

# **STATES OF JERSEY**

## **OFFICIAL REPORT**

**WEDNESDAY, 16th DECEMBER 2015**

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[9:30]

**The Roll was called and the Dean led the Assembly in Prayer.**

**PUBLIC BUSINESS - resumption**

**Senator A.K.F. Green:**

Sorry, Sir, before we commence, could I just take this opportunity to correct an answer to a question I gave during Questions without notice? The Constable of St. Mary asked me about G.P. (general practitioner) access to patient records. My response to that was that G.P.s do have access to patient records out of hours. In fact, I was a bit premature. If you are fortunate enough to have your own G.P. then of course they have access to your records, but we are hoping that all G.P.s will have access to the EMIS system sometime next year. So I was a bit premature with my response, which I said everybody had access at the present time, so I apologise for that.

**Connétable J. Gallichan of St. Mary:**

I thank the Minister for his clarification.

**1. Draft Social Security (Amendment of Law No. 10) (Jersey) Regulations 201- (P.136/2015) - resumption**

**The Bailiff:**

Thank you, Connétable. When the States adjourned last night on consideration of P.136, the Attorney was going to give further consideration overnight and you are ready to give more advice at the moment.

**Mr. R.J. MacRae, Q.C., H.M. Attorney General:**

I am grateful. Yes, before we adjourned the Deputy of St. Ouen asked 3 questions in relation to the Draft Social Security (Amendment of Law No. 10) (Jersey) Regulations 201- and those questions arose from a consideration of the second page of the report under the title "Assessment notices", particularly the second paragraph of that section. The 3 questions were: "How can they issue a final notice for 2015 during 2015? Secondly, how can you retrospectively convert a final notice into an estimate? Thirdly, why is there reference to 2014 in the last sentence of the second paragraph under the title 'Assessment notices'?" If I can answer those 3 questions compendiously by considering the first 2 paragraphs of the report under that title, I will do so now. As we can see, the report says: "As the Long-Term Care liability is based on current year income" so that would be 2015 for this year: "the collection of contributions during the year will always be based on an estimate, and that estimate may be for the previous year for a current employee, possibly the year prior to that for the self-employed, and the current year for new employees and a final assessment cannot be issued during the year itself. This will be provided in the following year once the income for that year has been assessed." The final figure for 2015 will never be known until 2016. Going back to the text: "Adapting existing income tax assessment notices to include the additional Long-Term Care contribution has resulted in final notices being sent for both Long-Term Care contributions and income tax liability." So pausing there, if one looks at one's 2014 assessment received in 2015, one will simply see a title saying: "L.T.C. (Long-Term Care) contribution" and not indicating, as must be the case, that it must be an estimate for this year, until of course this year has come to an end. Under the current legislation, this is not correct, as a final notice for the 2015 Long-Term Care contribution will be issued in 2016, when the individual's 2015 income has been assessed. There is a lack of clarity in that the Long-Term Care contribution liability referred to in the 2014 assessment notices and of course those notices being received in the last few months in relation to the last tax calendar year is in respect of an estimate of that final liability. In fact, during this year, this year being the first year of the L.T.C. contribution, it is only possible of course for

there to be an assessment for this year. That would apply to any calendar year, because of course the income figure is not known until the end of that year. That will be made clear in future years. If we look to the Regulations themselves, the first Regulation inserts 54D under the title: "Transitional provisions for L.T.C. contribution in 2015. It is provided any notice issued by the Comptroller in 2015 in respect of a person's L.T.C. contribution for that year shall be taken to be a notice of the estimate of that amount served and calculated" and so on. In reality, the figure for this year can only ever have been a notice and that simply declares that is the case. This is not the case of a retrospective introduction of a tax or charge, as the provisions of 1C, which create the liability from the beginning of this year onwards and the obligation to pay within this year are unchanged. I hope that answers the questions I was asked.

**Deputy R.J. Renouf of St. Ouen:**

I am most grateful to the Attorney General for his assistance to the Assembly and for the work he has done overnight. The advice that has been given has answered my queries and I am satisfied. I am grateful.

**The Bailiff:**

We return to the debate on the principles. Does any other Member wish to speak on the principles? Then I call on the Minister to reply.

**1.1 Deputy S.J. Pinel of St. Clement (The Minister for Social Security):**

Thank you to the Deputy of St. Ouen for his question and the A.G. (Attorney General) for explaining it. If I can take the opportunity to briefly answer Deputy Le Fondré's question, which was about the delays in some of the payments being made. This did happen. There were some teething problems to start with, but now with more staff applied to the assessment and analysis both in Health and Social Services for the social care assessment and the financial assessments in Social Security, the delays are now minimised. I propose the main principles.

**The Bailiff:**

All Members in favour of adopting the principles, kindly show. Those against? The principles are adopted. In light of the contributions made so far, are you proposing the Regulations *en bloc*?

**Deputy S.J. Pinel:**

Yes, please, Sir.

**The Bailiff:**

Sorry, Scrutiny, yes.

**Deputy S.J. Pinel:**

May I just briefly ...

**The Bailiff:**

Just a moment. Scrutiny, Deputy?

**The Deputy of St. Ouen (Chairman, Health and Social Security Scrutiny Panel):**

We do not wish to take this on, Sir.

**The Bailiff:**

Yes, Minister.

**1.2 Deputy S.J. Pinel:**

I will just very briefly describe them for Members. Regulation 1 makes the changes to the Social Security (Jersey) Law, a new Article 54D is added to the law. This Article confirms all the assessments for Long-Term Care contributions issued in 2015 are estimates of liability. The format of the assessment used this year did not make this clear and a new format will be provided in 2016, as just explained by the Attorney General. These assessment notices are provided from the income tax I.T. (information technology) system, which is urgently in need of replacement, and I can confirm that work on a new system is already underway. The remainder of Regulation 1 makes changes to Schedule 1D of the Social Security (Jersey) Law. This schedule explains how Long-Term Care contributions are collected from different types of taxpayer. Changes are made to the description of the assessment notice. In future, an income tax notice can be issued with or without a Long-Term Care notice. An assessment notice can give information on the Long-Term Care final liability or an estimate of the liability.

[9:45]

A new paragraph is added to give details of the calculation of the amount of contribution or the I.T.I.S. (Income Tax Instalment System) rate to be used in each stage of the assessment process. There are 3 types of taxpayer identified: (a) taxpayers who make direct payments of income tax in 2 instalments during the year; (b) taxpayers who pay using the I.T.I.S. system on a prior year basis; and (c) taxpayer who pay using the I.T.I.S. system on a current year basis. Depending on the stage of the process and the type of taxpayer, the calculation can refer to the actual tax liability from 2 years ago. The actual tax liability from one year ago will be estimated liability for the current year. As the calculations are now described in more detail, there is no longer any need to refer to a provisional effective rate and these references can be removed from the legislation. The second Regulation makes a small change to the Income Tax (Jersey) Law to provide a correct cross-reference to the amended Social Security (Jersey) Law and the third Regulation of these Regulations come into force tomorrow. I propose the Regulations.

**The Bailiff:**

Seconded? [Seconded] Does any Member wish to speak on the Regulations? All those in favour of adopting the Regulations, kindly show. Those against? The Regulations are adopted. Third Reading, Minister?

**Deputy S.J. Pinel:**

Yes, may I propose the Regulations in the Third Reading?

**The Bailiff:**

Seconded? [Seconded]

**Deputy S.J. Pinel:**

May I call for the appel, please?

**The Bailiff:**

The appel is called for. I invite Members to return to their seats. The vote is on whether to adopt the Regulation P.136 in the Third Reading and I ask the Greffier to open the voting.

<b>POUR: 42</b>		<b>CONTRE: 0</b>		<b>ABSTAIN: 0</b>
Senator P.F. Routier				
Senator P.F.C. Ozouf				
Senator A.J.H. Maclean				
Senator I.J. Gorst				

Senator L.J. Farnham				
Senator A.K.F. Green				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. Lawrence				
Connétable of St. Mary				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				
Connétable of Grouville				
Connétable of St. John				
Connétable of Trinity				
Deputy G.P. Southern (H)				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy K.C. Lewis (S)				
Deputy E.J. Noel (L)				
Deputy of St. John				
Deputy J.M. Maçon (S)				
Deputy S.J. Pinel (C)				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				
Deputy S.Y. Mézec (H)				
Deputy A.D. Lewis (H)				
Deputy of St. Ouen				
Deputy L.M.C. Doublet (S)				
Deputy R. Labey (H)				
Deputy S.M. Wickenden (H)				
Deputy S.M. Brée (C)				
Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				
Deputy P.D. McLinton (S)				

**2. Draft States of Jersey (Transfer of Functions No. 8) (Miscellaneous Transfers) (Jersey) Regulations 201- (P.46/2015) (*Principles approved on 20th October 2015*)**

**The Bailiff:**

We now come to P.46, where the principles were approved and the matter referred to Scrutiny. A Scrutiny Report has been presented. Chief Minister, you wish to propose the Regulations?

**2.1 Senator I.J. Gorst (The Chief Minister):**

If I may, Members will be aware that the Corporate Service Scrutiny Panel have got an amendment to Regulation 6, therefore if I could take 1 to 5 in the first instance. These Articles give effect to the changes across the Economic Development Department, the Education, Sport and Culture Department and my own department. I want to start by saying that I am extremely grateful to

Deputy Brée and his panel for the work that they have done in reviewing these changes and I think the fair - and I hope Members saw it as positive - report that they have produced in regard to these changes. I think it is fair to say that Ministers have already started to work as if the functions were being changed and we have put in place appropriate delegations with Assistant Ministers right across the departments to do that, but it really does need the final change to deliver the synergies and allow not only Ministers but officers across the departments to work in the new way and deliver on the strategic priorities that I and the Council of Ministers think are so important for Jersey's future. We will have, if the States adopt these Regulations, the new Department for Education and they will be rightly focusing on education and skills. I do not think there is anyone in this Assembly that does not think it is right that they give their 100 per cent focus to that important part of each child's life, making sure that they reach their full potential. I am extremely grateful, as I know the Minister for Economic Development is, to his 2 Assistant Ministers for the sterling work that they have been putting in in their respective areas that they are responsible for. It means that Economic Development will become the Economic Development, Tourism, Sport and Culture and those functions I think work incredibly well together. The individuals delivering on those delegated responsibilities have shown great enthusiasm, they have hit the ground running and I think that they are showing what improved focus - which is what we wanted - can deliver in those particular areas. Of course that means that we are able to create a function with the Chief Minister's Department which these Regulations also do, bringing together financial services, digital innovation, competition, focusing on those critical synergies, delivering economic growth through our economy. Again, we are seeing great strides taking place in those areas. We have seen the publication of the innovation review and an action plan responding to that, we have seen the competition review and I know that the Assistant Minister there will work together with his Guernsey counterparts to develop an action plan in that regard as well. I hope that these 5 at least are uncontroversial and then we can consider the amendment in due course. I maintain the Regulations.

**The Bailiff:**

Seconded? [Seconded] Does any Member wish to speak on Regulations 1 to 5? All those in favour of adopting Regulations 1 to 5 kindly show. Those against? The Regulations are adopted. Do you propose Regulation 6?

**2.2 Senator I.J. Gorst:**

I do. This Regulation 6 deals with the transfers from the Treasury Department to what is now known as Transport and Technical Services. There we have in the current situation a divergence of responsibility for infrastructure in our community and no doubt we are going to come on and consider what the advisers to the Corporate Services Scrutiny Panel said about models for infrastructure across various communities and that probably will be the thrust of the debate around the amendment. But I and Ministers believe that there are great synergies to be delivered from that centralised position of putting those infrastructure items together under one political responsibility with one set of experts helping to ensure that reform and synergy is delivered and therefore I maintain that Regulation as well.

**The Bailiff:**

Seconded? [Seconded]

**2.3 Draft States of Jersey (Transfer of Functions No. 8) (Miscellaneous Transfers) (Jersey) Regulations 201- (P.46/2015): second amendment (P.46/2015)**

**The Bailiff:**

There is an amendment lodged by the Corporate Services Scrutiny Panel and I ask the Greffier to read the amendment.

**The Greffier of the States:**

Page 16, Regulation 6 – for paragraph (2) substitute – “(2) However, the functions of the Minister for Treasury and Resources in standing order 168 of the Standing Orders of the States of Jersey are not transferred.”

**2.3.1 Deputy J.A.N. Le Fondré of St. Lawrence (Chairman, Corporate Services Scrutiny Panel):**

I will run through a little bit of background as to how we got here first and then also give some details on the advisers that we used. Hopefully Members will recall this proposition came, as we have heard, from the desire of the Chief Minister to make certain changes to the ministerial structure. We had obviously planned and hoped to look at it at the very beginning of the year, but we only received the information in May, when it was lodged, and that got wrapped up with other reviews, including the M.T.F.P. (Medium Term Financial Plan), you name it, and of course the M.T.F.P. was slightly delayed. We considered various aspects of the proposal changes and ultimately for Corporate Services we focused on Treasury and Fisheries, as it was turning out, and Economic Development, the economic affairs side, considered some other areas, and comments - as Members should have spotted - have been produced by both panels. Now, the Corporate Services Scrutiny Panel appointed a firm of advisers called Concerto to look at the property aspect. This is worth, the property side, £1 billion, £1.2 billion, and therefore it is important, in our view, that the structure surrounding the property is correct. Concerto are specialist advisers in this area. They have advised many organisations on property, including Direct Line Group, the Olympics and Royal Mail, to name but 3. The team has worked in varying capacities for the U.K. (United Kingdom) Government for a number of years, as well as other jurisdictions. One of the lead members that we used has looked at jobs ranging from the Hague to the U.N. (United Nations) and is an accredited high-risk review team leader with the U.K. Cabinet Office. For example, one project for the Ministry of Justice was abandoned following a red review due to the challenges that review identified. Another team member was the former Head of Strategy for the Government Property Unit of the U.K. Government. The point about all this is, in short, this team is very experienced and they know what good should look like. The review was predominantly advice-driven. In order to keep costs under control in this instance, we agreed to receive their evidence in the form of a presentation, which was transcribed and is on our website, rather than a formal report. We then produced our own report. We followed up with a conference call and further drilled down into some of the matters identified from the transcribed session. That is what has formulated our views, in conjunction with the various pieces of work we did. The outcome of the work is this amendment. Why is that important and what are we trying to achieve? In the context that we are dealing with, it is about an overall structure governing £1.2 billion of property for which we are the custodians on behalf of the public. We need to ensure that right level of checks and balances are in place to ensure that strategic direction is clear, with appropriate governance. The other matter that makes it so important is that property is one of the key enablers for reform, it is the key to unlocking changes within the system and we will need to be happy that this will be properly achieved. We also want to learn from the experiences of other jurisdictions and to try not to make their same mistakes. What did we all find? Firstly, there is no business case whatsoever behind these moves. To quote from the adviser: “To me, looking at this from the outside, it seemed like a done deal and nobody stopped to question it. That is what it feels like. I do not know your due process here and maybe this is the way things work. I do not know, but it seems odd to me that something as profound as this, the nation’s assets, are in J.P.H. (Jersey Property Holdings), or much of the assets are in J.P.H., and to move that into another configuration without any appraisal seems

strange.” Elsewhere in the transcript: “I would say the governance looks unusually relaxed in this situation. As I said, it seemed to happen quite fast with no appraisal and to me the Civil Service seem to assume this is going to happen and therefore there has not been any sort of official challenge to it or official analysis of it. That is the strong impression we get.” When asked would that be a concern, he said: “Yes. Again, I do not know your culture and processes here, but to me, landing from the outside world, it caught our attention.” Why is that important? Is this not just a political decision? It is all about organisational culture, merging different departmental cultures at a time of anyway significant change, it is about achieving proper structural reform and savings and it is about custodianship of over £1 billion of public assets and about having a sustainable structure going forward. It should not be about individuals in any shape or form. It is about whether a proposed change is for the long-term good of the Island. So do not get us wrong. Part of the move is perfectly logical, and referring to that, namely it makes perfect sense for such matters as maintenance and also project management to go across to T.T.S. (Transport and Technical Services). That is the pure operational roles and there look to be synergies that can be achieved there, no question. However, it is the strategic decision-making that in both our view and the view of our advisers should stay in Treasury and our amendment seeks to achieve that. Now, the strict interpretation of our amendment is that Treasury will retain the final sign-off for certain types of property transactions such as additions or disposals. However, it is our assumption that under that structure we would need what they call an intelligent plan function that continues to sit in Treasury rather being transferred to T.T.S. We are not talking many people from Property Holdings, so the majority of the department would still be transferred, it would still meet their expectations, but keeping the strategic direction of Treasury closer to the centre does make sense. But you can apply the narrow interpretation if Members prefer, that is basically why the amendment is there, that ultimately the actual how that is achieved, how the strategic direction and the oversight is achieved we have left to the Council of Ministers, if you like. We are just saying Treasury retain an element of the functions. Property is an enabler of reform and that is being driven from the centre. It does not make sense to scatter one of the key enablers to public sector reform across a further Ministry. At the moment, if this amendment was not in place, property would be entirely in T.T.S., to be named the Infrastructure Ministry; procurement would still sit in Treasury; H.R. (human resources) and I.S. (information services), computer services, if you like, would be in the Chief Minister’s Department. If you are focusing on reform, that is not a good structure.

[10:00]

To confirm that, our advisers said: “No, that is not a good suggestion. If you are trying to transform the whole machinery of government, having it split up like that does not really help that cause.” As I said, this is a team that knows what good looks like. We are also trying to learn from the experience of other jurisdictions. The example that is relevant here is the Isle of Man. They initially went down the route being proposed in the main proposition. However, they then backtracked, it did not work for them, and so they have ended up with the model that we are proposing here. The role of strategic asset planning remains within Treasury and the operational functions such as maintenance go to T.T.S. Really what we are saying is let us learn from other people’s experiences, let us not go directly down the lines, because experience shows that there is a better way relevant to an island jurisdiction. Public sector reform is critical and one of the enablers is having an energised property function. I am going to quote from the adviser a couple of times, because it gives a flavour of where it is coming from. The team leader said: “I would say there is not a joined-up transition plan for this proposed transfer and I also think there is a very low transformation energy about it, and in that sense there is a trick being missed, because there is not enough momentum behind it to create a big impact. There could be a big impact out of this change, whereas actually it is very much bringing together 2 departments in a kind of business as usual arrangement and there is a transformational opportunity passing by, so I think that is

disappointing.” Similarly: “I am worried about regeneration. I do not think that it is the focus yet or in people’s minds enough and this is a trick being missed on the public sector reform programme, in other words, that this is going ahead and some of the benefits are at risk because of the approach being taken and I think the firmer approach and more transformational energy would yield more benefits if the approach is to be followed through. It is too low key. Some disbenefits from the transfer: I think being remote from Treasury does bring a few disbenefits, because potentially there is a slightly weaker link between basically the money and the strategic planning process. I think there is something in J.P.H. about being a custodian of the people’s assets, the way J.P.H. was set up” - and J.P.H. is obviously Jersey Property Holdings - “and so having an independent stance alongside Treasury is just stronger to protect the original intention of J.P.H. Putting it into one of the departments I think needs to be thought about and I am not sure it has been thought about very much.” So those are the words of the advisers and hopefully those are in the transcript: “Just standing back from matters fractionally, we heard recently the Constable of St. Peter has been given certain delegated functions, and of course he too has prior experience of Property Holdings as well as other private sector experience, which is all very relevant and very useful. However, he has also been given delegated responsibility for both the States of Jersey Development Company and Andium, both of which represent significant property functions, therefore it makes little sense to leave strategic responsibility for the property functions in the underlying companies within Treasury while removing the strategic direction for the main property to another department. So what is referred to as an intelligent client, i.e. one or 2 individuals with extensive property experience, should be retained in Treasury so that you achieve, in our view ... so that you can achieve the property synergies that we need. That is different from operational decisions. £1.2 billion of assets is too important just to leave to a political decision because it seems like a good idea. As I have said previously, the public expect better. Now, we have looked at the ... well, I have looked at the comments on this amendment, and in fact I think we probably would agree with quite a lot. They state that it is important that this Minister has the appropriate operational powers: absolutely agree. That is different to strategic direction, which includes assessing what assets should be acquired and which assets should be disposed of. The very last line states: ‘This amendment is unnecessary and would stand in the way of realising potential operational improvements.’ Well, actually, no. We are saying keep strategy in Treasury, in the centre, allow operational matters such as maintenance to go to T.T.S. and I think the Minister has rather missed the point there.” To quote the adviser again: “There is a lack of focus on benefits and the benefits should be driving the behaviours and the activities. The Property Holdings folk would have a longer perspective and not the same perspective. This is the difference in cultures necessarily and that would be a role to keep behind.” When asked the question by a panel member: “Do you think the Department of Infrastructure, as it will become known, is going to be able to deliver any meaningful public sector reform in that area?” The response was: “It could, but not from what we saw.” When asked: “If the transfer takes place without that vision and planning being in place, potentially you lose that opportunity?” Answer: “You do. It is a wake-up call now.” That is what we are asking the Assembly to do, to wake up and get the right decision in place. If you want proper meaningful public sector reform, then this is not really the right way to go about it. We need to learn from the Isle of Man, therefore for a sustainable structure, but the operational matters such as maintenance, project management, *et cetera*, into T.T.S., we support that. But support this amendment, please, because it keeps the strategic functions in Treasury, it keeps that link to the centre. It is £1.2 billion, it is not a small number. It is important it is properly dealt with, it is important we put sustainable measures in place rather than potentially having a new structure in 2½ years’ time because the Minister changes or something like that. As I have previously said, the public do expect better and I think they deserve better and I think they are getting to the point they are demanding better. This is about long-term sustainable thinking, not

short-term quick fixes. I shall stop there. I do look forward to the debate and I propose the amendment. I hope Members have understood the points we are trying to make.

**The Bailiff:**

Seconded? [Seconded] Does any Member wish to speak? Deputy Noel.

**2.3.2 Deputy E.J. Noel of St. Lawrence:**

I am disappointed that the Corporate Services Scrutiny Panel has decided to bring this amendment. I believe joining all of Jersey Property Holdings with Transport and Technical Services is the right way to go and so did the majority of this Assembly when it was debated a few weeks ago. The panel seems to have 3 main reasons for bringing this amendment and I will address each one in turn. Firstly, the lack of business case. The panel was concerned that the decision was political rather than best for Government. This decision is political and it is best for Government. We have the full support of both the Chief Office of T.T.S. and the Director of Estates for J.P.H. They both believe that there would be considerable advantages and that savings can be made by bringing all of the 2 departments together. They have M.T.F.P. targets to meet and they see this as an opportunity, an opportunity for making savings without significant impact on services, as well as improving working systems and benefiting from a better matching of skills. I am sure that Members will be aware that T.T.S. was reviewing all of the services it undertakes in order to achieve its M.T.F.P. saving targets and our plan has always been for J.P.H. to be part of that review programme. This will be broadened and the options will change. These reviews will delve into the detail and will lead to the implementation plan to be developed. The case for joining together is a strong one. The immediate implementation plan is a straightforward one. The review will take some time and will be thorough and will certainly fulfil the recommendations made by the panel's advisers. Secondly, public sector reform. The panel thinks opportunities for reform would be missed. I think probably I have covered this in my previous reassurances, but a thorough review will be undertaken and is happening through T.T.S. All of the appropriate options will be looked at. The panel and their advisers are quite correct in the assertions that there is not an end vision in place and that is because we are open to whatever options the review turns up, just as in Lean methodology, not jumping to the solution before all of the review is systematically undertaken. So rather than missing an opportunity for reform, we will be making the most of this catalyst for change. Thirdly, follow the Isle of Man strategy. The prospect of joining together the 2 organisations was discussed before I became Minister for Transport and Technical Service. I first spoke publicly about it more fully in my election speech for the post of Minister. I am probably in a unique position of seeing first-hand how these 2 entities operate both independently and together. Therefore it is obvious to me how beneficial this amalgamation could be and will be in providing the services for other States departments and indeed Islanders as a whole. I do not believe that these benefits would only be effective with me as the Minister. I have no concerns that there would be any issues at the end of my term of office. It is my understanding that both Concerto and the Scrutiny Panel did not encounter anything but support for the move for the 2 organisations, so there is no reason to think that an integrated department would not be reorganised and stable well before the May 2018 elections and thus fulfilling the criteria suggested by Concerto. Now, having dealt with the 3 main cited reasons in the panel's comments, I turn to their conclusion on page 3 and I invite Members to read it now. Members will see that it basically reiterates and summarises the previously mentioned 3 main reasons for the objections, but what does it not conclude? I am sure Members will have spotted this as well: there is no argument, reason or conclusion for splitting the functions currently undertaken by J.P.H. The panel is asking you to take on board the findings of its eminently qualified advisers. However, I cannot see any evidence documented within the comments to say that Concerto advised the panel that transferring only some of J.P.H.'s functions would be the best course of action. In fact, I am surprised that Concerto was not asked to produce a written report,

instead of just giving verbal feedback in a panel meeting and only having interviewed a relatively small number of individuals, which strangely enough excluded both the Chief Minister and myself. Perhaps a written report would have contained more recommendations. Indeed, I could only find one Concerto recommendation labelled as such and I will quote it: “Doing a business case may be just too late, but the finding of the new end state and developing a purposeful transformation approach to the transaction would be my recommendation at this stage.” As I have already said, this is exactly what we are planning to do in the detailed review process. But let me remind Members of the reasons for the transfer. At a high level, it brings together 2 organisations which deal with infrastructure assets in public ownership. In managing these assets, they undertake many of the same or similar tasks. Both organisations have responsibility for land and physical assets, structures and buildings; they both undertake asset management, facilities management and maintenance functions; both organisations manage roads, sewers, rock faces and other structures; both organisations have staff with common skillsets for managing these assets, particularly in terms of project management, maintenance procurement, design work and surveying. J.P.H. is one of T.T.S.’s biggest customers. Removing the transactional administration between these 2 departments is a key step to streamlining services. T.T.S. and J.P.H. often work together on projects such as stabilising the rock face at Grève de Lecq. As 2 organisations, there has certainly been an element of duplication of effort. This could be eliminated by combining all of the 2 departments. The panel have acknowledged the potential for cost savings and synergies of transferring the maintenance and property portfolio. However, they believe that the strategic direction should stay with Treasury and Resources. They believe that this will happen by retaining the functions in Standing Order 168. Members, this order relates to transactions, not strategy. Strategy and policy matters relating to property, as well as other matters of Government, are discussed at a political level in appropriate meetings, be they the Council of Ministers, ministerial or political oversight groups, specific groups such as the Regeneration Steering Group and in one-off meetings as and when required. These policy and strategic decisions are then reflected in corporate documentation such as the Strategic Plan, the M.T.F.P. and other policy documents. The matters currently delegated to the Minister for Treasury and Resources relate to operational decisions which could - and arguably should in some cases - be further delegated to officers. The requirement to notify the States of those items in (1)(a) of Standing Order 168 will remain. The only change is that the notification will come from the Minister for Infrastructure and not the Minister for Treasury and Resources. Members would not expect to refer, for example, an operational decision about an I.T. system to the Minister for Treasury and Resources if the budget for that project sat with the Chief Minister’s Department, so why would a property transaction be any different? The proposal to retain Standing Order 168 with the Minister for Treasury and Resources does not achieve the intention of the Scrutiny Panel’s report, it is not strategy. I would argue, however, that the intention of the amendment is further misguided and inconsistent. If it is desirable to attain the strategic control over property matters within the remit of the Minister for Treasury and Resources, then why not include decisions over other key infrastructure assets such as the sewage treatment works, the Energy from Waste plant, and other key infrastructure assets? The answer is that the intelligent client expertise lies within the current T.T.S. Department, and it will be joined by the intelligent client expertise from the property matters within the new Ministry.

