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**Public Accounts Committee**

Estate Management

**Witness: Director, Growth, Housing and Environment**

# Monday, 15th July 2019

**Panel:**

Senator S.C. Ferguson (Chairman)

Deputy R.E. Huelin of St. Peter

Connétable J. Le Bailly of St. Mary

Deputy I. Gardiner of St. Helier

Ms. M. Scott

Mr. A. Lane

**Witnesses:**

Ms. K. McConnell, Comptroller and Auditor General

Mr. J. Rogers, Director, Growth, Housing and Environment

Mr. T. Daniels, Acting Director, Jersey Property Holdings

[14:00]

**Senator S.C. Ferguson (Chairman):**

Welcome to this hearing of the Public Accounts Committee to debate or to ask questions about estate management. For the benefit of the people who are doing the transcription; I am Senator Sarah Ferguson, the chairman.

**Deputy I. Gardiner of St. Helier:**

Deputy Inna Gardiner, member of the committee.

**Connétable J. Le Bailly of St. Mary:**

Constable John Le Bailly of St. Mary.

**Deputy R.E. Huelin of St. Peter:**

Deputy Rowland Huelin of St. Peter.

**Mr. A. Lane:**

Adrian Lane, independent member.

**P.A.C. Officer:**

Caro Tomlinson, P.A.C. (Public Accounts Committee) officer.

**Acting Director, Jersey Property Holdings:**

Tim Daniels, I am the assistant director interim of Property Holdings.

**Director, Growth, Housing and Environment:**

John Rogers, director general of Growth, Housing and Environment.

**Senator S.C. Ferguson:**

May I suggest that you put the microphone nearer.

**Ms. M. Scott:**

I am Moz Scott, an independent member of the P.A.C.

**Comptroller and Auditor General:**

Karen McConnell, Comptroller and Auditor General.

**Senator S.C. Ferguson:**

I presume you have read the warning notice. If not now then previously but it has not changed. Mr. Rogers, can you briefly identify the principal corporate objectives that have been established within the target operating model that you have?

**Director, Growth, Housing and Environment:**

Is this for the property section for the whole of ...?

**Senator S.C. Ferguson:**

Yes.

**Director, Growth, Housing and Environment:**

Just bear with me. Within Property since the meeting 6 months ago, we focused on setting the mission and objectives of the property area, which was an amalgamation of the various different departments. The objectives focus around customer, operational, strategic, financial and innovation. But they are underneath a mission and underneath a vision as well, which is to create an efficient and sustainable estate that delivers value for money, enhances our community and respects our heritage.

**Senator S.C. Ferguson:**

I notice you have a very useful memo on that, I wonder if we could have a copy of it please.

**Director, Growth, Housing and Environment:**

Yes, we have a position statement here and the structures and the thoughts that we have been doing over the last 6 months. The only thing we have to do is present it to the Minister, which we have not done as yet, so as soon as we have done that we will issue it to yourselves, if that is acceptable.

**Senator S.C. Ferguson:**

Yes, that is fine. Who has responsibility to deliver the objectives of the T.O.M. (target operating model)?

**Director, Growth, Housing and Environment:**

The responsibilities stick with me and Mr. Daniels, who is currently interim and has replaced the previous director.

**Senator S.C. Ferguson:**

Has the Concerto database of land and buildings been created, validated and operated within the last 6 months?

**Acting Director, Jersey Property Holdings:**

The Concerto database is currently in a trial configuration and used by the Health Department, elements of the Maintenance Department, parts of the Infrastructure Department. So it requires a co-ordination of data from JD Edwards, from TrustForm, from standalone Excel databases. But the data-cleansing process is ongoing to ensure we have got a complete and available suite of data that can be used. So the Concerto is in the throes of being introduced. It is not yet fully operational and has replaced the existing systems that the States currently use.

**Senator S.C. Ferguson:**

Does it include all the operational property assets, including, for instance, sewerage?

**Director, Growth, Housing and Environment:**

No.

**Senator S.C. Ferguson:**

How long before it is properly operational?

**Acting Director, Jersey Property Holdings:**

The intent is to get it fully operational by the end of the year. I am sure you are aware I.T. (information technology) systems do not always comply with the requirements of the users. There are elements that are being reviewed/revised but following on from the C. and A.G.’s (Comptroller and Auditor General) report and the interest that the P.A.C. has taken, it is clearly a priority, and is being addressed as a matter of priority.

**The Deputy of St. Peter:**

One of the concerns of the Island, it is rumoured, because we do not know this, there are upwards of 25 properties in States ownership - the whole of the States - that are unoccupied. Can you talk us through that because if that is the case that is a huge asset that is not being put to good use in the Island’s finances or if you could share what reasons it may be of benefit to have them empty because they are due for being repurposed elsewhere? Can you put some comfort into the eyes that these empty properties are under control?

**Acting Director, Jersey Property Holdings:**

Those properties are part of the St. Saviour’s hospital estate and the Overdale estate. There are buildings that are standalone within those sort of demises that are boarded up because they are awaiting an ultimate decision on disposal or find another use. In terms of the actual properties, if you like, that are standalone or office, PK House is a ...

**The Deputy of St. Peter:**

Which one, sorry?

**Acting Director, Jersey Property Holdings:**

PK house is an example. That is currently awaiting a capital budget decision for the Bailiff to use it as a family court. I would say that there are no properties that are currently lying fallow with no understanding of their future use. It is just that the process of pressing them into business is taking time.

**The Deputy of St. Peter:**

Is that also including the arm’s length businesses? Buildings that are within, say, the “ownership” of Ports?

**Director, Growth, Housing and Environment:**

We had a challenge looking at our strategy, whether they were in or out of scope. They are currently being handed as assets across the Ports and they are currently dealing with them. I think there is a bigger question around that. Whether or not there should be a more integrated strategic look at all the properties owned by the States and managed in a way which certainly from a political and a board framework we can look at the best way.

**The Deputy of St. Peter:**

I believe you wanted to cover that later.

**Senator S.C. Ferguson:**

No, it is okay.

**Ms. M. Scott:**

I am interested. You say there is a question on whether there should be. So the question is should there be?

**Director, Growth, Housing and Environment:**

We have not articulated that question beyond the officers who will be dealing with it. They are all States-owned properties but the controlling mind on the ports one has been given to Ports, very clearly, as have the Andium ones, and S.o.J.D.C. (States of Jersey Development Company) have their own. But I think there is a layer we are probably missing on the top, which is a more strategic layer, which looks at the whole assets that the States have.

**Senator S.C. Ferguson:**

Given the fact that all these assets are owned by the States of Jersey and ultimately the taxpayer, and that in effect the arm’s length organisations are wholly-owned subsidiaries of a group holding company, which is the States of Jersey, why are we not moving towards the recommendation of the Auditor General that we should have an overarching estates strategy and an overarching committee, which follows the States strategy for property?

**Acting Director, Jersey Property Holdings:**

We are in the process of putting together that strategy body. We have initial objectives and they need to be approved by the Political Oversight Group, as of you. I think it recognises the fact that there are a number of silo approaches to the various assets that we own and that is definitely an anachronism. There will be a corporate asset management group that is brought into being to make sure that we do not have little independent approaches to ...

