

**THE STATES assembled on Tuesday,  
20th May 2003 at 9.30 a.m. under  
the Presidency of the Bailiff,  
Sir Philip Bailhache.**

**His Excellency the Lieutenant Governor,  
Air Chief Marshal Sir John Cheshire, K.B.E., C.B.,  
was present**

All members were present with the exception of -

Senator Paul Francis Routier - out of the Island.  
Francis Herbert Amy, Connétable of Grouville - ill.  
Michael John Touzel, Connétable of St. John - ill.  
Alan Simon Crowcroft, Connétable of St. Helier - ill.  
Terence John Le Main, Deputy of St. Helier - out of the Island.  
James Gordon Reed, Deputy of St. Ouen - out of the Island.

Prayers

**Subordinate legislation tabled**

The following enactments were laid before the States, namely -

|   |              |
|---|--------------|
| Veterinary Surgeons (Jersey) Order 2003.                          | R&O 45/2003. |
| Building Loans (Prescribed Rate of Interest) (Jersey) Order 2003. | R&O 46/2003. |

**Matters presented**

The following matters were presented to the States -

|   |                       |
|---|-----------------------|
| Financial Report and Accounts 2002.<br><i>Presented by the Finance and Economics Committee.</i>   |                       |
| Public Sector manpower report for the period 1st July 2002 to 31st December 2002.<br><i>Presented by the Finance and Economics Committee.</i> | R.C.26/2003.          |
| Social rented housing: policy on setting rents (P.29/2003) – comments.<br><i>Presented by the Housing Committee.</i>                          | P.29/2003.<br>Com.(2) |
| Social rented housing: policy on setting rents (P.29/2003) – comments.<br><i>Presented by the Finance and Economics Committee.</i>            | P.29/2003.<br>Com.(3) |

THE STATES ordered that the said reports be printed and distributed.

**Matters noted - land transactions**

THE STATES noted an Act of the Finance and Economics Committee dated 14th May 2003, showing that, in pursuance of Standing Orders relating to certain transactions in land, the Committee had approved –

- (a) as recommended by the Health and Social Services Committee, the lease from the Jersey Homes Trust of the Group Home recently constructed within the new Albert Pier Housing Development, St. Helier (to be known as Maison Jubilee) for a period of 21 years from the date of purchase of the Group Home by the Trust from the public of the Island, at a commencement annual rent of £35,100 to be increased annually on the anniversary of the commencement date by 3.5 per cent, on the basis that each party would be responsible for its own legal costs arising from this transaction;
- (b) as recommended by the Housing Committee, the sale to Mr. Leslie George Baudains of a strip of land (measuring 390 square feet) at Le Pré de Talbot Housing Estate (lying between the boundary line of the Le Pré de Talbot Housing Estate and La Clos de la Molleterie and an existing masonry blockwork wall - as shown on Drawing No. 11/1024/102), for a consideration of £1,950, on the basis that each party would be responsible for its own legal costs arising from this transaction;
- (c) as recommended by the Health and Social Services Committee, the renewal of the lease from Mrs. Kerona Lapidus, née Glenn, of Cherry Tree House, 9 Greenview Farm, La Rue de Clos Fallu, St. Martin, for occupation by a Locum Consultant in the Radiology Department, for a period of one year from 1st July 2003 at an annual rent of £20,979.00 (representing a weekly rate of £403.44), on the basis that each party would be responsible for its own legal costs arising from this transaction;
- (d) as recommended by the Housing Committee, the entering into of Deeds of Arrangement with the undermentioned, in order to agree and record the boundary between the Le Marais Low Rise Flats, St. Clement and –
  - (i) the development known as “Seapoint”, the Samarés Coast Hotel, St. Clement - Stucco Limited (owner); and
  - (ii) No. 12 La Rue de Maupertuis, St. Clement - Mr. Sergio Taufer and Mrs. Frances Philomena Taufer, née Purvis (owners).

The Committee would be responsible for the payment of £910, being 50 per cent of the fees of Professional Hi-Tech Services Limited, and also for its own legal fees and those of Mr. and Mrs. Taufer;

- (e) as recommended by the Housing Committee, an addendum to the lease to the Jersey Council on Alcoholism in respect of No. 26 West Park Avenue, St. Helier so as to include the ground floor flat (which had previously been excluded), thus removing the exclusion from Clause 1 of the existing lease, on the basis that each party would be responsible for its own legal costs arising from this transaction.

