

**2.8 Deputy S. Power of St. Brelade of the Chief Minister regarding rents paid by commercial lessees of Waterfront Enterprise Board Limited land at the Waterfront:**

Would the Chief Minister inform Members whether the commercial lessees of the premises in the Waterfront leisure complex, constructed on land under the administration of the Waterfront Enterprise Board Limited - including the cinema, aqua splash, bar and nightclub complex - are all paying true and fair market rents?

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

The general arrangements for the lease of the land at the Waterfront leisure complex were agreed in 1999, when the States approved P.9299 and agreed that this land should be leased by the public to C.T.P. Limited for a period of 150 years at a nominal rent of £93,000 per annum, together with a capital grant to C.T.P. of £10.9 million. The grant of £10.9 million was paid by the States to fund the development of the new leisure pool. In return, and in accordance with the terms of the lease as approved by the States, C.T.P. undertook to fund the total cost of the leisure complex development, including fitting out, which was then estimated at being in excess of £25 million. In December 2003, the States agreed that the lease of the land should be transferred from C.T.P. to Sun AXA, but the general terms of the lease remained the same as before. The rents charged by the head lessee, now Sun AXA, to its sub-lessees at the Waterfront leisure complex are commercial arrangements - commercial agreements - between those parties. The public is a party to these subleases only to provide security to the sub-lessees should the head lessee be removed, as detailed in the report accompanying P.58 2001, which was approved by the States in April 2001. The public has no direct financial interest in the terms of the subleases.

**2.8.1 Deputy P.V.F. Le Claire:**

Would the Chief Minister please inform Members as to where Sun AXA, the head lessee, is now based? In the future proposals under the tax arrangements, will they be paying taxes - local shareholders - if the arrangements come into force?

**Senator F.H. Walker:**

I do not think that is relevant to the question. Sun AXA, as is well known, are based in the U.K. and will be subject to exactly the same rules as other non-Jersey companies in the implementation of the tax package.