

2015.06.16

5.1 Deputy M. Tadier of St. Brelade of the Chief Minister regarding financial compensation for public service employees:

Will the Chief Minister explain under what circumstances a public employee who voluntarily resigns from their position, for example, to spend more time with their family, would then be entitled to financial compensation in excess of their annual salary?

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

Employees leave organisations all the time for a variety of reasons. As an employer, the States of Jersey must ensure it fulfils its contractual and legal obligations to its employees.

[9:45]

5.1.1 Deputy M. Tadier:

In the case of the former Treasurer, is it the case that if she had left for personal reasons, in reality she would not be entitled to financial compensation in excess of her annual salary, and therefore one can only conclude that she did not leave for personal reasons, but perhaps due to a contractual clause being invoked which therefore led to the payment of this large amount of money?

Senator I.J. Gorst:

As the Treasurer herself said upon departure, it was for personal reasons, it was to go and return and be close to her family, and I think the fact that she now occupies a position in her home town shows that that was indeed the case. As I have said, there are contractual and legal obligations that the States, as an employer, must meet.

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

In the case of the previous Treasurer, a statement has been made by the Chief Minister's office that the payment was in line with policies and codes of the States Employment Board. Can the Minister explain to us how those policies and codes are constructed in order that we should understand the nature of this particular payment?

Senator I.J. Gorst:

Those policies and codes were reviewed by the previous Comptroller and Auditor General. The Deputy will be aware of a notorious incident where an extremely large payment was made on the basis of a contractual obligation. We underwent reviews of contracts, we reviewed the policy and procedures. The previous Comptroller and Auditor General said that they appeared reasonable, but it is now 3 years since we undertook that review and we have agreed to undertake a further review, because we recognise that for many, these are large sums - indeed they are for the States Employment Board - and we should make sure that we limit them and the need to pay them as much as we possibly can.

5.1.3 Deputy G.P. Southern:

Will the Chief Minister either circulate those policies and codes or indicate to Members where they can be found so that we too can study them and see if they make sense?

Senator I.J. Gorst:

I am not sure whether they are in the public domain or not, but if they are releasable, then I will.

5.1.4 Deputy M. Tadier:

I do not think the Chief Minister has answered the question. It cannot be the case that if somebody just resigns for personal reasons because they want to, it is their choice, and they are leaving and not working for over a year, but getting paid for work for over a year, that does not seem to make

sense. However, it does make sense and it is understandable that if someone, on the other hand, leaves because of political interference - and that is the official reason, but not necessarily the public reason given - and the clause which invokes that kind of pay-off would be explicable. Out of those 2 choices, perhaps using Occam's razor, can the Chief Minister tell us which of those 2 answers is most likely, bearing in mind that he is under an obligation to be as open as possible to us and the public?

Senator I.J. Gorst:

Deputy Tadier seems to have surmised reasons which are not in line with what the Treasurer, when she was departing, gave. I think I can only stand by the reasons that she gave. There were certain obligations that the employer then had to meet. As I have said, we understand that when payments of this nature are made, it can cause difficulty, and we will, after 3 years of abiding by a policy and procedure which the previous Comptroller and Auditor General said was reasonable, review it again.