

2.19 Deputy T.M. Pitman of the Chief Minister regarding the justification of the purchase of the Plémont site by compulsory purchase in the present economic climate:

As the cost of any purchase by compulsory purchase is determined by a Board of Arbitrators and the Assembly therefore has no control over the purchase price and any associated legal costs, how does the Chief Minister justify the proposal to purchase the Plémont site by compulsory purchase in the present economic climate?

Senator I.J. Gorst (The Chief Minister):

I would like to ask my Assistant Minister to answer this, please?

Senator P.M. Bailhache (Assistant Chief Minister - rapporteur):

When compulsory purchase is under consideration by the Assembly, the Assembly obviously has to consider very carefully the expert advice that is available to it and the Minister for Treasury and Resources has given an assurance that the advice that he has received, and will receive, will be of the highest quality and it will be a matter for the States subsequently to weigh all these matters in the balance.

2.19.1 Deputy T.M. Pitman:

Given that the last Chief Minister estimated legal costs in the region of 3 million, I believe; further still, that this instance is a highly questionable compulsory purchase on behalf of a third party, is this process not setting us up for a potentially bottomless pit of protracted legal machinations and costs?

Senator P.M. Bailhache:

No.

2.19.2 Deputy M.R. Higgins:

At the meeting that was called yesterday at the Town Hall for States Members, it was very interesting to see that the adviser who came up with the estimate would not commit himself, was hedging a lot, as most, almost like auditors and others do, have enough caveats in their reports that they can always wiggle out if it is wrong. Is it not true that we could be facing a bill from anywhere from the £4 million that has been suggested by the Council of Ministers up to, let us say, £12 million? The truth of the matter is when the States Members do vote to decide to get it compulsorily purchased, they must be aware it could fall anywhere in that range and they must be prepared for the higher one if that is the case, because once the States go down the compulsory purchase route we are committed to whatever the figure they come up with. Thank you.

Senator P.M. Bailhache:

I do not agree with that £12 million is a realistic, or probable, or likely outcome of any compulsory purchase but I think that this is a matter that is much better addressed in the context of the debate that will follow very shortly.

2.19.3 Deputy M.R. Higgins:

It makes sense and it is a question of law in a sense. If we go to compulsory purchase we are talking about the different parties will be putting out their case for what they feel the land is worth, and the point is it is for the arbiters to determine. It is not for the States to determine that point. Whatever the arbitrators determine is the value of Plémont, we will have to pay because we have gone that route. Is that not the law?

Senator P.M. Bailhache:

The Deputy knows very well that that is the law. If the matter is referred to compulsory purchase by the Board of Arbitrators it is for the Board of Arbitrators to establish what the fair

value of the land is and, as I say, this is a matter which is going to be subject to debate in due course.

2.19.4 Deputy J.A. Martin:

Whatever the price, if it is £4 million the Minister for Treasury and Resources said earlier he can now fund this out of contingency. What I would now like to ask the Assistant Chief Minister, have the Treasury and the Chief Minister's Department discussed what was in the contingency fund? Because on P.P.C. (Privileges and Procedures Committee), we were told not to push the F.O.I (Freedom of Information) payments and we are talking millions. I think the Discrimination Law - and we were told it will be paid for out of contingency... so have you discussed this and if it has not been discussed, can the Minister then talk to the Minister for Treasury and Resources and come up with a list that will have to be scrapped if somebody says we can do this out of contingency? Thank you.

The Bailiff:

It is not entirely clear to me, Deputy, that that arises from the original question.

Deputy T.M. Pitman:

It is nearly Christmas, Sir.

Deputy J.A. Martin:

Well, they mentioned Plémont and it all does sort of, you know, round it up.

The Bailiff:

Well, it is a good try. Deputy Power.

2.19.5 Deputy S. Power:

My question to the Senator who is answering these questions is, has the Senator given any thought to a worst case scenario on P.90(c)? In other words, has he given any indication or has he given any consideration to what might be a worst case scenario in terms of price under compulsory purchase in acquiring this site? He must have some idea.

Senator P.M. Bailhache:

Yes, he has and he will be revealing that during the course of the debate.

The Bailiff:

Very well, do you wish to have the final question, Deputy Pitman?

Deputy T.M. Pitman:

Yes, please, Sir. At the rally the other day that the Assistant Chief Minister and Senator Gorst held, did they mention the sum of a maximum fee of £200,000 as the maximum legal cost and if so, is that really credible in any shape or form?

Senator P.M. Bailhache:

The advice of the expert valuer, who has given advice to the Minister for Treasury and Resources, was that the amount of money to be expended in costs would be expected to be very much lower than £200,000. The advice from the Law Office of the Crown was very similar. That is my answer.

Deputy T.M. Pitman:

She did not use my lawyer.

The Bailiff:

That brings the questions to an end. Can I just say this? We in fact did not have time to consider whether to turn to Deputy Tadier's question which he was not here for. I think I wish to make it clear to Members in future that if a Member is not here when his turn to ask a question, while I accept entirely this was accidental and no discourtesy was intended, it nevertheless has a discourteous effect to our Members and I would not, in future, allow any question to be asked when the Member was not here, even if we have time at the end of questions. Members must be here for their questions or lose the question. Very well.