

3.11 Deputy K.C. Lewis of the Chief Minister regarding the level of assistance provided to community banks: [1(135)]

Further to media reports that an estimated 5,000 people are struggling with basic expenses, will the Chief Minister be providing more assistance to community banks?

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

I would like to ask Senator Routier to answer this.

Senator P.F. Routier (Assistant Chief Minister - rapporteur):

When I visited the Community Savings Bank I saw the very valuable service that they provide to those people who have difficulty managing their finances. The charity is very important. It receives financial support including through donations from several organisations and we have offered financial support as it works towards being viable in their own right.

3.11.1 Deputy G.P. Southern:

Yes. Is it not the case that this year the grant to this body was reduced rather than increased and they had to scramble around to find some more private sponsorship?

Senator P.F. Routier:

There is an ongoing discussion between the Treasury Department and the organisation to ensure that they are viable. There is a 2-year deal being used at the current time and I understand that the organisation has had some of that money and there is still some available. So it is a matter of the organisation themselves even looking at their own recent account, the most recently published accounts. They go to the Association of Jersey Charities, Lloyds TSB, KPMG, the Channel Islands Co-op, RBC and also to the Parish of St. Helier, the States of Jersey and Barclays that they have a number of people which they do get funding from in support and it is a matter of mixing all those together to ensure that they are a viable organisation and we will continue to work with them because they are a valuable resource for our community.

Deputy G.P. Southern:

Would the Assistant Minister kindly answer the question which was: has the grant this year been cut, been reduced in some way because I understood it had?

Senator P.F. Routier:

That is incorrect.

3.11.2 Deputy M.R. Higgins:

Do the Council of Ministers take any responsibility for the fact that there are these 5,000 families that are really struggling, and in fact many more, through the policies that have been adopted by the Council of Ministers and will he not give more money to the Community Savings Bank to assist these people?

Senator P.F. Routier:

All the policies which the community ... how they are being supported is across our Assembly with decisions which are made by our whole Assembly and at any time there will be people who are finding it harder to survive. We need to ensure we are giving it as much support as we possibly can. But it must be recognised that the Community Savings Bank is there to assist people in managing their finances, it is not a bank to ... they do do some grants for various things but in general they are there to help them to manage their financial dealings; they provide banking services because sometimes people are not able to get traditional commercial banking

facilities. So they are there to support those people into ensuring that they can manage their finances effectively.

3.11.3 Deputy M.R. Higgins:

Supplementary. Can the Minister tell us what he is doing to try and deal with the commercial banks that are refusing people bank accounts? There have been many, many reviews on it and people are finding it difficult either to continue banking with a bank or even get a bank account in the first instance. Surely that is part of the problem because if people can ...

The Deputy Bailiff:

If you could pause a moment, I am not sure that we are quorate. No, we are not quorate. Could I ask Members to return to the Assembly, please?

Senator P.F. Routier:

Can we have an appel, please, Sir?

The Deputy Bailiff:

Yes, the appel is called for. Would you please take the appel? I will ask the Greffier to open the voting for the appel. Could Members signify their presence, please, by pressing the button?

Senator P.F. Routier				
Senator I.J. Gorst				
Senator S.C. Ferguson				
Connétable of St. Mary				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				
Connétable of Grouville				
Connétable of St. John				
Deputy G.P. Southern (H)				
Deputy of Grouville				
Deputy of Trinity				
Deputy K.C. Lewis (S)				
Deputy E.J. Noel (L)				
Deputy of St. John				
Deputy M.R. Higgins (H)				
Deputy of St. Martin				
Deputy R.J. Rondel (H)				
Deputy S.Y. Mézec (H)				
Deputy of St. Ouen				
Deputy R. Labey (H)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				
Deputy P.D. McLinton (S)				

Deputy M.R. Higgins:

Does the Minister not accept that part of the problem that people are having at the present time in having to use bodies such as the Community Savings Bank are the policies adopted by the commercial banks which are either depriving people of existing accounts or preventing them

getting new ones? Can I ask the Minister what he or other Members of the Government are doing to correct that?

Senator P.F. Routier:

The commercial decisions made by the private banks themselves are a business decision which they will make themselves. We know that opening an account can be very difficult in any circumstances and particularly if you are a P.E.P. (politically exposed person), it can be extremely difficult. But that is exactly why the Community Savings Bank is there, it is to support those people who cannot open bank accounts ordinarily in the open market and that is why we must continue to support the Community Savings Bank.

3.11.4 Deputy K.C. Lewis:

I believe I have read reports that said there was a 30 per cent cut last year in the grant to the community bank so 5,000 Islanders are having problems with ordinary everyday expenses. Will the Minister increase support for the community bank? I am not talking about a handout, just helping people over a difficult time and not driving them into the hands of expensive pay day loan companies. Does the Minister not agree?

Senator P.F. Routier:

As I have said right through answering this question, the services which the Community Savings Bank provide are very valuable to those people who do find managing their finances ... and we must continue to support them in doing that. We do not want people to get into a position where they are going to organisations which are charging extortionately high interest rates and that is why if we can all, around this Assembly, promote the work of the Community Savings Bank whenever we meet people who are having difficulties, to suggest to them that they go to the Community Savings Bank because they provide an excellent service.

Deputy K.C. Lewis

The grant was cut by 30 per cent last year, I believe.

The Deputy Bailiff:

I am sorry, Deputy, that was your final supplementary question.