

**THE STATES assembled on Tuesday,
29th April 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 –

Francis Herbert Amy, Connétable of Grouville – ill
Maxwell Robert de la Haye, Connétable of St. Brelade– out of the Island
Michael John Touzel, Connétable of St. John– ill

Prayers

Royal Visit – H.R.H. The Duke of Gloucester

The Bailiff informed the Assembly of the forthcoming visit of His Royal Highness, The Duke of Gloucester, on 28th and 29th June 2003, in his capacity as Grand Prior of the Order of St. John of Jerusalem and for the purpose of carrying out other official duties.

Subordinate legislation tabled

The following enactments were laid before the States, namely –

Maintenance Orders (Facilities for Enforcement) Rules 2003.	R&O 28/2003.
Road Traffic (Public Parking Places) (Jersey) Order 2003.	R&O 30/2003.
Road Traffic (Public Parking Places – Charges) (Jersey) Order 2003.	R&O 31/2003.
Insurance Business (General Provisions) (Amendment No. 3) (Jersey) Order 2003.	R&O 32/2003.
Island Planning (Tree Preservation) (Saint Helier) (Jersey) Order 2003.	R&O 33/2003.
Island Planning (Tree Preservation) (Saint Brelade) (Jersey) Order 2003.	R&O 34/2003.

Environment and Public Services Committee – resignation of member

THE STATES noted the resignation of Deputy John Benjamin Fox of St. Helier from the Environment and Public Services Committee.

Matters presented

The following matters were presented to the States –

Jersey Police Complaints Authority: report for 2002.	R.C.20/2003.
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Presented by the Home Affairs Committee.

Social rented housing: policy on setting rents (P.29/2003) – comments. P.29/2003. Com.
Presented by the Employment and Social Security Committee.

Former Gorey Youth Centre, La Chèvre Rue, Grouville: proposed sale P.36/2003. Com.
(P.36/2003) – comments.
Presented by the Finance and Economics Committee.

The following matters were presented on 15th April 2003 –

Proposed Translation Policy.
Presented by the Policy and Resources Committee.

States Members' remuneration: establishment of an independent review body P.26/2003.
(P.26/2003) – comments. Com.
Presented by the Privileges and Procedures Committee.

The following matters were presented on 22nd April 2003 –

Commission Amicale: report for 2002. R.C.19/2003.
Presented by the Commission Amicale.

Code of Conduct for elected Members of the States (P.32/2003): comments. P.32/2003.
Presented by the Policy and Resources Committee. Com.

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

Matters noted – land transactions

THE STATES noted Acts of the Finance and Economics Committee dated 9th April and 23rd April 2003, showing that, in pursuance of Standing Orders relating to certain transactions in land, the Committee had approved –

9th April 2003

- (a) as recommended by the Environment and Public Services Committee, the lease to CTS Computing Limited of ground floor office accommodation (measuring 1,660 square feet) at Broadcasting House, Rouge Bouillon, St. Helier together with six associated car parking spaces, for a period of four years from 25th March 2003 on full repairing and insuring terms at an initial annual rent of £30,320, subject to a rent review after two years to the higher of Jersey Retail Price Index or Open Market Rental value, to be guaranteed by Messrs. Geoffrey Michael Vibert, Ian Edmundson and David Patrick Creavy, who were to be jointly and severally liable, on the basis that each party would be responsible for its own respective legal costs arising from this transaction;
- (b) as recommended by the Housing Committee, the entering into of a Deed of Arrangement with Dandara Jersey Limited in relation to the rear boundary wall at Lord Coutanche Court, Seaton Place, St. Helier, whereby Menos Limited, on behalf of Dandara, would pay to the public £10,000 in exchange for an agreement allowing the area shown on Drawing No. 11/991/1 JN 125 prepared by the Department of Property Services to be hoarded and the wall removed, with the town brook then to be moved by engineers of the Public Services Department and the wall replaced by Dandara in accordance with the agreement, not more than six months from the signing of the agreement, on the

basis that Menos Limited would be responsible for both parties' legal costs arising from this transaction;

- (c) as recommended by the Environment and Public Services Committee, the renewal of the lease from Dr. John Thomas Renouf, junior, of the 4/5 bedroom '(j)' category property known as Maison Petit Port, La Route du Petit Port, St. Brelade, required in order to accommodate a Senior Planner of the Planning and Building Services Department, for a period of two years from 1st April 2002, at a commencing annual rent of £19,999.96, to be revised on 1st April 2003 in line with Open Market Value, on the basis that each party would be responsible for its own legal costs arising from the transaction;
- (d) as recommended by the Economic Development Committee, the entering into of a Deed of Arrangement with Mr. Michael John Engleman and Mrs. Eileen Alice Engleman, née Sherwood, in respect of the construction of a granite wall along the access drive of the property known as Le Rondin Farm, La Route de la Trinité, Trinity, so as to protect the public's interest as the proposed wall would be constructed on public land administered by the Department of Agriculture and Fisheries, on the basis that Mr. and Mrs. Engleman would be responsible for the payment of all reasonable legal fees incurred by the public arising from this transaction;
- (e) as recommended by the Environment and Public Services Committee, the purchase from Mr. Paul Hugo Fisher of the property Llandaff, La Vallée de St. Pierre, St. Lawrence, of an area of land (measuring 420 square feet), required for road widening purposes, for a consideration of £420 (representing a rate of £1 a square foot) and with a payment of a further £11,744.57 by the public for the construction of the boundary wall and related remedial work (a total payment of £12,164.57), on the basis that each party would be responsible for its own legal costs arising from this transaction;
- (f) as recommended by the Harbours and Airport Committee, in respect of offices (N18A – measuring 490 square feet), New North Quay, St. Helier Harbour-
 - (i) the annulment of the existing lease to Jersey Cruising School (JCS Yachting (1992) Limited); and
 - (ii) the lease to Freeport Marine Limited, for a period of nine years from 1st April 2003, at an annual rent of £9,459.28 (representing a rate of £19.30 a square foot), subject to annual review in line with the Jersey Retail Price Index;
- (g) as recommended by the Harbours and Airport Committee, the lease to Jersey Hatchery and Fisheries Limited, or to his company, the Bunker (V32B – measuring 410 square feet), Victoria Pier St. Helier Harbour, for the purpose of establishing a lobster and/or scallop/ormer nursery, for a period of three years from 1st April 2003, at an annual rent of £1,705.60 (representing a rate of £4.16 a square foot), subject to annual review on 1st August each year;
- (h) as recommended by the Harbours and Airport Committee, the lease to Aqua-Mar Fisheries Limited, first floor warehouse premises (V125 – measuring 2,888 square feet), Victoria Pier, St. Helier Harbour, for the period 1st April 2003 to 30th June 2004, at an annual rent of £12,014.08 (representing a rate of £4.16 a square foot), subject to review on 1st January 2004;
- (i) as recommended by the Housing Committee, the entering into of a Deed of Arrangement with Mr. Cyril Snowdon Amy and Mrs. Margaret Marie, née Thérin, in respect of the large granite party-owned wall which separated the former "Sunshine Hotel" site, Marett Road, St. Helier on its southern side from Mr. and Mrs. Amy's property known as "3 The Pebbles", on the basis that the public would be responsible for the payment of both parties' reasonable legal fees arising from this transaction;
- (j) as recommended by the Housing Committee, the entering into of a Deed of Arrangement with the Belgravia Apartments Association, owner of the property known as Nos. 1 and 2 Belgravia, in respect of the rectification of a number of insignificant encroachments affecting The Avenue, off La

Grande Route de la Côte, St. Clement, on the basis of the payment by the Association of £2,000 and the public's legal fees arising from this transaction;

- (k) as recommended by the Harbours and Airport Committee, the lease to GP Express Limited of warehouse accommodation known as Airport Lettings Nos. B120 and B121, Freight Terminal Building, Jersey Airport for a period of three years from 1st January 2003, at an initial annual rent of £13,655 (representing a rate of £4.72 a square foot) subject to review on 1st January 2004 and 1st January 2005 in line with the Jersey Retail Price Index;
- (l) as recommended by (i) the Housing Committee and (ii) the former Public Services Committee, the lease to the Shelter Trust of (i) Nos. 35 Kensington Place, 25 and 27 St. James Street, 63 New Street, St. Helier and (ii) 29 St. James Street, St. Helier, for a period of nine years from 1st January 2003, at a nominal rent of £10 per property payable as a lump sum upon completion of the lease documentation, on the basis that each party would be responsible for its own legal costs arising from this transaction.

