



Economic Affairs Scrutiny Panel

Retail Policy

THURSDAY, 13th MARCH 2014

Panel:

Deputy S.G. Luce of St. Martin (Chairman)
Connétable S.W. Pallett of St. Brelade
Connétable M.J. Paddock of St. Ouen
Connétable J.E. Le Maistre of Grouville

Witnesses:

Assistant Minister for Treasury and Resources
Director of Estates, Jersey Property Holdings

[11:00]

Deputy S.G. Luce of St. Martin (Chairman):

Again, welcome everybody to our third hearing this morning regarding the retail policy review we are undertaking on the Economic Affairs Scrutiny Panel. For the benefit of the tape we will go around the table in a second. If I could just start by reminding members of the public that if they could turn off their electronic devices or put them to quiet and if they are leaving the room to do it as quietly as they can. Thank you. If we could just start by going around the table, my name is Deputy Steve Luce, Chairman of the panel.

The Deputy of St. Martin:

Thank you very much. Assistant Minister, we understand that the Minister himself is on a plane on his way back to the Island and we do not know if he is landing. Is it his intention to come here straight from the airport?

Assistant Minister for Treasury and Resources:

It is his intention to come here straight from the airport, so he hopefully will arrive shortly after noon.

The Deputy of St. Martin:

He will arrive shortly after we finish the hearing probably but there we are. Okay, under those circumstances we will not start off with issues relating to tax, G.S.T. (Goods and Services Tax), V.A.T. (Value Added Tax) and that type of thing but we will move straight on to your personal responsibilities if we might, which is Property Holdings. I think we would like to go straight to the meat of the reason for our discussions with you this morning, which is the Central Market. I think it would be probably right to say that every person who has commented and given us a submission has mentioned the Central Market. Most people describe it as a jewel in the crown, which is an interesting comparison, considering that it is anything but the jewel in the crown at the moment. It does not appear to be very much of a jewel in the crown. But I know that you have some thoughts and ideas and I think the panel would be grateful for your views on where we are at the moment and, more importantly, where you see us going with the Central Market and the Fish Market as well in the future, so I will hand over to you.

Assistant Minister for Treasury and Resources:

People who describe the markets as the jewel in St. Helier's retail crown are correct but they have been in the past and they will be in the future. We need to make sure that they remain a destination in their own right and this is going to be more important as retail develops on the Island, that they will become more important to the streets and the roads around them. We are planning to work in very close partnership with the tenants to ensure that they remain vibrant and sustainable going forward into the future.

The Deputy of St. Martin:

I think you are going to have to elaborate a bit more than that, Assistant Minister, you have got some plans to move forward, can you tell us your vision?

Assistant Minister for Treasury and Resources:

If I could start with the Fish Market, that is something that we have been working on for a little over a year now with the tenants in there. We have a programme that we are going through currently of

upgrading the Fish Market, it includes replacing the roof, replacing the floor, improving the signage. We have some longer-term plans into utilising some of the exterior space that belongs to the market. We are working with our colleagues at T.T.S. (Transport and Technical Services) to improve short-term parking in the area and that may be with a number plate recognition in Minden Place, it may be additional parking spaces around the markets for drop off and pick up. We are also looking at the feasibility of maybe for the Fish Market and the Central Market to expand into one of the streets around there for special events and maybe a Sunday market or weekend trading time.

The Deputy of St. Martin:

Is that Castle Street or is that Beresford Street?

Assistant Minister for Treasury and Resources:

That will be Castle Street, yes.

The Deputy of St. Martin:

That is Castle Street.

Assistant Minister for Treasury and Resources:

Yes.

The Deputy of St. Martin:

The exterior space that you referred to there, Assistant Minister, are you talking about the car park currently used by Telecom?

Assistant Minister for Treasury and Resources:

Yes, we are talking about that area of the market that is currently leased to Telecom for their vehicles.

The Deputy of St. Martin:

That is part of the Central Market, it is not a Telecom's car park, they do not own it. It is part of ...

Assistant Minister for Treasury and Resources:

No, the majority of that area is publicly owned and it is currently let to Telecom.

Director of Estates, Jersey Property Holdings:

If I can clarify, there is a licence to Jersey Telecom that has a 2-year break in it. They will require 2 years' notice to vacate the site if notice is given and it is 2 years from 1st January in any one

year. There is a lead time should that space need to be reacquired for any other purpose. But, clearly, we would have to work up plans and proposals for utilising that space, which would be to go through Planning. There is a gestation period to work up proposals. Those proposals will, of course, need to be discussed fully with the market tenants' association, which is currently reforming into a formal constituted body as a spokesbody for the market tenants.

The Deputy of St. Martin:

Is that both markets together or do you have separate tenants' associations for the 2 individual markets?

Director of Estates, Jersey Property Holdings:

No. The proposal is to have one association. Clearly, if we are doing something in the Fish Market then discussing matters with the Fish Market tenants because there is a smaller number of them, it is a more manageable thing. But we do see having a relationship with a formally constituted tenants' body to be the right way forward rather than having discussions with one area of the market or the other area of the market, the Central Market, separately. The funds that the markets generate, the surplus that is generated annually, belongs to the Central and Fish Markets together. Any proposals for expenditure and improvement of works need to be discussed with the tenants' association collective.

The Connétable of St. Ouen:

Can I just ask you, Assistant Minister, what you have just outlined to us, how advanced is that, the progress? Are all these things going to happen in the very near future or is this ...

Assistant Minister for Treasury and Resources:

They have already started, for example, one of the features in the Fish Market was a sculpture of, I think, a dolphin or some sort of aquatic animal that was creating an obstruction through the market. That has been removed. Where it was we are trialling a floor covering because the current floor covering in the Fish Market is quite dangerous, it is quite slippery. We are taking that opportunity of the space that has been released there to trial a flooring down there, so that has already happened. We have already had surveys carried out on the roof and an application will be going in shortly.