[10:15]

Together these teams will provide a stronger platform to deliver to a greater depth of knowledge. I would just like to finish, if I may, with my own quotes from Concerto. The first is: “Shaking up the model and changing the way J.P.H. interacts with departments could bring real benefit”, and I wholeheartedly agree with that. The second is from one of the partners of Concerto: “I think there would be a high impact if this was to be stopped now.” I urge Members to reject this amendment.

### **2.3.3 Deputy L.M.C. Doublet of St. Saviour:**

I will be supporting this amendment and I hope Members will support the amendment also. I was quite shocked to see there was not a business case or feasibility study carried out on this move and I am shocked again that, given that Scrutiny is an objective evidence-based process which aims to help Ministers with things like this, that this amendment, which is a helpful amendment, has not been accepted. So I do hope that Members will support the Scrutiny process and vote for this amendment. I did have one concern, and I hope this is the right place to say it, and it was on the sports properties, the sports centres, and it was a section in the comments from the Economic Affairs Scrutiny Panel about a memorandum of understanding which should be in existence to ensure that head teachers would retain control over facilities at sports centres. The chairman informs me that, even though he did not have that at the time of writing the report, he had seen a draft. I wonder if one of the Ministers could just elaborate on that for me, please; is that in place? I would just like some reassurance that there is an intention to keep the sports facilities in the control of the head teachers and that, wherever the assets end up, they are not going to be sold off or placed in another body. There is something wrong with my microphone. That was all I had to say, thank you.

### **2.3.4 Connétable S.W. Pallett of St. Brelade:**

Just briefly to respond to Deputy Doublet. In regards to a memorandum of understanding; yes, they are just about to sign. I have had emails recently to say there are just some very minor details around timings in terms of 10 minutes here and 15 minutes there, but generally the memorandum of understanding has been agreed with Hautlieu, J.C.G. (Jersey College for Girls) and Haute Vallée and is due to be signed very shortly and they are happy with the terms.

### **2.3.5 Connétable C.H. Taylor of St. John:**

I was somewhat disappointed with the speech of Minister for Transport and Technical Services because I was hoping that he would stand up and say: "As we have been more or less merged for the last 12 months, we have already made X amount of savings", but he did not. We are, as a Scrutiny Panel, in full support of the transfer of the functions of Property Holdings to T.T.S. What we are strongly opposing is the transfer of assets - in other words the property - to T.T.S. If you wanted accountancy talk: you do not transfer your assets from the balance sheet to the trading account. I have been thinking long and hard, and I hope you will bear with me, but it is best illustrated in a brief story, and it is most relevant. A wealthy man with a big manor house, 500 acres of land, a couple of cottages, pulls in his foreman and says: "I am going away on holiday and I want you to look after the estate." That is transferring the function from the owner to, as it were, the service provider. He goes off on holiday for 10 years: he swims the length of the Amazon, he walks across the United States, he climbs Mount Everest and, while he is away, the foreman looks at the estate and thinks: "I will tidy this place up" and he tarmacs the driveway, one-mile-long driveway all the way down to the big manor house. He then gets the bill and he thinks: "Oh dear. I know, I will sell one of the cottages in the village." So he sells the cottage in the village. A couple of years later the farm across the river, which is accessed through a ford ... flooding, which is quite common these days, took place and the tanker lorry could not get there to collect the milk for 3 days. The farmer complained so he thought: "Right, we will build a bridge." He builds this magnificent bridge over the stream. How does he pay for it: "Oh, I know, there are 50 acres across the motorway which does not really go with the estate; we will sell that 50 acres." Then the farmer complains that the tanker gets its wheels muddy when it comes to collect the milk and, because of the increasing hygiene standards: "No worries" he says: "we will tarmac the rear driveway" so they tarmac the rear driveway and: "Oh dear, how are we going to pay for that? Well, there are another 50 acres over there; we will sell that." After 10 years the owner of the estate returns and his magnificent estate of 500 acres, which was worth £10 million, is now only 300 acres, no cottages

and a lovely manor house and some beautiful driveways, and his asset is only worth £6 million now because he has lost the control of the asset. You never ever, ever, under any circumstances transfer your asset from the balance sheet to the trading account, because that is what happens. We have heard the Minister for Treasury and Resources repeatedly stand up and say: "We have got a triple A (AAA) standard. We have got a strong balance sheet." Well, if you continue down this path ... it is a double A (AA), is it? Oh, it has already gone down. [Laughter] I did not know my speech was that long. There you have it; I do not think I need to say any more: if you want the strength of the balance sheet, if you want these strong ratings, it is vital that just the asset remains within Treasury. All the functions, painting and decorating, yes, give that to T.T.S.; there are synergies, there are savings and that should be done. Thank you.

### **2.3.6 Senator I.J. Gorst:**

I am pleased to follow again the Connétable of St. John because it seems to me that his panel chairman was suggesting that there were greater synergies and efficiencies to be delivered from property, and that was why he or the panel decided they did not want to transfer ultimately the strategic bit of property to Transport and Technical Services, and yet the panel member suggests that we do not want to transfer them because there might be too many efficiencies delivered and there might be too much strategy applied to property. But the fundamental point that I disagree with the Constable on is that in his amusing story, and perhaps I will just use this point to say that an island non-sovereign state like Jersey cannot get a higher credit rating than double A plus (AA+) and we just need to be clear about that. That is simply because we are not a sovereign state and therefore we have the highest rating possible, but we do not take it for granted, and I have spoken about that in this Assembly previously. But the flaw in the Constable's amusing story is that, in our case, the Lord of the Manor is this Assembly, not the Minister. That is through the Standing Order or the 168 provision that the Minister has to lay before this Assembly and the Assembly can decide that it does not want to use property in that way. Why do I say that? Because I think we can reel-off many occasions when the Assembly has just done exactly that. We can look across the Royal Square and we see a building ... I am not sure if it was this Assembly or the previous Assembly that made the decision, and that was a democratic decision, and the Ministry is trying to find a solution and act on what the Assembly has asked. We can look further afield and see the Le Seelleur Centre where this Assembly, on at least 2 occasions, has overridden what a Minister or a president thought was a good idea and the Assembly has said it is not, and we have slowly seen that site lose value and fall continually into rack and ruin. The chairman also of the panel has himself, I know, written to the Minister and the Minister has stopped doing something because of the intervention of that other Member. So it is not the Minister that is the Lord of the Manor, it is this Assembly, and that is right. Proposals for the use of property infrastructure are, if my memory serves me correctly, part of a budget proposal and will be every year, and the Assembly gets to agree on the strategy that the Minister is proposing. We did have a model that the panel would like to see, and we have it operating between Property Holdings and the Housing Department. I think the chairman himself knows that that model did not work that well; it was a model for delay, prevarication and for second-guessing, and for needing 2 lots of resource to make the same strategic decisions. I am not sure that is an appropriate model. I do not want to tread over the old ground of when Scrutiny did or did not get the actual regulations and who knew what and when, because I do not think that is a good use of anyone's time; I think it is more important to think about the decision and the amendment before us today. We read the Concerto Hansard of the panel's briefing with them and I read it... and perhaps this picks up on the point that Deputy Vallois made yesterday about Ministers quoting the bits of reports that fit in with their story and others who want a different outcome quote only carefully from the report as well. But that report says that there is no right or wrong way; they looked around the world and they did quote the Isle of Man model which, as I understand it, is somewhat similar to what is being proposed here, but they equally suggested that it was not

necessarily a perfect model and that there were other better ones. I think they quoted the Ireland model, which was a more centralised model, which is the one that we are proposing. I think that everyone in this Assembly accepts that we have had property plan after property plan. We have wanted to make changes, it has been the Holy Grail and yet it has not been delivered on with the model that we have currently got. Again, we can go over old ground and we can ask ourselves why that is and who is to blame, but that will not deal with the transformation that we need in our property service provision. Members know that we have been working on an office modernisation plan, they know that that is part of the reform programme and it is part of the political oversight group that looks at that and, as part of that, it is thinking about property strategically. Those Ministers involved in supporting the Minister for Infrastructure I think can deliver a joined-up strategy that will deliver action in support of the work that the Minister for Transport and Technical Services is absolutely determined to deliver.

[10:30]

There was a criticism from Concerto and that was that the model that is being proposed is seen elsewhere in the world, does and can work well where people are held properly to account for the space that they occupy and that they occupy that space efficiently. That when they are finished with the use of a building, and we heard this from Senator Green earlier, it is rightly handed back to the centre to be thought about in a strategic way, not just simply being used for decanting facilities somewhere else therefore never delivering the efficiency that was initially thought as part of the project. We cannot go on like that; Deputy Noel knows we cannot go on like that and he is committed to dealing with property in a proper strategic manner. But we do not want to have to duplicate functions in the Civil Service to do that thus increasing cost, thus increasing red tape and leaving us in a similar position where nothing happens for another 10 years or so. So Concerto said it is a model that works, that they see working elsewhere, but they said something about lacking transformational energy and opportunity. I think the chairman in his opening remarks moving this proposition spoke about that. He is right, but let me say that the Minister for Transport and Technical Services and Infrastructure has started a whole host of reviews in how he can modernise the service provision that he is delivering. We have just heard him say, and he is right to say, that Property Holdings and the whole of property infrastructure will be part of that, but he did not want to go off doing all those things prior to this Assembly agreeing these proposals. So I am not sure that the chairman really can have it both ways. It was apparent from some of the comments in the report that Concerto did not quite fully understand how our system of independent politics and how a Chief Minister is elected. If he wishes to transfer portfolios around, he has basically 10 days to make the decisions, to speak to Ministers to get them to agree to it and to put forward their nominations to this Assembly in the knowledge of what those changes were going to be. Not the sufficient time, as Concerto seems to suggest, that a business case and business plan should be delivered. They did not say just because it was a political decision it was not a good one; they talked about a process that might be undertaken elsewhere. They used a very strange phrase, I have got to admit, something about civil servants taking control. Anyway, there were are. I would have thought that it should be for politicians and Ministers to set policy for decisions to be made in this Assembly and for us to be committed to delivering the reform and the efficiencies that we want to deliver. I think, on balance, the experts do not say: "Let us not use this model." They say: "It is a perfectly legitimate model, it can work." Those that they interviewed were committed to making it work, to seeing that transformation. They - and I am not sure if it is a parliamentary term so I will not say that - perhaps needed a little bit of encouragement to make sure that they were enthused to deliver the transformation that properly dealing and managing with over £1 billion worth of property portfolio should appropriately have applied to it. It is for those reasons that I do not want to duplicate; I do believe that the current proposal that is on the table is the right one and it will start to see those efficiencies and synergies delivered. This Assembly will have the ultimate control

about whether they feel down the road is sold on paying for a tarmacking of the Grande Route de St. Jean or not, and that is as it should be. This is about putting these assets together and really starting to deliver in a way that each one of us thinks should have been delivered on for many tens of years. I ask that Members do not support the amendment but continue to see those synergies and efficiencies delivered in a way that the Concerto experts say can be delivered and are delivered elsewhere in other countries and jurisdictions around the world.

### **2.3.7 Connétable J.M. Refault of St. Peter:**

I am in a very difficult place again this morning. I arrived here certainly clear in my own mind what I was going to be doing on this particular item, and I have to say to the chairman of the Corporate Services Panel that, unfortunately, his speech just made me reflect more on what my decision should or should not be. I thank him for the very complimentary words he spoke about my role in Property Holdings and in property matters generally, but it was those words in themselves that made me reconsider what I should be doing because he was looking at me as an individual in this role rather than as a function of what is going on. I have to say, and I will say it openly to the Minister for Transport and Technical Services, I do have concerns about the whole property portfolio going over there, but is it not the right thing to do anyway? We have already gone through looking at the principles, and we supported the principles, but I come back to the personalities again, and I think to myself, if I go along with the chairman's views and the Corporate Services Panel, then all this could potentially flow back to me in Treasury. But I am not going to be there for ever and, when I go at the end of this term, who is going to take that over? Are we going to be saying: "Oh, he is a good guy so let us move all that portfolio over to him and let him take it somewhere else because he is a good guy"? I do not think we should be personalising. I have to admit that some of my views earlier on were about the person rather than the role and, on that basis, I am having to really reconsider my thoughts when I arrived here this morning. But I also say to the chair, to the Members here, we all have control over our property in the States and we have exercised it. The Chief Minister alluded to particularly Piquet House, just across the Square, only recently; 1 Library Place was another one, and the sale of the portfolio as well. Just thinking of another one, the old Ladies College in Mont Pinel; that was another massive one about which this Assembly changed the decisions of Ministers. So Members may be concerned about the Minister for Transport and Technical Services or the Minister for Infrastructure having far too many powers; they have, but only with our permission. At the end of the day, we will permit him or deny him the opportunity to do what he does. But I am not going to criticise Corporate Services for coming forward with this; they are right to raise these concerns which I held this morning, or some of these concerns which I held this morning, and it is right to bring them forward for us to debate them here today. But I think I have to say to myself: "I should not be personalising my opinions in order to come to a conclusion which affects the whole portfolio of Jersey." I have to look where it sits correctly within a wider T.T.S. Ministry, where it brings both the engineers and the expertise sitting behind the engineers together to make sure that we manage our property portfolio together. So unfortunately I am going to have to say to Corporate Services, as much as I leaned favourably towards their amendment earlier on today, I have to now lean away from it because I am basing my decisions on personality rather than on the role.

### **2.3.8 Deputy G.P. Southern of St. Helier:**

What a confusing day it is. Personality and personal decisions have got nothing to do with this, surely, and if we are making personal decisions we are getting it wrong. It seems to me that is a totally specious point. I get to my feet to point out to Members, and it may come as a shock to some, that Ministers are not the fount of all knowledge. What do we rely on Scrutiny for? Well, I know nothing about Property Services, I know an awful lot about Social Security and I am learning a bit about the Health Service, but I do not know anything about Property Services and where it

should belong. So what do I do? As a Member of this House, I rely on the Scrutiny function to examine that and enlighten me and, lo and behold, it has. It has not done it lightly; it has got some advice in and said: "What is the appropriate way forward? We are not sure about this, talk to us about it. How is this best handled? How is it handled elsewhere?" That is exactly what a Scrutiny Panel should be doing. Lo and behold, it comes with advice that: "We think the Minister may have this slightly wrong. We would like to adjust it in this way." I would urge Members, unless you are personally involved and you know the ins and outs and details of Property Services and what should be where, political oversight, *et cetera*, to listen to your Scrutiny chairman and vote with him, back up Scrutiny; that is their job. Their job is to hold Ministers to account and to point out, when it occasionally happens, where they think the Minister is going wrong. So back up your Scrutiny chairman, back up the Scrutiny Panel, vote for this amendment.

### **2.3.9 Senator P.F.C. Ozouf:**

The Chief Minister rightly raised the interesting and important question about who runs this Island, and Deputy Southern alluded to it too. The fact is that Ministers have to make decisions but they have to make decisions, if they are doing their job properly, upon advice from officials. The proposition effectively asks, and the consequences of this means, that there is going to be the inevitability of a duplication of that function of advice. Because what the proposition does is it attempts to almost put the responsibilities for property in 2 places and to have 2 levels of decision making. It is right, of course, that there are checks and balances, and there are all sorts of checks and balances, which is the reason why the Council of Ministers in the States of Jersey Law, now with collective responsibility, has an obligation on a Minister that, where a matter is one which affects more than one Minister, it must be brought to the Council of Ministers for discussion and a determination. That is an important check and balance. If there is going to be this dual property function sitting partly in T.T.S. and partly in Treasury, you are inevitably going to get more cost. Now, I thought that Corporate Services were the vanguard, were the cheerleaders, were the encouragers, were the critics of anything that added additional costs. We need to streamline, we need to put the right responsibilities in the right places with the right accountabilities. There have been 3 previous Assistant Ministers for Treasury and Resources who have spoken in this debate, and how right the Connétable of St. Peter was to say that this is not about personalities. I have had each one of those Assistant Ministers as part of the Treasury family. If I may say, did it work? Can we say that we have efficiency and economy and fast decision making and a champion of property in the right place? I see another former Assistant Minister for Treasury and Resources shaking her head. No, I did not think we did. I do not think, if I may say, that had anything to do with the personalities because each of the personalities have tried certainly their best; in some cases they had a Minister above them which caused a difficulty in relation to a police station, because there was a lack of good communication not at the Assistant Minister level but in other places. I have a joy when I drive through the tunnel and I see the new Home Affairs police station now rising out of the ground on an unused site. Efficiency and economy; I think the new police station is going to be a good example. That may be controversial but, if I may say, how long did it take? That is no criticism of anybody, but are we facing a good track record of looking after our public assets and property? No, I do not think we do. Is that because of the personalities? Yes, I get into trouble when I mention these things and I raise hackles, but whether or not you think the police station is or is not in the right place, did it really matter that it took so long to find a resolution for it? I would say that is the source of the difficulties. That all those Assistant Ministers for Property had, and the other Ministers who have faced the difficulties that Ministers for Home Affairs have faced and other Ministers have faced, in having not fit-for-purpose accommodation; and indeed on the other side, departments hoarding property ineffectively and not using it efficiently. The reason is a structural problem, and that is the structural problem which the Chief Minister is trying to sort out;

and that is that there is a champion, a single decision maker with Property and that is linked in with the responsibility for the Minister for Infrastructure.

[10:45]

That is efficient and the right thing to do. It is a massively important role. But it is not a role that can be second-guessed also, having double decision making. We had in the previous proposition something, I wondered whether or not it was the Minister for Treasury and Resources or the Minister for Social Security speaking, because the previous proposition was about a link between I.T.I.S. I.T.I.S. collected - the L.T.C. charge - is collected by Treasury working with the Minister for Social Security. The Minister for Social Security is in charge of Social Security matters, and if I may say, any Minister for Treasury and Resources that tries to interfere with the ring fence of the Social Security Fund will get from all those all those previous Ministers for Social Security appropriate response. But there is a champion for Social Security matters and that is the Minister for Social Security. We have lacked a champion who is dedicated in terms of property, and the Island residents and our community look with amazement at our ability not to use property efficiently and effectively; property that means that we operate in offices which are not fit for purpose. The chairman of Corporate Services rightly says about office organisation. He is absolutely right about that. But today do we have a plan to deliver an office modernisation in terms of putting our staff in efficient and effective ergonomic accommodation? No, we do not. It is a structural problem that has led to this completely and apparently ineffective ability to deal with decision making. It is the right decision. We need to take personalities out of it. It is easy to criticise the personality. But we need to deal with the structural issue. The property is an important issue which should be put alongside the other infrastructure responsibilities in T.T.S. That is where it is going to be efficiently done; it is going to be effectively done and we are going to put the right decision in the right place. To correct this double layer of responsibility will mean effectively that the Treasury is in the same position it has been in since Property Holdings was created. Are they in charge or are they not in charge? Are they the one to sign it off? Well, that is not accountable. If the Minister for Infrastructure with these responsibilities is not doing the job properly then he will be held to account. Fudging it and saying: "Well, there is an offset and maybe he is in charge or maybe not and a sign off," that is not good decision making. It is never good decision making; you need a champion, you need structure and you need the right decisions with the right support which is not duplicated. I urge Members not to impose upon these 2 departments. This duplication is inevitable. Further delay in effectively the urgent and important task of reforming our property portfolio, getting value out of it, ensuring that our capital programme can be funded in some way by selling off assets that are not needed. Also for our staff across the whole of the public sector to ensure that they have the right accommodation in order to perform their jobs and duties in the right way and infrastructure. The Corporate Services chairman is right: we need urgently to deal with the right accommodation for the departments in which we serve. Have we got that today? We have not, because the structure is wrong and this proposition seeks to deal with that. I urge Members to think about that and to reject the proposition. Hold the Minister to account in terms of delivery on what is one of the most important responsibilities of Government.

### **2.3.10 Deputy S.M. Brée of St. Clement:**

The Chief Minister has suggested that this amendment is confused and the Minister for Transport and Technical Services would have this Assembly believe that the amendment has no real rationale behind bringing it forward for debate. Simply put, under the proposed transfer of function and regulations we are moving an asset to become a liability; a liability in the sense of the maintenance costs, the ongoing management of the building. The moment you do that it is a change of mind-set from a strategic asset which can be used for the benefit of the whole Island to an ongoing liability; a liability on the balance sheet. As we all know, liabilities on balance sheets in the times of cost

savings are the first to be disposed of. Now I am not suggesting that there is a plan already in place for the mass sale of assets. But I am saying it will without doubt be looked at in the very near future if we do not support this amendment. Now while I am sure we all enjoyed the very evangelical speech from Senator Ozouf, it missed the point completely. Let us not forget there is no business case that has been presented to anyone to support this move. It is purely a political will on behalf of the Chief Minister and the Council of Ministers. Despite assurances that we have heard to the contrary, this is “follow the man”. Now, while in the short term that may be beneficial, in the long term this “follow the man” policy represents a major risk to the overall strategy moving forwards with the best will in the world. What if the Minister decided not to stand for election in 2018? What would happen then? We would lose somebody with that kind of experience in property matters. Now, if I heard correctly, - and I am sure I will be corrected if I am wrong - the Chief Minister seemed to indicate that the Council of Ministers in this particular area was following the Ireland model. No, he did say: “the Ireland model.” Am I correct? Okay, my apologies. As I recall the Celtic tiger economy created one of the most catastrophic property boom and bust in living memory. So I would not necessarily suggest that is the right model to follow. Really it boils down to, if we move an asset to become a liability it changes the way we look at things. It is very important that we keep property as a valuable asset of this Island. As such I would urge Members to support this amendment.

**Senator I.J. Gorst:**

Could I ask the speaker for a point of clarification before he sits down? Would he not confirm that his own expert said that the Irish model was a legitimate model to follow and worked, which is government assets are completely different from private assets?

**Deputy S.M. Brée:**

While I accept that our experts looked at various models, I am merely giving my own personal opinion that should we follow this... one is allowed to have personal opinions, I believe, in this Assembly. **[Approbation]** Is that forbidden as well now?

**The Bailiff:**

If it is a point of order, Deputy, I can assure you that you are allowed a personal opinion. Just sometimes you are not able to express it; that is all. I call on the Deputy of St. John.

**2.3.11 Deputy T.A. Vallois of St. John:**

I imagine I look back at this last 7 years being in the States and the amount of various different unfortunate incidences of issues to do with property and issues over maintenance and selling or not selling and it has gone round and round in circles. I can only imagine what the debate on setting up Property Holdings back in 2005 - it was P.93/2005 - I can only imagine that that debate was pretty similar to the types of arguments that are being laid across the Assembly now. It is quite astonishing that 10 years later we are still saying: “We want it to be innovative; we want it to change; we want better efficiency.” That really saddens me. The individual - we should not be talking about personalities, but the person the property is moving over to is the person that has been in charge of Property Holdings as an Assistant Minister I believe for 7 years now - 4 years - 4 years as an Assistant Minister. There have been trials and tribulations over how things are handled, but I think the reason for this amendment, and I can understand it, is because there is a lack of trust and confidence in the governance around how these types of situations occur or how they are handled. The reason why I say that is because... I will turn it slightly on its head instead of talking about experts and where assets should sit in this type of thing. But taking it very simply, Standing Order 168, if it is worth staying in Treasury, just an idea, just to think about this: we are moving the function to Minister for Infrastructure as well we know. But the shareholder function in Treasury is

not at a standard as we have expected and that will be improved next year because money is being passed over through the M.T.F.P. to improve the shareholder function. Why do I talk about the shareholder function? Because the Property Holding side of things is quite intricate in the move of property to the States of Jersey Development Company as well. We have had plenty of debates on P.73/2010 on the development of the new company and how that property moves over. But the point in Standing Order 168 to a certain extent is an oversight mechanism; is a challenging mechanism whereby if Members of this Assembly are not happy that a decision has been made on a particular choice of selling or buying a particular property or leasing out a property, then they can challenge that within the 15 days. What I am not clear on and what Ministers have not stated yet is where does that challenge come? We have been told that this States Assembly are the landlords. Under P.93/2005 the landlord is Property Holdings. So I think there needs to be a lot more clarity around this from the Ministers, not talking about how wonderful it will be and how exciting it will look and all these wonderful phrases that we have probably had time and time again over the last 10, 20, 30 years. For me, it is understanding the governance, because this States Assembly do not have a strategic property plan to challenge against the decision. They will challenge against the decisions because maybe it is in their constituency or there is a particular issue over somebody else using that building. They have heard of a problem and they bring it and they argue it is not the right thing to do. Sometimes factually it is the right thing to do and there become tensions and there become problems, and so then we go back round in circles about why we can do this and why we could do that, and then 10 or 20 years down the road you are building a police station. The argument about why these delays happen is not because of Standing Order 168 necessarily or where it sits. The problem is the governance and the way that it is dealt with, and we see that across various different issues in the States, one being the States of Jersey Development Company, one being the shareholder functions and there are varying issues. So I think instead of Ministers standing up and saying: "We are going to do wonderful things. This is a really good thing to do" we need to move over the Standing Order 168 as well to the Minister for Infrastructure. I would like to have some confidence or some understanding about strategically how the Council of Ministers are putting out a property plan, how that is going to be met and where do other States Members sit if we are the landlords of this property in terms of challenging that property plan? At what point do we come along with challenging that property plan, because under law as well there are various delegations to offices. So they will have a certain limit of what they can do and what they cannot do. A lot of the property decisions are not laid down in a plan for States Members to challenge because there are various small intricacies that we do not necessarily have to be involved in. There is a lot of confusion around this. We are talking about the strategic, we are talking about the operational. Standing Order 168 as I understand it was put in as a mechanism to be able to challenge the decisions of the Ministers when they have made those decisions about the property and we are able to do that. I think it should be done in a much more evident and factual way and us to be able to challenge it against an overarching position of where property will be in 10, 20 years' time so that we can make sure that the decisions that are being made are made in the right direction.