23rd April 2003

- (a) as recommended by the Environment and Public Services Committee, in respect of the Café Casino, Grève de Lecq, St. Ouen,–
 - (i) the renewal of the ground lease of the property to Mrs. Sheila Fagan, née Needham, for a period of nine years from 25th December 2003, at an annual rent of £7,250 subject to increase on the third and sixth anniversaries of the commencement of the agreement in line with the Jersey Retail Price Index, with all other terms and conditions remaining the same as per the agreement dated 9th August 1999; and
 - (ii) the assignment, in accordance with Clause 7.30, of the said lease to Mr. Eugene Peter Adolp Lohmaier and Mrs. Jean Angela Lohmaier, née Watt, on a date to be agreed between the parties;

on the basis that each party was to be responsible for its own legal costs arising from this transaction;

- (b) as recommended by the Education, Sport and Culture Committee, the sub-lease from First Island Properties Limited of the ground floor offices (measuring 1,004 square feet) at premises known as Woodford House, Peter Street, St. Helier, for use by the Jersey Business School as seminar rooms an office, reception and toilet facilities to provide an educational training facility in the centre of St. Helier, for a period of three years from 28th April 2003, on an internal repairing basis, at an annual rent of £20,000, with First Island Properties Limited to undertake the fitting-out of the accommodation to an agreed specification at nil cost to the public, and with each party to be responsible for its own legal costs arising from this transaction;
- (c) as recommended by the Environment and Public Services Committee, the renewal of the lease from Mr. John Henry Curwood of the property comprising a certain stable building and yard at No. 4c Rouge Bouillon, St. Helier for a period of nine years from 9th July 2002, at an annual rent of £5,000 subject to increase in line with the Jersey Retail Price Index on the third and sixth anniversaries of the commencement of the agreement, with all other terms and conditions to remain the same as per the existing agreement dated 28th April 1996, and with each party to be responsible for its own legal costs arising from this transaction.

Matter noted – acceptance of tender

THE STATES noted an Act of the Finance and Economics Committee dated 23rd April 2003, showing that, in pursuance of Rule 5 of the Public Finances (General) (Jersey) Rules 1967, as amended, the Committee had noted that the Environment and Public Services Committee had accepted the sole tender submitted by Jakob Stiefel GmbH for the conversion of the incinerator plant fly ash separation streams numbers one and two from pneumatic

to conventional conveyor belt system in the sum of £217,320.

There was no other tender invited for the contract due to its specialised nature.

Matters lodged

The following matters were lodged “au Greffe” –

Draft Police Force (Amendment No. 9) (Jersey) Law 200. <i>Presented by the Home Affairs Committee.</i>	P.47/2003.
Draft Motor Traffic (Third Party Insurance) (Amendment No. 11) (Jersey) Law 200. <i>Presented by the Home Affairs Committee.</i>	P.48/2003.
Draft Motor Vehicle Registration (Amendment No. 2) (Jersey) Law 200. <i>Presented by the Home Affairs Committee.</i>	P.49/2003.
H.M. Prison, La Moye: reception and accommodation block – approval of drawings. <i>Presented by the Home Affairs Committee.</i>	P.50/2003.
No. 2 La Croix Crescent, La Rue à Don, Grouville: removal of restrictive covenant. <i>Presented by the Home Affairs Committee.</i>	P.51/2003.
No. 1 Oxford Road, St. Helier: proposed sale. <i>Presented by the Health and Social Services Committee.</i>	P.52/2003.

The following matters were lodged on 8th April 2003 –

Rent Control Tribunal: appointment of members. <i>Presented by the Housing Committee.</i>	P.37/2003.
Data Protection Tribunal: appointment of members. <i>Presented by the Policy and Resources Committee.</i>	P.38/2003.
European Convention for the Protection of Human Rights and Fundamental Freedoms: extension of Protocol 13. <i>Presented by the Policy and Resources Committee.</i>	P.39/2003.

The following matters were lodged on 15th April 2003 –

Population policy: provision of information and alternatives. <i>Presented by Senator S. Syvret.</i>	P.40/2003.
Draft Amendment (No. 24) of the Standing Orders of the States of Jersey. <i>Presented by the Telecommunications Board.</i>	P.41/2003.
Ferryspeed (C.I.) Limited, New North Quay, St. Helier: lease of warehouse. <i>Presented by the Harbours and Airport Committee.</i>	P.42/2003.

The following matters were lodged on 22nd April 2003 –

Draft Maintenance Orders (Facilities for Enforcement) (Jersey) Law 2000 (Appointed Day) Act 200-.	P.43/2003.
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Presented by the Legislation Committee.

Draft Maintenance Orders (Facilities for Enforcement – Convention Countries) (Jersey) Act 200-. P.44/2003.

Presented by the Legislation Committee.

Draft Maintenance Orders (Facilities for Enforcement – Hague Convention Countries) (Jersey) Act 200-. P.45/2003.

Presented by the Legislation Committee.

Draft Employers' Liability (Compulsory Insurance) (Authorised Insurer) (Jersey) Regulations 200-. P.46/2003.

Presented by the Employment and Social Security Committee.

Arrangement of public business for the present meeting

THE STATES confirmed that the following matters lodged "au Greffe" would be considered at the present meeting –

Rent Control Tribunal: appointment of members. P.37/2003.

Lodged: 8th April 2003.

Housing Committee.

Data Protection Tribunal: appointment of members. P.38/2003.

Lodged: 8th April 2003.

Policy and Resources Committee.

Draft Amendment (No. 24) of the Standing Orders of the States of Jersey. P.41/2003.

Lodged: 15th April 2003.

Telecommunications Board.

Ferryspeed (C.I.) Limited, New North Quay, St. Helier: lease of warehouse. P.42/2003.

Lodged: 15th April 2003.

Harbours and Airport Committee.

(re-issue)

Arrangement of public business for the next meeting on 13th May 2003

THE STATES confirmed that the following matters lodged "au Greffe" would be considered at the next meeting on 13th May 2003 –

States Members' remuneration: establishment of an independent review body. P.26/2003.

Lodged: 18th March 2003.

Senator E.P. Vibert.

States Members' remuneration: establishment of an independent review body P.26/2003.

(P.26/2003) – comments.

Presented: 15th April 2003.

Privileges and Procedures Committee.

Com.

Former Gorey Youth Centre, La Chèvre Rue, Grouville: proposed sale. P.36/2003.

Lodged: 1st April 2003.

Environment and Public Services Committee.

(re-issue)

Former Gorey Youth Centre, La Chèvre Rue, Grouville: proposed sale (P.36/2003) – P.36/2003.
comments. Com.

Lodged: 29th April 2003. <i>Finance and Economics Committee.</i>	
European Convention for the Protection of Human Rights and Fundamental Freedoms: extension of Protocol 13. Lodged: 8th April 2003. <i>Policy and Resources Committee.</i>	P.39/2003.
Draft Maintenance Orders (Facilities for Enforcement) (Jersey) Law 2000 (Appointed Day) Act 200-. Lodged: 22nd April 2003. <i>Legislation Committee.</i>	P.43/2003.
Draft Maintenance Orders (Facilities for Enforcement – Convention Countries) (Jersey) Act 200-. Lodged: 22nd April 2003. <i>Legislation Committee.</i>	P.44/2003.
Draft Maintenance Orders (Facilities for Enforcement – Hague Convention Countries) (Jersey) Act 200-. Lodged: 22nd April 2003. <i>Legislation Committee.</i>	P.45/2003.
Draft Employers' Liability (Compulsory Insurance) (Authorised Insurer) (Jersey) Regulations 200-. Lodged: 22nd April 2003. <i>Employment and Social Security Committee.</i>	P.46/2003.
Draft Police Force (Amendment No. 9) (Jersey) Law 200-. Lodged: 29th April 2003. <i>Home Affairs Committee.</i>	P.47/2003.
Draft Motor Traffic (Third Party Insurance) (Amendment No. 11) (Jersey) Law 200-. Lodged: 29th April 2003. <i>Home Affairs Committee.</i>	P.48/2003.
Draft Motor Vehicle Registration (Amendment No. 2) (Jersey) Law 200-. Lodged: 29th April 2003. <i>Home Affairs Committee.</i>	P.49/2003.
H.M. Prison, La Moye: reception and accommodation block – approval of drawings. Lodged: 29th April 2003. <i>Home Affairs Committee.</i>	P.50/2003.
No. 2 La Croix Crescent, La Rue à Don, Grouville: removal of restrictive covenant. Lodged: 29th April 2003. <i>Home Affairs Committee.</i>	P.51/2003.
No. 1 Oxford Road, St. Helier: proposed sale. Lodged: 29th April 2003. <i>Health and Social Services Committee.</i>	P.52/2003.

