

2.17 Deputy J.H. Young of the Minister for Treasury and Resources regarding the refurbishment of Maritime House for the occupation of the Jersey Property Holding Department:

Will the Minister explain why it is considered necessary to spend £694,000 on carrying out refurbishment of Maritime House for the occupation of the Jersey Property Holdings Department and whether there will be any financial benefits or savings from this expenditure?

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

Maritime House is being refurbished as part of an overall office accommodation strategy. The original building, as I am sure the Deputy will recall, was constructed 15 years ago. The plan is to update it to current bylaw standards. This will include replacement and upgrading of the mechanical and electrical installations for the increased number of occupants. The £694,000 for this project, is a carry-forward allocation that has been combined with an overall budget of £1.7 million for the project. This involves moving Harbour staff from Maritime House to the airport, which created the opportunity of making more effective use of the whole of Maritime House to accommodate a greater number of staff. I am grateful for the Minister for Economic Development and his team's co-operation in this. The project will also consolidate Customs and Immigration on to 2 floors. Property Holdings will relocate from currently 3 sites to one. The project has significant benefits; consolidating Customs and Immigration into a smaller footprint, freeing up 23 Hill Street to relocate Home Affairs and the town police facility from Piquet House, enabling Piquet House to be disposed of. The vacated office space at South Hill will be available for temporary uses, until that site is cleared for disposal for residential development. Vacating d'Hautree will be available in the short term use, avoiding the need to lease other space. This project is one example of how Property Holdings is making better use of office accommodation to deliver savings and disposal receipts to support the capital programme. It is a project of which my Assistant Minister is extremely proud and rightly so.

2.17.1 Deputy J.H. Young:

I am grateful to the Minister for the helpful insight into the property plan, and pleased it is progressing. Could he tell us, please, what the occupancy of Maritime House was in terms of number of staff and under the intensification he described, how many will be occupying that building?

Senator P.F.C. Ozouf:

110 and 147.

2.17.2 Deputy J.H. Young:

In the Minister's press release that he put out, he described the savings plan as being a result of careful management of spending. From what he said, I would like him to clarify, that the monies were originally allocated for this purpose. It sounds to me as if this is expenditure delayed, rather than some appropriation of savings from elsewhere. Would that be right, that this money was originally allocated for this purpose?

Senator P.F.C. Ozouf:

This is money being deployed into the economy. All the work has been placed with local contractors. This is progressing the Property Holdings property strategy and office strategy, which a number of Members are very concerned with. That is intensification of use of Maritime House, giving a further lease of life to this building, which was constructed at a cost originally of £4 million in 1998, and freeing up all this other accommodation. This is exactly the kind of property intensification use and better use of resources, freeing up old buildings which we no

longer need and deploying them for alternative use, particularly residential, which is something the Minister for Planning and the Minister for Housing want.

2.17.3 Deputy R.G. Le Hérissier:

Despite the Minister for Treasury and Resources' not so subtle promotion of that Thatcher era, would he not accept that the centralisation implied in the way Property Holdings is working at the moment, goes totally against that Thatcherism which he so admires and, in fact, that the balance is wrong at the moment, and much too much is centralised in the body who will occupy Maritime House in all its glory, once refurbished.

Senator P.F.C. Ozouf:

I agreed with a number of things that Baroness Thatcher said and I disagreed with others, but what I do know is that she made Britain proud again and, basically, that is what we are trying to do. We are trying to instil a sense of confidence and future-proofing for Jersey. If we can learn anything from that, that is a good thing. In terms of what we are doing at Maritime House, I would just remind the Deputy that this is a concentration of Customs and Immigration into a smaller footprint. We are moving people into Maritime House, intensifying the use and freeing up other accommodation. If that is not Thatcherism, in terms of deploying better value for money, cutting spending and deploying those resources back into the economy, then I do not know what is. If that is a good thing of Thatcherism, this is a good project and we should be celebrating it.

2.17.4 Deputy J.A. Martin:

Could the Minister for Treasury and Resources advise whether he will also be putting social housing on a 15-year refurbishment programme, please?

Senator P.F.C. Ozouf:

Yes, we are doing an enormous amount for social housing and I would remind the Deputy that the standalone body of the Jersey Homes Trust probably has had a better track record in being able to reinvest in maintenance. What we are doing with the Minister for Housing's programme, is making sure that we have sustainable, affordable and delivered ongoing maintenance. The world where capital was free and departments did not put refurbishment and maintenance in, not only social housing, but in schools and in hospitals is at an end. We have now got proper accounting and better repairs and maintenance, and we have put significant resources in catching up on social housing improvement and across the States with fiscal stimulus and the other measures that we have been doing. There was a problem, but we are fixing it, and we are fixing it faster than we ever thought we would.

The Deputy Bailiff:

Deputy Tadier, have you got a question more closely associated with the first one?

Deputy M. Tadier:

Would you not like to know, Sir?

The Deputy Bailiff:

I dare say I am about to find out. [Laughter]

2.17.5 Deputy M. Tadier:

Given the forthcoming refurbishment of Maritime House, would the Minister consider putting a straw roof on the building as a tribute to Thatcherism?

Senator P.F.C. Ozouf:

I do not think I can answer that question.

2.17.6 Deputy J.H. Young:

The Minister waxes lyrical, among other things, about the property plan, and I am fully behind that. Maybe the point of my question that he did not answer was not clear. I will try to be clearer. This money was billed as a great spending. Is it not right that this money was originally allocated for this purpose in the first place, and has merely been delayed? Is it not therefore misleading to present it as somehow a saving?

Senator P.F.C. Ozouf:

The Deputy does make a fair point. We have not said that all of the saving are not going to be carried forward. There are going to be some areas but it is sensible, in order to gather money together, for one vote to deliver something that is going to deliver better savings in economy. We were not ready to deliver Maritime House last year because we did not have the ability to move Harbours up to the airport. There was not the opportunity of doing that, so if deferred expenditure delivers better value for money then that is saving and this is a jolly good example of it. My Assistant Minister is not here today, but I do not think that Property Holdings can have any criticism levelled against them about the scale of repairs and maintenance that they have been deploying across the States in fixing a lot of the problems that existed before. The Deputy will know a lot about Property Holdings because it used to exist in Planning and Environment many years ago. There is a lot of work that has needed to be done to catch up and get better repairs and maintenance from decades of, frankly, underinvestment.