time is up, Deputy. I will now ask Deputy Ferguson to withdraw from the Chamber, and the usher has been asked to ask Deputy Ryan to return to the Assembly. Deputy, the Greffier will sound a bell if you are still in full flow after 9 minutes, and then a final bell at the tenth minute. I invite you to address the Assembly.

**2.4 Deputy P.J.D. Ryan:**

I think first of all I should explain to Members why there is an election, or one of the reasons why there is an election today, as far as I am concerned anyway. I am sure Members will recall that in December 2005 there were very few elections for Scrutiny Chairmen's Panel memberships, and in

fact I think mine was the only one, and there was only one election for the Council of Minister's as well. But I thought that was unhealthy a little bit, and so I sought this time around to ensure that there was an election and I deliberately therefore did not want to compromise in any way other members of the Chairmen's Committee who I knew had a preferred candidate, naturally enough because Deputy Ferguson had led the vote of no confidence. So, I sought to find a proposer outside of the Chairmen's Committee and also outside of my own Corporate Services Panel, and I very much thank Deputy Mezbourian of St. Lawrence for doing that, and also from the complete opposite end of the House, I asked Constable Fisher if he would be prepared to second it, and I thank you for that also. So, having got that out of the way, it does not really matter, I believe, in some ways who is elected in terms of... I have absolute confidence that the Chairmen's Committee, no matter who is elected - whether it be Deputy Ferguson or myself - I have every confidence that the Chairmen's Committee will be able to work cohesively and co-operatively and that we will both get the co-operation of all Members involved. So, I would like to say that first and foremost. Now, what is the Chairmen's Committee there for, and what is the role in fact of the President of the Chairmen's Committee? Well, first of all let us talk about the role. It is the usual roles of a Committee President that are required, but it is a difficult one in some ways because there is no political mandate for Scrutiny. The President of the Chairmen's Committee does not have a political mandate to scrutinise anything. What he does have though is the mandate to organise Scrutiny in the best interests of the Assembly and for the public of Jersey, and that will therefore facilitate, or mean that he or she will need leadership qualities - they will need a combination of that - but I think that because of the lack of a political mandate to do a lot of scrutinising there is quite a lot of facilitating that will need to go with that role. But that is just a couple of things, and there are, of course, others. So, what is the Chairmen's Committee there for? It is to co-ordinate Scrutiny, to ensure there are no overlaps or wastage of resources, to ensure that any gaps in Scrutiny are fully discussed with the relevant chairperson if anything has been missed. I have already talked about leadership. Being supportive is going to be another role for the President of the Chairmen's Committee; supportive of other Panels, of all of the Panels, and finally things like - well 2 other things really - codes of practice, liaison with the Council of Ministers when necessary, promotion of Scrutiny through public engagement. This latter one must be handled with great care, because really, technically, it is P.P.C. that has the ultimate responsibility for promoting Scrutiny according to Standing Orders. So, there may need to be further dialogue with P.P.C., and I would seek advice on that as soon as possible, for example the recent Chairmen's Committee newsletter, *Scrutiny Matters*, initiative, we need to make sure that that is supported by P.P.C. I feel that it is, and I believe that we have done a good job there and should continue to do it. But nevertheless we need to just take a reality check on that to make sure that that is the case, and to make sure that it does not cross... also that we have to be careful that that Scrutiny newsletter does not cut across any public engagement efforts that individual Panels themselves are doing, because that would be wrong as well. So, what would I intend to do? One of the first things I would do would be to try and seek a meeting as soon as possible with each of the Scrutiny Panels in turn, at the next opportunity to hear their views on public engagements and the *Scrutiny Matters* newsletter and such items, and I would intend to do that straightaway. What skills does the Chairman need? I think I have spoken mostly about them. They will need to be obviously... he or she will need to be a good communicator, and I think that internal as well as external communication is going to be paramount between the different sides of the different parts of Scrutiny. He or she will also need a high level of drive, but it would need to be tempered with patience; after all, Sir, I am sure you are aware, and everybody is aware that, as one would expect, there are some strong characters on that Chairmen's Committee, and rightly so, and it is going to be a task to keep that... shall we say "Keep the peace", if that is the right word - perhaps that is too strong a word - but it will need a certain amount of communication skill and it will test my experience, any experience that I may have, any chairing experience that I may have. I am under no illusion it will test my skills in chairing the Committee should I be elected by the States. I feel that the Scrutiny function is so important, and the potential benefits for our system, which is still in its infancy, are there for the



taking. We have not fully yet learnt to take best advantage of the Scrutiny system, and there is still more work to be done. I would intend to get involved with moving that forward as quickly as possible. It is because of that really that I feel that I must offer myself for election, and clearly I would not do that unless I felt that I could contribute effectively in the role that is required. The urgent issues; what are they for the Chairmen's Committee? Clearly, the code of practice, the access to legal advice is a major item that we must resolve, and we must resolve it without any question. In one way or another we may need to bring something to the States for debate sooner rather than later. I will not shy from that responsibility if that is what is required, and if that is what the Chairmen's Committee feels is the right way forward. Access to 'Part B' papers is another one. I think we have done quite a lot of work on it. I suppose this is coupled with the relationship with the Council of Ministers. Again, this falls into the category of internal communication, and I think I am equipped to deal with that fairly effectively. Staffing and resources; this is another thing that Scrutiny needs to reach a decision on pretty quickly. We are short of resources internally - officer resources I am talking about. There is a proposal on the table to deal with it; that needs to be dealt with again sooner rather than later. I think, Sir, that I may be finishing a little bit early, but I think I have laid out what I see as the immediate future and the slightly medium term for the Chairmen's Committee, and I hope that really through questions, if there is anything else that Members would like to ask, hopefully I will be able to answer them effectively. So, at that point I would like to conclude.

#### **2.4.1 Senator P.F. Routier:**

I would like to ask the same question I asked the other candidate. Can the Deputy explain how he would co-ordinate and prioritise the work of the Panels and, in particular, the balance between scrutinising legislation and other projects?

#### **Deputy P.J.D. Ryan:**

Co-ordinating the different Panels is about communication. I would seek to attend at least 2 Panel meetings as an observer per annum, that makes a total of 12 meetings once a month, to hear the views of Panel members, to get a good feel for it, and to facilitate general working togetherness, is the only way I can describe it. This is something that I would intend to do, and I think that will help. Obviously the Chairmen's Committee has already done a certain amount of co-ordinating of Scrutiny. There have been several instances when it has been necessary for the Chairmen's Committee to choose one Panel over another when 2 Panels have tried to do the same, or have been interested in doing the same review. I think it has worked reasonably well and I think that needs to continue. As far as legislation is concerned, this is a difficult area because it is often very technical, and my own Panel has, and is currently in the process of trying to, and I think will come up with a fair scrutiny of the current G.S.T. (Goods and Services Tax) legislation. It helps certainly when you have expert advisors, and particularly those with a legal grounding when you are scrutinising legislation, but it is something that we, on occasions - I think, all Panels - should attempt to do at some stage in their history; but it is not an easy one and it will need help and advice, and it may even be that, as I say, the use of expert advice is the way to facilitate that.

#### **2.4.2 Deputy P.V.F. Le Claire:**

Given that Deputy Ferguson suggested that we might email papers to save Government money, and given that her political ethos is described in this newsletter as one of commonsense and thrift, does the candidate believe in keeping with the ethos of thrift, that it would be more beneficial for the taxpayers' money to be spent emailing 35,000 copies at £500 than circulating these pieces of papers at a cost of £10,000.

#### **Deputy P.J.D. Ryan:**

That is a difficult question, but it is one that should be answered properly and I will try to do my best. The problem with email is that it does not reach the electorate always that it should. You can

certainly save an amount of money by emailing, and I would support that, so it certainly should be done, but whenever it comes to communicating externally you do need to use several different methods of communication. Certainly email should be one, but you will not reach many of the public that you need to reach through the medium of email alone unfortunately. I think that is important, the public are paying to put us here and to do a job. We would not be doing that job properly unless we were communicating effectively with all members of the public and the electorate.

#### **2.4.3 The Deputy of St. Martin:**

It is one about consensus, and I would ask how will the Deputy deal or handle situations when a decision is taken by the majority of the Committee, but it is not supported by himself?

#### **Deputy P.J.D. Ryan:**

The Chairman's role is quite clear. There have been several occasions - and there have been reviews that I have taken out of my own Committee - where I have not indeed agreed with the majority vote, and I will give you an example of the G.S.T. review that we did where it was quite clear - and I made it quite clear on the floor of the House - that I had a minority opinion, nevertheless the Deputy of St. Martin would be aware that the report very clearly shows the majority view. The role of a Chairman is sometimes a difficult one, it has to be a selfless one, and it is absolutely clear to me that you have to put the views of your Panel or your Committee above your own personal views. You are there to deal and to act as a representative of the collective view of your Committee without any question.