Director of Estates, Jersey Property Holdings:

The planning application has gone in and the roof has been approved and we are now out to tender. We are obtaining prices to do works on the roof, alongside works on improved lighting on the electrical system, which is fairly old and is failing in the area and other decorative works.

The Deputy of St. Martin:

How many empty premises have you got in the Fish Market currently?

Assistant Minister for Treasury and Resources:

As of this weekend we have now got 2. We had one and that was a fishmongers that we purposely kept empty and we are using it as a building store at the moment while works are carried on in the market. That store may or may not be even moved in the longer term if we utilise the car park area because it may be a way of linking the 2 areas, but that is something that we need to discuss with the tenants. The other unit is literally being vacated this weekend and we will be marketing that in due course.

The Deputy of St. Martin:

What sort of a length of lease have the other people got? Assistant Minister, I only say that because obviously you are intending to spend a lot of money on the roof, on the floor and on signs. But do you have confidence that the Fish Market is going to stay fully occupied in the future?

Assistant Minister for Treasury and Resources:

Yes, I do, particularly with the upgrades that we are providing. To answer your question, all market-tenants' leases have expired and they are, effectively, on a roll-over basis at the moment while we complete negotiations for new 9-year leases. Those negotiations and the signing of those leases are expected to be completed by the end of April.

The Deputy of St. Martin:

The 2-year break clause that you have got with Telecom over the car park, I think we probably agree that the idea for maybe some open space for normal market traders' type come in and go is good. But do you not think that even if you made a decision today to do something you are still 2 years and 9 months away from being able to occupy that space? Do you not feel that you want to be putting Telecom on a much shorter claw-back time on that lease?

Assistant Minister for Treasury and Resources:

Currently the claw-back time is a 2-year break, we are where we are.

The Deputy of St. Martin:

Yes, but given your plans, would you not have thought of invoking that on 1st January this year then you are not going to have to wait until 1st January next year before you can invoke it?

Assistant Minister for Treasury and Resources:

No, if we do invoke it we will not be waiting for 1st January next year to invoke it but there may be the period of time to vacate and will mean that we will have to wait the full period. But that will give us time to get through the planning process, which will need to happen anyway to move the whole matter forward.

The Deputy of St. Martin:

You would be hopeful the planning process would not take 2 years though, Assistant Minister.

Assistant Minister for Treasury and Resources:

No, hopefully it would not but it will mean that the tendering process for any works to be carried out can be done and we could start on 1st January.

The Deputy of St. Martin:

What work could you envisage having to do outside?

Assistant Minister for Treasury and Resources:

It depends on what scheme is devised.

The Deputy of St. Martin:

Do you envisage an extension to the covered area or do you envisage the continuation of the open space?

Assistant Minister for Treasury and Resources:

It would be an open space. We would not cover over that area, it would be an open space. But it is what we do in between the 2. Currently there is a unit there that would hinder the footfall. We simply have to look at redesigning that unit and that may have an impact on the adjacent units. We have to work with the existing tenants and any future tenants to make sure that the whole scheme is viable.

The Connétable of Grouville:

It is a shame that the notice was not given this January because, effectively, you have lost an extra year or do you think the timescale is right?

Assistant Minister for Treasury and Resources:

Yes, in hindsight that could be the case but we know that telecoms do use those spaces for operational purposes.

The Deputy of St. Martin:

Have you had any discussion with Telecom over the car park so far?

Assistant Minister for Treasury and Resources:

I have raised it with them, yes.

The Deputy of St. Martin:

Were they amenable to your suggestion or were they resistant?

Assistant Minister for Treasury and Resources:

They value those spaces.

The Deputy of St. Martin:

We will be waiting the full 2 years before they vacate then. We cannot expect them to leave sooner.

Assistant Minister for Treasury and Resources:

It depends if we do decide to ask them to leave ...

The Deputy of St. Martin:

How nice we are to them.

Assistant Minister for Treasury and Resources:

If there is some alternative parking available to them.

The Deputy of St. Martin:

Talking of parking, Assistant Minister, what is your view of Property Holdings when it comes to parking for retail in St. Helier? We have got a lot of people telling us that the north of town, especially with the loss of the parking where the park has gone, the loss of the Le Masurier scheme, the Odeon, the difficulties with Minden Place being so old and the spaces being so small, the Phillips Street shaft.

[11:15]

That area of town has lost an enormous amount of parking in the last few years, what are your views on that?

Assistant Minister for Treasury and Resources:

In the medium term we will have 200-odd spaces coming on stream from the Ann Court development, which is quite new, it is quite a good location to provide short-term shopper parking for St. Helier. I suppose in the medium term where we want to try and do things sooner than that, and that is why we would like to speak to T.T.S. about what could be done for drop off and pick up facilities around the market areas. We already have an area outside the Central Market that does that. We think that that could be replicated either in Castle Street or replicated on the Fish Market side of Minden Place. But we would also like to discuss with them about when they roll out their number plate recognition to see if a Minden Place car park could be one of the first recipients of that, to make that more usable for people shopping so they do not have to rush back to try and avoid a fine. Something that is probably a bit more controversial that I would certainly welcome is I do not see why States Members have parking at Snow Hill. There are 12 or so spaces there that could be freed up for shoppers.

The Deputy of St. Martin:

States Members have had that parking at Snow Hill for a considerable amount of time, thanks to the T.T.S. Department.

Assistant Minister for Treasury and Resources:

But personally I do not see why those spaces should go back to States Members, there is plenty of capacity at Pier Road.

