STATES OF JERSEY

OFFICIAL REPORT

MONDAY, 12th SEPTEMBER 2011

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

[14:45]

QUESTIONS

1. Written Questions

1.1 DEPUTY R.G. LE HÉRISSIER OF ST. SAVIOUR OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING THE BENEFITS OF THE FULFILMENT INDUSTRY:

Question

Does the Economic Development Department have an estimate, based on the last full year, of the net economic benefit of the fulfilment industry to Jersey and by how much this is offset by the cost of the social subsidy of any top-up benefits paid to employees by the States?

Answer

Based upon recent manpower figures, it is known that the sector currently employs around 900 people and if the sector had maintained its share of GVA in 2009 (the latest year for which figures are available), the sector would have been worth at least £45 million.

Social Security does not run reports identifying level of Income Support or other benefits paid to employees working in different industries or for individual employers, therefore it is not possible to calculate the overall net economic benefit, in the manner which the Deputy is requesting.

Fulfillment remains an important employment sector for the Jersey economy and my Department continues to liaise with the UK Government to ensure that the effects of UK Fiscal changes can be minimized.

1.2 SENATOR B.E. SHENTON OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING LOANS TO BUSINESSES:

Question

Will the Minister confirm whether the Economic Development Department, through Jersey Enterprise or any other body, provided a grant or underwrote any loans to Home Ideas and, if so, detail the date and amount of this grant or underwriting facility?

Will the Minister also advise the amount of grants paid by Jersey Enterprise to businesses, or loans underwritten to businesses that are no longer trading?

Answer

Economic Development Department provided support to Home Ideas Ltd with a Small Firms Loan Guarantee on 30th August 2007. The Guarantee was for 75% of a loan made available to the company from a high street bank. The amount of the original loan, and

the current lower outstanding balance, is commercial confidential and must be treated as such during this difficult time for all concerned.

It is extremely unfortunate for the company, it owners and creditors that the business became a casualty of the tough trading conditions. The owners did everything they could to make the business succeed and only after taking professional advice was the difficult decision to stop trading made. The Directors declared the company en désastre and the Viscounts Department are currently dealing with the company's affairs and liquidating assets to pay creditors. Only after the assets have been liquidated and after all other guarantees have been realised will Economic Department know if, or what value, any grant will become payable.

The nature of financial support, whether direct or by guarantee, to start up businesses involves an element of risk and it is therefore not unexpected that some businesses that receive such support fail. However it is this sector involving start up and small businesses that offer the greatest opportunity for growth and job creation.

Since 2007 Economic Development has paid out 331 grants with a value of £713,000 and underwritten 6 loans with an original value of £890,000. During this period 4 companies including Home Ideas Ltd are known to have stopped trading. To date the value of the grants paid to business that have stopped trading totals £16,000.

1.3 DEPUTY R.G. LE HÉRISSIER OF ST. SAVIOUR OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING SAVINGS IN THE PROCUREMENT DEPARTMENT:

Question

Given the rationale for expanding the Corporate Procurement Department, would the Minister identify the savings predicted and the timescales for achieving such savings by allocating savings and time scales to individual positions?

Answer

The recurring savings target for Corporate Procurement is £6.5m (plus £1.25m for Health and Social Services) to be achieved by the end of 2013.

Savings targets are not allocated against individual positions. Procurement staff work closely with the relevant departments and projects are prioritised and resourced accordingly.

The Procurement Department is currently recruiting a Category Manager for Professional Services and a Category Manager for Health & Social Services to increase its capacity and boost the teams' expertise. This is part of the overall plan for delivering the savings.

Corporate Procurement is currently conducting or advising on more than 80 procurements which are at different stages of completion. This work is monitored by a programme management plan and regular meetings with the Transformation Board, which includes 3 Chief Officers.

Savings have already been delivered by renegotiating electricity and gas tariffs, repackaging facilities maintenance and re-tendering cleaning contracts. Tenders out at the moment include a travel management service, contingent labour, managed print and stationery.

The team is continuing to analyse spend, concentrating on the top 100 suppliers to the States of Jersey, in order to make the full £6.5m CSR savings by the end of 2013. This work will be enhanced by the expertise of the new Category Managers.

1.4 DEPUTY R.G. LE HÉRISSIER OF ST. SAVIOUR OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING CLINQUE PINEL: Question

In the light of the statement of the Minister for Treasury and Resources that refurbishment of Clinique Pinel was only identified as a priority after a visit by the Minister and his Assistant Minister, would the Minister state how conditions in the department's facilities are monitored and refurbishment priorities established?

Answer

The need to refurbish Clinique Pinel was identified by the Health and Social Department (HSSD) in 2000 as part of an ongoing facilities management process (resulting in 2005 capital bid). After his visit to Clinque Pinel in August 2011 the Minister for Treasury and Resources subsequently stated that "it was apparent …this work cannot be delayed". It was not claimed that the priority was only identified at that point.

HSSD facilities are monitored by respective managers on an ongoing basis with support from the estates management team. Where appropriate the estates management team will undertake repair and routine refurbishment. When major refurbishment needs are identified they are escalated to the appropriate management board for prioritisation both within HSSD and across other States Departments.

The chronology associated with the refurbishment of Clinique Pinel is outlined in the answer to Question 6531.

1.5 SENATOR F. du H. LE GRESLEY OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING A PROGRESS REPORT ON THE "WESTWATER" AND "ZEPHYRUS" PROJECTS:

Question

As the Minister with political accountability for the States of Jersey Development Company Limited would he provide States Members with a progress report on the projects known as 'Westwater' and 'Zephyrus'?

Has the Minister, in conjunction with Jersey Property Holdings, considered the site of Zephyrus as suitable for office accommodation for use by the States rather than for the construction of more apartments and, if not, why not?

Would the Minister outline whether there are requests from some States Departments to occupy space at Maritime House on La Route du Port Elizabeth and can he advise if building work is scheduled, and budgeted for, to provide new office space above the Elizabeth Terminal for the Customs and Immigration Department?

Answer

Westwater and Zephyrus are building projects near to the Radisson Hotel site and are administered by the States of Jersey Development Company. Westwater is in the process of a slight internal redesign and Zephyrus awaits Building Control approval from the Environment Department. As soon as the residential markets for these proposed developments show consistent signs of improvement, they will be commenced. These two sites have excellent views over St Aubin's Bay and have been designed to provide high quality apartments on the waterfront that will complement other existing residential apartment sites.

The Westwater and Zephyrus sites have not been considered for use as States offices. These are very valuable sites which are entirely inappropriate for States office use. There are a number of sites more suited to office accommodation which would provide better value to the States.

The relocation of departments to Maritime House has been considered as a way to support the vacation of the South Hill site for its future disposal. Whilst this work has been at concept stage, such a scheme would clearly be dependent on the relocation of those currently occupying Maritime House. Both Harbours and Customs and Immigration agree there may be both operational and financial benefit to co-location at the Harbour Terminal. Whilst some preliminary work has been undertaken, a full feasibility study is required before any such move could be confirmed and I expect this to begin in the very near future.

1.6 THE DEPUTY OF ST. MARY OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING CLINIQUE PINEL:

Question

In order to provide members with the background to the request for additional funding for Clinique Pinel in the draft Annual Business Plan 2012 and in Amendment (10) to the Plan, would the Minister give members a brief complete year-by-year timeline of reports, assessments and evaluations of Clinique Pinel since its construction, together with a list of funding bids, to which bodies these bids were made, and how they were dealt with?

Would the Minister please give precise references to any documents or bids and state whether members can access them and, if so, where?

Can the Minister confirm whether the head of mental health services stated, in August 2009 when economic stimulus money was allocated for improving conditions for elderly dementia patients, that the state of the facilities was not affecting the level of care?

Answer

1998 – Health & Social Services Committee considered a report dated 24th November 1997 requesting planning votes for a number of projects including Clinique Pinel refurbishment. This was approved 7th January 1998 - Advanced planning votes 38/1/3/12(31)

1998 – Health & Social Services Committee approve report and proposition for £859,000 Capital project for Clinique Pinel upgrade on 16th November 1998. This was lodged "Au Greffe" with the States and subsequently approved.

2000 – Building contract subsequently awarded and signed 1st August 2000 and works carried out and completed by June 2001 (Work consisted of internal alterations/redecorating, replacement of windows and roof covering plus new insulated cladding to external walls of building).

2000 – Strategic brief produced for expansion of Clinique Pinel approved by Health & Social Services Committee requesting feasibility funding of £20,000 to produce bid for capital funding for 2005. Scope of work to be extension to provide space for 20 additional patients and refurbishment of existing building not upgraded in 2000 project.

2004 – Health & Social Services Committee make request to Finance & Economics Committee for funding in 2009 Capital Programme (Request approved by H&SS Committee in its Act No. A12 dated 4th February 2004).

Scope of proposed project "An extension to Clinique Pinel at St Saviours Hospital site to cater for the projected demographic increase in elderly mental health patients. The extension will provide an additional 22 beds with all necessary washing, toilet and lounge facilities. The existing kitchen will also be upgraded." Estimated total cost of project £3,630,000.

2005-2009 States of Jersey Resource Plan (page 22) included the Clinique Pinel Extension to take place in 2009 with an allocated sum of £4,556,000.

2006 – 2010 States of Jersey Business Plan (page 32) H&SS committee deferred the Rosewood House and Clinique Pinel Projects beyond 2010 for other H&SS projects following a fundamental review of H&SS capital requirements.

2007 – Survey carried out to identify potential legionella risks. Tender for remedial works issued August 2007 and works completed March 2009 (Approx value £30,000).

2008 – Infection control report September 2008 identified risks due to flooring, bathroom tiling, fixtures and fittings.

2009 – Present Minister for Health and Social Services invited the Minister of Treasury and Resources to visit St. Saviour's Hospital in July 2009 and requests that proposal be

put forward for refurbishment of Rosewood House and Clinique Pinel as a fiscal stimulus project.

Scope of works produced and fiscal stimulus project for Rosewood House agreed and this work is currently in progress (included in this project was use of McKinstry ward at Overdale Hospital as a patient decant area).

Clinique Pinel refurbishment became ineligible for fiscal stimulus funding as the work could not be commenced until late 2011/early 2012 due to the need to use McKinstry ward as a decant ward. McKinstry was not available due to work on Rosewood House.

2011 – Capital bid for essential safety works only made by Health & Social Services Department on 23rd March 2011. Bid for work to be carried out in Clinique Pinel during 2012 includes:

- Improved fire safety by installing sprinklers, fire doors, and improved fire escape stairs at both ends of the building.
- Improved infection control by replacing ceilings and flooring throughout the building to comply with infection control standards.
- Increase the number of bathrooms and shower facilities as currently each of the wards only have one bathroom and no showers for their patient group.

Members may approach the Service Manager for Older People who will be able to arrange for them to view the above documents.

In 2009 the Directorate Manager of Mental Health stated that "although the care offered at the wards (Beech and Cedar) is of a high standard, the building needs work". He went on to say "we are able to provide good nursing care within a safe environment, however the environment does not provide the best possible standards that we should be striving for. Patients are not at risk here at this moment in time."

1.7 THE DEPUTY OF ST. MARY OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING THE TOURISM DEVELOPMENT FUND: Ouestion

Can the Minister provide members, in tabular format, the following information relating to the Tourism Development Fund for the last 6 full years, namely 2005 to 2010 -

- 1) the total amount available to the Fund at the beginning of each of the last 6 years;
- 2) the total amount distributed by the Fund in each of the last 6 years;
- 3) the amount of any additional sum(s) made available to the Fund in each of the last six years.

Answer

The Economic Development Department produces an annual report on the work of the Tourism Development Fund each year and this report is distributed to all States members.

The reports are also available on-line on the Jersey Tourism website

 $\underline{\text{http://www.jersey.com/business/marketing/tourismdevelopmentfund/Pages/AnnualRepor}} \underline{\text{ts.aspx}}$

and copies going back to 2003 are available to interested parties.

1.8 THE DEPUTY OF ST. MARY OF THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING THE COMPOSTING SCHEME:

Question

In view of the cost of the composting operation of around £800,000 per annum, would the Minister -

- a) provide details of the quality control and/or accreditation scheme(s) now in place for the compost made by TTS and state when this was set in place and how it is carried out;
- b) state whether the compost is currently sold through all island garden centres and, if not, why not?
- c) state whether the compost has been sold through all island garden centres for the last 3 years consistently and, if not, why not?
- d) provide sales figures for the compost over the last three years, both to retail endusers and to trade users?
- e) inform members what plans TTS has for selling this compost in the future?

Answer

- a) The compost made by TTS is 'Soil Association Approved'. The Soil Association issued the current certificate of registration on 14th February 2011 and this is valid until 31st March 2012. A Soil Association Inspector visits the TTS composting site annually to conduct an inspection and audit operations. The compost produced by the States of Jersey has continued to meet this standard since composting was conducted by the Agriculture and Fisheries Committee.
- b) TTS Compost (otherwise known as 'Genuine Jersey Soil Improver') was withdrawn from local garden centres in 2009 as it no longer provided the department with value for money as the cost to produce, package and deliver the product significantly exceeded the revenue it generated. There was also an impact on the operation as it required a 4 month maturation period to produce, affecting the

department's capacity to process the tonnages that arrive on site every day. Compost for agricultural use is produced in a third of this time. There is also a link between the longer processing time and the generation of site odour which the department has been working hard to monitor and control.

Recent improvements to the site and operation have alleviated some of these issues hence steps now being taken to increase availability of Soil Improver product.

- c) TTS Compost has not been for sale in garden centres since March 2009. Soil Improver is still available to the domestic market however via commercial users of the La Collette composting facility who purchase the product in bulk bags or loose and manage the onward delivery to householders.
- d) As full year figures for 2011 are not yet available, sales figures for TTS Compost (Soil Improver) 2008-10 are shown below:

	2008	2009	2010
Retail sales (litres)	262,400	86,400 (Jan-Mar)	0
Trade sales (litres)	1,032,000	975,000	2,165,000
Total litres sold	1,294,400	1,061,400	2,165,000*

^{* 2010} figure includes large batches produced for projects such as the EFW landscaping works.

e) TTS is currently running a trial with HMP La Moye to produce 40 litre bags of TTS Compost (Soil Improver). This is now for sale to the general public at the household green waste site at Bellozanne with the aim of increasing availability to a number of TTS recycling sites. Working with HMP provides an excellent solution to identifying meaningful work for the prison community and maintaining reasonable production costs a partnership that both sides are keen to sustain and expand.

Sales to trade customers continue to be strong and work is underway to identify more large volume outlets for the product such as engaging with landscaping projects like the Town Park development. The indications are that sales of compost to trade customers and domestic sales through small bags on TTS waste sites will expand the output to beyond historic levels yet maintain cost efficiency.

1.9 THE DEPUTY OF ST. MARY OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING FUNDING ALLOCATIONS FOR I.C.T: Question

In order to provide the background to the requests for additional funding for Information and Communications Technology (ICT) in the draft Annual Business Plan 2012, will the Minister provide details of allocations to ICT in the last 10 years, both allocations which

were to a central ICT function, and allocations which were specifically made to departments, with the details to include the amount, what the money was for, how much of the allocation was spent, how much retained as a carry forward and how much was returned in some way as unspent.

Answer

The ICT budgets for certain Departmental services are held at a Departmental level. Gathering the information requested in the question has not been possible to do in the time available. The information will be provided to all States Members as soon as possible.

1.10 THE DEPUTY OF ST. MARY OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING STAFFING IN HIS DEPARTMENT:

Question

2010 June 1st

2010 December 1st

Can the Minister inform members of the number of full time equivalents working in the Treasury and Resources Department (or in its relevant predecessor department) in the areas shown in the table below, on the dates shown in the table (or equivalent ranges of dates for which information is easily available), adding any notes of explanation which he feels useful or necessary?

useful of necessary!				
	ISD	HR	Treasury	Procurement
2005 June 1st				
2005 December 1st				
2006 June 1st				
2006 December 1st				
2007 June 1st				
2007 December 1st				
2008 June 1st				
2008 December 1st				
2009 June 1st				
2009 December 1st				

Answer

	ISD	HR	Treasury (including Procurement)
2005 December 31st	N/A	N/A	99
2006 December 31st	73	52	98
2007 December 31st	73	53	99
2008 December 31st	70	59	96
2009 December 31st	78	58	103
2010 December 31st	87	60	96

Notes:

- 1. Within the timescale for the response, the above figures have been provided from the States Annual Performance Reports and are reported as actual full time equivalent posts filled on 31st December each year i.e. it is not the budgeted establishment.
- 2. These Reports do not provide the mid year figures, nor a breakdown of 2005 figures for IS and HR.
- 3. In the Annual Performance Report the Treasury Figures reported include Procurement numbers as the function was within Treasury until 2010.

1.11 DEPUTY M. TADIER OF ST. BRELADE OF THE MINISTER FOR SOCIAL SECURITY REGARDING THE HOUSING COMPONENT OF INCOME SUPPORT:

Question

Will the Minister state the total amount of the Housing component of Income Support paid out by Social Security in 2009 and 2010?

Answer

As members will be aware, Income Support is a unified benefit and the value of each claim depends on the balance between the needs and the income of an individual household. It is not possible to allocate a definitive total value to each component as the amount paid depends on the income of the household receiving it.

To estimate the split between different components, a formula needs to be applied to the value of the total benefit. This can be done in a number of different ways. Any formula needs to be applied to payments made on a specific date.

It is possible to give an estimate of the cost by considering the daily rate at the end of each year, and using a simple pro-rating method. At 31 December 2009 the allocation of Income Support to accommodation components would give an annual equivalent value of £22.7 million. At 31 December 2010 the allocation of Income Support to accommodation components would give an annual equivalent value of £24.1 million.

It should be noted that it is not possible to compare these figures with the previous costs of rent subsidies as they are based on a wholly different benefit system.

1.12 DEPUTY J.A.N. LE FONDRÉ OF ST. LAWRENCE OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING COSTS INCURRED IN RESPECT OF THE ESPLANADE QUARTER DEVELOPMENT:

Question

Could the Minister identify the cost per year since 1 January 2006 that has been incurred by or on behalf of the States / WEB (now SOJDC) in respect of the Esplanade Quarter and related master planning exercises? Could the Minister also identify the advisers, consultants, architects, etc that have been utilised to either design or advise on the scheme (including in respect of values and/or contracts) and (where not bound by confidentiality) the total fees paid to each firm in each year?

Answer

In 2008 WEB commissioned Hopkins Architects to produce Design Codes for the Esplanade Quarter. These Design Codes were subsequently adopted as Supplementary Planning Guidance. The costs of the Design Codes were £45,000.

WEB engaged Hopkins Architects in 2010 to prepare a submission to amend the adopted Esplanade Quarter Masterplan to allow six buildings together with an associated basement to be constructed as Phase 1. This work included an animated fly-through to illustrate how the scheme would look. The costs were £43.249.

SoJDC is undertaking detailed designs to implement Phase 1A of the amended masterplan the costs of which will be recorded in its audited accounts in due course. The contractual terms are confidential.

The Planning and Environment Department paid Hopkins Architects a total of £268,000 for their work on the Esplanade Quarter Masterplan between May 2006 and 2008. The Planning and Environment Department has also paid £26,000 in 2008 and £9,000 in 2009 to Davis Arnold Cooper (Lawyers) to assist in the preparation of the Planning Obligation agreement which was an integral part of the outline planning consent for Esplanade Quarter. Chris Shepley and Associates were paid a total of £53,682 in 2008 for the Public Inquiry held into the two applications for the Esplanade Quarter.

The total planning fees received for the two applications to date for Esplanade Quarter are £397,000

The Transport and Technical Services Department (T&TS) incurred the following costs in relation to the Esplanade Quarter:

- Eversheds £155,907
- Capita Symons £278,663
- Parson Brinkerhoff £23,090

For the amounts spent by T&TS £232,000 was recovered from Harcourt. The balance of c£234,000 had to be written off and absorbed by the Department.

1.13 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR SOCIAL SECURITY REGARDING REDUNDANCY PAYMENTS FOR THE EMPLOYEES OF CHARLES LE QUESNE LIMITED:

Question

Following the appointment of administrator for the building company Charles Le Quesne Ltd, will the Minister inform members:

- a) how many employees were made redundant?
- b) what payments were made to those made redundant?
- c) how many of these employees have applied for assistance from his department?
- d) whether these employees are eligible for statutory redundancy payments and, if so, what estimated total he has for these payments?

Answer

The department is aware of a small number of employees that were made redundant from Charles Le Quesne Limited. To publish the details requested in this question in respect of such a small number of individuals raises privacy issues and would be inappropriate.

1.14 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE ADMINISTERATION OF CHARLES LE QUESNE LIMITED:

Ouestion

Following the statements made by the Minister and the Minister for Housing about the administration of Charles Le Quesne Ltd, will the Minister -

a) inform members under what regulations and in what circumstances a company can continue to undertake work for the States whilst it is in administration?

- b)state the value of the bonds deposited by the company as part of the Clos Gosset/Grainville School contracts and what the status of these bonds is under administration?
- c) state what information the Minister has concerning the sums owed to subcontractors in the month preceding the appointment of administrators?
- d)inform members whether he is aware if those sub-contractors attached to the States contracts in the run up to administration were fully paid whereas other sub-contractors were not, and if so, what conclusions he draws from this?

Answer

The States has no role in the protection of sub-contractors or other parties in the event of a company going into administration. Detailed answers to the Deputy's question are as follows:

a) The contract conditions applicable to Grainville School Phase 4 and Clos Gosset Refurbishment were, JCT Standard Form of Building Contract 1980 Edition Local Authorities with Quantities incorporating local amendments and JCT IFC 84 incorporating local amendments, respectively. Both contracts deal with the bankruptcy of the Main Contractor in broadly similar terms. The relevant clauses are 27.3.3. (JCT 80 Contract) and 7.2 (IFC 84 Contract). Both clauses state that in the event of bankruptcy or a winding up.

"The employment of the Contractor under this Contract shall be forthwith automatically determined but the said employment may be reinstated if the Employer and the Contractor shall so agree;"

On 27th July 2011 the Royal Court ordered that:

"Charles Le Quesne (1956) Limited ("The Company") shall be placed with immediate effect into Just and Equitable Winding-Up under Chapter 3 of Part 21 of the Companies (Jersey) Law 1991;"

This order granted specific powers to the appointed Joint Liquidators including under Item 2 (iv) and (v).

- iv) "to exercise any of the powers of the Company as may be required for its beneficial winding up, having regard to the creditors including (without limitation) carrying on its existing business, transferring its business to another company and/or individual, making payments, assigning rights and interests, charging assets and incoming liabilities in the ordinary course of its business;
- v) to carry on the existing business of the Company in order to enable an orderly winding up of the Company;"

The option to reinstate the employment of Charles Le Quesne (1956) Limited (In Liquidation) was therefore legally and contractually viable. The advice received and the recommendation made was that the reinstatement of the Contractor's employment under the same terms and conditions offered the best arrangement for the States of Jersey, in terms of these two contracts, and for the creditors as any profit arising out of completing both contracts would be made available through the Joint Liquidators for the benefit of the creditors.

b) Both Contracts were in excess of £1million and as a consequence there was a requirement for each to have a contract guarantee bond in a sum not exceeding 10% of the Contract value. The bond amount for Grainville School Phase 4 was £327,267.47. The bond amount for Clos Gosset Refurbishment was £393,584.00.

As it was the employment of the Contractor which was automatically determined and not the contract itself the bond would remain in place. Written confirmation of this fact has been received from Charles Le Quesne (1956) Limited (In Liquidation). The act of going into liquidation does not automatically trigger a claim on the bond. A claim can only be made when the actual loss is known.

c) Under the terms of the Contract there is no responsibility for domestic sub-contractors. There is however a responsibility for Nominated Sub-Contractors under the terms of the JCT 80 Contract. As part of the contract administration the Architect issues a notification advising each of the Nominated Sub-Contractors the amount due to them which has been paid to the Main Contractor. In the month prior to 27th July 2011 there had been no written notification of any failure to pay appropriate amounts to Nominated Sub-Contractors. The position with domestic sub-contractors is not known.

The position under the terms of the IFC 84 contract is different in that there are no nominations. As a consequence sub contractors, although named, are domestic to the Main Contractor. In these circumstances the amount paid to sub contractors would not be known.

d) In the run up to 27th July 2011, as explained in Item c) from a contractual perspective the position regarding payments to domestic sub contractors would not be known. With Nominated Sub-Contractors the Main Contractor has a duty to make payment in accordance with the Conditions of Nominated Sub-Contract. There was no indication that such payments were not made.

In the period between 27th July 2011 and the signing of the Agreement to reinstate the Contractors employment on the two contracts on 26th August 2011 assurances were given that all sub-contractors on the two contracts had been fully paid in order that work could continue without a break.

The only conclusion to be drawn is that the contract conditions upon which the parties agreed have been applied in a fair and equitable manner. The terms under which

domestic sub-contractors operate with the Main Contractor is a matter for these two parties and are not known to the Employer.

1.15 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING NURSING STAFF:

Question

- a) Will the Minister inform members what vacancy rates for nurses have existed in Jersey over the years 2008 2010 along with numbers of applicants for vacancies and the comparable corresponding figures for the UK as outlined in her briefing paper of February 2011 for the States Employment Board (SEB)?
- b) Will she further inform members of the levels of nursing staff turnover and the impact of retirement projections on the predicted vacancy rates and supply of nurses over the next decade?
- c) Will the Minister explain to members where the "extra funds" required to "fund additional nursing posts" as outlined in the Human Resources proposals to representatives of States nurses is to be found in the draft Annual Business Plan 2012 which, on page 59 of the Annex, show a rise of only 0.4% for Staff Costs from £126.4m to £126.9m?
- d) What is the Minister's assessment of the impact on recruitment and retention of nurses following the refusal of the SEB to implement the recommendation of the independent IDS report of January 2011 for a 5% increase for nursing grades 5 to 8?

