

STATES OF JERSEY
CORPORATE SERVICES PANEL
Annual Business Plan

TUESDAY, 15th APRIL 2008

Panel:

Deputy P.J.D. Ryan of St. Helier (Chairman)
Deputy C.H. Egré of St. Peter
Connétable D.J. Murphy of Grouville
Connétable J.L.S. Gallichan of Trinity
Deputy R.G. Le Hérisssier of St. Saviour

Witnesses:

Senator F.H. Walker (Chief Minister)
Mr. W. Ogle (Chief Executive)

Deputy P.J.D. Ryan of St. Helier (Chairman):

Good afternoon, ladies and gentlemen, members of the press, members of public, very nice to see you. Welcome, and welcome to the Chief Minister and Chief Executive, Bill Ogle, to the Corporate Services session on the business plan. Okay, I would like to start straight in because I am aware that we are all short of time so we need to crack on. I would like to start with the additional spending pressures that you are finding Chief Minister, and I would like to start with urban regeneration. You are looking for a recurring £200,000 per year on your base budget and I quote: "The sum cannot be found within the current cash limits of the department, the funding would provide relatively small public pump priming to improve the town environment, additional sums will be sought from other sources." Interestingly I have had question, written question, from Deputy Duhamel and I will read the question, before you answer the main question, "Why has responsibility for urban renewal been transferred from planning to the Chief Minister's office? I note that previous funding for urban renewal was through the capital vote with £200,000 approved for 2008 and another capital bid for £400,000 indicated for 2011. So why now has a bid come forward for revenue funding of £200,000 onwards annually for 2009 onwards?"

Senator F.H. Walker (Chief Minister):

Well, basically because there is a need, I think, in the minds of everyone whose involved, if the money is available, to invest in the town centre of St. Helier. It has previously been, you are quite right, a capital vote and it was viewed as favourable or better to transfer it to a revenue vote as an ongoing -- there will always be areas of St. Helier which require attention and regeneration and I think it was felt to have an annual vote would be the most appropriate way of dealing with it.

Mr. W. Ogley (Chief Executive):

Indeed it reflects the proposals we were talking about earlier, that there should be a regeneration task force which the Chief Minister presides over and the Council of the Ministers. So it is not intending to transfer the functions from Environment at all.

Deputy P.J.D. Ryan:

I do not think the issue is whether it is the right thing to do, the issue is more the money is already there.

Mr. W. Ogley:

It is not. There is not money already put aside. There is not any money for it, which is why we put in the bid.

Deputy P.J.D. Ryan:

I think there is the associated concern that by transferring to the Chief Minister's Office you are effectively diluting the role and responsibility of the Environment and Planning Minister.

Senator F.H. Walker:

I do not think that is right. The Planning Minister retains control over the planning aspect. More than anybody the Planning Minister has to give approval on what he thinks fit on any scheme that comes forward but because of the developments - and I do not mean physical developments, I mean developments in this base structure that we are looking to create - the overall responsibility for regeneration sits under the Chief Minister and it would make, in our view, sense, and it does not alter States spending overall, for these regeneration projects which are obviously relatively small scale also to sit under the Chief Minister, but we do not have the funds at the moment and we are under pressure, quite understandably I think, from the Constable of St. Helier and others to make sure the town is up to scratch. I think one can understand that.

Deputy P.J.D. Ryan:

I think Deputy Duhamel makes the point that until the States give the Chief Minister the right to plan for the Island, in some variety, until then funding for urban regeneration planning should stay with the Planning Minister. Do you have a --

Senator F.H. Walker:

This is not a planning issue.

Deputy P.J.D. Ryan:

You do not believe it is a planning issue?

Senator F.H. Walker:

No, not at all. This is an investment into regeneration, it does not dilute the powers of the Planning Minister in any shape or form. One cannot legally circumnavigate the Planning Minister's position in this so it does not --

Deputy P.J.D. Ryan:

So you see no cross-over, no usurping of powers?

Senator F.H. Walker:

Not at all, I see this as being entirely complimentary, in the same way as most of us saw the very good presentation at lunch time around the development of Esplanade Square. Now, that has not been put forward by the Planning Minister, that is being forward to the Planning Minister, or ultimately will be, for him to approve or not as the case may be and this would be treated in essentially the same way.

Deputy P.J.D. Ryan:

What would happen to the capital bid of £400,000 that is in there indicated for 2011, in this context, would that stay?

Mr. W. Ogley:

No, you would be able to remove that.

Deputy P.J.D. Ryan:

You would remove that.

Mr. W. Ogley:

Yes. The point of this is that somebody had to put in a bid for this money because it does not exist presently. There are a lot of regeneration schemes currently run through St. Helier, through the current St. Helier taskforce that the Connétable presides over that pulls money from Transport and Technical, Planning and Environment, we put money in, the parish put money in, and so in that planning environment money was coming out of the fund that was topped up from time to time from the capital programme and it has been expended. This is putting --

Deputy P.J.D. Ryan:

I suppose the difference with the capital bid is that they are one offs and have to be approved every time whereas if you have this on your base budget it would not.

Senator F.H. Walker:

That is true, but then that base budget has to be approved annually and it is subject to scrutiny not only by yourselves but by States Members generally when the business plan is put to the States. If I could just add a bit, if the proposal for the Esplanade Square scheme is approved and the terms are as proposed currently, then of course there will be a different level of funding available should the States agree that it is the right use for the regeneration of the current part of St. Helier. That may well knock out any bid within a relatively short period of time. I think we are looking here possibly, if that goes ahead, at a short term inquiry.

Connétable D.J. Murphy of Grouville:

St. Helier were in fact one of the major beneficiaries of the passing over of the welfare exchange for an Island wide contribution to the rate. They were beneficiaries to the extent of millions and I mean really it is every year. Why do they qualify for this urban renewal grant and no other parish has been invited to contend for it?

Senator F.H. Walker:

I think that is a question as much directed to the Connétable of St. Helier as it is to me. They qualify because they are the town. Your point, however, is inarguable that they have benefited from substantial savings as a result of the changes in welfare and one might look to the parish to be somewhat more supportive in direct terms themselves of regeneration programmes.