The Deputy of St. Martin:

You are not then of the view, Assistant Minister, that we need another multi-storey car park in the north of town somewhere.

Assistant Minister for Treasury and Resources:

I think we missed a trick with the Town Park and I believe that we should have had semi-basement parking underneath the Town Park but that is gone and we will never get it back. As I said, in the medium term we will have 200-plus spaces below Ann Court where we are not ...

The Deputy of St. Martin:

But how long will that take to achieve?

Assistant Minister for Treasury and Resources:

I believe that is going to ...

The Deputy of St. Martin:

Is it going to be 5 or 6 years?

Director of Estates, Jersey Property Holdings:

It is probably less than 6 years, Chairman. We are in discussions with T.T.S. and a possible provider of residential accommodation. The expectation is that the car park would be completed and usable while the residential accommodation was built on top of it, so would not have to wait until the end of that scheme. If I were to estimate we are probably talking more like 3 years away than 5.

The Deputy of St. Martin:

I will phrase the question slightly differently, Assistant Minister: do you feel that increasing the number of car parking spaces in the north of town or in the vicinity of Beresford Street markets, for example, is crucial to continue successful retail in the north of town?

Assistant Minister for Treasury and Resources:

My own view is that the retail footprint will naturally shrink and that is because of the move to internet shopping and the way that we are changing our shopping habits. Whether or not we need additional shopper parking in the north of town to try and stop that happening, I do not think we will stop that happening. I think the footprint will shrink and it will shrink towards the core. That is why the markets themselves are going to be crucial to the retail sector going forward because they will be the jewel. They will be the destination and the shops around there will feel ...

The Deputy of St. Martin:

You do not see a danger, Assistant Minister, of rejuvenating the markets but not providing the car parks and then finding that the markets themselves become a little retail island on their own while the rest of the retailers gravitated down towards the bottom of King Street and Charing Cross.

Assistant Minister for Treasury and Resources:

No, I think that we will be able to utilise free technology and a better parking experience in Minden Place. We will be able to free up some proper pick-up parking immediately around the vicinity. In maybe 3 to 5 years' time we will have an additional 200 spaces coming on at Ann Court. That, combined with the existing provision at Snow Hill and probably, to some extent, partly from Green Street, certainly at weekends. I think that will tide us over until we have a better understanding of where the retail footprint will end up.

The Connétable of St. Brelade:

Can I just go back to the leases at the market, we have had a comment made that some of the landlords within St. Helier have been a little bit more flexible, a bit more understanding of current trading issues. How flexible and understanding have J.P.H. (Jersey Property Holdings) been to the stallholders, market holders in the markets in terms of new leases and understanding of the current market and what the current market conditions are?

Assistant Minister for Treasury and Resources:

That is why the leases have, effectively, been sort of extended until new leases come in.

The Connétable of St. Brelade:

But with the new leases ...

Assistant Minister for Treasury and Resources:

With the new leases there is some flexibility in there with the backing of the markets tenants' association, whereby we put some flexibility to reconfigure the market, to provide additional event space and so forth. If you are talking about in the actual terms of costs of going forward we have had that independently looked at over the summer and changed it to the basis of amount per square foot, depending on if it is prime retail or secondary retail for storage. In quite many instances the new rents will be lower than the existing rents. We have not gone and bucked the trend in terms of increasing rental, so it is a lot more expensive for market traders. We have tried to keep a cap on that. Some who are occupying more area whereby they used to get the area, effectively, for nothing because they have effectively encroached on public areas, they may have a slight increase in their rental but they are now being charged for the space they use.

The Connétable of St. Brelade:

In terms of the market space, I have spoken to you privately about it, there is a little bit of dead space within the market, are you looking to reconfigure the market to get it a little bit more vibrant?

Assistant Minister for Treasury and Resources:

It is a partnership with the tenants and together we will find the solutions to making the market more vibrant, more than what it currently is and there are some ...

The Connétable of St. Brelade:

Is it about an experience for you, when people come in and shop in there getting a better experience when they come in and shop?

Assistant Minister for Treasury and Resources:

Yes, because we want people to go there more often and to stay there longer and to spend more. The whole experience needs to be enhanced. But the landlord cannot do that on their own. The landlord has to work with the tenant and it is a genuine partnership.

The Connétable of St. Brelade:

That is an interesting point when you said the landlord cannot do it on their own because it was a comment that the Constable of St. Helier this morning has made. He feels that maybe there is a bigger role for them to take on and maybe within the administration of the Central Market and the Fish Market. Do you think there is a role to play for the Parish within that?

Assistant Minister for Treasury and Resources:

There is a role for the Parish to be involved in all of the retail region in St. Helier because there they are the municipality and so they need to be involved. But whether or not the Parish of St. Helier's administration can run the markets better than Property Holdings' administration I do not believe that they would do it better. I do not believe they would do it worse. What needs to happen is that you need to do it in conjunction with the tenants and to take consideration of those who are using the areas as well.

The Connétable of St. Brelade:

I know it is an old report that goes back to 2010 but in terms of some of the issues that were brought up at the time about the operational management of the market, how have you dealt them because it was quite ... I do not want to use the word "scathing" but there were issues around it, there were certainly problems around waste management at the markets and cleanliness, things like that? How have you managed to improve that for the benefit of both people that shop in there and for the shopkeepers themselves?

Assistant Minister for Treasury and Resources:

That is sort of business as usual and ongoing activities. We have taken steps to improve the interaction between Property Holdings and the tenants and that, by working together, we will improve the environment for those who work there and for those who shop there.