Answer

a) The average number of nurses and midwives vacancies in 2008 was 12.53 full time equivalents (1.9% of the registered workforce). In 2009 the number was 32.22 (4% of the registered workforce) with the average number of vacancies in 2010 rising to 48.93 (7.4% of registered workforce).

The average number of applicants for vacancies was nine in 2008, three in 2009 and four in 2010.

The UK target for vacancies is around 2.5% of the workforce, a target which was achieved for three consecutive years and temporarily rose to 3% for 9 months of the year in 2009

b) Since 2008 the turnover of Registered Nurses has been greater than 10% per year (up to 10.66%). This turnover rate will increase over the next 5 – 10 years due to retirement levels. In 2011 around 34 nurses aged 60 or over will be eligible for retirement if they choose. This number is set to continue by around 13 nurses per year until 2016 when there will be a further increase.

HSSD pre-registration nurse training programme is set to provide 15 nurses in 2013 and 18 nurses in 2015 (note: this does not allow for pre-registration programme attrition rates, which are generally around 15-30%).

There may potentially be minimal change in turnover rates if retention of existing staff is improved and pre-registration training provides sufficient nurses to replace those who are retiring. Turnover will inevitably increase however if HSSD is unable to train nurses in sufficient numbers to backfill the ageing workforce and ensure an adequate skill mix of experienced and junior nurses is in place.

- c) The £800k funding allocated by SEB is outlined on Page 60 of the Annex to the Draft Business Plan 2012. This includes £500k for changes to pay scales and £300k to manage the increased risk within Older Peoples Mental Health services by increasing their nursing establishment.
- d) Neither SEB or HSSD accepted all the recommendations outlined in the IDS report on differing grounds. HSSD believe that a targeted approach to recruitment and retention is more appropriate than a percentage increase across the board on the basis that the issues associated with recruitment and retention differing for each Grade.

SEB has subsequently accepted alternative recommendations put forward by HSSD that outline targeted revisions to existing pay structures. HSSD believe that these proposals, will better support recruitment and retention.

1.16 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR SOCIAL SECURITY REGARDING CHANGES TO REGULATIONS GOVERNING INCOME SUPPORT:

Question

Will the Minister explain to members how the change to the regulations governing Income Support is justified either morally or legally, in the context of the Human Rights (Jersey) Law 2000, and in the commitments contained in the Strategic Plan 2009-2014 and in the States determination to act in a non-discriminatory manner in that -

For over 19s both employed and unemployed are eligible for income support; for under 19s living independently, the employed are eligible, but if they become unemployed they become ineligible; and for under 19s living in their parents' home, both employed and unemployed are ineligible for income support as any benefit goes to the parents.

Answer

I can reassure members that the Income Support legislation has been confirmed as human rights compliant.

Tax funded benefits will always need to be targeted to specific groups. This does not necessarily create any issues of discrimination. For example, we currently provide a television licence benefit to people aged over 75, and general health benefits to those aged over 65.

It is appropriate for the Income Support Law to provide support at different levels for individuals of different ages. For example adults in Income Support households receive a higher value component than children. These rules ensure that public money is targeted appropriately.

The example provided in the question does not fully reflect the current legislation. The accurate position in respect of those under 19 years of age is that:

- Under 19s meeting the Income Support conditions for living independently, in education, employed or unemployed, are eligible for Income Support in their own right.
- A young person under 19 living in their parents' home, in full time employment, is not included in the benefit claim of their parents. The young person is theoretically able to apply for Income Support in their own right but, in reality, will never qualify for a benefit as their earnings will always exceed the value of the benefit available in that situation.
- Other young people under 19 living in their parents' home, in education or unemployed, are ineligible for Income Support in their own right as they are included in the benefit claim of their parents

NB. Young people with disabilities are subject to separate rules.

1.17 DEPUTY G.P. SOUTHERN OF ST. HELIER OF THE MINISTER FOR EDUCATION, SPORT AND CULTURE REGARDING VACANT TEACHING POSTS:

Ouestion

Will the Minister inform members how many teaching posts in the Island's secondary schools are vacant or filled by non-specialist teachers and in which subject areas at the start of this new academic year?

Answer

I can confirm that at the beginning of the new academic year there is 1 vacant teaching post and 2 teachers who are in a post which are not within their specialist subject within our secondary schools. In all cases the subject area is Maths. The vacant post has since been filled and the teacher will take up their position shortly.

1.18 DEPUTY A.E. JEUNE OF ST. BRELADE OF THE CHIEF MINISTER REGARDING THE CHANNEL ISLANDS' BRUSSELS OFFICE: Ouestion

Following the comment in R.107/2011 (Ministerial visit to Brussels: June 2011) that "We are discussing with our Guernsey counterparts how Members in both Islands can be kept informed of the work being undertaken by the Channel Islands Brussels Office", would the Chief Minister update members on the progress of this and state whether this is also being considered for other overseas offices such as those in London and Hong Kong?

Answer

After discussion with our Guernsey counterparts it has been agreed that the Channel Islands Brussels Office (CIBO) will produce six monthly written updates. These reports will be circulated to all States Members and the first such report will be produced in January 2012. In addition, the CIBO Director and Deputy Director would be happy to provide additional oral briefings to interested States members. Arrangements will be made for the next briefing to take place during one of planned visits to Jersey by the Director and/or Deputy Director in the first quarter of 2012.

With regards to the overseas offices in London and Hong Kong, I presume that Deputy Jeune refers to the Jersey Finance offices in those locations. Unlike CIBO these offices do not involve cooperation with Guernsey; therefore similar discussions have not taken place.

1.19 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE MINISTER FOR HOME AFFAIRS REGARDING THE JERSEY FIELD SQUADRON: Ouestion

Will the Minister -

- (a) Produce two tables -
 - (i) showing how much the States have paid each year as a defence contribution since the Jersey Field Squadron (TA) was created, breaking the information down into how much has been spent locally, and how much has been spent in the United Kingdom, on staffing, equipment, accommodation and other budget headings
 - (ii) showing annually from the date of the establishment of the JFS/TA -
 - the official establishment agreed for the unit with HMG, setting out the number of Officers, NCOs and Other Ranks to be recruited in Jersey and the number of British Army supplied training staff broken down by into Officers, NCOs and Other Ranks:
 - the actual number of Regular Army Officers, NCO's and Ordinary Ranks (Training Staff) and Jersey JFS/TA recruited Officer, NCO's, and Ordinary Ranks;

(b) List all residential properties occupied by Regular and JFS/TA recruited personnel (anonymising them as A, B, C etc for security reasons) detailing how much money has been spent annually on these properties breaking the figures down to show the cost of any purchase, rental, maintenance or housing subsidy paid to or on behalf of any JFS/TA or Regular staff?

Answer

- (a) (i) See Appendix 1
 - (ii) The 8005 Army Establishment Table AF C8005 (2008) is a restricted document. However, Deputy Higgins can review it at the TA Centre, Mount Bingham should he wish.
 - The number of permanent staff can be disclosed. As per a previous question from Deputy Higgins (30 June 2009) it is unchanged and is as follows:
 - Two (2) regular soldiers (3 if no TA OC available); two (2) non-regular permanent staff (NRPS) and four (4) States of Jersey civil servants. The Squadron uses the Transport and Technical Services Department to maintain all its vehicles and as such pays for a civilian TTS fitter as required.
- (b) See Appendix 2

JERSEY FD SQN RE (M)

These figures are taken from the MAS(A) reports prepared at the end of each financial year covering all expenditure incured by the Jersey Fd Sqn. Detailed information is not available prior to these dates.

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		Expenditure	Expenditure	•
Year	Total	Jersey	UK	
				•
1999	864,309	518,787	345,522	No detailed breakdown available
2000	936,531	569,919	366,612	No detailed breakdown available
2001	884,728	476,813	407,915	
2002	942,532	511,938	430,594	
2003	904,882	461,586	443,296	
2004	919,412	431,242	488,170	
2005	1,043,792	469,264	574,528	
2006	1,015,759	443,765	571,994	
2007	823,620	428,337	395,283	
2008	884,792	436,866	447,926	
2009	921,837	454,527	467,310	
2010	889,603	455,699	433,904	

Local Expenditure

	Civilian Pay	Military		Equipment	Capital		
Year	Jersey	Allowances	Unit Costs	Costs	Costs	Indirect Cost	
_							
2001	118,996	19,767	233,742	47,058	55,214	2,036	476,813
2002	121,022	33,206	300,183	43,398	11,328	2,801	511,938
2003	119,130	23,650	242,667	71,549		4,590	461,586
2004	122,710	26,637	217,626	60,379		3,890	431,242
2005	130,837	26,892	250,004	57,450		4,081	469,264
2006	134,300	25,132	215,952	64,330		4,050	443,764
2007	139,224	22,397	204,871	57,364		4,481	428,337
2008	133,280	23,770	212,821	62,624		4,371	436,866
2009	140,632	23,516	230,439	55,546		4,394	454,527
2010	144,207	23,879	215,041	67,815		4,757	455,699

UK Expenditure

	Military Pay			Equipment	Capital		
	Regular	Military Pay TA	Unit Costs	Costs	Costs	Indirect Cost	
Year							
2001	214,373	112,750	9,554	3,163	21,881	46,194	407,915
2002	218,121	130,252	25,168	4,342		52,711	430,594
2003	214,070	97,492	23,234	8,266	38,623	61,611	443,296
2004	188,419	124,388	63,814	14,238	52,947	44,364	488,170
2005	225,118	147,779	62,095	29,273	59,859	50,404	574,528
2006	224,705	162,047	54,303	15,593	66,665	48,682	571,995
2007	232,862	115,481	17,446	- 9,909	29,843	9,560	395,283
2008	212,732	171,792	17,695	- 7,729	48,469	4,967	447,926
2009	207,475	154,201	44,188	18,000	40,506	2,940	467,310
2010	186,589	171,512	40,400	17,412	15,237	2,754	433,904

JERSEY FIELD SQUADRON - ACCOMMODATION COSTS

Costs of lease hire for one property and related expenditure.

2001	12,420
2002	19,211
2003	20,289
2004	21,344
2005	21,710
2006	25,132
2007	22,397
2008	23,770
2009	23,516
2010	23,879

Married Quarters Costs - Maintenance

The four properties are owned by the States of Jersey and therefore do not carry any rental costs.

	MQ1	MQ2	MQ3	MQ04	Total
2001					
2002	17,479	3,549	990	9,647	31,665
2003	Data unavailable			33,272	33,272
2004	10,908	5,245	12,978	624	29,755
2005	11,465	3,470	1,910	4,050	20,895
2006	553	1,797	954	1,270	4,574
2007	1,403	15,369	718	1,048	18,538
2008	36,300	3,535	2,455	1,075	43,365
2009	7,150	6,254	6,245	5,981	25,630
2010	1,715	1,558	5,486	5,438	14,197
	86973	40777	31736	62405	221,891

1.20 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE MINISTER FOR HOME AFFAIRS REGARDING CONVICTIONS UNDER THE CRIME (DISORDERLY CONDUCT AND HARASSMENT) (JERSEY) LAW 2008: Ouestion

- (a) Following the enactment of the Crime (Disorderly Conduct and Harassment) (Jersey) Law 2008 would the Minister state how many convictions there have been and how many orders have been issued under the Law?
- (b) Is the Minister satisfied that the correct procedures are being followed by the States of Jersey Police in implementing the legislation and would he inform members -
 - (i) whether the States of Jersey Police, after receiving a complaint made to them by the complaining party that another person is harassing them, always check the facts or validity of the complaint or question the person alleged to be conducting the harassment before taking action under the Law; and

(ii) whether the Police are issuing orders stating that they are not judging the issue but then warning the recipient that they must cease taking the actions that are causing the problems and that if they do not that they will face prosecution, without stating what the actions are that are the cause of the complaint?

Answer

(a) Since the enactment of the Crime (Disorderly Conduct and Harassment) (Jersey) Law 2008 ('the Law') 41 cases of harassment have led to alleged offenders either being charged or served notice of intended prosecution. Of these, 31 went to Court and 10 to Parish Hall Enquiries. It should be noted that sanctions imposed at Parish Hall Enquiry do not count as convictions.

In respect of orders, the courts are responsible for issuing restraining orders under the Law and this information is not held by the Home Affairs Department. However, the Deputy may be referring to the Police Information Notices (Allegation of Harassment), which are issued by the States of Jersey Police. The States of Jersey Police have issued 67 of these notices since the enactment of the Law.

- (b) The Minister for Home Affairs is satisfied that the States of Jersey Police leadership have set up the correct procedures when implementing the legislation. Whether those correct procedures are correctly followed in all cases would require a detailed examination of each case.
 - (i) When dealing with complaints of harassment, officers establish whether this is the first incident which has allegedly caused the victim harassment, alarm or distress. If it is the first incident and there is no other evidence to corroborate the allegation and, unless there is evidence to the contrary, officers may consider giving words of advice to the alleged perpetrator. The purpose of such words of advice is to bring to the attention of the alleged perpetrator that a complaint has been made and that what the alleged perpetrator has done has upset someone. In so doing, an officer does not make any finding as to the validity of the complaint.

If there is corroborative evidence available, then officers must include this in the victim statement detailing, seizing and exhibiting any corroborative evidence, such as -

- Independent eye witness statements, detailing the harassment / behaviour involved
- Forensic evidence such as letters or photographs
- Evidence from telephones, answer phones and computers.
- CCTV footage

(ii) On serving a Police Information Notice (Allegation of Harassment) the States of Jersey Police specify that harassment can take several forms and they advise the alleged perpetrator that they may be liable to prosecution if they do not cease any behaviour towards the individual concerned that may cause them further harassment. Again, no finding of fact is made by the officer and the purpose of the Notice is the same as for words of advice.

The subject is informed of the allegation that has been made. However the written Notice given to the subject makes it clear that the States of Jersey Police makes no comment as to the truth, or otherwise, of the allegations at the time the Notice is served. Neither words of advice, nor a Notice have any legal effect.

The Notice is issued in the spirit of crime prevention, to ensure that the subject is aware that what they may consider to be reasonable behaviour is actually causing alarm and distress to the individual concerned. The intention behind the giving of words of advice or the service of a Notice is to seek to avoid the situation escalating to the stage where consideration of prosecution will be necessary. If that stage arrives then the Police will prepare a file in the normal way for the consideration of a prosecutor.

This is how the correct procedures should be followed. Whether they are in each case would require a detailed examination of each case.

1.21 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING THE BANK DEPOSIT PROTECTION BOARD:

Ouestion

Following the enactment of the Banking Business (Depositors Compensation) (Jersey) Regulations 2009 will the Minister explain to the Assembly -

- (a) How many times the Jersey Bank Depositors Compensation Board has met;
- (b) What administrative arrangements have been made, in detail, to meet the claims of depositors in the event of a bank failure and in particular to make an interim payments to depositors of up to £5,000 within 7 working days and the balance of compensation within 3 months;
- (c) What steps have been made to improve the flow of information from Home Regulators to the Jersey Financial Services Commission (JFSC) regarding the health of bank branches and subsidiaries located in Jersey;

(d) What research or actions have been taken by the Economic Development Department, JFSC or any other person or public body in Jersey to overcome the problems associated with cross-border insolvency?

Answer

- (a) The Jersey Bank Depositors Compensation Board has met on five occasions since the members were appointed by the States.
- (b) Detailed work has been undertaken with a major business (also engaged by the UK deposit compensation scheme) to implement a system to enable a swift payout in the event of a default. This work is ongoing but is expected to be completed by the end of this calendar year. Once concluded, EDD will host a seminar to inform States members of the detailed arrangements.
- (c) The JFSC has stated that there are already Memoranda of Understanding in place between home regulators and the JFSC with the aim of ensuring that information flows where necessary. The JFSC is in the regular habit of proactively liaising with relevant home regulators and inviting their ongoing input in light of changing circumstances.
- (d) The issue of cross-border insolvencies was considered by the Economic Development Department when the scheme was set up and is reviewed on a regular basis. The issue surrounds the interlinking of multinational bank operations and the potential risks caused by the lack of ring fencing national entities. As far as Jersey is concerned, the main factor is the stability of parent banks. Other interlinkage risks are minimal due to the lack of capital market activity. All indicators suggest that there is an increasing drive towards ring fencing where that is possible and in improving international cooperation where and when crises hit in order to ensure that defaults are managed in an orderly fashion all of which is good news for the security of deposits.

1.22 DEPUTY M.R. HIGGINS OF ST. HELIER THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING THE RECOMMENDATIONS OF THE INTERNATIONAL MONETARY FUND:

Ouestion

In light of the current turmoil in international money and capital markets, the problems in the Eurozone, the United States economy and elsewhere, will the Minister inform the Assembly whether <u>all</u> the recommendations of the International Monetary Fund in their report on Jersey entitled 'IMF Country Report No. 09/282 - Jersey: Financial Sector Assessment Program Update—Financial System Stability Assessment' dated September 2009 have been accepted, and, if not, why not, and would he also give members a

detailed update on the progress to date of implementing each of the recommendations that have been accepted?

Answer

IMF Country Report No. 09/282 – Jersey: Financial Sector Assessment Programme Update – Financial System Stability Assessment includes a list of the main recommendations arising from the International Monetary Fund's assessment of Jersey in the last quarter of 2008. Recommendations are also made in other reports:

- IMF Country Report No. 09/280 Jersey: Financial Sector Assessment Program Update—Detailed Assessment of Observance of AML/CFT
- IMF Country Report No. 09/281 Jersey: Financial Sector Assessment Program Update—Detailed Assessment of Observance of the Basel Core Principles for Effective Banking Supervision
- IMF Country Report No. 09/283 Jersey: Financial Sector Assessment Program Update—Detailed Assessment of Observance of the Insurance Core Principles

Action plans for all of the recommendations made in these reports were published on the website of the Jersey Financial Services Commission (the "Commission") in March 2010.

It is clear from the published action plan for report 09/282 (attached to this response) that action was agreed for each of the main recommendations. Good progress has been made with implementing these recommendations. An updated action plan is expected to be published before the end of 2012 and this will provide further detail on progress as requested by the Deputy.

Action taken to date in addressing the main recommendations includes:

- Continued proactive dialogue between the Commission and other regulators, including the attendance of regulatory colleges. The Commission also continues to provide other supervisors with details of banking business undertaken in Jersey and related regulatory issues and seeks assurances that relevant developments will be proactively advised to it by other supervisors.
- Consultation by the Commission on proposals to withdraw the blanket exemption from its large exposure reporting regime of inter-bank exposures under 12 months' duration. These proposals will be finalised soon.
- Commissioning a report on developing the Island's capacity to assess wider financial system risks affecting Jersey.
- Publication by the Commission of more data on the performance of Jersey's banking sector.

- Consultation by the Commission on proposals to improve the availability of financial information on banks, which proposals are expected to be finalised later this year.
- The introduction of a depositor compensation scheme and requirements to disclose its applicability.
- Initial work by the Commission designed to form the basis for consultation over proposals allowing the Commission to impose civil penalties for breaches of regulatory requirements.
- A themed examination programme conducted by the Commission on the adequacy of credit provisioning, the findings of which were subsequently published.
- More formalised dialogue between the Commission and auditors of banks.
- The commencement of a "root and branch" review of the Commission's sensitive activities policy, intended better to highlight those higher risk activities where enhanced due diligence measures will be necessary.

Recommendations from the FSSA

Recommendation	Covered		Agency	Amendment	Action	Timescale (where determined)
	elsewhere		· · · · · · · · ·	type:		Tallitation (Transcription
High Priority						
General Continue to develop contingency planning, including through a clear allocation of roles between the JFSC, the Treasury, and other institutions.	covered in		Gov	Other	Consideration by the Jersey Financial Services Advisory Board, which has responsibility for stability matters.	
Seek to develop mechanisms to receive early information of financial strains, including from home supervisors.	Covered in hanking report CP 11, 19 & 25	CP11: (additional comments). As a standard procedure, the JFSC writes a letter to the home supervisor on at least as annual basis. In this letter the home supervisor who is responsible for supervision on a consolidated basis could also be asked whether or not from his point of view any circumstances axist which would hinder the exomption being granted by the JFSC. Other evidence to be taken into account in this process could, e.g., be an assessment of share price developments of the parent company and of malerial other companies of the group, accounting information, and further relevant financial information from the financial markets.	J#SC		No additional action required - covered by harding plan	N/A
		CP19: The JFSC should devote more effort to assessing risks affecting the financial system so a whole, including through the sindertaking of aggregate street besting and the examination of the distribution of financial soundness indicators.	Gov	Other	Consideration by the Jersey Financial Services Advisory Board, which has responsibility for stability matters.	
		CP25: The JFSC should strive to obtain regularly from home supervisors a written statement indicating whather they have any knowledge of any significant problems of which the JFSC should be aware.	JF9C		No additional action required - covered by banking plan	N/A

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Recommendations from the FSSA

Recommendation	Covered elsewhere		Agency	Amendment type:	Action	Timescale (where determined)
		The JFSC should strive to obtain from home supervisors a commitment to communicate promptly and on their initiative information that is critical to the stability of the Jersey financial system.				
Banking						
Replace the general evenuption for inter-bank exposures from risk concentration provisions by a defined and transparent procedure according to which the JFSC remews such permissions on a regular basis following a review of risks and risk mittgants	Covered in banking report CP 10	The general exemption of inter-bank loans or placements, certificates of deposit or similar instruments issued by a bank with a maturity of one year or less from concentration risk regulation should be reconsidered. The JFSC should decide on a regular basis whether or not an exemption for large exposures granted should be renewed.	JPSC		No additional action required - covered by banking plan	N/A
Develop capacity to assess overall financial system soundness, including through stress testing.	covered by banking report	CF19: The JFSC should devote more effort to assessing risks affecting the financial system as a whole, including through the undertaking of aggregate stress testing and the examination of the distribution of financial soundness indicators.			Partly covered by the Barking Plan. Consideration by the Jersey Fluuncial Services Advisory Board, which has responsibility for stability matters.	
[It would be useful for the authorities to gather more comprehensive information on the overall indebtedness of Jersey households and the corporate sector by accounting for credit from abroad and from local non-bank lenders. This will help banks and the authorities better assess borrowers' ability to absorb shocks, including their capacity to repay debt, and the possible spillover effects to the rest of the economy in the event of a credit crunch.]		CF 22: The JFSC should publish statistics and a communitary on the performance of the Jersey banking system as a whole.				

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Recommendations from the FSSA

Recommendation	Covered elsewhere		Agency	Amendment type:	Action	Timescale (where determined)
General Study the design of a possible DCS based on explicit objectives and recognizing constraints.		2	Gov	Legislation	Legislation establishing a depositor compensation scheme was introduced in November 2009.	Completed
Continue to ensure that creditors receive clear information on counterparty risk and compensation scheme coverage, if any.	Covered in banking report	CP1.1: The JFSC should place greater emphasis on registered persons having available for access by the public either summarized or audited financial statements	JP9C		No additional action required - covered by banking plan	N/A
		CP6. With regard to public disclosure, it would be constructive for the JFSC to require any registered person to display prominently in its premises and in applicable promotional documentation a uniform notice informing the reader of the status of their deposits in Jersey-registered banks in so far as any guarantees, compensation or an insurance scheme apply	JPSC			
		CP25: Depositors should be made aware of the status of deposits in Jersey banks in so fur as depositor-insurance schemes are concerned.	JFSC			
Strengthen the JFSC powers to impose fines for breach of JFSC regulations.			Gov	Legislation	Once ongoing work on the introduction of a power to allow the Commission to recover certain of its costs is complete, consideration will be given to the merits of allowing the JFSC to impose fines.	

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Recommendations from the FSSA

Recommendation	Covered elsewhere		Agency	Amendment type:	Action	Timescale (where determined)
Banking Supervise more actively loan classification and provisioning by banks, and maintain up-to-date expertise in evaluating risk models.	Covered in banking report CP 9	The JFSC should on a regular basis form its own view with regard to the necessary assessment of the adequacy of a bank's provisioning policies and processes, and should also approach banks, parent institutions and the respective home supervisors in order to confirm so far as possible the adequacy of the provisioning policy.	JPSC		No additional action required - covered by banking plan	N/A
More regularly discuss individual banks with auditors.		Bilateral discussions with external auditors should be held more regularly	JPSC		No additional action required - covered by banking plan	N/A
Other Survey activities of SPVs registered on the island.			JP9C		A periodic report is to be produced and published on the activities of Jersey companies, including the use made of SPVs.	2010 - System development and data gathering 2011 - Pirst report published

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1.23 DEPUTY M.R. HIGGINS OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE JERSEY BANKING MODEL:

Question

Will the Minister explain to members -

- (a) the impact of continued and likely low interest rates on bank deposits up streamed from Jersey banks to their head offices and money markets on local bank profits and therefore States revenues;
- (b) whether proposed changes to bank liquidity requirements being put forward by the UK Financial Services Authority will affect the Jersey banking model and, if so, how?
- (c) how worries over bank and sovereign debt insolvency are affecting Jersey bank's desire to upstream funds to the money markets and the likely impact on bank profits and future States revenues;
- (d) what impact, if any, the requirement for banks to have living wills will have on the Jersey banking model and economy; and
- (e) what other risks to the Jersey banking model he can detect either from what is going on in the markets or being discussed by world leaders, the EU, OECD, World Bank and other economic bodies?

