

2.10 Deputy S. Pitman of St. Helier of the Chief Minister regarding the future of the Housing Minister:

Following the Minister for Housing's admission that he was responsible for the loss of £1.5 million of public money relating to the sale of First Time Buyer homes at Le Squez, would the Chief Minister advise Members whether he will be calling for the resignation of the Minister for Housing?

Senator F.H. Walker (The Chief Minister):

I will not be calling for the Minister for Housing's resignation for a number of very good reasons. First, when the decision was taken quite properly to sell the homes at Le Squez, Senator Le Main was not the Minister for Housing and as I have always made clear, I have no authority to take action against a Minister for actions taken before the introduction of Ministerial government. Secondly, the Housing Committee of the day acted quite properly and according to normal practice when agreeing the sale price. The issue arose entirely as a result of the unforeseen delay in installing the drainage systems over which the Housing Committee had no control and during which the value of the properties increased significantly. Thirdly, it was Senator Le Main himself who, when he became aware of the matter earlier this year, personally drew attention to it and took successful steps to rectify the problem. Fourthly, I believe the Minister for Housing is doing an excellent job, particularly on behalf of States' tenants and those on lower incomes seeking to own their own home.

2.10.1 Deputy J.A. Martin:

I must ask the Chief Minister to reconsider what he has said. I need an answer to 2 questions. Is it £2.4 million that the Housing Department have lost or £1.5 million because it has moved from July to a few weeks ago? Can he confirm that it was not the Minister for Housing who informed the States; it was letters sent out by the new Chief Officer and basically he inherited a problem that he said it was very unfortunate to inherit and it was an officer before him who had caused the problem? If the Minister is not to answer, somebody has got to answer for £2.4 million or £1.5 million of public money. It is not good enough to say that it will not happen again and it certainly is not good enough to say: "I am sorry."

Senator F.H. Walker:

It was never a loss of £2.4 million and that figure was never officially released. I do not know where it arose from. Well, it may have been Deputy Martin's own calculation but it certainly was not a correct figure and the actual figure is considerably less. Indeed, with the actions taken by the Housing Minister and his department subsequently, with the change of design and the new negotiations that have taken place, the States and the public are likely to emerge from the overall scheme with a profit not a loss.

2.10.2 Deputy J.A. Martin:

Just a supplementary. If the Minister or any other States Members wish to see, I have an email from the Chief Officer of the Housing Department who told me in July when they wrote to the tenants, if they did not do something they were losing £2.4 million. Anyone can see the email if they want to. It was £2.4 million.

Senator F.H. Walker:

I stand corrected in that respect but I think the crucial phrase is if we do not do something and, of course, the current Chief Officer of Housing and the Minister have done something and they have pulled the issue back in the best interests of the public.

2.10.3 Deputy G.P. Southern:

Is the Chief Minister aware that the Housing Minister has accepted total responsibility for this debacle and does he not accept that responsibility should be in some way censured?

Senator F.H. Walker:

I have already made it clear in my answer. He was not the Housing Minister at the time. Ministerial government did not exist. I was not Chief Minister and I have no powers to act against anyone in the States, Minister or otherwise, who took actions before Ministerial government was introduced.

2.10.4 Deputy S. Pitman:

May I remind the Chief Minister that at the time those who put the deposit down for these houses, the Housing Minister was President for Housing. The Chief Minister can strongly advocate the dismissal of the former Health Minister who had an indisputable record because he spoke to certain Members in a disrespectful manner but cannot do this for a Housing Minister who has taken responsibility for a loss of £1.5 million of taxpayers' money. Dismiss the former Health Minister or dismiss the Housing Minister. What decision does the Chief Minister think our taxpayers would take?

Senator F.H. Walker:

I do not think the Deputy is listening to the answers. That was obviously a prepared question. I do not think she is listening to the answers I have given, that because of the actions of the Housing Minister the change to the scheme and the changes to the agreements that were introduced when he became aware that there was an issue, the States have now changed the position completely and at the end of the day on the completed scheme we are likely to see a profit to the public not a loss.

2.10.5 Deputy S.C. Ferguson:

Given that the same Housing Minister presided over the sale of Le Coie to the Housing Trust, a development which cost £24 million to produce and was sold for £12 million to the Housing Trust, will he not reconsider his decision?

Senator F.H. Walker:

As I recall, and I am not sure of my facts because I have not researched the Le Coie issue - it was not part of the original question - I believe the agreement on Le Coie was the subject of a States' decision but I think that should be double-checked.

2.10.6 Deputy G.P. Southern:

Given the present evidence of incompetence on the part of the Minister for Housing, will the Chief Minister reconsider his decision to appoint the said Minister for Housing?

The Bailiff:

I did not think the Chief Minister did appoint the Minister for Housing.

Deputy G.P. Southern:

That is relevant because one of the answers we have received is that all this happened before he was Chief Minister. He did, however, appoint this particular Minister as Chief Minister.

Senator F.H. Walker:

The States appointed the Housing Minister, not me. It was on my recommendation and I stand by that recommendation. The fact is that the Housing Minister, when he was President of the Housing Committee, followed well-established normal practice. Because of the delay beyond his control, because market values rose considerably during that delay beyond his control, he has taken action and he has turned the situation around. I do not know how many times I have to repeat that. Clearly, as I have said, some of the questioners, at least, are not listening to the answers.

The Bailiff:

A final supplementary.

2.10.7 Deputy J.A. Martin:

Previously the Chief Minister said that now we have turned it around hopefully we will see a profit at the end of the whole of the refurbishment of Le Squez and not a loss. Well, the people of the Island have owned this piece of land for over 40 years and if we cannot make a profit - and I would say a very large profit - the whole Ministry should resign.

Senator F.H. Walker:

The Deputy's observation is quite interesting because she has long been a champion of providing the cheapest possible housing to those who need States support. Is she suggesting now that we should change that policy, rip it up and charge far more to these people and probably put the houses beyond their capability to afford? I find that somewhat contradictory.

Deputy J.A. Martin:

I am sorry. I know you made that the last supplementary. The Minister is not listening to what I am saying. The prices of the houses are very reasonable. We owned the land so we did not have to purchase the land and if we do not make a profit there is something very, very wrong in the way the whole of Le Squez is being managed. Not one phase, the whole of Le Squez.

Senator F.H. Walker:

In which case the Deputy should share my pleasure that we will make a profit.