The Connétable of St. Ouen:

It is interesting to hear you say that you are working with this market retail association there. It is kind of music to my ears because so far the submissions we have had it just seems to be that people say there is no structure there to talk to the stallholders, that nobody wants to talk to them. There is no group of people that come forward or a spokesman for those people. It is interesting to hear you say that you are dealing with a body of people. How strong is this association?

Director of Estates, Jersey Property Holdings:

Perhaps if I may answer that, we have been meeting regularly with representatives of the market stallholders. At the moment they do not have a Tenants Association and official voice. We very much would like to talk to somebody who represents the tenants and I think that the tenants would like to have that official channel. We are in the process of assisting and facilitating the Tenants Association being formally constituted. Clearly, it is a matter for the Tenants Association and it is a matter for the tenants to become constituted as a body. They are in the process of creating a constitutional document with proper legal advice. That document will then form a basis that they will have a constitution to work from. The tenants can then be members of that association and can voice their views and opinions through the association at regular monthly meetings and any ad hoc meetings with representatives from Property Holdings as the landlord. That then gives an official channel those meetings that we run embryonically in advance of the Tenants Association being formally constituted and minuted. The minutes are circulated among the tenants so there is a proper flow of communication and a proper channel for the tenants' views to be aired and the landlord's views to be reported back in an unambiguous way. We are very close, I believe, to the Tenants Association being formally constituted again and I think that is a wonderful thing because it shows that the tenants themselves have got a real passion for the market in which they ply their trade and earn their livelihood and have been embedded there for many, many years, decades in some cases. It is another mechanism for developing co-operative working and trust between the landlord and the tenants going forward as a partnership.

The Deputy of St. Martin:

This is all fine words, Assistant Minister, but I think the Constable of St. Brelade was a bit kind to you when he said that he did not think your report was particularly scathing. It seems to me a very scathing document and I know that it is 2010. But the question I would ask you is what positive steps are you taking? It appears here that there is lack of effective management, there is a very long list of faults. They say: "Systems and procedures do not appear to be complete. They are inconsistently applied. There is lack of forward planning. They lack brand. They lack profile." It really is not a good place to be. I like what I am hearing, that you are working with the tenants. But what I am expecting to hear from you is a complete revamp, root-and-branch revamp of the Central Market to redesign, to a new type of tenant, potentially new types of shops, something in there with more seating for entertainment, lighting and making a really attractive place to attract people from all walks of life. I am sure you have got plans but I would like you to tell us a bit more about your plans. What I am hearing this morning it seems to be, I have to say, a bit of a slow-moving process. Action this day is what we need. We have had report after report telling us that we need to do this and I would like you to convince me that we are moving as fast as we can or faster than that.

Assistant Minister for Treasury and Resources:

We could take the view of the landlord and enforce change but that change will probably fail. All we need to do is work in a partnership with the tenants and with them make the changes. It is not about a landlord with a big stick saying you will do this, you will do that. It is about us working with them to find out what their issues are, what our issues are. At the end of the day we provide something that the public want and that is sustainable and vibrant and viable.

The Deputy of St. Martin:

But, Assistant Minister, do you know what the issues are? We have got a long list of them, December 2010 and it has been 3 years working out that the list is right or wrong.

Assistant Minister for Treasury and Resources:

There are many things in that report that are correct and there are many things in that report that have been addressed and continues to do so.

The Connétable of St. Brelade:

In terms of stimulating choice within the market and you mentioned co-operative working, is this something that you are talking to the leaseholders about, this later opening, Thursday afternoon opening and so on? Are those things that you are negotiating within the lease agreements or something that you are doing co-operatively with them to try to ... people do want to shop on a Thursday afternoon and in terms of internet shopping would probably like to shop after 5.00 p.m. in the evening.

Assistant Minister for Treasury and Resources:

Those provisions are in the draft leases in terms of opening hours, more flexibility, having core hours where we expect the units to be open. Yes, we are but we are doing it with them, not doing it to them.

The Connétable of St. Brelade:

With them. Are they on board with those type of challenges though?

[11:30]

Director of Estates, Jersey Property Holdings:

Yes, they are. I think we have got a mix of businesses there and some of them will benefit from opening early in the morning because of the trade that they address. If you are selling bacon rolls then early in the morning is a good time to open. If you are selling wool then 7.00 a.m. is not a good time to open. We do need to recognise the businesses and the livelihoods that are being

driven from the market. The new leases have an extended keep-open clause and we would like to work with the tenants to look at, as you say, opening on Sunday trading, Sunday trading becomes an option, working with them to look at opening in the evenings, particularly in the summer. The Fish Market's Castle Street proposal, it is a lovely west-facing area that could create an evening venue in itself. You mentioned areas for attracting people into the market, not simply as a shopping experience but more of a holistic experience. We have got some opportunities through current units that have been vacated, again, in conjunction with the Tenants' Association, to talk about some reconfiguring that may create opportunities for utilising space perhaps to have a food court, a seating area that could be a space for entertainment, for cookery demonstrations, for other uses, so that we have got the market as a destination for people to come and see something. This happens already, choirs in the market attract people, the Royal visit last year, demonstrating just how good the market can look and feel and work with that level of involvement and the incredibly strong participation of the tenants.

The Deputy of St. Martin:

Have you any intention to reintroduce a post office into the market if you had the opportunity to?

Assistant Minister for Treasury and Resources:

I do not think Jersey Post would want to go back into the market but if they did then we would try to facilitate them.

The Connétable of Grouville:

Just going back to the last point, do you think the market will be open on a Thursday afternoon in 2 or 3 years' time?

Assistant Minister for Treasury and Resources:

I think the market will be open on a Thursday afternoon probably this summer.

