

**WRITTEN QUESTION TO THE CHIEF MINISTER  
BY SENATOR B.E. SHENTON**

**ANSWER TO BE TABLED ON TUESDAY 5th JUNE 2007**

**Question**

Following the publication of the Corporate Services Scrutiny Panel report: 'Review of the proposed sale of the former Jersey College for Girls site', would the Chief Minister advise the Assembly whether he continues to uphold views which he expressed to the States Assembly on the 28th March 2007 in support of the deal with Grange developments, in particular that, having been advised throughout by Drivers Jonas and others, the process was robust, professional, and correctly handled, and that it will result in a return to the public of significantly in excess of £3 million with no risk at all?

**Answer**

When I addressed the House on 28th March 2007 I was satisfied, based upon the advice I had received, that the process leading up to the proposed development agreement with Grange Developments had been properly undertaken and represented good value for the States.

I now nevertheless accept the Sub-Panel's view that the process could have been more stringent and that clearer criteria for selection should have been used and a formal contract, rather than an exchange of letters, drawn up at an early stage. It should however be noted that the Panel found nothing to support Senator Shenton's suggestion of corruption.

During the time that has elapsed since the decision taken in 2005 to dispose of the site, officers of Property Services and subsequently Property Holdings have sought professional guidance as and when they felt it was required. I was, however, informed by the officers concerned that Drivers Jonas had been advising throughout. This has subsequently been shown not to be the case and I regret that I inadvertently misled the House in this regard.

At no time did I suggest that the anticipated final price to the States of over £3m would be risk free. I did state that the initial £1.8m was not at risk and that remains true – not least because the Treasury and Resources Minister will not authorise the sign off of the legal document necessary to implement the agreement without assuring himself that is indeed the case. I went on to emphasise that the final figure achieved would depend upon the property market, but that the evidence suggested the figure of £3m would be exceeded.

I remain of the view, given all the circumstances and the time-scales involved, that the proposed deal with Grange was reasonable and fair to all parties. However, the Treasury and Resources Minister, having received a further independent valuation, will review it in the light of this new information.

Final judgment should, in my view, be withheld until that information is available.