#### **2.4.4 Deputy D.W. Mezbourian:**

I, too, will ask the same question that I asked the previous candidate. It was suggested yesterday that Scrutiny should have a chief officer: does the Deputy agree, and, if so, what benefits would the Deputy envisage that appointment bringing to the Scrutiny function?

#### **Deputy P.J.D. Ryan:**

I do not think the case has been conclusively made for a chief officer. I have not made up my own mind personally; I would like to seek the views of other Scrutiny members before I make my mind up. I would just remind the Deputy though that there is an officer at a very senior level already in Scrutiny that does a pretty good job, and I do not think it would be right to criticise that particular person by saying that we needed a chief officer at this stage. I think we need to have a period of time, how long that would be I am not sure from now, before we reach any of those conclusions, let us give it a try under new leadership and see how we get on in the immediate future. We can review that, P.P.C. can review it indeed, if necessary, in 6 months to a year's time, but I do not think clearly a chief officer would involve extra cost to the States, I do not see that that would be the right thing to do at this point, but I keep an open mind for the future.

#### **2.4.5 Connétable G.F. Butcher of St. John:**

Some members of Scrutiny have expressed the view that the President of the Chairmen's Committee should be elected only from within, and by the 6 ex officio members and this is not a matter for the whole of the States Assembly. Does the Deputy agree with this?

#### **Deputy P.J.D. Ryan:**

I think I would like to probably try and answer that question from the Constable by reference to the problem that we have at the moment as an Assembly with the Scrutiny with the access to legal advice. I think most Members really believe that the Executive and the non-Executive part of Government, certainly in a non-party political system all form the Government together, and therefore Scrutiny should definitely have access to all legal advice from our Law Officers - that is the belief of most members of the Scrutiny - and I would venture to say a majority certainly of the Executive side of Government as well have that view. That is notwithstanding the complications of

the States of Jersey Law; I do not want to go into that at this point. I also think that when the States passed the new States of Jersey Law they had that understanding as well, and that was probably their vision for Scrutiny that we would have access to that kind of thing. So, bearing that in mind it seems to me... well, I am having trouble reconciling the notion of both sides of Government, of both sides of the Assembly - non-Executive and Executive - all being a part of Government. I am having difficulty reconciling that with an internal-only election. It seems to me that, after all, the President of the Chairmen's Committee is the most senior politician in Scrutiny. Scrutiny consists also of all non-Executive less P.P.C. I suppose at least the whole of Scrutiny should have involvement as a minimum, rather than just within the Chairmen's Committee, but ultimately, of course, this will be up to the States and there will need to be a change to Standing Orders, and Members when they are voting on that will need to give thought to which process in fact gives the most credence to the position. That would be my view.

**The Greffier of the States (in the Chair):**

You have spent half the time, Deputy, quite a lot of Members are waiting to speak, so if you could be reasonably concise in your answers.

**2.4.6 Deputy G.P. Southern:**

Much as I admire the candidate's enthusiasm for Scrutiny, volunteering for up to 10 extra meetings in the coming year, can he inform the House whether he attended the away day and the training days that have taken place in the previous year for Scrutiny?

**Deputy P.J.D. Ryan:**

I have attended training days. The away day I did not because I had a long-standing family commitment, which involved my son in Brighton, that I could not get out of. So, I was not able to go to the away day, much to my disappointment because I really would have liked to have been there. So, I do apologise to other members of Scrutiny, as I did at the time, it was just one of those odd situations that I could not get out of.

**2.4.7 Deputy R.G. Le Hérisier:**

Two questions; could the candidate outline how he would wish to see the performance of Scrutiny measured, and secondly, Sir, what would be his proposals for dealing with some fairly bruised officers who are around at the moment?

**Deputy P.J.D. Ryan:**

The first part was how I would measure performance. There are several ways to measure the performance of Scrutiny. It is not just by the number of reports or reviews that are carried out, it is also by the quality of the reviews, it is by the range of reviews and others. So, there are several ways to measure, and I think everybody knows ultimately that however it is the States as a whole that will decide whether a Panel Chairman is performing, and there is a process there for dealing with it. Bruised officers, I am used to dealing with... I have employed many, many people in the past; officers need appreciation and they need to be communicated with, and that is when I talk about internal communication, that is a global term; so I have no fears that we can settle the whole process down pretty rapidly.

**2.4.8 Senator M.E. Vibert:**

Scrutiny have been operating for more than a year now without a code of conduct, if elected President of the Chairmen's Committee will the Deputy bring a proposed code of conduct for Scrutiny to the States as a matter of urgency, whether or not agreement has been reached on access to legal advice?

**Deputy P.J.D. Ryan:**

Ultimately the States has to decide... the one hold up; the one stalling factor in the code of practice... the code of practice has been operating on a *de facto* basis for at least 6 months that I am aware of. So, in real terms there is not a lot of difference to what would have gone on and what has not gone on. However, this question of legal advice has to be resolved. I believe that we can give it a very short period of time from now to see if it can be resolved outside of the States Assembly. Ultimately we will need to bring it to the States for a decision of the Assembly. So, I think that it will come with whatever recommendation the Chairmen's Committee has, and the States will decide as always.

#### **2.4.9 The Deputy of St. Mary:**

For a Committee with such a narrow remit, it does seem that the workload has been unnecessarily bureaucratic; in the last year there were nearly 40 meetings and 8 members out of 22, I think, who were involved in Scrutiny are on that Committee. Does the candidate think the Committee needs to be streamlined; does he think he can reduce the number of meetings that are held effectively; and thirdly, does he believe that the Committee should in fact have more powers and have a larger remit than it already does?

#### **Deputy P.J.D. Ryan:**

Standing Orders decree how much power it has. If you give it too much power you run the risk of turning the Chairmen's Committee and Scrutiny into opposition. I would be wary of that, but the States again must decide. If there is a change to Standing Orders, change to the powers of the Chairmen's Committee will need to be fully debated in the States and considered very carefully. Can I streamline the process? Yes, I think so. I have a lot of experience with running larger organisations, so I do believe, yes, it can be streamlined. We may need to think about having specific meetings for specific items, some that will be urgent that we need to meet regularly during the month, and typically that would be agreeing codes of practice in terms of reference for new reviews and to receive notes of progress on reviews. That will need to be done fairly quickly, because we do not want to hold up a review that a Panel wants to do. There may be other business that can be left until bi-monthly meetings perhaps, but I certainly feel that it can be streamlined, yes.

#### **Deputy J. Gallichan of St. Mary:**

Sorry, what about the number of members, and do you think there should be more power?

#### **Deputy P.J.D. Ryan:**

I am not convinced that there should be more power. The remit - the mandates - for Scrutiny are with the Panels. I am not convinced that the Chairmen's Committee needs more power in order to achieve its objectives. So the straight answer to the Deputy's question is no, at this point. I have an open mind in the future if someone persuades me otherwise, but that is my inclination, certainly. You asked one other question?

#### **Deputy J. Gallichan of St. Mary:**

The number of Members.

#### **Deputy P.J.D. Ryan:**

I see no reason to reduce the number of Members. I have no particular opinion either way. I think it works okay as it stands, so I am no particular way on that, I am afraid.

#### **2.4.10 Senator T.J. Le Main:**

I would like to ask the candidate, a leader normally - or a Chairman or a Minister - should share and exchange information with either the Ministers or Panel Chairmen. It has been quite apparent on several occasions when the Scrutiny Chairmen have been to see the Council of Ministers that there has been a huge division between Members attending on Scrutiny. In fact, lack of information or

information that has not been shared among Members, and on several occasions I have certainly been quite perplexed to think that Scrutiny Chairmen were attending Council of Ministers, and members of the Chairmen's did not know what was happening with one person to another, and the question is how does the candidate intend, if elected, to overcome that problem that was quite embarrassing to the Scrutiny?

**Deputy P.J.D. Ryan:**

I do not wish to criticise the past Chairman, so I am not going to. We all are different; we all have our strengths and we all have our weaknesses, and I think even Deputy Duhamel would agree with that. He is stronger in some areas than he is in others, as am I. One of my strengths, I believe, is as a communicator, so it would be my way to communicate effectively with all members of the Chairmen's Committee, so the left hand knew what the right hand was doing always before we came to see bodies such as the Council of Ministers.

**2.4.11 Deputy C.J. Scott Warren:**

I just wanted to ask whether Deputy Ryan has given any thought to a possible link role for Assistant Ministers within the Scrutiny process?