Answer

- (a) Most Jersey-based banks operate a simple banking model based on collecting deposit liability both locally and from around the world and up-streaming to their parent. This way of generating deposits as part of group funding remains attractive to parent banks and has been repeatedly confirmed as a strategic priority.
 - Lower interest rates tend to reduce deposits through margin compression and as a result of other investment opportunities (or simply spending) becoming relatively more attractive. Jersey banks are not immune and they, too, have seen a significant reduction in bank profitability as a result of the sustained period of historically low interest rates. Banks have, however, taken great strides to adjust their business models wherever possible in order to maintain profitability. A rise in interest rates, when it comes, is expected to result in a significant rebound in profits.
- (b) The FSA has moved ahead of other regulatory bodies in implementing new liquidity standards. There is likely to be some impact on Jersey banks as up-streamed funds with a maturity of fewer than three months could prove less attractive to the receiving bank. This, in turn, might result in banks seeking to find alternative uses for an element of the customer deposits they receive. Exactly what alternatives will be pursued will vary from bank to bank. As a result, each bank's risk profile, resource requirement and financial performance will be affected differently. These developments are being closely monitored by the JFSC.
- (c) A Jersey bank's appetite for up-streaming might be adversely affected if it felt that its parent was unduly exposed to credit or other risk (such as that which might arise as a result of its parent carrying high levels of problematic sovereign debt). As noted above, this might result in a bank seeking to find alternative uses for an element of the customer deposits received. The alternative pursued will affect each bank's risk profile, resource requirement and financial performance differently.

- (d) 'Recovery and resolution plans' are still being developed by banks and remain the subject of dialogue with home regulators. The Commission has yet to hear of any that have been completed or of any proposed provisions that will directly impact a Jersey entity. As and when such information becomes available, it will be reviewed to assess the potential implications for the Island and its depositors.
- (e) There is clear and concerted effort across national and supranational bodies to identify means of reducing both the risk to depositors and the potential cost to the taxpayer. The approach adopted by the UK is likely to be significantly influenced by the Independent Banking Commission's recommendations on the ring fencing or separation of investment banking activities from retail banking activities.

2. Oral Questions

2.1 Deputy P.V.F. Le Claire of St. Helier of the Minister for Treasury and Resources regarding advertising expenditure with the Jersey Evening Post by States departments in the last 12-month period:

Can I ask the Minister if he would provide Members with details of the expenditure on advertising with the *Jersey Evening Post* by States departments for in the last 12 month period, in order that a comparison can be made with the information presented on 13th September 2010?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

It is always difficult to answer questions about a table of figures, and I will circulate the table to Members shortly by email. Basically in the period from 2009-10 in my previous answer I stated that the total expenditure by States departments was £333,988, for the equivalent period in 2010 to 2011 it was £277,370, a saving of £56,618. The main differences were savings of recruitment of about £54,000, run of paper of £37,000, which is offset by some additional expenditure in terms of the *Jersey Gazette* and planning notifications.

2.2 Deputy P.J. Rondel of St. John of the Minister for Treasury and Resources regarding the use of an outside negotiator to negotiate the Lime Grove House purchase instead of Property Holdings:

Was an outside negotiator used to negotiate the Lime Grove House purchase instead of Property Holdings staff and, if so, under what terms was the negotiator engaged and what commissions were paid?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

I have a number of questions in relation to Lime Grove House, I think 6 or 7. I will keep my answers specific to the relevant issue but there may well be some answering that is common ground on some of the questions. So I can confirm that an independent negotiator was engaged in April 2011 to support and advise the Chief Executive in concluding the negotiations for Lime Grove House. The negotiator was engaged on a standard hourly rate and no commission was paid. The negotiator had a specific remit to resolve the issue that while the price of £8.75 million had been offered, there was no deal because significant matters remained outstanding, in particular the cost of snagging and other costs, which, because of the building's age, could have run into hundreds of thousands of pounds. The negotiator successfully agreed with the vendors of a price for £8.25 million, including the responsibility of the various snagging issues prior to the vendors agreeing to lease the building to a third party.

2.2.1 The Deputy of St. John:

There has been an awful lot of media coverage of this particular building, which has raised a lot of questions and received very few answers in the outcomes of anything I have read in the media. Will the Minister confirm or otherwise that the Treasury Department appears to have been, for want of a better word, meddling within the affairs of the Jersey Property Development Department, and that being the case, are we now seeing another fall guy within a senior position in the States, as happened with the Euro fiasco on the energy from waste plant? Is there ...

The Bailiff:

I think you have posed your question there, Deputy.

Senator P.F.C. Ozouf:

I have the responsibility for safeguarding public money and ultimately large transactions such that the Assembly vests in me a responsibility to make decisions. There was a long history in relation to the Police H.Q. (headquarters), more than 5 years even before I got involved and saw finally a business case in October last year. I am afraid to say that business case was not capable of being signed-off. There was a price but not a deal. It was not possible to deliver the overall police relocation within the budget and there were significant issues which have arisen in the subsequent months since then. That is the situation. The Deputy does not have all the answers - and I understand that - because I have given significant evidence in the last few days. The Scrutiny Panel has their report. I encourage the Deputy, if he is interested in looking further into the matter, to look at the evidence already published on this area. Clearly we await the Scrutiny Panel's report.

2.2.2 Deputy T.M. Pitman of St. Helier:

The Minister has talked about setting the record straight on his website. Could he explain to the House - because I think this is important - how can this record be straight when civil servants, just as we have seen with the former Treasurer of the States and the former Chief of Police, are effectively gagged by confidentiality and can really not say anything while the Minister can say what he likes?

Senator P.F.C. Ozouf:

Ultimately this Assembly puts in place and votes in Ministers who are ultimately accountable. I take responsibility for matters within my own department. I cannot comment obviously on other departments. I am happy to take responsibility for what happens in my own department, and I need to say again to the Deputy and to the Assembly that I am as frustrated as anybody in the lack of progress over a number of years in relation to the Police H.Q. It has taken too long. It is unfortunate that another counter-party took the building on a leasehold and we were not able to purchase the building but we will find a solution to this and we will deliver the police a proper H.Q. within the available budget. I stand accountable for those decisions as this Assembly would expect me to.

2.2.3 Deputy T.M. Pitman:

A supplementary? The Minister talked about responsibility, does that mean he is going to resign over this?

Senator P.F.C. Ozouf:

I certainly do not believe I have anything to resign over. We will discuss in later questions and answers the issue of whether or not there was an £8 million spend, and I think, with the agreement of the Minister for Home Affairs, there has been some misinterpretation of those figures. The fact is that the business case that I was being pressed into signing last October could not be signed. The deal was not clear, it could not meet the budget, it involved a complex web of other transactions including the sale of South Hill - in order to fund the overall project, and no Member of this Assembly that I think was doing their job would have accepted that Ministerial Decision at the time, of which also was not recommended to me by the appropriate accounting officer.

2.2.4 Deputy A.E. Jeune of St. Brelade:

Can the Minister just clarify what he said in his initial answer? Did he say that the price of £8.25 million by his negotiator was agreed?

Senator P.F.C. Ozouf:

If I may say, that was one of the whole problems that we face, is that an offer had been made by Property Holdings, without my knowledge, without the accounting officer's prior knowledge of it being made and there was subsequently ... and all of the documentation is clear that there was a lack of clarity as to what the price was including the whole deal, whether or not snagging issues were... I visited the immediate vicinity of the site. I think Lime Grove House is a lovely building and with work it will create a great new headquarters for State Street, but it did need and does need work because it has been empty for 10 years. That could have run into hundreds of thousands of pounds and, frankly, I feel as though I would almost be condemned if I do and condemned if I do not. Buying a building at financial services rates on the one side and buying a building which significant scaffolding would have gone up, we would have had to have spend hundreds of thousands on the necessary changes to the windows and I still would have been condemned. I have done the job that this Assembly wants, which is safeguarding public money and delivering value for money.

2.2.5 Deputy A.E. Jeune:

My question to the Minister was, was the £8.25 million by his negotiator agreed? Is that what he said in his answer, please?

Senator P.F.C. Ozouf:

I do apologise: the £8.25 million, after the new team was put in place, was agreed and heads of terms were agreed and there was an expectation that it would go forward. That was at £8.25 million, although the Ministerial Decision that I signed allowed negotiations to include all of the dilapidations to go to £8.75 million.

Deputy A.E. Jeune:

So it was a price ...

The Bailiff:

Sorry, Deputy, you have had 2 questions and there are a lot of other Deputies who wish to ask questions. Deputy Southern.

2.2.6 Deputy G.P. Southern of St. Helier:

Who runs Property Services? Is it the Minister for Treasury and Resources or is it somebody else?

Senator P.F.C. Ozouf:

Ministers are responsible for policy and oversight. In this area I have always had... and I have a record in this Assembly of giving Assistant Ministers proper delegated responsibility for areas. An Assistant Minister has always had a responsibility for Property Holdings but at the end of the day, as the Deputy of St. John's question quite rightly says, ultimately the accountability stops at the Minister and the accountability stops right here and that is why I am dealing with it. I also think that the Assembly would expect me to be involved in the purchase of a building of literally millions of pounds of taxpayers' money. Members would expect me to be aware of it, to be involved and to be authorising such a transaction.

2.2.7 Deputy G.P. Southern:

Supplementary, if I may. The Minister for Treasury and Resources was very satisfied when he first announced this deal to the Chamber. What happened in between time that he should have gone

back and effectively double-negotiated, tried to go back and renegotiate, thereby losing this particular site? Is he happy that we still do not have a new Police Headquarters?

Senator P.F.C. Ozouf:

I am not happy that we do not have a new Police H.Q. and the deal ... and I made the statement to the Assembly to say that I had been difficult to convince, and absolutely right. Members may now understand why I was difficult to convince. I was brought under a lot of pressure from different parties in relation to this issue. It was a deal which was flawed when the original business case had been presented to me and the deal that I was being pressured to sign in October did not meet the budget because it retained the operational Police H.Q. on Sacre Coeur. The work that the Treasury and the Chief Executive and the Assistant Chief Executive subsequently did solved all that, put it within the budget and we got an agreement to buy the building of £8.25 million. If I am to be condemned for attempting to save money then frankly I wish to be condemned on that basis. But I do not believe I have, I believe I have made the right decisions in the interests of public money.

2.2.8 Deputy P.V.F. Le Claire:

I appreciate the Minister safeguarding public money but some of us ... not necessarily me, but some people have expressed an opinion there is lost opportunity that will cost money. Will the Minister outline for us what other large proposals have been transferred from Property Holdings? My understanding is all of the large projects that were in their portfolio have been transferred over to the States of Jersey Development Company now and the Minister has, I believe, has an overriding veto in respect to what happens to those properties. What does that mean for the creation of affordable homes which was the key pillar in the Island Plan that was going to be delivered on these sites?

Senator P.F.C. Ozouf:

If I may say, I absolutely agree with the Deputy that we have to deliver affordable homes. There has to be a good co-operative working between the Minister for Housing, Property Holdings and S.o.J.D.C. (States of Jersey Development Company) in terms of delivering affordable homes. We need these people to work together in a team-like approach which is not a characteristic of the way the relationships have been going over the last couple of years. I am determined to solve that. The Deputy asked me a number of other questions, I am afraid I probably will come back to them in later answers.

2.2.9 Deputy P.V.F. Le Claire:

I would rather he answered them now when I put them to him, which was, which other large properties has he transferred over to the States of Jersey Development Company?

Senator P.F.C. Ozouf:

Sorry, there are no large transactions ... there is no land that has been transferred over to S.o.J.D.C. and we are currently working out where the right and appropriate single point of delivery some projects will be but no projects have been forward. We are conducting a review of Property Holdings to get it to being fit for purpose. There is a lot of good work that has been done in Property Holdings but not the progression of these important projects for Health, for Education, and for other areas and that we must make progress on.

2.2.10 Senator F. du H. Le Gresley:

Given the rent to be paid by the new tenants of Lime Grove House, does the Minister accept that the valuation of £8.25 million was too low?

Senator P.F.C. Ozouf:

I think there is a really important issue which I have tried to get across to the Scrutiny Panel: I do not think that the States should be necessarily buying on the basis of a valuation. A valuation is an

asset with a return of which you can then value as an investment. I have had some advice in relation to what the building is worth and I offer absolutely no criticism to either the vendors or State Street for having leased this building. They are entitled to do what they want and they have made a particular reason because they had immediate requirements for their building. I have seen that the passing rent is a 50 per cent discount for 3 years, I think there is a rent free period for a year, obviously all that needs to be taken out in terms of the valuation. I do not believe that the public should expect the States to be competing with the international financial services industry for accommodation. We need to be leading by example by appropriate, efficient and affordable accommodation to meet our own requirements, not competing with, effectively, highly regarded financial services institutions who inevitably are going to pay more than the States should be seen to pay for our own services.

2.2.11 Deputy F.J. Hill of St. Martin:

We did not get quite the answer from the Minister following the question from Deputy Pitman, but could the Minister make absolutely clear, are there any gagging restrictions placed upon the outgoing Chief Officer at Property Holdings? Will he be able to be free to give his own version without any fear of loss of salary or pension?

Senator P.F.C. Ozouf:

The Director of Property Holdings has resigned for his own reasons and that is covered by the normal standard arrangements with the States Employment Board as the Deputy very well knows, and agreements are reached in relation to people resigning on terms, and this was in line with the States Employment Board and not a decision of mine in relation to this issue. The Director gave evidence at the Scrutiny Panel last week and his comments have been made. But what I need to say to the Deputy and to the Assembly is that, ultimately, it is Ministers who decide on these important issues and Members need to hold Ministers to account for decisions and it is not appropriate effectively to use civil servants as pawns on either side of the argument in relation to these issues. Ministers are advised and Ministers decide, not civil servants. That is at least what I think the public expects.

[15:00]

The Bailiff:

There are a number of other questions on this topic so I am going to allow 2 more that I had seen. Deputy Martin.

2.2.12 Deputy J.A. Martin of St. Helier:

Would the Minister confirm that I and the other 2 Deputies of St. Helier No. 1 were told about this deal months and months ago, obviously somehow before the Minister for Treasury and Resources because it sat in our district? Not only that we have now lost the new Police Headquarters, it was just one cog in a massive wheel that Property Holdings were dealing with. Why have we got Property Holdings, and will it continue when even in this deal another outside negotiator was brought in? Does the Minister not have any faith or does the Minister have to have control over every person and everything spent in the States?

Senator P.F.C. Ozouf:

Most certainly not. Ministers should not be getting involved in the micro issues at all. Ministers should be having confidence in their departments for delivery. I have to say to the Deputy that if any Member and she wishes to review the business case that was presented to me, and I was pressured to sign in October, they would not sign it. They would not be able to sign a decision to purchase almost a £9 million building on the business case that I was given. It was not possible to do that. Members expect Ministers to be tough, to be searching, in relation to the advice, not to be just signing anything that is given. That business case could not be signed-off, it was not capable

of being signed-off and work needed to be done. I would just say to the Deputy that as a result of the work that the Treasury and the Acting Chief Executive and Assistant Chief Executive, millions of pounds of further savings were identified by focusing the dual site operation on Lime Grove House and Rouge Bouillon instead of Sacre Coeur, which was a lot better deal. The final thing I would say is that the work on Lime Grove House is not wasted, it was a stand alone issue. The complex web of transactions that was being put forward in the October plan could not be delivered and there was not the budget to do it.

2.2.13 Deputy J.A. Martin:

Supplementary. The Minister did not answer if we are now getting rid of Property Holdings. It has been called everything but obviously it is not working. Are we going to keep Property Holdings?

Senator P.F.C. Ozouf:

Absolutely. Property Holdings needs to serve ...

The Bailiff:

There we are: we will move on. Deputy Higgins.

2.2.14 Deputy M.R. Higgins:

I do not think the Minister did answer Deputy Hill's question. He was asked whether the former civil servant in question could speak without fear of loss of income or pension. So first of all could he confirm that he will not be penalised in any way for speaking out? In fact would the Minister not even encourage him to speak out because we all want to see open and transparent government so we should get everything out in the open so it could be considered?

Senator P.F.C. Ozouf:

I think the fact that the Director attended the Scrutiny Panel on Friday and spoke - I do not agree with some of the remarks that he made in some respects - is answering the Deputy's own question. The resignation of the Director was agreed, as I understand it, prior to even the Scrutiny Panel having come forward with their review and the transaction. This had been under discussion for some time previously and so the answer is, yes, he has spoken. There is no issue with that as far as I am concerned. There is no consequence to his package that he was entitled to on the States Employment Board. But finally I would say, it should not be civil servants that are held to account. Ministers hold civil servants to this account, this Assembly holds Ministers to account and I am very happy to be held to account for this issue. I would make the same decisions again.

2.2.15 Deputy M.R. Higgins:

Supplementary. Yes, I am pleased he says he should be held to account or Ministers should be held to account and that is why civil servants should, in situations like this, be entitled to speak. That particular civil servant spoke before a Scrutiny Panel where he had immunity. At the present time could he speak again if others have questions to ask him? Will he be free to speak freely without fear of penalties being brought against him?

Senator P.F.C. Ozouf:

These issues are not matters for political football. This individual has resigned and he has spoken to the Scrutiny Panel and that is the end of the matter. He has been asked his questions on issues and that is the case. I say again to the Deputy, it is Ministers that need to answer ...

The Bailiff:

I think I will just ask you then to stop, Senator. The final question, then, from the Deputy of St. John.

2.2.16 The Deputy of St. John:

Yes, it has been common knowledge around the corridors of power since 2010 that the Minister wanted to replace the C.E.O. (Chief Executive Officer) of Property Services and W.E.B. (Waterfront Enterprise Board) and put his own men in place. Is that correct? If that is correct, what is the cost of buying these jobs out?

Senator P.F.C. Ozouf:

What I am absolutely clear about is that I have stood in this place in this Assembly and answered numerous Members' concerns over Property Holdings for a period ever since I have been the Minister for Treasury and Resources. While there has been some very good work done by Property Holdings, I do not believe that Property Holdings has delivered fast enough and quick enough some of the important property issues that needed to be resolved. The Police H.Q. relocation should not have taken 5½ years. The important work that needs to happen with Health should not have taken the time it has. The rationalisation of the office accommodation, largely inefficiently used across the States, we have not even started in relation to delivery on that quite apart from the poor relationship that existed between Property Holdings and Housing. The Deputy cannot say that all was well. I am responsible for sorting matters out. I have sorted out a lot of issues in Treasury and Resources. Property Holdings is now underway and we are going to get Property Holdings to serve this Assembly and department better than it has done in the past.

2.2.17 The Deputy of St. John:

Could the Minister answer the question? I will put the question again. It is common knowledge around the corridors of power that since 2010, the Minister has wanted to replace the C.E.O. of Property Services and of W.E.B. Is that correct or is it not?

Senator P.F.C. Ozouf:

I do not agree with what the question is. No, that is not the case. What the Minister wants and this Assembly expects me to do is to put a Property Holdings Department which will deliver. The answer is no.

The Bailiff:

It seems to me that it is the same question and you have dealt with it. There is one other matter. I have noted that in the public gallery is Her Majesty's Comptroller from Guernsey. He is the equivalent of our Solicitor General and I am sure he has been at the Assize d'Heritage(?) this morning. I am sure Members would wish to give him the traditional welcome. [Approbation]

2.3 Deputy R.G. Le Hérissier of St. Saviour of the Chief Minister regarding the employment of the Chief Officer of the Fire and Rescue Service:

I hope the Comptroller is enjoying it. **[Laughter]** [Aside] Would the Minister explain the circumstances surrounding the move of the Chief Officer of the Fire and Rescue Service to permanent status and outline whether 5-year contracts have any validity?

Senator T.A. Le Sueur (The Chief Minister):

The Deputy raised a similar question at the last States sitting and, not surprisingly, the answer remains the same. As I indicated in my previous answer and in the media release issued by the Minister for Home Affairs, there are sound reasons supporting the change in employment to permanent status in this particular case. Any contract for a fixed term for an employee, either in the public or private sector, can be terminated subject to the conditions attached to the contract at the time of issue. If the contract is for a specific period and for a specified piece, which is completed at the end of that fixed period with no further requirement for the work, the contract comes to a natural end and the employee's contract is terminated fairly. However, where the work continues and there is no other substantial reason to terminate the contract at the end of the fixed period, any

dismissal could be deemed to be unfair. This situation applies to all employees, not just those employed in the public sector, in either a senior or a junior position.

2.3.1 Deputy R.G. Le Hérissier:

Can I deduce from the answer, therefore, that 5-year contracts as structured by the States are not working with the intended result?

Senator T.A. Le Sueur:

It is not a question of 5-year contracts structured by the States. As I said in my answer, this applies to any contract of employment in the private or the public sector.

2.3.2 Deputy A.E. Jeune:

Is it not correct that we are always going to need a Chief Officer of the Fire Service? Therefore, when we give out 5-year contracts for such positions, they should be able to be ceased?

Senator T.A. Le Sueur:

I fully concur. We will always need a Fire Chief and I would hope that in future we will have them make decisions whereby more local people are encouraged and are able to take up that position.

2.3.3 Deputy A.E. Jeune:

They will not be if the contracts of the person who is currently in the position are not such that we can ask them to vacate their position to allow a Jersey person or local person to enter it.

Senator T.A. Le Sueur:

No, my answer was quite clear. I said if the contract was for a specified piece of work, which would be completed by the end of that 5 years, then that contract can be fairly terminated.

Deputy M.R. Higgins:

My question has been answered.

2.3.4 Senator T.J. Le Main:

I do not agree with the Minister. When I was Minister for Housing, I gave a 5-year (j) to the Fire Service for a Chief Officer for a 5-year contract on the basis that they had told me that they could train someone local to do the job. What has gone wrong?

Senator T.A. Le Sueur:

It may well be that the original contract was not worded in the appropriate way, bearing in mind also, of course, that employment law has changed over the years.

2.3.5 Deputy M. Tadier of St. Brelade:

Just in relation to one of the other questions or the inference thereof, does the Chief Minister agree that the test of whether or not a licence should be renewed and the post should be renewed should be as to whether the previous incumbent has been doing a good job rather than where they happen to come from in the U.K. (United Kingdom) or elsewhere?

Senator T.A. Le Sueur:

I agree that the Island should always endeavour to employ the best person to do the appropriate job. Certainly, when the person was appointed to this job on a 5-year basis, it was in the expectation that a successor could be trained to replace him at the end of that 5-year period. As it turns out, the nature of the post and the nature of the job for the future is such that it was more appropriate from an employment point of view to maintain the present person in the position on a permanent basis.

2.3.6 Senator S.C. Ferguson:

Surely part of the performance appraisal for the Chief Officer should include evidence of succession training and if not, why not?

Senator T.A. Le Sueur:

Yes, it should and it does.

2.3.7 Senator S.C. Ferguson:

In that case, have we any evidence that he has been doing that particular job?

Senator T.A. Le Sueur:

You can train a successor and you can provide the environment in which a successor could be appointed but unless that successor is willing and able to come forward, you cannot appoint someone against their will.

2.3.8 Deputy R.G. Le Hérissier:

Would the Chief Minister not acknowledge that this has effectively undermined the whole notion of succession planning, made a mockery notwithstanding the excellence, I should add, of the individual concerned and we have got it badly, badly wrong?

Senator T.A. Le Sueur:

No, I think we are looking here at an isolated case. In many cases, succession planning does work very well and we have to continue to ensure that we are providing the right environment and encouragement to staff to apply for senior positions. I have to say in passing that in many cases staff are reluctant to apply for senior positions because it puts themselves more into the spotlight and many staff in the current climate feel that is undesirable.

2.4 Deputy T.M. Pitman of the Attorney General regarding allegations against the former Minister for Housing:

[Aside] Would Her Majesty's Attorney General advise whether allegations against the former Minister for Housing will be the subject of a criminal prosecution and, if so, when?

Mr. T.J. Le Cocq Q.C., H.M. Attorney General:

It is fundamental to the independence of the Police and Prosecution Authorities that they are free from any political pressure or interference or any requirement to account in this Assembly for how they exercise their functions and discretions in areas of investigation or prosecution. Being asked in the Assembly about what investigations may be taking place and when a decision may be made may be construed as an attempt to put improper pressure on the Attorney General or the Police. I accordingly decline to answer this question.

2.4.1 Deputy T.M. Pitman:

Can I have a supplementary, then? I do find it a bit strange that these questions have been asked and answered before but then perhaps it depends on the person. Could the Attorney General - and I think he can answer this - given the amount of public concern following the treatment of the former Chief of Police that there may be some form of cover-up in this investigation, can the Attorney General advise what impact it is likely to have on Jersey's reputation that members of the public have now got their contact with members of the U.K. Government?

The Bailiff:

I do not know what that has got to do with the question just asked. [Aside] Too far off from it, I am afraid.

Deputy M. Tadier:

It is a point of order. A question is being asked of the Attorney General and it is not clear to whom it refers and I am worried that because there have been several former Ministers for Housing, even in my recent memory, and we might be impugning somebody incorrectly, would the Deputy care to state who he is referring to?

The Bailiff:

You cannot ask a question of the Deputy.

Deputy M. Tadier:

I am asking a question of the Chair, Sir, because it seems to me ...

The Bailiff:

You just asked the question of the Deputy.

Deputy M. Tadier:

Can you ask the Deputy for me, Sir, seeing as you are the Chair? [Aside] [Laughter]

The Bailiff:

No.

Deputy M. Tadier:

But is it a point of order?

The Bailiff:

The question has been approved in that form and that is way it lies, Deputy.