Deputy P.J.D. Ryan:

Any further questions on this particular topic? We will obviously form a view a little bit later on. Okay, thank you for that. I would like to move on to another topic, it is a topic that came out at our meeting with the Treasurer and Resources Minister, and I am grateful to the Reverend Tony Keogh for penning a question for us to ask you. But I think it does sum up some of the concerns that we have as well. I will read the question: “One of the complaints that politicians make against the public is that it is easy to criticise but more difficult to offer alternative policies. In the light of this statement, would it not be a good idea to apply the same criteria to top civil servants? Last week the Treasurer of the States criticised our political system as being incapable of proper financial management, does the Chief Minister agree with the Treasurer of the States and, if so, would he like to ask the Treasurer to let us all know of an alternative system that would be capable of proper financial management?” An associated question, just before you answer, is from Deputy Sarah Ferguson from the Public Accounts Committee: “Total States spending is of the order of £800 million gross, States Members are merely responsible for a few million at the edges, the States Treasurer does not consider it part of his remit to control spending (that is associated with his question in the same area) unlike a finance director in the public sector. How does the Chief Minister expect to control States spending?” So these are 2 sort of loosely associated questions around the same area and it is to do with financial planning, it is to do with the ability of the Council of Ministers to properly control spending. We have had this rather alarming statement from the

Treasurer of the States, and quite a far fetching one, effectively saying that it is difficult to see how politically we are set up in the right way, I think was what he was saying. Could you please elucidate? Can you please give us your opinion?

Senator F.H. Walker:

Yes. First of all let me say that the Treasurer was not making a political statement. The Treasurer was not criticising politicians, he was commenting, criticising if you like, on the system. The reality is that the system we have is based on consensus and is subject at all times, spending of the States is subject at all times, to reports and propositions or amendments that can be and are brought to the States. Experience very clearly shows that a number of those propositions and amendments call for additional funding, and frequently they are approved. Also there is no political will among States Members generally - and I am not making a criticism here, I am making an observation - to reduce the level of public services and, indeed, the political will is to increase the level of public services. What the Treasurer was alluding to was the fact that it is the States Assembly as a whole that ultimately controls expenditure and because the States is made of politicians who represent the wills of the people, it is very difficult when it comes to ... let us take winter heating, winter fuel allowance for example. Do the States say: "No because it is going to add to our expenditure"? No they do not. They say yes and it adds to expenditure. That is one relatively small example. I could cite - we call all cite - others but it is a general -- I think the States are frequently in a contradictory position, and a quite understandable contradictory position. On the one hand Members want to reduce expenditure or control expenditure, on the other hand they want to continually add to public services. That is exactly the position, I think, the Treasurer was referring to, that there is that pulling in different directions. We all want to provide the best possible public services for the least possible money, but improving public services, if you have your efficiency levels right and we have made tremendous progress on that in recent years, if you have got your efficiency levels right improving public services cost money. That is what the Treasurer was referring to. I do not believe you can compare the Treasurer's role to that of a finance director in the private sector. But even a finance director in the private sector is subject to being overruled by his board of directors. The finance director does not have the final say in how much a company spends. Under no circumstances does he or she do so, whatever. I do not think you can compare the roles in any event, all the Treasurer can do in the current system is say: "My recommendation is that States spending should go up by more than X per cent", let us say 2.5 per cent. But ultimately it is down firstly to Ministers and secondly, officially, to States Members to decide whether or not they want to contain expenditure within those limits. Frequently they do not. That is what he was referring to. The way you change that is you give much more power to the Treasurer, you give the Treasurer the power to say that States expenditure will not rise above 2.5 per cent every year, and I do not believe you can do that in a political system. I do not believe the politicians would allow that to happen because that takes the political element out of spending, it off sides it completely and I do not think you will ever get that. The halfway house, which again I do not think States Members will accept, is that you give that power to the Council of Ministers

and the Council of Ministers say: “That is all we can afford to spend, it is going to a 2.5 per cent increase or it is going stand still” whatever it is and the States are then bound to accept that. I do not believe that could happen in Jersey’s democratic set up. That was all the Treasurer was saying. He was referring to the reality of the system we operate.

Deputy P.J.D. Ryan:

Thank you. It came up in the context of our question to the Treasury and Resources Minister about this proposed contingency reserve. I think the Treasurer, if it helps, was referring specifically to that because the question to him was were they in favour of it, and there was a rather significant silence at that point. It was at that point that the Treasurer said that under normal circumstances anybody planning a large organisation’s finances would have a contingency fund, but in our political system there would be not enough control over it. I ask for your opinion on that, are the Council of Ministers seeking views or are they as one united in seeking the States to approve a contingency fund?

Senator F.H. Walker:

It is always useful to have a contingency fund, of course it is, but I think the comment - and I go back to what I said just now - could equally apply and does equally apply to States spending generally, whether it is in a contingency fund or whether it is adding to another public service, it is the overall level of spend that ultimately matters. It is the overall level of spend and States Member control. I do not see that changing. If you are looking at it from a purist financial point of view, for a purist “my principal objective is to control States spending” point of view, you would not have a contingency fund. But if you are looking at it from a balanced perspective of we need to have financial control on the one hand, of course we do, but at the same time we may have to react to the needs of a certain section of the public of Jersey or whatever it may be, that is where the political side of it kicks in and a contingency fund would be very useful. So if I was looking at it purely from the finance director’s view, I would say: “I do not want a contingency fund.” If I am looking at it from a political point of view, perhaps a broader perspective, I would say is very helpful. I think States Members would find it very helpful.

Deputy P.J.D. Ryan:

You are a past President of the Finance and Economics Committee in the committee system. What would be the difference in this contingency reserve to the old general reserve?

Senator F.H. Walker:

Possibly not a great deal and it was under my presidency that the general reserve was removed. The general reserve was set at a very high level. One only need look back through the accounts of the States over an extended period and there were many millions of pounds in the general reserve. Tens of millions of pounds in any one year. It was abused. You may recall that the States in those days had what they called supply days where any president of any committee could put in a request for additional

spending, I think they were twice a year from memory, and generally speaking get it. There was no effective control over that at all.

Deputy C.H. Egré of St. Peter:

I think that was the point that was being made out of the current request for a contingency fund, in that there is not the discipline to stop people from raiding it too easily.

Senator F.H. Walker:

Well one would hope and expect that the discipline would be considerably greater today than it was in the old days, and they may be referred to by some as the good old days in this context. I would not refer to them in that respect and one would expect there would be considerably more control over any contingency fund that may be set up today than ever there was over the general reserve. In effect there was precious little control over the general reserve and that is the principal reason why my committee scrapped it.