**Deputy P.J.D. Ryan:**

My own inclination is that there are occasions when Assistant Ministers could fulfil a role in Scrutiny in very carefully controlled situations, because we would have to avoid a situation where an Assistant Minister could in any way be compromised with the Executive. This may be difficult, but my own view is that with careful thought, it could be arranged, and if we move to a smaller Assembly, as I think we are, I think this will become even more critical, certainly.

**2.4.12 Deputy J.G. Reed of St. Ouen:**

Could I ask the Deputy, does he believe that individual Scrutiny Panels are ultimately accountable to the Chairmen's Committee?

**Deputy P.J.D. Ryan:**

I think individual Scrutiny Panels are ultimately responsible to this Assembly and Standing Orders, in my view. They are not ultimately responsible to the Chairmen's Committee, no. That is my view, and that is my reading of Standing Orders. If anybody would like to show me where am I wrong, then I would be glad to modify my views.

**2.4.13 Deputy K.C. Lewis of St. Saviour:**

Would the candidate highlight the areas where he believes that the Scrutiny process could be greatly improved?

**Deputy P.J.D. Ryan:**

That would require me criticising other Scrutiny Panels through you, Sir, and to the Deputy, I am a little bit reluctant to do that. I think that Scrutiny Panels must live with their own reputation.

**2.4.14 Senator P.F.C. Ozouf:**

Is he not aware that there is a requirement for bringing recommendations and keeping Scrutiny under review, and what is his position on legal advice?

**The Greffier of the States (in the Chair):**

We are nearly out of time, Deputy, half a minute.

**Deputy P.J.D. Ryan:**

The Chairmen's Panel is required to keep the Scrutiny under review. Yes, I am aware of that Article and certainly keeping Scrutiny under review will be one of the things that we will do, and that includes the various things that I mentioned earlier on, and legal...

**The Greffier of the States (in the Chair):**

The time is up, Deputy, I am afraid.

**Deputy P.J.D. Ryan:**

Would you like me to answer legal advice, Sir?

**The Greffier of the States (in the Chair):**

I think you touched on it before and time is up, I am afraid. Very well, we will invite Deputy Ferguson to return to the Chamber for the ballots. I will ask the Viscount Substitute to begin distributing the ballot papers to save time. I remind Members there are 2 candidates and Members should write one name on the ballot paper. If all Members have a ballot paper and have written a name on it, I will ask the usher and the Viscount Substitute to collect the ballot papers. I call the Assembly to order. Have all Members placed their ballot papers in the ballot boxes? I will therefore ask the Solicitor General and the Viscount Substitute to retire to count the ballots.

**PUBLIC BUSINESS - (Resumption...)**

**3. Draft Road Traffic (No. 57) (Jersey) Regulations 200- (P.161/2006): amendment**

**The Bailiff:**

The Assembly will no doubt wish to move to Public Business, which is the Draft Road Traffic (No. 57) (Jersey) Regulations 200- in the name of the Minister for Transport and Technical Services. I will ask the Greffier to read the citation to the draft Regulations.

**The Deputy Greffier of the States:**

Draft Road Traffic (No. 57) (Jersey) Regulations 200-. The States, in pursuance of the Order in Council of 26th December 1851 and Article 92 of the Road Traffic Jersey Law 1956, have made the following Regulations.

**3.1 Deputy G.W.J. de Faye:**

First of all, may I thank the Assembly for bearing with me over the number of times I have had to postpone this debate due to a lack of laminate, but I am very pleased to say that not only have supplies of laminate been secured, but indeed, here are the very first credit card style driving licences, and as soon as the usher becomes available I will be delighted to pass them round to the whole of the Chamber. I can only go as far as I can reach at the moment, or perhaps if Deputy Breckon might indulge me, and I will just hang on to one. Members will note that we have not taken the advantage to employ an extremely expensive model to pose for this - an international television celebrity - but here they are at last, and if the States approve these Regulations today, these new licences will go out on a 10-year basis and, I am delighted to say, at a cheaper price. A brief look at the background: the Regulations will basically allow these new credit style Jersey driving licences to be issued to residents in the Island after appropriate identity checks have been carried out. The existing pink foldable Jersey driving licence we have been operating since 1st January 2004, but regrettably, its back-up system, which is a States' VAX mainframe computer with a software programme, is now unfortunately obsolete. This has been known since 2003, and as a result, Driver and Vehicle Standards agreed at that time to investigate the possibility of reprogramming the system's software to a more modern one and to introduce a credit card style licence, the pink cardboard driving licence no longer being accepted as a secure identity document as it was possible to forge and alter it. A working party was set up at the time, but unfortunately, the project foundered due to lack of funding - an experience not unfamiliar to many departments - but early in 2006 the newly formed Transport and Technical Services Department restarted the

project. However, I would like to emphasise that neither myself nor the department wish to take all the credit for this, because an enormous amount of work has been done in conjunction with the Comité des Connétables, and in particular I would like to pay my own debt of thanks to the Connétable of Grouville, who has co-ordinated the project from his end with his usual dexterity. On those grounds, and knowing that I am sure that at least one or more of the Connétable will have their own contribution to make to the debate, I will rest the case there and effectively propose these Regulations formally.

**The Greffier of the States (in the Chair):**

The principles are proposed and seconded. **[Seconded]** Does any Member wish to speak on the principles?

**3.2 The Connétable of Grouville:**

Yes. If I may, Sir, I would feel quite happy if Members chose to interrupt to ask questions, because I am sure there are some questions to be asked. The Minister has very well outlined the situation as we found it when we took over the Committee, and I must say, the civil servants involved in this were absolutely brilliant and they talked us through it. Not being 100 per cent technical myself, I was in absolute awe of the I.T. (Information Technology) Department, who seem to run these things so well, and I would just like to say that there is another angle to this, and that is that - and I want to make it absolutely clear - that the Protocol 3 of the E.U. (European Union) comes into effect, which will regularise driving licences all through the European Union. Now, I have had several phone calls today and I have even had a letter already saying we are not part of the E.U. That is absolutely correct, we are not part of the E.U., we are not obliged under Protocol 3 to do anything whatsoever. We have chosen ourselves to go along on a parallel course in order to make life easier for those of who like to drive on the continent or drive in the U.K. These licences will be very similar to the E.U. licences, and will be acceptable throughout the world where we go. So we are not forced to do this, we have chosen to do this and I hope that people will have very jolly motoring all over the place with them. Thank you.

**3.3 Deputy D.W. Mezbourian:**

I have just a few questions that I hope the Minister will be able to answer. The report refers to appropriate identity checks before issue of the licences, and I ask that we be told what those identity checks will be. We are also told that this new licence will be more acceptable as a form of identity due to the increased security measures, and I ask to whom and in what circumstances will the licences be more acceptable as a form of identity. We learn that it will be dealt with by the 12 Parishes, but will be printed and distributed centrally, and I note the use of the words "at the Town Hall" and I ask, will the Town Hall levy a charge for this; will it be posted to applicants or must they collect it from the Town Hall? I notice one of the Connétables shaking his head at me, but I am sure the Minister will be able to respond. Will they need to show proof of identify if indeed it is the case that applicants must collect it from the Town Hall? What information will be noted on the credit card size licence, and what information, if any, that is currently shown on the pink licences will be omitted?

**3.4 Deputy J.B. Fox:**

The discussion on this type of document has been in for some time - about 30 years that I know of - and one of the things in my previous life, while I was a member of the Special Branch, was that if we had one of these documents, the only thing that is missing from using it as an identification card, i.e. instead of a passport, is that it does not contain a person's nationality on it. It does not mean that you have to use it but when the consideration was given in producing this card, I would ask the Minister, did we look at the possibility that if had a nationality record on it, it could also be used as an identification card to go through European ports, *et cetera*, without having to carry a passport? Thank you.

### **3.5 Deputy R.G. Le Hérissier:**

It may be for the Constable of Grouville, it did grieve me mightily, and I thought he was going to choke on his cornflakes when he went on public radio and stated: “As a result of an E.U. directive” I thought: “There go years - years - of dearly held beliefs” and I am sure in many homes on the Island, or certain homes, he is in deep, deep trouble tonight. But having said that, I wonder if I could ask him - maybe as sort of the unofficial rapporteur, so to speak - will the old cards be able to go to their date of expiry, and then the new one issued; and secondly, if a person is transferring between Parishes to avoid the electoral roll problems that we seem to get forever, will there be a free transfer, so to speak, as you move and you simply change your card?

### **3.6 Deputy R.C. Duhamel:**

It is probably better that the remarks I make are taken with the Regulations, but I would like people to perhaps think about it now. Under Regulation 5, which revokes Article 8(8) of the principal Law, we are being told that it will no longer be possible for a provisional U.K. driving licence and a valid certificate of driving competency - that is a new one on me - shall together constitute a domestic driving permit. Could the Minister outline what is meant by the valid certification of driving competency process; secondly, in terms of the reflexive nature of these laws, will the opposite apply, in that licences issued in Jersey will be asked for, or will they not be sufficient for driving in the U.K. or other E.U. jurisdictions without passing a licence to drive in those countries?

