

STATES OF JERSEY



DISPOSAL OF STATES PROPERTY: REVISED PROCEDURE

Lodged au Greffe on 25th May 2010
by Deputy P.V.F. Le Claire of St. Helier

STATES GREFFE

PROPOSITION

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

that Ministerial Decisions relating to Property matters and the future disposal of any States properties or property managed on behalf of the States, and which are required to comply with the provisions of Standing Order 168, should also comply with the following procedure –

- (a) all transactions should be accompanied by a published written report that outlines the reasons for and rationale behind the transactions;
- (b) the published written reports accompanying each transaction should only be exempt from disclosure in accordance with the Code of Practice on Public Access to Official Information, or its successor, on the direction of the Minister responsible; and where such exemption is claimed, the Minister shall forward a notification to the relevant scrutiny panel advising the reasons for exemption in confidence to the panel;
- (c) all proposals that relate to property should include a map and/or location plan of appropriate size and clarity to enable the public to understand the decision;
- (d) any disposal of property, sale or auction, should –
 - (i) be clearly advertised on the home page of www.gov.je for at least 15 days before any decision is taken on the disposal or sale to be accompanied by clear instructions on how and where the public may bid for the property and/or land, and whether the sale is open to public or private companies to tender; or
 - (ii) a short report shall be published explaining why the proposed transaction or disposal is not open to public tender.

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

REPORT

I hope members will agree that if we are to safeguard the public purse and the public's trust, that property bequeathed to it or purchased by it in the future, must be demonstrably and openly well-managed and well-guarded by its elected representatives when it comes time to dispose of it.

The current process of informing States members and the Public that transactions have occurred is insufficient in my opinion. It does not guarantee adequate scrutiny of the disposal of the assets; and the system appears to have little by way of check and balance.

By agreeing to the above or at least some of it, we will strengthen the process and at the same time the public's trust in us and those we appoint to manage on their behalf our common assets.

The following is an example of a Ministerial Decision. The information gives us little understanding as to what is actually happening and we cannot even if we had time to, satisfy ourselves, that this is achieving best value for money and why in this case, the reason for the proceeds of the sale are going to housing rather than going into the consolidated fund.

97 Don Road, St. Helier – sale of (MD-TR-2010-0061)

Introduction: A decision made 12th April 2010 regarding: 97 Don Road, St. Helier – sale of.

Decision

Decision Reference: MD-TR-2010-0061			
Decision Summary Title:	Proposed Sale of 97 Don Road, St Helier	Date of Decision Summary:	08/04/10
Decision Summary Author:	Head of Decision Support	Decision Summary: Public or Exempt?	Public
Type of Report: Oral or Written?	Written	Person Giving Oral Report:	N/A
Written Report Title	Jersey Property Holdings – Proposed Sale of 97 Don Road, St Helier	Date of Written Report:	08/04/10
Written Report Author:	Finance Manager, Decision Support	Written Report : Public or Exempt?	Exempt 3.2.1(a)(i)

Subject: Proposed Sale of 97 Don Road, St Helier.

Decision(s):

The Minister agreed:-

- (i) To the sale of 97 Don Road, St Helier for the sum of £395,000.
- (ii) That capital receipts from the sale of this property to be credited to the Housing Department's Social Works Programme HYR000.121010, rather than the Consolidated Fund.

Reason(s) for Decision:

Standing Order 168 (2)(b) states prior agreement is not required by the States to enter into a land transaction if the Minister accepts a recommendation by a body established by the States to manage land and buildings owned by the Public of Jersey. Article 15(3) of the Public Finances (Jersey) Law permits the Minister to authorise a States funded body to use all or part of asset disposal proceeds to acquire a replacement or other asset.

Resource Implications: The Decision will not increase States net expenditure.

Action required:

The Director of Property Holdings, in accordance with Standing Order 168 (3) is to instruct the Greffe to lodge this decision to the States. After the expiry of 15 working days following presentation to the States the transaction will be concluded by the Director of Property Holdings instructing the Attorney General and the Greffier to pass the necessary contract, and to copy this decision to the Chief Executive of the Housing Department, the Minister, Treasurer and Deputy Treasurer.

The Housing Department to action the necessary accounting and budget transfers.

Signature:

Position: Senator P F C Ozouf

Minister for Treasury and Resources

Date Signed:

Date of Decision:

All property owned by the States should be a matter of public awareness and clear understanding. There appears currently to be a lack of easily accessible information available.

Financial and manpower implications

I imagine that the time taken up in preparing more informative reports will add time to the process, it will therefore add cost. In each and all cases it will vary, but as there appears to be a general desire to rationalise our property portfolio under a new Jersey Property Company and that property will continue to be disposed of, it is only right that any such increase be kept to a manageable amount. I nevertheless believe that the new system I am proposing can be accommodated within existing resources.

One can only imagine what the public think at this time when we see the scale of the blasé attitude to property under States control, and ask if it would be wise to bequeath property to the States in the future, especially when you can draw comparisons to the salary and benefits of people managing our property at WEB, and the state of some of our inherited assets, due to inadequate maintenance. Indeed one could ask why the former Jersey College for Girls site is now on the market for 3 times the original price. Why did it gain 3 times as much value when it has been left to fall into a dilapidated state with broken windows, etc.?

N.B. I am reliably informed that there are usually written reports to accompany MDs on either sales or leases of property. One reason for not including them on the website is that, in the case of private individuals purchasing or leasing a residential property, their full names, including middle names and maiden names, will be included in the same document as their future residential address, and would be published on the Internet for all to see. There is a data protection issue here, and in addition there could be an opportunity for identity theft. This is the reason why the names of private individuals do not appear.

When the decision is presented to the Assembly for a 15 day period, there is an attempt to also remove the names of private individuals, but not the names of companies, for the same reasons as above.

Re-issue Note

This Project is re-issued because the Appendix was included in error.