Mr. W. Ogley:

Can I add one comment which I know you will know but I think is important to say in the light of the question about the Treasurer does not consider it his remit to control States spending, which could imply that States spending in the year is not controlled. That is not the case because every chief officer is an accounting officer, and I as accounting officer for the Chief Minister's Department are by law required to control spending within the cash limit that I have. Spending is controlled within that cash limit. So the States sets the cash limit, officers do control that spending, the issue around the contingency is given to something like pay provision is not determined until the middle of the year whereas the cash limit is set effectively 12 months in advance. Inflation rises and pay award levels are set at a level higher than is in the budget, then as accounting officers we will cut back on spending to bring spending into the budget. At that point comes the political question of whether Ministers and the States are willing to live with the consequences of that cut back in spending. Indeed you saw it the other year when pay awards were set at levels much higher than had been provided for within the States. That is the point at which spending is controlled but a political decision can be made by the States Assembly to allow spending to rise because you control cash limits. I think that is important to say.

Deputy R.G. Le Hérissier of St. Saviour:

Thank you, Patrick. Bill, and maybe, Frank, of course what that will do is it will open the Pandora's box because it could be argued that if you have passes, and I suppose G.S.T. (Goods and Services Tax) is going to be the classic one about which it will be argued this year, if you have policies that do lead to a rise in the cost of living people will inevitably say: "I want to cover these, I want to cover the major impact of these." But if you then allow for the costs of those to be met from contingency you are back to square one, are you not?

Mr. W. Ogley:

Exactly, I think this is the point where the Treasurer's comment does come to bear, which is about the system. The point is that at the employer level the decision on the pay award is a political decision. That political decision is inevitably going to be influenced by the way all 53 States Members feel about it. It may be made by Ministers, by the States Employment Board, but inevitably all 53 States Members have a big influence over that and this is where you get strict control of spending, which officers are required to deliver for you and do and will deliver, and the political judgment. Therefore the question is, if you are not going to put in a contingency there needs to be a very strict exercise of political will to manage the consequences when the political decision is made about pay levels, for example.

Deputy P.J.D. Ryan:

What do you say to the Treasury and Resources Minister's relatively relaxed attitude to bringing ... when you do get one offs of any variety, whether it be a pay award or any other completely unforeseen item, he has confirmed to us that he is relatively relaxed on bringing a proposition to the States on an ad hoc basis when that happens.

Senator F.H. Walker:

He is not. I know from discussions that I have with him, have had with him, on a one to one basis and/or discussions that have taken place around the Council of Minister's table that he is not relaxed about bringing one of the positions - he will bring them but it does not mean he is relaxed about it. He will only bring them when he is convinced that the situation merits it. But, of course, even then it is a matter for the States, if the States feel that he is being, and it would be unusual for him, lax with his controls and a bit free and easy, the States of course have the ability to say: "No, we do not approve your additional spending request." So I can say quite clearly that I know the number of occasions he would be under pressure from some of his fellow Ministers to bring specific spending requests to meet their own individual requirements and he has point blank refused. We saw that, for example, with Early Years Education, where the Treasury and Resources Minister would not support the spending on Early Years so the Education Minister, in that instance, brought his own proposition, the States kicked it out, and of course the same could happen with any proposition for additional spending that the Treasury and Resources Minister brought himself.

Deputy R.G. Le Hérissier:

There seems to be an underlying theme, Frank. I am sorry this may be trespassing on the Treasury Minister's area where I was not present, but there seem to be an underlying theme that we have this fixed body of expenditure, it cannot be changed and so by definition anything that is called for, albeit from these back-benchers, is an add on so to speak, but would you not agree that when it comes to the big money spending policies, the open-ended ones, rent rebate was the classic one - I am sorry I have to

keep bringing it up - the other one was supplementation for example. People have been calling out for a long time, maybe we have not got the technical knowledge to come up with a precise alternative but for a long time they have been saying: "Are there different ways of handling these situations?" Of course, to an extent you can save money counting the paperclips but you basically run out of steam on that one and you have to look at the bigger policies and say they are running out of control. We do not seem to be able to pin them down or come up with viable alternatives.

Senator F.H. Walker:

If they are running out of control it is the will of the States that they are running out of control. I do not believe they are. Any organisation can be tighter on financial discipline but in the States case there is a public cost to that. Because if you are tighter on financial discipline something will have to change, something will have to go. We will, I believe for example, have an opportunity in the not too distant future to look at radical savings, radical changes in education which could result in very considerable savings. I doubt, although I have not seen the detail, whether they will be in any way politically acceptable. I do not know. But I do not think we should overlook the fact of just how much we have absorbed in recent years. The fact is that we have made very considerable savings on an annual basis in recent years, only by absorbing costs from a number of the major departments, not necessarily all of the major departments but primarily from the major departments because that is where of course the principal expenditure is. We have absorbed additional wage requests, we have absorbed a number of additional service requests. So it is only when we cannot find - and "we" in this instance being the Council of Ministers - a solution that additional spending is proposed. So it is always the last resort. Additional spending is always the last resort. I know that is not necessarily the perception but that is the reality, additional spending is always the last resort.

Deputy P.J.D. Ryan:

I think we are getting a little bit too far into the Treasury and Resources Minister's area so I think I would like to move off that a bit, Chief Minister. The Education and Home Affairs Scrutiny Panel have asked me to just ask you about what level of public feedback has there been so far on the published draft business plan proposals and how will any public comments be reflected in the final business plan.

Senator F.H. Walker:

Can you repeat the question?

Deputy P.J.D. Ryan:

What level of public feedback have you had generally on the published draft business plan proposals?

Senator F.H. Walker:

Precious little.

Deputy P.J.D. Ryan:

Precious little, okay. I think the second question is how will public comments be reflected in the final business plan. They will but if you do not get them you will not be able to reflect them basically is what you are saying?

Senator F.H. Walker:

I think, again, public comments are sharply contradictory. The public want the States to improve a whole range of things, to add to pensions, to add to income, to improve the prison, to improve the housing provision, to improve the infrastructure, improve the roads, a whole range of things but at the same time the public does not want to spend as much money as we do. That is generally speaking the reaction that comes in from the public. I do not think I have had any specific reaction at all on any detail in the business plan whatsoever.

Deputy P.J.D. Ryan:

Okay, thank you for that. Turning back to your own department for a second, human resources, there is an objective within the strategic plan that talks about streamlining the human resources function. What benefits have occurred to date from the streamlining of the human resources function?