### **3.7 Senator F.E. Cohen:**

I think this is an excellent initiative, particularly as the present form of licence tends to get very tatty very quickly. I have a couple of questions that I am sure the Minister will have clear answers to. Firstly, how do you endorse it, because the present licence has a section on the back on which you can print an endorsement; the second is there appears to be no full address, just a Parish, but I may have misread it. As a result, my final point, which is the print does not seem to be very clear, and would it be possible to have a clearer font? It does not necessarily have to be much larger, but it certainly could do with being a little clearer.

### **3.8 The Deputy of St. Martin:**

The Regulations make reference to the full driving licence going to 10 years from 5, but there is no reference made in the Regulations in respect of learner drivers, and I understand that the learner driver - his licence or her licence - will only last for 6 months at a cost of £15.00. Can the Minister give some idea as to what will happen if indeed there is another backlog where provisional licences, or licence holders, cannot take their test within that time due to a problem with the testers - the driving examiners - will any recompense be given to those learners who are naturally denied the opportunity of taking their test within that 6-month period?

### **3.9 Senator T.J. Le Main:**

Well, as a member of U.K.I.P. (United Kingdom Independence Party) I am delighted that under Protocol 3 that we do not have to comply. So I think it was well explained by the Constable of Grouville and he has obviously done a lot of work on it. One of the questions I was interested in, if Jersey chose not to go with this new licence, was what would be the perceived difficulties with persons who drive within the E.U., and what sort of pressure was put upon Jersey, and the reasons for not retaining our own identity more than perhaps following the E.U? Perhaps the Member would give us some comfort on the identity of Jersey continually being eroded.

### **3.10 Senator P.F.C. Ozouf:**

Just to further add to Senator Cohen’s question on the issue of address, I know that U.K. driving licences have the address of the holder, and in this increasing world where you have to prove your address - and in the banking world, banks needing to know their customer - Jersey driving licences are used regularly as the proof with the photographic identification of the address. Is he aware of that, and is there any particular reason why the address is not shown on the licence as they do in the



U.K.? It may be that the new E.U. licences will not have the name and address, but there is a real issue about needing to prove your name, your home address and your photograph, which the current licence does, and would he answer the perhaps sensitive issues to the Parishes: is this a cost recovery exercise, or are the Parishes going to be making any money out of this?

**3.11 Deputy S. Power:**

Could the Minister clarify Regulation 3(d)?

**The Greffier of the States (in the Chair):**

We will come to the Regulations.

**Deputy S. Power:**

I need clarification on: "The applicant for the licence shall be required to provide to the parochial authority, together with his or her application, the documents or information required to satisfy the identification criteria by the Minister." Other than the old driving licence, what else will be needed? I would like that clarified, sir.

**The Greffier of the States (in the Chair):**

I call on the Minister to reply.

**3.12 Deputy G.W.J. de Faye:**

I think most of these questions will probably be answered as I go through the Regulations, so will it be helpful for the House, sir, if I just proceed on that basis, and I will go through the Regulations at this stage?

**The Greffier of the States (in the Chair):**

You are effectively asking Members to adopt the principles. If they have questions, they may be uneasy, but it is a matter for you.

**Deputy G.W.J. de Faye:**

Oh, you have found me out already. The identity checks that will be required for the licence are effectively as follows: either a full valid current passport will be required, a Jersey or other Channel Island, Isle of Man, U.K. birth or adoption certificate; an E.U. or E.E.A. (European Economic Area) national identity card; a travel document issued by the United Kingdom Home Office or a United Kingdom Certificate of Naturalisation. It is worth noting, as birth or adoption certificates are not absolute proof of identity, applicants may be asked to provide other documentation to prove their identity. I think it is rather hard to say to whom will these licences be acceptable, because of the varying requirements of various organisations as to what information they would require, but clearly, the licences themselves carry the following information: surname, first name, date and place of birth, date of issue of the licence and its date of expiry, the details of the issuing, effectively the Parish, the driver number, the number of the licences, the holder's signature, permanent place of residence and the categories of licence and so forth, plus indeed under items 12 and 13 - and all these are carried on the back of the licence - there will be a notification of any restrictions on the licence, and under 13, any endorsements. The reason that the central printing is going to be done at the Town Hall is essentially because the equipment used is rather expensive. At one time, it was considered that perhaps each Parish might have its own equipment, but frankly, that would have been a very prohibitively expensive operation, and it was considered much more sensible to carry out the printing requirements at a centralised location. I am not aware whether the Town Hall is charging a levy or not, but what I can say is that it is possible to - although this sounds like a complex process - fast track driving licence issuing at an extra charge so that you could have things done in one day. I think I have covered what information is on the new licence. I regret, as I have not had a driving licence for some time, I am not sure what it omitted compared to the old licence and I apologise, I cannot answer that one. In respect to the question posed by

Deputy Fox: did we look at the use of these cards as passport style? Yes, we did, because obviously it would be of immense convenience to be able to use a driving licence for day trips to France and so on. Regrettably, our discussions with the Immigration Department indicated that a Jersey driving licence would not be a suitable format to be used on an international passport basis. My understanding is that, yes, the old cards will continue to date of expiry, although it is my understanding that if you want to get, as it were, the paperwork done early, the Constables will probably be able to issue you with a card that will kick in from the expiry of your current licence. I believe that there is not really a great problem. I can deal with this later on in the Regulations. I do not think there is a serious difficulty in transferring between Parishes, and I am just trying to check whether there is in fact a cost to doing that, but I believe that is one of the things, that you can change your licence from one Parish to the next. Yes, indeed: an issue of a new style licence to a licence holder, changing address is a free operation. It is my understanding that these licences are will be entirely recognised by other countries. Indeed, that is one of the problems that Jersey residents have now, is because the driving licences do not look like this, it is the cause of most of the problems when driving licences are shown abroad. This looks like other E.U. driving licences and therefore is less likely to arouse any complications or suspicions with other authorities. There is an issue to do with provisional licences. The fee for that has gone up, but that is now only to simply cover the costs. It has gone up from £5 to £15; £5 simply did not cover the costs of issuing the licence. It is still for 6 months, however, and that is essentially in order to encourage drivers to get their driving tests done. I am happy to admit this; there was a backlog in our driver test over 6 months ago or so. That was due unfortunately to illness within the department. We have since recruited and the backlog has now gone away, I understand that driving tests are proceeding in an orderly manner although I very much regret to say that the pass rate still hovers around the 50 per cent mark which is not great news, and that is one of the reasons why we do get backlogs. I think I covered the endorsement aspect. I am very happy to pursue Senator Cohen's suggestion about looking at the font sizes for the hard of sight, of which clearly I am one and I will pursue that and see whether there is any mileage and follow on that particular aspect. Was there pressure on Jersey to change? Yes and no. Essentially, the entire procedure and system that supported the previous licence, as I indicated, the computer hardware and software basically fell over and became obsolete, so yes, in that sense there was quite considerable pressure to change. In the political sense, is this being driven by any outside demands or authority? No, we are in a position to adopt any sort of driving licence we see fit. We could all wear a marigold in our buttonhole if that was seen as appropriate. Jersey can deal with its driving licence in any way Jersey wants to, and I do not believe this should be fairly described as a cost recovery exercise for the Parishes. Indeed, I think it is fair to say that in the discussions that the Comité des Connétables had about what the charges should be, it has to be one of those rare occasions when while the opportunity presented itself, they resisted not only the temptation to put the price up, they did not even keep the price as it was, but they brought the price down, so I think that is something to be seriously commended and which the public should take great delight in. Well, thank you, there has been a note passed here, and when I puzzle it out, I will respond to it. I believe that has covered most of the questions, Sir, but I will give way, while I am standing, to anyone who feels that I have failed to answer.

**Deputy D.W. Mezbourian:**

I do feel that the Minister has failed to answer some of the points I raised. I want to know whether the Town Hall will levy a charge for this on the Parishes, and I ask that the Minister notifies the House of what that charge will be, and I see from the Constables that they are telling me there will be a charge levied. I want to know how much it is. My question remains. The Minister has not answered my other question as to how we will obtain our licences from the Town Hall. If I go to my Parish Hall to apply for a licence, am I then expected to make a visit to the Town Hall to collect it? I see the Constables shaking their heads. The Minister will probably be grateful that they are able to answer the questions that he has not.

**Deputy G.W.J. de Faye:**

Oh, I could have told you that.

**Deputy D.W. Mezbourian:**

In that case, Sir, I think the Minister has just confirmed that he paid no attention to my questions, otherwise he would have answered them, and I thank the Constables for their assistance.