**Senator S.C. Ferguson:**

Yes, but is that going to include the arm’s length organisations?

**Director, Growth, Housing and Environment:**

Yes. That is the proposal.

**Ms. M. Scott:**

I am sorry, I am confused because on one hand you are saying putting together this group and it sounds like it will be covering all the properties but on the other hand you said there was a question. Is this happening or is it not? Are all these properties coming under a complete strategy that is managed by this particular group?

**Director, Growth, Housing and Environment:**

That is the proposal, yes.

**Ms. M. Scott:**

It is a proposal?

**Director, Growth, Housing and Environment:**

That is the proposal, which we have not had political sign-off for yet. We are proposing to do that.

**Ms. M. Scott:**

When?

**The Deputy of St. Peter:**

What is the process for doing that?

**Director, Growth, Housing and Environment:**

We will take it to the Council of Ministers and then hopefully set up a variation to the existing Regeneration Steering Group and give that a wider remit to look at all these properties and have the controlling mind over the whole properties as the States as a whole.

**Ms. M. Scott:**

When is that happening?

**Director, Growth, Housing and Environment:**

We are trying to get a meeting before the summer recess but that is proving quite difficult with everything going on with the Government Plan, et cetera, but that is the aim.

**The Deputy of St. Peter:**

Do you have a document ready to take to the Council of Ministers?

**Director, Growth, Housing and Environment:**

We do.

**The Deputy of St. Peter:**

So that is ready to present tomorrow?

**Director, Growth, Housing and Environment:**

Well not tomorrow because it has to go through a process but, yes.

**The Deputy of St. Peter:**

But ready to take it to the Council of Ministers as and when you have got a scheduled time with that?

**Director, Growth, Housing and Environment:**

Yes.

**Ms. M. Scott:**

You said it has to go through a process. Could you just quickly run through that process?

**Director, Growth, Housing and Environment:**

It generally goes to the extended management team, which Charlie chairs, whole papers before they go to the Council of Ministers should go through that process and then from there it goes to the Council of Ministers on their agenda.

**Ms. M. Scott:**

So it first of all has to go to this external management team?

**Director, Growth, Housing and Environment:**

It goes to the Civil Service Board. Generally the papers that go to the Council of Ministers tend to go through the civil service management team first.

**Ms. M. Scott:**

The Civil Service Board is not looking at it because they are too busy with the Government Plan, is that what you are saying?

**Director, Growth, Housing and Environment:**

No, this work has recently been completed. We are working to present you with this information today and to have a meeting explaining what we have done. That then goes into the system, which then is presented to the management team. It then goes into the Council of Ministers agenda.

**Ms. M. Scott:**

To get to the external management team the system is what?

**Director, Growth, Housing and Environment:**

I present a report to the management team.

**Ms. M. Scott:**

It is not the system, you have to present the report. So how do you do that?

**Director, Growth, Housing and Environment:**

I submit a report to my colleagues and then the team will go and present it.

**Ms. M. Scott:**

But that has not been submitted yet?

**Director, Growth, Housing and Environment:**

No.

**Ms. M. Scott:**

So what is preventing you from submitting it?

**Director, Growth, Housing and Environment:**

Nothing, apart from we have just recently completed it. Our aim was today and your comments will be most welcome as of today, whether you endorse it or not.

**Senator S.C. Ferguson:**

This is effectively the Corporate Asset Group Plan?

**Director, Growth, Housing and Environment:**

Yes.

**Senator S.C. Ferguson:**

So you have done it within the 6 months?

**Director, Growth, Housing and Environment:**

Yes.

**Senator S.C. Ferguson:**

Well done.

**The Deputy of St. Peter:**

Would you share with us the headlines of that report? The recommendations?

**Director, Growth, Housing and Environment:**

Yes, we can. Tim, do you want to do that?

**Acting Director, Jersey Property Holdings:**

I think that the board consideration is the fact that we have a wide-ranging estate. It has over the years suffered from a ... or has deteriorated over the years. We need to assess those areas of the estate that we need to review.

[14:15]

We need to do more detailed work on the state of the estate. That is where Concerto and the information that that will deliver will give us the basis.

**The Deputy of St. Peter:**

What do you mean “the state of the estate”?

**Senator S.C. Ferguson:**

Forgive me, you were starting to install Concerto in 2012, why has it taken so long.

**Acting Director, Jersey Property Holdings:**

Apologies, I am not an I.T. consultant. I do not know. I joined just after Christmas so I am dealing with what I find.

**Senator S.C. Ferguson:**

Okay, fine. Thank you.

**Director, Growth, Housing and Environment:**

Concerto’s initial remit was to do statutory stuff. It has grown. It is a database and a system which has grown to do other things, such as to map our maintenance stuff and it is recording more of the asset bases. We were in 2 systems in parallel and that, as everybody knows, is not the best way of doing it. But there were issues along the line of staffing and money and adoption. So it has been a very slow adoption. We have spent enough in the last 2 years to roll Concerto out as our consolidated asset management platform.

**Senator S.C. Ferguson:**

Have you now got all the property assets of the States, as opposed to the arm’s length organisations, within your remit?

**Acting Director, Jersey Property Holdings:**

I do not have the responsibility for infrastructure assets but I have all the other ... it is planned under the new target operating model. As an interim, I would be very grateful for the opportunity to take the position full time. But as it stands, the assets will fall under Jersey Property Holdings under G.H.E. (Growth, Housing and Environment).

**Senator S.C. Ferguson:**

But all the States-owned assets, as opposed to the arm’s length organisation ones, are not yet under your control?

**Director, Growth, Housing and Environment:**

Except infrastructure assets, which is roads, sea defences and sewers, and some of the peculiarities of waste management.

**Ms. M. Scott:**

You just said you were assessing the state of the estate, so you are saying this process has not been done?

**Acting Director, Jersey Property Holdings:**

It has been started. There are premises ranging from bus shelters to forts. That process is ongoing.

**The Deputy of St. Peter:**

Can I ask you to define “the state of the estate”? I say that could be the structural condition of the estate; what are you meaning by the “state of the estate”?

**Acting Director, Jersey Property Holdings:**

Exactly that. The condition, whether or not the buildings conform to the various regulations requirements, the energy efficiency of premises, the state of energy use, the state of the envelope. It is as broad as ...

**Senator S.C. Ferguson:**

Sorry, if I interpret you because we do not have a lot of time. When will you have an estimate of the amount of maintenance to bring the buildings into a reasonable state? I am not saying a top state, I am saying a reasonable state.

**Acting Director, Jersey Property Holdings:**

We are hoping to get it done in the next 12 months or so but it is ...

**Senator S.C. Ferguson:**

Can you give me a time?