[15:15]

2.5 Senator T.J. Le Main of the Attorney General regarding the costs incurred in relation to the recent prosecution of a former States Senator for criminal charges:

Would Her Majesty's Attorney General provide a detailed breakdown of the costs incurred in relation to the recent prosecution of a former States Senator for criminal charges and advise what costs were ordered against the accused? Furthermore, what costs were incurred in relation to that individual's litigation against the Chief Minister, the States Employment Board and the States of Jersey and what costs, if any, were ordered against him?

The Attorney General:

The defendant to whom this question refers has been the subject of a prosecution for both motoring and data protection offences. I do not have the time in an oral answer to give a detailed breakdown The external costs incurred by the Law Officers' Department in conducting the prosecution between 2009 and 2011 amount so far to a figure not less than £384,347. They are as high as this because the defendant raised numerous defences and appeals against a number of rulings. There were over 20 separate hearings in the Magistrates Court taking 35 days in total, including an abuse of process application made by the defendant and his subsequent trial which lasted 13 days, 9 hearings in the Royal Court lasting some 15 days and 3 days in the Court of Appeal. Some costs orders have been made against the defendant; some have not yet been quantified. Those quantified to date total £7,397.30. There were also a number of civil claims brought by the former Senator against the States, the Chief Minister, the States Employment Board and the Attorney General which included a claim for damages for injury allegedly suffered while he was a Minister and judicial reviews of certain decisions. They were struck out. They were dealt with by the Solicitor General and his time, if claimed at the standard cost rate, would amount to approximately £67,000. Costs for the civil claims were awarded on a standard basis against the claimant by both the Royal Court and the Court of Appeal and they are currently being quantified. I have made no attempt to quantify the substantial administrative costs incurred in those

proceedings. In addition to the expenditure that I have just mentioned, the Bailiff's Chambers paid £27,000 on fees for external commissions of the Royal Court.

2.5.1 Senator T.J. Le Main:

Can I ask the Attorney General whether there are any further legal costs envisaged that have not been identified which the successful prosecution intend to pursue?

The Attorney General:

It is impossible for me at this point to give any further statement as to what matters may or may not be ongoing.

2.5.2 Deputy T.M. Pitman:

Like all Members, I am obviously not happy with these very large sums. However, is the Attorney General able to indicate whether some of this great cost could have been saved if we had not had an illegal police raid which has been acknowledged in the court?

The Attorney General:

I do not propose to answer that question. The police raid, I think, was a subject within the proceedings but I cannot say anything more about it than that.

2.5.3 Deputy A.E. Jeune:

I do not know if it is appropriate but can Her Majesty's Attorney General advise when the judges make a judgment, whose role is it to ensure that those judgments are carried out?

The Attorney General:

The question that I am originally asked relates to costs but, in general terms, if the judgment is a civil case, they are generally enforceable through the Viscount's Department if it involves a money claim or if it is an order of the court and it is breached, then by reference back to the court for suitable corrective measures to be taken. In terms of a criminal matter, it will depend upon the nature of the criminal penalty as to how that is enforced and carried out.

2.5.4 Deputy M. Tadier:

I think the Attorney General has given us a good case for effective price control of Jersey lawyers. Will the Attorney General undertake to give a breakdown which would include which costs related to the illegal raid on former Senator Syvret's house and the litigation that ensued from that and circulate that information to the House?

The Attorney General:

It would not be appropriate for me to give that undertaking but, in any event, I am far from sure if the various elements that form part of any particular case would be susceptible for individual quantification. There was a case; the case involved lawyers and the lawyers charged fees. There were a number of issues in the case and I would be very surprised if one could break it down much better than that.

2.5.5 Deputy M. Tadier:

Can I have a supplementary? Clearly, what we have seen here today is a classic piece of propaganda from Senator Le Main who is also up for election at the moment. The inference is that this has been a waste of taxpayers' money but it would be interesting if any further information could be provided because some of those charges were dropped against the former Senator. Some of the litigation which was involved was also to do with him defending himself and ended up being vindicated. For example, the court said that the raid on his home was excessive. So some of those costs will relate to things which were justified in many people's eyes and if the Attorney General

could give a breakdown as has been asked for and point those things out to differentiate, that would be very helpful to States Members.

The Attorney General:

I am not sure that I can add to my previous answer. I will, of course, look at what further information might be possible and in the event that I were to be asked a further question, would have to consider the extent to which I could properly answer it and in what terms but I cannot say whether such an answer is capable of being given.

The Bailiff:

Do you wish the final question, Senator Le Main?

Senator T.J. Le Main:

I would just like to thank the Attorney General for the detail and all the work he put toward this question.

2.6 Deputy S. Pitman of St. Helier of the Minister for Treasury and Resources regarding the failed attempt to purchase the Lime Grove House site for the States of Jersey Police Headquarters:

Would the Minister outline for Members what the reasons were for the failed attempt to purchase the Lime Grove House site for the States of Jersey Police Headquarters?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

The Police H.Q. relocation has been under discussion since I think the early 2000s. The first funding for the project was approved by this Assembly in 2005 and, of course, it needs to be said that any transaction that eventually is brought forward can only happen if there were willing parties. When the business case was eventually presented to me formally in October 2010, it was not an agreed deal because there was not an agreement as to who was to pay for the dilapidations. There were shortcomings in relation to the way that Property Holdings dealt with the matter: poor communication between Property Holdings and myself as Minister; a lack of clarity in the dealing of Property Holdings and the vendor; clearly a problem in relation to internal communications; a lack of clarity on the total project costs and the funding and a lack of clarity in their communication with the Treasury in relation to the sign-off of the transaction. Only the efforts of the Treasury in the later part of last year brought the whole business case to a point at which it could be approved, and which I did so in the earlier part of this year which I have reported to and made a statement to the House.

2.6.1 Deputy S. Pitman:

What lessons has the Minister learned from these failed negotiations?

Senator P.F.C. Ozouf:

I think there are a number of lessons that need to be taken in relation to the handling of this from Property Holdings' point of view and, indeed, the relationship that Property Holdings has with the Treasury and some changes have already been made. It has almost been characterised that there was a breakdown in the relationship and confidence between the Treasury and Property Holdings and that was, I have to say, indeed the case and many Members will be aware of that. Members have asked me questions about Property Holdings and about the lack of progress on various different issues. Changes have been made as Members are aware. We are looking at the business plan of Property Holdings, looking at the management structure and are going to be making some further changes in order that Property Holdings can deliver, lessons can be learned, and Property Holdings will deliver on the very significant amount of reform and modernisation that must happen

with taxpayers' money which, at the end of the day, is hundreds of millions of pounds worth of property assets. It must be handled better; it must be run better and it must be run more efficiently partly in order to deliver hundreds of units of social rental accommodation.

2.6.2 Deputy M.R. Higgins:

The Minister's answers now and in a previous question have led me to seek clarification on delegated powers to Assistant Ministers. Did the Minister give legally binding delegated powers to the Assistant Minister so he could make the decisions or was the Minister still ultimately responsible for everything that was done by his Assistant Minister?

Senator P.F.C. Ozouf:

The Deputy is correct that ultimately all decisions made under delegated responsibility I regard as the responsibility ultimately of the Minister and while the Assistant Minister has always had delegated responsibilities in certain areas in relation to property transactions and, indeed, there is a limit, I think, of contracts of up to £5 million, I think it is incumbent upon the Minister and the Assistant Minister and the department to have good communication. I have a 'no surprises' policy with the utilities. I certainly have a 'no surprises' policy with my Assistant Ministers. If I am not here, one of my Assistant Ministers can stand in for me and *vice versa*. That is how teams work and that is how good Ministerial teams would work. I am afraid to say that the communication was not there in relation to property matters. I had to resort to sending emails in July of last year basically saying I am losing confidence. A promised office rationalisation was promised to be delivered before the summer break last year and was not delivered. The business case was deficient. I am being held to account for holding a department under my responsibility to account for delivery. So be it.

2.6.3 Deputy M. Tadier:

Earlier, the Minister told us that he had saved the States money or that he would save the States money by this deal not going through. That seems to be contradictory to evidence given at the scrutiny panel which suggested by more than one witness that this deal not going through has cost the taxpayer £8 million. Will the Minister explain which one of those is true and if his version of events is true, why should we believe him rather than witnesses who swore under oath to tell the truth at Scrutiny?

Senator P.F.C. Ozouf:

I think it is my colleague, the Minister for Home Affairs, that may have been misquoted or misrepresented in relation to the £8 million loss. There has been no £8 million loss and there will not be any £8 million loss. The Lime Grove purchase at £8.25 million, which was agreed with the counter-parties, would have represented a solution to the Police H.Q. It would have ended up as a result of the work that Treasury did on a dual site operation at Rouge Bouillon and at Lime Grove House, which I think everybody would agree is a compromise and it would have compromised what really they want. The operational Police H.Q., the thing that is known as the "cop shop" or the "custody suite", would have not been delivered until 2015 because work could not have commenced on that until much later. I am confident that we can find a single site to put everything on which meets Home Office requirements, which meets the budget. We will be in a far better position and the overall plan of the relocation of the Police H.Q. could be brought forward from where as to what it was.

2.6.4 Deputy M. Tadier:

A supplementary to that. The Minister is trying to suggest that the reason that this deal did not go through is because it is not an appropriate site. We were going to go through with the site and it simply did not happen because the finances were not correct. Perhaps the Minister can answer a different question. If the Minister is sued for defamation by former civil servants because he has

impugned their competence and motives, who will pick up that bill? Will it be the Minister himself or will it be the taxpayer?

Senator P.F.C. Ozouf:

I do not think there is any defamation. Evidence is given to Scrutiny within privilege and I can speak and other people can speak before Scrutiny Panels. That is how the democratic principle works. At the end of the day, a Minister is responsible for signing-off a transaction and I was not satisfied with that business case in October. I became comfortable with the transaction later on but for reasons that obviously other people can speak about, not me, but the counter-party decided to lease the building to another person, not purchase it. There were 2 different transactions. We lost it. That is what happened; I do not criticise the people concerned. In fact, if anything I think the vendors need an apology for the fact that they were effectively mis-communicated with over a very long period of time, even though that building was empty for 10 years.

2.6.5 Deputy S. Power of St. Brelade:

I preface my question by reminding the Minister that in July I asked him a question about the residential content of Lime Grove House and my question is this. In all the advice he has been given over the last so many months, was he 100 per cent comfortable that he was being advised to buy a building that had units of residential accommodation in it for a building that was to be converted to a Police Headquarters, albeit not operational? I frankly find it astounding that in the 2 months that have evolved since July, I must be the only person in the Chamber that is happy that this has fallen through. Can the Minister clarify the residential component?

Senator P.F.C. Ozouf:

I understand that the advice... and Ministers act upon advice that they are given, and the team that were working on this included the excellent Deputy Officer of Police who has been involved in this, architects with specialist information and specialist knowledge and they have not represented anything to me which indicates that there was a problem with locating a Police H.Q. next to a residential block. But we are looking at Home Office guidelines for that and looking at that in the context of the alternative space that is being used but I have got nothing effectively which indicates that that is not a problem for that particular site or any other adjacent site.

2.6.6 The Deputy of St. John:

I have seen since my return to the Chamber the Minister play fast and loose with the career of some of our top civil servants. The whole thing is like a scene out of "Yes, Minister". Will the Minister confirm that all the action he has taken over Lime Grove House has the full support of the Chief Minister and the Council of Ministers and, if not, why has this fiasco been allowed to develop?

[15:30]

Senator P.F.C. Ozouf:

The Deputy uses his re-elected position in this Assembly shortly to basically cast aspersions on... and he uses quite strong language sometimes and I regret the imputation that he has made. Ministers are expected to hold their departments to account for failures and that is what I have got a track record of doing. If that is a problem, then I should not be enjoying the continued support of this Assembly. This Assembly charges Ministers with the accountability of running their departments and I say to the Deputy if he wants to come in and have a discussion - any Member - I do not want to look in the past. I want to look forward. There were issues with Property Holdings. It has not achieved what this Assembly set out in 2005 and we need to sort it out. As far as the Council of Ministers is concerned, the Deputy makes an important point. I do not believe an individual Minister or an Assistant Minister should simply be the single decision-maker on the purchase of a £9 million building. That is not right. Individual Ministers should be sharing

information with other Ministerial colleagues and certainly a transaction of this scale absolutely should come to the Council of Ministers for discussion, not simply an Assistant Minister.

2.6.7 The Deputy of St. John:

A supplementary. I asked a question whether or not the Council of Ministers and the Chief Minister were fully supportive of this transaction?

Senator P.F.C. Ozouf:

The Chief Minister was kept involved. He is answering Questions without notice so the Chief Minister can be asked that question in his own Questions without notice. I managed to certainly keep Ministerial colleagues appraised but it was only in June, July, August and October of last year that I got involved because I knew what was going on and, at that stage, I was expressing concern and frustration at the lack of progress in relation to important property matters and I was receiving pressure from other Ministers of the non-performance of a number of issues in terms of property matters. So I was getting pressured from other people to do something about it and, as the Deputy knows, I have made some changes in that area to improve matters.

The Deputy of St. John:

So the answer would be no, then, Minister?

Senator P.F.C. Ozouf:

No, the answer is yes.

2.6.8 Deputy A.E. Jeune:

The Minister in his initial answer to this question made reference to poor communications. Would the Minister please advise whether he was aware that the Chief Officer of the Chief Minister's Office was forwarding emails he was receiving from the Director of Property Holdings to the Director of the States of Jersey Development Company and did he consider that appropriate?

Senator P.F.C. Ozouf:

Yes and yes. As I understand it, W.E.B. has software which we do not have in Property Holdings and we do not have in the States on space utilisation, and one of the key issues in solving this issue with the Police H.Q. was whether or not the police could fit within the space and I understand that that was one of the reasons W.E.B. software, so that we did not have to buy it, was being used. I repeat again to the Deputy if she is interested, that original business case that was set out in October could not be delivered within the budget and needed to be significantly re-engineered in order to achieve the end result that we nearly got to, which is not lost in terms of the back office of the police at Lime Grove House. That was the reason for that.

2.6.9 Deputy A.E. Jeune:

So is the Minister saying S.o.J.D.C. works in with the States rather than being outside of the States?

Senator P.F.C. Ozouf:

I expect that S.o.J.D.C. works for the States and as an owned entity, it is not some sort of independent trust body that reports to nobody. It absolutely is part of the States and carries out the States' instructions. That is what we have set it up for. We have clarified the responsibilities of it. Whether or not S.o.J.D.C. can have a role in regeneration areas for delivering important projects that this Assembly has already been discussing this afternoon of affordable houses, time will tell. What I do not want is I do not want an S.o.J.D.C. and Property Holdings at war with each other wasting time, not focusing on individual transactions and not delivering what the public want and, more importantly, value for money for taxpayers on their hundreds of millions of pounds' worth of investments of property, whether that be on the Esplanade or the rest of the Island. I want these organisations to work properly and in harmony with each other, not against each other.

2.6.10 Deputy R.G. Le Hérissier:

Would the Minister not accept he is hoist on his own petard because having apparently had an inadequate business case in October, he then went to the public and maintained he had almost got the property deal of the century. Would he not accept that the disparity between those 2 periods was very hard for the public to swallow?

Senator P.F.C. Ozouf:

I certainly did not say we had the property deal of the century. I said in my statement to this Assembly I had been difficult to convince - and quite rightly so - and Members may now understand why I said that - and I have re-looked at my statement that I made and I was pleased that I said it, that is was difficult, it was challenging, it was a compromise, but I was satisfied at the end of the day that it represented the appropriate plan in order to find part of the police's new relocation more quickly. But it was not the overall best deal and I maintain the view that the public is concerned. We own vergées, tens of thousands of feet of office space. We should not be buying any more buildings. We should be building on our own land more cheaply and we also should not be competing with the financial services industry. If I had misgivings... I did, but now we move forward and we find a better site more efficient within the budget and I hope on a single location.

2.6.11 Deputy R.G. Le Hérissier:

A supplementary. Would the Minister not accept that suggesting the purchase of the property alienated the public and that he should have acted on his instincts at the time?

Senator P.F.C. Ozouf:

If the Deputy is agreeing with me, then I welcome that because, of course, I think the Deputy is right. But at the end of the day, it having been suggested that I do not agree and I am not a team player... I was a team player at £8.25 million with an agreement that had been certain. I was not a team player on a business plan that could not be delivered and I did agree with the purchase of Lime Grove House. I was happy to back it but now that it has fallen away, we resort to the position of finding a proper solution for the police location on a single site that can be delivered and will save millions of pounds off the original cost and release much more land for States housing and other projects and that, I hope, will be the final *temps passé* write history note of this, that will deliver something better but we must get on with it.

The Bailiff:

I appreciate that there are other Members who still want to ask questions on this but there are still some more questions to come and, of course, the Minister for Treasury and Resources is also asked Questions without notice. So I think we must move on at this stage but we come to Senator Breckon and then a final question Deputy Shona Pitman.

2.6.12 Senator A. Breckon:

In an earlier answer, the Minister for Treasury and Resources mentioned a breakdown between the Treasury and Property Holdings. Can he say if that is about policy or personalities?

Senator P.F.C. Ozouf:

Policy and delivery. Personalities: I am not interested in personalities. I am interested on delivery and I am interested in getting things done. I was promised and, in fact, in my submissions when I took the job as Minister for Treasury and Resources I said I was going to make progress in relation to property matters. I think the progress has been patchy and I am now attempting to resolve matters. The Constable of St. Peter is working with the department on a forward-looking important plan that delivers better value for all of the property we have in the States and I want to get on with this in the next few weeks, and I am sorry if that has been misinterpreted as about personalities. It is not. I think that there was some very good work done in Property Holdings. I have the greatest

of respect to the former Assistant Minister who did some very good jobs in relation to Property Holdings but we have to say that all was not right and I hope at the end of the day this is not somehow an issue about one individual States Member versus another. It is not. It should be about teamwork and teamwork should happen all the way through and that teamwork did not happen. I am a proud team member. It did not happen and I am sorry about that but we have to move on.

2.6.13 Deputy S. Pitman:

Could the Minister tell us how much these negotiations cost?

Senator P.F.C. Ozouf:

I have another question in relation to that. The answer to that is there has been £100,000 spent in relation to the progression of Lime Grove House and the associated issues. There are a number of elements to that. Some of that work, for example, the architectural work on design and floor layouts of about £38,000 is certainly not lost. There was obviously going to be some aspects of loss in relation to the costs but much of it I am confident is going to be able to be used in experience to find the right solution and overall we will deliver this lower than the original budget and I hope earlier, as I have said in relation to some aspects of the scheme.

2.7 Deputy A.E. Jeune of the Minister for Health and Social Services regarding the funding of trade union representatives:

Would the Minister advise whether any convenor of a professional body or organisation or other trade union representatives are funded by their own associations or by Health and Social Services and whether States funding pays for their attendance at conferences, meetings and so on, particularly those related to their own organisations?

Deputy A.E. Pryke of Trinity (The Minister for Health and Social Services):

It is good practice across both public and private sectors in Jersey, Guernsey and in the U.K. to follow the principles of the A.C.A.S. (Advisory, Conciliation and Arbitration Service) Code of Practice on time for trade unionists, which provides for paid time for union representatives to be funded by employers. Within Health and Social Services, the nursing convenor is funded by the department on a full-time basis. The manual workers' convenor is funded by the department for 2 days per week and must request and gain approval for any additional days required. The needs of the service are always paramount when considering requests for time.

2.7.1 Deputy A.E. Jeune:

Would the Minister please advise how many hours of working time is permitted per week for union activity outside of those that are, by the sound of the answer, fully given?

The Deputy of Trinity:

I thought I made clear that we have one convenor on a full-time basis and one on 2 days per week and if there is anything extra required from either of them, especially the one on the manual workers' convenor, then they must gain a request first for any additional time required.

Deputy A.E. Jeune:

That is over and above the 2 days, is that correct?

The Deputy of Trinity:

Yes.

2.7.2 Senator S.C. Ferguson:

Would the Minister tell us how much is spent on union activities and would she also tell us how much the medical unions spend? Do they have the same provision as the nurses and manual workers' unions and how much do those cost?

The Deputy of Trinity:

I have not got that level of detail. Regarding the 2 that I have mentioned, the cost relates directly to salaries of individual convenors and I feel - I suppose the House would agree too - it is inappropriate to share this personal and confidential information with the public.

2.7.3 Senator S.C. Ferguson:

I wonder if the Minister would give us the global figure? We do not need the individual people's figures, we just need the global figure. How much is spent by H. & S.S. (Health and Social Services) on the various unions, the nurses, the manual workers, the medical unions and so on, a total figure, and if the Minister has not got this figure with her, perhaps she would circulate it to us?

The Deputy of Trinity:

I am happy to look at that on the condition that it does not identify certain individuals' salary.

2.7.4 Deputy T.M. Pitman:

There seems to be a bit of union bashing in the air from some of the Right-Wing Members. Can I ask the Minister that she can confirm that unions play a good and very positive part in modern democracies and should be supported and in Jersey, in fact, unions have a very sensible and moderate approach?

The Deputy of Trinity:

Yes, I know there are times that I do not agree with Deputy Pitman but this time he is spot-on. Working relationships with the unions, especially with a big organisation like Health and Social Services where there is nearly or about 3,000 staff is important and I like to think that we have got good working relationships with all our unions.

2.7.5 Deputy A.E. Jeune:

The answer I have not had is whether the taxpayers are funding attendance at conferences and so on and perhaps in addition to the figures being given to Senator Ferguson's answer, we could have the answer to that as a whole figure, what the taxpayer pays for people to go to these conferences and meetings?

The Deputy of Trinity:

I can tell the Deputy about conferences, et cetera. It depends, obviously, on if it is within the working week, whether it is local or U.K. and if the unions wish their representatives to attend conferences, then I understand that it comes within the union cost but nothing is set in stone.

2.8 Deputy J.A.N. Le Fondré of St. Lawrence of the Minister for Treasury and Resources regarding which States officer made the recommendation to him that he should approve the Planning Obligations Agreement for the Esplanade Quarter Development:

Will the Minister confirm which States officer made the recommendation to him that he, as Minister for Treasury and Resources, should sign a Ministerial Decision to approve the Planning Obligations Agreement for the Esplanade Quarter development and will the Minister confirm the qualifications of that officer for making such a recommendation?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

I think the Deputy was then the Assistant Minister with responsibility for these areas so he may know the answer to the question before I answer it. The original draft report was prepared by the

Director of Property Holdings on 7th June 2010 and was sent to the Deputy Chief Executive Officer. Following a number of reviews of this document and having taken advice from interested parties, including the Law Officers' Department, the Deputy Chief Executive prepared his final report of 27th July 2010. This final report was also sent to the Director of Jersey Property Holdings for comment on the same day and he responded with some comments - the Deputy Chief Executive of the accounting office of Property Holdings - and he took advice from appropriately qualified property and legal professionals.

[15:45]

2.8.1 Deputy J.A.N. Le Fondré:

So to clarify, it was the Deputy Chief Executive that ultimately gave the advice for the Minister to sign the decision. In making the recommendations, did the officer draw the Minister's attention to the report produced by Trowers & Hamlins, Currie & Brown and King Sturge in November 2008 which identified that the scheme as a whole would make a loss of £50 million? I note those consultants are not included in the written answer to my question as provided today.

Senator P.F.C. Ozouf:

Yes, I was aware of various different aspects and that this is a very significant issue which a number of departments have been involved in. I want to just say one thing, that if there is somehow an aspersion being cast on the Deputy Chief Executive and his qualifications... The Deputy Chief Executive or the Chief Executive of Resources is like the Chief Executive of Health; he must take advice from officials. The Chief Officer of Health is not a paediatric specialist or anything else. They take advice and they did take advice in relation to this issue. I had to be satisfied upon advice as to the financial bonds and guarantees given. These are financial matters, not property matters. The issues of development were for W.E.B. and now S.o.J.D.C. and their advisers. In any event, the legal advice was that there were conditions precedent which almost bind completely any applications being made which brings into force the Planning Obligations Agreement. This has to be - without any qualification - satisfied to the Treasury. So a lot of the issues that are of concern are dealt with later on in the planning applications because of this conditions precedent.

2.8.2 Senator S.C. Ferguson:

The Minister says that he took advice on the proposals. He took advice from the Attorney General and the Assistant or the Acting Chief Executive. Who else did he take advice from?

Senator P.F.C. Ozouf:

There is advice and there is discussion. I take advice from the accounting officer who has an obligation to advise me in relation to a Ministerial Decision and, as the Chairman probably knows, I have a system where the accounting officer or the officer advising me initials the Ministerial box so that they are taking responsibility. So as far as advice is concerned, it is the Acting Chief Executive that advised me. Was this matter discussed with a number of different parties including Planning? I think T.T.S. (Transport and Technical Services) were involved and W.E.B. were involved. Of course, there were many discussions about that but the advice to sign was the Acting Chief Executive.

2.8.3 Deputy J.A.N. Le Fondré:

So again just to make sure I am clear, the Minister did take advice and was aware that the scheme will lose £50 million to the public in signing us up as the landowner to the Planning Obligations Agreement which therefore, given his earlier statement that W.E.B. is integral to the States, would ultimately, I would have thought, leave us exposed if the thing goes belly-up. Will he arrange for the report I referred to to be released in its entirety to States Members as it was previously offered by the then Minister for Treasury and Resources in, I believe, 2008 as part of one of the debates on W.E.B.?

