

4.5 Deputy C.F. Labey of Grouville of the Minister for Treasury and Resources regarding the disposal of properties by the States of Jersey Development Company: [1(307)]

Will the Minister, as shareholder representative, clarify whether the description by the States of Jersey Development Company in its Annual Report and Accounts for 2016 of “the disposal” of properties means the sale of freeholds or does it include the sale of any leaseholds the company administers on behalf of the public of Jersey?

The Connétable of St. Peter (Assistant Minister for Treasury and Resources - rapporteur):

Yes, I am pleased to confirm the description of disposal of properties by S.o.J.D.C. (States of Jersey Development Company) does also include leaseholds.

4.5.1 The Deputy of Grouville:

That statement concerns me greatly. When the States first decided to set up the States of Jersey Development Company to administer the land it was on a 150-year leasehold and I would like to know who made the decision to now dispose of public property and when these decisions were made?

The Connétable of St. Peter:

The decisions were notified to Treasury and in my role as shareholder responsible for the States-owned entities I did approve those sales by way of a Ministerial Decision. If I may just remind Members that when S.o.J.D.C. were set up in this Chamber on P.73/2010 it did say in there: “Once developments had been completed it should be sold in the open market or if there is a strategic reason for long-term ownership by the States transfer to the States of Jersey at market value. Where assets are sold into the market they should be subject to an independent valuation to ensure best value is achieved” and that is what we have done.

4.5.2 Senator S.C. Ferguson:

Do these sales include the former lease of the UBS building which was taken over by S.o.J.D.C. as part of the deal for UBS to move into ... I do not know, is it Building 4 now?

The Connétable of St. Peter:

It was Building 4, now Building 1, and the answer is no.

4.5.3 The Deputy of Grouville:

So the Assistant Minister for Treasury and Resources made a decision to dispose of public assets on the Waterfront estate notwithstanding the fact that this Assembly had decided to make those properties on a leasehold basis.

[10:30]

So, can he just confirm that because I find this absolutely astounding?

The Connétable of St. Peter:

Yes, as I said in answer to my earlier question, we are only following the principles set out within P.73/2010. As an additional comfort to perhaps the Deputy of Grouville, I can confirm the sale of one of the leases was a substation at Liberty Wharf, which we had £230,000 for, the sale of the offices at Harbour Reach at £1.65 million, and the sale of the Waterfront Hotel ground lease at £3.15 million. All of those were advised and put in the public domain and the 15-day grace period was applied to that to allow Members to comment before the actual transactions took place.