

# STATES OF JERSEY



## ESPLANADE QUARTER, ST. HELIER: MASTERPLAN – RESCINDMENT

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Lodged au Greffe on 10th June 2008  
by Deputy G.C.L. Baudains of St. Clement

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STATES GREFFE

## **PROPOSITION**

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

to refer to their Act dated 4th June 2008 in which they approved paragraph (1) of the proposition relating to the Esplanade Quarter, St. Helier: Masterplan, and to their Act dated 5th June 2008 in which they approved paragraph (2) of the proposition, and to agree to rescind their decision to approve–

- (a) paragraph (1) of the said proposition; and
- (b) paragraph (2) of the said proposition.

**DEPUTY G.C.L. BAUDAINS OF ST. CLEMENT**

Note: In accordance with Standing Order 23(a) this proposition has been signed by the following members.

- 1. Deputy G.P. Southern of St. Helier
- 2. The Deputy of St. Martin
- 3. Deputy A. Breckon of St. Saviour
- 4. Deputy R.G. Le Hérissier of St. Saviour

The reasons for bringing this proposition are set out in the report below.

## REPORT

Had members adopted my Reference Back, all this could have been avoided – a couple of weeks' delay whilst up-to-date information was gathered followed by a well-informed debate would have avoided the difficulty we now find ourselves in.

Unfortunately, some members adopted a 'let's stop talking about this and get on with it' whilst others were bamboozled by the Council's rhetoric. The result was possibly the biggest decision ever taken by the States being made on information that was either absent or seriously misleading.

My Proposition seeks to pull us back from the precipice.

Firstly, I have concerns regarding part (1) of the proposition.

Quite why the proposition was split into two halves as it was is not clear. Certainly the two parts are inextricably linked. As the Chief Minister said during his presentation of part (2), without adopting that, part (1) couldn't happen.

Be that as it may, members were not offered any alternative design, perhaps using a modified Esplanade.

A tunnel has environmentally unfriendly aspects such as continuous lighting, reduced air quality, etc. plus £45 million construction costs and £½ million annual maintenance.

Were developers still allowed the area occupied by the present road but without a tunnel, could not the payment to the public reflect the removal of the £45 million cost to the developer – meaning the public would receive £95 million instead of £50 million?

The problems surrounding part (2) are potentially more serious.

Information upon which members made decisions was inaccurate and deplorably incomplete. Some documents are still unavailable – or, such as the PWC documents, weren't delivered until after voting had finished.

Taking those two issues first, we were given glowing credentials for Harcourt by both the Chief Minister and Senator Perchard (the latter a States appointed director of the Waterfront Enterprise Board). We now see that those representations were inaccurate, to say the least.

Members were not made aware that the PWC report concluded that Harcourt were unlikely to be able to finance the project without borrowing, because much of their collateral was not liquid. Furthermore, those reports were made almost a year ago.

A lot has happened since then. Fallout from the sub prime chaos in America hadn't yet taken effect. Does that further exacerbate Harcourt's difficulty? We simply weren't told. Neither were we advised of Harcourt's current financial position regarding bank loans.

A report was apparently presented to the Council of Ministers regarding economic impact and the effect the waterfront proposals might have on St. Helier.

That document was withheld.

The Chief Minister, Senator Perchard and Deputy de Faye all robustly refuted the information regarding the Nevada lawsuit. If I may remind members of what Deputy de Faye said:

“Parliamentary privilege is a very important feature of democracy and partly because of that we really should treat it with some respect, and I am concerned that what I understand to be essentially a fabrication that has absolutely no foundation in fact whatsoever is now being propagated as some sort of reason why we should refer this matter back. It is my understanding that in fact there is no lawsuit, there's a bit of

whiff and puffery going on the Internet but that's as far as it goes, and members perhaps ought to consider what they say in this Chamber and whether they'd be prepared to repeat it in the Royal Square".

It would surely benefit debate if members checked their facts before impugning the integrity of others, and I look forward to Deputy de Faye's apology in due course.

It is a fact that the case against Harcourt was filed on 30th April. The point is, how does that affect us?

The lawsuit relates to an \$800 million development. If Harcourt lose that– and possibly have to pay punitive damages as well – how well placed will they be to satisfactorily complete Jersey's development?

Furthermore, if we look at the allegations in that lawsuit – and the Irish lawsuit as well – we see that Harcourt have fallen out with their development partners.

What would happen if the same happened to us? If part-way through the development the developer defaulted on agreements?

Jersey would ultimately be forced into legal action. Can we afford that? Given our unwillingness to pursue the Les Pas deal, would we have the stomach for that?

What would happen if the developer ceased work? Could Jersey afford to take on another developer (on his terms) to complete it?

Jersey is a small island. It does not have the resources to defend itself against large multi-national companies, which means we have to be as certain as we possibly can be that an exercise of this magnitude is watertight.

Instead, we have been fed inaccurate information, information that is out of date – and other information has been withheld.

We have been assured guarantees will ensure nothing can go wrong – but lack details of those guarantees and their robustness.

We cannot responsibly proceed with this project until all these questions have been adequately answered.

We must therefore rescind our decision, and allow the Council of Ministers to bring forward a fresh Project that lists alternatives (or explain why there aren't any) and is accompanied by full and accurate information regarding the way the waterfront development is to be achieved.

There are no manpower implications. The financial implications are unknown, however, an avoided disaster could potentially save the Island millions.