Senator P.F.C. Ozouf:

I know the Deputy has never been a fan of Esplanade Quarter but he must ensure that I think that we are not misinformed in relation to obligations. There is no liability for the States in the planning obligation for £50 million. I have to be satisfied and the Ministerial Decision is clear. The conditions precedent says the leaseholder covenants with the Minister for Planning and the public not to submit any detailed application without the prior written consent of the Minister for Treasury and Resources which, among other things, the Minister for Treasury and Resources in his absolute discretion requires. So let us be clear. All these issues as to whether or not there would be a loss are matters for later and they would not be assigned if they were. There is an absolute conditions precedent which says if the Minister for Treasury and Resources is not satisfied there is not going to be an application even submitted. So there is no issue and I would ask the Deputy to not continue with his strong views in relation to Esplanade Square and basically worrying people to say that there is a £50 million obligation for the States. There is not.

2.8.4 Deputy J.A.N. Le Fondré:

A quick supplementary. Just to clarify, is the Minister saying there is not a loss and that was never reported and does not exist; or is there a loss on the scheme that this Assembly has previously endorsed?

Senator P.F.C. Ozouf:

As the Deputy knows, there is not currently a single developer and there would not be a loss. I would not, and I doubt whether any other Minister for Treasury and Resources would accept a £50 million loss in order to make Esplanade Square. On the contrary, in fact, there are tens of millions if not hundreds of millions of pounds of value to the taxpayer in relation to the overall issue.

Deputy J.A.N. Le Fondré:

So that is a yes or a no?

Senator P.F.C. Ozouf:

The answer is no and he must not carry on casting aspersions in relation to this matter.

2.9 The Deputy of St. Martin of the Minister for Health and Social Services regarding the growth fund to improve the hospital middle-grade doctor service:

Will the Minister give details of how the million pound growth fund to improve the hospital middle-grade doctors' service has been spent and outline any progress regarding the new contract for these doctors stating what the position will be in relation to those who cannot agree to provide compulsory prospective cover because their hours are already long and onerous?

The Deputy of Trinity (The Minister for Health and Social Services):

Health and Social Services have completed negotiations with the British Medical Association and Hospital Consultants and Specialists Association and reached a heads of agreement regarding the new pay and terms and conditions of service for middle-grade doctors. The doctors' representatives have recommended to their members that they should accept the revised terms and that the negotiated contract offers financial and contractual betterment going forward. The million pounds has been split between the pay of the 2 categories of middle-grade doctors, with £600,000 being spent on staff grade doctors and £400,000 on the fewer in number but most senior associate specialists. Following the positive conclusion to the formal negotiation detail of the offer, a new contract was circulated to middle-grade doctors on 19th August inviting the 53 doctors to express an interest to transfer to the new contract. Health and Social Services have received 42 positive expressions of interest to date and no negative returns. Middle-grade doctors are in the process of

drafting their job plans the outcome of which will determine the contracted number of programmed activities. The effective date for transfer to the new contract will be 1st October 2012.

2.9.1 The Deputy of St. Martin:

I do not quite think the second part of the question was answered. I want to know what the position would be in relation to those who cannot agree to provide compulsory prospective cover because their hours are already long and onerous. Does that mean they will no longer be employed or a separate contract will be made out for those particular people again who cannot agree?

The Deputy of Trinity:

So far, as I said, of the 53 doctors, 42 have had positive expressions but the work will continue and the offer of the new contract is continuing on middle-grade doctors agreeing to provide prospective cover for planned absences where it is safe, reasonable and practical to do so and it is anticipated that most of these will be for most specialities by October 2012. But where there is not, prospective cover will be implemented where specialities are fully established and do not carry a high level of vacancies, those discussions will still take place with relevant doctors prior to implementation of a prospective cover.

2.9.2 Senator S.C. Ferguson:

In her email of 13th July 2011 to the middle-grade doctors, the Minister said: "I have also commissioned an investigation into the issues raised by the questions of the middle-grade contract, including working patterns and hours of work. The findings of this investigation will be reported to me before the end of this week and I will share this information with States Members and yourselves." This is to the middle-grade doctors. Will the Minister confirm whether the investigation has been completed, whether it has been circulated; certainly, it has not been circulated to States Members; and if not, why not?

The Deputy of Trinity:

Yes, I did do that and the review has been completed and I saw a draft at a Ministerial meeting last week, and it is just in the process of being really finalised and should be out within the next couple of weeks and I will circulate it to the list that Senator Ferguson mentioned.

2.9.3 Senator S.C. Ferguson:

With respect, why has it taken so long because the findings of this investigation in July will be reported to me before the end of this week?

The Deputy of Trinity:

One of the officers who was doing that had had time off during the summer because summer time is when most officers wish to take time off with their children. I understand that the middle-grade doctors had some correspondence from you, Senator Ferguson, which they wanted to discuss and report back as necessary.

2.9.4 The Deputy of St. John:

I hope the Minister will allow me a little bit of breadth here because not being a medical personalthough I have a couple of doctors in my family - could the Minister explain to us what a middle-grade doctor is and whether we are referring solely to the medical practitioners or are they doctors in other fields, i.e., maybe a dentist or whatever. Could she explain so that I can get my head around this particular one please?

The Deputy of Trinity:

Middle-grade doctors and associate specialists are the important level below consultants. So it is the ones that are initially at registrar level and where there is I think we have, as I said, 53 doctors

in that area and there are staff vacancies and they do play a very important role because, at the end of the day, the hospital could not function without them.

2.9.5 Deputy A.E. Jeune:

So can the Minister please confirm that the Verita recommendations on increasing staffing numbers have occurred and whether she believes there is equity across the different departments and specialities in terms of the way the duties fall out, 1 and 3, 1 and 4. Does she believe there is equity?

The Deputy of Trinity:

There are several parts to that question. Verita, in one of the recommendations, did comment on the high use of locums and yes, we did agree with that but one of the reasons for the high use of locums is that compared to their U.K. counterparts, the salary was at a lower level and the terms and conditions were different. So that is why implementing this revised terms and conditions and the extra million pounds is vital because to be able to reduce our level of locums, we need to retain and recruit more middle-grade doctors. So with the new contracts in place, that will be easier. Regarding working times of different departments, it is a complicated issue and I know I have many times given written questions regarding that in the last session.

2.9.6 The Deputy of St. Martin:

I just take issue with the last answer the Minister gave. I think the reason there are so many locums working is because I think there are still 4 consultants on restricted duties. However, my final question would be that, given that in a previous written answer the Minister admitted that some middle-grade doctors are on duty for in excess of 100 hours per week, can the Minister assure Members that the use of the growth budget will lead to a reduction in the unacceptable hours worked by doctors?

The Deputy of Trinity:

Yes, the Deputy plucks a figure out of the air. It is not easy negotiating all different numbers of hours because there needs to be proper cover and if someone is called away, sometimes someone can step in - another colleague can step in. So that is why the hours vary and, as I have said, I have done many answers regarding the working times and hours. I do take issue with Deputy Hill about using the excluded doctors. This is middle-grade doctors. They are extremely important in the running of an effective hospital and if they are sick and a long time off work or due to personal reasons or whatever, then we need to fill in with that locum and that locum does cost. As I said, we have 6.5 vacancies and it is because we are not attractive because our terms and conditions are behind U.K. times. So putting this into place is vital.

[16:00]

2.10 Deputy R.G. Le Hérissier of the Minister for Treasury and Resources regarding the total cost of the negotiations for the purchase of the Lime Grove House building:

What was the total cost of the negotiations for the purchase of the Lime Grove House building and who was in charge of these negotiations at civil service and political level?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

The negotiations for Lime Grove House involved a range of activities, including valuations, building, structural surveys, architectural design, cost advice and support in the negotiation process. I have already explained that the total costs are in the region of £100,000 some of which, of course, will not be abortive costs as they relate to another building or another site. Until early in November 2010, the negotiations were the responsibility of the Director of Property Holdings. After this date, the Chief Executive of Resources took over responsibility for the negotiations but I am, of course, ultimately politically responsible.

2.10.1 Deputy R.G. Le Hérissier:

Could the Minister outline the circumstances - for example, an adverse Scrutiny report - under which he would feel that the consequences were such that he would have to resign? Could he outline that scenario?

The Bailiff:

No, that is a hypothetical question, Deputy. [Laughter]

Deputy R.G. Le Hérissier:

Could the Minister resign? [Laughter] Immediately?

The Bailiff:

You can ask him that.

Senator P.F.C. Ozouf:

I hope not. I am being held accountable and I am more than happy to be held and I am delighted that Scrutiny are doing a report. I hope they are going to be and I have got no doubt that they are not going to be other than entirely fair and balanced, although their questioning has been interesting to say the least in relation to some matters. I am responsible for safeguarding public money. This Assembly wants Ministers to be tough and I almost lifted the lid on an interesting case study of where a Minister is pressured to sign something but is not absolutely happy and I was not absolutely happy. I am not absolutely happy. I am not happy with the performance of property matters in the States and I am doing something about it. That is what this Assembly expects Ministers to do so, no, I am not going to resign. My track record is making fast decisions, making good decisions and my track record is saving tens of millions of pounds, not wasting it, which I have not done on this occasion.

2.10.2 Deputy P.V.F. Le Claire:

The Minister says he is not happy. Has he spoken to the Minister for Home Affairs to see how his mood is today?

Senator P.F.C. Ozouf:

It is a little uncomfortable when another Minister, for whatever reason, is attacking you in public. I did speak to my good friend, the Minister for Home Affairs. I am sad he is not here to smile at me at the moment but we have enjoyed some robust discussions in the Council of Ministers on lots of issues and I want to find a solution for him for the police. He knows that I believe that we should have found the police relocation solution years ago, not just in the last 6 months, but years ago. It has gone on for far too long. He has my absolute commitment to do so and I am sure we are going to by working together, by working as a team, not using political issues against each other, we can work together and find a solution. I have put together a steering group. I am going to invite the Minister, the Assistant Minister, under the chairmanship of my Assistant Minister. I will join if appropriate in order to have a steering group, with weekly meetings to sort this issue, deliver a project within budget and value for money that the public are going to agree with.

2.10.3 Deputy D.J.A. Wimberley of St. Mary:

I shall leave to one side the Minister's claim that there is a track record of fast successful decisions, which might be questionable. I want to ask the Minister about the timeline. He repeats again and again October 2010 he was presented with a business case. That is what he said in answer to the first question and in answer to the second question on Lime Grove House: he was first presented with a business case formally in October. I would like the Minister for Treasury and Resources to tell Members whether that business case in October was the first he knew about this and if not, can he fill in Members as to what the timeline was about his awareness of this project?

Senator P.F.C. Ozouf:

There is a detailed set of evidence from Scrutiny which has been put forward. There is a lot of information that has been put to the Scrutiny Panel in relation to this issue. There is a detailed timeline. I was originally made aware of it I think in the middle part of April, or early May, I was originally being briefed as to the fact that this was an option but I certainly did not have a business case to justify a purchase of Lime Grove House. The most important point is is that an offer was made for Lime Grove House without the accounting officer's and without the Minister's knowledge. I do not think that that is good communication. It is just not the right thing to do in shared decision-making. In relation to the ultimate near completion of a Ministerial Decision, one was drafted in October, that is what I am talking about when I speak of October, when a Ministerial Decision was drafted but not authorised by the accounting officer for signature because he was not satisfied with it and we were both, I think, right not to sign that transaction. We would now be faced with a massive overspend and a project on a dual site which could not meet the budget. Frankly, Members would criticise me, quite rightly, for all of those issues.

2.10.4 The Deputy of St. Mary:

Supplementary, if I may. The Minister says that he was briefed on this as an option. Can I just ask what sort of questions he asked at that point or whether he just smiled and said: "Oh, well, that is all right then, carry on"?

Senator P.F.C. Ozouf:

Most certainly that is not my normal work. In fact, I asked questions and got increasingly frustrated. On 14th July 2010 I sent an email saying: "Following our meeting this morning I just want to confirm what my expectations are in relation to the property plan. A commitment has been given to issue an office strategy to the States by the beginning of the summer recess. This should be prepared for circulation by at least the close of play next Thursday. The property plan I have seen is not sufficient and defendable and I am not prepared to sign it. The plan needs to be strengthened in terms of its implementable proposals with an appropriate timescale for execution. I wish to formally record that the development of an office strategy has taken far too long. My political reputation is on the line and I need you to deliver me something which I can sign-off and defend. It is important that it is delivered so that I can regain confidence in Property Holdings." Those are circumstances in which ... is an example of me asking difficult questions and rarely, for me, recording something in strong terms to a department that is not performing.

2.10.5 The Deputy of St. Mary:

With respect that is nothing to do with Lime Grove House, it is to do with the property plan. My question was when the Minister was briefed about this option being pursued, what kind of conversation then ensued or did he nod and say: "Carry on"?

Senator P.F.C. Ozouf:

No, I did not nod and say carry on, that is the point. It is that I was being faced with an enormous property plan with a whole of web of complex property transactions, including the sale of South Hill immediately, within 12 months, a whole plan that frankly should have been braced. What I said to the department is: "Please break this down into manageable chunks that can be worked on with a financial appraisal and a delivery plan." I was getting tired of delivering with very well-intentioned, probably very good feasibility studies of an overall plan that was not able to be delivered. Indeed, somebody has suggested to me in evidence in the work that we have done that the problem with Property Holdings is they had a fantastic plan up there but it was not brought down into individual component details that could be agreed. The track record is that nothing was really delivered, lots of talk about big plans but no individual projects delivered and that is what concerns me and I am trying to move on to.

2.10.6 Deputy A.T. Dupré of St. Clement:

I seem to remember before I was in the House that there was a discussion that the Police Headquarters was going down to the Esplanade Quarter, whatever happened about that?

Senator P.F.C. Ozouf:

The Deputy is right, that was the bomb-blast wall option, which was going to be at Esplanade Square; that was an enormous complex down on the Waterfront which was then aborted later on in relation to being a viable option. There have been all sorts of plans for the police. I want to find a site that it is capable of delivering our valued police a suitable site that is within their budget from this Assembly. This Assembly sets a budget and expects it to be lived within and that is what I am going to do. I am going find a site. I am not going to release the options that are in the process of discussion at the moment but I am confident that something can be done within the budget.

2.10.7 Deputy A.T. Dupré:

Supplementary. We seem to be putting more and more flats down there. Why are we putting more flats down there when we ...

Senator P.F.C. Ozouf:

I think the Deputy does make an important point. But certainly the additional costs on land that one owns are going to be less than having to buy more land and so I think a very remote reserve option is the Esplanade in the terms of an alternative for Lime Grove House. It is probably cheaper than some other options but I am confident and can say to the Deputy that I am confident that we have 2 short-listed sites now that will deliver a single police station on the ring road within the budget, which will be operationally efficient and the public will say: "That is a good decision" and that will be delivered within the appropriate timescale.

2.10.8 Deputy M. Tadier:

We are getting a lot of questions, not many answers so maybe the Minister would like to answer this. Would he agree that, essentially, this is not about bad communication, it is simply a case that the Minister thought he knew better than the professionals who were handling the job. He thought that the price that he would seek, rather than their price, would be better and that was the price which got rejected. Therefore, he should take responsibility for it rather than obfuscating mentioning October, confusing States Members with timelines and say that the offer that he put in, second-guessing professionals in the Jersey Property Holdings who are of the utmost quality in my experience even though they cannot always deliver what we want for political reasons. This was the real reason and the Minister must accept responsibility that he caused this transaction to fail.

Senator P.F.C. Ozouf:

No, no and no again. The offer was made without an independent valuation. There was no information to the Minister. It was on a business case that could not be delivered. If I am to be challenged on effectively trying to save money then, frankly, challenge me because I am more than happy to be tough in relation to the use of taxpayers' money. It is a strange state of affairs that I am being held to account of being difficult to ensure that we get the best value for money on a transaction that would have been one of the biggest property transactions that the States have ever made. I do not believe that the States should be buying more property. I do not believe that we should be competing with financial services and I do not believe that we should be paying financial services' prices for our offices. We have got enough land and we should be building on our own land. If I have been tough then fine but ultimately we will deliver something that is better within a reasonable timetable and is affordable. I wish the new lessees of the Lime Grove House building every success in their relocation, which is a great statement of confidence for Jersey too.

2.10.9 Deputy M. Tadier:

May I have a supplementary? The Minister is basically guilty of cognitive dissidence I think is the only way to say it. He is trying to tell us that he does not agree we should be buying property but

he was the one who made the announcement in the States only a few months ago backing the idea to buy the Lime Grove House property. So will he confirm that the reason that Lime Grove House has fallen through is not because of a political ideology that we should not be buying it but because there was ... I cannot say that word, but a mess up, shall we say, in what should have happened. That is the reason, it is not ideological; it is not because we should not be buying property because the Minister, himself, only a few months ago was backing this transaction.

Senator P.F.C. Ozouf:

I was backing this transaction up to a certain amount of money and when there was certainty that we were going to buy a building that did not have attendant risk in terms of the costs of basically putting it up to 100 per cent, the state that it should have been bought. If that is a problem for the Deputy, then fine, but I am afraid I have got a job to do and I think the Deputy and other Members would have made the same decision. I do not believe that the States should be buying investment property at investment prices. We should not be paying for our own covenant, for our own leases on buildings. It is a flawed argument. Why on earth should the States be buying the valuation of a property with the benefit of a 21-year lease with a blue chip financial services entity? It is absolute madness. I was agreeable at a certain price.

The Bailiff:

Very well. Senator, I must ask you please to keep your answers as concise as possible. We still have several more questions on this topic.

2.10.10 The Deputy of St. John:

How many feasibility studies have been carried out on any proposed site for new Police Headquarters please and at what cost?

Senator P.F.C. Ozouf:

Too many, over far too long. I am hopeful that we are now going to find a solution. I think there were 24 sites that were originally looked at but not as a full feasibility study. There have been 2 or 3, the bomb-blast wall option, the Sacre Coeur in issue. Yes, it has been far too long hence my frustration, I say to the Deputy. Just how much time has being put in place on highfalutin feasibility studies and we still have not got anything. We have not got office rationalisation. We have not got a new Police H.Q. We are not delivering social housing and we have got no solutions for health care properties. We need to do something and I am getting on and doing it.

2.10.11 The Deputy of St. John:

The supplementary; the core styles of all these feasibilities studies over the years?

Senator P.F.C. Ozouf:

I would like to spend... I am very happy to serve the Scrutiny Panel in terms of the questions they have asked and to answer Members' questions this afternoon but we need to move on. We need to spend the time on finding a solution rather than constantly revisiting the ...

The Bailiff:

Do you have the costs, Minister, or not?

Senator P.F.C. Ozouf:

No, I think I have explained that. It is over years.

2.10.12 Deputy R.G. Le Hérissier:

Would the Minister not concede that the incredible concentration of power he has been in charge of - property, human resources, I.T. (Information Technology) - is at the heart of this problem?

That he is trying to do too much and that there do not exist, within his Ministry, the right checks and balances.

Senator P.F.C. Ozouf:

I think the concentration of power is an important one because there was, as Clothier set out, as the Deputy will recall, the setting up of a Treasury and Resources Department, there is a clue in the title. Resources were, until recently, part of Chief Minister's Department. There was not a joined-up strategy in relation to dealing with it. It was only until the appointment of the Deputy Chief Executive that a single point of responsibility for resources was put in place.

[16:15]

I think that there has not been the sufficient progress on dealing with the resources issues and each of the resources departments has had problems. We have had to do lots of work with Procurement. We have got to do lots of work with I.S.D. (Information Services Department); our H.R. (Human Resources) needs to be improved, quite apart from Property Holdings. So I have been given a very difficult set of issues, a concentration of difficult issues which we are making significant progress on. At the heart of modernising the public sector and delivering better value for money and serving departments properly of their I.T., H.R. and property needs which has not been the case in the past but significant progress has been made in recent months which I am very pleased about.

2.11 Senator T.J. Le Main of the Minister for Treasury and Resources regarding the future of the Property Holdings Department:

Given the difficulties I experienced while Minister for Housing in dealing with the Property Holdings Department and following the Minister's comments at Scrutiny concerning their handling of the Lime Grove House property transaction, what is the Minister doing to ensure that this department is working efficiently and effectively?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

I think I have covered quite a number of points on this but I would say that I am disappointed with some aspects of the handling over the police move, going back more than 5 years, and that is an understatement. I recognise the concern over a number of months, perhaps even as long as for 2 years or more about property matters in the States, particularly the difficult relationship that existed between Housing and Property Holdings of which there was fault on both sides in some cases. There are other areas I have to say within Property Holdings that excellent work has been done in relation to improving the efficiency of maintenance, et cetera. Some changes in Property Holdings have already been put in place. I have now changed the processes so that the Treasurer is now aware of all forthcoming Property Holdings' decisions and recommendations and the Treasury team is now regularly briefed on all significant and important matters. At my request a review of the management arrangements in Property Holdings is now nearing conclusion. The outcome of this may well be a change in some internal structures and further changes to processes and protocols. I am confident that this will deliver a more responsive Property Holdings Department and a Property Holdings Department those departments can have confidence with across with States of Jersey. This has been one of my long-standing ambitions. There is a huge amount of work to be done, health, housing, office accommodation, education ...

The Bailiff:

A precise answer if you would please, Minister.

2.11.1 Senator J.L. Perchard:

I wonder if the Minister would just confirm the position his Assistant Minister took over this Lime Grove House proposal, the Assistant Minister with special responsibility for property services.

Would he confirm that the Assistant Minister was not in favour of the deal or was the Assistant Minister recommending to the Minister that the deal be approved? If it is the latter, is he, too, in for the chop?

Senator P.F.C. Ozouf:

Let us be clear about which Assistant Minister. The Assistant Minister previously was a supporter, I think it is fair to say, of the October 2010 Business Plan and that was the thing that I was resistant to sign. I was not in a position to sign off that and I said that I think that such an important issue in terms of Property Holdings, such a significant amount of taxpayers' money should be the responsibility of the Minister for Treasury and Resources. The current Minister was in exactly the same position as I. I do not think there is a cigarette paper of difference between us in relation to this last transaction. It would have been alright if it had been certain at up to £8.75 million: we were happy. We were both happy with the £8.25 million as were the officers. I have to say to the Senator that we had a deal at £8.25 million; it was later because of the financial services entity's requirements clearly changing their own requirements for office accommodation that the vendors decided to lease to another party. So there is nobody for the chop. I want to get on for sorting this out and finding a solution.

2.11.2 Deputy P.V.F. Le Claire:

In June, as I said before, we debated the Island Plan. I would like to ask the Minister what, now, is the effect of this delay and this occurrence in relation to delivery of these affordable homes within the 2 years. Is it not now time to recognise that the States is not adept at delivering these projects? We will not deliver them within the 2 years and we need now to go back to the planning table and approve the sites that were earmarked to be developed within the 2 years because otherwise we will in a housing crisis beyond belief by that time.

The Bailiff:

A concise answer if you would, Minister.

Senator P.F.C. Ozouf:

I hope that we are going to be able to release the land as soon as possible. I think there are other sites that we can release within an immediate and quick timeframe by running parallel processes of getting a planning application, for example Sacre Coeur for housing. We can make progress and I am not going to get into the debate about other greenfield sites. The Deputy knows that I think there are some other sites that should be developed for housing but, obviously, there is no unanimity in terms of that decision among other colleagues in the States.

2.11.3 Deputy M.R. Higgins:

I get confused by the Minister constantly telling us: "We had a deal." You know: "We had come to a deal", and yet if there had been a deal he would be suing the owner of the property for breach of contract, he is not. They sold it to somebody else so you could not possibly have had a deal. Will you clarify the position?

Senator P.F.C. Ozouf:

First of all, they did not sell the building, they leased it. Does the Member want to stand?

The Bailiff:

Yes, Deputy, if you are going to say anything, please stand but in fact the question has been posed so ...

Senator P.F.C. Ozouf:

We had a deal at £8.25 million. There were heads of terms, there were exchanges but clearly - and I offer no criticism at all to the vendors - they were frustrated over a long period of time. The other

financial services industry player had a requirement for space which was not in the marketplace previously and they have leased the building. That is 2 parties doing what they want with their own property. So be it, we have lost it, we need to move on in relation to this matter but we did have a deal at £8.25 million with certainty as to some of the dilapidation issues. That was not the case before.

2.11.4 Deputy M.R. Higgins:

Supplementary. Obviously, a deal is different to having a contract and you are gazumped, effectively because you left it too long and you were gazumped, is that not the case?

Senator P.F.C. Ozouf:

Situations change and, I say again, I do not believe the States should be competing with financial services. The fact that a financial services entity leased the building, at what is regarded as a pretty good rent, indicates that this is premium financial services space. It is a very nice building and will be a nice building when the owners have made all the changes that they need and put in Category A fit out. I wish State Street every success in running that building next to their existing locations. A great statement of confidence for Jersey and we will find a solution for the police.

2.11.5 The Deputy of St. Mary:

Coming back to the question, it ends: "What is the Minister doing to ensure this department is working effectively?" I would remind the Minister for Treasury and Resources that he has increased the staff at his own Treasury Department; the thinking, the brainy staff if you like. I would like to know whether any representations were made to him by Property Holdings about the adequacy of their staffing to do the monumental amount of work they had to do.

Senator P.F.C. Ozouf:

One of the problems with Property Holdings is it was never given the budgets that should have happened. One of my criticisms with Property Holdings, and indeed those people that were involved at the time, was that they should have ensured that they were getting the budgets that were in the departments for property matters. So to that extent they were almost unable to perform their duties from the start, but that is 5 years ago. We should have moved on from that. We should have made significant progress in sorting out Property Holdings' matters and we are doing that now. I want to see delivery on the issues, as I said. I want to see progress. This Assembly should expect nothing less.