**Director, Growth, Housing and Environment:**

Not without ... the challenge is the resources you need and part of the strategy is to decide on each property. There is no point doing a property up to then repurpose it, sell it, demolish it. So we have to look at the whole estate and decide which ... instead of doing it on a departmental basis but see what is the best use of that property. Is this stuff we can do together? Are there different parts of the business that can work together on that one property. We are not going to be doing up every single building to make it perfect but not fit for purpose. Our challenge is to look at the estate. If buildings are not fit for purpose, we do not have a use for them in the future, we need to sell them. We need to get rid of them. We need to repurpose them. If buildings are in the right place or doing the right thing but need modifications, we need to do that work. So there are a range of solutions, which is not just doing them up. The existing ones we are going to use we need to make sure they are maintained to a high standard so that we do not cost ourselves the money we have done in the past.

**The Deputy of St. Peter:**

Can I ask one more?

**Senator S.C. Ferguson:**

Just one.

**The Deputy of St. Peter:**

What I would like to know is do you have any guidelines or terms against which you are going to decide whether something is fit for repurpose, reconditioning or disposal? Are there any metrics, guidelines that you will be working to?

**Director, Growth, Housing and Environment:**

We set some questions within our strategy on that. But the key thing is what is the departmental and customer needs. That is the key question we have to ask so that the estate just does not stay, we have always had something there. It is the best thing for the customer. We have a lot of buildings that are perhaps in the wrong place doing the wrong thing so part of it is need but also part of it is ...

**The Deputy of St. Peter:**

That is part of the decision criteria? I was wondering if you documented your decision criteria; it is a simple question.

**Director, Growth, Housing and Environment:**

Yes.

**Senator S.C. Ferguson:**

Mr. Daniels, can you summarise, when you took office as acting director of Jersey Property Holdings, what your remit is and what you have done since taking office?

**Acting Director, Jersey Property Holdings:**

My remit, one of the first things that I was shown was the C. and A.G.’s report and it was indicated there was a lot of work to be done . The key requirement is to understand the estate, to be able to document the estate, to be able to answer the questions that are coming at me from across the table here The key thing that I have done is to put in place a project team to start drafting the estate strategy, to bring about the consolidated and corporate approach to our estate management, which in the past has been somewhat piecemeal; Education, Health and various departments have looked after their own estates in the past. That clearly has to change and we are in the process of putting together a consolidated approach so that we can get a full view of what our estate is. We can identify what the priorities are and move on with the estate management. So it has been to create the conditions for us to establish a corporate landlord to have a much more organised approach to our management of our assets, to understanding what we need and to start to be able to recommend how those assets should be managed, disposed of, refurbished or repurposed.

**Senator S.C. Ferguson:**

Thank you. Mr. Rogers, what is the succession planning to the office of director? Where are you with the recruitment process? Sorry, it is an awkward one to ask you, but never mind.

**Acting Director, Jersey Property Holdings:**

I listen with interest.

**Director, Growth, Housing and Environment:**

It is a recruitment done in public. The last time we met it was the time when the previous director was leaving us. Since that time we have reviewed the structure and split the role so there is a head of Jersey Property Holdings role, which is vacant, which currently Tim is acting into. There is a separate role now for the head of capital for major capital projects. That was a combined role, it has now been split because of the scale of the role. We did some market testing before Christmas to try and find somebody to appoint, and could not, into that dual role. We are currently about a week off going out to recruitment for both of the roles. It is imminent and not before time as well.

**The Deputy of St. Peter:**

You are splitting the role previously held by Tim’s predecessor?

**Director, Growth, Housing and Environment:**

That is correct, yes.

**The Deputy of St. Peter:**

Can you explain why that is required? Was it because you cannot find the individual skillsets to do both roles? Or is the role too onerous for one person?

**Director, Growth, Housing and Environment:**

A combination of both. If you look at the scale of the capital projects we are facing over the next 5 to 10 years, and the major capital projects that are coming down the tracks, that is a huge amount of work and lessons learnt. We have not made adequate progress in Property Holdings because we have been putting huge amounts of pressures on a small team who did not have the resources.

**The Deputy of St. Peter:**

Or I suppose we are streamlining the Government.

**Ms. M. Scott:**

How exactly are these roles split between your head of J.P.H. (Jersey Property Holdings) and the head of capital?

**Director, Growth, Housing and Environment:**

They sit alongside each other in my tier 2 level.

**Ms. M. Scott:**

What does the head of J.P.H., what is the responsibility of his ...

**Director, Growth, Housing and Environment:**

Corporate landlord effectively.

**Acting Director, Jersey Property Holdings:**

Yes, it is corporate landlord, management of the estate. It is the existing estate as opposed to capital projects; the hospital, Fort Regent, a number of those.

**Ms. M. Scott:**

We talked about the establishment of a corporate landlord function, this is something separate you are saying.

**Acting Director, Jersey Property Holdings:**

No, it is part of the role; part of the estate management or part of the Jersey Property Holdings’ role.

**Deputy I. Gardiner:**

Fort Regent is part of Jersey Property Holdings, would it move to head of capital? How would it work?

**Acting Director, Jersey Property Holdings:**

Jersey Property Holdings would retain the overall responsibility of the premises in terms of the project management of what is going to happen to the board in terms of dealing with contractors and the management of the development that would lie with the capital projects. So Property Holdings is purely the fabric of the estate.

**Director, Growth, Housing and Environment:**

So the capital role is ... effectively the client is the role that Tim is currently undertaking and for the capital project team their client would be Tim, at the moment, but their responsibility is to deliver the project on behalf of the client. The capital project role would span not just Property Holdings but it also delivers the stream of works ...

**Ms. M. Scott:**

Who is the client? In 2 different circumstances you refer to the customer and now you have referred to the client. Can I just get a bit more clarity about who is the client and who is the customer of J.P.H.?

**Director, Growth, Housing and Environment:**

So the head of capital, the capital projects are in there and there are a whole suite of projects. They will work looking at the capital projects, delivering for a range of clients, so those clients might be the Health Department, they might be Tim for an office, they might be the infrastructure area, that is the ... there are some really good learnings from that so that the client function does not have the controlling mind over the capital delivery because then you can keep a stricter control on expenditure and on specification. It is the way we have worked predominantly over the last 10 years successfully. So responsibility of the project stays with the capital delivery person but they are delivering to the specification driven by Tim or whoever is in that other role.

**Ms. M. Scott:**

Which is separate from this corporate plan or function, which is this corporate asset management group?

**Acting Director, Jersey Property Holdings:**

The corporate landlord function is to make sure that for the States estate that we have an up-to-date knowledge of what the regulations are for occupation, to make sure that we conform to energies criteria, to make sure that asbestos is kept tracked of, to make sure that the landlord function for the properties is discharged, as it should be. Some of the capital activity, if you like, is a major project that would deliver a new function or an alternative function from real estate. So the corporate landlord is part of the function of Jersey Property Holdings. The other side, if you like, is to be able to look into the future to try and determine what the future requirements are at the moment. There is very much a sense that we are reactive, that we are not driving where we need to be attending at the time, that we are looking at challenges that we have in terms of upkeep of maintenance and we are reacting. On the one hand, the corporate landlord is there to make sure that our properties are used, maintained, delivered in the required fashion. The other part of Property Holdings is to make sure that we are looking forward so that we can determine what our future needs are. But that is clear, in my mind, separate from the function of capital projects.