Senator F.H. Walker:

Well, first up the headline benefit is £700,000 per annum saved and that is repeated --

Deputy P.J.D. Ryan:

How have they been achieved?

Senator F.H. Walker:

A combination of things and Bill can obviously give you more detail than can I but H.R. (human resources) has been historically one of those functions that has been spread around the States and each of the bigger departments has its own H.R. function which was almost an autonomous unit, not quite but almost. Now we have got all the H.R. staff under the direct management of the Director of Human Resources in my department and he, of course, is a member of the Corporate Management Board which, again, is a step forward in terms of the importance attached to H.R. and the corporate aspect of it. There is no doubt that the H.R. has got some way to go yet but there is no doubt that the H.R. provision is streamlined, it is improved, it is more effective, it does a better job for less money, essentially, that is the way I would sum it up.

Deputy P.J.D. Ryan:

In the same area, a report of a working group was presented to the States recently about succession

planning. Have we had the new policy launched yet on that? Has it come out yet? It was due at the end of March, have we seen it yet?

Mr. W. Ogley:

No. No, it is coming to the States Employment Board within the next week so it should be fairly soon.

Senator F.H. Walker:

The next question I feel might be: how do you measure the success of any succession planning initiative. You measure it by the number of appointments that are made subject to the States Appointment Commission obviously, and we measure the number of appointments that are made from within. That is something we are determined to improve. There has been considerable criticism over the last couple of years or so about the number of appointments that have been made to chief officer and other senior positions from outside the States, wherever. The principal measure of any succession planning policy is the number of reducers and the number of internal appointments without in any way sacrificing the ability level, the number of internal appointments has improved. I have to say that under the Chief Executive's guidance there has been a dramatic shift in the whole approach, and the Human Resources Director, to succession planning and management development. There is now a very much more focused cohesive development programme and succession planning programme which works from a corporate base rather than being rather fractured as it was under the old committee system.

Deputy R.G. Le Hérissier:

Do you think, Frank, one of the results of that will be rather than chief officers, unless they are highly specialised individuals, staying in one department for a long time and perhaps getting too comfortable, are we going to see much more movement throughout the service of chief officers so that we do not get this excessive comfort level?

Senator F.H. Walker:

I would seriously hope so. You have to also at the same time give tremendous consideration to qualifications and experience, you cannot take an educationalist and put him in charge of the police, for example. You do not take the chief of police and put him in charge of education. That may be an extreme example but I think it serves the point. I would normally argue in favour for as much wide experience in different roles as possible, and that is happening, not necessarily at chief officer level but it is certainly happening at the next echelons of management under the new policy which means that we will have a much wider pool in which to fish for prospective chief officers, irrespective in some respects of which department that they can see it has arisen in.

The Deputy of St. Peter:

However, I believe it is accepted that one of the biggest failings was that we did have a succession

planning policy which appeared to sit on a very dusty shelf for an awful long time.

Senator F.H. Walker:

Yes. I would accept that. Until we have the new H.R. Departmental structure, until we pull the whole thing together under the relatively new Human Resources Director, that will remain the case. Now, we recognise that, we have taken action and the new structure is very much more robust than was before.

Deputy P.J.D. Ryan:

Turning to the international scene, Chief Minister, for a minute or 2. Of course the big one that we have had some news via the Treasury and Resources Minister earlier on this week, according to the *J.E.P (Jersey Evening Post)* let me ask you, what is the latest position with regard to the E.U. (European Union) Code of Conduct and the Zero/Ten proposals?

Senator F.H. Walker:

As far as where Jersey is concerned we have no problem in terms of the E.U. Code of Conduct specifically and with our Zero/Ten proposals under the E.U. Code of Conduct. There has been no referral to the Code of Conduct Group, the U.K. (United Kingdom) are not anticipating making a referral to the Code of Conduct Group and from our position we have the green light to continue.

Deputy P.J.D. Ryan:

Moving to other aspects of the international scene, the old chestnut of the position and status of Channel Islanders in the E.U. keeps recurring. What research was carried out with the E.U. authorities to see if there were any way of dealing with the problem?

Senator F.H. Walker:

Not a lot. It is sufficient to know that the only way we can deal with the problem would be as, as I was saying to Deputy Le Hérisier in the States Chamber as well, to renegotiate Protocol 3. Nobody who has studied the position believes trying to renegotiate Protocol 3 would be in the best interests of Jersey. There are many advantages to Jersey in Protocol 3 and once we seek to renegotiate one part of it, one - I have to say - relatively small part of it, we open up the whole prospect of the E.U. saying: "That is fine, we will renegotiate Protocol 3 but if we are going to renegotiate it then we want these changes to it" which would be likely to be far more serious, far more damaging to the overall interest of people in Jersey than the current limitation imposed through passports.

Deputy P.J.D. Ryan:

With respect, that is your opinion but the question was what research was carried out to see if there was away of dealing with it without renegotiating Protocol 3? I do not necessarily disbelieve you but what evidence can you offer that it would require the renegotiation of the whole of Protocol 3?

Senator F.H. Walker:

Well, that is because that is what we have been told by the E.U. That if we were to open negotiations we would be opening negotiations --

Deputy P.J.D. Ryan:

Have we had that in writing? Do we have letters on record?

Senator F.H. Walker:

No, I cannot say that for sure but it was some time ago, as far as we know that remains the position.

Deputy P.J.D. Ryan:

Do you keep that position under review? Or do you intend to?

Senator F.H. Walker:

It tends to be a fixed position.

Mr. W. Ogley:

In terms of Protocol 3 we are talking about legal matters, and the actual legal ability to amend that position of Protocol 3, so this is very much a legal structure that we are within. Of course we would have taken the appropriate advice around that and we will have that advice. We would also have taken informal sounding to see if there were any other routes that we could open up and there were not.

Senator F.H. Walker:

We constantly monitor the position in Guernsey, the Isle of Man and Gibraltar, Malta, et cetera, some of which are comparable, some of which are not because some of them are in the E.U. of course and some are not. But we do constantly monitor the position of other dependencies of other E.U. Governments but I have to say that I cannot conceive of a situation where it is going to be in Jersey's interest to renegotiate Protocol 3.

Mr. W. Ogley:

But we have made it clear that we will give whatever advice and guidance to anybody who feels themselves disadvantaged like that, to help them overcome it and find a way, because there is almost always a way of managing one's way through that system.