The Deputy of St. Martin:

We appreciate that it is a difficult line to tread but if the market is going to be vibrant and attract people the market cannot be vibrant and attract people if it is not open. I think the impression that we would want you to give to stallholders is that if you really want there to be buzzing and vibrant, well the offering inside the market has got to be open. It is as simple as that. I think we all accept that fishmongers and some vegetable traders have to start very early in the morning but at the same time there will be little point in keeping the markets open in the evening if three-quarters of the shops inside have packed up and gone home.

The Connétable of St. Brelade:

In terms of knowing where the market is, I think if you live in Jersey you know where the market is but if you are visiting the Island some of the signage is not that clear. Is that something you are going to be working with T.T.S. on to improve?

Assistant Minister for Treasury and Resources:

T.T.S. and the Parish. We have a reasonable number of day trippers coming from France and we have obviously tourists, so yes we do need to make them easier to find, particularly from arriving at the port to coming in through the town.

The Connétable of St. Brelade:

Is that where there have been issues around planning?

Assistant Minister for Treasury and Resources:

No, we have had some discussions with Planning about signage attached to the buildings because they are listed buildings, and so we have this dialogue to define what is appropriate signage on a listed building.

The Connétable of St. Brelade:

Is it a positive dialogue?

Assistant Minister for Treasury and Resources:

It is a progressive dialogue.

Director of Estates, Jersey Property Holdings:

There are clearly 2 issues: one is about directing people to the market from elsewhere in town and there is the issue of highlighting the market when you are there. What we are seeking to do is simply enhance the frontage of the market, particularly the Fish Market. You walk horizontally to the market entrance you do not know it is there. We would like banners that make it very clear where the market is and ...

The Connétable of St. Brelade:

Is that where the planning issue lies?

Director of Estates, Jersey Property Holdings:

There are one or 2 issues. They are not insurmountable but there are issues with dealing with an historic structure, so there are some elements of historic structure. There are also some issues about cameras and such like, street furniture that needs to be dealt with.

The Deputy of St. Martin:

What about Perspex on the outside of the railings to stop the weather, especially on Halkett Street.

Assistant Minister for Treasury and Resources:

We have a solution and we are just getting hopefully final sign-off from Planning that we can implement that.

Director of Estates, Jersey Property Holdings:

It is likely to be a solution. Again it is about heritage issues as well as other practicalities but it is a solution that is more likely to be a blind solution rather than a Perspex solution. We do not want to detract from what is a very attractive building as well as a facility, so we are working with the heritage people within the Planning Department to ensure the solution both meets the heritage needs but also is an attractive and functional solution.

The Deputy of St. Martin:

How is it coped with in other markets of similar in the U.K. (United Kingdom) and France; do we know how they cope with the railings open to the elements?

Director of Estates, Jersey Property Holdings:

I could not give you a particular example but I think everywhere has different laws and regulations in respect of the planning laws and the configuration of their markets will be very different.

The Connétable of St. Ouen:

Do you think with developing retail in the town that planning is a hindrance?

Assistant Minister for Treasury and Resources:

I think planning is a process. It should not be a hindrance. It should be a process.

The Deputy of St. Martin:

How much control do you have inside the market itself? For example, if you took all the stalls out and reconfigured the entire site under the roof could you do that without planning permission?

Director of Estates, Jersey Property Holdings:

No, that would require planning permission.

The Deputy of St. Martin:

Because they are only temporary structures, are they not, the stalls?

Director of Estates, Jersey Property Holdings:

You would need planning approval and I will verify that to you, but my belief is you need planning approval and you would certainly need bylaw approval. From time to time you need bylaw approval to move certain elements of the market and elements of stalls.

The Deputy of St. Martin:

What is the cost of your rents that you charge your tenants inside the market compared to shops in the same vicinity? Do you know how that compares? I do not want to know exact numbers but on a percentage pro-rata basis, do we know?

Director of Estates, Jersey Property Holdings:

I could not give you a percentage but it is significantly lower than a shop unit.

The Deputy of St. Martin:

Do you feel that you are doing enough with your rental prices to encourage young people or encourage new traditional businesses into the market? Do you have a queue of people waiting to come in?

Director of Estates, Jersey Property Holdings:

When units become vacant they are marketed and we get a reasonable response. We have not been unable to let a unit. I think there is an issue about what sort of activity you want within the market to try and keep within the market core trades and some of those core trades are suffering, and no doubt other people will have expressed difficulties. We have seen a butcher, for example, have to leave the market because that trade has been struggling with competition from supermarkets as elsewhere.

The Deputy of St. Martin:

Are the core trades fresh food and veges and associated food products?

Director of Estates, Jersey Property Holdings:

That is the general core trades. We are also looking at the local aspect. It does not have to simply be fresh fruit and veges, fish and meat, but we are looking to try and promote Genuine Jersey and local other providers within the market.

The Connétable of St. Ouen:

Why is the stall that is currently vacant been vacant for so long?

Assistant Minister for Treasury and Resources:

In the Central Market?

The Connétable of St. Ouen:

Yes.

Assistant Minister for Treasury and Resources:

Mainly because we wanted to finalise the leases arrangement because we did not want to let that stall if we were going to use it to relocate one of the existing tenants. The idea was to try and give us ourselves a bit of wriggle room. So if we could create an eating area or performance or demonstration area, then we need wriggle room basically. But as soon as the Tenants Association process is completed and the new leases are signed then that unit will be marketed.

The Connétable of St. Brelade:

In terms of existing businesses that might want to invest in their business or new business coming in that is looking to invest, is there sufficient security of tenure with the new leases?

Assistant Minister for Treasury and Resources:

We have been quite open with the Tenants Association, the tenants. If they have a particular business requirement, if they intend to invest significant sums in their offering, then we will talk to them about longer terms of tenure.

The Deputy of St. Martin:

How many public seats have we got in the Central Market, do you know?

