

2.12 Deputy T.M. Pitman of the Minister for Treasury and Resources regarding where the responsibility for the failure to purchase Lime Grove House lay:

Something completely different ... or not. Well I am making a joke. Following on from the last question, does the Minister for Treasury and Resources accept responsibility for the failure to purchase Lime Grove House and would he state whether there will be a possible £8 million additional cost to the taxpayer and, if so, does he consider this to have been an appropriate use of public funds?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

No and no, I think I have answered all the questions in previous answers. It was not £8 million. I think that that was a misinterpretation. We can deliver the police station, in my view, within the original budget, and we can release more land, in fact, than was originally envisaged in the Lime Grove House solution if we can find a single site for the police which will end up being a better deal overall.

2.12.1 Deputy T.M. Pitman:

Supplementary. The Minister did not answer the bit about responsibility so if he could give us an answer to that one. The second thing is in the previous answer the Minister said: "Lime Grove House was great and sought-after financial services premises." Yet in this House in the past he has consistently justified it always being dormant, empty, whatever we want to call it, because all the finance industry wanted was to go to purpose-built offices at the Waterfront. Which is the right answer? Something does not seem to add up.

Senator P.F.C. Ozouf:

Well, this building was 10 years old. Many people have regarded that with interest. There is a particular entity that has its H.Q. up in that vicinity of town. That vicinity of town has lots of other financial services entities and they have a particular use. They are a new arrival in Jersey, a relatively recent arrival. They have got an expanding business. They were in immediate requirement for some offices to rationalise their space and I wish them every luck, and will give them every support as the States of Jersey in expanding their operations here. Ultimately, the Esplanade Quarter is going to be needed for further ... effectively, State Street is combining a number of entities into one building. There are lots of other financial services industries that are all over town that need to do the same thing and the only place that that is going to be done is along the existing use of the Esplanade and Esplanade Quarter itself, so I do not think there is anything problematic. Certainly, the rents for financial services should not be the rents that we are paying for the States. I believe that we should be getting better value for money on our own land if we can do so.

The Bailiff:

All right, I am just going to allow 3. No, I will come back to you, Deputy.

Senator P.F.C. Ozouf:

I take responsibility.

The Bailiff:

I am just going to allow 3 supplementaries on this because we have still got one more on this, as well as 2 others, and this question that I have noticed.

2.12.2 The Deputy of St. John:

I will do my utmost to be brief. Of the £8 million, will the Minister agree that a new Police Headquarters can cost anything up to £20 million to £25 million? Given my time on Home Affairs we were looking at the Esplanade tank wall option and the figure would have been around about £20 million-odd. So what is the figure put aside for a new Police Headquarters please?

Senator P.F.C. Ozouf:

The actual budget for a Police Headquarters had been originally ... it was agreed in 2005 with a funding option. I cannot turn my hand to the paper that I have in relation to this issue but there is a... thank you, I am obliged, there was an original capital programme. There is £18 million originally approved in the capital programme, we got another £2 million in 2012 and there are going to be some other allocations bringing a total budget, less the expenses so far, of in the region of £19 million. Frankly, if we cannot deliver a police station for £19 million on our own land, we do not know what we are doing.

The Bailiff:

A concise answer please, Minister.

2.12.3 The Deputy of St. Martin:

We have heard various figures. I am a little bit confused. It is not going to cost the States £8 million; I think I heard £100,000. How much will this cost the States over the failure to go ahead with the negotiations?

Senator P.F.C. Ozouf:

Significantly less than £100,000, because of the aborted costs at being able to be used in relation to architectural matters in relation to that as I have already explained.

2.12.4 Deputy P.V.F. Le Claire:

Years ago, the States projects used to run over budget and we introduced procedures to stop that from happening. How did this project get to the position where it is, losing us £100,000? Are we honestly saying now we have the opportunity to save millions because we are messing up so badly?

Senator P.F.C. Ozouf:

The Deputy is right in that we now have tough controls on capital expenditure programmes and we have not had overspend with the exception of the Energy from Waste Plant issue in relation to the Euro hedging. We have not had an overspend and I intend to keep it that way. We can get better value of the land that will be released from the multi-location of the police at the moment. Sacre Coeur, Rouge Bouillon, other sites that Home Affairs have; those should be released for housing and that put against the overall capital bid. But we should be able to deliver the plan for the budget that has been available as the Deputy of St. John asked.

The Bailiff:

Final question, do you wish, Deputy Pitman?

Deputy T.M. Pitman:

I could not possibly resist.

The Bailiff:

It is possible.

2.12.5 Deputy T.M. Pitman:

No, it is riveting, gripping stuff. I am sorry, I have to disagree. We have heard so many non-answers, I think, so could the Minister give a concise and a rational explanation as to why a Minister for Treasury and Resources would commit the Island to something that he clearly, from what he said, was not happy with and he knew was not the best option. Clearly, he suggested that he knows there were better things that could be done. We should be building on our own site. Why did he not do that?

Senator P.F.C. Ozouf:

I was not prepared for the October plan. I did get it to the point that, subject to all the risks being dealt with, I was at a point where I could agree with it and not the best solution. I said I was difficult to convince on it but it would have been, on balance, a solution which would have met the immediate requirements of the police but not meeting all the requirements. I think we can do better and we will do better but we need to do so quickly because the police need a new home.

[16:30]