## Matters lodged

The following matters were lodged “au Greffe” –

|   |            |
|---|------------|
| Draft Public Elections (Jersey) Regulations 200-.<br><i>Presented by the Legislation Committee.</i>   | P.64/2003. |
| Draft Matrimonial Causes (Amendment No. 11) (Jersey) Law 200-.<br><i>Presented by the Legislation Committee.</i>  | P.65/2003. |
| Draft Criminal Justice (Suspension of Prison Sentences) (Jersey) Law 200-.<br><i>Presented by the Legislation Committee.</i>  | P.66/2003. |
| Draft Housing (General Provisions) (Amendment No. 19) (Jersey) Regulations 200.<br><i>Presented by the Housing Committee.</i>   | P.67/2003. |
| Amy’s House, La Route de St. Catherine, St. Martin: proposed sale.<br><i>Presented by the Housing Committee.</i>  | P.68/2003. |
| Draft Act annulling the Medicines (Kava-kava) (Prohibition) (Jersey) Order 2003.<br><i>Presented by Deputy G.W.J. de Faye of St. Helier and referred to the Health and Social Security Committee.</i> | P.69/2003. |
| Janvrin School, St. Helier: new nursery class– approval of drawings.<br><i>Presented by the Education, Sport and Culture Committee.</i>   | P.70/2003. |

## Arrangement of public business for the next meeting on 10th June 2003

THE STATES confirmed that the following matters lodged “au Greffe” would be considered at the next meeting on 10th June 2003 –

|  |                          |
|--|--------------------------|
| Income Tax: increase in small income exemption limits and allowances, and introduction of higher rate.<br>Lodged: 4th February 2003.<br><i>Deputy G.P. Southern of St. Helier.</i> | P.6/2003.                |
| Tax liability of essentially employed public sector employees.<br>Lodged: 18th February 2003.<br><i>Deputy P.N. Troy of St. Brelade.</i>   | P.20/2003.               |
| Tax liability of essentially employed public sector employees.<br>Lodged: 4th March 2003.<br><i>Deputy of St. John.</i>  | P.23/2003.               |
| Audit Commission: appointment of Chairman.<br>Lodged: 13th May 2003.<br><i>Finance and Economics Committee.</i>  | P.59/2003.<br>(re-issue) |

Draft Opticians (Registration) (Amendment) (Jersey) Law 200-.  
Lodged: 13th May 2003.  
*Health and Social Services Committee.*

P.61/2003.

Draft Jersey Association for Mental Health and Jersey Schizophrenia Fellowship  
(Integration with Jersey Focus on Mental Health) (Jersey) Law 200-.  
Lodged: 13th May 2003.  
*Health and Social Services Committee.*

P.62/2003.

### **Funding of health care for persons aged over 65 years - question and answer (Tape No. 822)**

The Connétable of St. Martin asked Deputy Peter Nicholas Troy, Vice-President of the Employment and Social Security Committee, the following question –

“In its Act of 24th April 2001, subsequently amended in August 2001, the States approved the introduction of a two-year trial scheme whereby certain people over the age of 65 years could receive optical and dental care. The scheme was further amended in September 2002 to cover chiropody treatment. Would the Vice-President advise –

- (a) the total number of persons who have registered for assistance under the scheme since its introduction from 1st September 2001?
- (b) the total amount of benefits paid for optical and for dental treatment in the first year of operation of the scheme and for optical, dental and chiropody treatment in the second year of the scheme and the number of persons receiving those benefits?
- (c) in each year, the total sums paid to Westfield Healthcare by way of premium for the persons registered, and any other sums paid to Westfield Healthcare for the operation of the scheme?
- (d) how much of the vote in each year has not been spent and whether or not the balance will be used to fund continued health care for the elderly given that the States approved a sum of £680,000 in each year for this purpose? and,
- (e) what action the Committee intends to take to review the success or otherwise of the scheme prior to bringing to the States a proposition for the continued use of the funds earmarked for health care for the elderly given that the two-year agreement with Westfield Health Scheme is due to expire later in 2003?”

The Vice-President of the Employment and Social Security Committee replied as follows –

- “(a) A total of 1,910 people have applied since the scheme began.
- (b) Since the scheme began in September 2001, the total amount of benefit paid in the first year for optical tests and treatment was £9,855.50 and for dental treatment £19,547.92. I cannot give the total amount for the second year as we are only just over half way through it but the benefits paid up to 30th April 2003, amount to £20,416.57 for optical treatment, £35,682.60 for dental treatment, and £8,354.00 for chiropody treatment.

The claims have been made by a total of 729 people. However, membership was relatively small in the first year and has only increased in recent months. Therefore, we are likely to see a very different final picture when the many new members complete their full two-year benefit period.

- (c) Westfield only receives an annual premium for each member. This was set at £109 per member in the first year and when the scheme was improved at the start of the second year, the premium was

increased, as the States were advised at the time, to £193 per annum for each member. This sum is set to cover all likely claims and administrative costs. In the first year, premiums amounting to £70,113.62 were paid and, up to the 30th April 2003, in the second year £101,396.56 has been paid by way of premiums to Westfield.

