



PRESS RELEASE

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Chief Minister Comments on OEM claims

Commenting on the Joint Press Release of the Government and the Liquidator of OEM, the Chief Minister, Hon Fabian Picardo QC MP, said: "This is a claim which relates to the housing schemes that went wrong under the GSD. We are still paying the price in hundreds of thousands of pounds for the tax payer of having to repair the estates as a result of the job having to be completed by GJBS based on bankrupt and insolvent developers' and contractors' designs. There is the matter of the unsecured £4m loan made by the GSD to OEM, which was never repaid. And there is now the matter of this claim for another £8m from the Liquidator. This is the rotten legacy left by the GSD in respect of the unsecured loans they granted, the homes they sold and the debt that is being claimed by Barclays. This is highly unsatisfactory and shows the public what we inherited from the GSD was far from a "golden legacy" and much more of a "rotten legacy" of debt, unpaid million pound loans and a huge repair bill."