Senator F.H. Walker:

If you would wish, we do have a chart which gives the status of the dependent territories of other E.U. Member States. Obviously Guernsey, Isle of Man, Gibraltar, Ireland, The Faroe, Netherlands, Antibes

and Aruba. For example, the Netherlands, Antibes and Aruba are considered to be E.U. citizens when they have got Dutch nationality but that is not the case in other respects. So we do keep a constant check on what is going on in other small communities, as I say some of which are relevant because they are not members of the E.U., some of which are not relevant because they are.

Deputy P.J.D. Ryan:

Can we have an update on working better with other Crown dependencies? I know that we have asked this question before but I do not think it does any harm. Is there any change?

Senator F.H. Walker:

I do not think the relationship with the other Crown dependencies has undergone any significant change since we were last here. We do still meet on a regular basis, not frequent but regular. There is a continuing exchange of information and sharing of information between particularly our officers. For example, Guernsey had a meeting the week before last with the Her Majesty's Treasury in the U.K., we immediately were copied in on what transpired and we would do exactly the same with them and the Isle of Man. The relationships are cordial, they are good, but I would repeat the point I made on numerous occasions. I am firmly of the view that we could and should do more, but that is not necessarily an avenue that is open to us.

Deputy R.G. Le Hérissier:

There is also the question, Frank, of their views of the European Union, do you feel -- there is this view in Jersey that we seem to be very defensive about the European Union and you have mentioned it in reference to Protocol 3, (a) do you feel that observation is accurate and (b) do you feel that there is a middle road, that we should cease being defensive, we should cease almost, as with the Protocol 3, almost being afraid of negotiating with them, the fear of what would happen if we chanced their arm too much.

Senator F.H. Walker:

I do not think we fear the European Union, we are wary of it because it has a huge ability to impact on Jersey's quality of life, our economy and a whole host of other things. We are wary of it but we are not afraid to enter, as we have demonstrated on frequent occasions, into negotiations with the European Union either as the European Union or as individual Member States. We have shown that with the negotiations recently on T.I.E.A. (Tax Information Exchange Agreement) not just necessarily for the E.U., but we certainly involved the E.U. and indeed the Code of Conduct and other tax packages, the savings initiative and so on. We have negotiated, and negotiated very hard, and we are quite prepared to continue to do that. What we will not do is negotiate where we think we are on a loser before we start.

Deputy R.G. Le Hérissier:

Just following on briefly, Bill, you said that we take soundings in reference, for example to Protocol 3. I know we had lawyers in Brussels at one point whom you employ from time to time.

Mr. W. Ogley:

Still do.

Deputy R.G. Le Hérissier:

You still do. Who advises you in this regard? Who says: "This is the current thinking in the European Union?" Who tells you that?

Mr. W. Ogley:

The same lawyers basically that we have always had.

Deputy R.G. Le Hérissier:

It is basically your lawyers, yes.

Mr. W. Ogley:

Not always had, had for many years.

Senator F.H. Walker:

Now, if you have an idea for spending more money [**Laughter**] I would love to see the day when Jersey established its own office in both London and Brussels. I think there are real advantages to Jersey in having -- our lawyers in Brussels are our eyes and ears, they are not a voice. I think there is real advantage to Jersey having a voice, both in London and Brussels. But if we go all the way back to States spending, that is unlikely, I think, to get a great priority in the States over health or education requirements for example.

Mr. W. Ogley:

We do of course have direct personal contacts but they are information contacts built up through the negotiations that have taken place on things like savings tax and T.I.E.A. Both are E.U. level and major national country level. So we do have other contacts but again it is very much on a personal basis. We do not have anything that you would regard as a foreign service that keeps us up to date with that.

Deputy P.J.D. Ryan:

Before we move on to the progress against the strategic plan initiatives, of which there are a few questions, can I just ask very quickly, while Deputy Le Hérissier was talking to you it suddenly occurred to me that you might be conflicted on this one, Deputy, and that is is there any progress on the international matters and the visit of the I.M.F. (International Monetary Fund) coming up in October,

there is the draft N.P.O. which I know is in progress, are there other initiatives that need to be in place before then?

Senator F.H. Walker:

The States have approved now - I think all the legislation?

Mr. W. Ogley:

Yes, we have a couple of international conventions that still need to be extended and we are clearly working with the U.K. on that.

Senator F.H. Walker:

The States have passed an enormous amount, in effect in most cases it did not amount to a great deal of new law but nevertheless the laws needed to be amended or whatever, they have passed an enormous amount of legislation in that respect.

Deputy P.J.D. Ryan:

Are you confident that the N.P.O. Law is now going to ... do you have a new draft yet, what is the current situation?

Senator F.H. Walker:

I think we are on draft 33. If the reaction of the interested parties, i.e. the representatives of the N.P.O., at the public meeting we held last week is anything to go by then it should go through the States. We had an incredibly well attended meeting, a very positive constructive meeting, and when the actual administrative burden had been explained clearly, and when it was made clear that the criminality aspect of it would be significantly - you cannot say diluted but there would be a number of processes to go through before there was any possibility of criminal charges, the mood of the meeting was positive. Although I heard on Radio Jersey the following morning a considerable amount of airtime being given to a vociferous critic, he was the only seriously vociferous critic at the meeting and I was approached by many people after the meeting to say that now they were much happier, they understood it and they accepted it. I sincerely hope that will be the case when it comes to the States. If the alternative was to be allowed to happen, the consequences for Jersey in failing the I.M.F., and ultimately the financial interaction taskforce, measures against international terrorism would be enormous. If Jersey was regarded as soft on terrorism the consequences would be painful.

Deputy P.J.D. Ryan:

Okay, thank you for that. So turning to the strategic plan initiatives, and your protest against them, 353 talks about the emergency measures. You had something called Exercise Flying Swan in November year. What came out of that, please, Chief Minister? Was it a worthwhile exercise do you feel?

Senator F.H. Walker:

Yes. It is the first time, to my knowledge, that all the relevant people have been brought together to give serious consideration to and have a wide ranging discussion on Jersey's emergency planning procedures. It was not only involving States Members and, for example, uniform forces, uniform services, it involved military personnel from the U.K. who have a role to play depending on the emergency, a very important role to play in Jersey. It was very valuable. Have we got to continue with the momentum to further refine our emergency procedures? Yes, we do. I had a meeting this morning with the Emergency Planning Officer who is making a great deal of progress in adding, in a very robust way, to our emergency planning procedures, but there is some distance to go before any of us are totally satisfied. I am far more comfortable today than I was a year ago. I would expect to be, or would expect my successor to be far more comfortable in a year's time than I am today.