[14:30]

Which is a large-scale project that may come out of political requirement or a change in use or an identified one.

**Mr. A. Lane:**

Mr. Rogers, when we last met you told us that the appointment of a new director of J.P.H. was a critical success factor in your ability to deliver as a whole. Six months on you are now just starting the recruitment again. When will you actually now make those appointments?

**Director, Growth, Housing and Environment:**

Since the last time we did advertise to recruit, the recruitment was ceased before Christmas because there were no suitable candidates that could cover the whole remit. In that period of time we recruited Tim as an interim. We have had to go through rewriting job descriptions, resetting the organisation and we are going to recruit Tim and recruitment starts next week.

**Mr. A. Lane:**

When will it conclude?

**Director, Growth, Housing and Environment:**

Again, it will probably be September where we are doing interviews.

**Mr. A. Lane:**

What has been the impact on your ability to deliver against the objectives and promises you set last time?

**Director, Growth, Housing and Environment:**

I believe we have delivered our objectives set last time. Tim stepped into the role full time and done a fantastic job.

**Senator S.C. Ferguson:**

How and when will any estates strategy be reflected in future Government Plans?

**Acting Director, Jersey Property Holdings:**

That is one of the key challenges. The Island Plan is currently in development ...

**Senator S.C. Ferguson:**

No, I am talking about the Government Plan.

**Acting Director, Jersey Property Holdings:**

There is a various hierarchy of plans and the intention is to have an estates strategy that can be adopted and once the Regeneration Steering Group take charge and oversight of the strategy then they will use it to reflect in their plans.

**Director, Growth, Housing and Environment:**

So the Government Plan, as written, is going to basically support the ongoing challenges of the existing property portfolio. The major capital is not in the Government Plan. The major capital projects are referenced in there but the funding for them is proposed in another way. So the work we have been doing reflects in the Government Plan but it is not quite as connected as you suggested. The key thing about what we are doing here is we are looking long term and the long-term objective is to tie this and, as Tim says, this is about the ... certainly the St. Helier regeneration, it is about the Island Plan and also utilising our assets as key catalysts from making those changes that we need.

**Comptroller and Auditor General:**

It is clear that you cannot integrate the estates strategy into the Government Plan for this year because that is about to be published. When will you be able to integrate the output on that into the Government Plan? Will it be there for next year?

**Director, Growth, Housing and Environment:**

Yes, probably next year.

**Comptroller and Auditor General:**

Your strategy will be available by the end of this year, that is the plan?

**Director, Growth, Housing and Environment:**

Yes. The Government Plan this time round is a rolling annual basis, fixed one year with 3 years as a look forwards, so aim to do for next year.

**The Connétable of St. Mary:**

What percentage of States’ unused property has been identified as first-time buyer housing?

**Director, Growth, Housing and Environment:**

That is a tough one. The decision points on first-time buyers housing is if they ... it is hard to have this conversation without using an example so I will use perhaps Cyril Le Marquand House as an example, which is a property which is not in use now, and the proposal is that will go to either key worker or first-time buyer accommodation as a principle. So what we endeavour to do is try and get the best outcome of those properties, which is not just fiscal. It is social as well. There is a discussion point, and again those are the decisions that the steering group need to be making in terms of what is the best use of that, either the existing property or the piece of land that it occupies. But in terms of percentage I do not know that. We are looking at a significant amount of ... there are some complicated sites around Rouge Bouillon, the old police station which is now being repurposed temporarily for the fire service but there is the ambulance side of things and the school there. So there is lots of pressure in that area. Potentially there is some housing that can come out there. But as a percentage I could not give you that figure because a lot of these areas are up in the ... Les Quennevais School is another one which is up for debate. The debate is going to be at senior political level.

**The Connétable of St. Mary:**

A lot of these properties really would be quite unfit for conversion. It is much more cost effective to drop them and build purpose-built buildings.

**Director, Growth, Housing and Environment:**

I think you are right, Constable. That seems to be a common ... I think unless you have got the floor to ceiling height of a Victorian building or a building. I think buildings built in the 1960s, 1970s, tend not to be very able to be converted into other uses. I think that is what we have concurred on a few.

**Acting Director, Jersey Property Holdings:**

Yes.

**Senator S.C. Ferguson:**

Given the fact that Cyril Le Marquand House, they are moving out because it is too expensive to maintain it, is it sensible to even contemplate converting it into housing?

**Director, Growth, Housing and Environment:**

It is the site, Senator, we are looking at.

**Senator S.C. Ferguson:**

Yes, it would be a good site but not a good building.

**Director, Growth, Housing and Environment:**

No. I think that is a fair. Our initial scopings and workings out on that show that it is a good site and not a good building.

**Senator S.C. Ferguson:**

The estates strategy, will this incorporate the property performance framework detailed in the response to the Public Accounts Committee with a deadline of July 2019?

**Acting Director, Jersey Property Holdings:**

It will incorporate the performance but it will not be by July 2019 partly because the time taken to get the I.T. system into use and to get the data loaded into the I.T. system, we are generating the K.P.I.s (key performance indicators) as part of the overall estate strategy. It has to be approved but the political animal and once they are approved then we will be able to use them and the intention is that that approval will coincide with the information being available from Concerto.

**Senator S.C. Ferguson:**

Yes, we have already covered that, I think.

**Deputy I. Gardiner:**

What is the new deadline for this? We had July 2019, what are we looking at now?

**Acting Director, Jersey Property Holdings:**

I will say December 2019.

**Senator S.C. Ferguson:**

The objectives, are these going to be agreed and incorporated within the Treasury business plan? They will not be this year but you will be putting them into the Treasury plan in future years I take it.

**Director, Growth, Housing and Environment:**

There is a common document now in terms of performance document, which is going to be benchmarking and measuring all of the States performance and it will be incorporated into that. I do not think it is Treasury led. I think it is led by the policy team on performance.

**Senator S.C. Ferguson:**

Now our 12 and our 19 of the P.A.C. report stated that: “The director general should engage in a comprehensive discussion with stakeholders to obtain buy-in to an informed strategy.” How have you been getting on with that? How many have you had?

**Director, Growth, Housing and Environment:**

We have talked to the bodies and before we go into that as a major exercise we need to get the political approval first.

**Senator S.C. Ferguson:**

How many stakeholders have you spoken to and which ones?

**Director, Growth, Housing and Environment:**

Just the arm’s length bodies to date?

**Senator S.C. Ferguson:**

Do you have the power to decide on disposals following the consultations and if you do not, who has that power?

**Director, Growth, Housing and Environment:**

The power sits ultimately with the States because any disposal is ... currently if an asset transfers across to S.o.J.D.C. or Andium it goes by the Regeneration Steering Group. But any property that goes out for sale to the market has to be presented to the States.

**Senator S.C. Ferguson:**

Let me get this right, if it has been transferred over to one of the arm’s length organisations they are the ones who can decide on whether they want to sell it or not and for how much?

