

3. Questions to Ministers without notice - The Minister for Treasury and Resources

3.1 Deputy J. Maçon:

With regards to the J.E.C. (Jersey Electricity Company) and the almost 10 per cent increase in the electricity price, as a shareholder representative, given the current economic circumstances and that many Islanders cannot afford to meet their bills, will the Minister reconsider his position and help his own people in reducing the rise as this increase is totally unacceptable?

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

This issue is obviously extremely difficult and outside of the J.E.C.'s control because of the failure of the power link. Shareholders do get updates from the company and I have had an update from the company since the publication of the price rise. I think frankly we will have to be realistic and responsible as States Members and accept that there is nothing we can do and should do to intervene in the company's tariff settings. Having said that, there is a great deal we can do to help our community in terms of reducing energy costs and particularly with the good work that is done by the Department of the Environment in putting home insulation to pensioner households and now - what the Minister announced yesterday - the further rolling out of further energy improvement facilities to Islanders. It is reducing energy that will reduce people's costs and we have seen electricity price rises across the United Kingdom and elsewhere, and I am afraid that we must be realistic about the realistic return on capital and needing to fund ongoing capital within the J.E.C.

3.2 The Connétable of St. John:

At the last sitting, the Minister for Treasury and Resources revealed that he was employing outside communicators. Please give the cost and also explain why. Has the Minister been permitted to use this unit when the States have a highly skilled unit and please also give the cost of this unit year on year since the establishment of it in 2006?

Senator P.F.C. Ozouf:

Those are detailed questions which I am happy to circulate the detail of the numbers later in the morning. The Communications Unit does an excellent job in terms of communicating information but Ministers' Scrutiny Panels need advice on how to handle and explain communications. If the Connétable thinks that all of this documentation with the M.T.F.P. (Medium-Term Financial Plan) has happened by accident in terms of explaining it in plain English, then I am afraid that that expertise... we work very hard in the Treasury and Resources Department but we need to have external help in terms of the communication events that we have held with Islanders, in terms of the drafting of documents, *et cetera*. What I have said to the Chief Minister and the Minister for Economic Development is I think that it is time that we build a corporate expertise not only for the Treasury and Resources Department but for all departments that need proper communication advice. That is not spin, that is communicating accurately directly with Islanders to inform them about our decisions and the consequence of our decisions.

3.2.1 The Connétable of St. John:

Supplementary on that: given that States Members have expenses, does the Minister use his expenses in relation to communications?

Senator P.F.C. Ozouf:

I have done that at the point of an election but effectively I am discharging the functions of Minister for Treasury and Resources. I do run my own communications, which I run myself and I do not have any outside help. I think that I have more Twitter followers and more LinkedIn followers than anybody else in this Assembly and I think it is important to communicate. It is important to communicate without the filter of the media directly to the people that we represent

and we serve. If the Connétable wants to criticise me for that, so be it but that is what I do and I attempt to be open and transparent and to communicate.

3.3 Deputy G.P. Southern:

If I can control my laughter. Can the Minister explain to Members why he, after 2 years of research, has failed to produce a solution to the problem of getting revenue out of zero-rated companies, and will he admit now that whatever solutions he comes up with are likely to fail the E.U. code on business tax again like his previous solution did?

Senator P.F.C. Ozouf:

No, no and no again. I think the reports that I published 2 weeks ago have been well-received to the extent that it is a difficult issue with respondents across the Island. The Deputy has used his position, and I understand this, he uses his position almost to say that there is some free money out there that was not collected. I am afraid we cannot do that. This is not only an issue for me. It is an issue for my Treasury team. It is an issue for the Council of Ministers and it is an issue of this Assembly. He has not previously agreed the Fiscal Strategy of the States, that is his entitlement. I would also point out respectfully that neither the Isle of Man nor Guernsey has found a problem to the issue that he personalises as my problem. It is not my problem and there are no easy solutions as the detailed reports that I published 2 weeks ago indicate and which have been widely accepted in terms of their conclusions by the majority of people that I have spoken to.

3.3.1 Deputy G.P. Southern:

Can the Minister explain who owns Zero/Ten because it is obviously not him?