2.11.6 The Deputy of St. Mary:

Can I ask a supplementary? Who is responsible for the budgets of Property Holdings?

Senator P.F.C. Ozouf:

Me.

2.11.7 Senator T.J. Le Main:

An amazing attack was made by the Minister for Home Affairs upon the Minister for Treasury and Resources on Lime Grove House by saying £8 million was lost. Can the Minister explain this very serious allegation of where this £8 million was lost as claimed by the Minister for Home Affairs?

Senator P.F.C. Ozouf:

I have discussed it with the Minister for Home Affairs and he says that he was misrepresented in relation to that and I think that he was going to ask for the *J.E.P.* (*Jersey Evening Post*) to print some sort of apology. I have not seen anything. Clearly, £8 million is not going to be lost. I do not know why people attack. That is politics, I guess, but certainly I am going to be working... I have worked very effectively with the Minister for Home Affairs. I will work with his very diligent Assistant Minister and my Assistant Minister to find a solution just as soon as possible. Perhaps he

will have the opportunity of correcting what was, clearly, a mis-statement. There is not £8 million lost; in fact we are going to save millions.

2.12 Deputy T.M. Pitman of the Minister for Treasury and Resources regarding where the responsibility for the failure to purchase Lime Grove House lay:

Something completely different ... or not. Well I am making a joke. Following on from the last question, does the Minister for Treasury and Resources accept responsibility for the failure to purchase Lime Grove House and would he state whether there will be a possible £8 million additional cost to the taxpayer and, if so, does he consider this to have been an appropriate use of public funds?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

No and no, I think I have answered all the questions in previous answers. It was not £8 million. I think that that was a misinterpretation. We can deliver the police station, in my view, within the original budget, and we can release more land, in fact, than was originally envisaged in the Lime Grove House solution if we can find a single site for the police which will end up being a better deal overall.

2.12.1 Deputy T.M. Pitman:

Supplementary. The Minister did not answer the bit about responsibility so if he could give us an answer to that one. The second thing is in the previous answer the Minister said: "Lime Grove House was great and sought-after financial services premises." Yet in this House in the past he has consistently justified it always being dormant, empty, whatever we want to call it, because all the finance industry wanted was to go to purpose-built offices at the Waterfront. Which is the right answer? Something does not seem to add up.

Senator P.F.C. Ozouf:

Well, this building was 10 years old. Many people have regarded that with interest. There is a particular entity that has its H.Q. up in that vicinity of town. That vicinity of town has lots of other financial services entities and they have a particular use. They are a new arrival in Jersey, a relatively recent arrival. They have got an expanding business. They were in immediate requirement for some offices to rationalise their space and I wish them every luck, and will give them every support as the States of Jersey in expanding their operations here. Ultimately, the Esplanade Quarter is going to be needed for further ... effectively, State Street is combining a number of entities into one building. There are lots of other financial services industries that are all over town that need to do the same thing and the only place that that is going to be done is along the existing use of the Esplanade and Esplanade Quarter itself, so I do not think there is anything problematic. Certainly, the rents for financial services should not be the rents that we are paying for the States. I believe that we should be getting better value for money on our own land if we can do so.

The Bailiff:

All right, I am just going to allow 3. No, I will come back to you, Deputy.

Senator P.F.C. Ozouf:

I take responsibility.

The Bailiff:

I am just going to allow 3 supplementaries on this because we have still got one more on this, as well as 2 others, and this question that I have noticed.

2.12.2 The Deputy of St. John:

I will do my utmost to be brief. Of the £8 million, will the Minister agree that a new Police Headquarters can cost anything up to £20 million to £25 million? Given my time on Home Affairs we were looking at the Esplanade tank wall option and the figure would have been around about £20 million-odd. So what is the figure put aside for a new Police Headquarters please?

Senator P.F.C. Ozouf:

The actual budget for a Police Headquarters had been originally ... it was agreed in 2005 with a funding option. I cannot turn my hand to the paper that I have in relation to this issue but there is a... thank you, I am obliged, there was an original capital programme. There is £18 million originally approved in the capital programme, we got another £2 million in 2012 and there are going to be some other allocations bringing a total budget, less the expenses so far, of in the region of £19 million. Frankly, if we cannot deliver a police station for £19 million on our own land, we do not know what we are doing.

The Bailiff:

A concise answer please, Minister.

2.12.3 The Deputy of St. Martin:

We have heard various figures. I am a little bit confused. It is not going to cost the States £8 million; I think I heard £100,000. How much will this cost the States over the failure to go ahead with the negotiations?

Senator P.F.C. Ozouf:

Significantly less than £100,000, because of the aborted costs at being able to be used in relation to architectural matters in relation to that as I have already explained.

2.12.4 Deputy P.V.F. Le Claire:

Years ago, the States projects used to run over budget and we introduced procedures to stop that from happening. How did this project get to the position where it is, losing us £100,000? Are we honestly saying now we have the opportunity to save millions because we are messing up so badly?

Senator P.F.C. Ozouf:

The Deputy is right in that we now have tough controls on capital expenditure programmes and we have not had overspend with the exception of the Energy from Waste Plant issue in relation to the Euro hedging. We have not had an overspend and I intend to keep it that way. We can get better value of the land that will be released from the multi-location of the police at the moment. Sacre Coeur, Rouge Bouillon, other sites that Home Affairs have; those should be released for housing and that put against the overall capital bid. But we should be able to deliver the plan for the budget that has been available as the Deputy of St. John asked.

The Bailiff:

Final question, do you wish, Deputy Pitman?

Deputy T.M. Pitman:

I could not possibly resist.

The Bailiff:

It is possible.

2.12.5 Deputy T.M. Pitman:

No, it is riveting, gripping stuff. I am sorry, I have to disagree. We have heard so many non-answers, I think, so could the Minister give a concise and a rational explanation as to why a Minister for Treasury and Resources would commit the Island to something that he clearly, from

what he said, was not happy with and he knew was not the best option. Clearly, he suggested that he knows there were better things that could be done. We should be building on our own site. Why did he not do that?

Senator P.F.C. Ozouf:

I was not prepared for the October plan. I did get it to the point that, subject to all the risks being dealt with, I was at a point where I could agree with it and not the best solution. I said I was difficult to convince on it but it would have been, on balance, a solution which would have met the immediate requirements of the police but not meeting all the requirements. I think we can do better and we will do better but we need to do so quickly because the police need a new home.

[16:30]

2.13 The Deputy of St. John of the Minister for Economic Development regarding an incident involving the States tug 'Duke of Normandy':

Would the Minister describe the events on 2nd September 2011 when the States tug, the 'Duke of Normandy', struck an underwater object and advise what qualifications the Ship Master holds, how long the Master has been in post giving details of his background in local waters, if any, and give details of damage and cost of this and state how many passengers and crew were on board at the time?

Senator A.J.H. Maclean (The Minister for Economic Development):

There are about 7 questions there so I hope Members will bear with me as I deal with this. It is more like a written question, in effect, but nevertheless I will do my very best. At 16.20 p.m. on 2nd September, the 'Duke of Normandy' struck the Cannon Reef when returning from St. Aubin where she has been acting as a start boat for the Brewin Dolphin Regatta. There were 4 crew members on board and 8 race committee members. The Master and engineer noticed that she was taking water but returned safely to her usual birth. T.T.S. divers were mobilised to carry out an underwater inspection and made temporary repairs. The agency Master is highly qualified with a foreign-going Cargo Master unlimited certificate. He has a well proven history becoming captain of tug vessels in 1997 since when he has worked extensively in the U.K. and Mediterranean. The Master has been in post since the beginning of July. The Master completed 2 weeks training with the Master he was relieving when he joined at the beginning of July. At the time of the incident he was accompanied by 3 local crew members with over 18 years' experience with Jersey harbours. The full report of the damage is expected this week. Full costs are also not known at this stage but I am informed that all costs should be covered by insurance. There were 4 crew members and 8 race committee members on board.

2.13.1 The Deputy of St. John:

Do the Captain and First Officer of the States tug hold a pilot's licence for Jersey waters and if so give us the dates of the certificates being issued?

Senator A.J.H. Maclean:

As far as I am aware the necessary crew are qualified appropriately to undertake the tasks in which they were asked to undertake. As far as particular qualifications, I am happy to revert back to the Deputy with full details.

2.13.2 Deputy M.R. Higgins:

Can the Minister confirm that every member of crew who should have been on board for the safe handling of that vessel was on board at the time the accident took place?

Senator A.J.H. Maclean:

I am getting into a slightly uncomfortable area here because I have ordered an independent investigation into this particular incident and as such I do not really want to go into particular details at this stage. What I will undertake to Members is that the result of that investigation, being undertaken by MECAL, will be published so I hope that all answers to queries and questions that Members may have with regard to this matter will come out in due course. I am expecting the report to be ready by October.

2.13.3 The Deputy of St. John:

I am a little uneasy with that response given the Minister has answered the first question. Can the Minister confirm - and I hope you allow supplementaries on this - the reasons of the tug being at sea. We are told it was there for the regatta. If so, the vessel; was it on charter or on loan and if on charter what is the charge-out rate per hour? If on loan, who was paying the crew's wages, the club, the taxpayer or through the harbour, which once again would be the taxpayer?

Senator A.J.H. Maclean:

The arrangement was quite simple. The States tug was supporting the Brewin Dolphin Regatta and as such this was a sponsorship arrangement. The Jersey Harbours were paying for, effectively, the vessel, but as I say it was a sponsorship arrangement which had a value of approximately £2,500.

2.13.4 The Deputy of St. John:

Can I put a supplementary on that? That £2,500 value, as the Minister has just stated, would that cover the cost of the fuel and the staff wages over that period of time please?

Senator A.J.H. Maclean:

Yes, I am told that in fact the actual cost of the vessel for this particular event, it ran over 3 days incidentally, was less than £2,500 that included, of course, sponsorship in brochures and so on. The actual running costs, fuel and staff time was around about £1,500, I believe, but I can get a more accurate figure if the Deputy would like, in due course.

2.14 Deputy A.E. Jeune of the Minister for Treasury and Resources regarding an alternate site to Lime Grove House:

I think the one thing the Minister and I will agree on is efficient use of States resources, but to the question; does the Minister consider there is an alternate site to Lime Grove House and, if so, when was it identified, what will it cost and when will it be ready for occupation?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

Yes, within 2 weeks a solution, which I hope meets all the requirements of the police unlike Lime Grove House, which did have an element of compromise including the release of land for housing which will exceed that option for Lime Grove House. The original Lime Grove House option was going to be finally delivered in terms of the operational police requirements, the Rouge Bouillon 'cop shop' side, which is what it is called, was not going to be available in 2015. I am hopeful that within the available budget we will deliver all aspects of the police at an earlier timeframe that that. I hope we can improve upon the overall plan – overall - even though the back office will be delivered later.

2.14.1 Deputy A.E. Jeune:

When can the police move their books and papers and paperclips in?

Senator P.F.C. Ozouf:

Basically, if we identify a site, put a planning application in, I suppose that one could be building, if it is on States-owned land, one could be building, realistically, within 12 months by the end of next year, $2\frac{1}{2}$ year build, including the Category A fit-out. It is going to be delivered at some point,

hopefully by 2014 or early 2015 which, in some cases, is, I hope, going to be earlier for the operational Police H.Q. without the compromise and better value. I will address the Assembly on detailed matters of this when I am in a position after consulting with my friend, the Minister for Home Affairs, on the options.

The Bailiff:

Just 2 questions on this.

2.14.2 Deputy M. Tadier:

I would just like to ask the Minister whether he believes that the whole fiasco with Lime Grove House just left a bitter taste in his mouth.

Senator P.F.C. Ozouf:

It has a bit, bluntly. I am disappointed. I do not like arguing with Ministers in public. I do not like having to make difficult decisions and I do not like dealing with ... Alistair Darling spoke of almost the sort of whispering campaign that goes on with some aspects and people in your own team are whispering against you. I do not like that. It is never nice for people to have that. But looking forward, I am optimist, I am a team player and I am going to find a solution which delivers economy and value.

2.14.3 Senator T.J. Le Main:

I am rather bemused by the Minister for Treasury and Resources who says a planning application can go in and get approval yet Property Holdings have taken 5 years for Lesquende with about 20 or 30 various applications that have failed miserably in achieving much needed housing approval for that site. What makes him confident that things are going to change for the better?

Senator P.F.C. Ozouf:

Because I am an optimist and confident and I now think that the changes that are being made, the improved communication, the clarity of role and the closer interest is going to deliver. We need to break-down what has been some excellent work on feasibilities but we need to break that into deliverable projects as opposed to just feasibility studies, that is the difference.

2.14.4 Deputy A.E. Jeune:

How much is it going to cost and where is it going to be?

Senator P.F.C. Ozouf:

As much as the Deputy would like me to say now, I am not going to raise expectations in relation to the site. We have got 2 short-listed sites which a lot of work is going on to and it is going to be within the budget that this Assembly has passed and that was not the case for the previous plan. That is in the region of ... I will send Members a number of notes on this so that they are aware. I think the overall budget is ... Senator Le Gresley kindly passed for me, I think the budget that has been set is £19 million. We should jolly well be able to deliver a police station for £19 million.

2.15 Deputy P.V.F. Le Claire of the Comité des Connétables regarding the integrity of the electoral rolls:

Is the chairman aware of any concerns surrounding the integrity of the electoral rolls and will he agree to conduct an investigation to include interviews with all Parishes and their officials regarding any operational difficulties experienced and the level of list anomalies with a view to recommending changes to the way the current system operates, if necessary?

Connétable K.P. Vibert of St. Ouen (Chairman, Comité des Connétables):

Yes, I am aware of the concerns regarding the accurate preparation of the electoral register but I am also absolutely confident that the integrity of the register has not, in any way, been compromised. The problem has been with the identification of some addresses using the Jersey Land and Property Index but the Parishes, the Planning Department and the company which supports the software are aware of the problems experienced and the Parishes have resolved all the issues before the registers were published. While every system needs continual updating I do not believe there is a need for an investigation as suggested by the questioner. Nevertheless, the Comité des Connétables gives an assurance that it will continue to monitor the system and effect any changes necessary. I wish to take this opportunity to thank all Parish officials who have been involved with the production of the electoral register. I am confident that they have done an excellent job of work in ensuring that the 61,897 electors registered to vote in the forthcoming elections are on the correct electoral register for the Parish and districts concerned. I am pleased to report that the number of electors in the forthcoming elections shows an increase of just over 12 per cent on the number registered for 2008. I very much hope that the turnout will show a similar, if not better, improvement.

2.15.1 Deputy P.V.F. Le Claire:

All is well with democracy in Jersey. I have no qualms whatsoever with the integrity of the people conducting the work in the Parishes. I am, however, disappointed that the chairman is not willing to look into investigating and interviewing Parish officials who have expressed concerns about the system, the way that it is operating and the anomalies that are occurring. These things and these issues are affecting the time and the manner in which candidates are accessing, or able to access, the electoral rolls after the nomination meetings. I would implore the chairman, once more, to reconsider my request to conduct an investigation - not an external one, an internal one - with his Connétables, to interview the Parish officials to ensure they have heard all of these people rather than just running the bunting up the flag and saying everything is all right, it will go away.

The Connétable of St. Ouen:

The Deputy may not be aware that these officials meet on a regular basis to identify any problems and so they are all very well aware of what the problem is. The problem has been dealt with and work is in progress to ensure that that problem does not occur in the future.

2.15.2 Deputy M. Tadier:

There have been instances where those, for example in my Parish and I am also aware in St. Helier, have filled in forms, they are eligible to vote and for some reason they have not been put on the register. Will the chairman explain what the link is between the Jersey Land and Property Index and the problems which he said were identified either early on or continuing into the latter part of the registration process?

The Connétable of St. Ouen:

Yes, the Land and Property Index is the vehicle which has been employed to identify the correct addresses for the people wishing to register. It would appear that the Land and Property Index does have some anomalies inside it. There are some addresses which do not come out as a correct addresses. Now, these have been identified by the Parish staff at the time of putting into the computer and those addresses have had to be filled in manually. Now, we are in consultation with the Land and Property Index, the Planning Department who administer it, and the software company who have produced the software. We are in discussions with them how this can be overcome for the future.

2.15.3 Deputy M. Tadier:

Supplementary. What is the recourse for individuals in a situation who feel that they have filled in the correct form, they do not appear on the register. Presumably it is up to the Constable's discretion as to whether they can be put on. If that is the case, I believe that is the case under the Election Law, and if that is the case when a Constable is facing a contested election who would it

be that makes the decision as to whether, if an administrative error has occurred, whether those individuals can and should be put on the electoral register before the 16th or 19th October?

The Connétable of St. Ouen:

It is my understanding that the Jurats who are to act as recording officers for the elections will have the ability to take on people who do not appear on the register at the time of coming to vote, if sufficient proof is provided that they have filled in the paperwork.

The Connétable of St. Mary:

My question has been addressed.

2.15.4 Deputy J.A. Martin:

Like Deputy Le Claire, maybe it is only a problem that happens to the Parish staff at the Town Hall, and maybe it is because they have the majority of the voters.

[16.45]

But since the system changed from 2005, 2008, and the last electoral roll, the street order is not worth the paper it is written on, to me. I might as well go around and rewrite it again. This is from the officials down at the Town Hall, so I really do hope that the Constables can get together and not: "I am okay in a small country Parish"; we need this, Island-wide, sorted out. It is not sorted in St. Helier and it is not clear for more than anyone else.

The Bailiff:

So the question, Deputy Martin, was?

Deputy J.A. Martin:

He said the answer was no, he would not have a review, and I would ask him to reconsider the review, internally.

The Connétable of St. Quen:

I did also say in my answer, which the Deputy obviously did not hear, that the Connétables continually review the system and these problems have been identified, and the Connétables are in the process of making sure that they do not occur in the future.

The Bailiff:

Senator Breckon, then the final question from Deputy Le Claire.

2.15.5 Senator A. Breckon:

In the original question you talked about operational difficulties experienced and the level of anomalies. I wonder if the Comité des Connétables would note any problems candidates may have, and receive perhaps representation after, and seek funding from P.P.C. (Privileges and Procedures Committee), because I am aware already of people living in the same address who are not together on certain registers. So, there are anomalies which perhaps the Constable has made light of.

The Connétable of St. Ouen:

Certainly, I hope that any candidates, any States Members and any member of the public who has a problem would take the opportunity of writing into the Comité des Connétables so that all these issues can be addressed.

2.15.6 Deputy P.V.F. Le Claire:

Sir, would the chairman of the Comité des Connétables report back to the Comité des Connétables that I am not satisfied with the answers that they have given me and that I am going to be referring my request to the Electoral Commission. If we have a single electoral list that has identified

problems in 2005, and we are told in 2005 those problems are fixed, why are we sitting here listening to the same answers in 2011, that these problems have been fixed and there is no need for an investigation? Will the chairman, with the greatest of respect - I wish him the very, very best for his personal retirement and the work he has done - but going back to the chairman of the Comité des Connétables, I do not mean to be disrespectful, but this has caused significant concern among not only the staff but also the candidates, and the Electoral Commission, I am afraid, will have to be referred the work if the Comité des Connétables is not willing to undertake it.

The Connétable of St. Ouen:

One of the principal concerns raised by the staff at St. Helier to me was the large amount of registrations we could deliver at 12.00 on Monday 5th.

2.15.7 Deputy P.V.F. Le Claire:

That is not the issue. A supplementary, would he at least acknowledge that I have asked him to report back to the Comité des Connétables and I am going to be referring this to the Electoral Commission?

The Connétable of St. Ouen:

The Deputy is totally at liberty to talk to whoever he wishes about it.

3. Questions to Ministers without notice - The Minister for Treasury and Resources.

3.1 Senator T.J. Le Main:

This morning I heard 2 candidates on Radio Jersey being interviewed. One of them, who, if elected, wants to be the Minister for Treasury and Resources, and in his interview he claimed that the rainy day fund was earning no interest. I would like to ask the Minister for Treasury and Resources, could he give us the kind of interest that the rainy day fund has earned in 2010 and perhaps later on in the year, in 2011?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

The rainy day fund, the Strategic Reserve, is invested by a range of investment managers, of which there is a portfolio of bonds and equities. There is some cash, so there is some interest. The fund has performed extremely well in terms of its market performance. I will circulate later the updated figures, to the extent that I have them in relation to that issue, and I must say that also the new Treasurer has done a sterling job in relation to ensuring that all cash - the significant amounts of hundreds of billions of pounds which is held in cash balances - is also maximised for the benefit of taxpayers, and I will send Members a note later on today.

3.1.1 Senator T.J. Le Main:

Could the Minister make it easy for us to understand by giving us roughly a percentage or the kind of interest it would have earned?

Senator P.F.C. Ozouf:

I will do my best.

3.2 Deputy S. Power:

The Minister for Treasury and Resources alluded to the very obvious palpable tension that existed between himself and the colleague to his right, the Minister for Home Affairs. But the former Assistant Minister for Treasury and Resources, Deputy Le Fondré, has also made a series of precise and specific allegations against the Minister for Treasury and Resources. How does he propose to deal with those?

Senator P.F.C. Ozouf:

As far as my colleague the Minister for Home Affairs, we have a very good relationship. We work as a team. We have had a disagreement in public but I think his comments were misinterpreted. We are good friends and we are working to find solutions to Home Affairs. This Assembly expects teamwork in relation to Ministers. In relation to my former Assistant Minister, I am sorry that things did not work out, but we all need to move on in terms of our responsibilities. Five and a half years, during which a lot of good work was being done in Property Holdings; we need to move on, and I hope that we can move on. We very much agree on lots of different things, and I hope that this can be the end of what has been a difficult situation, and I hope we do not continue to have these kind of almost secret positions in relation to matters. I hope we can move on. I like Deputy Le Fondré, he is a good chap; he did a good job at Property Holdings, but we need to move on. He has moved on and I have moved on.

3.3 Senator F. du H. Le Gresley:

Given the Minister's previous comments today, does he think the Police Service could successfully operate out of a listed building on the ring road?

Senator P.F.C. Ozouf:

I do not know which listed building it is. I am not sure Lime Grove House was listed; maybe it should be listed, for all sorts of political reasons, but I am not sure which building he is talking about, so I cannot comment. If he wants to say which one it is, I am happy to comment.

3.3.1 Senator F. du H. Le Gresley:

May I respond to that, Sir? My question is about the Jersey College for Girls site which of course the previous Minister for Planning and Environment made great play that this was going to be a big housing site, and I just wondered if that building was in his sights?

Senator P.F.C. Ozouf:

It has been looked at. The Assistant Minister has made some very useful contributions about that; she is requiring us to look at it. There are a number of short-listed sites, it is not one of the preferred disused sites at this present time. I think that site is better for housing, but I am going to make suggestions after consulting with my friend the Minister for Home Affairs, on the best site.

3.4 The Connétable of St. Mary:

An earlier question has touched on the breadth of the Minister's responsibilities. Just talking about I.S.D. for a moment. Can the Minister assure me that he is happy that resources are adequately deployed to ensure that major departments are resourced to take advantage of the new technologies and to maximise efficiencies when new core programmes are developed?

Senator P.F.C. Ozouf:

The Constable's comment is really important in relation to the Comprehensive Spending Review. By appropriate investment in I.T. we can streamline and become more efficient. The Minister for Planning and Environment, for example has a cumbersome planning operations I.T. system; it can be significantly taken into a paperless system, significant available I.T. systems. We have got the restructuring funds in order to do that. I want to see some of that restructuring fund invested in I.T. systems. The Health Department also needs to make those investments. There are lots of things to do. We need a well-performing I.T. Department to deliver efficiency and economy and modernise the public sector, and we are well on the way of doing so.

3.5 Deputy J.A.N. Le Fondré:

Can I just note that I have deliberately not asked any questions thus far on the Lime Grove House thing, because I want Scrutiny to do their report and we will see what the outcome is. What I do want to ask, however, is that the Minister has stated on a number of occasions today that he was presented with a formal business case in October, which I think is in respect of the conditional offer

and the rest of the project, that he could not sign. The question I ask is, who presented that case, because my understanding was that the accounting officer was given a draft business case in October for his consideration and comment. Certainly, the emails in my possession seem to back up that only in mid-November was that getting to a relatively final form, but the business case was never finalised because it was taken away from the department. So, when the Minister is referring to a business case in October, a formal business case that he could not sign, who presented it to him?

Senator P.F.C. Ozouf:

I cannot remember; I would have to check my notes in relation to that. All I know, I have got the business case there, I could not sign it. It did not meet the budget. I just remind the Assistant Minister: we both need to move on in relation to this issue. I did not know about an offer being made, and that business case could not have been supported. I am sorry that we disagree on it. We are going to have to agree to differ, but I look forward to the Scrutiny Panel's report. Lessons are going to be learned on this; we need to find a solution. He needs to move on, and I need to move on to solve Property Holdings matters. He is a capable guy and he can do lots of issues, but on this issue, I could not support that, and I stand by that issue. Other Members will make their own mind up about that.

3.6 Connétable A.S. Crowcroft of St. Helier:

A while back the Minister for Treasury and Resources offered to assist Parishes in the production of polling cards that would help electors know which station to go to and so on. I gather that that is not now going to happen, and that St. Helier will have to pay the cost of that itself if it wants to proceed. Could he explain why that will not be happening?

Senator P.F.C. Ozouf:

I took the proposal. I have had a long-standing view that I think we should be sending polling cards to individual households explaining what elections individual electors are registered to, and what the options are in terms of voting. I took that matter to the Council of Ministers. It was also tabled - I do not think the Connétable was there – at the Committee of Constables - it did not meet majority of approval, so it is not going to happen. That is teamwork; sometimes you win things, sometimes you lose things. On this occasion, colleagues did not support it.