The Deputy of St. Peter:

I remember reflecting with you on the day of the Flying Swan that you felt particularly uncomfortable in the role of Chief Minister in the event of a major -- like where do we go from here?

Senator F.H. Walker:

Yes.

The Deputy of St. Peter:

I note that it is in amber and what you are telling us now is that huge progress is being made. Bearing in mind that we recently had a case where a ship nearly foundered in the harbour entrance, could have done depending on a slightly different set of circumstances, it is imperative that is continued at the same pace. How reassured are you that we are getting there where we can follow up a contingency. Because the impression I got from a professional standpoint, from my own professional standpoint, is that Flying Swan highlighted a whole pile of problems that we already knew existed but it just brought a group of people down to say: "Oh, yes, we have a problem."

Senator F.H. Walker:

I am reassured but not reassured enough yet. I do not think it is satisfactory for an island such as Jersey to have anything less than the most robust, comprehensive, absolutely up to the minute emergency planning procedures. We are well ahead of many but we are not quite yet where I think we need to be. That was the focus of the discussion I had with Mr. Long this morning. I am very impressed with the planning of and arrangements for Flying Swan. I am very impressed with the amount of work he has done since and the way gaps have been filled but there are yet some gaps that need further consideration.

The Deputy of St. Peter:

One of the concerns that I do have, having listened to what you have just said, having attended the emergency exercise at the airport as an observer, official observer, again with a professional pattern, I noted that what should have been there to test the airfield emergency plan did no such thing. Sadly the Emergency Planning Officer was not there. These things do concern me as I think they should concern everybody on the Island because the issues are important.

Senator F.H. Walker:

I cannot comment on that particular exercise. I was not there myself. I was not involved. But your point I would agree with. Jersey should have and will have the most robust emergency planning procedures possible. We have moved on an awful long way and we have still have a certain distance to travel before we can claim that to be the case. It is not going to happen overnight. It is not something that one can click one's fingers and introduce. The fact is we are in pretty good shape, what we need to be in is excellent shape and that is the way we are heading.

The Deputy of St. Peter:

I would disagree with you to a point. To say we want to be in pretty good shape, excellence what we are looking to achieve. We need to be in pretty good shape and we are not there yet.

Senator F.H. Walker:

Well, I think we are in pretty good shape. We can argue about whether we should be in good shape or excellent shape, I think that we have a common interest here, we are looking for a higher level and we are making good progress with it.

The Deputy of St. Peter:

It just concerned me we were in the amber there and the arrow was not.

Mr. W. Ogley:

Let us be honest, if you are talking about a business plan, we have one emergency planning officer, we have many years of emergency planning expertise to fill. That is, I think, an assessment of where we are.

The Deputy of St. Peter:

Without a doubt.

Mr. W. Ogley:

It was not at all where we should be, there is a very significant amount of work to be done, we have one person to do it. We have to recognise that. You can only get so much work out of one person. Yes, we brought the agencies together, we have now got an Emergencies Council, a planning board, we have got

a risk register in place, we have reviewed a lot of the major contingency plans, they are in place, we are carrying out more exercises but there is still an awful lot -- Exercise Flying Swan, 28 significant important recommendations that we will be discussing with the Emergencies Council, with yourselves. Each of those are big things to do. So when you talk about a business plan, we would love to devote more resources to it and to be there next year, but the reality is we have to recognise we do only have so many resources.

The Deputy of St. Peter:

Accept the risk in the meantime?

Mr. W. Ogley:

I am afraid we are hitting the big ones first and we will get ourselves as safe as we possibly can, as soon as we can.

Senator F.H. Walker:

Ideally, at least for a temporary period, we should have at least 2 or 3 people in the Emergency Planning Office to get us to the sort of level the Deputy of St. Peter is referring to but that will only be achieved by spending more money, which we do not have.

The Connétable of Grouville:

But you have a huge resource in the parishes. We have only been spoken to once, I think.

Deputy J.L.S. Gallichan of Trinity:

I think to be fair the emergencies have changed dramatically in the last 5 years. If you look at what we were doing before we were really talking about Flamanville and that sort of thing, the terrorist effect on travel and that has changed the whole attitude to --

Deputy P.J.D. Ryan:

I think the questions that the Constable wants to ask you, because you are here to answer questions, is do you see that the parishes should be involved?

Senator F.H. Walker:

Yes, and that came out of last time very clearly. One of the recommendations out of Flying Swan, and it is only a part of the point that the Constable of Grouville made, is that the Chairman of the Comité des Connétables should be on Jersey's equivalent of Cobra(?) and I think that is important. But the liaison with the parishes is vital and has to be improved.

Deputy P.J.D. Ryan:

There are a couple of other ambers and reds on the strategic plan, 2 of which are not covered because we are carrying out full reviews of them, and that is obviously the population register. So I do not intend to go into that today because there is a separate inquiry into that.

Senator F.H. Walker:

You do accept they are only red because you are doing a review on them.

Deputy P.J.D. Ryan:

Probably. [Laughter] The other one is the property assets and what have you, that is another separate review as you know. But there is one here that I would like to refer to, that is this customer access centre.

Senator F.H. Walker:

What number is that?

Deputy P.J.D. Ryan:

It is 627. So this is the creation of the customer access centre, what is the current position, first of all, please, Chief Minister, where are we with this?

Senator F.H. Walker:

We have done a lot and there are figures that show very clearly how much usage the existing customer access centre is getting, both in terms of people coming through the door and in terms of phoning in. The amount of business being conducted there is, I think, impressive. The reason it is an orange is that we have had in the early days particularly, software problems and we were not prepared to increase the scope of the service until we were confident we could offer a good service. There is nothing worse than promoting a new service only to find that it fails. We were not confident about the software level. That has now been addressed and we will be extending the service, I think the next introduction is Transport and Technical Services.

Deputy P.J.D. Ryan:

So it has not fallen by the wayside due to budget restrictions or --

Senator F.H. Walker:

No, I mean I would hope that when next a member of the panel is in Cyril Le Marquand House you might take a couple of minutes just to, because they are there in reception, watch and go and talk to the operatives, they are very busy people.