- (d) The States approved a sum of £680,000 a year for a two-year period ring-fenced for the assistance of health care costs for people over age 65 years. The amount carried forward in 2002 from 2001 was £625,000, and in 2003 from 2002, a cumulative carry forward of £1,142,353.

The Committee cannot give a guarantee, as it needs to seek the permission of the Finance and Economics Committee to continue to ring-fence and carry forward any balances each year to fund a healthcare subsidy scheme for the elderly. This has been done over the last two financial years.

Assuming that the scheme continues with premiums at the present level and membership continues to increase as expected, then forecast expenditure for 2004 will be approximately £420,000. However, the Committee only has £200,000 allocated to this scheme in its proposed 2004 budget and, therefore, it may have to start drawing from the ring-fenced funds to continue to fund the scheme in the future, if approved.

- (e) The Committee has been evaluating this scheme since it began, jointly commissioning a Dental Health Survey of the over 65's with the Health and Social Services Committee and receiving regular feedback including reports from the Administrators. This was the reason that the Committee decided not to await the end of the full two year pilot period before coming back to the States with recommendations for improvements, but rather brought forward changes, which were approved, in 2002 to include support for chiropractic costs and an increase in benefit levels.

The Committee's aim was always to come back to the States with a report and proposition at the end of the two year pilot period and a review process to feed into this report is already underway. But, as I have already stated, it is only since the changes implemented at the start of the second year that the scheme has really taken off. This is making it difficult to see a wider picture and understand how the scheme will progress for the majority over a full two year cycle.

To add to the information from the Department and the Administrators, key stakeholders are being asked for comment. For example letters have already been sent to the Dentists, Opticians and States Registered Chiropractors. Similar letters are being sent to key interests such as the Parishes, the Citizens Advice Bureau and Age Concern and we will incorporate findings from the survey of the dental health of the over 65's undertaken by the Health and Social Services Committee in 2002. A short questionnaire has been prepared for the growing number of members of the scheme, which will be circulated shortly."

#### **Finance and Economics Committee's tax policy - question and answer (Tape No. 822)**

Deputy Roy George Le Hérissier of St. Saviour asked Senator Terence Augustine Le Sueur, President of the Finance and Economics Committee, the following question –

“Would the President indicate whether or not the Committee is committed to an integrated tax policy as opposed to a proliferation of special charges and unreformed taxes?”

The President of the Finance and Economics Committee replied as follows –

“Although I am not clear what the Deputy means by ‘unreformed taxes’ I can confirm that the Finance and Economics Committee has a high level of commitment to the production of an integrated tax and spending strategy. The policies which the Committee proposes to implement to achieve this strategy include proper controls over the rate of growth of States’ spending each year, and controls over spending which are consistent with expected States’ income, in order to maintain the existing policy of balanced budgets. The Committee is also committed to a distribution of the overall tax burden which is fair and inclusive, whether

through direct or indirect measures.

Producing such a policy is no easy task, as so many issues have to be taken into account externally as well as internally, including adequately resourced public services, maintaining the island's prosperity, and hence its tax base, developing a system which is just and fair, and addressing various international pressures. Nevertheless, having undertaken a huge amount of research, my Committee will soon be in a position to propose a short list of tax and spending options for consideration, in order to secure the Island's financial position for the foreseeable future. Measures currently under consideration to deal with 2004 need to be considered in the light of, and integrated into, these longer term proposals. The options are varied, and will need careful consideration, not just by my Committee but by all States' members and indeed the public as a whole, and I am committed to finding a way of involving the public more fully in this process.

Accordingly, this does not mean that there is no place for charges for public services, where appropriate. Indeed there are many existing examples where charges are currently made, either directly through ways such as postage stamps, electricity charges and fees for planning applications, or indirectly through Parish Rates. What is important is that these, together with taxes, are all borne in mind in looking at the total financial burden on each individual sector of the Island community, and that no one sector is unduly penalised (or favoured). Nonetheless, each member of the community should be expected to contribute something to that community, proportionate to his or her ability to pay.

In the meantime the States are living beyond their means, and action is necessary to restore the balance. To defer any action would be irresponsible. The Fundamental Spending Review gave the Presidents of the major spending Committees the opportunity to put forward their consensus view of the best method of achieving this balanced budget, whether by cutting services, finding efficiency gains or charging a realistic fee for services. On 30th June 2003, as a subsequent stage in the Resource Plan process, the Finance and Economics Committee will be running a seminar in which all States' members will have the opportunity to decide for themselves their preferred balance for cuts in spending, increases in charges and additional taxes, informed by the views of those Committee presidents. Subsequently, the States will have the formal opportunity in the 2004 Resource Plan to deliberate upon, and choose between, these options. In doing so, I hope they will also consider carefully the need to implement policies which will be sustainable, not just for 2004, but for the longer term."