[11:00]

So I would appreciate it if whichever Minister may be left or may be looking to speak on this, hopefully the Minister for Treasury and Resources, about how possibly the ... well, sorry, but Standing Order 168 sits under the Minister for Treasury and Resources at the moment; so it would be good to hear from him. He is ultimately responsible understanding Standing Order 168 at this present time, and he knows the issues of the shareholder functions and all the ... Well, he has experienced it for the last year. It is just there needs to be some proper governance in place, and I think that is the reason why there are concerns around this Standing Order 168 and how it is dealt with. When the transfer happens I think people need to know the position of how things are

challenged and challenged in the appropriate way so that we can get the efficiencies and we can get the innovation the public sector reform needs.

### **2.3.12 Deputy A.D. Lewis of St. Helier:**

I am delighted to follow the Deputy of St. John. She said some of what I was going to say. However there are other things that I would like to add. I am generally supportive of the move. The reason for that is that the Minister needs teeth to deal with this and when you are an Assistant Minister that is much more difficult. We have had a raft of Assistant Ministers in the Treasury trying to do this job with one hand tied behind their back and I think that is really, really difficult as a Minister or an Assistant Minister. So this fixes that; I think that is a really good thing. I will comment later on perhaps further into the debate about the other transfers functions which I perhaps have some concerns about and do not necessarily agree with. But this one I think is absolutely the right thing to do. One of our most valuable assets is our property asset. It is between £2 billion and £3 billion. It is massive and we should be managing it better. But I still have some concerns. It was spoken about “follow the man” and I believe the Deputy has, you know, worked very hard on this, as has previous Constables in this role as well. I am looking across the room at one nodding his head. There is frustration though: “How can I get on and do this job?” You have an Assembly that interferes with planning matters and property matters all of the time, which makes it even harder. Yet this is our biggest asset, and we all suddenly become property developers and land management agents. Well, you know what? We are not really experts in this, but there are people in the department - I hope the Department of Infrastructure - that will have this expertise. It is specialist and it is valuable and we can sweat it far more. However I was interested to hear something that Senator Ozouf said. He said that we do not have a modernisation plan for office space. We were told by the Chief Executive of the States of Jersey at a hearing very recently that he did, because we were concerned that he did not and he said that there was one there; and he alluded to some of the detail in confidence at the time. So I shall not go any further at this stage. But this is long, long overdue. When I was in the States 10 years ago we were talking about this. I think the Deputy of St. John has referred to that: 10 years of planning our property portfolio. That is really not very good. The Assistant Minister has had one hand tied behind his back for the last 4 years. I would like to know what progress has been made. We hear some anecdotal evidence of some change. We see some tangible evidence of some change. But I would really like to see - and perhaps the Minister can consider this - a full report on where we are now. So if we are going to have a modernisation strategy coming forward formally, I would dearly like to know where we are now with our property portfolio. This is a massive capital asset that we own and the people of Jersey own. One of the issues there is the people of Jersey feel passionate about this too. They feel they own it. So they are our constituents and they will have an opinion. So we will be tempted on a regular basis to stand up and express that opinion on their behalf. As people’s Deputies that is what we do; that is what we are here for, and that further confuses the debate. I am not saying we should not list assets because absolutely we should because it would affect them in their small areas of the Island where perhaps a development is taking place or change is taking place, as Deputy Labey has been currently extolling the virtues or not of a development at La Collette; and quite rightly so as a Deputy of that District. But again it further muddies the water. What you need is a strong Minister for Infrastructure who can stand up and say: “No, I have a handle on this. I know what is going on. This is my plan and I am happy to be measured against that plan.” At the moment I do not see a measurement. I would like to see some proper K.P.I.s (Key Performance Indicators) in place. In other words key performance indicators that we can measure the Minister against. That should be in his infrastructure plan and we as States Members should be measuring him against those key performance indicators, not just having *ad hoc* debates about various entities within the portfolio on a regular basis in this Chamber. That does not prevent us as constituent politicians from making our case for our constituents at all. But if the Minister is doing his job and

being measured by these K.P.I.s and achieving them, then that is good, that is fine, and that is much easier to do if you are the Minister - if you are able to write out Ministerial Decisions you can assign them, you present them to the Council of Ministers with debate and of course they then have to publish them and we can all see them and we can make comment if we so wish. But I would like to see us sweating our assets far, far more. It is a hugely valuable asset for all the people of Jersey and it should be used as such. At the moment it is very piecemeal. Putting it into an Infrastructure Ministry makes absolute sense. It is just an advantage really that it just so happens that the current Minister for Transport and Technical Services has had this portfolio for the last 4 years. That is an opportunity, not a risk. When we go forward and if this Minister chooses to stand again, great; if he does not, the infrastructure is there. We rely on a body of very experienced and capable civil servants, and I get quite cross when people criticise the public sector the way they do. Yes, in all organisations there are people who do not perform as well as others. But generally speaking we have some highly professional people in our public sector and we should be pleased and grateful for that. They work very hard. We have surveyors, we have Q.S.s (quantity surveyors); we have architects and we can draw on this in one department and deal with it. So whatever Minister takes over with that body of support in the public sector, he can straight away get the script of that brief and get on with it because they are already getting on with it; they are carrying on with it. The established Civil Service is doing that job 24/7 throughout the electoral process. They are not hindered by an election. They carry on and get on with it. They are hindered by decision making which is determined by electoral cycles and by having a strong Minister for Infrastructure will resolve that issue. I think Members should think very carefully about that. That is what is required. At the moment sitting in the Treasury, it is on our balance sheet but it is still in our balance sheet wherever it is. It does not matter which Ministry it is sitting in. That is our balance sheet; that is one of our key assets sitting on our balance sheet. We are not moving it out. People have been speaking as if we are going to be incorporating our property portfolio and there was reference made to the shareholder function. That shareholder function that recently the M.T.F.P. agreed another £200,000 to monitor that better and absolutely right we should do that. There is some suggestion that that is not even enough. But that is to monitor Jersey Telecom, Jersey Water, Jersey Electricity, the Development Company. Not for our own infrastructure; that is not what it is for. If people feel we should be incorporating all our property portfolio, I think there would be a bit of resistance to that. There is no need. However there is no reason why we cannot transfer, when appropriate, assets at hopefully a proper transfer price, which Corporate Services have brought up on a number of occasions as being not necessarily done properly, to Ports of Jersey, to Jersey Development Company but managed by the Minister for Infrastructure, having a proper strategic plan as to why you are doing that and how you are going to sweat that asset as a result of transferring it into an up-at-arm-length's entity such as Jersey Development Company to get on and do a job. But it is sitting in a plan. We know what they are going to do with it. We expect them to perform. The chairman of the function then monitors what they are doing and that asset is used appropriately for the benefit of the people of Jersey. This is a massive asset that the people of Jersey must benefit from. What we must not do is be property developers and planners and property experts, because we are simply not. The Ministry of Infrastructure will hopefully be properly resourced to do that. So I would urge Members not to support this particular amendment. There are other concerns I have which I will get to later about transfers of functions, but this is not one of them. I have sat in the back seat, hugely frustrated with the way that we have managed these assets because I know it can be done so much better. This is just one step along that road to make this happen which we can all benefit from and we can go back to our constituents and say: "We have a handle on this. Here is the plan. If the Minister does not meet it we will hold him to account in this Assembly" and that is what we should be doing.

### **2.3.13 Deputy S.M. Wickenden of St. Helier:**

I think, not to sound like a broken record, but facts, figures, statistics, business plans seem to be lacking again and again, and of course we do need to have this strong governance in place. But I look at the States Departments' business plans for 2015 and there is no T.T.S. one. There is no Housing, there is no Chief Minister's Department. It says: "Department business plans make sure that everyone working for the public sector understands how they work helps to deliver the strategic priorities agreed by the States Assembly. Business plans also keep Islanders informed on how political decisions are carried out day to day." At the end of 2015 we have had no business plan to hold anyone to account for these things. Again, we have no housing strategic plan for Health, how properties are going to be dealt with. There is this failing of being able to give the proper information so we can hold to account. Last night we received the progress report on the Sustainable Transport Policy which for a lot of the things we talked about yesterday it would have been handy to have that, as I asked, before yesterday's debate on the Budget. But no, we received for 2014 and up to 2015 and quite honestly it is appalling; the lack of information in this report says an awful lot compared to the last one we got in 2013. Some of it says: "Progress: we have done these reports." What do we do next? We need to do more of these reports. But there is no what the report said. It is outstanding; how can this be happening? So yes, I sound like a broken record. I keep saying: "Where is the plan? Where are the statistics? Where is the proof? Where is the evidence?" You come to us with all of this stuff saying: "Trust us. We know what we are doing. We have not quite put it all down yet, but just trust us. We will do it." But what I will say to the Chief Minister is to hold these departments to account for 2016. Can we see the strategic plans? Can we see the business plans? This is how we are supposed to hold you to account. You keep saying hold our feet to the fire, but we have nothing to do that with if you do not give us the information that you are supposed to give us. Where are the business plans for 2015? Why were they not here at the beginning of 2015, or even halfway through? So that is what I would implore on this one. I would say: "Can we have the plans? Can we have the strategic plans so we know what is going on?" Then we would have a lot more faith and probably a lot less discussions like this in the States Chamber.

#### **2.3.14 Senator A.J.H. Maclean:**

I was going to make a few comments. In fact, I was very pleased with the speech that Deputy Andrew Lewis made. I agreed with a lot of the points he made. So I will not go over that again. I think we need to just get down to the heart of the matter here with regard to this proposal. First of all, as Members will be aware, Deputy Noel is currently undertaking the function as my Assistant Minister at Treasury for this particular area. So not only was he looking after it over the last 4 years when he was previously in Treasury; he has also been doing and undertaking that function at the present time. I have to say the probation has gone very well. He has done a good job. I have to say to Members, I have been monitoring it and we are thoroughly satisfied with what he has been doing and I think he is perfectly capable of carrying on in that role. In all seriousness, what we are talking about here is putting together into one place one function. So you put all the expertise - I do not mean by this just, of course with the greatest respect to Deputy Noel - but those within Property Holdings. I have the director of Property Holdings coming into my office periodically to update me on what is going on, which is exactly appropriate and what he should be doing. He is running between buildings. If anyone has done a time and motion study in times of how much money is being wasted by this poor chap running around the Island satisfying 2 masters I think we would have a horrified public. It is not efficient at all and by putting that function together, it makes sense that we have the property experts in the right place and therefore can make better decisions. It is at the very heart, after all, of decision making and it is at the very heart of the reform programme that we talk about so much. If we are going to deliver on public sector reform, if we are going to drive efficiencies and cut out costs, this is exactly the type of move we need to make. Now, there is a "but" to all this, of course, and there has to be.

[11:15]

The Deputy of St. John made the point about governance and oversight and clearly it is important that those matters are dealt with and taken with the greatest and utmost seriousness. Standing Order 168, of course, is still critical. What are we doing? We are transposing the responsibilities of the Minister for Treasury and Resources with that of the new Minister for Infrastructure. The responsibility is still exactly the same and the oversight, in terms of this Assembly. It says in Standing Order 168 that if the transfer goes ahead, it will be the Minister for... well, T.T.S./Infrastructure would have to, if deciding to make any binding agreement - that is disposal, acquisition, letting or rental - lay it for 15 days and this Assembly and Members would have the opportunity to challenge that and we have seen that in the past. We have seen it with Piquet House when a Member did not like that particular proposal; it came back as a proposition before this Assembly and indeed was reversed out. Property is important. The point has been made; it is a massive and significant asset for this Island and it is correct that we manage it properly and we have appropriate plans. It does remind me and this was, I think, mentioned the other day that former Senator Le Marquand used to talk often about the enemy of a good plan being a perfect plan. Of course, one does need to have a plan; more importantly, one needs to be able to deliver effectively and efficiently on the plan, which is far more relevant in many respects. We often have plans drawn up in this organisation that end up collecting dust on a shelf somewhere, the ability to deliver on a plan is equally important. I would urge Members to reject this amendment and allow the proposal to go ahead unamended. It does make sense to put this together. It is going to help us to be more efficient. It is going to drive greater efficiencies and it does not remove from this Assembly the ability to have the ultimate oversight. I would make just one final point, if I may, and it came from the Scrutiny Panel's adviser's report, Concerto. They said 2 things: one that the panel's main concerns about the transfer seemed to be that it was a political decision. Well, it was a political decision. In some respects that is not that surprising, is it really? In fact, the adviser also went on to make the point that in the U.K. it is not unusual for political decisions to be made of a similar nature to this and that is because politicians have to make decisions on the strategy and policy and direction that they wish the Government to follow. In this case, we are looking at a more efficient structure for Government, driving out efficiencies and cost savings. That is why it is not an unusual point to make. But the adviser went on to say that this looked a little bit like "follow the man", and I do think it is important that we make this point. Although it may appear to be the case, and indeed Deputy Noel does have the experience, as Members have mentioned over the last 4 years of property. We do have to have a structure in place when reforming this organisation, a structure that will survive regardless of the man in this quote or the individual and the individual's expertise because we have to put a structure in place for the long term. I spent time yesterday during the Budget debate talking about the importance of looking to the future. It applies to ensuring we have the right structure in place. We will come and go as individual Members - individual Ministers - but the structure has to be able to survive in the long term. So it would be inconceivable to think in the future that we start moving functions around to any great extent, the cost of so doing in short political terms would be inconceivable. So we need to get this right; we need to build a proper foundation and structure. I believe this particular move is the right move to make and, as I have said, I encourage Members to reject this amendment. I understand why the Scrutiny Panel has raised the concerns but I do feel that, in this instance, it is the right move to make.

### **2.3.15 Deputy K.C. Lewis of St. Saviour:**

Very briefly. I will be supporting the amendment, as you can imagine. We must support this amendment; it is a common sense approach. The £1.2 billion property portfolio must remain under the control of Treasury. There is absolutely no business case for transferring it. Senator Ozouf did

worry me. I think he mentioned earlier that Property Holdings have been hoarding property. I do hope there is not going to be a fire sale any time soon. I think the Council of Ministers is split. Some say it is “follow the man”, some say it is not “follow the man.” It is the structure. The whole thing is very confused. We do need belts and braces and I urge Members to support the amendment.

**2.3.16 Deputy S.G. Luce of St. Martin:**

I was not going to speak but I feel I should follow Deputy Lewis. The Deputy of St. John argues for something new, for something different, for something better. She argues for a strategy when it comes to our houses, our buildings, our structures and I agree with her. Quite recently, I made a speech to the agricultural conference and I stressed as strongly as I could how I wanted to make best use of our resources in Jersey. Part of that speech about resources was about structures and I said how I wanted to make best use of every structure on the Island, structures that are empty or not being used properly because every week we are under pressure to build more. We are under pressure to build more because we have structures that are empty. The Deputy of St. John is unhappy and I have to say to the Assembly, I am embarrassed. I am embarrassed because I look at the list, some of which we have heard this morning, the Girls’ College site, the Le Seelleur building - one of my own particular bugbears - and I know the Minister and I stood there a year ago, on site. One of the first things I did when I became Minister, I went to the Millennium Park and we stood there, a number of us, and said: “This is unacceptable. We have to do something.” Piquet House is another one we have spoken about, but others which come to mind, St. Saviour’s Hospital, a fantastic facility, 90 per cent empty, being unused. Fort Regent Pool, everybody on the Island sees that structure every day of the week, every day of the year. We are not making best use of that and the one that I feel most sorry for is the one that I drive past quite regularly down at the Harbour, which is the La Folie site. People are arguing for something new, something different. Let us look at the way we have dealt with some of our property most recently; it is embarrassing. We do need a strategy, we do need to do something new, we need to change and I would argue against the amendment, which seeks to keep us where we are, and say to Members please vote against this amendment. Let us do something new, let us do something positive, and let us be better in the future.

**The Bailiff:**

If no other Members wishes to speak then I call on the Chairman of the Corporate Services Panel to reply.

**2.3.17 Deputy J.A.N. Le Fondré:**

I have been scribbling diligently and I will not be addressing every remark that has been made but I will try and address some of them. I think it has been quite a good debate. I go back to the point, we have sought, as a panel, good quality advice on this matter. People with huge experience have given us their views on this change and we are trying to inform the Assembly. That is our role. We have been critical where we need to be and we are supportive where we can be. So this amendment is not about throwing it all out; it is not a huge change from what has been proposed. We are supportive of transferring maintenance and other operational matters to T.T.S. We have not been prescriptive in the amendment; that is quite clear. This is an important issue that has been referred to a number of times; it is £1 billion worth of assets and Members need to be happy that the structures and governance over this area is as robust as the public would expect. I think the last speech from the Minister for Planning and Environment is one of the best examples where just to rely on this Assembly as the final check in checks and balances is not the only thing you should rely on because that is politics, if that makes sense. That has been unfortunately one of the things: “Oh, you can rely on Standing Order 168 because that puts it back to the Assembly and that is the

final check and balance.” Absolutely, we are the final stop. We should not be the only one. It is about governance and all the stuff that the Comptroller and Auditor General has been going on about for years. It is all about getting your governance and your structures in place. I will at some point address the comments from Deputy Andrew Lewis, some of which I absolutely agree with him and some of which I thought he might have slightly missed the point. Just to be clear, is the governance at the moment on this whole decision as robust as the public would expect? It is clear it is not. There has been no analysis and that is unusual to say the least. Let us try and address some of the observations that have been made. We have done the Minister for Planning and Environment, so that is fine. The Minister for Treasury and Resources, again it is about segregation of duties. It is about operational versus strategy. He is right. We need to get it right. I agree entirely. He referred, I think, to some observations by Concerto. I will refer back, it is a bit tricky referring backwards and forwards but unfortunately, I think we do need to get, as it has been pointed out, Ministers, and perhaps other Members as well, like to pick the bits of the reports that will back up their arguments. What I am trying to say is, we have had a 25-page transcript. We have kind of had that amount referred to, which is the positive stuff. I am trying to give you the flavour, which is in the form of our decision. Yet, it is a political decision but the comment was made that it sounds like there is a ministerial desire to do this, which is fair enough and we get that in mainland U.K. But what then did not happen, was someone saying: “Okay, this is a potential policy. Let us examine the policy and let us look at some options around it.” This is their words: “... in which case, you would probably have looked at the hybrid option a lot harder.” I did not really want to go into this area but the hybrid option is what we are proposing. The integrated option, which is what the Irish model is, as the Chief Minister referred to, is where the Isle of Man went. They pulled back from it; it did not work for them. So that is what I was saying, the adviser having gone through various bits and pieces basically comes out on balance and yes, you can choose any decision you like, there is no right way but this was their opinion and I will follow up on it in a minute in terms of our situations. The hybrid model, in other words the separation between strategic decision-making remaining in Treasury and basically everything else but what ultimately comes down to operational stuff going across to T.T.S. I know it seems odd that, because they called it the nation’s assets, to move into another configuration without any appraisal seems strange. If I were doing this analysis myself at the start at of the journey, I would have looked at the middle option, which is the hybrid option, quite carefully. They refer to it - I will not give the direct quote - but they do refer to this issue between the cultures of the 2 organisations you are trying to bring together, one being very much operational, engineering kind of thing and one being what is meant to be about the custodianship of assets, long term thinking and about value. I think that hopefully addresses some of the Treasury stuff. We are trying to say it is about getting your governance structures right. I have talked about the Irish model versus the hybrid, which the Chief Minister referred to. We looked at the Irish model a little bit but the advice ultimately came down to the hybrid and that was partially in follow-up to the phone conversation we had with the advisers later. Because the role of J.P.H. is about independent oversight and value. Now, Deputy Andrew Lewis, I agree with him entirely. It is about sweating the assets and all that type of stuff. Absolutely, it is about governance. He made a point, I think it was about the shareholder function and the shareholder function monitors what is done; that is loosely what it is. I am going to pick up on that and say that that is about the oversight side. So we are saying Treasury, strategic decision making, final sign-off. Operational, T.T.S. That is the separation. It is about getting all the governance correct. At the end of the day, the view was, and this is really from the advisers, that having that connection to the centre to where the money is, it is a subtlety but it keeps the power ... it keeps the oversight and the management of that function in the right place and it is therefore more likely that you are going to get the better decision making coming out of it. If there is an issue about matters that need to be resolved, that needs to be addressed. The Minister for Treasury

and Resources needs to sort that out. In terms of the structures and the governance, that was the recommendation that came through.

**Deputy A.D. Lewis:**

Sir, a point of order? If the Deputy would give way? When I mentioned shareholder function, I was talking about the functions of incorporated bodies, that they are managed in that way through the Treasury, through the shareholder function. This is not an external body.

[11:30]

**Deputy J.A.N. Le Fondré:**

Second speech, I think, Sir.

**The Bailiff:**

Which Standing Order are you asking me to rule on, Deputy? **[Laughter]**

**Deputy A.D. Lewis:**

I was querying the Deputy's reference because these are wholly-owned entities of the Government. It is not an incorporated body.

**The Bailiff:**

It sounds so much like a second speech. Thank you.

**Deputy J.A.N. Le Fondré:**

Thank you, Sir. The point is, it is about the monitoring and the oversight roles that we are trying to deal with. Deputy Noel, a lot of his speech was about: "We are doing various reviews, we are looking into this, we are going to come up with the best options ...", all that type of thing. It is all after the event. That really struck home for me and this is one of the things that has come through. There is no business case; it is all after the thing and we are making a decision now to change it. I think a lot ... I was going to say "all" but I will be cautious and say a lot of the examples used were all about project management, maintenance and operational issues. That is fine. We are saying put those in T.T.S. Absolutely no questions about it. It is about the checks and balances situation that you want in there. A couple of points from the Chief Minister. I think in the light-hearted example of the Constable of St. John, it was not necessarily about strategy; it was about the risk of short-term thinking and that, I think, the Chief Minister missed the point. We are relying on checks and balances and therefore having Treasury do that final sign-off, having that final oversight and that strategic decision-making position, is that oversight role. If one moves that way to effectively a normal department there is a risk that that will be weakened-down. We are not looking for a perfect model. We have not been prescriptive. That is the point and we recognise that point. I am trying to read my handwriting, but the Chief Minister did make a point. It was a reference to Senator Green and as the quote is about, I think it was The Limes Centre and it was rightly handed back to the centre for best consideration. Is that not what we are saying? It was back to the centre. Those are the words that the Chief Minister used and I am not going to give way if he is going to try and do a second speech on that one. It is about keeping that final oversight, that final strategic decision making in the place where Treasury and Resources, the people who look after the money, and our assets are meant to be. It is not about duplication because we are saying to retain the bit of Property Holdings that does that back in Treasury and move the rest of it across. It is not about duplication. A minor comment on the Constable of St. Peter. It was not about individuals, it was about the functions that had been delegated. I was being complimentary about him as an individual but that is not relevant to the vote. So I might go back to the point: bear in mind the experience of the team we brought in, one being the past Head of Strategy for the Government Property Unit of

the U.K. Government. They know what good looks like and were expecting to see a lot more rigour and a lot more analysis before this decision was made. Now, as I say, we had follow up conversation with them because obviously you have a presentation, you have a transcript, you want to try and work out, well: "What issues does it raise?" So we asked, given the stage we are at, because there some observations made that, I think, the risks were high or something and, given the stage we are at, is there merit in the Scrutiny Panel saying we think there is a better structure, we outlined what it possibly might be, which was basically reference to the hybrid model, is there relevant merit in putting that forward? And basically, they said yes. I will do some final quotes and sort of wrapping-up here. This is from the adviser: "For them, the missing equation was the lack of subsequent analysis by the officials about the merits or otherwise of this decision." The individual made reference to that he had been working with various governments, particularly in the U.K. for the last 15 years, some really quite large programmes. He found that surprising. He was expecting to see a lot more rigour and a lot more subsequent analysis. But then he reminded us that they had looked at the Isle of Man and they reminded us that the Isle of Man had gone down this model that the Council of Ministers are proposing and pulled back. So, to summarise, keeping the strategic planning close to Treasury, I think this is very sensible. Direct quote from our adviser, to us, in our concluding meeting: "It will allow the bulk of people to move, they would continue to move but it would very subtly change the balance of power in the remaining process because it leaves Treasury in control of the strategic planning set up." That is our point and, on that note, I will conclude and I would like to call for the appel. I really hope Members will support this.

### **The Bailiff:**

The appel is called for. I invite Members to return to their seats. The vote is on the second amendment to the Transfer of Functions Regulations, that second amendment lodged by the Corporate Services Scrutiny Panel, and I ask the Greffier to open to the voting.

<b>POUR: 19</b>	<b>CONTRE: 23</b>	<b>ABSTAIN: 0</b>
Connétable of St. Ouen	Senator P.F. Routier	
Connétable of St. Saviour	Senator P.F.C. Ozouf	
Connétable of Grouville	Senator A.J.H. Maclean	
Connétable of St. John	Senator I.J. Gorst	
Deputy G.P. Southern (H)	Senator L.J. Farnham	
Deputy of Grouville	Senator A.K.F. Green	
Deputy J.A. Hilton (H)	Connétable of St. Helier	
Deputy J.A.N. Le Fondré (L)	Connétable of St. Clement	
Deputy K.C. Lewis (S)	Connétable of St. Peter	
Deputy of St. John	Connétable of St. Lawrence	
Deputy M.R. Higgins (H)	Connétable of St. Mary	
Deputy J.M. Maçon (S)	Connétable of St. Brelade	
Deputy S.Y. Mézec (H)	Connétable of St. Martin	
Deputy L.M.C. Doublet (S)	Connétable of Trinity	
Deputy R. Labey (H)	Deputy of Trinity	
Deputy S.M. Bree (C)	Deputy S.J. Pinel (C)	
Deputy T.A. McDonald (S)	Deputy of St. Martin	
Deputy of St. Mary	Deputy R.G. Bryans (H)	
Deputy G.J. Truscott (B)	Deputy of St. Peter	
	Deputy A.D. Lewis (H)	
	Deputy of St. Ouen	
	Deputy M.J. Norton (B)	
	Deputy P.D. McLinton (S)	

## **2.4 Draft States of Jersey (Transfer of Functions No. 8) (Miscellaneous Transfers) (Jersey) Regulations 201- (P.46/2015) - resumption**

**The Bailiff:**

Chief Minister, do you wish to propose the remaining Regulations?