Trust accounts – question and answer (Tape No. 817)

Senator Edward Philip Vibert asked Senator Frank Harrison Walker, President of the Policy and Resources Committee, the following question –

- “(a) Is the President aware that the Irish Taxation authorities (Irish Revenue) through their Revenue Offshore Assets Group is investigating more than 400 people for tax evasion through trust accounts set up in Jersey by The Bank of Ireland Trust Company (Jersey) Limited, and, if so, what assistance is being offered to the Irish Revenue by Jersey’s financial authorities?”
- (b) Would the President advise the Assembly how it was possible for these trust accounts set up in Jersey, bearing in mind the strict controls in place administered by the Jersey Financial Services Commission, and whether it is still possible for such accounts to be set up in the Island?”
- (c) Would the President inform members whether or not this activity places the Bank of Ireland Trust Company (Jersey) Limited’s banking licence at risk, bearing in mind that tax evasion is a criminal offence, and would he agree that international exposure of this type of activity could be extremely damaging to the Island’s quest to be regarded as a "squeaky clean" international finance centre?”

The President of the Policy and Resources Committee replied as follows –

- “(a) I am aware of the matter to which the Senator refers. Assistance in respect of suspected criminal activities is a matter for the Attorney General who has the necessary powers to give such assistance if it is requested and if it is appropriate to do so.
- (b) Given the independent status of the Financial Services Commission it would not be appropriate for me to seek to discuss the details of any case with the Commission, nor as a matter of law would the Commission be permitted to share with me any confidential information in its possession. However, what I can say is that since 2001, under the Financial Services (Jersey) Law 1998, trust and company service providers have been subject to a far greater degree of regulation than would be the case in most other jurisdictions including the Republic of Ireland. Trust and company service providers are now required to comply with international standards for ‘know your customer’ procedures, and under the all crimes money laundering legislation are required to submit suspicious transaction reports if they suspect that any of their clients are engaged in criminal activity.
- (c) The regulation of banks is a matter for the Financial Services Commission. However it is well known that the Commission’s policy is to expect those financial institutions that it regulates to comply with international standards. No international finance centre can ensure that none of the clients of its financial institutions are engaging in criminal activity. What distinguishes finance centres is the extent to which they have legislation and procedures in place that minimise the risk of such activity occurring, and that ensures that both the financial institutions and the authorities can and do respond appropriately to any such activity when it is shown to occur. Independent reviews of Jersey by bodies such as the Financial Action Task Force and the IMF have given the Island high marks in these respects.”

Formulation of international affairs policy – question and answer (Tape No. 817)

Deputy Roy George Le Hérisssier of St. Saviour, asked Senator Frank Harrison Walker, President of the Policy and Resources Committee, the following question –

“Would the President clarify the actual means by which members will, in future, be involved in the formulation of international affairs policy?”

The President of the Policy and Resources Committee replied as follows –

“The States have given the Policy and Resources Committee the responsibility for international affairs. It is clearly part of the Committee’s core remit, but the Committee always has and will continue to consult widely in developing and proposing policies in relation to international matters.

The Committee intends to develop all major policies in the areas for which it has responsibility, including those relating to international affairs, openly through the use of –

- a new Strategic Planning Process;
- a new formalised ‘green’ and ‘white’ paper consultation process: and,
- regular and structured briefing sessions with States members – the first of which is scheduled for 20th May 2003.

I can also confirm that the Policy and Resources Committee intends to widen and strengthen the membership of its Sub-Committee for Constitutional Matters. It is to consider proposals for this at its meeting next Thursday and I should be in a position, shortly thereafter, to advise members of the outcome of those discussions.

Lastly, I would reiterate what I said in response to questions from the Deputy on 1st April 2003, when I made it abundantly clear that all major decisions relating to international matters are made by this Assembly.”

Estimates of States income for 2004, 2005 and 2006 – question and answer (Tape No. 817)

Deputy Celia Joyce Scott Warren of St. Saviour asked Senator Terence Augustine Le Sueur, President of the Finance and Economics Committee, the following question –

“Would the President inform members of the criteria used in order to provide the estimates of States Income for 2004, 2005 and 2006?”

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

“The estimates of States Income for 2004, 2005 and 2006 are prepared as part of the Financial Forecasts included in the States Resource Plan and Budget. The estimates comprise four main areas of income to the States General Revenues –

- (a) Income Tax
- (b) Impôt duties
- (c) Returns from Trading Areas
- (d) Other Income, primarily investment income

The estimates exclude income received directly by individual Committees in relation to fees and charges for services; this income is part of the individual Committees’ cash limits.

The criteria for the estimates of States Income are to provide an assessment of future incomes, as accurate as current information can provide, for the purpose of forecasting the level of funding available to the States in future years.

The current estimates of States Income revised in January 2003, are shown on the attached Table 1.

Income Tax

By far the largest component, at least 85% in the years in question, is Income Tax.

The base for the estimates is the previous year’s assessments, and these are broken down between the component areas of –

- sole traders,
- partnerships,

- employees,
- investment holders, and
- companies, including International Business Companies and Exempt Companies.

Estimates of the likely percentage increases are then factored in for each of the forecast years in respect of –

- company profits,
- wages and salaries,
- investment holders, and
- property rentals.

The tax yield for each sector is then calculated by taking the effective rate of tax for that sector for the previous year of assessment and applying this to the new sector charge.

Based on past rates of tax collection, an estimate is made of the likely collection of tax in each sector, year by year, and similarly for collection of tax arrears and estimates of tax repayments. Finally, an estimate of the level of early assessments, which produce an early receipt of tax revenues, is made in respect of individuals who leave the Island during the year.

The Comptroller will also consider any effects on tax revenues for the relocation or change in profitability of any major institutions, or indeed any new factors of which he becomes aware.

The January estimates are improved in September by reference to the tax assessments for the current year which are largely complete by this time. These improved estimates are used in the financial forecast for the Budget Report.

The procedure generally follows the way tax revenue forecasts are prepared in the U.K.

In relation to Income Tax estimates it should be noted that the 2004 Income Tax Revenues will be based on income earned in 2003 and business profits earned in 2002. As a result, a reasonable indication of the levels of tax revenues likely for 2004 can be made through tax assessments prior to the budget being set, due to the timelag in the existing tax structure.

Impôts

The second largest element of States Revenues is from Impôt duties, representing about 10%.

The January estimates of Impôt duties are based primarily on the previous year's importation levels which are then applied to the effective duty rates year by year.

By using past trends in consumption levels the effect of increased duty can also be factored in over the forecast years, this is particularly relevant in respect of tobacco and certain alcohol goods. These estimates are used for budget planning and for the financial forecast in the Resource Plan.

Actual Impôt duties from the first six months of the current year are then used to improve these estimates in September, and these revised estimates are used as the basis for the Budget report.

Trading Areas

Income for trading areas reflects the return that the States receives from the various Trading Committees of the States. These trading returns are negotiated on an annual basis by the Finance and Economics Committee, and include a return from the Financial Services Commission.

The returns from the Trading Committees are typically revised annually as part of the submission by these

committees in the Budget report.

In future, the return from the newly incorporated Jersey Telecom will comprise a dividend in addition to income tax on their profits. This will replace the current financial return formula. A similar change will take place when Jersey Post is incorporated.

Other Income

Primarily the estimates of other income represent the interest earned on the balances of General Revenues during the year. With interest rates currently very low and expected to stay that way, income is not forecast to increase in this category.

Conclusion

I must conclude with a note of caution. These forecasts of States Income can only be best estimates; one thing is almost certain, and that is that the final figures will be different, even if only slightly. Nonetheless they have been calculated on the basis of all known information and trends both locally and nationally.

Furthermore, our recent work looking further forward suggests that with changes in the global economy along with the international and competitive pressures these forecasts may well be adversely affected, even in the short to medium term. It is less likely that there will be any marked improvement within the current timescale.

Table 1 – January 2003 Estimates of States Incomes for 2003 to 2006

States Income	2003 £m	2004 £m	2005 £m	2006 £m
Income Tax	368	380	390	400
Impôt Duties	47	48	47	46
Trading Areas	9	9	10	10
Other Income	9	8	8	8
Total	433	445	455	464

Note:

These estimates are prepared in January to inform the expenditure planning in the Resource Plan. Revised estimates will be produced in September on which the 2004 Budget will be based.”

Inflation – question and answer (Tape No. 817)

Senator Edward Philip Vibert asked Senator Terence Augustine Le Sueur, President of the Finance and Economics Committee, the following question –

- “(a) Would the President confirm that the rate of inflation for the March quarter of 4.9% would only have been 4.3% had it not been for the last budget which raised many prices for Islanders?”
- (b) In view of the fact that the previous President of the Finance and Economics Committee had stated that despite the increases, his Budget would not be inflationary, could the President inform the Assembly if he is being advised on inflation by the same advisers who advised the previous President?
- (c) Would the President also advise members if he intends to present a policy paper on tackling inflation for debate by the Assembly in the near future?”