#### **Properties known as Amy's House and L'Hôpital, St. Martin - question and answer (Tape No. 822)**

The Deputy of St. Martin asked the Deputy of Trinity, Vice-President of the Housing Committee, the following question –

- “(a) The properties known as Amy's House and l'Hôpital in St. Martin have been unoccupied for some considerable time. At the States meeting of 8th October 2002, in answer to a question querying why the properties remained unoccupied, the President stated that the Committee was going to sell the properties by way of open tender. Will the Vice-President inform members why the properties still remain unoccupied and outline what steps have been taken to sell the properties?
- (b) There are a number of other properties owned by the Housing Committee which remain unoccupied and unsold such as those on the Waterfront site. Will the Vice-President inform the States of the number and location of all properties in Housing's portfolio that are unoccupied and for sale?
- (c) In respect to the properties referred to in (b) above will the Vice-President state how long those properties have been on the market and give an explanation as to why they remain unsold?”

The Vice-President of the Housing Committee replied as follows –

- “(a) The Committee offered Amy's House for sale by way of open tender in November 2002, and 8 tenders were received. Regrettably, the two highest tenders were subsequently withdrawn and it was therefore decided to sell the house in the traditional manner, on the open market, with an asking price of

£285,000.

The Committee has now, subject to States approval, agreed to sell Amy's House for £275,000. This offer is not subject to survey. A report and proposition has today been lodged 'au Greffe', with comments to follow from the Finance and Economics Committee. If the States agree to sell Amy's House, this long running saga will shortly be brought to a conclusion.

With regard to l'Hôpital, the Housing Committee, following advice from the Law Officers' Department, has agreed to carry out significant works to the bank surrounding the property prior to sale. In view of the unique location of this property, the design of the works has needed to be particularly sensitive to the shoreline. In this regard, discussions with Planning Officers are on-going. It is hoped that permission to commence work will soon be forthcoming and that a start date can be programmed for July. When the work is complete the sale will be pursued by means of an open invitation to tender.

- (b) With the exception of the Waterfront, the Committee currently has no other properties which are unoccupied and are being offered for sale. However, the Committee does have several sites where development plans are being pursued and it is intended that sales agreements with Housing Trusts will follow.
- (c) The Waterfront, Albert Pier housing development was completed and available for occupation on 28th March 2003. Sales agreements have been reached with the Jersey Homes Trust for the northern part of the development and with individual first time buyers for 29 out of the 70 flats in the southern part of the development. Due to various legal queries, which have arisen, no contracts have yet been passed before the Royal Court but the Committee is hopeful that these will be resolved in the near future."

#### **Public consultation and the summer bus service - question and answer (Tape No. 822)**

Deputy Geoffrey Peter Southern of St. Helier asked Deputy Maurice François Dubras of St. Lawrence, President of the Environment and Public Services Committee, the following question –

"The public were recently given only 3 weeks notice of changes to the proposed summer bus service, with only 4 working days in which to comment in writing to the Public Services Department. Does the President accept that this period was inadequate for proper consultation to have taken place, and, if so, will he ensure that future similar consultations allow for longer consultation periods and deadlines?"

The President of the Environment and Public Services Committee replied as follows –

"The notice given was in accordance with published criteria in Article 24 of the Motor Traffic Law 1935, (as amended), and the Schedule of Conditions attached to each licence. Although two route licences are to be cancelled, the re-routing of other services within their current licence conditions will now serve these routes more cost-effectively. The revisions, as a whole, are of a minor nature and are the first small part of the ongoing restructuring of the local bus Service. The Bus Users Forum, of which the Deputy is a member, is a keen proponent of these changes and we were very pleased to receive their comments at a recent Committee meeting.

As the restructuring proposals for next year's winter and summer services are reviewed in the light of this year's experience, changes of a more fundamental nature, and those which could affect larger numbers of people, will certainly receive more time for consultation. The notice given will reflect this fact."

#### **Subsidy for the Island bus service - question and answer (Tape No. 822)**

Deputy Roy George Le Hérisier of St. Saviour asked Deputy Maurice François Dubras of St. Lawrence, President of the Environment and Public Services Committee, the following question –

“Would the President confirm that the States subsidy required for the first year of Connex’s operation will be approximately £1.4 million, namely the sum quoted when the winning tender was announced in May 2002, or has it been revised in the light of changing circumstances, and, if so, what is the anticipated subsidy for 2002 and 2003?”

The President of the Environment and Public Services Committee replied as follows –

“As set out in P.104/2001, members will recall that the Assembly agreed to seek competitive bids to operate the public bus service and provide public subsidies for these services. At the time the contract was awarded to Connex, there was very little information available on the fare income that had been generated year on year as the previous operator did not furnish this information. It was for this reason that the form of the tender, whereby the States assumed the risk on fare income, was adopted.