Assistant Minister for Treasury and Resources:

I have no idea.

The Deputy of St. Martin:

Obviously not a lot otherwise you would know there was a lot.

Assistant Minister for Treasury and Resources:

There are a reasonable amount but the actual number I could not give you an exact number.

The Connétable of Grouville:

Can I go back to the rents? You said they were significantly lower. Is there a reason for that?

Director of Estates, Jersey Property Holdings:

I think the reason is that you have got a different type of offering. A market stall does not have the same facilities as a shop unit would. We take advice from an independent agent in terms of assessing rents and they assess rents in respect of market stalls who make comparisons with shops in the primary and tertiary area. We can provide the panel with the rent review information if it would be of assistance.

The Deputy of St. Martin:

Going back to the report, there are a number of short term, medium term, long-term suggestions there. One that particularly struck me as being quite good, if it could be pulled off, is part mezzanine level. I am aware that if you go to the traditional open markets in London, Covent Garden, for example, it is always possible to go up a floor and look down at everything that is going on. Do you have any plans of that sort?

Assistant Minister for Treasury and Resources:

Maybe that would be a longer term aspiration. What we need to do is get the basics right first and get what we have got in the markets working at their full potential. Certainly we would not want to spend public money, which would be quite a considerable sum, expanding those areas to a mezzanine if we knew they were not going to be viable. What we need to do is to ... until recently there has not been a body to deal with in terms of the tenants but that is surely being addressed. So we can work with them to move forward and if there is a good business case for expanding then, yes.

The Deputy of St. Martin:

This 2010 report, do you have a strategy that we are all working to at the moment? Is it an in-house document or are you using this 2010 report as the basis for your work moving forward?

Assistant Minister for Treasury and Resources:

We have certainly taken ... you have reflected on the 2010 document. Coming back to being a bit more fundamental than that, we cannot impose what our vision for the market is. Is it going to be a vision that is going to be compiled with the tenants, with input from the Parishes, with input from essentially lobbying groups such as Chamber?

The Deputy of St. Martin:

When will we see the final document? When will that come to fruition?

Assistant Minister for Treasury and Resources:

To my mind, it is not a rocket science sort of strategy document type scenario. We have got common aims in terms of we want it to be a viable, vibrant and sustainable destination.

The Deputy of St. Martin:

But have you have got agreement with the traders there that the trader layout of the market needs to change fundamentally? That we need to change the entrances and externally make it look different and eliminate the dead zones and stuff like that?

Assistant Minister for Treasury and Resources:

Yes, we do need to eliminate dead zones and we do need to make the entrances and the experience of going and spending time in the market a good one.

The Deputy of St. Martin:

How are you giving that vision to tenants? How are you giving their vision to us, for example? Have you not got it set down with some sort of basic drawings and stuff?

Assistant Minister for Treasury and Resources:

Early experiences that we had, particularly with the Fish Market meant that by working with the tenants in the Fish Market we have come up with a range of improvements and schemes that will work and will produce having a more vibrant offering there. So we have to do it with the tenants. It is not something that we can impose on them. We need to learn from their experiences from their point of view, and work this out together.

The Deputy of St. Martin:

Is that not going to make it quite a long and drawn out process?

Assistant Minister for Treasury and Resources:

Not necessarily. I think there is certainly appetite among the tenants to move things forward in quite a speedy way.

The Deputy of St. Martin:

The Constable mentioned the site in the Central Market that has been empty for quite a while and you have explained quite rightly how you want to use it so you can start wriggling stuff around, but how soon do you think we might see an increased number of public seats and public spaces in the market?

[11:45]

Assistant Minister for Treasury and Resources:

If it is something that we can work out with the tenants, we certainly have some capacity within the budget to finance improvements. One of the things that we are looking at, at the moment, is the public toilets offering in the Central Market, which is not what I deem to be up to standard. We are looking at reconfiguring those areas and other areas to release more space. For example, the refuge facility that is there is much bigger than it needs to be and with changing the way that area is managed and controlled, we can create more space within the market to provide more facilities for the public.

The Deputy of St. Martin:

It has been suggested in this report that the market needs to be re-launched and promoted as an international tourist attraction but what we are hearing from you this morning is it is not going to be happening in the next year or 2, it is going to take a considerably longer period of time.

Assistant Minister for Treasury and Resources:

It is going to be launched in terms of increased marketing as soon as the Tenants Association has been reformed and we can work with them to come up with a marketing plan for the markets. For it to become an international destination, I do not quite think it will do it on its own. Jersey needs to have a number of offerings that make it an attractive place to come to, and the Central Market and the Fish Market will be part of that.

The Deputy of St. Martin:

Some of them we are ticking off already. I mean opening Thursday afternoons; you have indicated you have that covered. There are some small ones here. Customer loyalty cards. What about Cashpoint? Have we got a Cashpoint in the market at the moment?

Director of Estates, Jersey Property Holdings:

We do not have a Cashpoint in the market at the moment. It is a possibility that we could introduce one, but there are some issues again about having ... if you had one that was accessible outside market hours, so you had one on the entrance, that would be a more viable prospect I think for a Bank. One inside the market may be more difficult. But it is a possibility.

Assistant Minister for Treasury and Resources:

It is a possibility. There are currently Cashpoint machines within 50 metres of the market.

The Connétable of St. Brelade:

In terms of the wider retail market in St. Helier; I mean Guernsey launched their own retail strategy a little while back, which was quite a wide-ranging strategy and looked at the whole of St. Helier in

a wider aspect. Do you think there is a need look at a wider masterplan for St. Helier that looks at retail but also looks at other uses of St. Helier, and if we are going to contract the retail market out of certain areas - something that Constables in that area want to try to avoid - that we should have a plan for what we are going to do with those areas in a more wider way? Do you think that already exists under the Island Plan, for example?