**Deputy G.W.J. de Faye:**

I am grateful to Deputy Mezbourian for that intervention. I clearly misunderstood what she was getting at. I do lean towards the Constable of St. Helier to remind me whether he is levying charges on this or not.

**Connétable A.S. Crowcroft of St. Helier:**

Yes. If I could be of assistance to the Minister, the Constables have gone into the charging for licences in very great detail. The Parish of St. Helier is providing them under a service level agreement and merely intends to cover all direct costs of the production of the licences and so on, and that will be reviewed after 6 months just to make sure the Parish is not subsidising the States again.

**Deputy G.W.J. de Faye:**

I wonder if the Constable could remind me of the value of the service level agreement? Can he give me a licence charge?

**The Connétable of St. Helier:**

I think the Constable of Grouville is best placed to give the details to the Minister, if he does not have them yet, but certainly it makes sense to use the Parish of St. Helier as a central printing location, and the details are being hammered out. As I say, no indirect costs have been attributed to the printing, merely all the direct costs, things like the laminate he was referring to at the beginning, and so yes, the Parish is very pleased to be assisting in this way and also pleased that there is no hidden subsidy for the taxpayer here.

**The Greffier of the States (in the Chair):**

Connétable Grouville, can you clarify the arrangement?

**The Connétable of Grouville:**

Yes, and a point of clarification, I can tell the Assembly that in fact the costs per licence are going to be in the region £2, £2.10. However, there is no extra charge to the licence holder. This is all included in the very cheap £40 that you are paying, and I can just also tell the Deputy that she will not have to trek into town to get her licence. In fact, they will all be posted to her, but if there is a special deal that she needs, i.e. the same day service, she is going to have to pay a little bit extra for that, I am afraid.

**Deputy R.C. Duhamel:**

The Minister did not answer my questions either.

**The Greffier of the States (in the Chair):**

Do you want to remind him?

**Deputy R.C. Duhamel:**

I shall remind him, yes, Sir. It was to tell the House what a valid certificate of driving competency was, and secondly, whether or not in revoking Article 8(8) of the principal Law, in that persons

holding such licences and certificate will no longer be exempt from the requirement to pass a prescribed test over here to achieve a domestic driving permit, was there any reciprocal nature in other countries? For example, would provisional licence drivers and valid certificate driving competency owners have to pass similar prescribed tests in other E.U. or other jurisdictions?

**Deputy G.W.J. de Faye:**

As I understand, a certificate of competency is equivalent to a document outlining that you have passed a test, but we will not necessarily be accepting certificates of competency from other jurisdictions.

**Deputy R.C. Duhamel:**

About the address, I am sorry.

**The Greffier of the States (in the Chair):**

The issue of the address, Minister, on the card: full address?

**Deputy R.C. Duhamel:**

Home address. The U.K. driving licences have it, the Jersey ones have it, this one does not. It is important as a proof of identity and home location used by banks.

**Deputy G.W.J. de Faye:**

My understanding is that the licence will have the permanent residence. I think the case is that we know where you live, basically.

**Deputy R.C. Duhamel:**

Can I press the Minister? He still has not answered the second part of what I asked, the reciprocal nature of this particular action.

**The Greffier of the States (in the Chair):**

The reciprocal nature of the licence.

**Deputy R.C. Duhamel:**

Yes, to explain again to the Minister, who should really, I feel, have these answers at his fingertips, in revoking Article 8(8) it means that those persons who have a U.K. provisional driving licence or some other valid certificate, which the Minister began to explain - which is another piece of paper - those 2 items will not be deemed to be sufficient in order to escape passing a test of driving ability in Jersey. Now, the question is will the similar thing apply for a Jersey resident to pass equivalent tests in the U.K. if we revoke this particular items within the Law, or indeed, in any other E.U. jurisdiction?

**Deputy G.W.J. de Faye:**

My understanding in terms of Regulation 5, insofar as it revokes Article 8(8) of the principal Law and removes the provision whereby a person holding a U.K. driving test pass certificate and a U.K. provisional driving licence in the ability to exchange these for a full driving licence, this brings us in line with the U.K.'s treatment of holders of Jersey driving test pass certificates and Jersey provisional licences. The U.K. will not now issue a full licence to our people in these circumstances. This also reinforces our policy of reciprocity in driving licence exchange matters. I think that is what the Deputy is asking me.

**The Greffier of the States (in the Chair):**

I put the principles of the Regulations. Those Members in favour of adopting, kindly show, and against. The principles are adopted. Deputy Duhamel, this falls within the remit of your Scrutiny Panel. Do you wish to...

**Deputy R.C. Duhamel (Chairman of the Environment Scrutiny Panel):**

Bearing in mind the questions given to the candidates for the presidency of the Chairmen's Committee in terms of scrutinising legislation, I do not feel that there is enough in here to merit the attention or the sustained attention of that Panel, so I will decline the offer.

**Greffier of the States (in the Chair):**

Deputy Baudains, your light is on. We are about to move to the...

**Deputy G.C.L. Baudains:**

Yes, I was waiting to speak on the Regulations, which, as far as I am concerned, have not yet been formally proposed.

**The Greffier of the States (in the Chair):**

We are just coming to them.

**Deputy G.C.L. Baudains:**

Well, no, Sir. My understanding is that we were discussing the preamble and...

**The Greffier of the States (in the Chair):**

We are. I am just about to ask the Minister to propose the Regulations.

**Deputy G.C.L. Baudains:**

But I understood you to say that we have passed the Regulations.

**The Greffier of the States (in the Chair):**

No, excuse me, we have just passed the principles. I would just like to ask the Minister to propose the Regulations. How do you wish to propose them, Minister, *en bloc* or individually?

**Deputy G.W.J. de Faye:**

I will propose them *en bloc*, Sir, and I am happy to go through them one by one.

**The Greffier of the States (in the Chair):**

We can take it that you are proposing them as amended by your own amendment?

**Deputy G.W.J. de Faye:**

Yes. I should bring Members' attention to the amendment, which is simply to correct the date that is on the original proposition, which is now out of date.

**The Greffier of the States (in the Chair):**

Very well. Do you wish to say any more on the Regulations or are you simply proposing them?

**3.13 Deputy G.W.J. de Faye:**

Well, I think it would probably be helpful if I run through them, just so that, for the sake of clarification, and it may well be that it will cover something I have missed. Regulation 2 amends Article 1 by adding a definition of permanent residence to be used in driving licence matters. We have decided to use the description "permanent residence" because visiting drivers who are not going to stay in Jersey for more than 12 months are referred to as temporary visitors in the International Circulation Law - permanent being the opposite of temporary - it was felt this

description was the most appropriate one to use. The definition used to define permanent resident was drawn up in conjunction with advice from the Chief Immigration Officer. Regulation 3 amends Article 4 of the principal Law by requiring for the first time applicants to produce documentary evidence to prove their identity. This is to ensure the applicant is who they claim to be. It also combats identity theft and fraud. Driving licences, we do know, are often asked for by banks and airlines as proof of identification and we must make every effort to ensure Jersey Government issued documents properly identify their holders, the identification criteria will not be specified in legislation. It will be as approved by the Minister, but the criteria will mirror that required by the Immigration's passport section, and I have already covered some of the details. Noting the fact that the D1 application for a driving licence form will be de-prescribed and replaced with a new one to be approved by the Minister, this form will include a declaration by the applicant that he or she is a permanent resident of Jersey. Thirdly, the validity period of a driving licence has been increased from 5 years to 10 years. Under, in fact, the third E.U. directive on driving licences, all E.U. driving licences will have a 10-year validity. Regulation 4 adds a new Article 7(a), which ensures a Jersey driving licence will not be issued to anyone who is not a permanent resident of Jersey. The reason for this is to ensure that Jersey Government documents, which could be used to build-up an identity and a residential profile, should only be issued to those who stay in the Island and do not contravene the U.K. 1971 Immigration Act as extended to Jersey. Similarly, persons coming to Jersey for more than 12 months, or on contracts for more than 12 months, or indefinitely, or whose stay is not in contravention with the Immigration Act, must obtain a Jersey driving licence. The provisions of the International Circulation Law, which allows temporary visitors to drive for a maximum of 12 months on their own non-Jersey driving licences, will not be available to people who are here for more than 12 months. Seasonal and temporary workers who are here for less than 12 months can drive on their own non-Jersey driving licences under the provisions of the international law, but they will not be issued with Jersey driving licences. Regulation 5, revoking Article 8, I have already covered in response to Deputy Duhamel. Regulation 6 notes again that the D1 application form will be de-prescribed and replaced with one approved by the Minister. There will be consequential changes to the Motor Vehicles Driving Licences Jersey Order. The amendment to the Order details the style of the licences' costs, including provisional licences replacing lost or damaged licences and also, procedures for changing details on the licences. As far as the public is concerned, procedures for obtaining a licence will change little from that currently in operation. It will still be necessary to apply to your local Parish when you wish to apply for a licence, or renew your existing licence. You will complete a form, sign a declaration, provide an appropriate photograph and fee, and the Parish will scan the details on to the system. The form to be completed will have been approved by the Minister. I will just note some of the key fees. Grant of a licence, other than a provisional, valid for 10 years, will be £40. Grant of a provisional licence, valid for 6 months, will be £15. Issue of a new licence in the place of an old-style licence will cost £25. I think those are the key areas. Just to cover a few more brief points, there may be concern from Islanders, particularly pensioners, about the cost of renewing their licence. It is, in fact, 90 weeks until the next major round of renewals. This should give our elderly pensioners time to put aside some additional money to pay for a 10-year licence. We estimate they will have to put aside roughly 17 pence a week until the renewal date. All existing pink cardboard licences will remain legal and valid until their stated expiry date. There is no requirement to rush out and replace cardboard licences with the new one.