**Senator I.J. Gorst:**

No.

**The Bailiff:**

We have not released 6, you are quite right, thank you. Right. We return to the main debate on Regulation 6. Does any Member wish to speak? Very well, all those in favour of adopting Regulation 6, kindly show. Those against? The Regulation is adopted. Chief Minister, Regulations 7 to 10 do you wish to propose?

**2.4.1 Senator I.J. Gorst:**

There is an amendment to 10 for coming into force on 1 January so I assume I have to take 7 to 9 and take 7 separately unless you are offering ...

**The Bailiff:**

Unless Members are going to object, I would have thought you would propose it as amended?

**Senator I.J. Gorst:**

I am happy to do that. They are the remaining Regulations are, as Members will see, connected with the others transitional provisions and they are coming into force, which is now amended to 1 January for the ease of budget transfers. I maintain the Regulations.

**The Bailiff:**

Chief Minister, the Greffier and I conferred and we do not think you proposed the schedules when you did Regulations 1 to 5 so presumably you would like to propose the schedules at the same time?

**Senator I.J. Gorst:**

Indeed, Sir. I was assuming because they were referred to in the Regulations, Members would have realised that they were also approving the schedules but anyway, if that is not the case, I correct my error and propose them now. **[Seconded]**

**The Bailiff:**

Does any Member wish to speak on Regulation 7 to 10 or the schedules? All those in favour of adopting them, kindly show. Those against? The Regulations and schedules are adopted. Do you propose the Regulations in Third Reading, Chief Minister?

**Senator I.J. Gorst:**

I do, and I will endeavour to ask any questions that may arise. **[Seconded]**

**The Bailiff:**

Does any Member wish to speak in Third Reading? Those Members in favour of adopting the Regulations in Third Reading, kindly show. Those against? The Regulations are adopted in Third Reading.

### **3      Christmas Bonus: introduction of means-tested bonus (P.141/2015)**

#### **The Bailiff:**

We now come to P.141, the Christmas Bonus: introduction of means-tested bonus, lodged by Deputy Southern. I ask the Greffier to read the proposition.

#### **The Greffier of the States:**

The States are asked to decide whether they are of opinion – to refer to their Act dated 8th October 2015 in which they approved the Christmas Bonus (Repeal) (Jersey) Law 201- and thereby agreed that, subject to the sanction of Her Most Excellency Majesty in Council, the Christmas Bonus payable to all Jersey pensioners should be abolished from Christmas 2016; and (a) to agree that a new means-tested Christmas Bonus should be introduced from December 2016 for all pensioners resident in Jersey who are not liable to pay Jersey income tax; (b) to request the Minister for Treasury and Resources to meet the cost of the 2016 bonus from central reserves if there are inadequate funds within the budget of the Social Security Department to fund it, and to request the Council of Ministers to make provision within the draft addition to the Medium Term Financial Plan 2016 – 2019 (being lodged no later than 30th June 2016) for the funding of the bonus from 2017 onwards; (c) to request the Minister for Social Security to bring forward for approval the necessary legislation to give effect to the proposal.

#### **3.1    Deputy G.P. Southern:**

Before I start, I make no apology for bringing this proposition. I believe it gives this Assembly a chance to change its mind and save face and I have a note here saying: "Will you withdraw in the light of the offer from the Council of Ministers to rehash something?" and the answer is no. If Members want a shorter debate on this then put pressure on the Ministers to accept my proposal is the way to do that. I start with the remarks I made over the Medium Term Financial Plan. The move may deliver £1.5 million in savings but the Christmas Bonus is seen by the vast majority of the community, rich and poor alike, as a symbol of the way in which our Government can demonstrate it really cares for its elderly. Its value goes far beyond the monetary cost of the award. The community is justly proud of this generosity. So what I have produced is a means to save £1 million and to save for some a means-tested Christmas Bonus. For many, that is a problem and it is a problem now. I get people coming to me saying: "I am all right this year but please try and do something about Christmas Bonus because I do not know what I will do next year. How will I afford those little things about Christmas? How will I have a Christmas?" That is the reality of the Christmas Bonus and often the way it is used. In thinking about how to proceed with this, and also researching my Christmas speech for later, I came across Dickens. My tradition of Christmas, certainly, and there is a little quote here where Scrooge is talking to his nephew and he says: "There are many things from which I might have derived good but by which I have not profited, I dare say." Returned the nephew: "Christmas among the rest. But I am sure I have always thought of Christmastime, when it has come around, as a good time. A kind, forgiving, charitable, pleasant time. The only time I know in the long calendar of the year when men and women seen by one consent to open their shut-up hearts freely and to think of people below them as if they really were fellow passengers to the grave." He is a bit serious, is Dickens. "And not another race of creatures bound on other journeys, and therefore, Uncle, though it has never put a scrap of gold or silver in my pocket, I do believe it has done me good and will do me good and I say God bless it." That is Christmas and that is what I say this year to Members of this House. To put some context on that, what we are talking about is approximately £1.65 a week, £85 once a year for the Christmas Bonus. So in monetary terms, it is a relatively small bill. It costs money because, depending upon how you structure it, it goes to lots of people. The way I have got it, it goes to around 7,000 of the worst-off pensioners via the simple means testing of eligibility for income tax. It is an easy process to go

along to income tax and say: "What is my bill this year?" get the nil and take it to Social Security, bingo. It is easy to do. In fact the not paying income tax is already used for other benefits, some other benefits, and is already measured, processed, accounted for. So it is not a great deal of cost, I do not believe.

[11:45]

When the Minister set out the changes she was introducing to the benefit system she had 3 targets, promoting financial independence, improving the targeted benefits - this now does that, it targets the benefit - and minimising the impact on individuals. Again, it is a small amount but nonetheless a necessary amount. I believe, therefore, it will make the benefits fairer, the Christmas Bonus payable to some, the worst-off, but not all. The value of the bonus to each individual is small, the cost is relatively high but it is still a saving on what we were doing of £1 million. Bear that in mind. In terms of the greater scheme of things, again I was referring to this yesterday, we have a plan - that is the Minister for Social Security has a plan - to revise the benefit system, the pension system in a very in-depth way, in hand, starting next year and it will go on for the next, I believe, 2 or 3 years. It ranges from increasing the liability for contributions from higher earners, through reviewing the method for uprating pensions and benefits to reviewing the eligibility of pensions. So it is wide but in-depth research about how we are going to cope going into the future. This relatively small amount of funding should not be thrown into the mix and said: "Look, it is going to get worse" especially since yesterday we decided to freeze the income tax threshold for pensioners. So year on year as inflation goes on we will drag a few more people every year, pensioners every year, into tax. So it is not going to go galloping away anyway. Let us just put it in perspective. Okay, it is very hard to measure but the freeze on Income Support components will lose pensioners something like £12 of spending power. They will not notice it, they will know that their pension does not go as far as it used as R.P.I. (Retail Price Index) takes off, and if it is estimated this year at 2 per cent, next year at 3 per cent, and onwards, that is what the reality is, then their pension will go less and less far. Directly the change to the disregard for pensions will further affect them by £9 a week approximately if they are on the minimum States pension of £200 a week. They will notice that because that will be notified to them: "This is your new disregard and this is the way it is treated." For some, for new pensioners. So I believe it is absolutely safe and the correct thing to do to maintain a Christmas Bonus and to have it means tested. When the Council of Ministers therefore asks States Members to reject the current proposition and to accept a commitment from the Council of Ministers to bring forward proposals that are fully considered, properly detailed and funded for new legislation for a target Christmas Bonus in 2016 I ask: "Where is it?" Where was it 6 months ago? Where was the option to save £1 million, not £1.6 million? Why is it not here? It is not difficult to do this. I have targeted properly through that simple measure of tax or no tax. Is there an easier way of targeting it? So what are you going to do? Are you going to say: "Well, £85 is a bit much, let us say it is £50." Is that all we are going to be presented with it at some time in the future? Is it going to be 7,000 of the worst-off? That is too many, it should be 4,000, it should be 2,000? I reject that 2,000, that would be those on Income Support. Only those on Income Support, not just above it. Is that the change? How is it going to be better targeted by some other measure? I do not know. Perhaps the Minister for Social Security already does know. She has a wonderful scheme that she is going to lay before us now and say: "Trust us, this is what we are going to do." Failing that, I say to the Council of Ministers and to this Assembly, vote for my amendment, this will deliver something, we will deliver it targeted to the right people and I want the people who are worried about this to be able to go to bed this Christmas knowing that next Christmas at least their Christmas Bonus is secure. Now, this Assembly can do that and can do that today. I apologise for Channel TV giving me a groundhog day. Apparently last night I brought this proposition yesterday and lost it. I urge Members earnestly, do not lose it today.

## **The Bailiff:**

Is the proposition seconded? [Seconded] I call on the Minister for Social Security.

### **3.1.1 Deputy S.J. Pinel:**

I am immensely disappointed to be here today debating this particular proposition. The decision to repeal the Christmas Bonus Law was agreed by this Assembly in October, just a few weeks ago, by 28 votes to 18. Along with many other Members I agreed that we must support vulnerable pensioners but we can only provide that support if we take good care of our public finances and we balance any conflicting priorities that we face. This proposition fails to do this. There is no explanation of how this additional money will be found. Deputy Southern's proposal would cost £700,000 in 2016. There is no justification for paying a bonus to 8,000 pensioners. This is half of all pensioners living in Jersey. There is absolutely no need to take this decision in such a hurry. To choose to bring this proposition for a debate 2 weeks before Christmas is designed to create an emotional response and is a poor use of this Assembly's time. Speaking personally, it has been an extraordinarily difficult time to fulfil the agreed brief of reducing benefit budget by £10 million over the next 4 years but I still believe that the benefit changes I put forward in the Medium Term Financial Plan debate were the right ones. As a Government and as a States Assembly we will only get public expenditure under control if we all pull together. We have set our total spending limit for the whole of the Medium Term Financial Plan, any extra costs which are agreed now will have to be at the expense of something else that has already been planned for. We all understand the importance of investing in health, we all understand the importance of investing in education, we all understand the importance of growing our local economy. We will only achieve those aims if we can control spending in other areas. I do not believe in making decisions that affect people without assessing the impact in both personal and financial terms. I have listened to what parishioners in St. Clement and across the Island have said and also taken into account the feelings and opinions of States Members. It is clear that we need to support the needs of vulnerable pensioners both at Christmas and throughout the rest of the year, so what I would like to propose to this Assembly, as you will have seen in the comments from the Council of Ministers, is time. It would be reckless to agree a proposition today that could add up to £3 million to the cost of the Medium Term Financial Plan without any idea of where that money would come from, or whether it would be well spent. There is time in the first half of 2016 to undertake 2 related pieces of work before a final decision needs to be made. First we must consider who needs extra support and what that support would look like. Means testing the previous Christmas Bonus was, of course, discussed and analysed as an option when the Social Security Department originally investigated the removal of the Christmas Bonus within the Medium Term Financial Plan. The decision made at that time was rather to invest £200,000 of savings to improve the existing 65-plus health scheme. This scheme supports poorer pensioners with health costs to help keep them independent. Being able to see, eat, talk and walk are all important all through the year and this extra funding will become available during 2016 for optical, dentist and chiropody costs. You may think that was the wrong decision but I would prefer that a pensioner can get to the dentist in May or September when they need treatment for a painful tooth and get help with that cost straight away rather than have to wait for December, by which time the problem has got much worse. £200,000 is approximately the cost of providing a Christmas Bonus to pensioners on Income Support. In 2016 the Council of Ministers will look at options to target any new bonus, for example, as I have just mentioned, a new bonus could be paid to those pensioners in receipt of Income Support, the cost approximately £200,000. Or the age of pensioners eligible for the bonus could be increased to 75, this would cost approximately £400,000. We would also consider the value of the bonus, lowering the amount of the bonus to £40 or £45 would cost approximately £400,000. The bonus could be applied for instead of being automatically distributed with the Christmas pension payments. Any bonus

payable could be capped as in the U.K. so not adjusted by inflation, therefore making the future cost more predictable. Secondly, we need to consider where savings will be made in other areas to create this new budget. An annual budget of £700,000 is substantial. This would pay the salaries of 40 nurses or teachers. In 2016 it would almost cover the cost of the new pupil premium scheme for education. Agreements will be needed as part of the preparation of the Medium Term Financial Plan addendum as to how this additional pressure will be met. Any additional support for pensioners must also be considered with a weather eye on the inevitable increase in costs as the number of people over 65 rises steadily, doubling in the foreseeable future. As we appear to be quoting Charles Dickens, may I refer to Mr. Micawber's famous and oft quoted recipe for happiness. "Annual income £20, annual expenditure £19 19s 6d, result happiness. Annual income £20, annual expenditure £20 0s 6d, result misery." To sum up, the Council of Ministers is asking this Assembly to reject this proposition and give the Council time to investigate the situation in a considered and objective way, which Deputy Southern's proposition does not permit. The major hurdle as previously mentioned is funding. The Social Security Department on its own does not have the money to fulfil the funding requirements of the Deputy's proposition. We will look at all the alternatives and consult with States Members as to what form of bonus would be most useful to vulnerable pensioners and what is possible in terms of reducing spending in other directions in order to fund this additional cost.

**The Connétable of St. Mary:**

I wonder if we could ask the Minister before she sits down if she could clarify, I did not hear it, did she give a timescale for coming back with that plan?

**Deputy S.J. Pinel:**

Yes, it would become part of the addendum of the Medium Term Financial Plan, so the next part of the Medium Term Financial Plan, which will be in June.

**3.1.2 The Connétable of St. Mary:**

Just very briefly because a few things came to my mind while the proposer and the Minister were speaking. As I said yesterday, we all come at things from different angles but we all want the best in one way or another. As I mentioned again yesterday, communication has been a huge problem. Communication of ideals. I know the Minister has been working very hard to come up with other support mechanisms. I always maintained that part of the problem when the previous measures were agreed just a few short weeks ago was that the public was not made sufficiently aware of what the benefits would be. How the money saved would be used. It struck me that yesterday I was told, when I spoke to defer the changes in the exemption limits, that we could not wait for that because people needed certainty going forward and yet now I am being told that we cannot accept this proposal now because we need to have time to think through things.

[12:00]

So on one hand we are told we have to move now because we need certainty, on the other hand we are being told we cannot move now because we do not know how to give certainty. I am finding it very difficult to balance this up. I appreciate that alternatives are in the pipeline. I appreciate that the money saved from the scrapping of the existing Christmas Bonus - which I did support because I understood how that funding would be targeted to those most in need - it is without question that that had to happen because there was an awful lot of money being claimed by people who were not the most needy. I think that is the right thing to have done. I am not going to support this because we have been assured that the timescale will allow something to be put in place if we do not like what the Council come up with. I would just like to put this out to the Minister for Social Security, when you have people ... and I have no reason to doubt Deputy Southern's words, you say that is

crucial to me, that I need this £85 amount to make things bearable. If £85, which is a really small amount of money for the larger part of society, is that crucial then something ... and it is needed at Christmas ... no, it is not really needed at Christmas, what it is is it is needed throughout the year, there is something fundamentally not right that that £85 is make or break. It should not be a question of it being a bonus, it should be part of what makes up the fabric of every day necessity for those people. So I want the Minister for Social Security to do more than just come back with Christmas Bonus changes, I want an evaluation, I want to know ... I want the information that I asked for yesterday, I want to know are we absolutely sure that we target the aid where it goes most? Are we sure we support our most vulnerable pensioners and, of course, other members of society? Are we sure that we are doing the right thing? I want figures to back that up, and I want that from the Council of Ministers as promised by the end of June. I am sure if it is not Deputy Southern who brings something similar back if this does not get through today then another Member of this Assembly will do that.

### **3.1.3 Deputy J.A.N. Le Fondré:**

I was prompted to speak because of the previous speaker. It is something for the Chief Minister if he can just listen to the remarks. In the M.T.F.P. debate that we had a few months ago he gave an undertaking as far as I am concerned to both myself and Deputy Wickenden, I believe, about giving to us by the end of the Budget debate, which is now finished, the outline of the impact analyses that would be available for the M.T.F.P. addition. In other words, we would know what those impacts were going to look like, not what they were but the impact analyses that were being done and that was going to be provided by the end of the Budget debate. Hopefully the Chief Minister is listening and hopefully he will be able to explain (a) where are they and (b) when are they going to come? It was not the actual analyses themselves, it was what analysis was being done. It was by the Budget debate, and we have now done that. In terms of the actual ... I am listening to this debate quite carefully because my sympathy is absolutely with Deputy Southern, I will say that, in terms of what he is doing. I am slightly unclear the differences in the costs that are mooted around. Equally what the Constable of St. Mary said is relevant and I am not entirely clear why ... I have to say I am not entirely clear at this stage why we could not vote for part (a), which is basically giving a line of direction but then that leaves it for the Council of Ministers to come back appropriately, given that they have undertaken to do a review. I am open to be persuaded one way or another but my sympathy is with Deputy Southern's amendment.

### **3.1.4 The Connétable of St. John:**

This time of year is a very humbling time for me, and I have just experienced it recently taking hampers, which have been kindly donated from various organisations, to some of the less well-off in the Parish. Thankfully in St. John we only have a very small number. The look on their faces tells an enormous story and I echo what the Constable of St. Mary said: "Is it just a Christmas Bonus or does it go deeper"? I also take on board what the Minister says and in no way is this any reflection that I do not trust the Council of Ministers or anything else, but I always like a safety net just in case something falls. So I shall support this proposition because then when and if something better comes along from the Council of Ministers in the M.T.F.P. as promised we can decide then. But at least there is something there and that is why I am supporting the proposition.

### **3.1.5 Deputy P.D. McLinton of St. Saviour:**

I did, when watching Channel TV's news last night, think that I was probably in the toilet for a bit too long and completely missed it. [Laughter] Is that a Back to the Future moment? I hope not. I was one of the 28 who pushed the button to deny all pensioners a Christmas Bonus. It was one of the hardest things I have done because I would like to live in a society where it is possible, there is enough money rattling around to be able to do it as a gift from the Island. I would like to be on that

Island but I know that was the right decision. I know it was the right decision when a pensioner couple pull up in a BMW in Waitrose car park and then say: "What have you done with my Christmas Bonus?" to which I will happily say: "Left it in my children and grandchildren's pockets I hope because you do not deserve it." This amendment, however, talks to a group of people that we should care for who do deserve a bit of help. I quote: "Over the last 3 years well-targeted improvements have also been introduced in the financial support available to more vulnerable pensioners, this has included a Cold Weather Bonus for pensioners who do not pay income tax." Excellent, I should think so too. That is our duty. A society should be judged by how it treats its most vulnerable people. We owe them that. Absolutely. A lot of the work that has been talked about, a lot of the way that the money has been given over to more vulnerable pensioners, well it is practical help as it should be. The Christmas Bonus, I would say, is emotional help. It sees them through the period we are talking about, the delight on their faces when the Christmas hamper arrives. There is a question over where the money comes from, absolutely, there has to be. I have been wavering between supporting this or waiting into the future in the hope that something is sorted out. I am thinking: "Will it get sorted out in the future or will it just be delayed and delayed and delayed? Or will voting for this proposition force the hand to go a lot more deeply under the sofa cushions, as it were, for the money?" I would just like to point one thing out to Deputy Southern, by the way, in that kind of Back to the Future way. On his proposition it says: "The Christmas Bonus currently stands at £83.73, I propose that the bonus payable in 2006 be raised to £85." Yes, it says 2006 there, it is another of those Channel TV Back to the Future moments that we are having again. So just I thought I would point that out. Well worth a mention. When my mother found out that I voted against the Christmas Bonus she did not talk to me for 4 days. [Laughter] I would like her to talk to me again after this one. For the emotional health, the emotional health, of the elderly of this Island that cannot afford it. You hear a lot of facts and figures, bean counting nonsense in this place, but in the end we forget the human cost. The human cost of that extra money in a vulnerable pensioner's pension at Christmas, which might buy a tin of Quality Street for their grandchildren, might give them a sense of self-worth. That is what it is about; it is about people's emotional health. Please support the proposition.

### **3.1.6 Deputy K.C. Lewis:**

Very briefly, this is a very sensible proposition. It is not every day I refer to Deputy Southern as sensible but today I do. [Laughter] I want to say any casting agent for panto that happens to be listening, look no further for your pantomime villains today than the States Chamber. We should support this because it is just a little comfort to the most vulnerable at Christmas. I consider it to be my civil duty to support this. Just a little comfort to make things a little more comfortable at this time of year. Please support this proposition.

### **3.1.7 Deputy G.J. Truscott of St. Brelade:**

I for one will not be supporting Deputy Southern's proposition today. I am rejecting it on the basis that the proposition provides no funding detail. Where is the money coming from? I have been working to budgets all of my working life and as a responsible Member of this Assembly and being fully committed to balancing the books by 2019, I require accurate facts and figures to be able to make an informed decision. The funding for this proposition has got to come from another department's budget and as it stands this proposition will put us in deficit to the tune of about £3 million by 2019. Until it is made clear to me exactly where the money is coming from, I cannot support Deputy Southern today. I would like to suggest that Members also reject this proposition and by doing so allow the Council of Ministers to come back to the Assembly in 2016 with alternative proposals, which will be fully considered, properly detailed, costed and funded. We do not need to rush this decision today. We have the best part of 2016 to thrash this issue out once and

for all. You have my assurances that we will come back but we do really need to think of the best way forward.

### **3.1.8 Deputy M.J. Norton of St. Brelade:**

Like Deputy McLinton, I was one of those who - and still do - feel absolutely right in ensuring that the Christmas Bonus that was going to - as the Connétable of St. Mary so eloquently put it - those who were not as needy. May I just congratulate the Connétable of St. Mary on what I thought was an excellent speech. I am comforted in some way - and I have been very heartened - by the fact that Deputy Southern has brought this proposition because I always felt from the very start that the reason that I rejected before any change, and I certainly supported the removal of the Christmas Bonus, was that more than half of it was going to those that were less than the needy. But I was very aware that there was a group of people that certainly needed a Christmas Bonus and that lift at this time of year. I do want a more caring Government. I do want our Government to be more caring and to make sure that the caring nature of what they do is brought out. The information is brought out, the detail is brought out because there is a great deal of misinformation. One only has to talk to many pensioners who were outside the States building yesterday, as I did, to find out there is an enormous amount of misinformation. They do not understand what goes on in here on a day-to-day basis. So that old phrase - well it is becoming an old phrase now - certainly it is the phrase of this year, I think, holding the Council of Ministers' feet to the fire. Nothing holds the Council of Ministers feet to the fire than an Assistant Minister that wants to do it as well. So may I just put that across the floor to some of the Council of Ministers because I am sure they have already learnt. Please, please, please come back as a Council of Ministers and come back with a way of funding this and make sure that by next Christmas because the Christmas Bonus for this year has already gone. It has already gone out. It has been received. I am delighted to hear that one Connétable has already got his. Excellent. But please, please make sure that for 2016 there is a funded, affordable bonus for those that need it. That is what I am comforted by, and feet will be held to the fire by me, along with quite a few others I dare say.

[12:15]

It is with regret, therefore, that on that basis I will be rejecting this proposition, although I do congratulate Deputy Southern for bringing it forward today because it has been brought forward with exactly the right intentions.

### **3.1.9 Connétable D.W. Mezbourian of St. Lawrence:**

I am rising to support those who have said that they agreed to repeal the Christmas Bonus a few weeks ago because they understood that it was not best targeted. When the Minister for Social Security had come to address the Comité des Connétables, I think as a group we were all extremely concerned to hear that it was proposed to remove the Christmas Bonus because as Constables we see those people who come to our Parish Halls every year to receive the Christmas vouchers that are given to the over-70s from the Island's best-known philanthropist. It is at that time of the year I see a number of my parishioners, who I never see at any other time, those are the over-70s who are almost hidden from us, I think simply because as Constables now we do not deal with welfare. What does happen is I receive letters from those parishioners who are unable to pay the rates by the time that they are meant to, but they do not tend to come to see me but I get very heartrending letters from those who say they are unable to meet the debt within the given time. Every Constable, I believe, has discretion and we do our utmost to accommodate those who find it difficult to pay their rates, and we do allow them an extension. I see those numbers growing year on year. They may be those folk who come up to get their vouchers at Christmas who, as I say, I do not see at other times of the year, those hidden older parishioners. So it was with extreme disappointment at our Comité meeting earlier this year that when I asked the Minister why the Christmas Bonus could

not be retained, but on a means-tested basis, that I accepted the response that she gave to me and she has referred to that I think today. Yes, we want the benefit system to be best-targeted and we know that it is not at the moment. We have heard from Deputy McLinton how his mother was not happy with him. Well his mother would not have been happy with me either because, as I say, I supported the repeal. But it is one of those things, it is P.R. (public relations), is it not? It is how we communicate, because as I have been at the Parish Hall when the vouchers have been collected I have been accosted by parishioners who have wanted to know why we are getting rid of the Christmas Bonus after this year. Obviously I have had to stand there and explain to them about better targeting, we have heard that the money is going towards the cost of dental care and ophthalmic care. When you stand there and you have a one-to-one conversation with people and explain it to them as clearly as you can, they may not agree with the decision that was made but they recognise the reasons behind our collective decision. So they do not agree with it when it is explained, or some of them may do if their reasoning is the same as ours, they do not agree with it but they recognise that the decision was made based on financial reasoning and better targeting. I am pleased to follow Deputy Norton as an Assistant Minister who is saying that he is prepared to hold the Council of Ministers to account over this, because as an Assistant Minister myself I feel exactly the same as him. It has been a really difficult time for the Council of Ministers and for their Assistant Ministers because looking at the Medium Term Financial Plan, as we know, every department has had to make savings. Home Affairs is no exception and we have managed to find those savings, but it has been extremely difficult and I would not want my department to be impacted upon unnecessarily when the review of the M.T.F.P. is brought back next year. Front line services need our support and they need the funding to provide those services which the public expect and deserve. I am not going to support Deputy Southern's proposition, rather I am going to rely on the commitment that the Minister for Social Security has given to us today, backed up by the comments of the Council of Ministers. There was one sentence in the comments which stood out for me and I will read it: "This review will report in 2016 as part of the addition to the Medium Term Financial Plan so that [and here is the rub] if approved any bonus can be paid in time for Christmas next year." During the previous debate we have heard how this Assembly makes the decisions and we were talking about property. This Assembly is the ultimate arbiter on decisions and so, therefore, it is up to us to approve what is brought forward by Social Security next year, and if we do not approve what the Minister proposes it is up to us to bring an amendment to the additional M.T.F.P. I think the public need to know that because I think what Deputy Southern said earlier was that he wants the public to rest assured that next year there will be a Christmas Bonus and if we reject his proposition the public may still rest assured that there will be a Christmas Bonus next year, albeit - and I see some Members shaking their heads - in a different version and better targeted. When we supported the M.T.F.P. earlier we agreed that targeting was what was needed with spending in all departments. It is almost reluctantly that I will not be supporting Deputy Southern, but I will guarantee to the public that next year there will be a Christmas Bonus paid, albeit in a different format, and it is up to this Assembly to ensure that happens. Deputy Norton and I will certainly be making sure that the Council of Ministers deliver on the commitment that we have been given today.

