

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON MONDAY 18th JULY 2011**

Question

What measures does the Minister propose to put in place to limit damage to Jersey's reputation as a good neighbour (as suggested in the latest European Services Strategy Unit report) arising from the leakage from UK tax revenues to Jersey of profits from PFI (Private Finance Initiative) hospital and schools projects?

Answer

The transfer of equity ownership of UK PFI projects was recently examined by the Public Accounts Committee of the UK Parliament. As indicated in oral evidence given by HM Treasury officials, once projects are established, ownership of the equity in those projects is a commercial decision determined by "private companies who are conducting their business".

HM Treasury officials did indicate in their evidence that they were going to "reflect" on the discussions of the Committee. If, following this period of reflection, there are any particular implications for Jersey we will work with HM Treasury officials to address these as appropriate.