Assistant Minister for Treasury and Resources:

Certainly there is the masterplan for the north of St. Helier. Should Government be interfering in the economy, in the retail sector? I think you should let the economy in the retail sector sort itself out. We can facilitate things but we should not directly try and influence that. As I have already mentioned, I believe that involvement, drivers, the physical retail area will contract and it makes sense to those operating in the retail sector that they contract in similar areas. You would not want pockets because they become isolated. I do not necessarily agree if there are certain Constables wanting to try and maintain it. I do not think we should try and interfere. I think we should let market forces take the course. But what we need to provide is the infrastructure around that to help people get access to those areas.

The Connétable of St. Brelade:

In terms of the retail sector itself, something was mentioned this morning of maybe having a retail champion that would oversee the retail sector. The question is would that be somebody outside Government or a Minister or Assistant Minister that would oversee that?

Assistant Minister for Treasury and Resources:

I would like to think that a Minister or an Assistant Minister of Economic Development would take that under their wing in the similar way that under a property view I have taken the rediscovering and redevelopment of Fort Regent under my wing because it is a property matter. Similarly, with the markets, what was in the markets and its immediate surrounding is something that I have taken on board to make sure that we do end up with a vibrant market and we do end up that this is the same.

The Connétable of St. Ouen:

Do you feel that that should be political because things would get done? If it was an independent person do you think that they would not get things done? Do you think that needs to be a political role?

Assistant Minister for Treasury and Resources:

I think most of these things it needs to be someone's day job but you do need probably a political champion to help them fulfil that role.

The Connétable of St. Ouen:

Otherwise you do not think things would get done?

Assistant Minister for Treasury and Resources:

I think it is easier with a political champion than an individual or a group of individuals on their own.

The Deputy of St. Martin:

Going off-piste a bit: do you have any other property under your control, which is retail, that you rent to people in the markets? Do Property Holdings have ...

Assistant Minister for Treasury and Resources:

We have a number of outlets predominately around the coast.

The Deputy of St. Martin:

But retail in St. Helier?

Assistant Minister for Treasury and Resources:

In the retail we do own one or 2 properties that we have ...

Director of Estates, Jersey Property Holdings:

We have 2 shop units in Colomberie, one of which is currently being used as a job type and the other is rented commercially. There are a few odd units, some in Health Trust administration but we are not a large scale player in the retail market, nor would we expect to be so. Those units are either in public ownership through historic reasons or they are there because they are required for a purpose and that purpose either has not happened for one reason or another or has yet to happen. But we are not a big owner in retail.

The Deputy of St. Martin:

So the markets are your main parts of your portfolio that does retail. Assistant Minister, you mentioned that you charged lower rents than the surrounding area, can you tell us exactly what the situation is with accounts in the markets? Do they wipe their face? Do they require a large amount of money to be put into them every year to maintain them and where are we with running the markets on a ... could you run the markets just with a rental income?

Assistant Minister for Treasury and Resources:

The short answer is yes but obviously the Director can give you the detail.

The Deputy of St. Martin:

I am just going down the road of: do they make any money? If they do, how much? Is it enough to reinvest and have all these wonderful plans or is it going to need a substantial injection of cash from the Minister for Treasury and Resources?

Director of Estates, Jersey Property Holdings:

If I can answer that in a structured way and we can send you some information as well separately. The rental income from the store holders and any other rental income that comes in, there is some car parking income that gets recycled back to the Parish because the tenants rent the car park from Property Holdings who subsequently rent it out. So there is a slight complication there. But the income that is generated annually is held and ring-fenced within the accounts of Property Holdings and has been previously in other departments prior to Property Holdings becoming responsible. That funds the expenditure of the market in terms of its day-to-day activity, maintenance, cleaning, et cetera. It generates a surplus. The surplus varies from year to year depending on how much work has been done within those years. The surplus is then transferred into a capital account and the capital account builds up and is then used for large scale projects, the last one being a replacement roof in the Central Market.

The Deputy of St. Martin:

The capital accounts are also ring-fenced?

Director of Estates, Jersey Property Holdings:

The capital accounts are also ring-fenced. Those funds are then capable of being utilised for large scale projects going forward, so the revenue account will deal with day-to-day maintenance. We have got programmes coming up this year to do things like redecorate the fountain, for example. That will be funded from the revenue account, works to do, the roof at the Fish Market or floor, improvement works that are capitalisable and come from the capital account. But all funds that are generated are ring-fenced, held separately from other funds within Property Holdings.

The Deputy of St. Martin:

So even the major works that have been done in the last couple of decades with the Central Market has all been funded out of revenue generated by the market itself?

The Connétable of Grouville:

What are the 2 plans: what is the annual rental and what is built up in the capital?

Director of Estates, Jersey Property Holdings:

The annual income is around £600,000 and the annual expenditure varies, as I say, from year to year. It has been between £350,000 and £400,000 approximately and the surplus that is generated is invested in the capital fund, which is then drawn down for capital schemes.

The Deputy of St. Martin:

We have gone quiet because we are all thinking of ways to spend that money. Let us get back to transport, if we could, Assistant Minister. A number of people have suggested to us that the Hoppa bus service would be very useful to reinvigorating the markets inasmuch as people could be dropped off, in the similar way that you have suggested we might have drop off for cars. But do you think the Hoppa bus service was something that we should be getting back?

Assistant Minister for Treasury and Resources:

If it is going to be used then, yes. If it is going to be under-utilised then it is probably unnecessary. I would like to maybe see how the Hoppa bus would work with, say, the 2-site proposal for the hospital to see if that would increase its usage. Because what I understand from the previous Hoppa bus service that it was not overly utilised. So I would not want to necessarily put something in place that was not going to be used. I would welcome the trial to see if such a facility would be taken up by not only those living in St. Helier but those coming and working there each day.

