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**4.5 Deputy J.A. Hilton of the Minister for Treasury and Resources regarding a grant made to the Sea cadets for the construction of new premises:**

Will the Minister confirm the balance of monies available to the Sea Cadets from the £600,000 originally granted for the purpose of providing new premises and state what monies have been spent, by whom and to what purpose, and who retains control of the remaining funds?

**Senator A.J.H. Maclean (The Minister for Treasury and Resources):**

I am delighted to ask my Assistant Minister, Deputy Noel, to deal with this matter. He has been dealing with it for some considerable time and he has delegated responsibility.

**Deputy E.J. Noel of St. Lawrence (Assistant Minister for Treasury and Resources - rapporteur):**

Of the £600,000 budget originally allocated in 1996 £192,730 was expended before 31st December 2006 by E.S.C. (Education, Sport and Culture) and its predecessors at the department, mainly on the 1998/2000 aborted scheme. The balance of £407,263 was subsequently transferred to Property Holdings. With regard to the expenditure on the current scheme: project development costs are £225,334 and payments have been made in respect of legal fees, architect fees, marine architect fees, project management fees, quantity surveying fees, heritage adviser fees, public relation fees and valuer fees. Payments made to the private sector company reimbursed pre-agreed costs incurred by them from suppliers with no mark-up, no administration fee, no additional overheads or profit or any other added costs. The agreement between the private sector company and the suppliers is a commercial agreement between those third parties. In addition to the above payments, the project budget has made the following internal direct payments: planning fees paid to the Planning and Environment Department of £32,802, surveyor's fees paid to T.T.S. (Transport and Technical Services) of £560. A further sum of £41,200 has been paid by to the Jersey Maritime Trust in respect of set-up and operating costs. The balance remaining is £107,367 and it is in the Treasury and Resources Department capital budget.

[10:15]

**4.5.1 Deputy J.A. Hilton:**

There are a lot of figures spoken about then but my understanding is that the balance left of the original £600,000 is £107,000, which is under the control of the Treasury Department. I think that is correct. I think I have understood that correctly. Will the Minister confirm that the original plans for the Marine Hub did not include apartments and as a result of the amended plans to include apartments the former chairman of the charitable trust resigned his post?

**Deputy E.J. Noel:**

The chairman of the charitable trust has not resigned his post. It has been the same chairman throughout. One of the members resigned their post because they had a difference of opinion of how the project should be carried out. I believe - I have not heard this directly from the individual concerned - that they resigned because they thought that the Trust themselves should have been the developer. I can confirm that the Deputy is correct in that the balance remaining is £107,367.

**4.5.2 Deputy J.A. Hilton:**

Another supplementary, Sir? Could the Minister just explain, with the remaining balance of £107,000 is this what has been driving the fact that the apartments were included in the original plans because simply all the money has been spent?

**Deputy E.J. Noel:**

No, the original scheme brought forward was for a hotel-come-hospital development. Members will recall back in 2011 when we debated the Island Plan this was the preferred site for the Sea Cadets and for the other maritime users, and it was to be funded out of a planning gain from that site. The schemes that was brought forward originally as a hotel scheme to provide the funding. Unfortunately that hotel would have been at such of a size that nothing else would have fitted on the site to provide the necessary planning gain to provide the £2.2 million to £2.5 million worth of community asset being built. Members may or may not know that residential property provides the biggest return from a development for the smallest physical footprint, which is why we ended up with a residential scheme to fund the public community space.

#### **4.5.3 Deputy G.P. Southern:**

Is the Assistant Minister proud of the record of his department and other departments in the Council of Ministers in frittering away this sum which was allocated to a particular cause all those years ago?

#### **Deputy E.J. Noel:**

I will take that question in 2 parts. I am extremely proud of the departments that I have worked with, particularly Property Holdings which has worked exceptionally hard in trying to deliver projects that this Assembly wants them to deliver. I am also proud of the Ports of Jersey in their work that they do. I do not believe that we have frittered away. We have done what this Assembly has asked us to do, which is come up with a scheme that self-funds the £2.2 million to £2.5 million worth of community space. It is obvious from the public reaction to that that the public do not want residential development on that site, and we have agreed with stakeholders to go in and see alternative sites to see if it is possible to relocate the Marine Hub there. But it may be the case that the Marine Hub, without any commercial development, the preferred site will still be Les Galots and that we will have to get the planning gain from other sites within the Port's portfolio.

