

#### **4.2 Deputy P.J. Rondel of St. John of the Chief Minister regarding the leases and rental sums for the Liberty Wharf site:**

I sincerely hope I am not going to be wasting anybody's time.

##### **The Deputy Bailiff:**

So do we all. [Laughter]

##### **The Deputy of St. John:**

As businesses at Liberty Wharf are starting to begin trading, would the Minister advise Members which companies will be occupying the site, give details of the leases and rental sums, and advise whether the rental income will be paid to the Waterfront Enterprise Board, the States, or to another body?

##### **Senator T.A. Le Sueur (The Chief Minister):**

The site is the responsibility of an independent company, Island Developments Limited, who hold the head lease of the property from the Waterfront Enterprise Board Limited. It is the Island Developments Limited which will receive any income from the sub-tenancies, and details of the occupiers are confidential to Island Developments Limited, a private company, until that company releases them. On the expiry of the head lease, the benefit of the property and its rental income at that time will revert to the Waterfront Enterprise Board and not to the States.

##### **4.2.1 The Deputy of St. John:**

Yes. As Harcourt have been given 60 days' notice to complete work on Liberty Wharf, have we got another contractor in the wings to complete any of the outstanding works, or are we going to have yet more delays while a new contractor is found?

##### **Senator T.A. Le Sueur:**

I am not sure how that relates to the question about a lease on the property.

##### **The Deputy Bailiff:**

I was just wondering the same thing.

##### **Senator T.A. Le Sueur:**

I think I would prefer to have notice of that question.

##### **4.2.2 The Deputy of St. John:**

I have another question, if I may, then. Of the new tenants for Liberty Wharf, a number of the tenants had options on their site for 2 years. Given the option time has now elapsed, have these options been renewed? If not, what inducements are on offer? Could it be that the big players taking on these leases are being offered rent free, so as to sign up? Will the Minister give details if he has them, it sounds as if he has very little information?

##### **Senator T.A. Le Sueur:**

Indeed, I do have very little. I think the Deputy needs to be reminded that Island Developments Limited is a private company taking on a head lease from the Waterfront Enterprise Board, and I have no knowledge whatsoever or way of getting information from the directors of a private company. It is between that company and its customers.

#### **4.2.3 The Deputy of St. John:**

Given that the Chief Minister is responsible for W.E.B. (Waterfront Enterprise Board), he must have far more information at his fingertips than he is telling us. I think he is misleading us by telling us that another company is involved. The Minister is misleading the House, in my view. Will he please come back to the House and give us far more details on the areas that I have put to him this morning?

#### **Senator T.A. Le Sueur:**

I have no wish to be obstructive to the Deputy, but I cannot get information from a private company, unless they are prepared to release it. And so, while I can give all the hopeful signs to the Deputy, I cannot guarantee providing any information whatsoever.

#### **4.2.4 Connétable A.S. Crowcroft of St. Helier:**

I share the Deputy of St. John's frustration, and I think members of the public must be wondering what is in it for them. This is a public asset, what is the States receiving in return for the lease to this company, this private company? Can we have some indication of the length of the lease and the kind of remuneration that the public, that is to say, the taxpayers and people of Jersey, are receiving for this large shopping mall that is soon to open?

#### **Senator T.A. Le Sueur:**

Yes, that is a fair question, and the Waterfront Enterprise Board, in entering that lease, received a premium on the lease of £4.5 million, together with the delivery, at the developer's expense, of a bus station or transportation centre, and the ability to participate in any overages as a result of the development, should they arise. The lease is for 150 years.

#### **4.2.5 Senator A. Breckon:**

In the original question, the Deputy of St. John asked the Chief Minister about businesses at Liberty Wharf starting up to begin trading, and the Minister was asked if he would advise Members which companies would be occupying the site. I wonder if the Chief Minister would like to tell the House whether he believes a shop opened on the old tourism site selling pasties is better value than the old tourism building?

#### **Senator T.A. Le Sueur:**

That is a matter of judgment for individual States Members. In any case, it is irrelevant; a lease has been entered into between the Waterfront Enterprise Board and Island Developments Limited and under the terms of that lease, the tenant is entitled to sublet to whomsoever they wish, within the terms of that lease.

#### **4.2.6 Deputy T.M. Pitman:**

I think I heard the Chief Minister correctly. He mentioned £4.5 million and a lease of 150 years. Could he advise the Assembly and the public whether he thinks that is good value for money?

#### **Senator T.A. Le Sueur:**

The complete deal was for £4.5 million, plus the building of a bus station, the provision of the ancillary services there, and the potential to receive overages from the subleases from the tenants. The overall package was evaluated and it was decided it was good value for the taxpayer.

**4.2.7 Connétable D.J. Murphy of Grouville:**

Would the Chief Minister agree with me that in fact, the pasty shop is next door to the old tourism building, and not the old tourism building?

**Senator T.A. Le Sueur:**

I think the principle of the question remains identical. The exact location is irrelevant.

**4.2.8 Deputy D.J. De Sousa of St. Helier:**

Following on from Deputy Pitman's question; the £4.5 million that has gone to W.E.B. for this. Can the Chief Minister please inform the States when the taxpayer of the Island will receive any monies back from the W.E.B. account?

**Senator T.A. Le Sueur:**

That is a matter for negotiation between the Minister for Treasury and Resources and the board of W.E.B. If there are adequate funds in the W.E.B. account which are not needed, then the company may well declare a dividend payable to the States. That is a matter for the company and the Minister for Treasury and Resources to talk about and agree.

**4.2.9 The Connétable of St. Helier:**

The Chief Minister said that there was a link between the capital costs of the bus station (the transportation centre) and the money paid to W.E.B. Would he undertake to talk to W.E.B. about the possibility of getting this company, Island Developments, to contribute towards the revenue cost of the bus station, which might allow us to keep it open later in the evenings?

**Senator T.A. Le Sueur:**

I can certainly talk to the board of W.E.B. and ask them that question. I will let the Members know the outcome, if any.

**4.2.10 The Deputy of St. John:**

I am somewhat disappointed in the Minister. I thought he would be far more prepared this morning, given he has got a vote of no confidence in him later. Given that the rental at the bus station has doubled this year, will the Minister make inquiries as to why it has doubled and was not fixed for the cost of living? It has gone up from £50,000 per annum to £100,000 a year. Will he make sure that in future it is only fixed to the cost of living, if this is a property that we own indirectly?

**Senator T.A. Le Sueur:**

If the terms of a lease have been entered into in good faith, the terms of that lease have to be abided by.