

STATES OF JERSEY



PLÉMONT HOLIDAY VILLAGE – ACQUISITION BY THE PUBLIC AND SALE TO THE NATIONAL TRUST FOR JERSEY (P.90/2012) – SECOND AMENDMENT

Lodged au Greffe on 27th November 2012
by Deputy G.P. Southern of St. Helier

STATES GREFFE

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TO THE NATIONAL TRUST FOR JERSEY (P.90/2012) –
SECOND AMENDMENT

1 PAGE 2, PARAGRAPH (a) –

Before paragraph (a) insert a new paragraph (a) as follows –

“(a) to request the Chief Minister and the Minister for Treasury and Resources to enter into negotiations with the National Trust for Jersey in an attempt to reach agreement that, in the event of the purchase by the public of the site known as the Plémont Holiday Village and adjoining land, the land should, once acquired by the public, be sold forthwith to the National Trust for Jersey for a consideration equal to the sum paid by the public for the land, with £2 million being paid by the Trust at the time of the sale and with the remainder of the consideration being made subject to a loan by the States to the Trust that would be repayable over a period of 10 years and with the sale subject to a condition that the National Trust for Jersey would thereafter restore the land to nature; and to agree that, notwithstanding any decision to purchase the land made as a result of this proposition, no steps to initiate the acquisition process shall be taken by the public until an agreement with the National Trust on the terms set out above has been reached;”

and renumber the remaining paragraphs accordingly.

2 PAGE 2, PARAGRAPH (e) –

For the words “for a consideration of £2 million subject to a condition that the National Trust for Jersey will thereafter restore the land to nature” substitute the words “in accordance with the terms of the agreement with the Trust as set out in paragraph (a) above”.

DEPUTY G.P. SOUTHERN OF ST. HELIER

REPORT

This proposition has at its heart a wish to find a mechanism to enable the purchase of Plémont, on terms which members can sign up to without breaking all the fiscal principles that underpin States policies over the past 3 years and earlier.

In this time of recession, when Ministers, from the Chief Minister down, endlessly parrot a mantra which involves the words “prudence”, “belt-tightening” and “difficult decisions”, it comes as a shock to read this proposition. A prime example of the spirit of the age comes from the recently passed Medium Term Financial Plan –

“It is crucial to keep recurrent public sector spending under control so that the Island can remain competitive with relatively low levels of inflation. If the States are to provide sustainable services to the public it is fundamental that we take account of the economic outlook, be prudent in our spending plans, ensure that savings and efficiencies are implemented and not increase public spending unless it is matched by savings or additional income.”

The rules laid out in the plan do not appear to apply to this proposition. Instead, the States is asked to spend money it doesn’t have and hope for the best.

I find myself sharing the sentiments of the Chief Minister on the desirability of restoring Plémont, when he says –

“It is hoped that few members would disagree that, in principle, it is desirable and in the public interest that the Plémont Holiday Village and adjacent land should be restored to nature”.

Where I cannot agree with the Chief Minister comes in his very next sentence –

“There is, of course, a balance to be struck between the desirability of achieving that end and the cost to the public purse of doing so”

The Chief Minister, I suggest, has not found the right balance.

When he talks of a partnership between the States and the National Trust for Jersey, it is not clear whether he speaks as the leader of the States, or as a member of the National Trust. Certainly the balance of the costs and risks seems to lie with the States, despite the optimistic estimates he includes in his report.

“The maximum costs of acquisition are therefore estimated at £8 million (£7.8 million + £200,000). The National Trust for Jersey would purchase the land for £2 million and meet the expenses of restoring the land to nature. The maximum net cost to the States is therefore estimated at £6 million. It is hoped, however, that the actual costs of acquisition would be lower than that maximum figure. It is also suggested that, if the acquisition price by the States is less than £5 million, the National Trust might benefit from 50% of that reduction”.

In the absence of any firm figures for the cost of acquisition and restoration, to stack the numbers consistently at the low end of estimates, in the light of Planning's acceptance of the housing proposals on the site, is disingenuous, leading as it does to the statement –

“The exact costs of the acquisition of the land and its restoration to nature are inevitably not yet known, but the expectation is that the contributions to be made by members of the public, through their gifts to the National Trust for Jersey, will represent a figure not far from 50% of the overall total. This seems a reasonable compromise. The preservation of the unspoilt beauty of the north coast in the vicinity of Plémont is worthy of that price.”

My proposition strikes a different partnership with the National Trust, one in which the National Trust still acquires the land, but through the mechanism of a loan from the States. This puts the onus firmly on the fund-raising capability of the Trust to repay the loan, but we have recently seen just how effective that can be with over £500,000 having been raised over the past few weeks since the start of this campaign. Of course, if the estimates produced by the Chief Minister prove to be correct, the loan may be as little as £3 million. Equally, it may be higher, hence the relatively long term of the loan.

Financial and manpower implications

The costs of acquisition will be sourced initially from the Treasury central reserves to be repaid over the term of the loan. There are no manpower resource implications.

Re-issue Note

This amendment has been re-issued as the figure of 10 years for the repayment of the loan was omitted from the original wording due to an administrative oversight.