### **3.1.10 Deputy M.R. Higgins of St. Helier:**

It often seems to me that the States seems to operate in a bubble of its own, or an alternative universe. I am not in the Star Wars sort of frame here, although we do talk about the dark side in this House. [Laughter] So very often we live in this bubble and we talk about this and that but we do not appear to live in the real world, and there are people outside of this Chamber who are vociferous about some of the things we do. Obviously the people do not hold us in high standing, we can look at opinion polls or social surveys or whatever, they do not rate politicians very highly. The fact that the States in the past ignored the petitions on G.S.T. (Goods and Services Tax) when it

was introduced, and also increasing it, that was bad enough but the Christmas Bonus is one that is really struck home. In fact I think the States is at an all-time low. What I am saying here is that it is something that I think the States can rectify at this particular moment in time. What we have is our Minister saying that they are going to reconsider and they will bring out something in 2016. But would they really have been saying that if it was not for Deputy Southern's proposition and the outcry outside? I do not think so. What I would propose to the House is that we support Deputy Southern now and if the Council of Ministers and the Minister for Social Security can come up with something better during 2016 then we can revisit it and choose the better option. But at the moment this is what we should be doing so I would urge all Members to support Deputy Southern and support our pensioners at Christmas. Thank you.

### **3.1.11      Deputy S.M. Wickenden:**

First of all I would like to say that I have utmost respect for the Minister for Social Security and the work that she does, and I think that yesterday it was deplorable how people were jeering outside. **[Approbation]** I think that the media has a part to play in that kind of misinformation that caused that, ITV was a prime example of utter lazy misreporting and what we are getting. It is not good enough, it is not reporting to the public well enough, and it is deplorable. They need to up their game, so I would like to say that first. Of course, I have the utmost respect for the Minister for Social Security and I hope she does not mind that I am going to pick pieces out of her speech. I find it a little bit distasteful sometimes when we say: "This money will pay for 17 nurses." We are not going to get rid of 17 nurses to pay for this; again it is a heartstring thing, like a Christmas Bonus at Christmas. There was references to: "Let us target it better, maybe they could come and ask for it." So the least mobile, the poorest people, the ones that need it most have to go and make their way down to Social Security and ask for this money cap in hand. I wish it had not been said in the speech and it just does not ring true, this payment will be made in December 2016, so this time next year, and what we are saying is wait for us and wait for June and we will tell you how we can afford such things. Well, even if we do it now we have until June. The Assistant Ministers are saying nothing holds the Council of Ministers' feet to the fire like an Assistant Minister trying to hold them to account, as I look at the Minister for Treasury and Resources. His Assistant Minister did not feel like holding feet to the fire worked there. Nothing holds the Council of Ministers' feet to the fire like a proposition that has been passed in this States Chamber telling them that we want them to do something. Nothing holds their feet to the fire than a democratic proposition passed by this Chamber saying: "This is what we want you to do. As elected representatives of the people of our Island, we were put in place to make these decisions and we are saying we want you to do this." Again, I will say the same as other Members, in the Medium Term Financial Plan in June when you bring the rest of the information, if you come up with a better plan I will support it. I did not support the Christmas Bonus last time because it was not targeted, it was not being assessed, and I think that was absolutely right, but I think this is right. I am glad that some of Connétables are saying: "I guarantee that this will come in, but just not now." I do not think that guarantee could really be put in place, not unless it comes from the Chief Minister, there is a guarantee I am afraid. I am going to support this proposition, again with all due respect to the Minister for Social Security. I think that it is right, I think that if a better plan comes up I will support that as well, but right now I am going to hold the Council of Ministers' feet to the fire and say as it is now this is the best I have heard, and as I go on my broken record again, if you start coming and giving us information, if you start putting it out there as you are supposed to do, then I will support you there. But you are not so I will support what is in front of me and I implore other people to do it as well.

### **3.1.12      The Connétable of St. Brelade:**

I will be brief. I have been fortunate enough over the last few days to go to 3 Christmas lunches in St. Brelade and I managed to speak to over 450 people during that period.

[12:30]

Some did speak to me about the Christmas Bonus. What I was quite surprised about is not one of those 450 people mentioned age-enhanced tax exemptions, which I do not think I really understand why they did not but clearly if they did not understand that then there is a possible communications issue in regards to their understanding of that. But, nevertheless, we are talking about the Christmas Bonus and many did speak to me about it. Some accepted that probably they are in a position that they did not need it, but some were clearly disappointed. There is one particular point I want to bring up in regards to this, but some were clearly disappointed and I think they put it very eloquently in regard to that particular point. There were many there that have saved all their lives, they have been prudent all their lives, and they find that they have had their Christmas Bonus. Whatever level it is set at, clearly it does provide valuable assistance to the vulnerable, but it also supports many that have not been prudent, have never saved and have never planned for their future and I think some people at the lunches felt that was not fair, that they had done all that all their lives and now they were being victimised in that way. Just a point I wanted to get across is that there are some people out there that feel it is almost their right to have it because they have saved and they have been prudent and they feel very hard done by. But clearly there are those - and I met quite a few of them as well at the lunches - that were vulnerable, they are going to miss this bonus, and clearly we need to address that. So when I came here today I was quite minded to support this proposition, but there is a horrible "but" coming. I think there does need to be some more careful consideration about what a means-tested bonus will be, where it is set at, what level it is set at, and I think that will take a little bit of time. I will be ringing up Deputy Southern if we have not got the right means test established by the middle of this year, I can assure him, because we do need it. There needs to be a means-tested bonus for those that clearly are vulnerable and are at risk at Christmastime, and there are people that do need that money. I am going to take the Minister on her word because I think it is the right thing to do today, but I will tell her right now, through the chair, that I will be keeping a close eye on what is proposed and if it does not fit the bill, if it does not do what many of us think it should do, then I will be knocking Deputy Southern's door down to ensure that we do bring the right means-tested bonus in. Clearly there are some that do feel hard done by, although a lot of them accept that they probably do not need it and are prepared to give it up, but for some it has been difficult to accept. Thank you.

### **3.1.13      The Deputy of St. Ouen:**

The household income distribution survey was released after our M.T.F.P. debate and thus we did not have the benefit of those statistics during that debate. It reveals that a third of households in relative low income after housing costs are pensioner households. I have been surprised at what I feel is a rather laid back approach of the Council of Ministers at the report. I think it should have alarmed them that we are a wealthy community but the number of households in relative low income are increasing in our community, many of those pensioners. I feel the Council of Ministers should have given a very carefully detailed and considered response to that report, beyond comments that it is just down to the housing market in the Island and when we address those housing issues - very long-term issues - then it will all be sorted. No, this is an immediate issue; there are people suffering out there from the effects of relative low income and I believe there is a need to deliver a Christmas Bonus, targeted. Of course funding is an issue and I have wavered and have thought long, and this is a difficult decision but there is a need to address this question. Funding will need to be found for whatever scheme is put forward and I do not see the harm in doing it now. The Deputy's proposition is an adequate means of addressing this question. It is fair, it is straightforward and it is justifiable. It is justifiable because this is the means in which we deliver other benefits. Why do we choose this means of choosing pensioner households who are not taxable to deliver the G.S.T. food bonus? It is adequate for that, why is this not an adequate

means of delivering the Christmas Bonus? I believe this is an opportunity for this Assembly to restore faith and to show the community, and particularly the pensioners, that we do have a heart to protect those who are vulnerable in the Island and that we can say now that we will give them that support. Thank you.

### **3.1.14      The Deputy of St. John:**

I have clearly been in the States Assembly too long because I remember these debates in my first term, when somebody would bring something and the Council of Ministers would promise: "We promise, we commit, we will do this." I learned very early on that it is very important that you read the exact words in the proposition and then you read the comments very carefully. So on that basis I am not going to take the argument about holding feet to fire, I am not going to take the considerations: "Let them get on with it and bring it forward" and: "Where is the money going to come from?" Well, I remind Members, the Medium Term Financial Plan we agreed large sums of money to be spent in 3 years without knowing what was going to happen with it, 3 years of an amount of money that is going to be spent each year without a plan behind it. So that argument does not really stack-up. The second argument: I would say that instead of holding the Minister's feet to fire why do we not put their feet in a fire and ask Deputy Southern if he would take part (a) as a separate vote. The reason why I say that is because if the Council of Ministers are uncomfortable about it coming from central reserves, well, we do not have to vote for part (b). If we do not want it in legislation we do not have to vote for part (c). But we can do, and what the Council of Ministers wants to do, is to agree that a new means-tested Christmas Bonus should be introduced from December 2016 for all pensioners resident in Jersey who are not liable to pay Jersey income tax. Spurious arguments have been made by various Members - and this is what worries me - you are then told in the comments: "A major review of the Social Security Fund." The Social Security Fund. That does not pay Income Support. The Social Security Fund is from social security contributions and it pays for pensions. Income Support comes from taxes. Income Support supplementation is frozen over the next 4 years, 3 years, 3.5 years, I get confused with all the different years we have. I welcome that major review of the Social Security Fund and I am glad to see that there will be a review undertaken to consider how bonuses to support vulnerable pensioners could be continued in this wider context. But there is nothing about any review or analysis or understanding as to whether the Income Support system is targeting the right areas. We have the system in for 7 years, there is no comparison as to how that fundamentally works with the tax threshold marginal rate system. But we will have a review of the Social Security Fund, and I welcome that, and we have actuarial valuations done for pensions. Wonderful, I welcome that. I am not saying that I do not trust and I do not believe but I have been party to these debates before and it always has that hanging question mark over my head, and we are told: "This is the Parliament, this is where things end, this is where we are going to hold the Minister's feet to the fire." So I would like to suggest and ask Deputy Southern to take part (a) as a separate vote, to put the Minister's feet in the fire and say: "Well you are going to bring back something of a Christmas Bonus for vulnerable pensioners and it is going to come in the M.T.F.P. addition by 30th June next year." So what is the problem with voting for part (a)? I would be really interested to hear from anybody that is going to speak or may speak that is within the Council of Ministers that may like to explain what the problem with part (a) is, if they are already going to do that. The other parts of the Council of Ministers' comments, the Constable of St. Lawrence read out one of the last paragraphs. I am going to read out the one just before that - listen very carefully to the wording: "This is important, as any scheme must be sustainable in the longer term. Analysing the age at which people need support, where support should be targeted, and how much support is needed." You have to question that and it does concern me about the Income Support system as a whole and how that is targeted and how it supports and how it fits. I understand the arguments that are coming forward but is all that going to be done in 6 months? So if a bonus is going to come forward I

suggest Members - if Deputy Southern will take part (a) as a separate vote - that Members get behind that particular paragraph and put the Minister's feet in the fire. Thank you.

**3.1.15 Senator P.F.C. Ozouf:**

I am delighted - I do not think she is going to thank me but we remain, I hope, good friends in the coffee room - to respond to the Deputy of St. John and a number of the other Members who have spoken. I would respectfully point out to the Deputy of St. John that we have not allocated individual spending items of course, we have done totals, but I would have thought that she would be the absolutely vanguard supporter of setting up an envelope of expenditure in which allocations must be made. I do not think there is anything in conflict to what the Council of Ministers is doing and I did not understand what the criticism was. I also say to the Deputy of St. Ouen that the income distribution report is an incredibly important document which has a great deal of very important data within it, and it is not appropriate for anybody ... and that was the problem with the report. Ministers, I must say, were not even aware, for whatever reason, of the existence of that report coming and I was one of the Ministers on the day that received the briefing I think at the same time as the media. I am afraid to say - no criticism of the media at all - but it was the wrong interpretation of the numbers. It was not right to simply say that it is just a housing cost issue. I am afraid that there is a lot more data in there for us to understand. Of course relative poverty is relative poverty. It is very difficult, particularly in the last sitting before Christmas when we will be accused of being scrooges, we will be accused of being Christmas Bonus snatchers, and all the other emotions. I will come on to cognitive behaviour and communication with Deputy McLinton in a second. It is very easy to say these things, but let us be clear, relative poverty is relative poverty, it is not absolute poverty at all. So just because you have a comparison of people because of a different circumstance, and homeowners, which was the point - and this is no disrespect - just because homeowners have seen low interest rates they, in relative terms, appear in the recession to have become less relatively poor whereas renters, relatively speaking, are in the same position. So it is not simply right to compare or contrast or to say anything, that it is simply a housing issue, it is not. I know that as a lawyer the Deputy of St. Ouen will be wanting to see the report and the deep analysis that will need to follow from the set of data.

[12:45]

These debates are incredibly difficult. They are emotionally driven. Deputy McLinton, who is a valued Assistant Minister for Health is a known expert in cognitive behavioural therapy I understand, perhaps I need some of that.

**Deputy P.D. McLinton:**

Sorry, I should just point out I do not in fact practice cognitive behavioural therapy, I am a cognitive hypnotherapist. C.B.T. (Cognitive Behavioural Therapy) practitioners out there will be most annoyed at the fact that I am apparently claiming that I do not do.

**Senator P.F.C. Ozouf:**

I apologise and thank the Deputy for clarifying. What I do know, he knows what people think and he knows about emotion, and he knows also, quite rightly, that it is important to communicate the facts. It is very, very difficult when we do not appear to communicate the facts, and what I think the Deputy and other Members are wanting to do is to send out a very clear message that we care. That by sending a message out, by supporting Deputy Southern, we are almost correcting the misplaced ... any Member of this Assembly who thinks that this Assembly is not committed to our senior citizens, with the huge amounts of resources that have been taken from some departments and put into the senior citizens' area of care: insulation, pensioner triple-lock, Long-Term Care, dignity in care. All these issues, they are predominantly for this growing age group of senior

citizens. But we seem to have completely lost that communication but what it is wrong to do, if I may say, is to simply correct an emotional issue with an absence of facts and simply then cause a further difficulty. One bit of emotion does not solve another, and a bad piece of emotion ... if I may say - and I am not going to win any friends, I know - but I am afraid that the world is full of deficits. The scourge of politics is short-termism. Governments have high taxes and debt mountains around the world. I see one Constable raising her eyebrows in disbelief that I may say this but I am afraid the reality is that it is an accumulation of emotionally driven short-term decisions which arrive at a situation whereby we have unsustainable public finances. Members do not like this, they shake their heads, but that is the reality. It is short-termism that is the scourge of politics, it is the difficulty we face. But what we must do is we must communicate what we are doing and we are doing a lot. I will tell the Deputy of St. John, if I may, what the difficulty that I have in supporting this proposition is. I welcome her suggestion, which is perhaps a good one, but I still will vote against it and explain why the proposition should not be supported, because she herself is one of these Members that requires and demands analysis and evidence. I hear her all the time rightly speaking of analysis. Now, what is the analysis that we have before us that justifies the spending of £600,000, as I understand it, to a cohort of pensioners ... I stand corrected, have I got the number wrong? £700,000, I do apologise. £700,000 to a cohort of pensioners who simply are not liable to income tax. That is part (a) of the recital of the proposition. That is what is being asked for, to agree that a new means-tested Christmas Bonus should be introduced - I am going to hold the Deputy in the same way that she holds others to account to the words - when asked to support a proposition which says that we shall introduce a means-tested benefit to all those pensioners resident in Jersey who are not liable to pay income tax. Now, I am sorry but that is not a definition of a group of certain recipients that are the only people or are exclusively or include the people that need a Christmas Bonus. The definition of a pensioner at the moment is, as I understand it, also in some cases 63. That is different. There is one rule for men and one rule for women. That is crazy. Is it just simply the fact that you do not pay tax that you require this extra emergency top up from taxpayers' funds? We clearly communicate badly with our community by saying that this money is coming from Social Security because most people think that it is from the money that they have paid into the Social Security Fund. We have badly communicated that. We have failed to communicate that but I am afraid the problem is in the Minister for Social Security's title, the fact that she is almost the - if I may say - the Deputy Minister for Treasury in some cases, dealing with taxpayers' funds, separately dealing with Social Security Funds. There is confusion about where this money is. I was not in the Assembly but I would have voted with the rest of the Council of Ministers and those Members who made that right decision to take it away. I was on other duties so I have not - if I may say - had my feet put in the fire as of today, but after this speech I certainly will be accused of, of course, being one of those social security bonus snatchers that have taken this apparent bonus from people's money that they have paid into the fund. We have badly communicated this. The word "bonus", the word "social security" incorrectly gives the impression that it is money that people have paid into a fund, where it is of course taxpayers' money that we are allocating. I do not mind having my feet to the fire, I have had my feet in the fire enough, and the Constable of St. John may sigh. I am sorry, but we are told on the one side that we need analysis and evidence. I am afraid the evidence needs to be done of who is the proper and deserving and necessary recipients of a Christmas Bonus. An emotive phrase if ever there was one, if ever there was something that should not be called a Christmas Bonus, this is it. I do not want people to receive a bonus in terms of this sort of handout, that they somehow are going to be on the breadline and the difference between them giving their grandchildren a packet of Quality Street or something. I want dignity in old age, I want every social security recipient and every senior citizen to have dignity and not face the difficulties of whether or not they apparently turn on their heating or not. That is why we are determined, across the board, to improve the evidence and the analysis to make good decisions that we improve the lives of what is a growing number of

people. Members do not like it, I am afraid some will not be convinced, but are Members ready to say now ... it is all very well saying: "Hold the Council of Ministers' feet to the fire." I have heard this so many times before, that we make decisions and then we end up not being able to deliver them. Let us say that we will introduce a Christmas Bonus but it will be on the basis of analysis, on the basis of who needs it, because I am afraid it is not right to say today that it is simply those cohort of people who do not pay tax. Where is the evidence? It is not there. If you are not convinced of that, I say to Members, where is the evidence that it is a woman aged 63 who does not pay tax? Individual woman do not pay tax because they are part of a family so goodness knows how that works. There is no evidence and we need to get that and the Minister for Social Security and her team, together with Treasury and others, are doing exactly what Members want, which is to look at who really are the needy people that we need to provide additional assistance to. It is not easy, these decisions. They are emotionally charged and we get charged with all sorts of accusations, it was horrible to see pensioners simply being ill-informed - and I take responsibility for that - of the things we have done. But let us not make short-term emotional decisions just because we feel as though we need to correct some sort of emotional problem that we have not communicated the facts. I want good decisions based on good analysis and I expect the Minister for Social Security to do that and I expect her to have to deal with the very difficult situation that she has limited resources which must be allocated and targeted to those that need it, not just because they do not pay tax or this curious definition of what is a pensioner, which must be changed. I urge Members, as difficult as it is, to vote with their heads and then with their hearts when we have the proper analysis. Thank you.

**Deputy P.D. McLinton:**

Sorry, sir, I wonder if could, with your indulgence, just ask if every time a Member says the words "hold the feet to the fire" they could put £1 in the charity pot because it is starting to push my buttons. Thank you. [Approbation]

**The Bailiff:**

It would help to pay the heating bills.

**3.1.16 Deputy C.F. Labey of Grouville:**

I am going to be voting with Deputy Southern because I am sorry to have to say, even when we try and hold the Council of Ministers to account, even when we win debates in this Assembly ... and I was pleased that the Chief Minister reminded us all that this Assembly is king this morning, but it is not. It is not. I am afraid he speaks with forked tongue. Even when we ...

**The Bailiff:**

Deputy, I am not sure you can accuse anybody in the Assembly of speaking with a forked tongue, it is not appropriate.

**The Deputy of Grouville:**

Okay, even when we win debates in this Assembly, if the Council of Ministers do not want to do something or do not agree with it ... I mean, here we are just hearing "We need analysis, we need this, we need that." I won my Freedom of Information debate last January of this year, but against the Council of Ministers, quite incredibly I won it, because there are not many debates that have been won going against the Council of Ministers. I think there have only been 5 or 6 this entire year that have beaten the Council of Ministers. Even though I won it I am getting feedback that: "We do not have the staff to do it, the legislation is not going to be in place, there are staffing problems, legal concerns", all these excuses, and we are looking now to 2017 before my amendment to the Council of Ministers is going to come into place. That is what I am hearing now,

so I am going to take that up in the New Year. So I would just warn Members when we hear all these excuses: "Do not do it now, we need this, we need analysis" because even if Deputy Southern wins today he is going to have to really watch what happens. The other point I would like to make is one that comes out of the Constable of St. Brelade's speech yesterday or this morning, sorry, I am getting very confused, it has been days in this Assembly. The Constable of St. Ouen was talking about his pensioner that he had spoken to and it was a complex situation. Yes, we know it is a complex situation because I brought it to this Assembly and I was trying to look after the people like the lady he spoke about who has worked all her life, saved, and is being clobbered. But he voted against my proposition yesterday. But I would like to just highlight the fact that the communication - as the Constable of St. Mary said yesterday and again today - is not getting through. The media obviously have a huge part to play here, but so do the Constables and I would like to remind the Constables they are meant to hold Parish Assemblies to speak, to engage with their parishioners, and they are meant to have votes and work out how they should be voting in here. Deputies and Senators are political animals. We decide how we vote politically and we come in here and vote according to our conscience, but Constables should be listening to their constituents, to their parishioners. I would just like to make that point and sit down and offer Deputy Southern my support.

## LUNCHEON ADJOURNMENT PROPOSED

### The Bailiff:

Are Members content to adjourn? There are 2 more Members wishing to speak on this debate but clearly if the Assembly continues we will be here until at least 2.30 p.m. I would have thought. The intention of the Assembly was we would take a one hour lunch and reconvene at 2.00 p.m. Very well, if Members are content we will reconvene at 2.00 p.m.

[13:00]

## LUNCHEON ADJOURNMENT

[14:00]

### The Bailiff:

We are now quorate and we resume the debate on P.141, and I call on the Connétable of St. Clement.

#### 3.1.17 Connétable L. Norman of St. Clement:

Just firstly a gentle riposte to the Deputy of Grouville who just before lunch made a speech and seemed to wish to blame the Constables for all the ills of the world. I would tell her, and I am sure she does know from her experience in this Assembly, that the Constables do listen to their parishioners **[Approbation]** and it has often been said that the Connétables are more in touch with their parishioners in their electorate than other Members. **[Members: Oh!]** That may or may not be true but I know the Connétables **[Laughter]** are in touch. I would also remind the Deputy that we, as Constables, are States Members with the same capacity, same rights and same duties as every Deputy and every Senator and, therefore, we are representatives not delegates and Constables have a duty to vote and speak as their conscience sees fit. Returning to the matter under debate. We know that the United Kingdom introduced the Christmas Bonus in the late 1970s and many believe this was done as a political bribe. They set that Christmas Bonus at the rate of £10 a year. We introduced a Christmas Bonus some years later but, unlike the United Kingdom, we index-linked the Christmas Bonus so the U.K. value of the Christmas Bonus remains at £10. It is interesting to note, it is nothing at all in Guernsey. They do not have one. Perhaps one of the

reasons why running public services in Guernsey is cheaper than in Jersey. But I would ask the proposer of this proposition: why just pensioners? If we take that narrow view we ignore and forget about people under pensionable age who need support. As a Constable, and I am sure my colleague Constables do, we seek many people of all ages who need help and support and we as Constables do try and give practical support to those people whenever we can. If we adopt this proposition we could be accused of being inadvertently ageist, because if there is going to be a bonus or an increase in income support, which I think would be a much more sensible way of spending the money because then it would go to the people who need it, it should be for all people in need. When you think about it, this time of year, especially families who will find Christmastime exceptionally expensive. But it is people in need of any age who should be eligible for any new benefit that the States can afford and introduce. It is quite ridiculous, in my view, that someone of 65 who, I would say to Senator Ozouf if he were here, is not old - definitely not old these days - but of limited income, if this proposition is adopted could be entitled to an extra social security benefit paid for by the taxpayer. But someone of 55 or 45 or even 35 in the same circumstances or in worse circumstances would not be. To my mind that simply is not fair.

**3.1.18 Senator P.F. Routier:**

I have yet to have the opportunity to go and check my bank balance, but I understand my Christmas Bonus, if it is not there already, will be there very soon because I started getting a Christmas Bonus when I was 63; that is 3 years ago. [Aside] [Laughter] Thank you, thank you. I think from the previous debate we had about this topic we recognise that that was totally wrong, that someone ... I was not the sort of person that a Christmas Bonus should be aimed at at all, so I think we recognised that and Deputy Southern has brought a proposition to target it a bit more than what is currently happening. But when we look at Deputy Southern's proposition, the sort of questions that arise to me is his suggesting of increasing what was currently paid up to £83.73 and it is to increase it to £85. Do we know that is the right amount? Is that a good amount? Is it the appropriate amount?

**Deputy J.A.N. Le Fondré:**

Could I just go for a point of order, I think? The proposition does not say an amount.

**Senator P.F. Routier:**

The report does.

**The Bailiff:**

As a point of order, I think that discussion about the amount falls generally within the ambit of what is being discussed.

