

# **STATES OF JERSEY**



## **WATERFRONT ENTERPRISE BOARD: RENEWAL OF TEN-YEAR WORKING LIMIT**

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**Lodged au Greffe on 21st June 2005  
by the Policy and Resources Committee**

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**STATES GREFFE**

## **PROPOSITION**

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

to refer to their Act dated 12th December 1995 in which they approved the establishment of the Waterfront Enterprise Board as a separate legal entity, agreed to the transfer of administration to the Waterfront Enterprise Board Limited of certain areas of land on the St. Helier Waterfront, and appointed the Waterfront Enterprise Board Limited as a development agency of the States for an initial ten-year period; and –

to approve the extension of the Board's initial ten year appointment as a development agency for a further period of ten years from 12th December 2005.

**POLICY AND RESOURCES COMMITTEE**

## REPORT

1. On 10th November 1992, the States approved Map No. 392 as the development plan for the St. Helier Waterfront area (P.123/1992).
2. On 12th December 1995 (P.156/1995), the States approved the establishment of the Waterfront Enterprise Board (WEB) as a separate legal entity in accordance with the Memorandum and Articles of Association set out in the Appendix to the report of the Policy and Resources Committee, dated 1st November 1995, and decided to appoint Waterfront Enterprise Board Limited as a development agency of the States for an initial period of 10 years. This initial 10-year period is due to expire in December 2005.
3. On 23rd April 2002 the States approved the lease and sale by the public to the Waterfront Enterprise Board Limited of a number of parcels of land located within the St. Helier Waterfront area (P.45/2002) The States also agreed that WEB should be able to sub-let or hypothecate the land and that the company should be permitted to retain any capital receipts from the sale, leasing or sub-leasing of any of the areas of land for the purpose of funding further infrastructure work in order to complete the St. Helier Waterfront development as agreed with the Planning and Environment Committee, and, thereafter to allocate any surplus receipts to the sinking fund established by the Finance and Economics Committee to meet the cost of the company's share capital.
4. The main purposes of the above decision were to allow WEB to operate commercially, to reduce its reliance on States funding by borrowing against the value of its assets in order to undertake development activities, and to give third parties the confidence that WEB was in a suitable legal position to enter into commercial development and joint venture agreements in relation to the 'West of Albert' project, and that these transactions could be conducted under near-normal open-market conditions.
5. WEB, together with its private sector partners, aims to complete the majority of the 'West of Albert' project by 2011. A number of partnership transactions have already been entered into (most recently the Island site) and others are to follow shortly, including the Waterfront Hotel. All such transactions will clearly extend over several years and certainly well beyond 2006.
6. It is essential that the time limit of WEB's mandate be extended by a further 10 years in order that the Company can honour its legal, transactional obligations and enter into further transactions as necessary to progress its work.
7. In 2003, furthermore, it was stated by the States Treasury that WEB's States funding was to be reduced to zero over 3 years and so the company will cease to draw on any grant from the public purse. This increases the company's need for certainty of its ability to trade and to raise its own revenues in the future.
8. The States originally established WEB in 1995 for an initial period of 10 years. During this period the Board has delivered results for the States and it will continue to do so through further development partnerships with the private sector and through further development activities in the future.
9. Should the 10-year time limit not be extended, the States would be obliged to take over all of WEB's contractual obligations and liabilities.
10. Key safeguards for the States remain in place, the most important of which is that the States continue to be the main shareholders of the company and remain in overall control of the company's future.
11. It is anticipated that WEB's role in developing the St. Helier Waterfront will have been completed by 2015, and it should not therefore be necessary to seek a further extension at that time, unless of course the States should decide that WEB should be given additional responsibilities.
12. **Financial and manpower implications**

There are no additional financial or manpower implications arising from this proposition.