3.6.1 The Connétable of St. Helier:

Could I ask what measure of support he had from the Council of Ministers?

Senator P.F.C. Ozouf:

Not much.

3.7 Deputy A.E. Jeune:

At lunchtime, Members had the opportunity to go to a briefing from the Minister for Economic Development, but I would now like to ask the Minister for Treasury and Resources what his views are on the state of the economy?

Senator P.F.C. Ozouf:

That last question I offer no criticism to Ministerial colleagues; they are entitled to their own view. Clearly, I did not make their argument strongly enough; that is fine. My view of the state of the economy: the local economy is certainly performing slightly better than I anticipated, for example G.S.T. (Goods and Services Tax) receipts are slightly up on where we were expecting them to be. Certainly unemployment numbers, while there has been considerable concern about unemployment, are not as bad as I was expecting in some cases it could be, partly because of the excellent work that happens at the Population Office and the Minister and the Assistant Minister's own department. I think that the weather forecast for the economy has certainly deteriorated, the

global economy, in recent months. That is going to have an impact in relation to the forward projections of income going forward on interest rates; that is going to have an impact. But we have got very strong public finances. If any jurisdiction in the world is to survive a further period of turbulence, globally, Jersey can, and I certainly do not believe and I am not going to be presenting any changes to our tack in terms of taxation measures. We have dealt with our deficit, we can sustain a further period of volatility, and I am very confident that our financial services industry—with the good work that has been done with E.D.D. (Economic Development Department) - can build business, get business into Jersey, create jobs, and we are going to have a very good position compared to almost any other non-petro economy in the world. I know that confidence is not high, but it should be higher than virtually any other place, because we have made sound and correct decisions.

3.8 Deputy P.V.F. Le Claire:

The Minister for Treasury and Resources, along with 16 other Members of the Assembly, are effectively the new States Members of the soon to be 51 States of Jersey; the elections are pretty much already over. Has he decided yet to announce whether or not he is going to stand for Chief Minister, and if he is, who would he choose or who would he like to see as Minister for Treasury and Resources?

Senator P.F.C. Ozouf:

What I would like to say is this, clearly as the Deputy says, a new Assembly is beginning to take shape. Most Members of this Assembly are up for election. There is a process for determining and electing a new Chief Minister, nominated by a number of Members of the Assembly, setting out a strategic policy, and setting out the way in which they are going to discharge their responsibilities. Then there is a 10-minute speech and it is clearly at that stage that a proper selection of a Chief Minister needs to be made. One thing that is clear is we all want to see a more unified and nondivisive Assembly. One of the things that is happening is candidates are being asked prior to that process as to who they are going vote for Chief Minister; there is almost a party political issue. No members, from all of the people standing, are standing in a party, and it is non-divisive. So I have had a number of suggestions and a number of supporters of Members of this Assembly and other candidates as to whether or not I am going to stand, and certainly that is an option for me. You certainly only need to stand when you think that you could have a suitable level of support by the Assembly who could command the Council of Ministers and appropriately guide a Council of Ministers. That determination is not going to be possible until after the elections. I am going to be focusing on what I think the issues for Jersey are. I will make a final decision after the election, if I think I have got enough support. In a few weeks I am going to be setting out some ideas of what I think are the things that we should be tackling in, as I am acutely aware I am not up for election. No decision; I expect there are going to be other candidates too coming forward, that is a good thing. I will make a decision after the election but I am certainly not ruling myself out.

3.9 Deputy M.R. Higgins:

The Minister for Treasury and Resources says that the tax system is fine and that he is not going have to bring in any other measures and yet with the forced removal of the deemed distribution provisions, he is now not getting any taxes whatsoever from companies, including companies outside the Island.

[17:00]

He has not brought forward any provisions to recoup that money so how is he going to make up the shortfall from that? Is it more taxes on individuals?

Senator P.F.C. Ozouf:

I do not think I am ever going to convince the Deputy in relation to Zero/Ten. We have had that debate and I am confident that the removal of deemed distribution and attribution are going to be

effectively a cash flow issue and not lost revenue in that sense. Clearly, I have also made clear that while we are not going to be making any changes to legislation, we have got anti-avoidance provisions in order to make sure that we maintain revenue. I am going to be proposing no other issues and I am not today going to start announcing budget measures which are going to be properly announced in the proper way in a couple of weeks time in relation to the other business taxation measures, which I am asked by the Deputy of Grouville's proposition to do so. The Deputy is negative about Jersey, I am not. I am positive; we are in a great place, we have made the right decisions in relation to Zero/Ten and I am confident that we are going to get approval to the extent that if we ever get approval from the Code of Conduct Group on Zero/Ten.

3.9.1 Deputy M.R. Higgins:

Supplementary. I am not negative about Jersey; I am negative about this Minister for Treasury and Resources' policies and quite simply he spins it through but he does not have a policy. How are you going to deal with companies outside Jersey who are paying no tax whatsoever into the coffers? Who is going to have to make up the shortfall? Just give us an answer, a straight answer.

Senator P.F.C. Ozouf:

The Deputy goads me on questions which are flawed in their ... he wants me to say that there is an action necessary. I have said to the Deputy that there is not an action necessary. It is deferred income and of course the whole Zero/Ten issue, the move from 20 per cent corporation tax to 10 per cent, not zero tax; the Deputy said that no business tax is being raised. We raise tax at 10 per cent when interest rates recover. Our buoyancy reserves, in terms of banks, will return and we will continue to get good flows of revenue from business when the global economy returns.

3.10 Deputy S. Pitman:

Just going back to the election issue; has the Minister already allocated any of his candidates from his unofficial party to positions on the Council of Ministers?

Senator P.F.C. Ozouf:

I can say that I know that there are some people that are perhaps involved in discussions, whether or not they want to be Ministers and perhaps they talk to Members about their jobs; I do not, no deals. If I am a candidate for Chief Minister I will put forward a policy and Members will vote on it in relation to those issues and may the best individual candidates get elected to this Assembly and then serve in Ministerial and other important positions. There are no parties in this Assembly. I have never been a member of a party; I know the Deputy has.

3.11 Deputy A.T. Dupré:

I see on question 10 that there are 60 people in H.R. Why is it, with 60 people there, we have not got succession planning; we have had to go to England yet again to get somebody to run the job?

Senator P.F.C. Ozouf:

I understand the issue with the frustration that the Deputy have and I have about succession planning. I am not a Jersey nationalist that says we should only be having Jersey people for all positions of course and I know that she is not but clearly we should be training our own. One thing I will say is that I think it has been a pretty difficult place to work in the public sector; if you put your head above the parapet in the public sector you get criticism, all sorts of ways and the public sector has not been a great place to work. We need to reform H.R. We need to have a much better partnership in our employee relations and I hope that Jersey people will come forward and serve in all sorts of capacities in the very important jobs that we expect our officials to do. H.R. needs to be reformed; we have got a new director of H.R. starting in 2 weeks. I met him on Friday; he looks like an extremely capable individual and he has got a really important job of reforming H.R. over the next couple of years.

3.11.1 Deputy A.T. Dupré:

This is a supplementary; he will make sure he has trained somebody else up though, please?

Senator P.F.C. Ozouf:

I jolly well hope so.

The Bailiff:

Very well, that brings Questions without notice to the Minister for Treasury and Resources to a close and we move now to the second period which is to the Chief Minister. Yes, Deputy Le Hérissier.

4. Questions to Ministers without notice - The Chief Minister

4.1 Deputy R.G. Le Hérissier:

Just seamlessly following on, I wonder if the Chief Minister could tell the House what his commitment is to succession planning and could he comment on the fact that the way it is working at the moment is in total contradiction to the establishment of an effective succession planning policy?

Senator T.A. Le Sueur (The Chief Minister):

I remain committed to succession planning but it is against a very difficult background where staff are reluctant, as I said earlier, to put their head above the parapet and very often are content at middle-grade levels of remuneration with what they are getting at the moment. Wherever we can we encourage that to take place but, at the end of the day, we should have the best person in the post to do the job best.

4.1.1 Deputy R.G. Le Hérissier:

Supplementary. Does he not think it odd that the Fire Service, which has got years and years of local appointees, all of a sudden people have become reluctant to stand for the higher position?

Senator T.A. Le Sueur:

That may be the case but we have to face reality.

4.2 Deputy T.M. Pitman:

In his position with the States Employment Board, can the Chief Minister explain how a situation such as at the airport where an individual is employed under contract with N.A.T.S. (National Air Traffic Services) I believe but is not a States employee, can be consistent with the employment of States employees legislation? Specifically, how can such an individual discipline States staff or indeed be disciplined himself, if that were necessary?

Senator T.A. Le Sueur:

I do not know if I fully understand the question but if a person is employed by a third party organisation to do a piece of work, that person has no authority other than within the terms of the contract under which he is employed.

4.2.1 Deputy T.M. Pitman:

Sorry, supplementary. Is the Chief Minister then saying that this situation, as I have described it, does not exist at the airport because I would have to disagree with him?

Senator T.A. Le Sueur:

I am not aware of the precise situation which the Deputy has tried to describe to me and so I am unable to give him a proper answer. He will have to see me afterwards and try and explain it more clearly to me.

4.3 Deputy A.E. Jeune:

Could the Chief Minister please advise who sat on the S.E.B. (States Employment Board) Panel in the decision-making on the director of Property Holdings contract cessation? Thank you.

Senator T.A. Le Sueur:

That is not a matter for the States Employment Board; it is a matter which the States Employment Board has delegated at the start of its term of office to the Chief Executive of the States.

4.3.1 Deputy A.E. Jeune:

Would the Chief Minister then be willing to look at his own Chief Officer's role in relation to the failings of Lime Grove House? Thank you.

Senator T.A. Le Sueur:

I am sure that will all form part of the ongoing inquiry being carried out by the relevant Scrutiny Panel and they will come up with recommendations, which I will then look at very carefully.

4.4. The Deputy of St. Martin:

The Magistrate Designate has been away from his desk for some considerable time, which must be very distressing for the Magistrate and of course very costly to the public. Is the Chief Minister able to give Members an update and, in particular, when the Magistrate will be able to resume his full duties?

Senator T.A. Le Sueur:

I only wish I could. The Magistrate Designate is still subject to ongoing inquiries and until those inquiries are complete I am unable to give the Member or anybody else any further words of comfort.

4.4.1 The Deputy of St. Martin:

Could I just ask a supplementary? Has the Chief Minister been making any inquiries with the possibility of getting people to expedite those inquiries so in fact the matter could be moved forward?

Senator T.A. Le Sueur:

Yes, regularly but the general response is that it is an inquiry being carried out by international authorities. What I am really saying is it is difficult to tell people in other countries how quickly to do their inquiries.

4.5 Senator F. du H. Le Gresley:

As chairman of the States Employment Board, is the Chief Minister concerned about the high turnover of senior officers in the Treasury and Resources Department and, if not, why not?

Senator T.A. Le Sueur:

I am concerned that there is a higher turnover of staff than I would like in the States generally. Turning over staff can, in some cases, be beneficial in that new blood comes in but the lack of continuity is often a problem and does lead to additional resource pressures. I am sure that the current Treasurer of the States and the Minister for Treasury and Resources are well aware of that, as indeed are all other Chief Officers in other departments as well. But staff turnover these days is, I am afraid, a fact of life.

4.6 The Deputy of St. John:

The Chief Minister has been sitting quietly while the Minister for Treasury and Resources has been grilled by Members today. Given that Lime Grove House is a live issue, is the Minister happy or otherwise that the full Council of Ministers did not partake in any full debate around the Minister's table in relation to the recent events of either purchasing or otherwise of that property?

Senator T.A. Le Sueur:

As the Minister for Treasury and Resources indicated earlier this afternoon an offer was made and it was my impression that a deal had been agreed at, I think, of £8.25 million, subject to minor details and on that basis I and, I think, all the Ministers were very happy. When I first took office I had an earlier staged visit to police headquarters and was appalled to see the conditions under which staff currently worked and I was determined that they should be able to find a new headquarters as soon as expeditiously and sensibly possible. I was pleased that we were making progress and I am disappointed to see that that progress did not come to fruition.

4.6.1 The Deputy of St. John:

Supplementary. The Minister says: "My impression that an agreement had been reached." Can he explain what he means by "my impression", please?

Senator T.A. Le Sueur:

The heads of agreement were agreed between me, the States and the vendor. Those heads of agreement were understood and accepted by both. Sadly, until the contract was signed, there is always a chance of a slip and in this case a slip did occur.

4.7 Deputy M.R. Higgins:

Earlier this year during a visit to India by his Assistant Minister for Foreign Affairs and the Minister for Treasury and Resources, the Island suffered the humiliation of India refusing to sign a Tax Information Exchange Agreement (T.I.E.A.) with Jersey. Will the Chief Minister advise the Assembly what the current situation is with regard to this T.I.E.A., what the problems are and when it will be signed?

Senator T.A. Le Sueur:

A decision not to sign that T.I.E.A. at the time was made for very good and sound sensible reasons, which I thoroughly endorse. Since that time we have been working closely with the Indian authorities in order to ensure that the T.I.E.A. can be signed and I am very hopeful that that will be signed certainly within the next 2 months at the latest.

4.7.1 Deputy M.R. Higgins:

Supplementary because the Minister said "for good reasons" but did not explain what those reasons are; would he kindly inform the Assembly?

Senator T.A. Le Sueur:

That there was a clause in the agreement which I was not happy was in the best interests of the Island that we should sign, and we have been finding ways of making sure that that clause is interpreted in the right way.

Deputy M.R. Higgins:

Sir, sorry, this is ...

The Bailiff:

Deputy Shona Pitman. You have had your 2 questions, I am afraid, Deputy.

4.8 Deputy S. Pitman:

Does the Chief Minister agree that Ministers work well as a team with their Assistant Ministers, as described earlier by the Minister for Treasury and Resources, that when he is out of the Island his Assistant Minister stands in? If so, could he explain why he has stood in for the Minister for Social Security when he has been away?

Senator T.A. Le Sueur:

When a Minister is out of the Island he is required to advise me of this and to the extent that Ministerial Decisions need to be made it is the Chief Minister's duty to nominate a Minister to stand in for that person. The person nominated can be myself or another Minister.

4.8.1 Deputy S. Pitman:

May I ask the Chief Minister then what the use of Assistant Minister is if the Chief Minister has to stand in?

Senator T.A. Le Sueur:

The States of Jersey Law requires that only a Minister can exercise certain Ministerial functions and in the absence of the Minister those functions cannot be exercised by an Assistant Minister; they have to be exercised by a Chief Minister or another Minister.

4.9 Senator A. Breckon:

Earlier today the House were informed that the *Machinery of Government Review* lodged on 16th May in the name of the Council of Ministers had been withdrawn. Can the Chief Minister say why and what will happen next?

Senator T.A. Le Sueur:

I became concerned that we were having a number of different bites at the cherry, so to speak, in respect of States reform and I was anxious that the proposal put forward by the Privileges and Procedures Committee last week, in respect of the Electoral Commission, should be given a fair chance and that should encompass a broad agreement. Otherwise there is a danger of 2 or 3 streams of work going on in parallel, possibly with conflicting results and I thought this was not in the best interests of the States for efficiency.

4.9.1 Senator A. Breckon:

Is the Chief Minister really saying that the machinery of government and the operation of Ministers is the same as the work that is going to be done by P.P.C.?

Senator T.A. Le Sueur:

I am saying that the terms of reference for the Electoral Commission were very broad indeed.

4.10 Deputy G.P. Southern:

Will the Chief Minister outline for Members what progress has been made on pay terms and conditions in negotiations with public sector workers?

[17:15]

Will he justify in particular the States Employment Board decision not to award a 5 per cent pay increase to senior and specialist nurses, as recommended by not just one but 2 reviews?

Senator T.A. Le Sueur:

As far as terms and conditions are concerned, meetings are being organised with different union representatives. There were 2 scheduled for last week; one was postponed until this coming Thursday but those meetings are going ahead and I am confident that they will, although no doubt be subject to detailed discussion, produce results in the fullness of time. As far as the award to medical staff are concerned, that was discussed in considerable detail with nursing representatives

and rather than across the board payout it was agreed that there should be selective increases focused on certain grades. Clearly, in that sort of situation, there are winners and losers and while I have heard a couple of complaints from the losers I have heard nothing from the winners.

4.10.1 Deputy G.P. Southern:

This is a nonsense answer but never mind, we will leave it. Does the Chief Minister still have the negotiating position that he is going to offer something like £7 million in terms of a pay award this year to public sector and take away £7 million from terms and conditions? What sort of an offer is that?

Senator T.A. Le Sueur:

I am not sure that is meant to be a serious question. The fact is that we do need to modernise our terms and conditions if the States is going to have a sustainable way of producing a proper workforce and Business Plan going forward. The sooner we start to change those terms and conditions the better and I hope that all staff and Members will work together to achieve that objective.

4.11 The Deputy of St. Mary:

A very simple question; who is the Chief Executive of the States?

Senator T.A. Le Sueur:

At the moment we have an Acting Chief Executive whose name is, I am sure, known to all Members and he is there until the start of next year. It was agreed earlier in the year and notified to Members that that would be the situation pertaining.

4.11.1 The Deputy of St. Mary:

Thank you, supplementary, if I may. I only ask that because the person in question was referred to as the Chief Executive on a recent press release. Can the Chief Minister tell me when the Chief Executive is appointed presumably he subscribes to some kind of oath of office or declaration of what his role is; is he seen to be working for the people of the Island, the States Assembly or the Council of Ministers?

Senator T.A. Le Sueur:

The Chief Executive is employed by the States of Jersey Employment Board under the terms of the Employees of States ... I cannot remember the name of the law but it was passed in 2005 and it has a rather long title, but he is employed under that law just like any other States employee.

4.12 Deputy R.G. Le Hérissier:

Could the Chief Minister tell us the skills and attributes that he feels should be found in his successor and who does he think in the House comes near to possessing those skills and attributes? **[Laughter]**

Senator T.A. Le Sueur:

Everyone in this House possesses different skills and attributes and it will be for States Members at the time to decide which mix of those skills and attributes they believe is most important to see the Island through for the future.

4.12.1 Deputy R.G. Le Hérissier:

Could the Chief Minister give his assessment of what he thinks they are?

Senator T.A. Le Sueur:

I think you need patience, understanding, tolerance, tact, foresight, an open mind and sometimes a fairly thick skin. [Laughter]

4.13 Deputy T.M. Pitman:

I would like to thank the Chief Minister for his endorsement of me as Chief Minister firstly **[Laughter]** and then I would like to ask the Chief Minister, my open vote to the Chief Minister proposition has got wide public support; does he feel himself that that would be a way forward for more transparency or does he have a chosen heir apparent?

Senator T.A. Le Sueur:

I have no chosen heir apparent and if I did that would be a matter for my own personal consumption. It is up to the Members of this Assembly to vote for who they believe is the right person for the post.

The Bailiff:

Very well, that brings questions to the Chief Minister to an end.

ARRANGEMENT OF PUBLIC BUSINESS

5. Senator T.A. Le Sueur:

Sir, having spoken for a few moments then I would just like, if I could, to take Members time for a moment or 2 longer to talk about forthcoming business for the remainder of the week and next week. On my way down to St. Helier this morning I passed numerous posters and other evidence that there is an election underway and I am pleased to learn that the number of registered voters has increased this year, and I think this is an indication of just how seriously and how important the forthcoming election is. That is reflected also in the fact that Standing Orders do not allow us to sit for the 3 weeks prior to an election and is something which certainly came to the attention of Ministers at the meeting of the Council of Ministers when we decided that it would be only right that, despite the important Ministerial work that had to be done, that work we felt could be deferred in the interests of ensuring that full attention was given to the electoral process. It was suggested that I should also put to Members of the House generally that although we have to sit this week to deal with the Annual Business Plan, we should endeavour to keep States business prior to the elections to an absolute minimum and to that end not to sit next week. Recognising that that adds to the pressure I have circulated to Members not only with that suggestion but that also we should sit on Friday of this week in order to achieve as much business as we could during this week and to leave other matters thereafter in abeyance. That I did circulate and I am pleased that the Greffier has been able to circulate to Members a green sheet of paper suggesting what could be done this week. On that basis, without making any comment on any individual propositions, I do move that we do not sit next week and that we sit on Friday of this week.

The Bailiff:

Just to be clear, your proposition is that we sit on Friday of this week, so the States do not sit next week and that therefore added to the list for this week are the 7 items listed on the green paper of the Greffier, is that right?

Senator T.A. Le Sueur:

That is correct, Sir.

The Bailiff:

Then subsequently take them as Members get them.

Senator T.A. Le Sueur:

Absolutely.

The Bailiff:

Is that seconded? [Seconded] I do not think any Member is going to speak on that ...

The Deputy of St. Mary:

Just can I ask for a point of information and not my speech; I just want to know on what basis these 7 items were chosen and others were left.

The Bailiff:

From my understanding I think from the Chair we can say these are the only ones which could be debated this week because the other items listed for 20th have not been lodged long enough to be debated this week.

5.1 Senator A. Breckon:

Sir, if it helps perhaps I have got an item there which is the Road Fuel Items: Display which has no urgency, so I am quite content if that is moved to November which is P.146. It is in the list, Sir, but I ...

The Bailiff:

Sorry, is this in the list of the ...?

Senator A. Breckon:

The 20th, Sir; it is on the reverse of the green page but there is no urgency with that, Sir. If that helps the House in any other deliberations I am quite prepared to move that to November.

The Bailiff:

But that is one that could not be debated anyway; is that not right, Greffier? Yes, I see. Thank you. Connétable of St. Helier?

5.2 The Connétable of St. Helier:

In order to make a bit more space this week and having read the very disappointing comments from the Council of Ministers and from the Comité des Connétables on my amendment to the Business Plan about the States paying rates, I think it would be better for a new House to debate that as a stand alone proposition and, accordingly, I would like to withdraw that from the amendments to the Business Plan this week.

The Bailiff:

Is that the 7th amendment, Connétable?

The Connétable of St. Helier:

Yes, Sir.

5.3 Senator P.F.C. Ozouf:

May I say to the Constable that that is a welcome suggestion but what I do think is important that it would work now in order to try and find solutions co-operatively rather than having to deal with a sort of a yeah situation and I intend to work, if he would want to now he is re-elected, to work on that issue immediately.

The Connétable of St. Helier:

I have been waiting for 3 years.

5.4 Senator S.C. Ferguson:

My proposition is not an electoral proposition, not that I think anybody could possibly put propositions in that are electoral. But P.127 is a constitutional matter and it covers Ministers, the fact that they should not change States decisions before bringing those changes to the States, and I therefore ask if P.127 could be moved further up the Order Paper for this week.

Senator T.A. Le Sueur:

I did not think my proposition meant any comment about the order of these matters; I think that may be better left to later in the week when we see what time is available.

The Bailiff:

I think the Assembly needs to decide first of all what it is going to do. Is it going to sit on Friday and is it going to cancel next week's sitting? If it does then people will need to consider orders when the time comes. If it does not of course then we will carry on as previously. Deputy Trevor Pitman?

5.5 Deputy T.M. Pitman:

I have to be quite honest, I could do with another week knocking on doors but, I am sorry, I am here to represent the people and we are meant to be here; it is a scheduled States sitting. I feel very strongly about it. It might cost me dearly if we are still sitting here, however, it is a scheduled States sitting and I cannot accept this. What angers me most is it is so, I am afraid, transparent that the real drive behind this is that some in the Council of Ministers do not want to debate issues, which are very important to a lot of people, such as the Goods and Service Tax particularly I would say, and that has got to be wrong. If we are going to start deciding that people who have it lodged for months can suddenly ... [Interruption] It is just wrong and what I would like to know is if we all agree to say: "Yes, these 7 things can go forward" the fact is we know with a bit of filibustering the Council of Ministers will just talk us out of time. What would happen then, do we just carry on next week as a continuation? I am happy to sit until midnight Friday night because these things have been set for a long time. I think it is wholly wrong; it is an abuse of democracy. It shows utter contempt for the public and it shows contempt for the people who ... everyone can agree or disagree with propositions brought forward but everyone should be allowed to put those propositions forward; they have been lodged and I cannot agree with the Chief Minister. I would ask him to withdraw it, because I just think it is completely abusive and I have to say I know there are many on that side of the House who really want to get away because they want to go and help some of the people they are trying to get into seats, where often they have got no link whatsoever. No parties; well, I think the public are quite aware how transparent this is. This is democracy, as the Deputy of St. Peter said in the media: "We are entering a destructive phase of politics" where we have got so-called establishment trying to undermine democracy and that is what they really want to focus on. This is quite wrong. I have got propositions in so, from a personal view, I think I should have the right to debate them; they can be rejected or supported, as happens. But it is a scheduled sitting and I think to do such would be quite wrong. The one message it will send out is all those people who vote to support the Chief Minister are really saving: "Yes, it is great to put G.S.T. on the poor and the weak and those who have got the least but we do not want to debate it in the same session as where we are allowing people with £100 million deals in a year to pay just 1 per cent tax". That is what this is all about. It is going to reveal some true colours and it would be quite wrong.

5.6 Deputy J.A. Martin:

Before we get too many red herrings or hares running here, what is the actual proposition? I do have some sympathy with some of the Back-Benchers and because the Ministers did decide the Thursday before that they were going to put all of their business but are we going to sit, which I think would be fair? We put this on for this week and we sit until all these items are finished. Is that the proposition from the Chief Minister? It may focus minds and it may be that we are here until 7.00 p.m. or 8.00 p.m. on Friday but I think that is a fairer solution. I just want to clear, what is the proposition from the Chief Minister? If it is not that I would like to amend it, Sir, that we do do that.

