

3.5 Connétable P.J. Rondel of St. John of the Minister for Economic Development regarding the future of the Sailors Rest Café on the New North Quay:

In light of the advertisement seeking expressions of interest for the Sailors Rest Café on the New North Quay, can the Minister state who currently owns the building and the business and would he also give details of the terms of the current lease, the area of the site and details of any proposals for the café site?

Senator A.J.H. Maclean (The Minister for Economic Development):

The land is the property of the Ports of Jersey and the temporary building is owned and was installed by the current incumbent. The current licensee has the concession on a strictly rolling temporary basis for a number of years in the full knowledge that it has been the intention of the Ports of Jersey to further improve facilities in the area, and that if and when that happened she would be given the opportunity to be considered, along with any other interested parties. The licensee currently has an agreement which is due to run until the end of 2013 and which is based on 5 per cent of turnover per annum, a figure which is below that charged to other Ports of Jersey café sites. The facility also includes 2 staff car parking spaces and an *al fresco* area.

3.5.1 The Connétable of St. John:

Does the Minister consider that his department are good landlords and have a duty of care to any tenants within their sphere of responsibility? If so, can it be right to hold a tenant like a puppet on a string from one year to another for some 11 years?

Senator A.J.H. Maclean:

Yes, I do consider the department is a good landlord for tenants and I do not think there is any suggestion that this tenant, or licensee which is the correct term, is being held as a puppet on a string. She has been aware of the circumstances from the very moment that she moved in, and was prepared to accept those terms and conditions. The fact that it has run on as long as it has has presented her with a commercial opportunity, and she can now seek further opportunities by becoming part of the current expressions of interest for the redevelopment of the site.

3.5.2 The Connétable of St. John:

Is the Minister aware that the footfall of the area is very low, and given that several fast food outlets are proposed for around the steam clock, *et cetera*, by his department or Property Holdings, and given that Liberty Wharf across the road has a very small footfall, is it right that we are putting additional pressure at this time on small businesses who are employing people and trying to keep their head above water? By increasing the number of establishments within the footfall area this company is likely to fail.

Senator A.J.H. Maclean:

As I said a moment ago, this particular business has an opportunity to get involved in the expressions of interest and improve the facilities in this particular area. It is an important area for visiting yachtsmen and provides a very good facility.

[10:15]

The other facilities mentioned by the Connétable relate to the States of Jersey Development Company Limited which is looking at some concessions in a site not too far away from here, but it is not related to this particular topic. We continue to support all businesses and if this particular business wishes to put forward further plans they are able to do so, and get involved with the redevelopment of the area.

The Bailiff:

I will come back to you at the end, Connétable.

3.5.3 Deputy R.G. Le Hérissier:

Having clothed the future in very optimistic language, could the Minister confirm that the opportunity to which he refers is a euphemism for a much-increased rent? Would he not acknowledge that the need for good, solid food is as prevalent now on that pier as it has been over the last 11 years?

Senator A.J.H. Maclean:

I think I made it plain in my earlier answer that in fact the current licensee has a discounted rate below all other café sites which form part of the portfolio of the Ports of Jersey. That was done to take into consideration the temporary nature of the arrangements all those years ago, and that continues to be the case. This is not just about optimising a maximum return on the site. It is about ensuring that good facilities develop and as time goes by it is important to always be improving. We are hopeful that the current licensee will get involved in the process, in the expressions of interest, and help develop the site and provide for the 25,000 or so visiting yachtsmen that use the facilities around the port and in particular that one.

3.5.4 Deputy R.G. Le Hérissier:

So just to clarify, the price will be much, much greater for rental than it is now?

Senator A.J.H. Maclean:

It will be greater, I am sure, probably, but it will depend on what the options are for the redevelopment. It depends what the expressions of interest throw up. It is quite likely that the existing licensee could indeed continue there, but with an improved proposition which would help her to make more money. If she can make more money the arrangement is on a percentage of turnover, so it is a win-win scenario. If the turnover improves the Ports of Jersey get a higher return.

The Connétable of St. John:

I hope you are not going to cut me off at the knees again, Sir.

The Bailiff:

I think that is a bit harsh to say you were cut off at the knees after 3 questions. **[Laughter]**

The Connétable of St. John:

Sir, my colleagues, Deputy Southern and others, had the floor to themselves for the entire question.

The Bailiff:

That is because nobody else was waiting to ask a question.

The Connétable of St. John:

I was ready to continue, Sir, and my thoughts are now broken.

The Bailiff:

Do your best, Connétable.

3.5.5 The Connétable of St. John:

That being the case, in my original question I asked what was the proposal for this site in the future. Could we be told, please?

Senator A.J.H. Maclean:

Sir, I think it is unfair that you suggest that the Connétable is cut off at the knees. I think cut off at the shoulders might be more appropriate. **[Laughter]** I jest, and I know he will take it in

good humour. The expressions of interest process is under way, which the Connétable is aware of. That in fact closes today and we will see what is thrown up as a result of that process. It is, as I have said several times this morning, quite likely that the existing licensee could still be involved in an improved facility and we are waiting with interest to see what her proposals are going to be, but it is not likely that anything on this site is going to be other than a catering facility. That seems to me and it seems to the property area in the department of Ports of Jersey to be the most likely outcome.

3.5.6 The Connétable of St. John:

So will the Minister look at this particular case, because 11 years with one tenant is very good, but to be only able to invest for 12 months in any particular business is unacceptable. You want a longer term. I am sure the States are not in a position to develop that site at this time. Will he please look at giving a longer lease than 12 months on this site?

Senator A.J.H. Maclean:

I am delighted that the Connétable has got it. That is exactly the point of the expressions of interest. We are looking for a longer-term arrangement. We are looking for investment in the site, and we are very keen that the current incumbent gets involved in the process, and if she can come up with a proposition that looks good then I am sure she will have every chance of being successful. Longer-term is much better for everyone concerned.