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

- “(a) I am not privy to the detailed information used in compiling the Jersey Retail Price Index, (RPI), which remains confidential, but I am advised by the Statistics Unit that the index does reflect the duty increases agreed in last December’s budget and that without those duty increases the index would have risen by 4.3%.

The effect of price rises caused by duty increases and retailers’ price increases has made the RPI higher than it would otherwise have been. However the increase is not entirely down to duty. As an example, I am aware (as a consumer) that the price of a typical pint of beer has increased by 15-20 pence, but the actual duty increase only amounted to 5 pence per pint. It would be misleading to suggest that duty increases are the sole cause of price increases in these areas.

- (b) The message which I believe the previous President of Finance and Economics Committee intended to, and did, give, was that these duty increases would have some immediate, short-term impact on the RPI, but should in the longer term have a deflationary effect as money is taken out of the economy.

This would be the case provided that the money was taken out of the economy. If, however, the States simply pumps the extra revenue back into the economy the deflationary effect is lost. This is one reason why the Finance and Economics Committee is anxious to reduce the growth in public spending, and why it is proposing for next year an increase of only 2.5%, a cut in real terms.

I should perhaps also point out that there may be good social or other policy reasons for raising duty levels on tobacco and alcoholic products, even if the effect was inflationary in the short-term.

The Finance and Economics Committee continues to use the same professional advisers, but I would be pleased to receive any further sensible and reasoned advice or suggestions that Members may care to offer.

Inflation remains a problem for which we all need to work together to seek a solution.

- (c) The policies put forward by the previous Finance and Economics Committee remain sound, but they have not yet all been fully implemented nor have they necessarily had time to work through the economy.

Nevertheless, the Finance and Economics Committee, and its newly constituted Economic Strategy Sub-Committee, will be reviewing what further steps can be taken. Meanwhile I reiterate that the proposed reduction in the growth of States’ spending for 2004 is an important move in the correct direction.”

Ferry operators on the Jersey-St. Malo route – question and answer (Tape No. 817)

Senator Paul Vincent Francis Le Claire asked Senator Leonard Norman, President of the Harbours and Airport Committee, the following question –

“In response to a question by the Deputy of St. John on 1st April 2003, the President stated ‘However, it is also my understanding that Condor Ferries have supplied information on route viability, but Emeraude Lines have not. I cannot speculate on the reasons for this.’

- (a) Would the President confirm that Emeraude Lines offered the information that would be required to understand the viability of the route or otherwise and indeed extended invitations to the Committee and others to view it?
- (b) If the answer to (a) is in the affirmative, why was it not sought?”

The President of the Harbours and Airport Committee replied as follows –

“Emeraude Lines did agree to provide information for the independent consultancy study commissioned by the Jersey Transport Authority and the Harbours and Airport Committee, as far back at the spring of 2002. They did not do so.

Further opportunity was given upon being invited to comment on the Condor Application. Additionally, early this year the Director of the Jersey Competition Regulatory Authority, (JCRA), visited Paris to meet the chairman of Emeraude Lines SA with, it is understood, the intention of obtaining formal agreement to provide information. However, we have been informed that this agreement was only signed shortly before the publication of the JCRA report in February of this year. To date, no such information has been provided.

On 18th March 2003, the same date that the Committee was scheduled to reconvene to consider the Condor Application, a letter dated the same day was hand delivered by Emeraude stating that the company were ‘waiting’ to submit evidence to the JCRA for the scoping study.

However, the JCRA scoping study was published in June 2002, when it had been hoped that both this and the consultant's study would have had the information promised.”

Standing Order Land Transaction at the Waterfront Housing Development – question and answer (Tape No. 817)

The Deputy of St. John asked Deputy Terence John Le Main of St. Helier, President of the Housing Committee the following question –

“On 18th March 2003, the States were notified of a Standing Order decision under delegated functions to the Finance and Economics Committee, as follows –

‘as recommended by the Housing Committee, the sale of a strip of land running through the underground area immediately under the Jubilee Promenade (adjacent to the Albert Pier Housing car park, at the Waterfront, St. Helier), in order that it might be incorporated into the comprehensive sale of the Waterfront Housing Development, so as to enable the sale of the apartments to be completed whilst retaining the Jubilee Promenade in public ownership, for a nominal consideration of £10, on the basis that the Committee would be responsible for all reasonable legal costs arising from this transaction.’

Would the President explain where the *‘strip of land running through the underground area immediately under the Jubilee Promenade (adjacent to the Albert Pier Housing car park, at the Waterfront, St. Helier),* is, and give details of the purchaser?”

The President of the Housing Committee replied as follows –

“The flats adjacent to the Albert Pier are in two separate blocks and the Jubilee Promenade runs between them.

In 2000, before the flats had been built, the States approved the eventual sale of the flats which were to be built on the northern site to the Jersey Homes Trust, and the eventual sale of the flats which were to be built on the southern site to first time buyers. The Jubilee Promenade was to remain in public ownership.

There is an underground garage which occupies the space below the northern site, the Jubilee Promenade and the southern site.

When the time came to draft the legal documents relating to the sale, it became apparent that because of the physical configuration of the garage, which had been designed to maximise the use of the available

space, it was not practicable to divide it into two separate garages, one below the northern site and one below the southern site. The solution which was found was to sell the flats on both sites by flying freehold, and to make the garage part of the common areas to be owned and enjoyed by all the owners of flats in both halves of the development.

To do this it was necessary that ownership of the entire garage area should be transferred. However, although the decision of the States approving the sale of the flats on the northern and southern sites covered the sale of as much of the underground garage as lay below those sites, it did not provide for the sale of the strip of garage below the Jubilee Promenade because the intention was that the Jubilee Promenade should remain in public ownership.

It was therefore necessary to make separate provision for the sale of this strip of land so that the Jersey Homes Trust, which was to acquire the northern flats, and the individual first time buyers, who acquire the southern flats, will be able to use the underground garage in its entirety.

The answers to the two specific questions are thus –

- (a) the strip of land runs through the underground garage immediately under the Jubilee Promenade between the two blocks of flats which have been constructed adjacent to the Albert Pier; and,
- (b) there is no individual purchaser. The strip, like the rest of the common parts in the development, will be owned in common by all those who acquire flats in the development, that is, the Jersey Homes Trust and the individual first time buyers.”

Health and Social Services Audit Committee report – question and answer (Tape No. 817)

Deputy Roy George Le Hérisser of St. Saviour, asked Senator Stuart Syvret, President of the Health and Social Services Committee, the following question –

“Would the President identify if any action has been taken as a result of the Health and Social Services Audit Committee’s report entitled ‘Review of Health Services for Older People’ dated July 2002, and, if not, the reasons for this?”

The President of the Health and Social Services Committee replied as follows –

“Several significant steps have been taken to implement the recommendations of the Audit Committee’s review of services for older people.

For those who have not read the document, this report was commissioned by our own Audit Committee against a background of an ageing society which is likely to place increased demands on Health and Social Services for care and support to maintain the quality of life of older people. The report looked in particular at the plans to address the issues of an ageing population, how services are currently provided and the standards of care compared with best practice in other territories.

The Committee considers the services it provides for older people to be a high priority and, by way of illustration, currently needs to spend nearly £9 million on specialist rehabilitation and elderly services together with a further £15 million on acute medical and surgical services for older people and a grant to Family Nursing and Home Care of nearly £4 million, much of which is used in caring for the elderly. One purpose of the Audit review was to ensure, in view of the severe constraints on our budget, that this investment continues to be used to achieve the most effective clinical outcomes and best quality of life for older people within the funding available.

In summary, the main recommendations of the report were that my Committee needed to –

- (i) pursue a high-level strategy to meet the future care needs of an older population, involving other

States departments, voluntary organisations, community representatives and the private sector;

- (ii) further develop our working relationship with Family Nursing and Home Care to provide more services for older people in the community;
- (iii) work closely with the Housing Committee in developing suitable accommodation for older people with a range of different needs;
- (iv) encourage the provision of more private residential, nursing and continuing care homes, catering for differing levels of assessed need;
- (v) support the development of a system for comprehensive assessment and recording of needs, involving all the health care professionals contributing to the care of older people; and,
- (vi) further develop services and standards to meet the specialised or complex needs of clients with a range of different conditions related to old age, such as strokes, fractures resulting from falls, or mental health problems, in line with U.K. National Service Frameworks.

