

STATES OF JERSEY



LA POUQUELAYE OLD SCHOOL SITE: PURCHASE (P.55/2007) – COMMENTS

Presented to the States on 14th May 2007
by the Minister for Treasury and Resources

STATES GREFFE

COMMENTS

The Minister for Treasury and Resources is not opposed in principle to the sale of this site to the Parish of St. Helier for community facilities. This has already been tested on an experimental basis, with the co-operation of Property Holdings, and the Parish has been able to satisfy itself of the need. The Education, Sport and Culture Department has advised Property Holdings that a youth facility would be of benefit to the surrounding community but that the Youth Service would not be able to offer any major financial support other than possibly some sessional youth workers.

However, this proposition also needs to be looked at in the broader context of the States Strategic Plan and the need to put the resources of the States to the best use. As Treasury Minister one key objective must be to realise a fair value for the site, but this does not necessarily imply that the highest possible yield has to be extracted, if alternative social or other benefits to the Island can be shown. As agreed by the States, future capital expenditure is based partly on the realisation of funds from the disposal of properties surplus to the States requirements and so it should be borne in mind that if this property is sold below market value, some further disposal(s) will be necessary, or else necessary capital expenditure will have to be deferred. It would be unrealistic (and against the principles of the Strategic Plan) to sell the site for such a low value as the proposition envisages.

An alternative approach to the sale of the site would be to enter into a 'land swap' agreement, perhaps with a balancing cash adjustment if appropriate. The Parish owns land which is not in full use and which could support a better use by the States.

Provided that asset values were broadly similar, the problem of 'writing off' the greater part of the value of the old school site could be avoided. Discussions over a potential land swap did take place with the Parish representatives toward the end of 2006 and revisiting this approach may offer an opportunity for both parties to benefit.

Whilst I can support the sale of the former La Pouquelaye School for the purposes indicated, I cannot at this stage support it on the terms proposed by the Connétable of St. Helier. I would, however, strongly favour entering into further constructive discussions with the Connétable with a view to reaching agreement on a land swap.