The Deputy of St. Martin:

I am just going to go back to the rental question. I just wanted something I forgot to ask at the time. Do you have an annual business plan? Do you have a 5-year plan that you work to with the markets so that you can amalgamate that too and say: "Right, this is where we expect to be. This is the work we are going to be doing." Or do you do it very much more of a first come first served type basis?

Assistant Minister for Treasury and Resources:

There is a plan on what expenditure we expect to make and in terms of revenue and capital. That is not set in stone. For example, we anticipated to start this year on re-flooring the Central Market but, in conjunction with the tenants, they do not want that to happen at the present time so we have held back on that. We do have a plan of rolling maintenance.

The Deputy of St. Martin:

So if it comes to the re-flooring of the Central Market, for example, the tenants have a lot to say in whether you do it or not. I mean as landlord you decide it needs to be done, you are saying you wanted to do it and they said: "No, do not do it" and you decided not to.

Assistant Minister for Treasury and Resources:

There are factors that protects ... health and safety is the first factor. If it has to be done for health and safety reasons it will get done. If it does not have to have that then we will work with tenants to ...

The Deputy of St. Martin:

Why would the tenants not want you to re-floor the Central Market?

Assistant Minister for Treasury and Resources:

They may want to do other things like put a mezzanine in or create a different environment.

The Deputy of St. Martin:

So you are saying that discussion takes place on what the money available is spent on?

Assistant Minister for Treasury and Resources:

No, we had planned to do the floor and we have put those plans on hold while we have the discussions with the tenants about what the future looks like.

The Deputy of St. Martin:

That would seem sensible.

The Connétable of St. Brelade:

Just a couple of points: I would just like your views. In terms of any further pedestrianisation, do you see that as something you would support around St. Helier, certainly around the market, for example? Or do you think there are opportunities within St. Helier to improve?

Assistant Minister for Treasury and Resources:

It is really outside the remit of my remit as Property ...

The Connétable of St. Brelade:

Absolutely. I am just wanting a personal view.

Assistant Minister for Treasury and Resources:

It depends if there are any unforeseen consequences. You would not want to increase the pedestrianisation if it was going to mean you could not get vehicles to and from the market for people to pick up and drop off. If on the other hand it would increase footfall to the area then it would be welcomed. I think we have to look at it ...

The Connétable of St. Brelade:

In terms of another one that is always an issue, and it is an issue in St. Aubin's more than in St. Helier, is parking charges and the different types of parking charges and the confusion around. Is that something you would like to see rectified?

Assistant Minister for Treasury and Resources:

Yes, I think we could do quite a bit with the number plate recognition. If that is rolled out I think that will alleviate a lot of the issues. The anecdotal feedback we have been getting, people do not shop and linger, particularly in the markets, because they have got to rush back to avoid a £60 fine.

[12:00]

So scratch cards whereby they would be willing to pay a few pounds extra for the extra hours they use. But that is not just a market centric thing. I think you need to work with our T.T.S. colleagues and come up with a simpler package for St. Helier.

The Connétable of St. Brelade:

What is your view, as Assistant Minister for Treasury and Resources, about having free parking at specific times, and all that? Is there an issue around that? Or do you think that is not necessary?

Assistant Minister for Treasury and Resources:

T.T.S. do do that. The build up to Christmas and other ...

The Connétable of St. Brelade:

But in terms of extending it.

Assistant Minister for Treasury and Resources:

That is a business case if they are going to extend it because there have to be obviously funds, the car parks themselves.

The Connétable of St. Brelade:

They would be concerned if they cannot fund the car parks because they are offering tenants(?) free parking.

The Deputy of St. Martin:

Is there enough joined up thinking between ministries when it comes to retail? You have E.D. (Economic Development), Planning, T.T.S., you have the Parish of St. Helier. Are people really

getting down and working together to solve these issues or do you think there is still too many people fighting their own corners?

Assistant Minister for Treasury and Resources:

I think you could always improve communication. That is something that we are working on a completely different remit to what we are talking about, is our office strategy for the States. I would like to see as many Ministers in the same building, if not on the same floor, to increase communication; it always helps. Better communication tends to lead to better outcomes.

The Deputy of St. Martin:

It would be nice if we had Scrutiny in the same building as well. Are there any further questions? I am not really sure where we are going here but on the basis that the Minister for Treasury and Resources has not sent any more emails out to say where he is, unless he has said something to you ...

Assistant Minister for Treasury and Resources:

Just trying to find that now.

The Deputy of St. Martin:

You have been very lucky because we had a whole hour with you on the Central Market, whereas we had intended to spend some time with the Minister for Treasury and Resources on taxation. But unless you can indicate to us that he is on his way.

Assistant Minister for Treasury and Resources:

I am afraid that ... he is on his way by the looks of it.

The Deputy of St. Martin:

You are afraid he is on his way. That is unfortunate. **[Laughter]**

Assistant Minister for Treasury and Resources:

I thought it was the other way round. The title of the email does not meet to what is in the email.

The Deputy of St. Martin:

So the Minister is indicating he is on his way here?

Assistant Minister for Treasury and Resources:

Yes, he is.

The Deputy of St. Martin:

In that case, can I suggest that we continue? Would it be agreeable if we changed the direction of questioning slightly, Assistant Minister?

Assistant Minister for Treasury and Resources:

All right.

The Deputy of St. Martin:

Are you going to charge out? Okay, fine. I think under the circumstances what we will do is we will just adjourn for 5 minutes and then we will start up again because if we have potentially the Minister and ... yes.

[12:03]