It should be emphasised that these recommendations were not criticisms, but constructive proposals for the future development of services for older people. The Committee welcomed the report and the response of Health and Social Services has been extensive and significant.

The action taken so far includes –

- (i) setting up an interdepartmental strategy group in March 2002, involving officers from several States departments, to develop an Island-wide Strategy for an Ageing Society. The strategy focuses on five broad areas: health and social care, environment and access, pensions and welfare, employment and contributing to the community, and learning and leisure. The interdepartmental group is being steered and scrutinised by a public group representing members of the community and relevant external agencies who meet on a quarterly basis. A first draft strategy is nearing completion and will be available for wide consultation in the next few months;
- (ii) the department has continued to strengthen the partnership with Family Nursing and Home Care and it is planned that a service level agreement between the Health and Social Services Committee and the Family Nursing and Home Care will be in place in January 2004;
- (iii) officers from the Health and Social Services, the Planning and Environment and the Housing Departments are collaborating with a major private sector development on the L'Hermitage site, which will provide a range of high quality sheltered, residential and nursing home accommodation tailor-made for older people with different levels of need. The Health and Social Services Committee will consider the benefits of service level agreements to provide such accommodation, as a cost-effective alternative to public sector provision; and,
- (iv) the Housing Department has also been fully involved with Health and Social Services staff in planning 'community care package' provision and the development of a co-ordinated service for patients with complex needs (including brain injury);

A number of detailed actions have also been taken in response to specific recommendations. For example –

- (i) the management of General Hospital medical care and services for older people at Overdale has been integrated, with staff working across both areas and providing a better co-ordinated and more patient focused service. Following steps to integrate their services, it is intended to formally restructure the Health and Social Services organisation to reflect this change to a more patient focused service; and,

- (ii) initiatives to reduce the length of time that older people stay in the General Hospital have reduced the pressure on beds and helped avoid the need to cancel or delay surgical admissions. This has involved the purchase of nursing beds in the private sector and the reopening of the McKinstry Ward at Overdale; increased multidisciplinary team working to improve rehabilitation and standards of care; the appointment of rehabilitation assistants on the wards at the Hospital; and increased input into the General Hospital from Social Services, Mental Health and Family Nursing and Home Care staff to improve the co-ordination and effectiveness of the care provided for older people.

I believe these examples show that many of the recommendations of the 'Review of Health Services for Older People' have been, or are being, implemented. However, there is still work to be done, and my Department continues to focus on meeting individual's needs, re-shaping services and improving performance and quality.

Finally, it is recognised that the current system of payment for residential care is complex and inappropriate, and I am well aware that this sometimes causes concern for members of the public. Currently, increased payments are being made by the Health and Social Services Committee to encourage private care providers to meet individual's additional care needs without placing undue burden on those people involved. However, there is a pressing need to consider an alternative funding system, possibly linked to social security contributions. Amongst these options, the Guernsey system for paying fees is being examined and I hope to raise this issue for wider debate in the future."

Residential housing qualifications – question and answer (Tape No. 817)

Senator Paul Vincent Francis Le Claire asked Deputy Terence John Le Main of St. Helier, President of the Housing Committee, the following question –

- “(a) Does the Committee intend to ask the States to reduce further the residential qualification period in Jersey and, if so, when does the Committee plan to bring the draft Regulations to the States and by how many years will it be recommending that the period is reduced?
- (b) Does the Committee possess analysis which accurately depicts how a reduction in a year by year basis on housing qualifications would impact the housing market in Jersey and, if so, would the President supply members with its up-to-date projections?”

The President of the Housing Committee replied as follows –

- “(a) The Housing Committee has agreed to approve draft Regulations at its next meeting on the 8th May 2003, seeking the approval of the States to reduce the current 17 years required in the Regulations to 16 years.
- (b) It is not easy to predict the actual effect on the Housing market of any particular reduction in this period of residence accurately as there are many variable factors linked with the supply and demand of residential accommodation available at any particular time. However, my Committee will supply, in the report accompanying the draft Regulations referred to in my answer to (a), the relevant facts and figures that are available.”

Future of Fort Regent – question and answer (Tape No. 817)

Senator Edward Philip Vibert asked Senator Michael Edward Vibert, President of the Education, Sport and Culture Committee, the following question –

- “(a) In view of the fact that the States of Jersey, on 11th April 2000, adopted P.181/99 – Fort Regent

redevelopment, which supported the in principle redevelopment of Fort Regent into a modern community health and sports centre, would the President explain to the Assembly how the Committee considers that it is within its remit to carry out a new feasibility study at further public expense and which is contrary to P.181/99, for the purpose of redeveloping Fort Regent by private enterprise and re-locating all sporting activity from Fort Regent to other places around the Island?

- (b) Would the President further inform members why the Committee has chosen to spend the majority of the feasibility study budget on studying the opportunities for the redevelopment at Fort Regent in the first instance before researching whether or not the sporting activities currently being carried out there can be successfully catered for elsewhere?
- (c) Would the President agree that if these sporting activities cannot be relocated, and if the Environment and Public Services Committee does not approve the development of a new sports facility at the Le Rocquier site, a feasibility study into redeveloping Fort Regent through private enterprise will not be possible, and, if so, will the President assure members that before committing any more public funds to another feasibility study the Education, Sport and Culture Committee will bring a proposition to the Assembly to rescind the States' decision in support of P.181/1999?"

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

- “(a) When the Senator asked a similar question on 18th March 2003, I replied, and I quote: ‘The States approved the ‘principle’ of P.181/99 but not the funding’. I also stated that ‘under the current fiscal climate the Roger Quinton Associates, (RQA), proposals for the redevelopment of Fort Regent were not of a high enough priority to attract funding from the Capital Budget in the foreseeable future’.

Given that the RQA review was carried out in 1997/98, some five years ago, and that funds for the redevelopment of Fort Regent have not and are unlikely to be forthcoming in the foreseeable future, it is clearly the duty of the Education, Sport and Culture Committee to carry out a Value for Money review on the Fort Regent site and to explore any possible alternative options that may be able to provide the Island with the modern sports facilities it requires.

- (b) There is little merit in looking at providing modern sporting facilities elsewhere, if no viable alternatives can be found for the Fort Regent site. It would be irresponsible of the Committee to propose any relocation of facilities, if the outcome resulted in Fort Regent being left without a viable future.
- (c) Once the Feasibility Study has been completed and a full review of all the options undertaken, the Education, Sport and Culture Committee will bring a report and proposition to the States, to enable a full debate on any proposals. It will be for the States to decide the future of Fort Regent, based upon all the facts and value for money options.”

Terms of the Island's commitment to the E.U. tax package – question and answer (Tape No. 817)

Senator Paul Vincent Francis Le Claire asked Senator Frank Harrison Walker, President of the Policy and Resources Committee, the following question –

“It has been announced publicly that Guernsey has decided to opt for a withholding tax instead of exchange of information in connection with the European tax package. Would the President inform members –

- (a) what consultation process with representatives of the finance industry has occurred in order to arrive at the current understanding of an industry preference for exchange of information over a withholding tax and is the Committee satisfied that this option has the support of the vast majority of the industry?

- (b) what difficulties will arise for companies operating in both Guernsey and Jersey, if the two Islands adopt different approaches to this issue?
- (c) whether it is possible for Jersey to adopt an 'either/or' approach to this issue thereby allowing some companies to exchange information and some to opt for a withholding tax, thus retaining as much business as possible and, if not, would he explain the reasons for the Island being unable to do so?
- (d) whether the Committee intends to present a proposition to the Assembly so that the final options and their implementation relating to this matter may be debated and agreed by all States members?"

