

## **8. The Minister for Treasury and Resources - statement about St. Martin's School**

### **8.1 Senator P.F.C. Ozouf (The Minister for Treasury and Resources):**

Members will be aware that Senator Le Gresley has lodged an amendment to the expenditure proposals for 2010 and 2013 in respect of St. Martin's School. This project was originally scheduled to start in 2012 in the indicative programme in the 2010 Business Plan with £7.7 million allocated. The prioritisation process this year has reviewed the 2011 to 2013 capital and has identified high priority schemes for 2012, particularly those relating to several upgrade works at the hospital. These reviewed priorities associated with difficulties in securing an appropriate site for St. Martin's School resulted in the project being deferred until 2013. Senator Le Gresley's amendment is proposing advancing the project to 2012. The Council of Ministers recognises the priority of this project, but would have to oppose an amendment which increases the deficit by £7.7 million to £26 million in 2010 and further affects the Consolidated Fund in what is already forecast to be a particularly difficult year. I would like to assure Members that this project has my support and that of the Minister for Education, Sport and Culture and, indeed, that of my fellow Ministers. I would also like to say that there is already a considerable amount of work being done behind the scenes in terms of resolving some of the site and planning issues and considering all the options for accelerating the project. It is also fair to say that with the current problems in securing a site there could not be a guarantee that the whole project could be completed in 2012, even if the amendment was successful and the funds made available. Taking all this into account, there may be an opportunity to propose the phased approach to the project which would provide an alternative to the amendment proposed by Senator Le Gresley, an amendment, which, in its current form, I and the Council of Ministers would have to oppose. The alternative would be a commitment to consider a 2-phased approach to St. Martin's School, which might represent appropriate design works resolving site acquisition, preparation and drainage issues being carried out in 2012, followed by the construction in early 2013. The commitment of myself, the Ministers for Education, Sport and Culture, and Planning, and appropriate officers to expedite the current difficulties and the site issues during 2011. A commitment to identify sufficient funding for 2012 to allow the proposed 2-phased approach, this will be resolved in advance of the 2012 Business Plan, a commitment by Property Holdings, who are aware of the current problems at the school to work with the Head to ensure that the remaining period in the property is as comfortable as possible. I would also say that much of this will be done behind the scenes and leading up to the 2012 Business Plan, but I am prepared to commit to this now and to consider options to fund the 2-phased approach. The final decision will be for the States and it will not be made until September 2011 in the 2012 Business Plan.

#### **8.1.1 Senator F. du H. Le Gresley:**

I am grateful to the Minister for this statement, which I have been discussing with him over the weekend, and I apologise to Members that at this stage I have not yet withdrawn my fourth amendment to the budget. The reason for that is that I was waiting to check the exact wording of the statement because I had suggested a small amendment, which I note has been included. I would just like to say that I felt very genuinely that my amendment was warranted and that work to St. Martin's School - a complete rebuild of the school - should not be delayed any further and that, in fact, I have since found out that this scheme was mooted back in 2004. So we are now 6 years on since the first project was discussed by the Education Committee.

#### **The Bailiff:**

You are going to come to your question soon, Senator Le Gresley, are you?

#### **Senator F. du H. Le Gresley:**

I am going to come to my question in a minute, Sir. I am just reiterating the point. So we have waited 6 years and I do feel that delaying until 2012 or even 2013 is probably unacceptable. But in the circumstances, provided the Minister, when he answers my question, will confirm, really -

sorry, I cannot remember the right word there - unequivocally that he will commit to a 2-phase approach to St. Martin's School, commencing in 2012 and completing in 2013, I will, Sir, with your permission, withdraw my fourth amendment to the budget.

**Senator P.F.C. Ozouf:**

I am happy to confirm that that is unequivocally given. I have had constructive discussions with my friend the Minister for Education, Sport and Culture and we have wanted to expedite that. If we can beat what we have said in the statement we certainly will and we will make the lives of the St. Martin's School pupils and teachers improved as soon as possible. Constructive discussions can happen.

**8.1.2 Deputy D.J. De Sousa:**

Bearing in mind that our homes are supposed to be wind and watertight, does the Minister consider that this building is safe, wind and watertight to carry on educating our youngsters in and that this will not be a detriment to their health.

**Senator P.F.C. Ozouf:**

I hope not, and I am sure the Deputy will have seen the last commitment to make it as comfortable as possible. I would say that there has been over the last decade or so a very substantial investment in our schools infrastructure. We have a schools infrastructure we should be very proud of. St. Martin's is one of the last to be completed and we are going to make that completion as soon as possible.

**8.1.3 Deputy G.P. Southern:**

Can I ask the Minister whether his unequivocal assurance is the same as his commitment over G.S.T.?

**Senator P.F.C. Ozouf:**

As always, with the best information I have available, I make statements and give undertakings and promises to this Assembly with the best information I have, and the Deputy will be clear about my commitment in relation to St. Martin's School, which is shared by Ministerial colleagues.

**8.1.4 Deputy R.G. Le Hérissier:**

Given that Senator Le Gresley is accepting this essentially on a promise until its formal ratification, hopefully in the Business Plan, could the Minister for Treasury and Resources tell us where the source of funding will come from for the phase up to the Business Plan?