The absence of any up-to-date accurate information on fare income, passenger levels, seasonal variations and route profitability severely limited the possibility of providing precise estimates of fare income for the new service. A limited amount of historical information was all that was available to predict what the level of fare income might be. On the basis of this limited information and, in the knowledge that visitor numbers were dropping, it was estimated that fare income would roughly amount to £2.5 million per year. In addition, the States already contributed £460,000 in the form of free travel for OAP’s and HIE card holders. The contract for the service provided by Connex amounts to £4.35 million, hence the predicted shortfall, or subsidy, was crudely estimated to be in the order of £1.4 million for the first full year of operation.

While the actual amounts are not yet known, though the major proportion of fare income is generated during the summer period, I am not yet in a position to confirm whether the estimated subsidy requirement is realistic or not. However, I am aware that the amount of fare income collected between the start of operations at the end of September last year and the middle of March this year amounts to £670,000. Members will appreciate, therefore, that at least a further £1.8 million of fare income will need to be collected by the end of September this year to meet the original estimate. Meeting this target will very much depend on the number of residents as well as visitors coming to the Island using the bus service. In this respect, the Easylink service is very likely to have an impact on income. It is impossible at this early stage to predict the final level of revenues. However, I must be clear that there is no contingency in my Committee’s budget to meet any further shortfall.”

#### **Development of the former Jersey Pearl site, St. John - question and answer (Tape No. 822)**

The Deputy of St. John asked Deputy Maurice François Dubras of St. Lawrence, President of the Environment and Public Services Committee, the following question –

“In relation to the new development on the former Jersey Pearl site in St. John, would the President inform members –

- (a) what is the Committee’s policy, if applicable, relating to the protection of existing neighbouring properties when considering applications for major new developments of this type?
- (b) what provisions are made, if any, for site inspection by officers of the Planning and Environment Department during the course of development works of a major new development of this type?
- (c) what is the Committee’s policy, if applicable, relating to the number of windows included in a new development of this type which overlook existing neighbouring properties? and,
- (d) what consideration, if any, is given by the Committee to applications for major developments of this type relating to future extensions of the properties, and if so, what provision is made for the impact on parking and open space?”

The President of the Environment and Public Services Committee replied as follows –

“(a) The Committee’s current policy is to be found in the Island Plan at Policy G2 ‘General Development Considerations’, a copy of which is attached for members, which states;

‘Applicants will need to demonstrate that the proposed development –

(ii) will not have an unreasonable impact on neighbouring uses and the local environment by reason of visual intrusion or other amenity considerations.’

The application decision on the Jersey Pearl site was, of course, made by the former Planning and Environment Committee before the Island Plan was approved in July 2002. However, although there was no explicit policy in the 1987 Island Plan, I am advised that, for many years, successive Committees have assessed applications in this way.

All applications fall to be considered on their merits, and no two situations are the same. We cannot be prescriptive in a way that is applicable in every situation, and so the Committee has to make a judgement which balances the interests of applicant and neighbour in a way that is ‘reasonable’. In granting permission for the development at St. John, which is currently under construction, the former Committee, or more precisely the Applications Sub-Committee to which the Committee had delegated such decision-making powers, considered the relationship between the proposals and neighbouring properties. That relationship is not unusual in a built-up area, and in the Sub-Committee’s view there was no demonstrable harm to neighbouring properties or the residents’ quality of life.

(b) There are statutory requirements for inspections to be made at certain stages of construction, for the purpose of building by-law compliance, and a copy of the Building Bye-laws 2001, Part 3, Section 12 is attached for members information. It is also standard practice for the Building Control Surveyors to make regular and frequent inspections of larger and more complicated developments, in order for them to be able to certify compliance with the building by-laws at completion. These officers are also able to assess whether planning conditions are being met.

I can confirm that this particular development has been inspected regularly since construction began over 100 times.

(c) There is no policy relating specifically to the number of windows. Such matters fall to be considered in detail under the policy I referred to in my first answer.

(d) No specific consideration for the possibility of future extensions is given at this stage. Extensions will fall to be considered subsequently if they require permission, when detailed issues such as the adequacy of car parking will be addressed. It does not follow that all extensions will be approved. Some extensions will be exempted from the need to receive permission as a result of the new Exempted Operations Regulations stated in P.209/2002 approved by the States in November 2002, and a copy extract is attached for members information.”

### **Proposed Security of Tenure law - question and answer (Tape No. 822)**

The Deputy of St. Martin asked the Deputy of Trinity, Vice-President of the Housing Committee, the following question –

“On 11th May 1999, the States approved a proposition of the Housing Committee, P.257/98, entitled ‘Security of Tenure Law – report of the working party’, proposing that a new law should be prepared to provide for improved security of tenure. Given that it is now four years since that approval was given, would the Vice-President inform members if the law drafting instructions have been submitted to the Law Draftsman, and, if so, when, and when the Committee expects to present the draft law to the States for debate?”