The President of the Policy and Resources Committee replied as follows –

- “(a) A systematic consultation process with representatives of the finance industry has been under way on this issue for over two years. The most recent chronology is as follows –
 - (i) in April 2002, a survey of its members was commissioned by the Jersey Bankers Association which indicated a preference for Exchange of Information subject to a 'level playing field' relative to key competitor jurisdictions;
 - (ii) the key E.U. decision-making body in respect of the Tax Package is the Finance Ministers' Council known as ECOFIN. Since political agreement was reached on the Tax Package at the ECOFIN Council meeting of 21st January 2003, the finance industry in Jersey has looked again at the possibility of the Withholding Tax alternative, which is largely based on pure competitive considerations in the light of the position adopted by Luxembourg, Switzerland and more recently Guernsey;
 - (iii) after 21st January 2003, a new round of consultations was undertaken with all of the major industry trade associations backed up by selective meetings with key industry representatives;
 - (iv) in addition, a presentation was made by the President and officers of the Policy and Resources Committee to 250 members of the Finance Industry on 18th February 2003. This presented inter alia, the pros and cons of Exchange of Information and the Withholding Tax alternative as well as the Jersey position on the entirety of the E.U. Tax Package;
 - (v) on 8th April 2003, officers of the Policy and Resources Department met a large delegation from the Jersey Bankers Association to continue the dialogue further in the light of the announcement by Guernsey on 4th April 2003, of their intention to opt for the Withholding Tax alternative; and,
 - (vi) in the light of the Guernsey stance, it is true to say that opinion is more volatile than hitherto and that as a result a final, qualitative survey has now been produced by Policy and Resources and circulated to members of the finance industry through Jersey Finance Limited to revisit the choice available. Experience to-date points to significant differences existing within the industry depending on the nature of the business undertaken. One of the difficulties faced therefore is to ascertain which view is the view of the majority, what the impact of the different options will be, and what will be best for the Island in the long term.
- (b) The difficulties will essentially be two-fold –
 - (i) the risk is that business will transfer from one Island to another. However, it is not clear to what extent such migration will occur and part of the latest survey exercise mentioned in my previous answer aims to quantify this; and,
 - (ii) large institutions, particularly banking businesses with significant volume operations, would generally not welcome an outcome whereby different systems changes will be necessary.

- (c) The E.U. Tax Package process, with which we have indicated a willingness to co-operate, has been provisionally concluded on the basis that any jurisdiction must opt either for a system of Exchange of Information or the Withholding Tax alternative (which includes a client by client generated option for an 'either/or' approach). No such choice exists at a company by company level.
- (d) Yes, it has always been made clear in any indicative or provisional proposals made to the U.K. Treasury or the E.U. that any commitments made in respect of the E.U. Tax Package, including the choice between Exchange of Information or the Withholding Tax alternative, will be subject to States' approval."

Public Employees' Contributory Retirement Scheme – question and answer (Tape No. 817)

The Deputy of St. John asked Senator Frank Harrison Walker, President of the Policy and Resources Committee the following question –

“Will the President give details of the sum of the current deficit in the Public Employees' Contributory Retirement Fund (PECRS) for –

- (a) the Telecommunications Board employees?
- (b) the employees of the Committee for Postal Administration?
- (c) for all States employees across all States' departments and where possible, broken down by Committee?"

The President of the Policy and Resources Committee replied as follows –

“In answer to questions from Senator Norman on 18th March, 2003, I advised the Assembly that the last published valuation of the Public Employees Contributory Retirement Scheme was at 31st December 1998, when a funding deficit of £22.2 million was shown. I advised that the next triennial valuation will be as at 31st December 2001. The results of that valuation have not yet been finalised, though it is expected that they will be available sometime during this summer when the valuation report will be laid before the States.

Actuarial valuations do not normally allocate a deficit (or indeed surplus) between different departments of the States or other participating employers in the scheme. The reason for this is that the assets of the scheme are held for the benefit of all the scheme's members and are not normally ringfenced between different individual departments or employers. A notional ringfencing of the scheme's assets is due to be introduced for employees of Jersey Telecom Limited following its recent incorporation, but is not yet in place.”

Waterfront Enterprise Board Limited – question and answer (Tape No. 817)

Senator Edward Philip Vibert asked Senator Frank Harrison Walker, President of the Policy and Resources Committee, the following question –

- “(a) Would the President inform members what action the Committee has taken to discover the source of alleged leaked information from the Waterfront Enterprise Board, (WEB), to Dandara Jersey Limited regarding the tendering process for the proposed Island site, as alleged by WEB's lawyers in correspondence with Dandara's lawyers dated 28th February 2003, and which was circulated to States members last month, and, if applicable, the outcome of these enquiries, or if not yet pursued, the reasons for the delay?
- (b) Would the President agree that the alleged leak of information is a very serious matter and

undermines public confidence in the tendering process itself given that any such process, by its nature, is confidential?”

The President of the Policy and Resources Committee replied as follows –

- “(a) As the matters contained within the correspondence exchanged between the Waterfront Enterprise Board Ltd.’s and Dandara’s lawyers may yet be the subject of legal proceedings between those two companies, the Policy and Resources Committee has not undertaken any action, nor will it take any such action, while the possibility of litigation remains, to discover whether there has been a leak of information or, if it has, its source.

This is in any case a matter for the directors of the Board of WEB. Even without the possibility of litigation occurring, and if it was convinced beyond doubt that such a leak had occurred and that an investigation into finding its source would prove beneficial, the Committee does not have any authority to take such direct action itself, but could only direct the Waterfront Enterprise Board Directors themselves to take appropriate action.

- (b) I would, of course, wholeheartedly agree with the Senator that the leaking of any confidential information is a very serious matter indeed and one which could easily and seriously undermine public confidence. In this particular case I cannot say whether a leak has or has not occurred.

However, what I can say is that there does seem to me to be, of late, more circumstantial evidence of the careless, or perhaps deliberate, leakage of confidential information from a number of Committees and other States bodies. This, in my view, could well lead to more restrictions, rather than less, being imposed on such information in the future, which works against moves to make government more transparent and accountable. I deplore all such leaks as being an undermining feature of our present way of working. In my view we need to work together in trust and confidence in order to serve our community properly. This recent trend of breaking confidences, on many occasions only to score political points or to embarrass colleagues, serves no good at all and is damaging to the public interest.”

Toxic ash on the Waterfront site and the sale of homes – question and answer (Tape No. 817)

Senator Edward Philip Vibert asked Deputy Terence John Le Main of St. Helier, President of the Housing Committee the following question –

“In view of the recent publicity regarding contamination on the Waterfront site from toxic ash dumped there during the reclamation process and the possible adverse reaction by lending institutions in this regard, will the Committee be prepared to insert a clause into the contract of sale of the flats which guarantees to purchasers that in the event of the value of their property falling in the future as a direct result of problems with the toxic ash issue, the States will re-purchase the properties from them at the current market value?”

The President of the Housing Committee replied as follows –

“For reasons which I will expand on below, such a clause is not necessary. If it were, it is not one which the Housing Committee could, as a matter of law, include in the contracts of sale.

The first reason for this is that the clause would require the Housing Committee to give a commitment that the Public would in certain circumstances buy the flats. (The question refers to the States, but all such transactions are carried out in the name of the Public). Only the States can decide to acquire property in the name of the Public unless the transaction comes within Standing Orders Relating to Certain Transactions in Land.

The acquisition of any of these flats by the Public in pursuance of such a clause is not a transaction which

would fall within the Standing Orders. This means that any such transaction could only be undertaken following a decision of the States as a body, and it would be ultra vires the Housing Committee to purport to commit the Public to buying the flats back.

Even if such transactions fell within Standing Orders, which they do not, there would be a further problem arising out of the provisions of Article 20 of the Public Finances (Administration) (Jersey) Law 1967. This Article provides, so far as it is relevant, that it shall not be lawful for any Committee of the States, on behalf of the States, to commit and defray any amount if it would cause the aggregate of the amounts committed and defrayed to exceed the sum of any credits being made available to the Committee for the time being.

It would be impossible for the Committee to enter into a future potential financial commitment of this kind when it does not know what credits would be available to it at the date when the liability might materialise.

The fact that the Committee has no legal power to include such a clause would of itself be a sufficient answer, but for the sake of completeness I feel that I should explain why such a clause is not necessary anyway.

The recent publicity stems from the remarks made by the President of the Health and Social Services Committee which were reported in the Jersey Evening Post. As was also reported, extensive remedial work has been carried out at the site. This was done in accordance with the advice of the Head of Health Protection, the section of the Health and Social Services Department which has specific responsibility for such matters.

The Head of Health Protection has now given formal confirmation in writing that the development has been undertaken in accordance with current best practice and that the final groundwork which has been undertaken will ensure that there is no completed exposure pathway by which critical receptors such as residents and end users of the site may be exposed to any residual contaminants.

The Head of Health Protection is prepared to provide all prospective purchasers with written confirmation to this effect, which will include a statement that in the opinion of the Health Protection Section the development site is a remediated area and fit for the purpose of residential use.

The Housing Committee accepts, however, that interested parties have been alarmed by the recent publicity, and following constructive discussions between officers of the Housing Committee, the Health and Social Services Committee, the Jersey Homes Trust and legal advisers representing conveyancing of both sides, it has been agreed that the areas of land which are said to give rise to any concern will not be sold on to third parties.”