Deputy P.J.D. Ryan:

With the delay, though, is this putting in doubt your efficiency savings targets in this area?

Senator F.H. Walker:

No.

Deputy P.J.D. Ryan:

You are happy that you are on track for that area?

Senator F.H. Walker:

Yes.

Deputy P.J.D. Ryan:

Because that is obviously quite a part of your efficiency table.

Senator F.H. Walker:

Yes, we are.

The Connétable of Grouville:

I see that you used funds from the Oxera saving, and it was £80,000 which was saved on Oxera, and £60,000 was transferred to the customer service access centre, is it? I thought I saw that in the business plan. There was £80,000 in the Oxera vote last year, which I think £60,000 was then transferred to ...

Mr. W. Ogley:

Within our cash limit?

The Connétable of Grouville:

Within your cash limit, yes. But it was used for a different purpose than that initially intended for.

Mr. W. Ogley:

No, it was used for the purpose as set out in the business plan, which was we direct the money to that, we set it out in the business plan.

The Connétable of Grouville:

Did you? All right.

Mr. W. Ogley:

Yes.

Deputy R.G. Le Hérisier:

On the customer service centre, it is often the principle of these kind of operations, and I think you have tried to build it in, that people will, if possible, be put through straight away to the person who can deal with it. But I have heard comments made that there is too much screening goes on basically and you are left trying to explain your position to a very nice person but essentially a person who only has, by training, a very general grasp of the issue. Is that a principle, Bill, that you get through as quickly as possible to the person who has the ability to actually do something about the nature of that call?

Mr. W. Ogley:

That is the principle.

Deputy R.G. Le Hérisier:

So how many hoops do you have to got through before you get through to that person?

Mr. W. Ogley:

It depends. If this is a very general call of a very specific nature you may go to the call centre department and then to a very specific person, but at least you have had a point of contact as opposed to guessing which department to go to, maybe getting to the wrong one and having to be redirected. If you talk about the service that is specifically delivered from the call centre, the housing in specific, then the operators can deal with those directly. It was a problem. One of the problems we had, to be very specific, early on was if it became a very specific housing query and it had to go to a housing officer what happened was that the housing officers had rightly taken the opportunity of being out in the field with tenants away from their desks so they had to go on to a call-back waiting system. That was cyclic (?) and that was a software problem that we had to sort out. That has been resolved now.

Senator F.H. Walker:

The satisfaction level generally from the customer is very high. You probably do not have the figures but the actual response rate of calls being answered and their queries being resolved and so on, are very high. It was not at the outset. There were the software problems but it is now where we want it.

Deputy P.J.D. Ryan:

If we move on now. There is something on the international relations side that we have missed that we did want to talk to you about. If you do not mind us just going back for a moment. We had a meeting with Mike Entwistle, as a panel, where we discussed the various conventions and things. There was some conventions that were being extended to us; Council of Europe Convention on Laundering, Search, Seize and Confiscation of Proceeds of Crime and the U.N. (United Nations) Convention on the Suppression of Terrorist Bombings. We noted that there were additional requirements for legislation and resources but --

Senator F.H. Walker:

No additional requirements.

Deputy P.J.D. Ryan:

Well, we notice it was consistent with the strategic plan commitment 187 but what we wanted to discuss with you was the implications, if any, of these conventions to the Island, one, and (2) the process of ratification for these conventions, how that would happen.

Mr. W. Ogley:

Well, if you take the 2 conventions, the Council of Europe Convention on Laundering, Search, Seize and Confiscation, the States have already passed the Proceeds of Crime Law (Jersey) 1999 and the Criminal Justice Corporation Law (Jersey) 2001, which brings into our law the requirements of those conventions so that the extension of the convention to us would be covered by States decisions that have already been made and hence no further commitments. As far as we understand, the U.K. are now undertaking their audit of our compliance with the convention. Assuming that they agree with us that those laws do bring the convention into our laws, that is it, there is no further commitment. The same goes for the Convention on the Suppression of Terrorist Bombings with the Terrorism Law (Jersey) 2002, which was explicitly there to enable us to have that convention extended. So in those, as far as we are concerned, and from the advice we have had, we have put in place the necessary legal and therefore there are no additional implications for us. There might be over time if those conventions bring new commitments into being but that is the same with all international conventions. In terms of the process, if there are legislative requirements or significant resource implications then, as with all such issues, they have to go the States as the legislature, as in the discussion we had earlier about the governing of resources. But where the legislation has been adopted by the States, there are no additional resources. Then the process for ratification is to refer them to this panel, for discussion with this panel so that the panel can satisfy itself, and if necessary ask for them to be taken to the States whatever. Subject to that, then the decision is in reference to the Council of Ministers and the Ministerial decision by the appropriate Minister, providing of course it has been flagged up in the business plan and the States have agreed that as one of the aims.

Deputy R.G. Le Hérissier:

Well, I am on this group, as you know, which has finished its work but because of the other unfortunate events has not reported. Have we gone past the stage -- just for the public record, it was always alleged that we used to sign up to these conventions, particularly in the environment area which have enormous resource consequences, we never quite knew what we were doing. We signed up because it looked nice to do so. Can you assure us that you have really pinned that down and that the process of examination now is so thorough that no way should we end up with conventions where we do not have the ability to

implement them.

Mr. W. Ogley:

As from now, I would agree with you there should be no way. Will something slip through? I hope not and I intend not and we have everything in place, so there should be no way. But if somebody were to miss something or a specialist adviser were to miss something then of course I cannot give you -- all I am hedging is I can never give you a 100 per cent guarantee but we rely on the best advice and support we can get on that.

Senator F.H. Walker:

I am not recommending it but, again, to deal totally comprehensively with all the international conventions that bombard us these days we would need a team of about 6, but that is not going to happen.

Deputy P.J.D. Ryan:

I think really there are a couple of other small things but I am aware of the time.

Senator F.H. Walker:

I am happy.

Deputy P.J.D. Ryan:

I think it is right that I just mention an email from Mrs. Pam Smith, for no other reason than I think it is only polite to do so when a member of the public has taken the trouble to give input. I think she is making a much more general point but it would be interesting to see your reaction to this. It is in the area of spending control but she is wanting more money spent as well, but in a different way. I will read the email. "When is he going to allot monies to bring Jersey into the modern world? I am referring to mains drains, especially in St. Ouen. He finds the cash for so many cosmetic items on this Island but none for what really matters." How would you like to speak to Mrs. Smith?