Senator P.F.C. Ozouf:

Zero/Ten is owned by this Assembly of which has been debated on many occasions over 7 years. The Deputy attempts to make this as a personal issue. I do discharge my issues personally and I work hard in relation to dealing with it. If I could find a way of raising more corporate tax from financial services and non-financial services companies, I would but I will not do so to the detriment of the economy of Jersey and to our overall situation in terms of jobs. Does the Deputy really think that now is the time to impose more costs on business when we have the highest level of unemployment and in the economic turmoil that we have seen? It is easy to make political points but we have to be making responsible decisions.

3.4 Deputy J.H. Young:

In a few weeks' time, the Assembly will be debating the Council of Ministers' proposition to acquire Plémont using compulsory purchase powers. Can the Minister advise the Assembly whether he has arranged for expert chartered surveyors' assessments of value and will he be making sure that the Assembly receives before the debate his assessment or their advice on the range of values and the basis for those valuations, and finally will he also publish his suggestions for land swap as alternatives to the cash settlement?

Senator P.F.C. Ozouf:

I think I can answer the first part of those questions by saying yes, I think there is already work being done and my Assistant Minister, working with the Chief Minister and the Assistant Chief Minister, has done a lot in terms of valuation. Of course, we will be further instructed about that when the Minister for Planning and Environment announces his own conclusion in relation to the application when clearly, as the Deputy will know - I almost called him the Chief Officer there because he and I of course worked with this at that stage a number of years ago - of course he will know what the value is at the crystallisation of the planning application. In terms of the land swap, this of course is a difficult issue. My own view is that we should purchase Plémont but I have made my position perfectly clear, subject to an appropriate valuation, that we should

effectively be earmarking a sale of other States property but potentially a sale by S.o.J.D.C. (States of Jersey Development Company) or dividend receivable in order to fund it. It should be paid for and then repaid.

3.4.1 Deputy J.H. Young:

Sometimes it feels as if the clocks have gone back 10 years and obviously the Minister remembers those days very fondly. **[Laughter]** The comments from the Council of Ministers thus far have put the figure of £8 million into the arena, which has been taken to be the price we have to pay. Is the Minister for Treasury and Resources able to give us any guidance? Is this the upper range of value that he currently puts on that or what is it?

Senator P.F.C. Ozouf:

I am pleased the Deputy enjoyed our time working together. I did too but in relation to the value, I have to say that there is nothing further that I think I can add at this stage. When we know what effectively the Minister for Planning and Environment's conclusion is, we will be able to confirm on that value, and I share the Deputy's view that we do not want to effectively write an open-ended cheque, we want to know what that value is. But my position is I think that there is now a strongly publicly supported case for purchasing Plémont, and that we should pay for it by effectively a de facto land swap and pay off it by selling off other States land.

3.5 Deputy M. Tadier:

Will the Minister give his views on whether he thinks £25,000 of Treasury money or States money will be an effectively use and well spent on reintroducing French language assistance to primary schools?

Senator P.F.C. Ozouf:

Monsieur le Président, je suis désolé, mais je dois indiquer que je suis le Vice-Président de l'Alliance Française. Je pense que le Député est très au courant de mes avis sur le sujet de l'importance de la langue française, et je pense que l'enseignement de la langue française est très important pour notre génération passée, aujourd'hui et pour le futur. **[Approbation]**

3.5.1 Deputy M. Tadier:

Je veux remercier le Ministre pour ses sages mots, et je veux poser la question dans le façon de Jerry Maguire, s'il veut, "montrez-moi la monnaie", s'il vous plaît monsieur, "montrez-moi la monnaie".

Senator P.F.C. Ozouf:

Je dois dire, Monsieur le Président, que je suis très content avec la conclusion du Conseil des Ministres.

3.6 Deputy R.G. Bryans of St. Helier:

Mon dieu! **[Laughter]** I am afraid that is me done Can the Minister, with reference to his earlier statement regarding iPads being used in every school, confirm where the funding is coming from and would he also confirm that apples are not the only fruit in the issues about tablets not iPads?

[11:30]

Senator P.F.C. Ozouf:

I agree and in the Medium-Term Financial Plan, we will be allocating money for education's future capital I.C.T. (Information and Communications Technology) requirements and of course it is not only apples, it is tablets and I think there is a whole world of opportunity for education to be leading on the back of what we are doing with Digital Jersey: rolling out fast infrastructure,

hopefully having 4G, and giving our young people every opportunity to use technology for the benefit of their futures. I look forward to working with the Assistant Minister for Education to ensure that the money we are going to apply is well spent, either on Apples or other devices.