Refurbishment of Royal Court House/States Building – question and answer (Tape No. 817)

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

- “(a) In P.119/2000 entitled ‘Royal Court House/States Building: approval of drawings,’ the three new lifts are stated as being accessible by wheelchairs. Therefore, would the President inform members why the lift located near the Old Library/Royal Court has a step between its access and that of the Court, and what, if anything, the Committee intends to do to rectify this?
- (b) Would the President inform members why there are no tactile warning strips fitted to the top of each flight of steps of the new exterior entrance podium?
- (c) Would the President inform members whether the disabled groups, which were consulted prior to the proposals contained in P.119/2000, have since been invited to test the new facilities, and, if so, what,

if any, comments have been made?

- (d) As the States Building is a Site of Special Interest, (S.S.I.), would the President confirm whether any of the windows replaced or refurbished during the project have been altered in any way, and, if so, their location, the nature of the alterations carried out and why such alterations were necessary, and, if this is the case, whether the Committee will be taking steps to rectify the windows to their original design and specification?"

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

- “(a) From the new entrance, all three new lifts are accessible by wheelchair users as stated. However, it is not possible to gain access to all parts of the building from all three lifts. Due to the constraints imposed by the existing multi levelled interior, there are a few areas which cannot be accessed by wheelchair users. The particular area referred to by the Deputy is located between the Old Library and the Royal Court where it was not possible to create a ramp to accommodate the existing single step. Should access be required to the Royal Court by someone in a wheelchair, the lift closer to the States Chamber gives direct access. Similarly, if access is required to the Old Library, the lift from the main public entrance gives direct access. In the possible event of a prisoner being in a wheelchair, assistance would have to be given to negotiate the single step in the corridor between the lift and the Royal Court.

It should also be noted that the existing lift at the Church Street end of the building is not large enough to accommodate a wheelchair.

- (b) The podium steps, extended terraced steps and the parapet walls were all designed to match the detailing of the existing steps and walls. The use of tactile surfaces in paved areas is usually restricted to road crossings as a warning to the visually impaired. It is not customary to use tactile paving associated with granite paving and steps. It is worth noting that the access audit report prepared by the Centre for Accessible Environments made no recommendation for the inclusion of tactile paving at the steps.

Similarly, there was no requirement to comply with the Building Bye Laws (Jersey) Technical Guidance document Part 8 as the work approved was a material alteration to an existing building. Had the ‘corduroy’ tactile warnings strips been required, it is possible they would have created a tripping hazard and mobility problems for wheelchairs.

- (c) None of the parties who were consulted prior to drafting the proposals contained in P.119/2000 have been invited to test the new facilities as the construction work is not yet complete.
- (d) The approach adopted for dealing with the rotted softwood windows was to replace them with replicas in hardwood. The opportunity was taken to replace the single glazing with thin double glazed units.

Other minor improvements were carried out to a few windows to remove a number of architecturally inconsistent details. The only one altered of concern to the Deputy of St. John is located in the first floor Members’ Room facing the Royal Square. Unlike any other window on the elevation it had the top two panes of glass sub divided and openable. As the room now has conditioned air, mechanically distributed, the high level window vents were removed and the replacement window made to match the seven other windows immediately to the right of the elevation.”

Woodchip/mulch from Crabbé composting site – question and answer (Tape No. 817)

The Deputy of St. John asked Deputy Francis Gerald Voisin, President of the Economic Development Committee the following question –

“Would the President –

- (a) explain what is to happen to the contaminated woodchip/mulch from the composting site at Crabbé, St. Mary, and give details of how the contaminated woodchip/mulch is to be disposed of, given that large quantities of woodchip/mulch have been delivered to Woodside Farm, Haute Croix in the last few months?
- (b) confirm that this mulch is not part of the contaminated batch that had been produced in 2002? and,
- (c) confirm that any contaminated woodchip/mulch which has been deposited at Woodside Farm and land to the east of Handois Reservoir, St. Lawrence, has been done so with the use of a membrane and catchment tank to prevent any leachate from entering into the Island’s water courses, and if this is not the case, what action will be taken to prevent any possible pollution of the water courses?”

The President of the Economic Development Committee replied as follows –

- “(a) To put the answer to the questions from the Deputy of St. John into context I will first give some information on the current situation at Crabbé.

At present there are approximately 20,000 cubic metres of material stored at the site (10,000 tonnes). This comprises 8,000 cubic metres (4,000 tonnes) of screened timber used in the composting process and 12,000 cubic metres (6,000 tonnes) of screened compost. There is also some 2,000 cubic metres (1,000 tonnes) of green waste that contains no treated timber and a small quantity of shredded timber not used in the composting process at the site.

The screened timber will be disposed of by incineration at the Bellozanne incinerator, but this will take some time to achieve because of the capacity available. The shredded timber is being disposed of by exporting it to England for recycling into fibre board.

It has not been possible to dispose of any of the compost to land, its intended purpose, as the results of leaching tests being carried out on the compost by WRC, a well reputed consultancy firm in England, are awaited. This has been necessary because of the concern over the arsenic content of the compost produced using treated timber as a carbon source for the composting process. A draft report from WRC was received on the 16th April 2003. The draft report states that the concentrations of arsenic that leach from soils and compost are not statistically different to the levels that leach from the soils alone, and that if the compost is applied evenly, at the correct rate and ploughed in, the effects are likely to be no greater than of the background soils. Whilst these indications in the draft report are encouraging on the potential disposal of the compost to land under the appropriate conditions, further work is necessary before firm recommendations on this can be made. This further work and the necessary discussions with all key parties are likely to take several weeks. Hopefully, the outcome will be that the compost will be disposed of to land. If this is not the case, it may be that it will have to be incinerated at Bellozanne. This would take a significant time due to the capacity of the Incinerator. The costs of the WRC Report has been some £6,750 to date, but it is probable some further costs will be incurred in finalising the work.

Although the majority of material at Crabbé is stored on the lined part of the site, some material is not. Steps are being taken to ensure that all material is stored on areas which are properly lined with appropriate leachate drainage and disposal systems as soon as practicable.

As for Woodside Farm, in July and August 2002, some 3,000 cubic metres (1,500 tonnes) of compost material was delivered to Woodside Farm to be spread on agricultural land. Due to several factors, including land availability and the weather, the material was not spread immediately. During this period, the arsenic problem with compost produced using treated timber came to light. As with the compost at Crabbé, the Department was not able to recommend the disposal of the stored compost at Woodside Farm to land. In recent weeks the timber content of the material stored at Woodside farm was screened out and was taken back to Crabbé for disposal by the means described earlier in this

answer. This left some 1,000 cubic metres (500 tonnes) of compost at the Farm. In view of the uncertainty of being able to dispose of the compost to land, a decision was taken on the 24th April 2003, to transfer this material back to Crabbé. Monitoring of the ground water in the well at a neighbouring property to Woodside Farm has not indicated that any pollution of the ground water has taken place.

- (b) From the answer to question (a), it will be realised that the compost at Woodside Farm was part of the '*contaminated batch produced in 2002*', as described in the question.
- (c) The compost stored at Woodside Farm was not on a lined site. As stated in my answer to question (a) all the material stored at that site has been taken back to Crabbé where it will be stored until its future disposal route is known. Again as stated earlier in this answer, monitoring of the ground water in the nearest borehole to Woodside Farm has shown that no pollution of the ground water has taken place.

The site referred to in the question as '*east of Handois Reservoir*' contains an amount of on-site composted green waste produced from shredded green waste produced at La Collette. It contains no treated timber and will be disposed of to land in due course."

Organisational change arising from machinery of government reform – progress report – statement

Deputy Maurice François Dubras of St. Lawrence, President of the Environment and Public Services Committee made a statement in the following terms –

"When I was elected as President of the Environment and Public Services Committee, I undertook to report back to the States by Easter time on progress being made with implementing the changes required in the organisational structure of the Public Services and Planning and Environment Departments under the Machinery of Government Reforms set out in P.70/2002. The Environment and Public Services Committee set key milestone dates of 1st April, 1st July, 1st October 2003, and the 1st January 2004, for both Departments to report on progress and for agreed changes to take effect administratively. I am pleased to advise Members that the Committee has made good progress in the first quarter.

The first area we addressed was the need to separate the 'Poacher – Gamekeeper' roles in relation to the Public Services Department's administration of legislation related to water resources. As part of the Departmental reorganisation plan, the staff, resources and responsibilities of the Water Resource Section of Public Services, acting as Regulator, were transferred to the Environmental Services Section of the Planning and Environment Department on 1st April 2003. This has been accompanied with delegation of relevant powers to appropriate officers. This change in reporting line provides proper safeguards and ensures a clarity of role and a much improved separation between the Regulator Department (Planning and Environment) and Operator Department (Public Services).