The Vice-President of the Housing Committee replied as follows –

“Yes, law drafting instructions were submitted to the Law Draftsman in July 2002. A first draft of the new law has been produced and is currently being reviewed. The Committee intends, following a period of consultation, to present the draft law to the States for debate before the end of this year.”

**Effects of increased 16+ pupil teacher ratios - question and answer** (Tape No. 822)

Deputy Geoffrey Peter Southern of St. Helier asked Senator Michael Edward Vibert, President of the Education, Sport and Culture Committee, the following question –

“The former Education Committee increased the 16+ pupil teacher ratio in the 2003 budget. In responding to my question on 5th November 2002, the previous President was unable to give details of budgetary and educational consequences of the resultant service cut. Will the president inform members –

- (a) what sums were cut from the budgets of Hautlieu School, Highlands College, the fee-paying colleges and grants to private schools as a result of the increase in pupil teacher ratios?
- (b) what effect these cuts have had on the average and maximum class sizes, and the range of courses offered in each of the institutions in 2003? and,
- (c) what measures the Committee proposes in order to protect class sizes and standards in the States sector in its 2004 budget proposals in the light that the fee-paying colleges have announced an increase in fees ‘to protect class sizes and standards’?”

The President of the Education, Sport and Culture Committee replied as follows –

“(a) The question refers to a very complex issue as school budgets are influenced by a number of factors including the pupil teacher ratio, current pay scales, demographic movements and the number of pupils in each year group. As a result, although the total amount taken as a ‘saving’ was £260,000, the budgets for all post 16 providers have increased between 2002 and 2003 and it will therefore be necessary to undertake a detailed analysis of school budgets in order to disaggregate the impact of changes to the post 16 pupil teacher ratio from other factors.

This analysis will require significant input of officers within the Department for Education, Sport and Culture, head teachers and staff in schools with post 16 provision. However, if the Deputy could indicate the purpose and benefits of this investment in time and effort and is insistent on obtaining the analysis I will instruct that the work is undertaken.

- (b) Any school budget which is subject to change in January cannot remove or reduce classes already functioning from the previous September. Therefore any budget changes could only effect the curriculum for the next year and beyond.

Discussions with head teachers confirm that any impact on class sizes and/or the range of courses offered in each institution cannot be accurately assessed until the Autumn 2003 term when pupil numbers are known along with which subject options they will each wish to follow. These choices are influenced by, among other factors, the GCSE results which are not due until August.

Therefore, at this stage it is impossible to assess the impact of the changed pupil teacher ratio on both class sizes and subject options. That is not to suggest that there will be no effect and schools will have to meet the challenge of making the most appropriate provision with the available resources.

- (c) The outcome of the Fundamental Spending Review process to determine Committees’ 2004 revenue allocations recommended that the Education, Sport and Culture Committee should receive an additional amount of £702,000 in 2004 to fund demographic growth. The Committee will be considering options

for the allocation of its 2004 Cash Limit at its meeting tomorrow, 21st May 2003, and while I cannot pre-empt my Committee's decision, I anticipate that, in view of the additional funds available to the Committee in 2004, it will not be necessary to make any further changes to the post 16 pupil teacher ratio at this stage.

However, I should stress that such planning is dependent on the States approving Committees' budget allocations in line with the outcomes of the Fundamental Spending Review when the 2004 Budget is finally approved. Should this budget proposal not be approved then there could be serious implications for the maintenance of existing pupil teacher ratios throughout the Service."

#### **Collection of refuse from States' housing estates - question and answer (Tape No. 822)**

Deputy Geoffrey Peter Southern of St. Helier asked the Deputy of Trinity, Vice-President of the Housing Committee, the following question –

"Health and safety considerations recently interrupted refuse collections on a St. Helier States' housing estate. Will the Vice-President inform members when the Housing Department was first made aware of the health and safety problem, and, if this was some time ago, the reasons for the time taken to resolve the problem?"

The Vice-President of the Housing Committee replied as follows –

"The responsibility for refuse collection in St. Helier is that of the Parish not the Housing Department. The Department has been working with the Parish to replace paladin bins since July 2002, following notification from the Parish that they wished to phase out this particular type of bin. However, the Department has never received notification from the Parish of a specific Health and Safety problem.

The Department was first made aware of a Health and Safety issue on the day that the collections ceased. This unilateral decision was not communicated to the Department but only became apparent when enquiries were made by the Housing Department as to why refuse collections had not been made as scheduled.

To date, no formal or informal notification has been received from the Parish as to the exact nature of the Health and Safety issue, merely that the refuse collectors had declined to collect a certain type of bin, which has been in common usage for 20 years or more, on Health and Safety grounds.