3.7 Deputy S. Power:

Could the Minister give his own view on the proposed Plémont acquisition and perhaps whether he might be minded to support the proposition?

Senator P.F.C. Ozouf:

I have indicated that I am supportive but the condition of that (and of course it is not me that has put a condition but it is what I will represent to the Assembly) is the fact that we need to be long term. I think the public has made a very clear indication about protecting the important coastal areas of Jersey. My view is that development should happen in the brown and white field areas of Jersey where there is development potential and there is huge value in States-owned land that can be taken for that. Overall we are in a better position to protect Plémont but focus development in the areas of Jersey where it should happen: in St. Helier in our commercial land, and particularly if a dividend from S.o.J.D.C. could be made in order to repay that, then I think that is a win-win situation and better overall for the Island.

3.7.1 Deputy S. Power:

Would the Minister not also agree that there are other sites on the Island which also need clearing such as derelict glasshouse and greenhouse sites and that this has not been tackled properly?

Senator P.F.C. Ozouf:

I agree and the report from the F.P.P. (Fiscal Policy Panel) which I published this morning indicated the importance of planning in terms of economic growth. I live in an area of St. Saviour where I see derelict glasshouse sites; we have to find a solution to that. In these difficult economic times, while in no way compromising any of the planning controls of which the Deputy chairs the panel, I think that we should be finding solutions. If we can be targeting investment in order to clear up derelict glasshouse sites, and if we need to have a joined-up Council of Ministers' policy to do it, then we should do so and that is what my response to the F.P.P. says.

3.8 Deputy J.A. Martin of St. Helier:

In a written question today the Minister for Treasury and Resources says that the archives, the equipment storage, garage and command vehicles, will be located at La Collette. He then goes on to say that £30,000 has been identified to provide security arrangements for the facilities for the storage of the police archives. Can the Minister for Treasury and Resources please assure this House that the £30,000 is not a payment for a third-arm security firm to secure these very important documents down at La Collette because it seems to me that is all you will buy for £30,000?

Senator P.F.C. Ozouf:

There is an expert group chaired by my Assistant Minister in relation to the police H.Q. (Headquarters). I believe that the answer I can give to that question is yes, and if it is any different I cannot believe for one moment that our police chief and his staff would take any compromise in terms of security. But if the Deputy wants an additional answer, then I will liaise with my Assistant Minister and answer later on by email to that question.

Deputy J.A. Martin:

Yes, please.

3.9 Deputy T.A. Vallois:

Could the Minister confirm that a previous States decision with regards to the Jersey College for Girls' site was in fact moved to the Housing Committee and therefore should still sit under the Housing portfolio?

Senator P.F.C. Ozouf:

I do recall that originally there was a decision brought to move all surplus property to the Housing Department for housing and I think that decision was revisited. I certainly was a member of the Housing Committee, I think, when we evaluated J.C.G. (Jersey College for Girls) for social housing. The plan that is being worked on by S.o.J.D.C. - which I have to say I was briefed on at the Urban Taskforce a couple of weeks ago - is very good. I should declare that I am an "old girl" too because I learnt French A-level at Jersey College for Girls. But the actual fabric of the building was effectively for use for category (b) housing and the rest of the site could be used effectively for early starter homes and some social rented housing and I think that is the right balance.

3.10 Deputy T.M. Pitman:

My colleague Deputy Martin and I are still trying to decipher the last answer from the Minister for Treasury and Resources as to whether the £30,000 was for a third party, for a security firm, or was he confident that that £30,000 would buy adequate security within the States own angling, as it were?

Senator P.F.C. Ozouf:

To the best of my recollection I think it is effectively to rent outside archive storage. The police are trying to reduce its ability to hold documents. They are moving online and they are trying to reduce their arrangements in order to hold outside facilities. They hold documents at a number of places, obviously secure across the Island, and that budget is for that. If I am mis-stating that, I will certainly correct it in an email but that is what I understand. I do not believe there are any security issues that the police would take in relation to the security of their archive storage material.

3.10.1 Deputy T.M. Pitman:

But the important issue that I am trying to understand: will that still be monitored by the Jersey Police or would that be monitored by an outside agency? I think that is the key issue.

Senator P.F.C. Ozouf:

I do not know, it is outside of my remit, but I will get an answer to the question to the Deputy.