#### **4.5.4 Deputy M.R. Higgins:**

Personally I think it is scandalous. The States have allocated £600,000 to the Sea Cadets for a headquarters and something in the order of £497,000 has been frittered away and they do not have a headquarters after something like 20 years. I think it is absolutely scandalous. What I will ask is... my specific question to the Minister is why is it that money allocated to the Sea Cadets, £41,200 of the amount that the Minister has just told us about was given to the Maritime Trust to set it up? That was not the intention of the funds of the States. It was to build a headquarters for the Sea Cadets. Will he please explain exactly why this money was given and what it has been spent on?

#### **Deputy E.J. Noel:**

Again, I will take that question if I may, in 2 parts. Quite unusually I agree with Deputy Higgins in the first part of his question. I think it is scandalous that this Assembly in its various guises over the last 22 years have failed to deliver on promise after promise to the Sea Cadets. I think that is scandalous. I am determined that that scandal does not continue. With regard to the individual costs, of the £41,200 grant paid to the Jersey Maritime Trust, some £16,450 was set-up costs and £24,750 have been its running costs since its inception in January of last year.

#### **4.5.5 Deputy M.R. Higgins:**

Could the Minister please explain why this money, which was allocated to the Sea Cadets, has been transferred to a Maritime Trust? The money was allocated. The States voted for the Sea Cadet headquarters. Not to set up any other body or to fund any other body so please explain who made that decision and why it was done.

#### **Deputy E.J. Noel:**

The original grant was back in 1996 to provide the Sea Cadets - and I am not sure if it was the Sea Cadets and other maritime users - a home somewhere within the boundaries of the ports. The grant

to the Maritime Trust is to facilitate the decision made by this Assembly in 2011 whereby to create a home for the Sea Cadets and other community users on the Les Galots site. The management of those facilities was deemed to be best to be done outside of the Ports of Jersey and outside of a States department by a charitable trust to run those facilities on behalf of the community.

#### **4.5.6 Deputy D. Johnson of St. Mary:**

In relation to the general funding of the Sea Cadets clubhouse, back in 2011 it was noted that in addition to that sum should the private development not proceed there was a further £800,000 available for the creation of the clubhouse. Could the Minister please confirm whether that is still available?

#### **Deputy E.J. Noel:**

I am not aware that that was available. The decision in 2011, as I have already mentioned, by this Assembly was to fund the community space and the Sea Cadets headquarters on the Les Galots site by a planning gain. I am having talks with the Ports of Jersey to see if we can do that in another way, to produce the community space on Les Galots as a preferred choice by the Sea Cadets and others, with a planning gain probably somewhere from a site such as La Folie.

#### **4.5.7 The Deputy of St. Mary:**

Just to give final confirmation that there is no ongoing intention to create residential units at Les Galots?

#### **Deputy E.J. Noel:**

I am happy to confirm that. The planning process is a consultation process. The project team have listened to the views that were expressed by the public, in particular with the vistas on that particular site, and it is now the intention to provide that facility without having commercial development in terms of residential on the Les Galots site.

#### **4.5.8 Deputy M. Tadier:**

This Government is supposedly committed to transparency and accountability, if not financial aptitude. Can the Minister confirm no matter how he dresses it up there was a States decision and funds of £600,000 were allocated, which, to all intents and purposes, no longer exist. Where is the accountability in that? Is anybody going to be held to account to that decision, which has recently come about? If not, how is the public supposed to have confidence in this or indeed any States Member and States Assembly when it cannot deliver basic projects and basic decisions?

#### **Deputy E.J. Noel:**

Like all States departments and the private sector we have to comply with the planning rules and regulations. We have to submit planning applications and detailed plans. These cost money. We have no free money in the States of the Government so the available resources that we had were used to develop that scheme. I am determined, and I have made this very clear to a lot of my Ministerial colleagues and, along with the Chief Minister, we are determined to ensure that eventually, after some 22 years, the Sea Cadets are given what they were promised.

#### **4.5.9 Deputy J.A. Hilton:**

Can the Minister confirm what, if any, the former Harbourmaster plays in the Maritime Trust related body and whether there is any truth in the rumour the former Harbourmaster was paid off from his former role?

#### **Deputy E.J. Noel:**

The former Harbourmaster, through his company, is the developer for the site. He has no interest in the Maritime Trust. The Trust is independent, has independent trustees, and he is not part of that. He is the developer. With regard to how he exited his employment with the States, that is not

in my remit, I have no knowledge of that at all. Perhaps that is a better question to pose to the States Employment Board.