**Senator P.F. Routier:**

I would like the opportunity to have some information given to me about what is the correct amount to be given to people. I do not think there is anybody in this Assembly that is saying we should not have a Christmas Bonus now because we have listened: we have listened to not only what has been said in this Assembly, but also to the public. I have had quite a few discussions with members of the public in the street and people I know in various community roles that have really thought that there should be a Christmas Bonus. I know some people sort of said "Christmas" may be the wrong phrase but there should be an opportunity for us to recognise people's contribution and we should be able to support them in an additional way. The other issue is what is being proposed - is it the right people? Is the age right? Because when we look at the proposition, which the Deputy has brought forward, it talks about all pensioner residents. As I identified in my opening comments, it is currently paid to people who are 63. To my mind, I would have thought that that was a bit on the young side. But I would imagine that it would be ... even if you think about the

very generous donation which is made by a gentleman on this Island, that is aimed at 70. Is that the right number? Is 63 the right number? Is 65 the right number? I would like to have more information and a better understanding of the target group of people that we are really wanting to support in this way. I think the Constable of St. Clement spoke really well about the people that we could be helping - is it the right people? Would it be better to even pay a higher amount to those people who are on income support? Those who are really vulnerable. There is always a twisting of words to a certain extent and throwing around emotive words about those who are vulnerable in our community are having things taken away from them. That is a very subjective phrase to use, but what we really need to be sure that we are aiming at those people who have been identified in the income distribution survey. There are some people who could do with some more support and perhaps we should be really focusing directly on them and avoiding giving it to people who perhaps do not need it as much. The other issue with regard to some people thinking about supporting this proposition to keep the pressure on the Council of Ministers to come back with something else - I do not think that is probably the right thing to do because of the issues which I have highlighted with regard to what is being proposed. If we agree now that all pensioner residents in Jersey should receive this Bonus, I think that is wrong. It is not targeted at the community that we really should be supporting. I will leave my comments there. I think that it would be a retrograde step to support this on the understanding, and Members can take it as they like, but from my point of view, and we have heard from other Assistant Ministers, and we have got it from the Council of Ministers comments, another scheme will come forward, and it will happen and it will be debated in this Assembly. If you do not like what is coming forward well you can say so at that time and you can amend it. I would urge Members to, because of the wideness of this particular proposition where we know that we need to constrain it in some way, that we would be better to reject this proposition and allow the Minister for Social Security to come forward with an additional scheme.

### **3.1.19 Deputy A.D. Lewis:**

What perplexes me about this debate is why did the Council of Ministers not think that this might happen in the first place when they proposed that it be taken away? It should not be a surprise to them that this debate is occurring and it is occurring throughout every Parish, every street, every house that is affected or knows somebody that is affected. It is a major communication blunder that could have been avoided. The Council of Ministers has done this a number of times in recent times and it could so easily be avoided or at least minimised. When we went through the fiscal strategy, going back 8, 10 years ago now, when the G.S.T. debate was occurring, they put in a bonus related element to it for those that were in most need, and that was part of the package. So it was still difficult to get through but it had been thought through and it got through. This did not happen and it is such an own goal. You pick your battles. You pick your battles with your teenagers, you pick your battles in politics, you pick your battles with staff in your office. We have not done this very well. I was at a Parish meeting last night and very polite well-meaning pensioners were aghast at how they were being treated when in fact I think it was explained very well by Senator Ozouf: they are not being treated particularly badly at all, but it sounds like that. In our business of communication and politics what you are trying to communicate is not always easy. It is sometimes muddled by messages coming from the media. It is sometimes muddled by the whispers in the Parish. So it is hard, but if you do not try in the first place to communicate it clearly then you are on the back foot from day one. Today, I think we need to send a message out to the public out there that we do care, that we will review this properly but we will do something right now and we will put it in place, as Deputy Southern is suggesting. If the detail is, as many people have said, not right, as Senator Routier just mentioned, there are lots of different ways it could be done, that can be sorted out later. I know it is not how you would like to do things, but the Minister for Treasury and Resources suddenly found ... or at least he is going to find £1.5 million for the Sea Cadets. I understand that will possibly come from capital spend that has not been spent. I have seen the

capital programme unspends. It is significant. That is not to say we should go and spend it, but there are funds there. We can do this now. We can send a loud signal out to the public that we do listen, we have communicated this badly and we can do something about it right now. I think that is important to restore some confidence in the Assembly. Not that we have done anything wrong, but we just communicated it really badly. Why did we not produce a nice little leaflet to give to the Constables, to share with their parishioners over the changes to allowances on pensions? Nothing. We had to work it out ourselves, which we did. We had some presentations with the Treasury, perhaps too late, and the Constables could have quite easily called some Parish meetings, if they chose, to inform their parishioners. Maybe they could have sent something with their rates messages to all parishioners of a certain age that may have been interested. It did not happen. So now we are trying on the back foot to explain why those allowances are being changed, as we did yesterday. It is an own goal. We need to do this better. The Council of Ministers need to communicate better their policies to the public before they get debated in this Chamber. So today we can put it right, temporarily maybe, maybe there is some detail that needs to be sorted out later. I have no doubt about that. Senator Routier was very clear that this is not the best way to do it but it is a way to do it. Look at it this way: maybe Deputy Southern has saved us £1 million, not spent £700,000 because we have come back with a solution that the Council of Ministers could have brought forward in the original debate on this issue. It could have been better crafted in the way that Senator Routier was suggesting but, instead, Deputy Southern has done your work for you and saved you £1 million, but the pensioners that perhaps do most deserve it, those that do not pay taxes, it is one criteria we can use. I am not saying it is perfect.

[14:15]

But I think we can send a signal out to the public today by voting for this and I would urge Members to do so.

### **3.1.20 Senator A.K.F. Green:**

I am glad to follow the previous speaker, because I learnt very early in life if you make an error hold your hands up to the error, but do not compound it by making another one. That is what we are in danger of doing today. Why did we get where we are? We got where we are because we have failed to get our message across. We have failed for people to understand what the Medium Term Financial Plan was about, what the reductions in expenditure generally are about. There are many members of the public out there who think we owe £145 million, not that we want to move money from one department to another to invest £40 million a year in health, £9 million a year in education and a one-off investment over a period of time in growing the economy. Although many people out there think that the black hole really exists. What we are doing is investing in the future. Planning for our elderly population. We know that in not that many years' time, and I have got a good chance of still being around - alive by that I mean - then, one-third of this population will be retired. We are expecting about 2 working people to be supporting 4 retired people. That is what this was all about. We got it wrong. We have not communicated it well and maybe we got this one not quite where it should be. I would just like to pick up one comment before I continue on that. Deputy Wickenden said that we are not going to sack 17 nurses. He is so right. The Minister for Social Security was not suggesting that we were going to get rid of 17 nurses. What she was saying is because of this investment we have got the chance to employ 17 nurses, or in fact considerably more than 17 nurses. We are not going to get rid of 17 nurses. That was an idle threat I think to worry people. I learnt very early in life, as I said, if you make a mistake the last thing you do is to compound it by making another. We have accepted we got it wrong. We need to go back and look at it. I would want to look at the age criteria. I would like to look at how we are going to fund it. I would like to think the legacy to my grandchildren is that they are not going to have to pay even higher taxes to support people like myself. I would like to look at whether some of our vulnerable

disabled could be helped at Christmastime. I ask Members to reject this proposition. We have given a very clear undertaking that we are going to come back, and allow us to bring something back that is properly structured, properly informed and, above all, properly communicated.

**3.1.21 Deputy S.M. Brée:**

We have heard many points of view in this debate; some more relevant than others to this particular proposition. What we are presented with here is a very simple choice, or 2 choices really. First of all, do we believe in the concept and ideal of a Christmas Bonus for O.A.P.s (old age pensioners) who, for a lot of them, and we are talking about means-testing here, but for a lot of them this sum of money allows them to have a proper Christmas. Point 2, do we have the confidence and belief in the Council of Ministers to come back to this Assembly by June next year to deliver some form of bonus system when it is apparent they do not believe in the concept at all. I am afraid I am lacking that confidence at the moment. We have also heard some very emotive speeches from a number of Assistant Ministers declaring how they believe in the concept of a Christmas Bonus for those O.A.P.s who need it and yet they will not do anything against the Council of Ministers' wishes. If the Assistant Ministers really do support the concept then why not support Deputy Southern's proposition? Quite rightly, it has been said, that if the Council of Ministers come back with something better we will adopt that, but at least by supporting this proposition it is sending a resounding message to the Council of Ministers that the majority view of this Assembly is that we believe in the concept and we believe that it needs to be means tested. That is what we are here today to decide upon. That is the decision we are all going to have to make. With regards to the Constable of St. Clement's comments that he cannot support the proposition because it is somehow ageist, I totally agree with him. As to reviewing the benefit system as a whole, it is a major piece of work we need to do. I look forward to seeing his proposition early next year on that. But fundamentally I believe in the concept that a Christmas Bonus should be given to those O.A.P.s who are deserving of it. I agree that it should be means-tested. But I do not have the confidence in the Council of Ministers' undertakings, I am afraid. That is why I am going to be supporting this proposition.

**3.1.22 Deputy A.E. Pryke of Trinity:**

As has been said, a lot has been said so I shall be quite brief. I think the Council of Ministers do care and, more importantly, a lot of the care is because we have not rested in Health - for the Westfield scheme, Long-Term Care, the rapid response and mental health, as well as Children's Services – and a lot of it has been earmarked for our senior citizens in society keeping them at home, if that is possible, where they wish to be. The Council of Ministers have listened and this is with the comments that came back. I, for one, would like to see it targeted. As the Constable of St. Clement has said, there are other young families who do struggle at Christmastime. Should we be ignoring them? I would like to think that the view that the Minister for Social Security has given, she has given her undertaking and I think we should take that word because she is a very honourable lady and that work will be done. Before I was 60 I got a Christmas Bonus. It was with the Survivor's Pension, and still now I have got an O.A.P. at 60 I get that. It is wrong. We need to make sure that it is targeted to the right people and we have this chance now to make sure it is targeted to the real people that really need it. They could be pensioners, but they could be young families as well, but we need to do that work and the undertaking has been given by the Council of Ministers that something will come along with the Medium Term Financial Plan for next year. This year the pensioners are fine. We have all got our Christmas Bonuses, thank you very much. Thank you for mine. But it is next year that is more important and we need to make sure that the money is used. We need to try and make sure it is sustainable too for the future, because if it is more on pensioners we know that the number of pensioners is going to double by 2030, I think. So we need to make sure, looking to the future, that it is sustainable. So I urge Members please, hold us to account. Hold the Council of Ministers to account and make sure that we bring something

back, something that is fully funded, something that is really targeted for the people that really need it back in June.

**3.1.23 Deputy L.M.C. Doublet:**

I will try and be brief. I am trying to gather my thoughts on this in a similar way to yesterday on the first amendment. I think there are issues here which are bigger than this debate in terms of not just looking at issues in isolation, but looking at the big picture; but again, as other Members have said - and I am sorry if I am repeating – we do not have enough information on the impact of what we are doing, on how it is impacting people, and this is where I am really struggling again to make a decision. I think on balance I am going to vote ... I would like to vote separately and I want to remind Members of the Deputy of St. John's speech where she pointed out that we could perhaps vote for part (a) and I do not think anybody, even Members who are arguing against this, has convinced me not to vote for part (a) because even if you agree with the Council of Ministers that they can come back with the measures they are going to bring in the summer then they could still ... this part (a) would simply give assurances to pensioners for next year. It is a one year of certainty that they will have a Christmas Bonus, and it is means-tested, so that for me meets the test of is it reasonable. I think it is. I would really like to vote for part (a) and I would urge all Members, whatever their views are. I do not think anybody has argued against part (a) so I think everybody could vote for part (a) and I hope they will.

**3.1.24 Deputy R. Labey:**

I just wonder: if it is the Council of Ministers' intention to do this anyway, why have they not? Why was this not in the M.T.F.P.? Why have they not amended Deputy Southern's proposition? In truth we have no clue what they really intend to do. I hear what Deputy Andrew Lewis has just said, but it is not just about whether they got their message across. It is about whether the systems they have in place at the moment are assisting people in need no matter what age they are. We have already seen, of course, income being reduced from single parents who are among the poorest. I, like the Deputy of Grouville, started writing down in the previous debate all those references to this Assembly being king, in the words of the Chief Minister. He said this Assembly has the final say, even on the tarmacading of the Grande Route De St. Jean. The Constable of St. Peter said this Assembly has control over decisions made, perhaps, by Property Holdings and the invitation ... a lot of them said that we have the final say and the invitation seemed to be proffered. "Put in your proposition, Back-Benchers" and good luck with that by the way and do not expect their support. Good luck with it, because you will be up against the might of the Council of Ministers who can play very dirty. I speak from personal experience. With collective responsibility and the whipping of the Assistants, *et cetera*, as I say, good luck with it all. I am awfully pleased that the new Greffier is in the House to hear all those invitations from the Ministers to Back-Benchers to come and challenge them [**Approbation**] because, through the Chair, we are going to need the new Greffier's help, just as we have needed the retiring Greffier's help and his wonderful team. They are all we have got and we are incredibly grateful to them, I know. [**Approbation**] By the way, if you do win, do not think you have won. [**Laughter**] Through the Chair, it can count for absolutely nothing apparently. I would say this, with respect to the Honourable Lady, the Minister for Social Security, I think in light of those sorts of comments it is disingenuous to begin your comments, I think, through the Chair, dismissing Deputy Southern's proposition here today as a poor use of this Assembly's time and being cynical before Christmas. I think there are a lot of pensioners listening to this that will wholeheartedly disagree with the Minister. [**Approbation**]

**3.1.25 Senator I.J. Gorst:**

I see others have now put their light on and I understand the choreographing of debates. I do not take any pleasure in having to follow the master, as I now find myself doing. But I want to perhaps start by trying to explain some of the Council of Ministers' thinking on the comments that we

lodged. Ultimately on why we felt it was the right thing to remove the Christmas Bonus legislation, and I am grateful to Members of the Assembly and some of those who have spoken, have said why they did that in the Medium Term Financial Plan.

[14:30]

Because we discussed and touched on some of the subjects during the Budget debate about freezing age-enhanced allowances. That is because we are facing an ageing population and we do have to align our policies with ensuring that we are ready to face that. It was only after I sat down, it seems like longer than yesterday but it was only yesterday, and I chastised Deputy Southern for suggesting the ageing population was a problem that was 30 years down the line and correcting him. Hansard will show that he used that phrase and I said: "No, it is not 30 years down the line, there will be 28,000 people in our community aged over 65 in 20 years' time." I will let you into a secret - it was my birthday yesterday. **[Approbation]** I did a little bit of arithmetic and I realised that I had been using a term that was not quite correct because I will be, in 20 years' time, one of those 28,000 that those younger than me and my age now - my children and, hopefully, grandchildren - if we do not change the systems we have got will be paying for me to enjoy a lifestyle that they will be funding. People tried to say that that was a debate about the old and the young and being divisive, it was not. It is about us in this Assembly and the fact that we, not all of us, I must say but certainly the majority of us, will be in that 28,000 and that is why it is important for us to make the decisions that we are doing. The ageing demographic is still an important part of the debate that we are having today. I just wanted to also draw attention to the comments of the Deputy of St. Ouen, and I thought his speech was a powerful speech because he brought us right back to the very rich detailed report that we have got in the income distribution survey. Ministers have tried to hold the intention those to (1) piece of research and (2) policy and challenge that we face. We are mindful that in the income distribution survey it does show that there are 28 per cent of pensioners in relative low income. We are not heartless. We are cognisant of that fact. We want to make sure that our policies are aligned with supporting the most vulnerable in our community. We discussed at length, as a group of Ministers, how we could hold those 2 important facts, which is our intention, how we could hold them together. I say that because Deputy Southern's proposal on the table, and I have heard a lot of Members today say: "It does not matter, we can support Deputy Southern because a bird in the hand is worth 2 in the bush" but Deputy Southern says in his proposition that we will come back with a bonus for all pensioners who are not paying tax, who are in receipt of income support. He knows that is between 7,000 and 8,000 pensioners. I think he says 7,000 but the Social Security Department believe it is slightly more than that.

**Deputy G.P. Southern:**

Point of correction: my information comes from the Tax Department. How many people over 65 are not paying tax? That is 7,000. That is from the Tax Department. Please, do not inflate it.

**The Bailiff:**

Deputy, you have a chance to sum up at the end of the debate. Thank you.

**Senator I.J. Gorst:**

He will, Sir; that is right. I am simply providing the numbers that I have been provided with. We will have to see what the accurate number is in due course because, of course, they will be calculated slightly differently, depending on the relationship they might have with a different department. But the income distribution survey shows that those in relatively low income is just short of 5,000 pensioners. We, in the new world, of making sure that we only bring forward policies, and this is something that the Deputy of St. John has continually brought to our attention:

that policies should be aligned, that we should try and do appropriate research, understand what the policy is and then deliver on that policy. We do have a policy of preparing everything that we do and only bringing forward new proposals that are aligned with the ageing population and, at the same time, as I have said, aligned with trying to deliver improvements over the next 5 years in what the income distribution survey tells us. We see already that if we simply accept what Deputy Southern is saying today, those policies will not be aligned. I do not think that is what we should do. I think it is far better for us to allow the Social Security Department to do this work so that we can make informed decisions about a bonus that will meet both policy objectives because it is critical that we do, so that we do not put on to future generations costs and proposals that are not sustainable. The Council of Ministers - and I challenged them when we were debating what our response would be to Deputy Southern, and before that - are absolutely clear that in lodging the comments that we did that said we are going to do a review, also accepted and acknowledged that by starting the review there would be, as a result of it, the reintroduction of a Christmas Bonus. Some Members did not like the term "Christmas" because they felt it ended up being emotive and we were not necessarily always good at making the right decisions on that basis. But in my view, it has to be the Christmas Bonus, but that will be, ultimately, for Members to decide. That is why Ministers said in their comments or made the comments that they did, that we will bring forward that review that will propose a Christmas Bonus, but it will need to be approved by this Assembly. Senator Routier, I thought, gave an excellent contribution, and I am sure Senator Bailhache is not going to speak in this debate, but I am sure he would also thank the taxpayers for his Christmas Bonus, as Senator Routier did and the Deputy of Trinity did. But Senator Routier made the point that he has received his Christmas Bonus since he was 63. That is not sustainable if we continue to simply pay benefits on an age that was considered old in the past and is not with our increasing longevity. The same reason that the Assembly has approved the increase in pensionable age and elsewhere in the world we see the increase in pensionable age rising again, not just to 67, as we have agreed, but on to 70 and not in the slow-reasoned appropriate way that we have agreed but in a rather rapid way over the course of not very many years at all. But this proposal expects the continuation of the ability to receive even a means-tested bonus at the age of 63. That cannot be aligning our policy of preparing ourselves for the ageing demographic, while at the same time supporting the most vulnerable in our community. Ministers know where this review is going to lead and that is why they have said it in their comments. It will lead to the reintroduction of a Christmas Bonus. But the information Ministers want to lay before the Assembly is how we can do that and hold in tension the 2 policy objectives that I think every Member of the Assembly acknowledges we need to hold in tension in order to deliver on our long-term policy aims. Some Members have asked why it cannot be done any quicker than June and as part of the M.T.F.P. addition. I want to almost separate out the commitment given for the Christmas Bonus is not a commitment given on the floor of the Assembly, on the hoof, by the Chief Minister or the Council of Ministers. It is a commitment in black and white, in the comments. The department have already started considering it and we felt that it was appropriate that it would be aligned with the M.T.F.P. addition. I am informed by officers that it could be done quicker and it could be done, I think, in the first quarter of next year, if that is what Members wish. That, again, would be a commitment on the floor of the Assembly and I recognise that some Members do not accept those commitments, which is why I have referred in detail to the commitment in black and white in the comments, which you could say is worth the paper it is written on, rather than a comment just recorded in Hansard. The work will be undertaken and it can be done quicker than June. Of course, the most complicated bit of the work is understanding the distribution and how it is to be best targeted. It was, I think, Senator Routier, again, that said: "There is an assumption in Deputy Southern's proposition that £85 is the right amount for the bonus." That may be a reasonable assumption, because he has slightly uprated the existing bonus that people are being paid this Christmas. But I think he shares with me a desire to make sure that for the most vulnerable we are

targeting and providing an appropriate amount. It might be that if we set aside a set amount and we bring forward a proposal of where that money can come from, it might be that slightly more should be provided once we have done the research and the distributional work. We do not have that information in front of us. We would simply be working and running off what has happened in the past. Even though many Members have stood up in this Assembly and said they are not certain that what we have done in the past is right and we should have a review. Far better, I think then, that we do that review, that the Minister is allowed to come back with her proposals and we then have a debate about whether what is proposed is going to meet both of those policy aims. I think on meeting those policy aims I think we - right across this Assembly - are aligned. I know for some it is different, but for some it is a motive. I just remind Members of what Senator Green said about, perhaps if the policy was not quite correct in the past, let us not reinforce that, let us do the work to make sure that in future we do meet those policy aims. Thank you.

### **3.1.26 Deputy S.Y. Mézec of St. Helier:**

I apologise if I pause at any time in my speech, I have obviously had to cross out bits and pieces as other people have made points, so I do not necessarily repeat them. I, for one, am absolutely delighted to support this proposition. This is exactly the sort of proposition that my constituents expect me to support. It is completely in line with the ethos, the manifesto, on which I stood. Although I did not refer specifically to the Christmas Bonus, I did say in my manifesto that I would oppose cuts that affect the most vulnerable in society and I would support any measures to provide them with more support. So it is in line with my manifesto. While I accept that Ministers no longer have manifestos, because of collective responsibility and the fact they have to throw them out the window when they get elected, I would ask the Assistant Ministers who have much more leeway in this and who are not bound by that collective responsibility, unless you are a particular Minister's Assistant Minister, is: think what those Members said in their manifestos and think what their constituents will think on this. A point has been raised by several Members about the problem with communication here. I accept elements of that criticism, but I do not accept the whole thing. I think a degree of that is a little bit patronising, to be perfectly honest. There are plenty members of the public who do not understand what the Government is trying to do. They understand perfectly well. They just do not like it. They are perfectly entitled not to like it. They are perfectly entitled to have a different point of view and the Ministers should bear those people in mind as well and do not just dismiss them: "Oh, they just do not agree, because they do not understand." Many of them do understand and I think we should be paying much more attention to that section of society that are disillusioned with the Government and that do not support the course they are on. I think, frankly, those people need to be shown more respect. I have lost count of the number of people that I have spoken to on this particular topic, the pensioners' Christmas Bonus, and many of those people had mixed feelings about abolishing the entire bonus. Some did feel that it was wrong that something was being handed out to some pensioners, many of whom have lots of money themselves. Some people supported the principle of universal benefits and said: "Well even though it does go to some people who are very well off, the symbolism of society giving something back to those people is okay." It is similar to what Child Benefit used to be like in the U.K. So there are 2 sides to the argument there. I can understand both of them. But I did not meet a single person who said that they could not understand why the Christmas Bonus could not at least be kept on a means-tested basis. Many of those people were very disappointed that that was not an option in the M.T.F.P. Deputy Southern, I believe, was the one who put that particular amendment forward to keep the whole thing. Now we are deciding to put forward one on that means-tested basis, which should really be a compromise that most Members, and I would hope most members of the public as well, could get behind, especially when you consider what we have had since the M.T.F.P., which is the results of the income distribution survey, which showed us that a third of pensioners in Jersey - that is a third - are living in relative low income. Whatever problems there may be in

Government finances, Jersey is still one of the richest places in the world. To be able to say that we have a third of our pensioners, people who have worked hard all of their life and deserve to retire with dignity, living in relative low income, I think is absolutely unacceptable and frankly it should shame us all and we should all be wanting to put forward more to get these people out of that situation, have a much more comfortable retirement. That is part of why I support this, because that is one thing that will go towards that. I saw some Ministers on the other side shaking their heads at this, because they will say: "Oh well it is okay, because we are putting more investment in health, we are putting more investment in the public services that these people will rely on. That is all well and good, but who is paying for it? It is the poorest in our society anyway. We have already taken £10 million of benefit cuts that are affecting disabled Islanders, single parents and pensioners already. I have got this old-fashioned view, which is that when times are tough it is those with the broader shoulders who should carry more of the burden. It is not good enough to say that: "Yes, we will invest in public services, but we are going to do that on the backs of the poor. We are going to take away their support. We are going to increase their taxes. That is a regressive way to do things. It is, frankly, in my view, immoral to be doing it that way. This proposition will go some way to hopefully mitigating that for a section of our community. In fact, I was on the phone yesterday morning to someone - I hope they are listening, because if they are I would like to take the opportunity to apologise to them, as on the phone I was not perhaps as polite as I could have been, simply because they caught me at the wrong time. I was in the middle of something and was not able to spend as long on the phone to them as they clearly wanted - they were calling me to let me know that just out of bad luck they happen to have been a little bit ill recently. Their Christmas Bonus has gone on doctor's fees. They had to go see the doctor twice recently and that is what the bonus has gone on. If that were to happen to them, as it is getting colder, as winter is setting in, next year, as it stands, they would not be able to do that. I think that is absolutely unconscionable, personally. What was refreshing was to hear Senator Green admitting that on this particular issue they had it wrong. I think any politician who is prepared to stand up and say they got something wrong must be commended. Although I will say, if he is prepared to do that for all the other things that the Government has got wrong in this term, we will be missing our Christmas lunch tomorrow for sure, because they will need a lot more time to be able to do that. But that is the point here: if they accept that they got it wrong and they have issued comments saying that they would support the idea of a means-tested bonus in future. Here is the obvious question: if you are going to put the effort into doing those comments, why could they not have put the effort into lodging an amendment to Deputy Southern's proposition? So if you are not totally happy with the wording of Deputy Southern's proposition you can lodge an amendment which will change the wording to something that perhaps gives a bit more leeway to the Government to be able to pursue doing it in the way they want, backed up with a binding decision from the States Assembly, rather than just some words on a bit of paper, which frankly, as precedence shows, often those words mean nothing. Time after time a Government has said: "Yes, we would like the States to begin paying Parish rates, for example" and it gets delayed. We have had, time after time, the Minister for Transport and Technical Services standing up and saying: "Yes, we want free bus passes for disabled Islanders," and that keeps getting delayed as well. I think Members who stand up and say: "We do not have the confidence that the Government will be able to do this in the timescale they are saying" are entirely justified. Had they instead put an amendment here, Members would have had peace of mind and would have been able to support it. I think the Council of Ministers have made another mistake. Hopefully another Minister will be prepared to stand up and say they got it wrong and allow the rest of the Council of Ministers perhaps even a free vote on this, to be able to vote according to their conscience and support this, as I know many of their constituents would want them to. I was speaking to one of the Deputies during the lunch break, who asked me to bring up this point, and it is something I had noticed that, when these comments talk about - and backed up by what the Ministers have said in their contributions as well - a future means-tested bonus, but

they have not given any indication whatsoever of what the criteria of that bonus will be. In this one we are talking about the 7,000 poorest pensioners and we are saying: what is the current rate of the bonus, but uprated for inflation? That is quite clear there. There is nothing in these comments they have issued that suggests perhaps they will come up with their proposition at the M.T.F.P. and we will find out it is not an £85 bonus, it is a £20 bonus and perhaps it will not go to the 7,000 poorest pensioners, maybe it will only go to 1,000 pensioners. They have given no indication of details there whatsoever. When another Member describes this proposition as being a safety net, I think that was absolutely the right way to describe it. On that basis, surely the default position is to support this proposition and then when the M.T.F.P. section comes up next time round, we can decide if we want to amend it further, if we want to reject what they suggest and stick with what we have already, then that will be a decision for States Members to make then. Whereas if we do not accept this proposition then there is nothing to fall back on in that circumstance. I am going to end now by repeating a quote from something which I know many Members of this Assembly will be familiar with and something that many of us will hold close to our hearts and over the years will have been a source of moral guidance for us. I am, of course, talking about the cartoon, *The Simpsons*. There is one episode where Homer Simpson reneges on his promise to take Bart and Lisa to a theme park. Homer says to the kids: "I make loads of promises. That is what makes me such a good dad." Lisa says: "No, I think you will find it is keeping promises that makes you a good dad." I am saying to this Government - and I will not ask Members to decide which Member is Homer Simpson in this analogy - and want Members to understand the point that the governments do not deserve praise for making promises, they deserve praise for keeping promises and delivering on things. What this proposition does is it give a much better satisfaction, I think, for Members to know that something will happen next year, rather than just words on a sheet of paper and comments which are not binding, which the government can renege on if they want to. The default position must be to support this proposition. I will be voting for it on that basis.