**Director, Growth, Housing and Environment:**

They are not transferred to the arm’s length bodies for them to sell but they are transferred to the arm’s length bodies for them to do something with, either to develop them for social housing or to develop them for public realm benefit or for new offices or wherever. Then they become effectively their asset. Then the profits would cover back into the Treasury.

**Ms. M. Scott:**

Can I just ask for a bit more clarity again? You have mentioned the steering group and you have mentioned that you have put together this plan that is to go to the external management team which will in turn go to the Council of Ministers. Now, the steering group, I believe you have also mentioned something about that what you are proposing to build on that because I am getting rather confused how we have ... you seem to have a strategy without a formal corporate asset management group. You have consulted with the arm’s length organisations but they are in fact managed by other departments. Could you just clarify that? Who is the steering group, where do they come in terms of this building strategy that you are about to present to the corporate management team and how will this be converted into the corporate asset management group?

**Deputy I. Gardiner:**

If it is the same group, the strategy development team; are we talking about the same group or it is 2 separate groups?

**Director, Growth, Housing and Environment:**

Currently the States have a Regeneration Steering Group. The Constable of St. Helier sits on the group, the Minister for Instructure, the Minister for Treasury and Resources, the Minister for Economic Development, Tourism, Sport and Culture. This group has predominantly been set up and its terms of reference agreed by the States for dealing with properties like transfer to Andium Homes and S.o.J.D.C. The proposal, and again it needs to be ratified and signed off by the Council of Ministers, is to extend the terms of reference of that group and probably change the title to the Corporate Asset Management Board and then give it a wider remit so it can deal with things like Ports of Jersey and bring the bigger piece into play and start making these decisions at a more strategic level. That is the proposal.

**Ms. M. Scott:**

What about membership?

**Director, Growth, Housing and Environment:**

Its membership will be decided by the Council of Ministers. We are not pre-empting that because that is a political decision. We are suggesting it.

**Ms. M. Scott:**

They have been involved in this strategy document?

**Director, Growth, Housing and Environment:**

Not as yet but we will present that strategy document as we move forward.

**Deputy I. Gardiner:**

Now I am confused. It is written here that the strategy team would start to work in March 2019. So it was not the strategy team that started to work? In the accommodations document provided to us by the chief executive that the strategy team about corporate management would start to work in March 2019. So this team did not start to work?

**Director, Growth, Housing and Environment:**

Yes.

**Deputy I. Gardiner:**

It did? Does it incorporate ...

**Director, Growth, Housing and Environment:**

That is an officer team so there is a political layer on top who actually led the strategic decisions ...

**Deputy I. Gardiner:**

So you have the officer team that is developing the strategy.

**Director, Growth, Housing and Environment:**

Yes.

**Deputy I. Gardiner:**

And the Corporate Asset Management Board hopefully.

**Director, Growth, Housing and Environment:**

That is correct, yes.

**Senator S.C. Ferguson:**

At the public hearing in October it was said that the department was possibly £20 million behind on capital expenditure. Have you quantified this and what are you doing to try and catch up?

**Director, Growth, Housing and Environment:**

It is quite a difficult number because again it depends on the use of the building. Unfortunately we have buildings in St. Savour, is a good example, where we have boarded them up and keeping them wind and watertight.

[14:45]

If you look at the expenditure we have had to spend on Fort Regent, that has been an out-of-the-blue issue with some safety issues that we will have to deal with. Until we get through this it would be hard to come up with a number but I do not think the number is unreasonable and it is one where hopefully we do not need all of it because we will be disposing of or repurchasing some of those schemes and we will not be spending the money just to get them back up to a standard which then we do not use.

**Senator S.C. Ferguson:**

What have the heads of spend identified? Have you got funding for compliance with the disability discrimination legislation and removal of asbestos and funding for cancer victims linked to asbestos exposure? Have you factored that into the heads of spend?

**Acting Director, Jersey Property Holdings:**

In terms of disability compliance we are on track but clearly when it is a statutory requirement to make sure that as a body we are compliant new buildings are designed and constructed specially to meet the remit. Existing buildings are being examined to understand where these lie and there is a programme to make sure that they will be compliant. In terms of asbestos, asbestos is managed and, again, it is a statutory requirement to make sure that we know where asbestos is. The asbestos management programme is something that within Jersey Property Holdings we report on weekly and it is something that is, as I say, managed.

**Mr. A. Lane:**

Could you quantify for us, as we stand today, how many buildings in use do not meet the D.D.A. (Disability Discrimination Act) requirements and how many buildings in use have unremoved asbestos?

**Acting Director, Jersey Property Holdings:**

I could not give you those figures off the top of my head sitting here.

**Mr. A. Lane:**

Would they be available to you were you to search for them?

**Acting Director, Jersey Property Holdings:**

Yes.

**Mr. A. Lane:**

From what source?

**Acting Director, Jersey Property Holdings:**

From our records.

**Ms. M. Scott:**

Held where?

**Acting Director, Jersey Property Holdings:**

Held within Jersey Property Holdings.

**Ms. M. Scott:**

Right, not for Jersey Property Holdings?

**Acting Director, Jersey Property Holdings:**

Held in a variety of databases.

**Director, Growth, Housing and Environment:**

Until we have all the properties off Concerto we cannot say they are in one source. Buildings are transferring across all the time.

**Mr. A. Lane:**

How do you quantify the requirements that come from issues like this financially in terms of the burden on States expenditure? How do you put your bid to the Treasury for funding next year for these sorts of issues?

**Director, Growth, Housing and Environment:**

We have done that. The D.D.A. compliance is really challenging without the specific schemes and specific projects, we would just ask for a sum of money. When it comes to asbestos, asbestos within a building that is not exposed is not a risk, the risk is how you manage and mitigate it and asbestos is a slightly different element. For the D.D.A. compliance we have effectively asked for funding for the next 4 years as an ongoing rolling programme, which we will then use and prioritise where we need to use that to make sure we are compliant.

**Mr. A. Lane:**

Do you have any other similar heads of issue that you have had to go and ask for money for?

**Director, Growth, Housing and Environment:**

Statutory compliance generally is what we have asked for money for predominantly on the properties, so that is legionella testing or the issues we have had at the fault about lighting, the change of standards that we have got. So the majority of monies associated with properties are about getting the basics right and making sure there is adequate funding for doing that.

**Mr. A. Lane:**

What was the adequate funding that you have now asked from Treasury?

**Director, Growth, Housing and Environment:**

I cannot recall the exact figure, we have had lots of numbers over the last few weeks but I can give you that information.

**Senator S.C. Ferguson:**

Right, turning to a very popular topic, we had a detailed consultation on the future of Fort Regent carried out by IPW which cost us £28,000 but we understood it did not go out to tender … sorry, for a quote. Why not?

**Director, Growth, Housing and Environment:**

This is the …?

**Senator S.C. Ferguson:**

The IPW report on Fort Regent which cost £28,000.

**Director, Growth, Housing and Environment:**

There was an exemption signed and it was agreed not to go out for quotes at that stage. IPW had done some work previously so they are the ones who had lots of knowledge and we wanted to do it in a very timely fashion to make sure there was enough information so we could move the project forwards. It is a high priority for the Council of Ministers.