**The Greffier of the States (in the Chair):**

The Regulations are proposed and seconded. Does any Member wish to speak on the Regulations?

**3.13.1 Senator M.E. Vibert:**

Briefly, 2 things. I was a bit concerned. I am glad the Minister answered it, but perhaps he can give us some safeguards. The definition of permanent resident means someone who has resided in Jersey for more than 12 months or someone who intends to reside in Jersey for more than 12

months. The Minister mentioned guarding against building-up a residential profile. Perhaps he can explain what safeguards there will be against someone just simply saying they intend to reside here for 12 months, getting a Jersey licence, and then going off with it, trying to build-up such a residential profile. Just briefly, in the interests of trying to cut down on red tape and so on, and though I am sure we are all fans of Lynne Truss and her treatise on punctuation - "*Eats Shoots and Leaves*" - in Article 4 of the Principal Law, A(2)(b), is it really necessary in (1) in clause (3) for a semicolon to be changed to a comma? It seems to me to be overkill.

**3.13.2 Deputy G.C.L. Baudains:**

Just 3 items. On Regulation 4, something the previous speaker, Senator Vibert, has just alluded to; is this a new requirement, that of permanent residence? Because, presumably, it is already covered under the present one, and I look to the Minister for guidance. A scenario, for example, where you might have somebody come to work in Jersey, perhaps a Polish farm worker or something, passes his test in Jersey but he is not a resident. How does he get a licence? Presumably, that is presently covered. I do not understand. On Regulation 5, a matter which Deputy Duhamel has raised previously, I now understand that the situation is that if you have a provisional driving licence in one hand and a copy of your pass certificate in the other, that does not necessarily qualify you to have a licence if you come from the U.K. Does that also apply to other E.U. countries, or is that simply the U.K? Finally, could the Minister tell me, the Regulation 6; why the change?

**3.13.3 Deputy D.W. Mezbourian:**

Referring to Regulation 2, and Senator Vibert has touched on this, I am concerned over the proof that will be required for people showing that they intend to reside in Jersey. I would like to know what proof would be required for that. Touching on the 12 months as a permanent resident, will that necessarily be 12 consecutive months? Will it be the 12 consecutive months before application, or will it be any 12 months of residency?

**3.13.4 The Deputy of St. Mary:**

Just a quick one on the period of residency, as well. I believe, from my former life, that that is just an increase from, I think it was 6 months before. But, from personal experience, when you register a car in Jersey you have to produce a valid Jersey driving licence. If there were an exception that people might be here for 12 months, what happens if they need to buy a replacement vehicle and register it during that time, and they do not have a Jersey licence?

**3.13.5 Deputy K.C. Lewis:**

I believe a question was asked earlier on about endorsements. How will that work? Will there be a magnetic stripe, or what?

**3.13.6 Deputy R.C. Duhamel:**

We may have already covered it, but under Item 3 Article 4 amended, it says under (a)(i): "For the words 'be prescribed' there shall be substituted the words 'be prescribed'".

**Senator M.E. Vibert:**

That was the point I was making. The change, for Deputy Duhamel's benefit, is from a semicolon to a comma.

**The Greffier of the States (in the Chair):**

I call on the Minister to reply.

**3.14 Deputy G.W.J. de Faye:**

I can offer no explanation as to why we changed a semicolon to a comma, but I hope we have corrected something.

**Miss S.C. Nicolle, Q.C., H.M. Solicitor General:**

There is a reason for it. It is because - if Members are really troubled by it - as it is the existing sub-clause 3 is the final sub-clause in the list of sub-clauses. The first sub-clauses finish with commas and the final sub-clause finishes with a semicolon. Because these Regulations add a further sub-clause 4, it is sub-clause 4 that is now going to finish with a semicolon, and so sub-clause 3 finishes with a comma to show that the sub-clauses have not finished.

**Deputy G.W.J. de Faye:**

I am very grateful to the Solicitor General for that intervention, Sir, as I am sure the rest of the House is. There does appear to be a level of concern about being a permanent resident, and how you can intend to become a permanent resident. This is really dealt with in 2 areas. Clearly, if someone straightforwardly intends to be a permanent resident, that is a subjective declaration and we have to deal with it on that basis. But normally, people that are coming to the Island for more than 12 months, if they are not already resident, is because they have contracts of employment, and these things are normally fairly easily checked up on. However, the feature about this is that if you are intending to be in Jersey more than 12 months, or you say that you intend to be in Jersey more than 12 months then you have to obtain a Jersey driving licence. Your intention to stay effectively prevents you from using whatever driving licence you have already previously issued to you. Sir, I hope that makes that clear. I very much regret, in response to the Deputy of St. Mary, that I have no intimate knowledge of car dealings and dealership, and I am not entirely sure how this will impact on car sales and the ability to produce a driving licence or not. But, as I say, I cannot see any significant problem between the current situation and the situation we will have, other than the fact that the driving licence will be a plastic one instead of a cardboard one.

**Deputy G.C.L. Baudains:**

If I may press the Minister, while he touched upon the residency issue, it is unclear to me what would happen if a seasonal worker comes over and his employer would like him to have a licence, and he takes a test. It seems to me he cannot have a driving licence because he is not going to be a permanent resident. Also, the second one that I believe the Minister possibly missed in his long list of things to answer, the provisional driving licence and the certificate of competence no longer are acceptable. Does that only apply to the U.K., or does that apply to other E.U. nationals as well?

**Deputy G.W.J. de Faye:**

I am sorry I have not picked up on those points. The Deputy is quite right, it will apply to the U.K. and the E.U. countries, not forgetting, of course, that the U.K. is an E.U. country, so, therefore, one applies to the other. I will just remind the Deputy, there may have been an element I missed out here. Seasonal and temporary workers who are here for less than 12 months can drive on their non-Jersey driving licences. But, as long as they are seasonal and temporary workers and declare themselves to be such, who are here for less than 12 months, they will not be issued with Jersey driving licences. The situation changes when you indicate that you intend to be here for 12 months or more. Then you are required to have a Jersey driving licence. I hope that is clear now. The idea is that we ensure that those who stay in Jersey are governed by the 1971 Immigration Act, inasmuch as it places limits on their stay for less than 12 months. For instance, there are workers who come on a 9-month permit, and those workers are not issued Jersey Government documents which may be used to build up residency profiles. I hope that has clarified the situation.

**Deputy G.C.L. Baudains:**

It does to a certain extent, Sir, but I think the Minister is possibly misunderstanding me. I think he is assuming I am talking about a seasonal worker who may come over in possession of a driving licence from his home country. I am talking about those who come over and might pass a test over here. I presume they are unable to get a Jersey driving licence.



**Deputy G.W.J. de Faye:**

There is absolutely no problem for seasonal workers coming over here undertaking a local driving test and then acquiring a Jersey licence.

**The Greffier of the States (in the Chair):**

I have put Regulations as amended by the Ministers and Members of...

**The Deputy of St. Mary:**

Excuse me, Sir. Can I have just one final point on that? Am I wrong in thinking that when it says a licence shall not be granted to any applicant unless the applicant is a permanent resident of Jersey, does it mean you have to be a permanent resident of Jersey to get a licence?

**Deputy G.W.J. de Faye:**

There is nothing to prevent people undertaking the driving test. The question of obtaining the licence then is a determination on whether someone has an intention to stay in the Island or not.

**The Deputy of St. Mary:**

Sir, I just need to know, if Mr. X comes here from any particular country whatsoever, has no licence, takes the test here, he will still not be granted a licence?

**Deputy G.W.J. de Faye:**

It is feasible for a circumstance where someone has passed a Jersey driving test but is a temporary resident, and therefore would not be entitled to a Jersey licence.