### **3.1.27 Senator A.J.H. Maclean:**

This is obviously a very difficult debate. It is one that has raised many different points of view. The Council of Ministers, not surprisingly, when this matter was discussed as part of the development of the Medium Term Financial Plan, agonised over a number of propositions that were contained within that particular plan. Issues around: is it a financial matter, is it an emotional matter and how are we going to deal with it? I have to say in this case it is probably both. It is financial and most certainly emotional. When I say financial, I do not just mean financial as far as the public purse is concerned, I mean, financial in relation to those people who have a genuine need for support of this level. I think what is probably more important than anything else, and I made this point in my summing up yesterday with the Budget, is that it is important to listen and to listen to the views, not just of Members, but more broadly. There are a wide range of views expressed on a number of different subjects in the Budget yesterday, which I found interesting. I think it is relevant to what we are debating here today. It is not just about a Christmas Bonus and whether indeed we should even be calling it a Christmas Bonus or we should be recognising the fact that there are some in our community who need support. It is about getting the right support to the right people in the right way at the right time. I think a Christmas Bonus we recognise, from a Council of Ministers' point of view, back at the time we were discussing the Medium Term Financial Plan, was inefficient. It was going to a broad spectrum of people and money was clearly not targeted in the way that it has to be, as we look forward to ensure that we have sustainable public finances in the future. On that basis and that basis alone, this proposition from Deputy Southern is compelling. It seeks to do a job. It seeks to be more targeted than the existing system that was in place previously. I think the concerns that Members have about trust around the Council of Ministers is disappointing. There are plenty of examples where the Council of Ministers have made and given undertakings and those undertakings have been delivered on. What I would say with this particular

one: it is not a question of delaying it. You cannot, after all, delay Christmas. There is going to be Christmas next year. There is an undertaking that this matter has to be resolved prior to that. I can assure Members, without any shadow of doubt, that the undertaking given in the written comments from the Council of Ministers, that there will be a Christmas Bonus next year. Of course, Members know and members of the Island community who are listening will be aware that this year's Christmas Bonus is still being paid and many will have received it. This is a matter, therefore, for 12 months hence. There is, therefore, plenty of time. Now other Members, and the previous speaker made this point, about why the Council of Ministers did not amend Deputy Southern's proposition. Quite simply, because the point we are making is that we need to have the necessary facts to make sure the right scheme is put in place, not the wrong scheme. Deputy Southern has chosen in his proposition to identify all pensioners who do not pay tax. The number that is identified in the proposition is 7,000. The Deputy is right. It is 7,000, although those statistics came from 2013. They are slightly out of date. That is not his fault. Those were the figures he was given. It is reasonable to expect that those numbers will have risen. That is not the point. The point is this: the income distribution survey, which has also been mentioned, very relevant point and good points from the Deputy of St. Ouen in relation to that, talks about the number of pensioners in relative low income, of which Deputy Mézec was saying it is a third, it is 28 per cent, we will not argue over a per cent or 2. In numbers, because a lot of people struggle with per cent, that is 4,900 people. That is a lot of people in our community who are in relative low income, as far as that survey is concerned. Deputy Southern is proposing 7,000. Relative low income from the Income Distribution Survey is talking about 4,900. The point I am making is: a lot of additional work needs to be done to identify who needs support. Deputy Southern suggested, in the report element of this proposition, that £85 is appropriate.

[15:00]

If it is less people and targeted to those most in need, it is not inconceivable and unreasonable to think that the amount that he is identifying as a cost in his proposition could not be better targeted at a larger sum to people in greater need and make it broader. I think it was the Constable of St. Mary who raised the point about are we getting to the right people and are there issues much wider in the community of people who need support. That may well be the case, but we need to do the work to establish that. That is why this particular proposition, although it is without doubt heading in the right direction we cannot be sure is the right proposal. I would say that surely Deputy Southern, who with his background of distinguished service in the Scrutiny area, Scrutiny which operates on evidence, evidence-based, should recognise the need and the commitment of the Council of Ministers to come back with a proposal, evidence-based, to target the money to the people that most need it in our community. If Members do not like the proposal when it comes back, it can be amended. That is what the parliamentary process is all about. That will come back in plenty of time, well before the implementation timescale that is necessary to ensure that the Christmas Bonus is available for next Christmas for the Islanders that need it. A couple of points, I would also just finish off with, just mainly in line of correction. I think it was Deputy Andrew Lewis, who I see is not here at the moment, made a point about the Sea Cadets funding. That, again, was a commitment the Government made some time ago that this needed to be done. It has taken too long. We have listened. This Government has listened. This Government has listened to the Constable of St. John and is putting in place a solution to deal with it. The point here is though: it is not a question of the Sea Cadets versus Christmas Bonus. The Sea Cadets funding is capital. It is a one-off payment. What we are talking about here, as far as Christmas Bonus is concerned, that is recurring ongoing expenditure. We do need to put the perspective right. I think also for Deputy Andrew Lewis to say: "Deputy Southern's proposal before Members today may not be the right one. It may not be the best way, but at least it is a way." That is not how we do Government. We do not go for second best. We look for the evidence, we work it out properly and then this

Assembly makes a decision based on the facts to target support to those that really need it. I would ask Members to consider those points and to reject this proposition and to be clear that the Council of Ministers have made a commitment to come back with a plan that is going to deliver on, what I believe, Members in this Assembly want us to do, which is to get the right amount of support for the right people. That could be more money, could be to less people and the age, of course, is the other issue that will need to be looked at together with a few other points. So I would ask Members to reject this, please, and allow the Council of Ministers to do the work and come back as they have promised to do.

### **3.1.28 Deputy M. Tadier of St. Brelade:**

I do miss the fact that we do not have Deputy Martin in the Assembly for this debate, because an expression that she likes to use and no doubt would have brought up is: “the jam tomorrow debate”. We could arguably not be talking about the Christmas Bonus today, we could be talking about the provision of jam for the elderly. We could have an analogy which says: “At the moment, this year, all old people will get a nice jar of homemade jam, which will be delivered to them on their doorstep as they need it.” Other people will say, Council of Ministers in this case: “Well, that does not make any sense. First of all, we cannot afford to deliver jam to every home in the Island. Therefore, we are going to change that plan and we are just going to take all the jam away. Because, first of all, the real reason is we cannot afford it and we are being a bit mean, even though it is Christmastime. But essentially there are some people out there who do not like jam. You know, jam might be high in sugar, if they are diabetic, they are prone to obesity, that is going to be bad for them. Many can afford to buy their own jam. So even though we know that there are quite a lot out there, maybe a third, who could not even possibly have jam even if they wanted to, we are going to take it away from everybody.” Then quite rightly, people who are making the decision say: “We are a bit uncomfortable about that, because there are people who rely on this bit of confectionery at that time of year.” They are saying: “Yes, I agree we are going to have to take the jam away, but at some point we are going to have to give it back. So I am going to take it away. It would have been better if you had targeted this better.” Then somebody comes along and says: “I have this really good idea: why do we not just have a third of the jam that we had before and give it to those who most need it?” Then, of course, the argument changes again, because we say: “Well, we do not know what kind of jam they might like. At the moment we are giving strawberry jam out [Laughter] we have done some research … we have not really, but we have spoken to people and we have done some back of the fag packet calculations and we think there are a certain proportion of people out there who like apricot jam or who like raspberry jam. Even though we have taken away some raspberry jam and apricot jam from other people anyway … this is perhaps where the analogy is becoming quite obviously, is that we have people standing up today and listening from outside the Assembly, perhaps gives you a slightly different perspective. A lot of the words sound really good when they come across on the airwaves and you cannot necessarily pick up on the hypocrisy if you are not a particularly nuanced listener. You get the very same people who voted to remove the Christmas Bonus, you get the same very same Constable, in fact, St. Clement in this case, who says: “We could not possibly give a bonus to everybody, including the wealthy.” That is somebody’s position which I do not agree with, but I respect his persistence in that. We said yesterday when I was speaking, that very same Constable has absolutely no problem giving a non-means-tested Christmas meal to all of his parishioners. I look forward to the day when he brings that to the Parish Assembly and says: “By the way, I do not think you deserve it. I am taking this away. We are not only giving it to pensioners, we are going to give it to some of the less able in our society.” I am currently looking forward to that proposition by the Constable of St. Clement. I suspect it is not going to happen, for whatever reason. But maybe he will feel the courage of his convictions to bring that to the Parish Assembly. We have heard the very same people who, at the time of the last debate, which was a very difficult decision for some, are saying: “I cannot support

this, because it is not well targeted. But I would like to support a means-tested Christmas Bonus.” We know that the vast majority of the public out there, the ones who might have been reluctant to remove it all, have said: “Okay, we understand that not everyone deserves it, but it should at least be means tested.” The vast majority of people say that. Back to the jam analogy, we have a choice today. We can either vote for something that we know, which has been written down, which says: “Part (a). To agree that a new means-tested Christmas Bonus should be introduced from December 2016” or we can vote for the unknown. We have absolutely no idea what we are voting for today if we reject this proposition. Members may be voting for completely different reasons. They may be voting because they do not believe in a Christmas Bonus at all. They may be voting because they believe that everybody in society who is poor, if you like, no matter what age, should get a Christmas Bonus. There are those who do not believe in the Christmas Bonus, they believe that there should be year-round benefit coming out, that everybody should perhaps get £1.50 extra a week. Which I do not see the benefit of ultimately, because that gets absorbed into your daily running costs, you do not necessarily appreciate having £1.50 in your pocket. If you lost £1.50 you would probably feel the pinch more, but not necessarily by gaining that. Having a tangible fixed sum that you can rely on every year, when you need it, when the expenses come round, we know that is an issue. We know, also, that Christmas is a difficult period for people. For some reason, I do not know why, but I found myself talking to a funeral director this morning, I said: “Have you been particularly busy this time of year?” He said: “Yes, we have. We are not sure why. At the beginning of the month, the end of November, things seemed to be quiet and then in December, as we approach Christmas, we seem to find ourselves having a lot more custom.” That is because, I think, there is a lot of underlying issues that happen around Christmastime, not necessarily just financial expense, a lot of emotional expense, which I noticed that Deputy McLinton spoke about earlier. It is the human element. It is the fact that the emotional aid that we can give to people. At this time of year we can be giving some certainty for next year: “You are not going to lose Christmas Bonus. Some of you may, some of you will not, because we are going to make sure that those of you who need it get to keep that.” We are talking about the Christmas Bonus here. There is no point in changing the goal posts and trying to introduce a new element. The Council of Ministers are saying: “Maybe it is not the way forward. We need to introduce a completely new benefit, maybe a benefit for single mothers. We could introduce that, give them more aid, because they need it. We could maybe give other benefits for those who are disabled or on long-term incapacity. Maybe give them a bonus.” But we seem to have been doing exactly the opposite of that. I think that that is what most sticks in the throat, is that some people are standing up saying: “We need to do more for all of the most vulnerable in society.” When in the last few months we have been doing exactly the opposite, passing measures which penalise the most vulnerable in society. What confidence then we have in this Council of Ministers when they say to us: “No. This simply does not wash.” It is, I think, at best, disingenuous arguments that are coming forward. We have today the possibility of voting, taking positive, decisive action for a set of measures which we know will happen if we vote for it. If we want to hold the Council of Ministers’ feet to the fire then we do it by supporting this proposition. Certainly part (a) should pose no problem for anybody who thinks that we should have some form of Christmas Bonus for the elderly, but only for those who most need it and part (b) similarly provides the security for that happening. I would expect the majority of people in this Assembly to say to the Council of Ministers like one Senator, like one Minister has already said: “We got this wrong. We should have come back with an alternative. We have not. We have been caught on the hop. Now we are trying to backpedal. We do not like the fact that in this case Deputy Southern might be right and that he might win and that this might be the right compromise for the people of Jersey.” We are told that politics is about the art of the possible. We are told that politics is also about compromise. What is it that we have in front of us today if not an entirely sensible proposition which listens to the public of the Island, which recognises the state of finances in which the Council of Ministers and the rest of us find ourselves

and then says: "Okay. What can we do which would be a compromise and which would help people without necessarily putting an overly burdensome pressure on our public finances?" I think this is the correct proposition. Today is the day to vote for it and I hope that it will send a strong message out to the Island that we are listening and that we can come together, form some consensus and do what is right and perhaps even break ranks for some of the Ministers and Assistant Ministers to vote with their conscience in this particular case.

**The Bailiff:**

If no other Member wishes to speak then I call on Deputy Southern to reply.

**3.1.29 Deputy G.P. Southern:**

I am told that sometimes I get carried away when I am summing up and that I should rein myself in, so I will try and be as careful as I can with the summing up even though we may be about to break for good for Christmas. Before I do, I would like to thank the Deputy of Grouville for mentioning the fact that not every promise made in this House is kept. That saves me pointing out that one year when I was amending the Employment Law for the right to recognition and representation, I put a number in the Employment Law, which the Minister, who is not very far away, the Minister at the time, took away and came back and said: "No. I have consulted with employers. It is the wrong number" so I have been victim to that. Also - and it is a rare thing - to Senator Ozouf for calling himself "Scrooge" and that means that I do not have to and I will not. [Laughter] The Minister for Social Security started by talking about balance and I think I have brought something back with balance. I cannot understand why, when this was discussed in the Council of Ministers originally, as building up towards the M.T.F.P. for the first time, somebody did not point out: "Hang on. What are you proposing? You are saying £1.6 million? Think about it. That is going to be so, so unpopular. People will be talking about it for months. Go easy. Why not save £1 million. It is better. Just target it and target it in the most efficient and simple way possible: 'Do you pay tax? No.' Dead easy to get your tax statement and to bring it in. Easiest thing in the world." I said at the beginning, I was being quite ironic: "What are they going to come back with? Will it be a smaller amount?" It was a possibly smaller amount: "Will it be smaller numbers?" Although, how you means test that, because that then becomes awkward.

[15:15]

Yes, it was: "Are we going to have to fill in a 10-page means test and declare this, that and the other?" Well, they do it often enough in Social Security anyway. It is 26 pages long very often. Perhaps it is. Is that the best way, most efficient way to deliver something? No, it is not. But what I am proposing is simple, clear and clean. But now we have got this argument about what type of jam. It is not just pensioners that are poor. I think I am aware of that and have been for some time and that it may be Minister after Minister, Chief Minister, Senator Routier, Senator Maclean saying: "We should target this better. What about the disabled? What about young people who are poor?" Those same Ministers have just finished cutting the mechanism we do have for delivering support for the poor. They took £10 million out of the Benefits Bill so they know full well what they were doing but are now, in this debate, and I am getting excited again, am I not? In this debate, all of a sudden, we should target better. Well, I think I know something about the absence of targeting in income support. I have been following it since its inception; studying it since its inception in 2008. I know it inside and out and one of the things I have been requesting time and time again, and initially on the back of a very substantial, significant piece of work, is: "Will you run some tests on income support to see if it gets to the right people with the right amount of money?" Has it happened? Has it happened under Senator Routier or the current Chief Minister or this Minister for Social Security? Has it happened? No, it has not. That has been 8 years of me saying: "Make sure it happens. Do an assessment. How effective are you? Does it deliver to the right people?" Suddenly a debate on a different topic, on taxpayers' money becomes: "Oh. Does it

deliver to the right people? This is not the right people. It is the wrong type of jam.” Thanks for that analogy. I quite like it. So excuse me if I sigh deeply because perhaps I am running out of patience. I have been asking for that for 8 years and now it suddenly becomes important when I am doing something. While I am at it, 14 years in this House and still every time I bring something like this it really chews me up. It really feels important. It is important. But why would the Ministers not do what they normally do to me, which is just simply totally oppose and reject what I bring? Ask yourself why they came and said ... let us find the words. Let us be accurate: “The Council of Ministers therefore asks States Members to reject the current proposition ...” Fair enough. Could have stopped there. Full stop. That is usually what they do: “... and to accept a commitment from the Council of Ministers to bring forward proposals that are fully considered, properly detailed and funded ...” which we do not have at the moment or anywhere near, nor have we had at any stage over the last year, nor in any amendments of what I am doing at all: “... for new legislation for a targeted Christmas Bonus in 2016.” Why? Why have they done that? We are bringing something. Could it be, whisper it who dares, they might have done the headcount and thought: “We are in danger of losing this and we hate losing to that guy, that Deputy. Above all, do not give him any credit.” Okay. Maybe. I am just suggesting that that might be possible. Now I am accused by the current Minister for Social Security of being reckless and that takes me back. This is a really good debate, this. It takes me back to the good old days. The only other person who used to call me reckless often was the then Chief Minister, Senator Walker. He used to regularly tell me: “It is an absolutely reckless proposition. We will wreck the economy.” Oh dear. So reckless, I do not think so. This is a target simple benefit that should never have been cut, I do not think. Now, let us go on to collective response. If this is not a matter of conscience I do not know what is. So it is conscience ... oh dear. I hope the wind does not change, Senator Ozouf, do not stick like that, please. Okay. Collective responsibility. May I remind Assistant Ministers in front of me and alongside me that collective responsibility applies to your Minister in a decision about your department that you have to stick together. It does not apply to other departments and other Ministers necessarily. You vote with your conscience and I hope you do that well. We talked about moving £200,000 of this benefit into the Westfield scheme. I remind Members that the Westfield scheme is, if we are talking about things that are not right and are not targeted properly, hopeless because you have got to pay up front first before you get your money back and there are dozens of people, hundreds of people out there who cannot afford to do that. It might look good on paper, but for many people it just simply does not work and that needs mending anyway. Then finally the Minister for Social Security had quoted Mr. Micawber and applied it to Government but the same phrase about: “Result misery” or: “Result happiness” applies to the pensioners tenfold, not to Government. She was not using it that way but she should have done. There are a lot of pensioners out there who are sixpence down not sixpence up. The Constable of St. Mary talked about making a difference. I appreciated her contribution. Deputy of Le Fondré said I had his sympathy and I was going to say I do not need his sympathy, I need your vote but he has since said as a result of hearing another speech by a Member I will not name that he changed his mind anyway to support it and he queried the total absence of impact assessment. We have got this talking about promises, promises, promises, promises, these promises about an impact assessment that we are doing overall benefit from our cuts and so on in the long run that we have not seen it and it was promised. Another promise but we have not seen it and until we do we should be going with what we know, I think. The Constable of St. John impresses me more and more and more every time he comes in, and it is rare for me to praise a Constable but I will. **[Laughter]** Deputy Martin is not here so I may as well. He gets it exactly right, when he says: “What we need here is a safety net. This is that safety net. Let us vote for it and if we need to do something else as well, then so be it but that safety net has to be there. If you want to hold the Ministers to account then at least this is there. This is what you should be doing. Go and do it.” Deputy McLinton, who again was positive and referred to the human cost not just the financial cost of things. Deputy Truscott is

obviously bound by collective responsibility. Yes. I recommend he abstains. Deputy Norton did a lot of caring. Again, I have no time for his caring. What he needs is votes because he is a politician. The Constable of St. Lawrence disappointed me by suggesting, I think, that she was going to go along and not vote for this particular proposition. Again, we are reminded by several speakers and it is worth noting that this Chamber is sovereign. It is king and we can decide and we can ask and we can request Ministers to do things and that is our role. Deputy Higgins, again, was supportive. Deputy Wickenden, again, pointed out to the ... again we have not had an old-fashioned debate like this with shroud-waving all over the place, 17 nurses and how are we going to deliver this, that and the other rather than what we had. The Constable of St. Brelade said he is going to come around knocking on my door if it has not happened within 6 months. I will put out the welcome mat, shall I? It may not happen. Again, it comes down to this is a matter of votes and matter of conscience and all the sympathy in the world, all the promises in the world do not mean anything. As Members of this Assembly, what you have is your votes and that is what you should be using. Senator Ozouf, everyone's friend as I call him but he rarely says: "My good friend, Deputy Southern." [Laughter] I wonder why?

**Senator P.F.C. Ozouf:**

It is the season of goodwill.

**Deputy G.P. Southern:**

I am trying to get into the season of goodwill, not being vicious. Already talked about short-termism.

**The Bailiff:**

Deputy, I am sorry. May I just encourage you to deal with the arguments, which is what the purpose of the speech in reply is for?

**Deputy G.P. Southern:**

Yes. I am attempting to do so, Sir. One of these days I will learn how this job goes. Talked about short-termism and I found that was deeply, deeply ironic from a member of the Council of Ministers who cannot even produce a 4-year plan in one go. It is only 4 years and we are back to one year at a time, from a man who says: "This is short-termism." This is short-termism within other plans which are also pretty well short term. The Deputy of Grouville, as I say, mentioned that Ministers do not always deliver. The Constable of St. Clement did his argument; it is not just pensioners. He started the ball rolling that it is not just pensioners; there are other people we should be reaching and this is from people who voted to take £10 million out of the mechanism that we have to deliver to people who need it. I found that quite poor. Deputy Lewis again, reminded us: "Why has this not happened earlier? Why was this not in the last Medium Term Financial Plan? Why was it not in the machinery and would this have happened now had this proposition not been there? Would the promise be here had this proposition not been here?" It would not. It would not be. Deputy Brée, I thank him for his support and he talked about this absence of collective responsibility and the matter of conscience. Then, finally, the Chief Minister has tried to imply that I was somehow denying the ageing demographic. I am not. I am not at all in the least, but what I am doing is pointing out that in dealing with the ageing population we have a 9-point plan there that is about to be set in motion and studied about how to cope with the ageing population in terms of increasing liability, reviewing the levels, increasing the percentage rate. It goes on. It goes on. There is a lot of work to be done and it is going on, so it is separate from this particular mistake that was made and I think this corrects it. I would ask that you support this proposition and I call for the *appel* please.

**The Bailiff:**

The appel is called for. I invite Members to return to their seats to vote on P.141. Deputy ...

**Deputy L.M.C. Doublet:**

Sir, can we vote separately?

**The Bailiff:**

Deputy, do you wish to take the paragraphs together or separately?

**Deputy G.P. Southern:**

I am perfectly content to take them separately. I think they can be taken separately. I think I can do that.

**The Bailiff:**

Can I suggest we take paragraphs (a) and (c) separately because (c) is about bringing forward legislation? In other words (a) and (c) together and (b) separately?

**Deputy G.P. Southern:**

Indeed.

**The Bailiff:**

Is that fine?

**Deputy G.P. Southern:**

Okay.

**The Bailiff:**

Very well.

[15:30]

**Deputy G.P. Southern:**

Although I do think that (b) is important because it says: "The Minister for Treasury and Resources find the money somewhere."

**The Bailiff:**

Yes, but it is not a question of legislation.

**Deputy G.P. Southern:**

Indeed.

**The Bailiff:**

Yes. Very well then. I invite Members to return to their seat. The first vote is on paragraphs (a) and (c), which we will take together of the proposition and I ask the Greffier to open the voting.

<b>POUR: 22</b>	<b>CONTRE: 23</b>	<b>ABSTAIN: 0</b>
Connétable of St. Helier	Senator P.F. Routier	
Connétable of St. Saviour	Senator P.F.C. Ozouf	
Connétable of St. John	Senator A.J.H. Maclean	
Deputy G.P. Southern (H)	Senator I.J. Gorst	
Deputy of Grouville	Senator L.J. Farnham	
Deputy J.A. Hilton (H)	Senator P.M. Bailhache	
Deputy J.A.N. Le Fondré (L)	Senator A.K.F. Green	
Deputy K.C. Lewis (S)	Connétable of St. Clement	

Deputy M. Tadier (B)		Connétable of St. Peter		
Deputy of St. John		Connétable of St. Lawrence		
Deputy M.R. Higgins (H)		Connétable of St. Mary		
Deputy J.M. Maçon (S)		Connétable of St. Ouen		
Deputy S.Y. Mézec (H)		Connétable of St. Brelade		
Deputy A.D. Lewis (H)		Connétable of St. Martin		
Deputy of St. Ouen		Connétable of Grouville		
Deputy L.M.C. Doublet (S)		Connétable of Trinity		
Deputy R. Labey (H)		Deputy of Trinity		
Deputy S.M. Wickenden (H)		Deputy S.J. Pinel (C)		
Deputy S.M. Brée (C)		Deputy of St. Martin		
Deputy T.A. McDonald (S)		Deputy R.G. Bryans (H)		
Deputy of St. Mary		Deputy of St. Peter		
Deputy P.D. McLinton (S)		Deputy M.J. Norton (B)		
		Deputy G.J. Truscott (B)		

[Members: Oh!]

**The Bailiff:**

And (b) falls away. Deputy Tadier, before you leave the Chamber, the next item on the agenda was P. 140/2015. Are you asking us to postpone that to another day?