It is understood that the Health and Safety Inspectorate are investigating matters. Given the standard design of this bin and its common usage throughout the United Kingdom and indeed, other Parishes within this Island, it is quite possible that no significant health and safety issue will be identified, provided the refuse collectors observe a safe method of working.

The replacement of the paladin bins in St. Helier, in excess of two hundred, has been a major exercise, at a cost of over £23,000. It could only be done on a phased basis. With only some three weeks to go before the last of the paladin bins on Committee estates in St. Helier were replaced, it is most regrettable that action was taken by the refuse collectors to stop emptying paladins - action which achieved nothing but caused a great deal of hardship and some distress to tenants."

#### **Rent rebate/abatement - question and answer (Tape No. 822)**

Deputy Geoffrey Peter Southern of St. Helier asked the Deputy of Trinity, Vice-President of the Housing Committee, the following question –

"On 13th May 2003, in reply to a question on rent rebate/abatement, the Vice-President refused to confirm whether the Committee intends to change the calculation for assessment of rent rebate/abatement to reduce the benefit payable to recipients. Will the Vice-President inform members –

(a) whether the Committee intends considering changes to the rent rebate/abatement scheme, and, if so,

when?

- (b) whether these changes will reduce the total payable in rent rebate/abatement by up to £800,000 annually? and,
- (c) whether consideration will be given by the Committee to raising the surcharge on adult children and lodgers to raise a further £400,000 from States tenants, and, if so, when?"

The President of the Housing Committee replied as follows –

“Yes, the Committee is considering changes to the rent rebate/abatement scheme but, as was stated when this subject was raised on 13th May 2003, the Committee is reviewing a number of methods of balancing its proposed significantly reduced budget for 2004. I do not consider it helpful to make any announcement about individual options before the Committee has completed its deliberations.”

### **States Loan Scheme – statement**

The Deputy of Trinity, Vice-President of the Housing Committee, made a statement in the following terms –

“The States Loan scheme was brought into being in 1950 by virtue of the Buildings Loans (Jersey) Law. Since that time until the early 1990’s the scheme was virtually the sole source of funding available to first-time buyers seeking to purchase their first homes.

Following the rezoning in 1989 of substantial areas of land for first-time buyer development, the Committee brought into the market place some 500-600 units of affordable accommodation to purchase. In the early 1990’s there was much competition from the commercial lenders offering attractive rates of interest often targeted at first-time buyers and as a consequence demand for loans from the States diminished considerably.

In 1992 the States approved an amendment to the Building Loans (Jersey) Law implementing a variable rate of interest for all loans granted after that date, commencing at 11 per cent and, as commercial rates started to reduce, this figure was also reduced to 10 per cent where it has remained ever since. As commercial rates fell further and as a result of the increased supply of first-time buyer houses caused by the rezoning, the Treasury identified that the potential outflow of funds from the Dwelling Houses Loan Fund could exceed that currently available. In view of the increased availability of loans in the commercial sector it was decided to maintain a higher rate of interest for the States loan scheme not only to encourage new borrowers to seek alternative sources of finance, but to encourage existing borrowers to move their loans to the private sector.

Since 1994 the maximum interest rate on loans has remained at 10 per cent and the minimum as low as 3 per cent depending on income. Several years ago, the Housing Committee considered a proposal to allow any interest paid by a States loan borrower above the standard market rate to be offset against any subsidy due to be repaid to the States by virtue of an earlier reduced rate granted. This proposal was complex, had considerable financial implications for both the States and borrowers and would have required States approval and a change in legislation. A final decision on this matter has been somewhat delayed while officers of the Housing Department and the States Treasury sought, amongst other things, to resolve difficulties in utilising existing Computer systems to meet the requirements of the proposal should it have been approved. The Housing Committee had proposed that if proposals were approved by the States, the effect would be backdated to the date of the original proposal in 1998.

Having now consulted further with the Finance and Economics Committee, it has been decided that within the current economic climate the outflow of funds caused by any backdating could not be justified. In addition the Housing Committee has taken the view that with the low level of take up of loans at the present time to make these proposals effective from today is unnecessary and would be unfair on existing and previous borrowers.

However, in view of the current level of commercial interest rates being around 5 per cent, compared with the

maximum interest rates still applicable to States loans being at 10 per cent, the Committee has decided, in consultation with the Finance and Economics Committee, to reduce the maximum States Loan interest rate to 7.5 per cent, with effect from 1st June 2003. This reduction will apply to all current loans in force at that time that are subject to variable rates. An Order has been made putting into effect this reduction.”

