

**WRITTEN QUESTION TO THE CHIEF MINISTER  
BY DEPUTY S. PITMAN OF ST. HELIER**

**ANSWER TO BE TABLED ON TUESDAY 1st MAY 2007**

**Question**

Would the Minister advise members whether subsidies were provided to the company owners of the various outlets at the Waterfront Leisure complex and, if so, would he provide detailed figures outlining the annual amounts paid to each company to date.

**Answer**

P.92/1999 was adopted by the States on 27th July 1999 which agreed to enter into lease for 150 years between the Public and CTP Limited (the developer) for the development of a leisure complex comprising of leisure and competition pools, health and fitness studio, two fast food restaurants, a night club and café/restaurant with live entertainment, a public house, ten screen cinema and a public square. The financial agreement was that a capital premium of £620,000 would be paid by CTP for the site and a payment of £10.9 million would be paid by the Public for the construction of the leisure and competition pool.

In addition, the States received an overage payment of £450,000 in October 2004. Overage is the residual balance from sale proceeds after deducting the cost of development and the developer's profit, and it represents the value of the land in addition to the payment of £620,000 already received.

The public receives a cash subsidy of £7,750 per calendar month which commenced in July 2003 representing a contribution from the Developer towards the pool's operating costs. This figure increases annually by reference to the increase in the Jersey Retail Price Index and continues for a period of 20 years from the commencement date. To date the following payments have been received by the Public and passed on to the operator of the AquaSplash (public swimming pool) -

July 2003	£3,000 (initial payment for part of the month)
August 2003 – June 2004	£85,250 (11 monthly payments of £7,750)
July 2004 – June 2005	£95,796 (12 monthly payments of £7,983)
July 2005 – June 2006	£98,664 (12 monthly payments of £8,222)
July 2006 – June 2007	£101,616 (12 monthly payments of £8,468)

The AquaSplash also receives a subsidy from the Public in line with the management agreement of 23rd August 2001, this makes up the revenue / expenditure shortfall in a given year as detailed below for the operation of the pool:

Year	Revenue	Expenditure	Subsidy
2003	£431,611	£542,067	£110,456 (pool opened July 2003)
2004	£898,624	£1,144,788	£246,164
2005	£965,159	£1,175,629	£210,470
2006	£1,014,005	£1,289,461	£275,456

Other than the Aquasplash, we are not aware of any additional subsidies provided to the company owners of the various outlets at the Waterfront Leisure Complex. Any commercial arrangements are private matters between the private sector landlord and the tenants. It is envisaged that as with any private commercial property, the landlord will be setting the rental levels in accordance with the market.