Senator F.H. Walker:

Well, "he" does not find the cash for anything. The States finds the cash for whatever.

Deputy P.J.D. Ryan:

But it does come through your recommendations in the business plan and the strategic plan.

Senator F.H. Walker:

It comes from the recommendations but there have been a number of recommendations in recent years to increase our expenditure on drains. You may remember the Minister for Drains, the former Deputy of

St. John, and the States --

Deputy P.J.D. Ryan:

I think she is referring to flying bananas and no mains drains. It is priorities. That is the kind of thing that I think Mrs. Smith is referring to.

Senator F.H. Walker:

We would not have got too many changes to the mains drains for the £18,000 the flying banana cost. So I think let us keep it in context --

Deputy R.G. Le Hérissier:

I thought the whole exercise cost in the region of £240,000?

Senator F.H. Walker:

It did. It did, but that was not the actual flying banana as it is euphemistically been known.

Deputy P.J.D. Ryan:

Well, I think we are talking in general.

Senator F.H. Walker:

That cost £18,000. Now, can you put a value today on the branding and the marketing of Jersey? Well, first of all last year was the first year in a considerable period that we saw an increase in the number of visitors, with economic benefits and spin offs that brings with it. We have fight on our hands this year for obvious reasons but the arrival figures up until the end of March are very, very high, very greatly up on last year, and the prospects now - having looked a bit rocky for a period when the marketing campaign was withdrawn - for the rest of the year are good. Now, it is a question of striking a balance. One can always say: "Do not invest in growing the economy, invest in the infrastructure." It is a strong argument but if we do not invest in growing the economy we would not have the money to invest in the infrastructure in the first place.

The Deputy of St. Peter:

I think one of the concerns -- it is a word you used earlier when we talked about improving public services, improving. One of the concerns that we have or I have and generally the general public appears to have, is it is not so much we are looking for improvement it is the failure in the maintenance. In things like drains where money would have spent on developing new systems like this lady wants, we are having to spend that on maintenance to keep the current system working. Now we have all discussed in some detail about the problems associated with maintenance and the investment in so doing. If you do not do it it costs more later. That is where some of the concerns are being voiced.

Senator F.H. Walker:

I am surprised in a way this has not arisen, if you look at the Transport and Technical Services Minister's sheet on the objectives, you have got a number of reds and ambers and they are nearly all because they have got enough funding to invest in the infrastructure.

Deputy P.J.D. Ryan:

What would you say to Mrs. Smith when she would say to you: "Here you are looking for £200,000 a year possibly to have some nice new pavements and granite areas in St. Helier, whereas the main drains underneath those lovely new pavements are falling apart." That is a very general statement and I am using it to illustrate the point and to ask you what you would say to Mrs. Smith. She is saying you need to get your priorities at little bit adjusted. That is what she is saying I think.

Senator F.H. Walker:

I would very much welcome a debate with Mrs. Smith. The fact is all these things come down to balance. I do not think it is right to say that the sewage network is crumbling beneath the pavements. There is a considerable amount of investment that continues to go into the maintenance of the current network. What I think Mrs. Smith is arguing for is an extension to the existing network, which is a different ballgame. This has been discussed in many States debates, the further one seeks to develop the main drains network, which in principle I am totally supportive of, the further one goes, the greater the cost per connection. You are looking at a very substantial cost indeed to meaningfully extend the current network. All in favour but it is going to require money. Now one can argue, depending on one's point of view, of course in any which way one likes, that that should be a greater priority than investing in growing the economy but it is a balance. In government one has to try and strike the right balance over a whole broad range of issues and a whole different range and frequently conflicting objectives.

The Deputy of St. Peter:

I think in general what people would like to hear is that in growing the economy, which will bring a better return into the economy so therefore should give us more surplus, but that surplus, rather than being spent on things that one would like to have, things that people regard as essential to have in this day and age, and they regard having main drains as essential.

Senator F.H. Walker:

I have no problem with that at all and if Ministers get it wrong in the eyes of States Members by bringing forward the wrong priorities then, of course, as we have seen on many occasions it is well within the capability of the States to reverse their recommendations and to change their recommendation. We would all love to see every house in Jersey connected to the main drains but the cost in tens of millions of pounds is very considerable.

Mr. W. Ogley:

Can I just say you have exactly the balance when you talk about maintenance and you highlighted the issue. There is a question of whether the States is spending enough on the maintenance of its assets, whether that be roads, sewage or property. Over the years --

The Deputy of St. Peter:

The failure only gives you a greater problem at the end of the day, it does not go away.

Mr. W. Ogley:

Therefore before you extend your infrastructure, should we not get the maintenance right? That is a piece of work that I think, that when you talked to the Treasury Minister I presume he told you, was in hand to assess the actual maintenance requirement.

The Connétable of Grouville:

I do not envy the Minister for Transport and Technical Services because we have got a £30 million backlog on the roads alone, so that is going to have to be found one day. At the moment they are patching as they go, £1.5 a year I think. But there is £30 million backlog that some day will have to be sorted out.

Senator F.H. Walker:

I think this is probably the best possible illustration of the conflicts that we, and indeed members of the public, have. We are under investing in our infrastructure. No question about that, we are under investing in it. But if we are going to invest in it it means either we cut out doing something else completely or our spending goes up. That is a perfect illustration of the --

Deputy P.J.D. Ryan:

Except that investment in infrastructure -- well only if it includes a revenue implication to it, otherwise it would be a capital expenditure.

Senator F.H. Walker:

No, our capital spending is not up to speed either.

Mr. W. Ogley:

But if you spend capital you depreciate it so your revenue cost runs if you are going to provide the maintenance.

The Deputy of St. Peter:

That is the big highlight, it is the maintenance. That is the area that was so easily forgotten over the last 2 decades and is coming back to bite us.

Senator F.H. Walker:

It is. Thankfully I think we have dealt with the issue of housing maintenance through the property agreement, that was an issue. No doubt you will be taking an interest in Mr. Flowers' overall property programme for all States property where maintenance is a very major issue.

Deputy P.J.D. Ryan:

Are there any more questions from the panel? Well, Chief Minister and Mr. Ogley, Chief Executive, thank you very much for your time this afternoon, thank you to members of the public and the press for attending. Thank you, I will call the meeting to a close.