#### **Attendance Allowance Board: appointment of members - P.53/2003**

THE STATES, adopting a proposition of the Employment and Social Security Committee, appointed the undermentioned as members of the Attendance Allowance Board in pursuance of Article 4 of the Attendance Allowance (Jersey) Law 1973, as amended, for a period of 3 years with effect from 1st April 2003–

Dr. J. Newell (Chairman)  
Dr. D. Crill  
Dr. S. Milner  
Reverend Dr. A.D. Williams  
Dr. A. Reid  
Mrs. A. Le Feuvre  
Mrs. M. Rebindaine.

#### **Draft Shipping (Amendment) (Jersey) Law 200- P.54/2003**

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, adopted a Law entitled the Shipping (Amendment) (Jersey) Law 200-.

#### **Administrative Decisions (Review) (Jersey) Law 1982, as amended: Administrative Appeals Panel – membership - P.56/2003**

THE STATES, adopting a proposition of the Privileges and Procedures Committee, and in accordance with Article 5 of the Administrative Decisions (Review) (Jersey) Law 1982, as amended, approved the appointment of the following persons as members of the Administrative Appeals Panel, from whom members of Boards of Administrative Appeal were chosen, for a period of 3 years–

##### **Chairman**

Mrs. Carol Elizabeth Canavan

##### **Deputy Chairmen**

Mr. Nigel Peter Edgar Le Gresley  
Advocate Richard John Renouf

##### **Members**

Mr. John Geoffrey Davies  
Mr. Peter George Farley  
Mr. Patrick Edward Freeley  
Mrs. Lorna Jean King, M.B.E.  
Mrs. Mary Le Gresley  
Mr. Thomas Siouville Perchard  
Miss Christine Vibert  
Mr. David James Watkins.

Members present voted as follows –

**“Pour” (37)**

**Senators**

Syvret, Walker, Kinnard, Le Sueur, Lakeman, M. Vibert, Ozouf, E. Vibert.

**Connétables**

St. Brelade, St. Mary, St. Peter, St. Clement, Trinity, St. Lawrence.

**Deputies**

Trinity, Duhamel(S), St. Martin, St. John, Dubras(L), Dorey(H), Troy(B), Scott Warren(S), Farnham(S), Le Hérissier(S), Fox(H), Bridge(H), Martin(H), Southern(H), Bernstein(B), Ferguson(B), St. Mary, Ryan (H), Taylor(C), Grouville, St. Peter, Hilton(H), De Faye(H).

**“Contre” (2)**

**Deputies**

Breckon(S), Huet(H).

**Public spending and resource allocation: information for States Members - P.57/2003**

THE STATES commenced consideration of a proposition of Senator Stuart Syvret regarding the distribution of the reports produced by Tim Morgan Associates after each of the three Fundamental Spending Review Workshops, and, after discussion, rejected a proposition of Senator Terence Augustine Le Sueur to move to the consideration of the next item on the Order Paper.

Members present voted as follows –

**“Pour” (14)**

**Senators**

Norman, Walker, Le Sueur, Ozouf.

**Connétables**

St. Saviour, St. Brelade, St. Peter, St. Lawrence.

**Deputies**

Trinity, Dubras(L), Voisin(L), Farnham(S), St. Mary, Taylor(C).

**“Contre” (32)**

**Senators**

Le Maistre, Syvret, Kinnard, Lakeman, M. Vibert, E. Vibert.

**Connétables**

St. Martin, St. Ouen, St. Mary, St. Clement, Trinity.

**Deputies**

Duhamel(S), Breckon(S), Huet(H), St. Martin, St. John, Baudains(C), Dorey(H), Troy(B), Scott Warren (S), Le Hérissier(S), Fox(H), Bridge(H), Martin(H), Southern(H), Bernstein(B), Ferguson(B), Ryan(H), Grouville, St. Peter, Hilton(H), De Faye(H).

THE STATES, adopting a proposition of Senator Stuart Syvret requested the Finance and Economics Committee to distribute to all States members the reports produced by Tim Morgan Associates after each of the three Fundamental Spending Review Workshops.

Members present voted as follows –

**“Pour” (46)**

**Senators**

Le Maistre, Syvret, Norman, Kinnard, Le Sueur, Le Claire, Lakeman, M. Vibert, Ozouf, E. Vibert.

**Connétables**

St. Martin, St. Ouen, St. Saviour, St. Brelade, St. Mary, St. Peter, St. Clement, Trinity, St. Lawrence.

**Deputies**

Trinity, Duhamel(S), Breckon(S), Huet(H), St. Martin, St. John, Dubras(L), Baudains(C), Dorey(H), Troy (B), Voisin(L), Scott Warren(S), Farnham(S), Le Hérissier(S), Fox(H), Bridge(H), Martin(H), Southern (H), Bernstein(B), Ferguson(B), St. Mary, Ryan(H), Taylor(C), Grouville, St. Peter, Hilton(H), De Faye (H).

THE STATES rose at 12.45 p.m.

**M.N. DE LA HAYE**

*Greffier of the States.*