**Senator S.C. Ferguson:**

They had actually done work for Property Holdings before, had they?

**Director, Growth, Housing and Environment:**

They had done work on the Fort Regent in the past, not for Property Holdings but they had knowledge of the scheme.

**The Deputy of St. Peter:**

I should know this, what is the process for signing an exemption for going out to quote? Who makes that ultimate decision and what are the criteria by which that can be signed?

**Director, Growth, Housing and Environment:**

There are a variety of criteria. Sometimes time, sometimes the uniqueness of what people are offering and it is within the code of directions agreed with the procurement team and normally the accounting officer, which is myself.

**The Deputy of St. Peter:**

Who signs it?

**Director, Growth, Housing and Environment:**

Me.

**The Deputy of St. Peter:**

You did not need to go to the Minister at all? It was your decision?

**Director, Growth, Housing and Environment:**

We will inform the Minister of these issues.

**The Deputy of St. Peter:**

Is there a threshold for which you can sign without going to the Minister for his signature as opposed to informing him?

**Director, Growth, Housing and Environment:**

The exemption generally … I sign quite a few, for example, if I am maintaining the steam turbine at the Energy for Waste plant, that can only be done by the General Electric Company who manufactured it. So there is some significant expenditure that you have to sign for that it is a unique supplier and that generally does not go to the Minister.

**The Deputy of St. Peter:**

I totally understand why you need to do things quickly in certain circumstances, that is something I am quite strong on, as you know, and another thing we are doing, however I would like to understand what that process is, the levels of transparency that you have to go through to effectively justify that with your reasons. It is the process that you are going through that I would like to understand.

**Director, Growth, Housing and Environment:**

So the project manager comes to me with the rationale written on an exemption form and myself and the procurement director will review that and sign that if we believe that what he has said is correct.

**Senator S.C. Ferguson:**

It is understood that IPW was a U.K. (United Kingdom) subcontractor used to prepare a business case in 2014 as part of a feasibility study. Was the work undertaken by IPW based on the previous business case or were they given new objectives?

**Director, Growth, Housing and Environment:**

That is a very good question. The 2014 work which was focused predominantly on a very much more commercial solution for Fort Regent, which meant that a lot of the options that had a better social and environmental benefit were precluded. So the new group that are looking at Fort Regent are more interested in the benefit it gives to the community as opposed to the pure commerciality of it. The key in the 2014 one was to try and make Fort Regent make money and that is a big ask. Actually, I think that clouded the work that happened in that period of time.

**Senator S.C. Ferguson:**

Right. Are you repeating this particular exercise with other 2014 contractors?

**Director, Growth, Housing and Environment:**

I do not believe there are any of the other contractors involved.

**Senator S.C. Ferguson:**

Why were the plans for Fort Regent not part of the overarching strategy for States assets?

**Director, Growth, Housing and Environment:**

It is a States asset but it is a separate major capital project.

**Senator S.C. Ferguson:**

So it has been treated separately?

**Director, Growth, Housing and Environment:**

It has been treated absolutely separately, because it is a very …

**Senator S.C. Ferguson:**

Very expensive project.

**Director, Growth, Housing and Environment:**

It is a project which is probably one of the hardest projects but potentially one of the best projects we are going to do in this term of office for the Council of Ministers and the Chief Minister who is driving this project forward and wants to see some tangible difference at Fort Regent finally after 20 years of indecision; 20 years of loss of reports and options and, actually, make sure that something does happen.

**Deputy I. Gardiner:**

Going back to 2014, there are 5 subcontractors, 2 of them were Jersey-based companies, have you contacted the Jersey-based companies who were involved in this development because all them worked together?

**Director, Growth, Housing and Environment:**

I am not sure. I am not the project manager of that scheme. I can ask the project manager afterwards. But the work we are after was more of pulling the strategic options together so they can present them to the steering group.

**Deputy I. Gardiner:**

I remember from 2014 it was very comprehensive visibility studies, very detailed, which involved lots of things and States spend. That is the reason there are 2 Jersey companies and 3 U.K.-based companies that worked together to present this plan. It is just out of interest if you have contacted the Jersey-based architects that were involved and get them on board.

**Director, Growth, Housing and Environment:**

At the moment we have not gone into the phase … this, again, is resetting the whole thing, so it is you picking up all the old information, looking at the intent politically of what we want to do so the architectural practices are not involved yet.

**Deputy I. Gardiner:**

It is not just architecture, they were all together developing this business case.

**Director, Growth, Housing and Environment:**

Yes, but this phase of the project, this is a lot earlier than that now in terms of what do we want Fort Regent to do. Getting that team together is the next phase of the project. This was not an off-Island versus on-Island debate, this was about the people who had that skillset and all the previous information has not been thrown away, we are using it all. There was some excellent work done in the past and it is just finding the right combination of solutions which makes Fort Regent a viable option for the future.

**Ms. M. Scott:**

Just briefly, you said making money from Fort Regent is a big ask, could you just explain why you regard it as a big ask?

**Director, Growth, Housing and Environment:**

It is a fort, it is a historic monument, it is hard to do work in there, it is hard to find a solution that somebody can take it all away and do something with. It needs public access. The key thing the steering group have looked for is to make it accessible for all. When you start looking at parameters like that … it is a 5-acre site, it is a big site in St. Helier and the key thing is to be able to get access to and from it and make it so people can go there. The steer was we do not want a turnstile on Fort Regent, we want Fort Regent to be open for all. There might be public private partnerships in there, and we hope there are, so there will be elements in there that will become viable businesses, whether they are a hotel or a sports facility. There is a variety of options that we will be looking at but the concept of Fort Regent being a key thing is for it to have public access for the residents of St. Helier and St. Saviour.

**Ms. M. Scott:**

So you are working on a plan for the Fort Regent partnerships?

**Director, Growth, Housing and Environment:**

There will definitely be partnerships and …

**Ms. M. Scott:**

But not partnerships you are creating at the moment?

**Director, Growth, Housing and Environment:**

At the moment … we do not have any private sector involvement as yet. But there are people expressing interest which is really good.

**Senator S.C. Ferguson:**

How do you review your progress with the corporate management team?

**Director, Growth, Housing and Environment:**

Corporate management team?

**Senator S.C. Ferguson:**

Is it the Corporate Management Board or …

**Director, Growth, Housing and Environment:**

Yes, the Corporate Strategy Board on Fort Regent or on …

**Senator S.C. Ferguson:**

No, in general.

**Director, Growth, Housing and Environment:**

In general. We tend to present as and when required on key things. We presented an update on Fort Regent last week to the Corporate Strategy Board. So on key areas we present as required if a decision needs to be made or if there is some progress that has been made.

**Senator S.C. Ferguson:**

What is the decision on Fort Regent at the moment then?

**Director, Growth, Housing and Environment:**

The decision for Fort Regent is to carry on and to keep developing in the direction of travel we are going. There is a political meeting, I think next week, and we will present the progress we have made to date.