**Deputy M. Tadier:**

Yes, Sir. I have already spoken to the Constable of St. Clement as head of P.P.C. (Privileges and Procedures Committee) and we have agreed that if that is okay with Members ... I am not in a position to bring it forward today.

**4. Public Employees Contributory Retirement Scheme Committee of Management: membership (P.148/2015)**

**The Bailiff:**

Very well. Thank you. Then we come to P.148/2015, the Public Employees Contributory Retirement Scheme Committee of Management: membership lodged by the Chief Minister. I will ask the Greffier to read the proposition.

**The Greffier of the States:**

The States are asked to decide whether they are of opinion to approve, in accordance with Regulation 3(2) of the Public Employees (Contributory Retirement Scheme) (General) (Jersey) Regulations 1989, the appointment of the Committee of Management, for a period of 3 years commencing 1st January 2016, as follows: Employer Representatives: Mr. Scot Laing, Mr. Stuart Lusby, Mr. Terence Augustine Le Sueur, O.B.E., Mr. John Frederick Mills, C.B.E., Mr. Steven Warner. Employee Representatives: Mr. Gary Birbeck, Mr. John Fosse, Mr. Mark Johnson, Mr. Thomas Querns, Mr. Mark Richardson, Ms. Barbara Ward.

**4.1 Senator I.J. Gorst (The Chief Minister):**

It is a hopefully straightforward proposition. I would like to thank those Members for whom this is not their first term of office. I thank them for all the work they have put in, particularly over the period that we have been changing the pension scheme and they have had to put in extra work to consider what those appropriate changes would be, and I thank those new individuals who have put their name forward as well and I maintain the recommendation to approve.

**The Bailiff:**

Is the proposition seconded? **[Seconded]** Does anyone wish to speak? Those in favour of adopting the proposition kindly show. Those against? The proposition is adopted.

## ARRANGEMENT OF PUBLIC BUSINESS FOR FUTURE MEETINGS

### The Bailiff:

Chairman, that brings the items on the formal agenda to an end. Do you wish to propose arrangements for forthcoming business?

### 5. The Connétable of St. Clement (Chairman, Privileges and Procedures Committee):

Yes. The arrangement for future business as per the Consolidated Order Paper with the addition on, I believe, 19th January, projet 140 in the name of Deputy Tadier, which we have just agreed to postpone. I suspect that on 19th January that has the potential again to take 2 days, Sir.

### 5.1 Deputy M.R. Higgins:

Proposition P.155/2015 has been lodged and because of its importance to the Independent Care Inquiry, I would hope that it could be treated as first business on that day. Thank you.

### The Bailiff:

Yes. It does not seem to be on the arrangements for public business at all at the moment but that does seem sensible, Chairman.

### The Connétable of St. Clement:

I believe that was lodged yesterday and therefore it would be in time to be on 19th January and therefore, as the Deputy says, it is an important proposition. It should be on the agenda for that day.

### The Bailiff:

P.155 will be taken first?

### The Connétable of St. Clement:

Yes, Sir.

### The Bailiff:

Very well. Thank you very much.

## APPRECIATION TO THE GREFFIER OF THE STATES

### 6.1 The Connétable of St. Clement:

This is the last occasion on which our current Greffier will be sitting with us in the States Assembly and, therefore, I think it is right that I say a few words. Those words I say on behalf of the current elected Members and indeed all of those who have sat in this place since 1999 to thank wholeheartedly Mr. Michael de la Haye for the wonderful service he has given each and every one of us during his term of office. **[Approbation]** Mr. de la Haye joined the Greffe in 1999 and promotion came quickly, becoming Deputy Greffier in the year 2000 and his current role, Greffier, in 2002. It is interesting to note that he has served 3 Bailiffs: Sir Philip, Sir Michael and yourself, but perhaps even more telling, is he has got through and seen off 7 chairmen of the Privileges and Procedures Committee. **[Laughter]** Now I am not sure what that says about Mr. de la Haye or indeed about the chairmen of the Privileges and Procedures Committee, but perhaps time will tell. The Greffier has seen a number of significant changes and developments which have added to the complexity of the role of Greffier, most notably, I think, the move to ministerial government in

2005. Mr. de la Haye acted as instructing officer for the drafting of the States of Jersey Law and Standing Orders, which had not been altered for nearly 40 years. That was a monumental task well undertaken and clearly they have served us well since they were approved. Under the leadership of Mr. de la Haye, the Greffe has provided high quality support services to Members, while at the same time they have embarked on a range of public engagement initiatives including the excellent and user-friendly States Assembly website. We have always been able to rely on his advice, be it in relation to States procedures, or the C.P.A. (Commonwealth Parliamentary Association) or the A.P.F. (Assemblée Parlementaire de la Francophonie). Mr. de la Haye has served us tirelessly answering emails at all hours, at weekends and even when out of the Island. **[Approbation]** Tomorrow we shall enjoy his humorous side as Clarrie makes us choke on our plum pudding. **[Approbation]** Sir, I shall now break Standing Orders and speak directly to the Greffier and I hope you will not pull me up. Mr. Michael de la Haye, yours are going to be very large shoes to fill in more ways than one. Sir, we thank you. We thank you, Michael de la Haye, and we wish you well in whatever you do in the future. Thank you. **[Approbation] [Applause]**

### **The Bailiff:**

Thank you, Chairman. I am not sure the Greffier has the right of reply. **[Laughter]**

## **CHRISTMAS GREETINGS**

### **7.1 Senator P.F. Routier:**

How do I follow that? It is this time of year that we all get together with our friends and families and colleagues to celebrate and perhaps think about what has been achieved during the year and what we can look forward to in the New Year. Reflecting on the beginning of this year we will recall that you, Sir, were sworn in as Bailiff. Part of your duties is to preside in this Assembly and to ensure that all Members play by the rules and keep to Standing Orders, so I hope that the Senators have not caused you too much trouble. This year has been a remarkable year for our Island community. While this is a Christmas speech predominantly focusing on the good news of Christmas, I cannot avoid reflecting on some of the difficult challenges that we face in ensuring that we have the appropriate education, health, housing and community services for Islanders. It cannot be denied that these issues have been recognised as priorities and that is why, I am sure, that if we all really work together in bringing forward our ambitious spending plans, we can really achieve a great deal for our community. Preparing our Island for the future, preparing our community for our children and grandchildren, is what we are aiming for. I know that by working together we can do exactly that. As I said, our remarkable community has really shown its spirit this year. On 8th May the Island was declared a Rotary Peace Community, the first in the British Isles and the 60th in the world. This followed on from the thought-provoking Peace seminar held by the Rotary Club of Jersey where speakers came from around the world to share their experiences on how peace has a powerful effect on communities around the world. Not only in war-torn countries but right here in our own Island, in our own homes. Jersey is increasingly taking a more involved role on the international stage where we have many business opportunities. Jersey's role around the world is not just about doing business. I have been really impressed by the outpouring of generosity from individuals in our community to the enormous challenge of supporting refugees and other poor communities around the world. The Overseas Aid Commission has once again been reacting to requests to provide aid to support people who are not as fortunate as us. I am sure we hope and pray that the growing problem of refugees does not develop into a greater humanitarian disaster. The Liberation 70 commemoration was outstanding, with the Royal visit of the Countess of Wessex. What was particularly impressive was the involvement of all generations. The events offered those who experienced Occupation the opportunity to commemorate. For my generation it gave us the opportunity to recall our parents' stories and for the younger generation there was also

the opportunity to participate in many events. I particularly enjoyed the Société's children's photographic competition, especially when you, Sir, presented my grandson with a runner's-up prize for a photograph of a veteran soldier. What can I say about the truly amazing community spirit that shone through during the NatWest Island Games? Not only the welcome that we gave to our visitors but also the high standard of sporting achievement. The training and preparation by all the sports people really paid off and Jersey reached the top of the middle table. What was particularly impressive was the volunteers who gave up so much of their time and energy to make the event so special; not only for our own community but especially for the visiting Islanders. We owe them a real debt of thanks. In focusing on some of the positive highlights of the last year I am reminded that this year has nevertheless been personally challenging for some Members. Some have suffered family bereavement and some are dealing with personal health issues. It is at this time we can reflect and keep all Members and their families in our thoughts and prayers. On behalf of my fellow Senators I extend Christmas greetings to you, Sir, and to Mrs. Bailhache, to His Excellency and Lady McColl and, as this will be the last Christmas that we will be extending greetings to His Excellency and Lady McColl, it is appropriate to extend our grateful thanks to them for the fantastic support they have represented Her Majesty in so many ways in this Assembly, not only in this Assembly but also the support that they have both given to the voluntary and community organisations in our Island. **[Approbation]** Greetings also go to our new Deputy Bailiff, the Dean and Mrs. Key, our Attorney General, our Solicitor General and our new Viscount, and to all of your families. There have been a few changes in this Assembly and at the end of the sitting, as we have just heard, there is going to be another change; our Greffier.

[15:45]

The chairman of P.P.C. has expressed our thoughts, feelings and thanks and I think we have all shown our appreciation by stamping our feet. But not only wishing the Greffier a happy Christmas but also a marvellous future, and from one grandfather to another, I recognise the joy in his eyes of being able to spend more time with his family. The Greffier and all his team in Morier House are, I am sure, Members will agree, a fantastic support and we thank you for that. **[Approbation]** Greetings also to the excellent law draftsmen and civil servants who tirelessly advise us Members and to all the media who attempt to report our endeavours. **[Laughter]** Also to our diligent Ushers, Hansard recorder and of course our tea lady. **[Approbation]** Earlier on this afternoon, I became aware that I need to make an apology, and that is to the Chief Minister for forgetting his birthday yesterday. I promised to buy him an avocado sandwich, and the Constable of St. Clement will understand why I have offered to buy him that. On behalf of all Senators, may I wish all Connétables, all Deputies, and everyone else associated with this Assembly, together with your families, a very happy Christmas, joyous, peaceful and healthy New Year. Thank you. **[Approbation]**

## 7.2 Connétable A.S. Crowcroft of St. Helier:

Recently I looked up last year's Christmas speeches on Hansard to see if there is anything I could recycle. I am sure I am not the first States Member to do that. Members may have forgotten that last December the Assembly had just been re-elected and we were still flushed with various feelings ranging from relief to surprise. Though all of us, I am sure, proud to be able to serve our Island in this particular, if not peculiar, way. Senator Ozouf, especially relieved and surprised to be re-elected, **[Laughter]** stood in as Father of the House while Deputy Judy Martin had her maiden Christmas speech, and what a speech it was. Members, who are in the habit late at night of reading back over those speeches in Hansard, will know the phrase beloved of our Antipodean scribe very well. It is like a winner's rosette: "Approbation." Deputy Martin had twice as many approbations as Senator Ozouf or me. She had us rolling in the aisles, so to speak. A difficult act for Deputy Southern to follow. Before I leave ... **[Laughter]** Before I leave last year's speeches I want to

mention one tiny error in the transcript, because a year ago I commended the former Minister for Education, Deputy Ryan, for having agreed and actioned a proposition I brought without even requiring it to be debated. But Hansard gave that bouquet to the present Minister for Education, Deputy Bryans. An easy mistake to make but one, I think, should be corrected. I hope that the 15 new Members of the States have enjoyed their first year in the Assembly. Most, if not all, will have learnt the rules of the place, also known as Standing Orders. But if they have not yet they should not be too worried as there are Members with many years' experience who still have to master the art of speaking through the Chair. The fact that it is not a point of order that the Member who just spoke after you has deliberately twisted your words and been perfectly beastly. That said, new Members will be pleased to find that our debating chamber is a much more harmonious place than it used to be. Of course we have our disagreements and we fight our corner as vigorously as we can. But when defeat comes we leave our broken swords and shields along with the banana skins in the Chamber and treat each other with courtesy outside. New Members will also be relieved to find that sittings of the States are not the gruelling marathons they used to be. Three hour speeches are a thing of the past. We rarely have debates in which all 49 Members exercise their right to speak. I should probably delete that line after the last debate. We appear to be able to finish some States days in time for lunch though this may change next year and new Members may find the honeymoon is over. The Constables have welcomed 2 new Members representing 2 of the leafy rural Parishes. There must be something in the water up north as the new Constable of one of those Parishes displays many of the characteristics of his predecessor. The Constable of St. John is proving to be a very active Member of the Assembly who often votes against the rest of us and who has removed the necessity for me to be the *enfant terrible* of the Comité des Connétables. [Laughter] He may not yet have rolled his trousers up because of the heat, but there is still time. Another welcome improvement in the functioning of the States Assembly is the relationship between the Constables and the Deputies. We even allow some of them to sit on our benches, though that may be something to do with keeping an eye on them in case they have aspirations to remove us in 2018. Actually, there was a time when there were several Parishes in which the relationship between Constable and Deputy was a bit like that between King Henry II and Thomas Becket. That has not been the case in St. Helier, I hasten to add, as it behoves the 11 elected Members of the most under-represented Parish to stick together if we are to get things done. While I am referring to my Parish, I am sure Members will join with me in wishing Deputy Rondel a very happy Christmas [Approbation] and will want to let him know we are supporting him as he battles his illness with characteristic energy and cheerfulness. The Constables and Deputies work together to maintain and enhance Jersey's Parish system, which appears to be able to retain its importance in Island life in spite of the various pressures to homogenise it. Of course in one sense we are all proud to be Islanders and we regularly come together to express that, whether it be on Liberation Day or the Island Games, Remembrance Day, at the new Jersey pride march or at the recent ceremony to show our sympathy for the victims of the Paris attacks last month. But we also value Parish identity and Parish life, the strength of which owes little to the Constables and Deputies, and more to the honorary servants of the Parish, who carry the flame, who put in hundreds of hours to support their Parishes, especially the key groups of elected Parish officers sworn in by the Royal Court, our Procureurs du Bien Public and those tasked with policing, rates assessment and managing the roads and open spaces of each Parish. The late Mitch Couriard epitomised that commitment to honorary service. [Approbation] We also depend on the many other helpers who come forward, whether it is to provide lunch for senior citizens or to produce the Parish magazine and who prefer to keep out of the public eye. We are all extremely grateful to them and we wish them all a happy Christmas and a restful New Year. Speaking on behalf of the Constables, I thank the Senators and the Deputies who have held ministerial office for their work this year. Several Constables are also involved in Scrutiny and we want to recognise the value of the Scrutiny Panel's work, including the Public Accounts Committee, and thank the Scrutiny Officers who do such a lot

of work to make Scrutiny possible. **[Approbation]** We are grateful to you, Sir, and the Deputy Bailiff and your staff for the considerable amount of work that you do for the wellbeing of the Island and especially for the arrangements put in place for the commemoration of Liberation 70. It was a privilege and delight for us to welcome Her Royal Highness the Countess of Wessex to this, Jersey's National Day, and the Parishes also played their customarily important role in the event. At this time of year it is usual and entirely appropriate to focus particular attention on the most vulnerable members of our community and so we offer our senior citizens, especially the sick and needy in our Parishes, and those in trouble or distress, our very best wishes at this time. All of these things we take for granted but utilities and other services are essential to us, especially at Christmas. We want to thank in particular the emergency services, especially those who will work while we are on holiday: the hospital staff and the volunteer services, including the Lifeboats, Jersey Hospice, the League of Friends, St. John Ambulance, the Salvation Army and so many others. On behalf of the Constables I want to wish the Senators and Deputies a very Merry Christmas. His Excellency the Lieutenant Governor and Lady McColl, you, Sir, and Mrs. Bailhache, the Deputy Bailiff, we wish you all a very happy Christmas with your families. The Dean and Mrs. Key, Her Majesty's Attorney General, the Solicitor General and their wives. Tributes have already been paid to our Greffier but we would want to wish him too a long and happy new phase in his career, for he is too young for me to use the word "retirement". The Deputy Greffier, the Assistant Greffier, the Ushers, the tea lady and the media, we wish them all a well-deserved break from their work. To everyone involved in the running of the States and the Parishes, a peaceful and fulfilling New Year. **[Approbation]**

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

I would like to say it was a joy and a privilege to stand here in place of Judy Martin and give the speech on behalf of the Deputies, however it is not. I am terrified. I have not written a speech for the last 8 years. I work off 5 words, if I am lucky. Not only that, I am told I am not to be contentious. Now I will try. I will try my best, honest. But what I have come across, I was toying with the idea of what we were just coming into, out of the recession and into growth, and I was wondering what growth meant for us politicos. I came across a list of what growth might mean but then I was reading it out and that might be very interesting and might give us some thoughts and maybe even some points of connection between the right and the left. I do not know. But it sounds a bit dull. Those of you who know me know that at Christmas I cannot resist the jokes in the crackers. So I thought I would leaven it a bit with some cracker jokes and feel free, everybody, feel free to give it an old "boom boom" at the end of it. Please do. These are my rules. So the question is ... **[Laughter]**

### **The Bailiff:**

Standing Orders still apply, Deputy.

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

The question is: what is the left's narrative on growth? What might it be? Because it is clear what the right is. Their model of growth is an increase in profits and asset values. We accept that. But what does the left think growth might be when the subject is itself debatable from a green perspective? I want to suggest there are lots of real goals for growth on the left. The first is growth in real wages for those on lower and middle incomes. It should seem obvious and yet it has not really happened, certainly for the best part of a decade. Can we agree on that? Perhaps. Now, okay, so: "Why can't a bike stand up by itself?" "Because it is too tired." Boom boom. Suitable groan. Apparently a piece of research said it does not matter how old these are, and the older the better. The more groan they are the more you enjoy them. Believe me. Second, there is growth in employment. All those who want to work should be able to access it. I think we can definitely agree on that absolutely wholeheartedly. "How did the farmer fix his jeans?" Anybody? "With a

cabbage patch.” Louder, louder. Groan louder. Third, there is growth in employment security. That means there should be more people on long-term contracts subject to employment protection and the right to collective bargaining to represent their interests and, I would say, an end to inappropriate zero hours. Can we agree on that? Perhaps. But where is a good one? “Doctor doctor, my husband thinks he is a parachutist.” Somebody must know it.

**Male Speaker:**

Tell him to drop in.

**Deputy G.P. Southern:**

Yes. Boom boom. Well done, that man. Fourth, there should be growth in the number of people living in secure accommodation. That is those who are owner/occupiers with at least 20 per cent equity in their property and those enjoying long-term secure tenancies on affordable rents. Can we agree on that one? Yes, definitely. Total agreement. “Doctor doctor, I swallowed a quilt.” Anybody? Again, louder. “I thought you were looking a bit down in the mouth.” Boom boom. Fifth, there is growth in energy efficiency linked to lower energy use. This surely is beyond dispute. That sort of growth I think we have got wholehearted agreement on. But do we know why Prancer was always wet? Anybody? Because he’s a reindeer. Boom. The Constable of St. Lawrence is really getting in the mood. [Laughter]

[16:00]

Sixth, bear with me please, there is growth in supply of those fundamental services that make a decent life possible for anyone, whether that be education, health care, social and other services or the availability of transport, I.T. and utilities at prices that can be afforded, and supply of local safety net for those in need, whatever age and for whatever reason. I think we have just had a debate on the latter end of that where we did not quite get agreement but I am sure we will in the future because I will be back. “What did one keyboard say to the other keyboard?” “You are not my type.” No? Not that one. Seventh, yes, we want an increase in access to all those things in life that make it fun as well but that will require growth inequality, so that makes 8. So let us have some fun over this Christmas. In particular, I want to read a short passage from *A Christmas Carol* and, no, it is not the part where Scrooge is described in various despicable ways. It is the bit after he recovers his self and it is quite joyful: “Scrooge was better than his word. He did it all, and infinitely more; and to Tiny Tim, who did not die, he was a second father. He became as good a friend, as good a master, and as good a man, as the good old city knew, or any other good old city, town, or borough, in the good old world. Some people laughed at him to see the alteration in him, but he let them laugh, and heeded them little; for he was wise enough to know that nothing ever happened on this globe, for good, at which some people did not have their fill of laughter at the outset; and knowing that such as these would be blind anyway, he thought it quite as well that they should wrinkle up their eyes in grins, as have the malady in a less attractive form. His own heart laughed: and that was quite enough for him. And it was always said of him, that he knew how to keep Christmas well, if any man at all alive possessed the knowledge. May that truly be said of us.” On behalf of the Deputies, I send my Christmas wishes to the Senators and the Constables, the Bailiff and Mrs. Bailhache, the Deputy Bailiff, His Excellency the Governor and Lady McColl, the H.M. Attorney General, H.M. Solicitor General, the Dean and Mrs. Key, the Viscount, the Deputy Viscount, the Greffier in spectacular depth, the Deputy Greffier, the Assistant Greffier and all those from the Greffe who are around us, the Ushers, the tea lady, Jan, and the media, and above all Scrutiny, without which we would not be getting anywhere. What was said of Scrooge: “May that be truly said of us, and all of us. And so, as Tiny Tim observed, God Bless Us, Every One.” Thank you. [Approbation]

**7.4 The Bailiff:**

Senator Routier, Connétable of St. Helier, Deputy Southern, thank you very much indeed for your good wishes given to me and to my colleagues on behalf of Members, which are very much appreciated. This has been the first full year of the new Assembly following the 2014 elections and it is apparent that in the Assembly it has been a quieter year than many. There have been 35 meeting days compared with 48 in 2014. The total hours are down from about 264 last year, I have just had to revise it upwards but I did have 161. I thought we might have finished before lunch, but no. [Laughter] So about 163 or so this year. Oral questions are down by 15, written questions are up by 28. Frequently there is some pressure to put before the outgoing Assembly in relation to new laws, regulations and appointments before the last sitting and the work done in the first year of the new Assembly is often much reduced as a result, and that trend, which has been noticeable over certainly the last 12 years or so, has not been lost. But even so, a substantial amount of work has been done during the current year. Twenty-two new laws have been adopted, down from 43 last year; 47 new sets of regulations compared with 53 last year. So there have been more appointments and nearly as many policy debates on ministerial propositions but when you put the whole lot together all it does go to show is that the work of Members remains very intensive. Members of the States will know, but members of the public may not necessarily focus upon it, that the work that Members do in the Assembly is just a small part of the overall work of politicians more generally. Ministers, of course, and their Assistant Ministers have a considerable amount to do in the everyday Executive running of Government, dealing with everything from matters which are relatively mundane, but inevitably still very important, to the individual citizens whose matters are at stake. But also from that end of the spectrum to matters of great economic, social and political significance for the Island as a whole. Often these involve participation in international gatherings where it is important that the Island voice is heard, not necessarily because we will get our own way because, let us face it, it is a small jurisdiction. That is not likely to happen most of the time. But because, in the conduct of international business, which more and more affects us in Jersey, it is important that the Island's unique identity and limited international personality are recognised. Once that recognition is established then there is more chance of genuine debate in the international fora about issues which affect us and a better chance for us of a successful outcome. Nor must it be thought for a moment that it is just Ministers who work hard. The Corporate Services Scrutiny Panel has produced this year reports representing significant pieces of work, whether on the Public Finances Law, the M.T.F.P, the International Finance Centre, the pension reform or the Budget. The Economic Affairs Scrutiny Panel has produced reports on the Ports of Jersey and the transfers of functions. The Education and Home Affairs Panel reports on the Prison Board of Visitors. The Environment, Housing and Technical Services Panel reports on environmental policies and on the supply of housing. The Health and Social Services Panel, a report on respite care for adults. I have not mentioned all reports but all those are in addition to the regular work which Scrutiny Panels perform in scrutinising ministerial activity. As I mentioned in my introduction to the annual report for 2014 it is, I think, a pity that legislation does not receive the Scrutiny which routinely it should. That is also my excuse for sometimes forgetting to refer to the chairman of the relevant Scrutiny Panel for draft legislation after the principles have been adopted and I will try and do better next year. But I float for the Privileges and Procedures Committee the possibility of considering, in consultation with Members and Ministers, whether a different sort of legislative scrutiny might be desirable. Perhaps what is elsewhere described as a committee stage as such that legislation receives an appropriate level of scrutiny prior to it coming before the Assembly for adoption. The year has been busy for the Island as well as for the Assembly. Members have enjoyed Island events, as already mentioned, in particular including the 70th anniversary of Liberation and the Island Games, both of which engaged a large proportion of our Island community. I know all Members share with me the enormous pleasure of seeing our Island community come together for events like these. The organisation of them requires a very considerable amount of commitment and skill on the part of a lot of people and it would be quite

impossible to mention them all by name but I would like to take the opportunity of mentioning publicly my chief officer, David Filipponi, and the staff in my department who always under time pressure really put their shoulder to the wheel to ensure that those events, with which we are concerned, work efficiently and effectively. **[Approbation]** In all the work that is done in this Chamber and in the work that is done in Scrutiny, and in the Council of Ministers' meetings, there are of course other contributions which must be recognised. I was very pleased to hear the Connétable of St. Clement and other speaker just now refer to the work of the Greffier and I am delighted to join in that appreciation of him and, as I said earlier this week at a gathering, he has been an outstanding public servant. **[Approbation]** So the curious position that Bailiffs sometimes find themselves in where it is said that they wear more than one hat, and as the Greffier cannot respond, may I say on his behalf, thank you very much to Members. **[Laughter]** Mr. de la Haye will be a very hard act to follow but as he, himself, said on Monday, his high standards have been made possible by all the work that is done by his colleagues in the States Greffe as well, and I would wish to pay tribute to all of them and to thank them for their help which they give us in the performance of our different functions in the Assembly, and I am very pleased so many of them are about. **[Approbation]** On a personal note I find that this is the 52nd speech or public address I have given this year. Of course, like all lawyers, I love hearing my own voice, but I am beginning to feel sorry for everybody else. I will therefore stop. But I would just like to endorse absolutely what Senator Routier has said about His Excellency and Lady McColl, who have been wonderful public servants in this Island over their term of office and I know that they will appreciate what you have said, Senator, for them this year. But on behalf of myself, my wife, on behalf of His Excellency and Lady McColl, the Deputy Bailiff, the law officers, the Dean, the Greffier, the Viscount, the Chief Usher, members of our various teams, and all our respective families, I thank Members for their good wishes and I wish all Members good health for next year, in some cases better health for next year, and an opportunity over the Christmas period to relax, recharge their batteries, ready for the work ahead in 2016. A peaceful Christmas to you all. **[Approbation]** The States now stand adjourned until 9.30 a.m. on 19th January.

## **ADJOURNMENT**

[16:12]