**Deputy R.G. Le Hérissier:**

The Law says you cannot get a Jersey licence until you can establish residence after 12 months, but the Minister is suggesting that if you are a temporary resident you can take the test but you simply will not be issued with a licence.

**The Solicitor General:**

No, you cannot have a licence.

**Deputy K.C. Lewis:**

Would that be Human Rights compliant?

**The Greffier of the States (in the Chair):**

Well, I put the Regulations. Those Members in favour of adopting it, kindly show?

**Deputy GC.L. Baudains:**

Can we have the appel, Sir?

**The Greffier of the States (in the Chair):**

Yes, the appel has been called for. I ask Members to return to their designated seats for the votes. The vote is for or against the Regulations 1 to 7 as amended. I will ask the Greffier to open the voting.

<b>POUR: 30</b>		<b>CONTRE: 7</b>		<b>ABSTAIN: 1</b>
Senator L. Norman		Deputy of St. Martin		Deputy of St. Mary

Senator P.F. Routier		Deputy G.C.L. Baudains (C)		
Senator M.E. Vibert		Deputy G.P. Southern (H)		
Senator P.F.C. Ozouf		Deputy J.A.N. Le Fondré (L)		
Senator T.J. Le Main		Deputy D.W. Mezbourian (L)		
Senator B.E. Shenton		Deputy S. Pitman (H)		
Connétable of St. Mary		Deputy I.J. Gorst (C)		
Connétable of St. Peter				
Connétable of St. Clement				
Connétable of St. Helier				
Connétable of Trinity				
Connétable of St. Lawrence				
Connétable of Grouville				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. John				
Deputy R.C. Duhamel (S)				
Deputy A. Breckon (S)				
Deputy P.N. Troy (B)				
Deputy C.J. Scott Warren (S)				
Deputy R.G. Le Hérissier (S)				
Deputy J.B. Fox (H)				
Deputy S.C. Ferguson (B)				
Deputy of St. Ouen				
Deputy P.J.D. Ryan (H)				

Deputy of St. Peter				
Deputy G.W.J. de Faye (H)				
Deputy of Trinity				
Deputy A.J.D. Maclean (H)				
Deputy K.C. Lewis (S)				

**Deputy G.W.J. de Faye:**

I am grateful to the House and I would be even more grateful if the specimen driving licences would be returned to your table.

**Deputy G.P. Southern:**

May I ask the Minister to come back to the House with a clear statement that the regulations we have just passed are a human rights compliant? Because I think there may be a question of...

**The Greffier of the States (in the Chair):**

If the Minister would agree to do that?

**Deputy G.W.J. de Faye:**

Yes.

**APPOINTMENT OF MINISTERS, COMMITTEES AND PANELS - RESULT OF BALLOT**

**4. The Greffier of the States (in the Chair):**

I am able to announce to the Members the results of the ballot for the presidency of the Chairmen's Committee. There was one spoilt paper: 26 votes were cast for Deputy Ferguson; 21 for Deputy Ryan and I accordingly declare that Deputy Ferguson has been elected as President of the Chairmen's Committee.

**CONSIDERATION OF ADJOURNMENT**

**5. The Greffier of the States (in the Chair):**

Now, there are a number of other items remaining on the Order Paper, but it is 5.40 p.m.

**5.1 Deputy G.P. Southern:**

Yes, Sir, I am aware that perhaps the only contentious item on the agenda is electoral reform. I am concerned that before we go on to decide whether we are continuing tonight or coming back tomorrow - God forbid - that I ask the House... although in the past I have said: "This must be got on with", I am aware that I do not think it will get proper treatment tonight. Certainly, not from me, because I am about to hang myself **[Laughter]** and I do believe that it would be more appropriately addressed, and properly addressed, possibly on 1st May, where, once we have got rid of Jersey Telecom's proposed sale, there is a fairly light agenda, and it sits with the composition of the election of the States Assembly, which is already there. It sits along one, 2, 3, similar movements. So, I believe I have to ask permission from the House to defer debate on this matter I

want to do before we get on to decide whether we are ploughing on to the bitter end, or whatever we are doing.

**The Greffier of the States (in the Chair):**

Well, then, if the Members are content... that item is, in fact, your prerogative, Deputy, to defer it - if you wish to do that - to the first of May.

**Deputy G.P. Southern:**

In that case, I give notification that I am deferring it.

**The Greffier of the States (in the Chair):**

Very well, then. Do Members wish to proceed to deal with the other items?

**5.2 Senator L. Norman:**

In view of Deputy Southern moving that item it does seem to be that the remaining items are not terribly contentious. Therefore, rather than come back tomorrow or carry on tonight, if those items could be transferred as first items on 17th April I think that would be the most sensible way of proceeding, and I make that proposition, Sir.

**The Greffier of the States (in the Chair):**

Is that proposition seconded? **[Seconded]**

**5.3 The Connétable of St. Lawrence:**

I am not sure it is contentious or not, but the "Draft Centeniers (Terms of Office) (Jersey) Law 200", I think, we could deal with fairly quickly, and the sooner we deal with it, we can start making some amendments and go into our transitional period.

**The Greffier of the States (in the Chair):**

It is a Law, Constable, which has to go to Privy Council.

**The Connétable of St. Lawrence:**

I realise that, Sir, and in fact, it comes into effect 3 months after, but we have tried to work the timing so that it ties well with existing terms of office of Centeniers.

**The Greffier of the States (in the Chair):**

Well, are Members willing to take the "Draft Centeniers (Terms of Office) (Jersey) Law 200-" this evening and perhaps defer the other items to the start of the next of the next meeting? Is that the general consensus?

**Members:**

Yes.

**PUBLIC BUSINESS - (Resumption...)**

**6. Draft Centeniers (Terms of Office) (Jersey) Law 200- (P.20/2007)**

**The Greffier of the States (in the Chair):**

Very well, I ask the Greffier to read out the citation of P.20/2007.

**The Deputy Greffier of the States:**

Draft Centeniers (Terms of Office) (Jersey) Law 200-: a Law to provide for elections of Centeniers to be held at fixed intervals, that is for connected purposes. The States, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following Law.

**The Greffier of the States (in the Chair):**

Vice-Chairman, you are presenting this item for approval?

### **6.1 The Connétable of St. Lawrence:**

Yes, Sir, that is right, and I thank the indulgence of the House to allow me to present it this evening. First of all, the history of the role of the Centenier - which is a very responsible and time-consuming role - is set out in the report. You may recall that there were some difficulties a couple of years ago, particularly in St. John, which was fined by the Royal Court for not finding somebody to stand for election for Centenier. After the third attempt, the Parish was fined £5,000. St. Helier was almost in the same position, as was St. Lawrence. We found ourselves in St. Lawrence with all 4 Centeniers' terms of office expiring very close together, and I personally found it very difficult to find 4 Centeniers very quickly to fill the role. In addition to that, of course, I did manage to find the 4 and the Parish was not fined, but it meant that we had 4 relatively inexperienced Centeniers, none of whom had served in the Honorary Police previously. I was very fortunate because all 4 have turned out to be excellent officers, and I am very grateful to them for that. Nevertheless, there is a potential problem there that each Parish can potentially face in the future, because the terms of office are relatively all over the place, and so they can come together in one Parish at virtually the same time. That is not a good situation. As a result of the problems we have encountered, we formed a working group of the Honorary Police, which I chaired, and we looked at the problem and how we might solve that. We came to the conclusion that the best way was to establish fixed date for the election of Centeniers 9 months apart. This fits in well with the fact that 10 Parishes out of the 12 have 4 Centeniers, so that over a 3-year term of office, 9 months was the obvious bit to work to. The same can also be used in St. Helier and St. Saviour, both of which have more than 4 Centeniers. In order to achieve this 9 months between each election, we need to have a transitional period, and that needs to be 3 years. As a result, each Centenier, once the transitional period starts, the particular role will be for a broken period less than 3 years. It could possibly be 3 years but it will normally be less than 3 years, and that will mean that we are only looking for one person to stand for election at a time, and they will be relatively spaced. The objective being that they will be spaced by 9 months when we get to the end of the 3-year period. The benefits of the proposal are set out in the report, particularly at sections 45, 46, 47, and 48, and I will just read them to you: "This draft Law will bring a long-needed coherence and the certainty to the timing of the election is for Centeniers. Secondly, it will prevent the situation arising, as it has often in the past, in which a Parish has found that all its Centeniers' terms of office have expired within a short time of each other. An election every 9 months will reduce the problems which have been experienced when seeking to fill several vacancies at the same time. Thirdly, it will ensure that a Parish always has some experienced Centeniers in office who will provide consistency and be able to support newly elected officers. Finally, it will provide an excellent opportunity to lift the profile of the Centeniers of the Island and the Honorary Police as a whole, as the election dates will be the same in all 12 Parishes." I do not wish to keep you any longer than that. Obviously, I will answer questions if there are any, but on that basis, I propose the principles.