[15:00]

**Comptroller and Auditor General:**

We had a hearing or a hearing was held about 2 weeks ago on the database that has been developed on the implementation recommendations, have you been involved in that database?

**Director, Growth, Housing and Environment:**

We have.

**Comptroller and Auditor General:**

Are you able to update us on the progress that you are making?

**Director, Growth, Housing and Environment:**

Mike Thomas, who is leading this, has basically populated the database with all the basic facts and we are now in the process of updating our list of recommendations in terms of … there is a traffic light mechanism on there and we are working on the spreadsheet underneath. I think you saw the top end presentation, underneath there is a spreadsheet with all the recommendations within G.H.E. and we are going to be populating that, making sure that is accurate and that will update that in the timescales that Mike has agreed with yourselves.

**Comptroller and Auditor General:**

You have to present that at the Corporate Strategy Board?

**Director, Growth, Housing and Environment:**

Mike will do that, yes.

**Comptroller and Auditor General:**

Mike, will do that?

**Director, Growth, Housing and Environment:**

Yes.

**Mr. A. Lane:**

You said you are in the process of populating that, when will that conclude from your perspective?

**Director, Growth, Housing and Environment:**

Mike has put a timeline in which we will adhere to. We have quite a number of things. I am pretty confident most of them … I think he has put all the recommendations in and now we are going to basically go through them. There is a significant amount within G.H.E. because we are 3 departments brought together. There is a timeline which we will adhere to. I think go live is October.

**Senator S.C. Ferguson:**

That is just putting the things into the database?

**Director, Growth, Housing and Environment:**

My understanding is they are in, it is a case of us going through them, checking them, checking that we have either agreed, implemented, disagreed, not to implement, whatever the status is, we will fill that in so that the information in there is relevant and correct. At the moment the information is just in there.

**The Deputy of St. Peter:**

One of the challenges of such data, I think there are 527 recommendations, how many within G.H.E. I would not hazard a guess, however 20 of those could be deemed as done within 2 minutes but are not very material compared to one that is of great urgency but will be an enormous amount of work. How are you prioritising and weighting the areas that you think are important and should be delivered urgently?

**Director, Growth, Housing and Environment:**

We tend to do that when we receive a C. and A.G. report anyway. If there is something … you are right, there are some things that you have to do an immediate action on and some which will require a change of organisational structure, a change of legislation or a change of system. The key thing is to try and get through them all and even if they are a small change, I think the learning from them and the implementation across is key. I think that is perhaps where the States in the past has failed because there has been learning in one area that has not been passed on to another area and that is why having this database and one owner of it in the risk and audit function is really powerful. It then can go and be presented to the management team and we can seek the learnings from other areas.

**Mr. A. Lane:**

Which are the top 2 priority items on that big list that you have now?

**Director, Growth, Housing and Environment:**

I could not tell you. I am sorry, there are hundreds and they have not actually been assigned. The majority of them should have been implemented, the majority of them have been accepted. Some of them go back to 2015.

**Ms. M. Scott:**

Sorry, we know from our last hearing that most have not been implemented.

**Director, Growth, Housing and Environment:**

Okay.

**Ms. M. Scott:**

So, yes, that is the question.

**Director, Growth, Housing and Environment:**

We have tried to implement as many as we can so I am surprised you think most of them have not been implemented.

**Ms. M. Scott:**

I am just saying that when we had the last hearing it was clear that most of them had not been implemented.

**Director, Growth, Housing and Environment:**

The last hearing with the asset …

**Ms. M. Scott:**

With you.

**Senator S.C. Ferguson:**

How are you prioritising things? What basis are you using for prioritising the work that you are doing on estate management?

**Director, Growth, Housing and Environment:**

What we have done is since the report, and again we were in a position of not having enough resource to do this, we have started with a clean sheet of paper in a lot of respects by setting the overall vision and framework and terms of reference for the strategy and then work through it from that point on. It is a top down structural approach being applied once we have the resource in place to do it. We approached it like a normal big capital project, big challenge, i.e. doing it by setting what are our objectives, what are we trying to achieve, what are we trying to do with this. Once you have done that then you can set all the … again, we have been using best practice principles. We have been using IS55001 and 2 regs in property resources, industrial standard approaches. We have been using best practice from other places.

**Ms. M. Scott:**

Just to follow up on this discussion. I think the concern has been the priority of the outstanding actions to ensure maximum improvement for the people of Jersey and you have mentioned previously … you were about the trust with various government departments. Is there a way that you identify as a way in which the different government departments tell you what their needs are that you can ensure ultimately it is in the public interest?

**Director, Growth, Housing and Environment:**

That is a really good question. It depends on the area of expertise we are talking. If it is for mental health, it is not my field of expertise so I am reliant on that client and their specialists and their advisers to set the specifications so we can build the right facility for them in that area. It depends on what the property asset is and what we are trying to do.

**Ms. M. Scott:**

So you are not aware of how that might be assessed in a more holistic way rather than internally audited?

**Director, Growth, Housing and Environment:**

The overall project governance means that the client and the contracting arm and ourselves will sit together and work through those things so we will get an understanding of it. The ultimate customer is the person that we are most focused on. That specialism comes from the departments that have that knowledge.

**Ms. M. Scott:**

When you are making this proposal to the corporate asset management group, that has not been part of the criteria for thinking who should be the members and how they could …

**Director, Growth, Housing and Environment:**

It will be, yes, but we have not finalised that bit yet in terms of who is on it or what they do.

**Deputy I. Gardiner:**

Just on the last question, there are lots of things in the process and we hear there is lots under discussion, under development, we are finalising, is it possible to get 3 or 5 clear objectives of what we will see as a priority for Jersey Property Holdings by December 2019? The real outcomes. I realise we cannot do a lot but we have 6 months that when we come to December we can say: “It has happened.”

**Director, Growth, Housing and Environment:**

Yes, we can do that.

**Ms. M. Scott:**

You actually were already saying you would be working on a vision, so might you share that vision with us?

**Deputy I. Gardiner:**

So we would know what results we can expect by December 2019.

**Director, Growth, Housing and Environment:**

I was going to suggest that we present these documents to you once we have political sign-off on them, which will hopefully be quite soon.

**Deputy I. Gardiner:**

A couple of weeks?

**The Deputy of St. Peter:**

Can I ask the question in a slightly different way? When you return, I think, in 6 months, can you give us a summary of what you will have achieved by then that you will be able to tell us about? Same question.

**Director, Growth, Housing and Environment:**

Yes.

**Senator S.C. Ferguson:**

Super. We will provide the mince pies. Sorry, Adrian?

**Mr. A. Lane:**

Just one more. I would like to just pick up on cyclical valuations. My understanding is a good principle of being a corporate landlord is to work through your portfolio and understand its value as part of your decision making. What is the current status of your valuations on the property portfolio?

**Acting Director, Jersey Property Holdings:**

We have a full database of valuations, effectively they are insurance valuations. The intent is to make sure that they are revalued at least every 3 years.

**Mr. A. Lane:**

To what extent are those valuations now all less than 3 years old?