The Bailiff:

Could you clarify, Senator?

Senator T.A. Le Sueur:

The proposition that I made was that we should sit on Friday of this week, that we should endeavour to deal with the matters on the front page of the green sheet and apart from the Annual Business Plan, which goes first, the rest in whatever order which we decide and that we do not sit the following week.

The Bailiff:

I am sorry, the question I think was are you suggesting that one sits very late on Friday if necessary?

Senator T.A. Le Sueur:

That will be a matter for States Members, Sir. The proposition is to sit at the moment until 5.30 p.m. It will be for States Members to decide on that day in the light of the business still there whether they wish to continue with that or whether the remaining business could be deferred to a subsequent date.

Deputy J.A. Martin:

Well could I then put in an amendment to the Chief Minister and suggest it because that was not my understanding. If we put these down for this week I would like to amend that we sit until we have finished all the items on the list; and it is for States Members, I would like that decision today so everyone knows that they are not writing speeches and not making things that are never going to get debated this side. It is only fair that we do it today and decide.

[17:30]

The Bailiff:

So you are suggesting, Deputy, that you want to amend it by what?

Deputy J.A. Martin:

I agree with the Chief Minister that everything listed on the front of the paper after the Business Plan should be debated. It is for States Members to decide how long they speak and everything else, but we can get through this business if we are sensible. So the amendment to the Chief Minister's proposition is that we do not just sit until Friday until 5.30 p.m., we sit Friday and we finish the business down on the front of the green paper. That is my proposition.

Deputy M.R. Higgins:

Can I amend the amendment?

The Bailiff:

Well I think there is a limit to how far we can go. What do you want to do, let us just hear it?

Deputy M.R. Higgins:

There is one item, for example, on the back page, Land Development Tax or Equivalent Mechanisms, I think should be on the front page. I would like to have that debated before we ...

The Bailiff:

No, because all of those, Deputy, as has been said already, have not been lodged long enough to be debated this week.

5.7 Deputy P.V.F. Le Claire:

Sir, on a point of order, I believe it is a point of order, the motion and the amendment to the motion is that we, for the election purposes which have come as some complete surprise to the Chief Minister on his way into the States building this morning, I am not sure which Parish he lives in; surely on a point of order the process would be if Members were of the opinion that they did not want to have a sitting on the 20th, which has been inscribed in States business for over a year, that

the actual sitting itself would be suspended and, therefore, we would not have questions, we would not have statements, we would not have those kinds of pieces of business and a sitting of the 20th would be parked; but this other business - which is now being proposed in some *ad hoc* way - would be moved forwards on the Order Paper to be debated on the 20th. If I am going to debate through things which I was preparing for on the 20th, in the middle of an election, I am happy to do that but I certainly do not want to be in the position at 5.00 p.m. to be told that all of my work is down the drain, nothing will be happening and I will be off to cuckoo land. I think the better proposal on a point of order would be if we considered a proposal to - and I am not saying which way I am going on this at the moment - do away with the 20th sitting and bring forward these items; if there was a need for a continuation day on the Tuesday of the following week then at least it would not have the questions or the statements in the normal way.

The Bailiff:

We have not traditionally taken amendments, I think the Assembly needs to reach a view at some stage - obviously after Members have had an opportunity of speaking - of course any decision is ultimately provisional in the sense that the States can always change its mind later on. So I think, on reflection, what we should do is the Chief Minister should be able to put his suggestion; people know now that there is an alternative from Deputy Martin, if people want to go with the Chief Minister then they will vote for him; if on the other hand they want to go with Deputy Martin they will vote against it and then will allow Deputy Martin to put her proposition plus any other propositions anyone else wants to put in due course. But I think by having amendments to matters about business is too difficult and they are not clear enough. So in other words I think what we are debating at the moment is the Chief Minister's proposition which, as I understand it, is that the States sitting on the 20th is cancelled, that added to the list for this week's Order Papers are all the items on the second part of the Green Paper; but then come the end of business on Friday it will be for Members to decide at that stage whether they carry on or whether they lose those that have not been debated. That is what I understand the Chief Minister to be saying, is that correct?

Senator T.A. Le Sueur:

That is my understanding, yes.

The Bailiff:

It is your proposition, Senator.

Senator T.A. Le Sueur:

Yes, that is the correct interpretation of it.

5.8 Senator B.I. Le Marquand:

I am sorry to interrupt but I think the Chief Minister has overlooked the importance of adding in amendment 16 of the Standing Orders. It is absolutely essential that we look at that this week because otherwise we are going to have a weird situation under the existing Standing Orders.

Senator T.A. Le Sueur:

There are indeed 2 items on the business not down for this week which have got footnotes and Senator Le Marquand is quite correct that, in particular, P.153 does need to be debated if we are going to have any sort of common sense approach to the remainder of this session. I had not mentioned that at this stage because I thought things were complicated enough but Members who have seen this paper already should be aware that P.153 will need to be discussed as well.

The Bailiff:

But that would need the Assembly to agree to shorten the lodging period in each case.

Senator T.A. Le Sueur:

Exactly.

Deputy P.V.F. Le Claire:

On a point of order the logical sequence of events - and this is I believe a point of order - is you have just set out a way we will conduct business. The Chief Minister is proposing that there will not be a sitting on the 20th. Surely a point of order would be, in preference of the order the first thing we must decide is whether or not these items are brought forwards from the sitting of the 20th. If that is then agreed then we move to the amendment as to whether or not they are taking in their entirety; and then and only then after those decisions have been taken should we decide upon whether or not the sitting of the 20th is scrapped or not.

The Bailiff:

Well one can take it any way, I suppose, but I think the Chief Minister has proposed this at the moment, it seems to me Members really, as a point of principle, need to decide whether they will need to forego some of these items by deciding not to sit on the 20th. If they are not then they should vote against the Chief Minister's proposition and then consider any subsequent ones. So I think for the moment we have got to stick with what the Chief Minister is proposing.

Deputy P.V.F. Le Claire:

It just does not make sense, sir. If the 20th is done away with, which is the first ...

The Bailiff:

As a separate sitting. It will still be open to Members to vote if they wish against the Chief Minister but in favour of the proposition which I understand Deputy Martin is going to put, which is that in fact this sitting could continue until all the matters on the first page of the green paper are dealt with. So the 20th, if it is needed, will become a continuation sitting.

Deputy P.V.F. Le Claire:

Strictly on a point of order - not the politics - it must be that the 20th remains in play until we have made the first decisions. We cannot scrap the 20th and then make decisions relating to the 20th.

The Bailiff:

Well I am sorry, Deputy, I can see that is a point of view but I think we have got a proposition the opposite way, it is not out of order, it seems to me that the Assembly can properly decide whether it wants to scrap the sitting on the 20th and then decide whether it is going ... if you want to debate the matters on the second page of this green sheet then you will vote to keep the 20th.

The Deputy of St. Mary:

Can I attempt to shed some light on these points of order? The Chief Minister has made a proposal that we take the items on the first page and you have just said that is what we would be voting on. But the Chief Minister has just said that immediately he will add 2 items from the second page, but not the other items on the second page. So it is shambolic frankly, and I just wonder whether Deputy Le Claire is not right, that we have to decide first of all what we are doing about the second page and if the second page is moved in total to the first page then we can talk about how long we are going to sit for this week.

The Bailiff:

We can do that, Deputy, each one has to be considered in term as to whether the lodging period can be shortened and it will be up to the States at the time to decide whether they want to shorten anything. So I am sorry, we are sticking with what has been proposed at the moment. Now, does anyone wish to speak on that?

5.9 Deputy G.P. Southern:

I rise to my feet to remind Members their prime duty is to this House. I and they were all elected, bar one, in 2008 to fulfil that duty to this House to represent their members in this House. I accept that it is within the remit of the House and Members to abandon a meeting, to cancel the meeting should they so wish, however, I am extremely reluctant to do so. By way of illustration I just point to the fact this morning that there were 2 people *en défaut*; one who was trapped away from the Island but on family business, and one Constable who was conducting his branchage, and they were both said to be *en défaut* because their first duty is to this House and meetings of this House and representing their members in it. I suggest that if we go ahead and cancel the 20th meeting with its agenda, with its items to be debated, and representing its constituents, then we should all be marked *en défaut* because what we are saying is election campaigns take priority over matters in this House and that is not the example we should be setting.

Senator T.J. Le Main:

Well the Deputy has not been in the House all day, he has been missing all day.

The Bailiff:

Now, Senator, we do not wish to have personal comments about other Members.

The Deputy of St. Mary:

This really is quite extraordinary and takes some sort of biscuit. Nobody is ...

The Bailiff:

If I can say, Deputy, when you have been in the Assembly for a while you will think that a biscuit is regularly taken when the Assembly discusses the order of business.

The Deputy of St. Mary:

That is true and I will cast off my illness and get on with this. Nobody is denying that elections are important but it astonishes me that it has come to the attention of Ministers last Friday, and I do question whether it is good government to take something that was set down by P.P.C. probably 15 months ago and just suddenly 3 days before say: "Actually we are going to throw it over." Now if it had no consequences then one would only criticise the lack of foresight and I think the Chief Minister mentioned foresight as part of the qualities of a Chief Minister, but anyway. The effect of this will probably be that everything on page 2, apart from the ones that Ministers say have to be done, like the T.I.E.A. (Tax Information Exchange Agreement), and ones that we all recognise have to be done like the P.P.C. changing Standing Orders so that we can do what we need to do come the new House; they will get through and all the others will basically face the chop. On a personal note I have down the Uplift in Land Values, which is an important issue; it is about a new pot of money that we can easily raise which does not hurt anyone but a very, very few and so on; I do not need to go into that now. The point is that motion, that proposition, was brought months ago and it was scuppered by Senator Perchard who had just said 2 weeks before that he thought it was a worthwhile thing and should be debated, and by the Minister for Treasury and Resources who could have amended but did not. So it goes back to the 20th and then it gets shuffled off into oblivion. I heard Senator Ferguson say: "Oh well, we do these things for electoral purposes." Yes, I want to know and the electors want to know where people stand on that issue and on other issues, and I thought that propositions were there because they affect electors. It seems very strange to say that Ministerial propositions, which we have had rafts of in the 6 weeks before the recess, proposition after proposition; they were not electoral, were they? But anything on page 2 here does not need to be debated because, well, it is down for the 20th and we can scrap the 20th because it is inconvenient and because some of these propositions we do not like, maybe. I do not know what the real reason is but the idea that there is an election and we did not know and, oh gosh, on Friday we suddenly realise that there is an election is absolutely extraordinary. The effect of this will be that we will telescope all the debates this week, they will all be under time pressure, we will go: "Oh, oh, oh, oh, gosh, we have got to get on with this." God knows what will happen to ...

The Bailiff:

Please do not use that expression.

The Deputy of St. Mary:

Sorry, not God, heaven knows what will happen to some of the discussions. But the fact is they will be telescoped, especially if we try to ram half of the 20th into the 12th and then drop the other half and I do not know, I find this very, very hard to take and I ... what should happen is that the business on the 20th is put wholesale into the 12th and if we have to have a continuation day on the Tuesday next week then we have a continuation day but we do without the normal sitting with questions and so on; and that is the right suggestion. But on the face of it this is an attempt to ...

The Bailiff:

If I can just clarify, my understanding is that that is Deputy Martin's proposition. Deputy Martin, is that correct, you would continue on Friday but if you do not finish on Friday resume on Tuesday?

Deputy J.A. Martin:

Well I said sit on Friday until we did finish business.

The Bailiff:

I see, it is not quite the same.

The Deputy of St. Mary:

The problem, and I have now looked at my note again, there is no olive branch at all in the Chief Minister's proposition, and even in Deputy Martin's amendment to it the fact is that everything down for the 20th - unless it manages to slip on to the 12th because it was lodged soon enough - will simply be dropped.

[17:45]

That is not democratic, it is not what we are here for, and unless we can somehow have a proposition which brings all those propositions and allows them to be debated then we are failing in our duty.

5.10 Deputy A.E. Jeune:

Given the comments of Deputy Trevor Pitman and Deputy Southern, is there any reason why apart from the 2 footnotes on the green paper - why what is scheduled for the 20th cannot be rescheduled to a date post-election and we can come back and do an extra week?

The Bailiff:

Well I think that would be the consequence of the Chief Minister's proposition that these matters would then be debated after the election.

5.11 Deputy I.J. Gorst of St. Clement:

I understand the heat that this debate appears to be generating but I think Ministers felt - and I am one of those Ministers that has moved 2 pieces of legislation - it simply is not appropriate for a Parliament - and that is what we are as the States - to be sitting during an election period. [Approbation] I believe that we all agree with that, the difficulty is that we now find ourselves in a position where we have had scheduled sittings pencilled-in, none of us have done anything about it until very recently, each of us should admit to that failure of duty, it cannot be right that we are sitting during an election period. We should have dissolved this session, we have not, I believe that every other Parliament across the globe does dissolve in order to go into an election period and what the Chief Minister and perhaps even what Deputy Martin will propose later will go some way to rectifying something which should never have arisen in the first place. That is why I will be supporting the Chief Minister.

5.12 Senator P.F.C. Ozouf:

I just wish to echo the comments of Deputy Gorst. It is unfair to other candidates and unseemly that we sit. The sitting next week should be cancelled and as we have got work that needs to be dealt with I think that we should have an extra sitting the week before the budget to deal with all these issues and, therefore, we will not be accused of electioneering on any side for whatever reason and we can discharge matters which Members want to deal with a week before the budget in order that there is a proper time frame to deal with those issues and we can have that sitting that Members want, but after the election and, therefore, no accusations will be made and it will be fair.

5.13 Deputy J.A. Hilton of St. Helier:

I rise to support Deputy Jeune and Senator Ozouf. What I could not understand is why can we not debate these issues after the election? That is what I am puzzled by... you will be here, we are sitting on November 7th and as Senator Ozouf has just said we can meet the week before 7th November after the election, then those people who have lodged propositions can rightly have them debated. I do not understand what the urgency is for us to debate them this week or next week. Senator Ozouf has made that point, it is not fair on those candidates who are not States Members who do not get the air time that those States Members who are standing do get. So I am going to support the Chief Minister and if the chair of the Privileges and Procedures brings forward an extra date, either on 7th November or before 7th November, then that is what I will go for because I do not believe we should be sitting in this House after Friday, finishing at a reasonable time.

Deputy P.V.F. Le Claire:

It is absolutely astounding, we are standing here listening to the party that is not telling us about the election they had no idea of and how unseemly and untimely all of this is and yet we are about and we are sitting here now doing it during an election - to enter 5 days of waffle on a Business Plan that will not last as long as a waffle probably. If it is unseemly and untimely - and I am not giving way - for us to be sitting during an election campaign then what are we doing in here this afternoon. [Approbation] As Deputy Hilton has been saying all through the course of this small mini debate which has been coming for several weeks, several weeks we have known about this coming from the non-political party that does not exist. If this was the case - as Deputy Hilton has been making the point - that there is no big problem, we can have these debates after the election and what is the big problem. The big problem is exactly what has been evidenced by Senator Ozouf and reconfirmed by Deputy Hilton. It is only just now that we are getting pledges that more time will be added after the election to guarantee a system that will be fair. If you read Hansard, Senator Ozouf says this is a rabbit out of the hat - 3 minutes ago - if everybody is worried about this and you do not want to approve it, if you are a little bit nervous about it, rabbit out of the hat; for all those things that you think are not going to get elected after our little invisible political party has done our best to get you out of office, we will instil a political sitting to calm your fears. So that is exactly what is wrong with not having this debate before the elections, because it is during the elections that we want to talk about these issues and this nonsense about not having political debate during an election means that we cannot hold the Ministers to account at an election time when they should be getting held to account; when their feet, as they wish us to, hold their feet to the fire. This is the time we should be holding their feet to the fire and I am sorry, this may go against us, and it may go against me, but this is just absolutely ridiculous. How is it possible that they can argue, in my view - and someone is going to correct me because we certainly need correcting because I have got this so wrong - how is it possible that it is wrong to sit next week but it is right to sit this week? No it is not right to sit this week either, Sir. This Assembly and its business was put in by P.P.C. over a year ago. [Approbation] In the last session of the Assembly, if you look at Hansard - and I emailed it to several Members - the chairman of P.P.C. herself said this was inscribed in States business, this was 13th July, the debate was occurring then so we have had weeks over the whole course of summer to know this was upcoming. We knew this ploy was going to be delivered; we know that there are debates they do not want to have, they do not want to have them, there is certainly one I have got about Centenier L'Amy in St. Peter and the fact that he was fired from his post as Chef de Police because he had the unmitigated gall to nominate somebody from the floor of the Assembly to the Roads Committee; and that is possibly why there is no contested elections in the Parishes because there is possibly ...

The Bailiff:

Can we come back, Deputy, to this debate?

Deputy P.V.F. Le Claire:

They do not want to have this debate. There is possibly clear evidence - and I have got tapes - that contested elections in the Parishes are not only frowned upon ...

The Bailiff:

Deputy, please give way when I speak. You must come back to what we are discussing now which is not the St. Peter's election.

Deputy P.V.F. Le Claire:

This is one of my propositions that is in the business ...

The Bailiff:

Well you are certainly entitled to say it is a very important one and you want it debated.

Deputy P.V.F. Le Claire:

I was trying to describe why it was important and why they do not want it debated. If we do not ... politics, and they can all shout at me and barrack me but the reality is we all know what is going down. We will run out of business towards Friday; nobody will be up for it, it will get parked and then there will be the outstanding rabbit out of the hat: "Oh by the way, we forgot, the Constable of St. Peter who was crucial for that debate is not here. He is away hiking over Iceland and will not be here so we better put that one back, Deputy Le Claire, until the other side of the election." Surprise, surprise, surprise, at the last minute. So it is brinkmanship, it is predictable, it is pathetic.

Deputy R.G. Le Hérissier:

Just a point of information, I do understand it and the P.P.C. chairman may reconfirm, the whole idea was that there should be a 3 week break in order to enable Members to get away from the House. That was the procedure that was agreed some years ago. It just happens because of the conjunction of Senators and other elections it stretched to 6 weeks; but it was always clear there would be a 3 week break and of course even if you include next week you have still got virtually 3 weeks.

Deputy J.A. Martin:

I just wanted to explain and I was going to slightly touch on what Deputy Le Hérissier said. Why I am proposing that we sit to finish the business is because this has been a terrible oversight by P.P.C. and by the Chief Minister's Department. The 3 weeks was right in between the nomination for Senators and then the vote and then the nomination for Deputies; but we missed it, the whole House has missed it; and suddenly not last Friday, the Thursday before at the Council of Ministers I think the penny dropped. It also dropped last Tuesday at P.P.C. So we are where we are, but to be fair on everybody I wish the Chief Minister would change his proposition and say that he proposes we get the work done this week - it can be done - and we sit here late on Friday. Because this is everybody's fault; P.P.C. and the Chief Minister, we all missed this, we should not be here today but we certainly should not be here next week.

5.14 The Deputy of St. Martin:

What we are asking to do is swap Tuesday for Friday. I do not see why we are making such heavy weather of it. I am not a friend of the Council of Ministers and certainly, if anything, I need as

much time as I can to canvas. I make no bones about it. I think Parish Deputies need more time because it is not leaflet-dropping, it is door-knocking. All we are being asked to do today really is... and I say, we have all the recriminations of who is at fault. Forget that: what we have which is what we have got in front of us I am more than happy to go with the Council of Ministers; we are swapping Tuesday, we are bringing it from Tuesday to Friday and let us get on with it because I do believe this vote is going to be overwhelming in support for the Council of Ministers. If this is an example of what we are going to do tomorrow and the rest of the week, well, we will be here right on beyond the elections.

The Bailiff:

Have all points been made? Chief Minister, do you wish just to reply briefly?

5.15 Senator T.A. Le Sueur:

Very briefly; Members who are complaining will note that their propositions are already on the list for this week, so that is not really a valid issue. Ministers have shown an olive branch by withdrawing all the propositions they had down for next week. I maintain the proposition.

The Bailiff:

The appel is asked for then. Just to be absolutely clear for Members; so the Chief Minister is proposing that the sitting for next Tuesday the 20th be cancelled; that the items in the bottom half of the green paper which were due for the 20th are brought forward to this week; that the States sits until Friday. His proposition is that if matters are not dealt with at that stage then unless the States changes its mind at that stage they will fall away. If you are in favour of that obviously you vote in favour of it. If you want to maintain the 20th as a States sitting you obviously vote against. If you are attracted by Deputy Martin's proposition which is that we should do much the same as the Chief Minister proposes but continue on Friday for as late as it takes then you will vote against the Chief Minister's proposition and you will vote for Deputy Martin's when she proposes it. If the Chief Minister is successful then Deputy Martin cannot propose hers. So I hope that has clarified matters for Members.

Deputy A.E. Jeune:

Just one thing, Sir, does it include bringing forward P.137 and 153?

The Bailiff:

Yes, the Chief Minister has made it clear, I think everyone agrees P.153 must because the States will bring itself into disrepute if it does not. The Chief Minister has asked that P.137 come forward as well but he will have to get the permission of the Assembly at the time to debate it given that it has not been lodged for the necessary period. If the Assembly refuses him that permission he will not be able to do it.

The Constable of St. Mary:

Could I just clarify that the Privileges and Procedures proposition is exactly as you said; I will be seeking the leave of the Assembly. I simply have not said anything because it seemed to me the House was quite capable of tying itself in a knot without my helping it. [Laughter]

The Bailiff:

Very well, so that is the matter before the Assembly so if you are with the Chief Minister you vote pour, if you are against him you vote contre and if you want to vote for Deputy Martin you vote contre. The Greffier will open the voting.

POUR: 26 Senator T.A. Le Sueur Senator P.F.C. Ozouf Senator T.J. Le Main CONTRE: 15 Senator A. Breckon Senator S.C. Ferguson Deputy R.G. Le Hérissier (S)

Connétable of St. Mary

ABSTAIN: 1

Senator F.E. Cohen Senator A.J.H. Maclean Senator B.I. Le Marquand Senator F.du H. Le Gresley Connétable of St. Helier Connétable of Trinity Connétable of St. Saviour Connétable of St. Clement Connétable of St. Lawrence Deputy R.C. Duhamel (S) Deputy of St. Martin Deputy J.B. Fox (H) Deputy of St. Ouen Deputy of Grouville Deputy J.A. Hilton (H) Deputy J.A.N. Le Fondré (L)

Deputy J.A. Martin (H)
Deputy G.P. Southern (H)
Deputy P.V.F. Le Claire (H)
Deputy S. Pitman (H)
Deputy K.C. Lewis (S)
Deputy of St. John
Deputy of St. Mary
Deputy T.M. Pitman (H)
Deputy T.A. Vallois (S)
Deputy M.R. Higgins (H)
Deputy D.J. De Sousa (H)
Deputy J.M. Maçon (S)

Deputy S S P A Power

Deputy S.S.P.A. Power (B)

Deputy I.J. Gorst (C)

Deputy A.E. Jeune (B)

Deputy A.T. Dupré (C)

Deputy E.J. Noel (L)

Deputy A.K.F. Green (H)

[18:00]

Senator P.F.C. Ozouf:

Sir, may I now propose for there to be the extra sitting on the week before on 1st of November in order to deal with the outstanding matters that we are not going to be able to deal with this week. If there is an issue that we need to decide how long we are going to sit, whether or not it is 5.00pm or midnight, there will be still some other matters and I am proposing - which have had support from a number of Members ...

The Bailiff:

Can I suggest that P.P.C. takes this away at the moment [Approbation] thinks about it over the next day or 2, we have the rest of this week and the States can during the course of this week - particularly when it sees how things have gone - take a view towards the end of the week.

Senator P.F.C. Ozouf:

Okay, but I give notice that is a proposition I will be making.

Senator S.C. Ferguson:

Can I make a repeated plea - I would like to test the mood of the House - I would like to bring P.127 to a higher place in the running order to make sure that we do it this week. It is a constitutional matter.

The Bailiff:

That is a matter for you, if you like, you want to put it presumably above P.81 and P.124, do you? Because it was only due to be held on the 20th.

Senator S.C. Ferguson:

Yes, I would.

The Bailiff:

Senator, it is a matter for you; the Greffier has just said to me whether there is some merit in leaving the order until Wednesday when we see how we are going. [Approbation] People can have discussions and then at that stage you can put any proposition you want to, if that helps.

Senator P.F.C. Ozouf:

I was going to resist that because I would like to see the Scrutiny Panel's report on the matters to do with Property Holdings because that it will perhaps influence that; and also we are not making any changes within now and the end of next week or within the next few weeks so there is no extant issue.

The Bailiff:

Well that will be a matter to be raised if the Senator wishes to pursue the matter in due course.

Deputy J.A.N. Le Fondré:

Just a minor query, request of P.P.C., presumably they will be applying to their mind as whether we should be sitting longer in the days this week, for example finishing at 6.00pm or a reduced lunch time or whatever. Will they be giving their usual running commentary on a daily basis as to where we are and how long they think we are going to take?

The Constable of St. Mary:

I believe I will, however, it has taken 35 minutes to debate this. The debate will last as long as Members set the parameters and I think keep it tight, keep the debated ordered; not, as Deputy Southern says, telescope or ramrod it, but let us see how it goes because if we decide now we are going to sit longer and longer we will simply sit longer and longer.

The Bailiff:

Very well, so does that complete matters then? So the Assembly adjourns until 9.30 a.m. tomorrow morning.

ADJOURNMENT

[18:02]