The second area of change is where the two Departments require greater clarity of roles and closer policy integration for example, waste, transport, energy, and urban policy. The very small number of professional staff presently working within these areas means that it has proved neither sensible nor economic to transfer existing people between the two Departments. However, some progress has been made in working towards two new functional roles which anticipate the formation of the two ministries, one of which combines policy development with advice and regulation, and the other which comprises the separate role of Operations, both functional roles being achieved by introducing changes to accountabilities and reporting which will take a little time to formulate.

The third area of change concerns external reorganisation which impacts upon the two Departments. Following the recent announcement by the Economic Development Committee concerning the review of functions within the Agriculture and Fisheries Department, the Chief Officers from the Economic Development, Public Services and Planning and Environment Departments have been meeting on a regular basis with the senior staff at Howard Davis Farm to review the present services and consider an appropriate transfer of functions. They have undertaken to report monthly to both Committees as they

develop an overall Implementation Plan for joint consideration by the respective Committees hopefully with effect from 1st July 2003.

In the fourth area of change there is significant progress towards new arrangements for the management of States Property. The Chief Officer of Planning and Environment Department, the Director of Property Services and senior Public Services officers are working closely together with the Treasurer of the States and other officers from the Treasury to progress the fundamental principle embodied in the changes agreed by the States for the Machinery of Government i.e. the establishment of a single States landlord (corporate role) for all States property, excluding States' housing, separate from the existing operational role, the latter which includes all property maintenance. This fundamental change, when fully implemented, will result in the maintenance of the States property, excluding States housing, asset base of £2 billion being managed in a more co-ordinated and cost effective manner across all States functions and can be expected to bring major long-term benefits.

The President of the Finance and Economics Committee and I are aiming for the new corporate 'landlord' function to be established at the earliest possible date, hopefully by 1st July 2003, but only once a number of important issues including the resources available for this new role are resolved. My Committee will make a further report to the States by 1st July 2003, on this matter.

These are all major changes and I request Members to allow us all time for these plans to develop and to allow Mr. Bill Ogley, the States *Chief Executive and Head of the Public Service* designate, to take up office as he will wish to ensure these plans dovetail with the future executive management arrangements across the States.

I would like to take the opportunity to record my thanks to all our staff and Committee members for their cooperation in these changing times and wish to ensure everyone involved that there will continue to be full consultation when any changes are being considered ahead of implementation."

Draft Water (Amendment No. 2) (Jersey) Law 200 P.24/2003

THE STATES commenced consideration of the draft Water (Amendment No. 2) (Jersey) Law 200, and adopted the preamble.

Articles 1 to 7 and the Schedule were adopted.

Members present voted as follows –

“Pour” (32)

Senators

Le Maistre, Walker, Le Sueur, Lakeman, Routier, Ozouf.

Connétables

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

Deputies

Duhamel(S), Breckon(S), St. Martin, St. John, Le Main(H), Dubras(L), Troy(B), Voisin(L), Le Hérissi (S), Fox(H), Bridge(H), Southern(H), Bernstein(B), Ferguson(B), St. Mary, Ryan(H), Taylor(C) St. Peter, Hilton(H), De Faye(H).

“Contre” (8)

Senators

Syvret, Kinnard, Le Claire, E. Vibert.

Deputies

Huet(H), Scott Warren(S), Martin(H), St. Ouen.

One member abstained from voting.

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, adopted a Law entitled the Water (Amendment No. 2) (Jersey) Law 200.

Senator Leonard Norman and Connétable John Baudains Germain of St. Martin, having declared an interest in the matter, withdrew from the Chamber prior to its consideration.

Environment and Public Services Committee – nomination of member

Deputy Maurice François Dubras of St. Lawrence proposed for appointment as a member of the Environment and Public Services Committee Deputy Terence John Le Main of St. Helier.

Deputy Geoffrey Peter Southern of St. Helier was proposed by the Deputy of St. Martin.

THE STATES, having proceeded to a secret ballot, were advised of the following results by the Bailiff –

Deputy Terence John Le Main of St. Helier	25 votes
Deputy Geoffrey Peter Southern of St. Helier	19 votes

The Bailiff accordingly declared that Deputy Terence John Le Main of St. Helier had been duly elected as a member of the Environment and Public Services Committee.

Overseas Aid Committee – resignation of member

The States noted the resignation of Deputy Terence John Le Main of St. Helier from the Overseas Aid Committee.

Draft Amendment (No. 24) of the Standing Orders of the States of Jersey– P.41/2003

THE STATES, in pursuance of Article 27 of the States of Jersey Law 1966, made an amendment of the Standing Orders of the States of Jersey entitled Amendment (No. 24) of the Standing Orders of the States of Jersey.

Welcome – Mr. Nelson Hadley Cole Simons, J.P., M.P.

The Bailiff, on behalf of all Members, welcomed to the States Mr. Nelson Hadley Cole Simons, J.P., M.P., Opposition Spokesperson, Youth, Sports, Community and Cultural Affairs, Government of Bermuda.

Code of Conduct for elected Members of the States – P.32/2003

Comments P.32/2003

THE STATES, adopting a proposition of the Privileges and Procedures Committee, approved the draft Code of Conduct for elected Members of the States set out in Appendix 1 to the report of the Privileges and Procedures Committee dated 25th March 2003 and requested the Committee to include the necessary provisions in its proposals for the new States of Jersey Law and Standing Orders of the States of Jersey to enable the Code to be brought into effect.

Members present voted as follows –

“Pour” (34)

Senators

Le Maistre, Norman, Walker, Kinnard, Le Sueur, Lakeman, Routier, M. Vibert, Ozouf, E. Vibert.

Connétables

St. Martin, St. Saviour, St. Mary, St. Clement, Trinity, St. Lawrence.

Deputies

Trinity, St. Martin, Dubras(L), Baudains(C), Voisin(L), Scott Warren(S), Farnham(S), Le Hérisier(S), Fox(H), Bridge(H), Bernstein(B), Ferguson(B), St. Mary, St. Ouen, Ryan(H), Grouville, St. Peter, Hiltc (H).

“Contre” (10)

Senators

Syvret, Le Claire.

Connétables

St. Peter.

Deputies

Duhamel(S), Breckon(S), Huet(H), St. John, Le Main(H), Martin(H), De Faye(H).

Deputy Peter Nicholas Troy of St. Brelade withdrew from the Chamber prior to consideration of the matter.

Draft Motor Traffic (No. 10) (Jersey) Regulations 200 P.35/2003

THE STATES, in pursuance of the powers conferred on them by the Order in Council of 26th December 1851 and by Article 46 of the Motor Traffic (Jersey) Law 1935, as amended, made Regulations entitled the Motor Traffic (No. 10) (Jersey) Regulations 2003.

Rent Control Tribunal: appointment of members – P.37/2003

THE STATES, adopting a proposition of the Housing Committee and in pursuance of Article 3(1) of the Dwelling Houses (Rent Control) (Jersey) Law 1949, as amended, re-appointed the following persons to act as Chairman and Members of the Rent Control Tribunal for the period ending on 12th April 2004, namely –

Mr. Terence Lavery – Chairman
Mrs. Mary Margaret Gaiger
Mr. Ronald Peter Welling
Mr. Christopher John Sheehan.

Data Protection Tribunal: appointment of members – P.38/2003

THE STATES, adopting a proposition of the Policy and Resources Committee and in accordance with Part II of the Second Schedule to the Data Protection (Jersey) Law 1987 appointed the following as members of the Data

Protection Tribunal for a period of three years –

Advocate Peter Charles Harris, Chairman
Dr. Rodney Allan Challinor
Mr. Cyril Philip Le Bail
Mr. Francis Du Heaume Le Gresley
Mrs. Norah Alice Antonia Roberts.

Ferryspeed (C.I.) Limited, New North Quay, St. Helier: lease of warehouse– P.42/2003 (re-issue)

THE STATES, adopting a proposition of the Harbours and Airport Committee –

- (a) approved the leasing by the public to Ferryspeed (C.I.) Limited of the commercial warehouse, measuring 19,414 square feet, together with a staff toilet block and adjacent open areas to the north, west and south, designated as letting number N2 on the New North Quay, St. Helier Harbour (as shown on the attached plan 101195 NNQ), for a period of 5 years from 1st May 2002 at an annual rental of £182,020, subject to review against the open market on the third anniversary of the commencement date, with the lessee to be responsible for the public's legal fees associated with the transaction, and with the area to continue in its present use for the purpose of storage and distribution of goods moving directly from, or being exported by, sea;
- (b) authorised the Greffier of the States to sign the necessary lease on behalf of the Public;
- (c) authorised the Treasurer of the States to receive the rent as it became due.

The Deputy of St. Ouen declared an interest and withdrew from the Chamber prior to consideration of the matter.

THE STATES rose at 5.50 p.m.

M.N. DE LA HAYE

Greffier of the States.