**Acting Director, Jersey Property Holdings:**

I could not give you an exact percentage but there is a rolling programme that makes sure that we have as up-to-date information as we can. That tends to be if a premises or if a building becomes an item of interest then the valuation is examined and if it is thought to be out of date then it is revalued as part of the process for refurbishment, redevelopment, disposal or what have you.

**Mr. A. Lane:**

Those are captured in your Concerto database?

**Acting Director, Jersey Property Holdings:**

Not in Concerto yet.

**Mr. A. Lane:**

Therefore how do you bring them into account in the making of decisions about disposals, hold, worth investing, et cetera?

**Acting Director, Jersey Property Holdings:**

They form information as part of any business case that is put together for the use, the outcome, of those premises.

**Ms. M. Scott:**

So you said there is a 3-year rolling programme, are you able to say the extent to which that is up to date or not? I was not too clear. So the extent to which any known property is more than 3 years out of date of its valuation or …

**Acting Director, Jersey Property Holdings:**

I could not tell you how many valuations are 3 years old but …

**Ms. M. Scott:**

More than 3 years old?

**Acting Director, Jersey Property Holdings:**

I do not believe we have any of them more than 2 years old, but I would have to check and I will get back to you with a precise answer.

**Director, Growth, Housing and Environment:**

If we get to a specific property where we are looking at doing something differently, and we have just recently done this, we will get an up-to-date valuation done then because the valuations, as Tim suggested, are insurance valuations. So it is a market rate valuation. The market has changed recently so we will get obviously a better picture of it for the public.

**Comptroller and Auditor General:**

You do have a valuation in the balance sheet that is produced every year? Do you feed into that valuation?

**Director, Growth, Housing and Environment:**

Yes, it is part of the G.A.A.P. (Generally Accepted Accounting Principles) process, effectively there is a £1 billion of property assets and £1 billion of infrastructure assets approximately. There is a breakdown underneath there. That is generally presented in the States accounts.

**Senator S.C. Ferguson:**

Anything else? Adrian?

**Mr. A. Lane:**

Just one, just following up on the C. and A.G.’s question, how comfortable are you with the inputs that then feed into that process?

**Director, Growth, Housing and Environment:**

It is an externally verified valuation but it is done for an insurance purpose and it is a replacement asset principle so we would not use it in a commercial negotiation.

**Mr. A. Lane:**

No, I just thought you said yourself that information is held on various databases in a somewhat disaggregated format, how comfortable are you with the process that then supports capturing all of that for the purposes of the States accounts?

**Director, Growth, Housing and Environment:**

We are comfortable with it because it does sit in one database, it is just that the full integration of that to Concerto, which has been probably our ideal, has not happened yet.

**Mr. A. Lane:**

Is that part of the 31st December deliverable in Concerto?

**Director, Growth, Housing and Environment:**

Is that optimistic?

**Acting Director, Jersey Property Holdings:**

I do not understand the I.T. developer’s timelines or priorities but I can certainly raise it and attend to get it into the deadline.

**Ms. M. Scott:**

Sorry, is it not the system? Why are the I.T. developers relevant here? Is it not a system that you input information in so that would be within your control?

**Acting Director, Jersey Property Holdings:**

It is not at the moment a simple fill boxes, it is a database that requires information in a variety of different fields to be input to it. I do not know if it actually has a specific column for valuations so …

**Ms. M. Scott:**

You do not know if it has a column for valuations in Concerto?

[15:15]

**Acting Director, Jersey Property Holdings:**

No, and so that is why I need I.T. developers to make sure that the information that we have and the way that the valuations are completed can be input to the database.

**Mr. A. Lane:**

Can you describe the business requirements that have been created to give to that developer? What is it you want the database to do?

**Acting Director, Jersey Property Holdings:**

We want it to be a comprehensive list of information of all our estates properties, so everything from value, energy use, space, construction, presence of asbestos, it needs to be a comprehensive repository of all the information that we require to act as corporate landlord and to manage the estate.

**Director, Growth, Housing and Environment:**

A huge benefit is that it gives, via mobile means or wherever, all that information to the user of the building, to the people maintaining that building and the reason it is soft versus the more progressive means is because of that flexibility in terms of how you access the information. It is one version of the truth and we know historically we have had valuations in one area, maintenance in another area and this about bringing it all together. It is a big project and a big challenge. I.T. projects are notoriously time-consuming, difficult and, at the end of it, frustrating. It is really hard to … I can tell you exactly when I am going to be opening Les Quennevais School, I find it really hard to say when I can be saying this database is up and running and fit for purpose.

**Mr. A. Lane:**

I am just following up on Deputy Gardiner’s question really about what are the commitments you can make for the year end. It feels like this is being very clear on … I would just be interested to know at some point exactly what it is this is going to do by the year end.

**Director, Growth, Housing and Environment:**

Yes, okay.

**The Deputy of St. Peter:**

Can I pick up on one thing? I think you said the state of the estate was about 900 premises and I have worked out, like back of a fag packet, that means we are going to have to do … to do a condition report on those you are going to have to do 4 a day for every working day of the year. That is quite a lot of resourcing given one is a bus stop - I am sure you can do that in a couple of hours - some of them will not be. How are you going to resource that? How are you going to deliver that within an acceptable period of time?

**Acting Director, Jersey Property Holdings:**

We have a resource plan and, as you say, there are a number of bus stops, public stations and the like that do not require a great deal of examination or consideration.

**The Deputy of St. Peter:**

Is the resource plan in-house or will you have to go outside for it?

**Acting Director, Jersey Property Holdings:**

At the moment in-house but if required then we may have to go externally.

**The Connétable of St. Mary:**

When we will have a decision as to the future use of Cyril Le Marquand House, either as a refurbishment or as a site?

**Director, Growth, Housing and Environment:**

There are plans now being developed for that to be a housing site but there are currently negotiations in terms of making the site a bit bigger. We will hopefully have something that will be going to planning, or at least in principle going to planning, in the autumn. Sooner rather than later, I think, is the …

**The Connétable of St. Mary:**

That is the one that people keep asking questions about.

**Ms. M. Scott:**

I just have one question. You say you are working with a developer on the Concerto system to get columns, so what has been the general remit of the instructions to the developer? What are you asking them at the moment to do?

**Acting Director, Jersey Property Holdings:**

I am not the project manager. I do not want that to sound like cop out but as we evolve the role of the corporate landlord we understand more and more about the information that we need to capture. That has been fed back to the development team. We are very clear of the remit which is to be able to give me a universal register of information based on best practice for corporate landlord functions. They have a list of what we expect. They report in terms of their ability to deliver and are effectively ticking off the requirements.

**Ms. M. Scott:**

It is just that recently Concerto was identified as an award-winning system and it sounds like it is not adequate for your purposes. Is that true?

**Acting Director, Jersey Property Holdings:**

It is clearly adequate for our purposes.

**Ms. M. Scott:**

Right, but you are not clear whether it has the foundations and that so … okay, that is fine. I will leave it there, thank you.

**Senator S.C. Ferguson:**

Okay, thank you very much indeed, gentlemen. The session is now over, you can escape.

[15:20]