**Senator P.F.C. Ozouf:**

In all probability by slipping another project, if that is agreed with the Minister, or in relation to a whole rejigging of some of the other aspects of the capital programme. I should say that the capital programme is something that I have been looking at in order to get more flexibility. There is an available amount of money every year but obviously we want to try and get as many projects as completed as possible and this is also going to be subject to the general review that I am undertaking in relation to capital programme and how that is funded and how that works.

**8.1.5 The Deputy of St. Mary:**

The statement says that the £7.7 million cost of the school would "further affect the Consolidated Fund in what is forecast to be a particularly difficult year." Can the Minister for Treasury and Resources tell Members just how much capital allocations there are in the Consolidated Fund; what sort of order of magnitude?

**Senator P.F.C. Ozouf:**

There will inevitably be a number of capital projects that will have been approved that are not started. But certainly there has been an acceleration of capital projects and much of the outstanding balance - particularly, for example, in relation to the Energy from Waste plant - now has been paid for. There is one project which I particularly call to mind, which is the police station allocation which has been made, but we also are attempting to make progress in relation to that. There is an issue about allocated money and actual available money. If we successfully deliver on capital projects, that available money is obviously going to be reducing and I intend it to reduce.

#### **8.1.6 The Deputy of St. Mary:**

Can I have a supplementary, Sir? Can the Minister confirm that the amount of money in the Consolidated Fund, which this House has already allocated to capital projects is round about or in excess of £100 million? So his statement that the £7.7 million makes a material difference is somewhat misleading?

#### **Senator P.F.C. Ozouf:**

It is really important that Members understand the difference between the unallocated amount of the Consolidated Fund and the allocated amount. When we speak about the Consolidated Fund going overdrawn, we mean just that, is that there is insufficient monies in the Consolidated Fund to meet the obligations of the States. I am afraid you cannot spend money twice.

#### **The Deputy of St. Mary:**

Nor can you spend it all at once.

[17.30]

#### **8.1.7 Deputy J.A. Martin:**

Following on from the last statement from Deputy Southern, is this a new approach? Are we heading-off amendments at the pass now with statements in the House, and, as Deputy Le Hérisser says “a promise for the future”? I appreciate that Senator Le Gresley is a relatively young Senator, inexperienced, and I would very much watch this because if you can overturn amendments in the House, and this is what the Minister for Treasury and Resources thinks a nice fluffy statement about: “You can have your school but there will be a little work behind the scenes” does he really think we can be fooled that many times? Today is not 1st April.

#### **Senator P.F.C. Ozouf:**

I regret what Deputy Martin says because I imagine that she was sitting in her seat earlier saying that we are condemned if we do and condemned if we do not. Members have said previously that the Council of Ministers should be open to amendments, to see whether or not we can find solutions, to see whether or not we can meet Back-Benchers’ objectives. That is what we are doing. I heard earlier that there was criticism of the Health Department for having an under-spend in managing their budget properly. The Deputy should be aware of these: “Condemned if you do and condemned if you do not” because I am going to come and sit over there in relation to some of these issues.

#### **Deputy T.M. Pitman:**

My question has been eloquently put. I totally agree with it.

#### **8.1.8 The Deputy of St. Martin:**

The Minister is quite right to say St. Martin’s has been waiting a long time for a new school. But could I get an assurance from the Minister... because he has identified in his statement about the fact that it is fair to say that the current problems in securing the site... there could not be a guarantee, *et cetera*? Could I have an assurance from the Minister that no monies will be spent until all the issues, including the football pitch and the playing area at St. Martin’s are secure

before anything gets underway because what we do not want is a school and then have no facilities around it?

**Senator P.F.C. Ozouf:**

Yes, and I discussed this statement with both the Minister for Education, Sport and Culture and the Minister for Planning in relation to the issues that he raises, and I am hopeful that we are going to find a solution to the issues that the Deputy is alluding to.

**8.1.9 Deputy A.E. Jeune:**

I would just like reassurance from the Minister that, while having given his statement today, what he will be giving us in the budget tomorrow will be that he is going to stay within that envelope of money that he is discussing and he is not finding another roll of money in a drawer.

**Senator P.F.C. Ozouf:**

I do not think that there is lots of money in the drawer and that is the difficulty. Yes, I will be making a very strong plea to Members for responsibility in the budget decisions tomorrow. I think it is important that we do fix and we stick to an envelope of States spending and that we commit to that in order to send a very strong message that we have got balanced public finances. I look forward to the Deputy's and others contributions to these issues in the next couple of days.

**8.1.10 Deputy R.G. Le Hérissier:**

Would the Minister for Treasury and Resources not concede that despite a deteriorating physical infrastructure, the excellent job St. Martin's School has done with people such as the Deputy of St. Martin? It is testimony to the fact that it is the quality of teaching that is paramount.

**Senator P.F.C. Ozouf:**

I did not know the Deputy of St. Martin had been to St. Martin's School but that is a matter for Members to judge, not me.

**The Bailiff:**

Does any other Member wish to ask questions? Very well, that concludes questions to the Minister on that. Senator Le Gresley, can I just clarify with you, with the assistance of Members then, are you withdrawing your amendment?

**Senator F. du H. Le Gresley:**

Yes, I am, Sir.