### **The Greffier of the States (in the Chair):**

Are the principles seconded? [**Seconded**] Does any Member wish to speak on these principles of the draft Law?

### **6.2 The Deputy of St. Martin:**

As Members know, our Panel has been carrying out a review of the role of the Centeniers in the Magistrate's Court, and indeed, the election of Centeniers is very much a feature of our review. In fact, we are expressing concerns about the pressure put on Parishes about having to find a Centenier when they are given time. Obviously I think the proposition will not necessarily solve that problem but we do believe it will go some way in assisting the Parishes. Therefore, it certainly has my support, if nobody else's. The other thing - which is a point which I do not think the Constables have mentioned, but I do think it is critical that this is supported by everyone in the House - is really the effect it will have on helping to establish regular training patterns, because I think the Centeniers are trying to get into a regular pattern of training. If they can ensure that you have a

tranche of Centeniers coming in at a certain time - like the States of Jersey police have - they can then arrange the training around the recruitment. So I think this, again, will be a great big plus for the Centeniers. I compliment the Committee of Connétables on bringing forward this because I think they are 2 big pluses.

### **6.3 Senator P.F.C. Ozouf:**

Just very briefly, I agree with all of this, but did the Vice-Chairman and did the Committee of Connétables consider also removing the right of the Royal Court to fine Parishes and to summon Constables to the Royal Court when they cannot find a Centenier, as I witnessed when I was in the Royal Court that the Constable of St. John had been in that position? Surely, that also needs to be dealt with. It is a ridiculous situation.

### **6.4 Deputy G.C.L. Baudains:**

While the proposition broadly has my support, I am curious as to the reasons behind paragraph 48 of the report. I can obviously understand paragraphs 46 and 47, the reasons why you do not want all the Centeniers in one particular Parish to be replaced at a time near to each other, but I am not quite sure how having it at an Island-wide date is going to raise the profile. I remain to be persuaded on that. It is like us, where we all meet in one assembly. The Centeniers do not all meet in one assembly, so I fail to see the relevance of that.

### **6.5 The Connétable of St. Peter:**

I believe that if Members cast their minds back for a moment, to the change in the Parish Rate Assessors Law, which was brought about whereby we had this process of election where there was a 3, 2 and one, in order to make it a lot easier and get the continuity. Because you did not have situations where all the assessors were giving up on a particular year, and a Parish was bound then with 5 complete strangers to the position. Now, this is going to clearly operate on a similar pattern to that, and I believe that if we look back now, we would not wish to go back to the old rate assessment election process. I see nothing but benefit to everyone concerned, Sir.

### **The Greffier of the States (in the Chair):**

I call on the Vice-Chairman to reply, if you wish, Vice-Chairman.

### **6.6 The Connétable of St. Lawrence:**

Thank you to all those who have spoken. The Deputy of St. Martin, thank you in particular for your support and pointing out the benefits of regular training patterns, which obviously flow out of this, which will be an additional benefit to this proposal. The Minister for Economic Development, Senator Ozouf; yes, the problem about Royal Court fines. Now, as I understand it, the reason there is a fine from the Royal Court is because a Parish is in contempt of court if an election does not take place. It is part of the court process and we have certainly not sought to change the court process. Hopefully, this will get over the problem without having to do that. Deputy Baudains made the point about the value of Island-wide elections, whether that was going to raise the profile of Centeniers and the Honorary Police. I think, rather like having an Island-wide election for States Members, that might have the same effect. I do not know. It is something that we will test out anyway to see whether it works or not. The idea certainly will be that if there is an election for a Centenier in one Parish, as is now, that is of no particular interest and is not seen necessarily by other parishioners across the Island. Which is why there will be an election for a Centenier in every single Parish in the Island on the same day. That is the proposal, so it is hoped that it will raise the profile. It may not do so, but it is something that is worth trying, and certainly will have many other benefits, as was pointed out in the report. I thank the Constable of St. Peter for his comments. Yes, he is quite right about appointing the assessors. Again, when I came into office, I was in danger of losing all my assessors after the first year, which was a horrific thought because they were the only ones who really knew what assessing was all about in the Parish. Fortunately one of the assessors decided to stay on, but that is no longer the risk that we had in the past. Therefore,

that will definitely be a benefit in terms of electing Centeniers, by spreading the election process in the way described in the Law. Thank you for all those contributions.

**The Greffier of the States (in the Chair):**

I put the principles to the Law. All those in favour? The appel has been called for. Members are in their designated seats. The Greffier will open the voting for or against the principles of the Law.

<b>POUR: 30</b>	<b>CONTRE: 0</b>	<b>ABSTAIN: 0</b>
Senator L. Norman		
Senator F.H. Walker		
Senator P.F. Routier		
Senator M.E. Vibert		
Senator P.F.C. Ozouf		
Senator T.J. Le Main		
Senator B.E. Shenton		
Connétable of St. Mary		
Connétable of St. Peter		
Connétable of St. Clement		
Connétable of Grouville		
Connétable of St. Brelade		
Connétable of St. John		
Deputy R.C. Duhamel (S)		
Deputy A. Breckon (S)		
Deputy of St. Martin		
Deputy G.C.L. Baudains (C)		
Deputy P.N. Troy (B)		
Deputy C.J. Scott Warren (S)		
Deputy R.G. Le Hérissier (S)		
Deputy J.B. Fox (H)		
Deputy G.P. Southern (H)		

Deputy S.C. Ferguson (B)			
Deputy of St. Ouen			
Deputy P.J.D. Ryan (H)			
Deputy G.W.J. de Faye (H)			
Deputy J.A.N. Le Fondré (L)			
Deputy D.W. Mezbourian (L)			
Deputy of Trinity			
Deputy S. Pitman (H)			
Deputy A.J.D. Maclean (H)			
Deputy K.C. Lewis (S)			
Deputy I.J. Gorst (C)			

**The Greffier of the States (in the Chair):**

I think this falls in the remit of the Education and Home Affairs Panel. You do not wish to scrutinise the draft?

**Deputy F.J. Hill of St. Martin (Chairman of the Education and Home Affairs Scrutiny Panel):**

We do not wish to do so.

**The Greffier of the States (in the Chair):**

Very well. I therefore invite the Vice-Chairman to propose the Articles. Do you wish to propose them *en bloc*, Vice-Chairman?

**The Connétable of St. Lawrence:**

Yes, Sir, I propose the Articles *en bloc* and the Schedule, Sir.

**The Greffier of the States (in the Chair):**

**[Seconded]** Does anyone wish to speak on the Articles or the Schedule? I put the Articles and the Schedule. Would those Members in favour of adopting them kindly show? Any against? The draft is adopted in Second Reading. Do you propose it in Third Reading, Vice-Chairman?

**The Connétable of St. Lawrence:**

I do, Sir.

**The Greffier of the States (in the Chair):**

**[Seconded]** Does anyone wish to speak? I put the draft in Third Reading. Those Members in favour of adopting it, kindly show. Any against? The draft is adopted in Third Reading.

**ADJOURNMENT**



**The Greffier of the States (in the Chair):**

Well, as agreed by Members, that concludes the consideration of Public Business. The only item remaining is to agree the arrangement of public business for future meetings. Mr. Chairman?

**ARRANGEMENT OF PUBLIC BUSINESS FOR FUTURE MEETINGS**

**7. Connétable D.F. Gray of St. Clement (Chairman of the Privileges and Procedures Committee):**

Thank you, Sir. I would like to propose the meetings as outlined on the pink sheet under M with the addition of the 3 items for the next meeting; which are P.15 - the Draft Sea Fisheries; P.21 - the Draft Réglements (200-) sur le tarif des honoraires, *et cetera*; and P.24 - the Draft Employment (Amendment No. 3). We also agreed this afternoon that P4 - which was Electoral Reform - would be moved to 1st May, and as a procedural issue, P28 - which is the JT Group Limited, Jersey Telecom's proposed sale, is moved - as I stress, as a procedural matter - to the last sitting in this session, which is 17th July.

**The Greffier of the States (in the Chair):**

Are there any issues arising on the arrangement of business as proposed?

**7.1 Deputy A. Breckon:**

Just to give the House notice that I have tabled an amendment which is working its way through the system to the Annual Business Plan - the Property Plan - which is P.34, and I would hope that that would be tabled at the same time, Sir.

**The Greffier of the States (in the Chair):**

It will be taken with the draft Plan, Deputy.

**ADJOURNMENT**

**The Greffier of the States (in the Chair):**

If there are no issues arising, the arrangement is agreed and the meeting is concluded, and the Assembly will reconvene on 17th April 2007.