

3.12 The Connétable of St. John of the Minister for Environment regarding the legal authority for demanding a ‘development levy’: [1(103)]

Could the Minister inform the Assembly what legal authority allows the department to demand a development levy on developments and will he advise how this levy is calculated?

Deputy S.G. Luce of St. Martin (The Minister for Environment):

The answer to the Constable’s question is that my department has no legal authority to demand a development levy and as a consequence makes no such demands on development.

The Deputy Bailiff:

Supplementary question? No, very well. We come to question ... sorry? **[Laughter]** I wonder if the Minister could come back in because Deputy Higgins has indicated that he does in fact have a question to ask. It would be helpful if Members could indicate a desire to ask a question sooner rather than later, it is much easier to manage. Very well, Deputy.

3.12.1 Deputy M.R. Higgins:

I must say I did indicate before he left the room. The Minister, can he advise the Assembly then if there are any levies, whether it be levies for art or anything else, that are being imposed by his department and again what the legal authority is for those?

The Deputy of St. Martin:

The Deputy refers to Percentage for Art which is a voluntary contribution made by some developments which are large in scale. There is currently a contribution to the eastern cycle track which is agreed between the department and developers, and of course there are obligation agreements, planning obligation agreements, which are mutually agreed between my department and developers which are specific to the areas of the particular development and the infrastructure requirements of that area.

3.12.2 Deputy M.R. Higgins:

Supplementary. If they are voluntary what happens if the developer says no, does he lose his right to build or develop his property or do anything? Is voluntary really voluntary or if he did not do it would he be denied what he wants?

The Deputy of St. Martin:

My understanding is if it was not voluntary it would not be called so.

3.12.3 Deputy G.P. Southern:

It is interesting to get to one’s feet when one has been studying the face of the Chief Minister previously. In response to: “Is voluntary really voluntary” the Chief Minister appeared to be shaking his head. Is the Minister sure that his voluntary contribution to art is voluntary?

The Deputy of St. Martin:

I am advised that it is a voluntary contribution and until I am told otherwise I cannot answer that question differently.

3.12.4 Deputy J.M. Maçon:

As a member of the Planning Panel frequently we find ourselves being ... I think we have raised previously with the Minister whether perhaps the scope for things like the eastern cycle track, the contributions for ... an infrastructure contribution which may benefit wider within the community, perhaps a fund set up so that contributions can go into that. Has the Minister had an opportunity to consider such a recommendation?

The Deputy of St. Martin:

Members will know that I have always hinted at, and at the beginning of last year I officially announced that I was looking into a Jersey infrastructure levy which would be a levy on developments which would help pay for essential infrastructure which is not funded. My plans are moving along and currently we are looking at the viability of such a scheme because there is no point in me moving ahead with it if the scheme is not viable. But it would be my intention, if we progress further, to have a small part of any levy which I introduce to go directly to the Parish concerned so that in that way not only would it be a contribution and levy towards essential infrastructure for everybody, a small part of that could go to the infrastructure of the Parish affected by the development.

3.12.5 Deputy M. Tadier:

Is it fair to say that these voluntary charges could be described as a voluntary contribution which has the consequence of making the department more likely to grant the applicant planning consent; is that a fair description?

The Deputy of St. Martin:

It could be said.

3.12.6 Deputy M. Tadier:

What is the difference between that and what broadly some might call corruption?
[Members: Oh!]

The Deputy Bailiff:

I think I do not allow the use of the word “corruption” in suggesting that the actions of the Planning Department can be considered to be corrupt. Can you rephrase the question and put it in a different way?

Deputy M. Tadier:

I will rephrase that. It does seem that an ordinary bystander might see that, given the fact that it is purely voluntary and it is not a planning obligation as such which also exists separately, I believe, could it not be seen to be you scratch my back I scratch yours? Is that acceptable, Sir?

The Deputy Bailiff:

Minister, do you wish to ...

The Deputy of St. Martin:

The Deputy makes an interesting point and I think I would just like to say this: I do not want to address the specific question directly but what I would say is that my proposals for a future Jersey infrastructure levy would take into account Percentage for Art and would probably do away with it. I think it is really important that developers have more certainty about the costs or levies that may be imposed by Government before they commence a development and I can see the Percentage for Art, in whatever form it comes, being taken away if the Jersey infrastructure levy moves forward.

3.12.7 Deputy R.J. Renouf of St. Ouen:

Could the Minister tell the Assembly upon the introduction of an infrastructure levy; would that be voluntary in the same sense that he has been talking about a voluntary scheme, or would it require any legislative changes to take place?

[11:15]

The Deputy of St. Martin:

It most certainly would not be voluntary, it would require legislation. It would be my intention to come back to the House for the House's agreement before moving forward.

3.12.8 The Connétable of St. John:

The issue of a compulsory infrastructure levy alarms me I think it should remain voluntary. Is that something the Minister would consider?

The Deputy of St. Martin:

No, I think it is important with this type of levy that certainty is what you need and what you require and I think it would be important to fairness to everybody that everybody would be levied on the same basis.