

**STATES OF JERSEY**  
**Corporate Services Scrutiny Panel**  
**Quarterly Hearing with the Chief Minister**  
**WEDNESDAY, 22nd APRIL 2009**

**Panel:**

Senator S.C. Ferguson (Chairman)  
Deputy C.H. Egré of St. Peter (Vice Chairman)  
Connétable D.J. Murphy of Grouville  
Deputy T.A. Vallois of St. Saviour

**Witnesses:**

Senator T.A. Le Sueur (Chief Minister)  
Mr. W.D. Ogley (Chief Executive, Chief Minister's Department)

**Present:**

Mrs. J. Marshall (Strategic Planning Manager)  
Mr. W. Millow (Scrutiny Officer)  
Mr. M. Robbins (Scrutiny Officer)

**Senator S.C. Ferguson (Chairman):**

Welcome to this quarterly meeting of the Corporate Affairs Scrutiny Panel. I think you know everybody. We are very pleased to see you on this lovely sunny day. Going back to the Strategic Plan, it suggests that consideration will be given to Government services in order to determine whether they are essential and should be delivered by the public sector. How far have you got on that and what is the current thinking?

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

I think if you look at the Draft Strategic Plan, we have a bit more detail there now in terms of, I think, working together and also working together more with the third sector which we have tried to also cover in different aspects of the plan. I think you will find that we have quite a few areas we are looking at. I did have a list somewhere but I cannot find it immediately. We have something like 6 pages worth of services that are being outsourced. I think some of the difficulties

that we find is the tension between what is economically desirable, what is politically achievable and what sometimes is a difficulty in a small Island of delivering things efficiently and finding the right organisation to do it. I am very conscious when I was at Social Security, going back many years now, trying to see if that could be done by an external provider rather than a government department. We looked there in terms of predominantly insurance company providers. For many of them despite the size that we think the Jersey organisation is, they took one look at it and said: "Too small. Not interested." Conversely, you will find a man with a wheelbarrow who will say: "Yes, I am sure I can do it. I will just employ another 100 people and I will run it for you." But without the expertise, experience and so on that is an even greater danger to run. So sometimes even if the objective is fine so, yes, we would like to outsource things, it is not always practical to do it in a way which gets a better result. What we have to do is to say let us look at each situation and see whether it can be done externally better and if it can then let us do it. I have a good success example in the way that the States website has been put together and co-ordinated where, yes, we did not have the right level of expertise in house. We were not afraid to go outside if we could find the right providers. Again in this particular case we managed to find or assemble a group of providers who can deliver the service I believe better than we could as a States organisation, with more expertise, with different skills to call upon. So that is a good example where it can work well. It is really a question of taking each particular case on its merits. There are so many different ones that we need to have I suppose clear policy priorities of how we do it. My policy priority certainly is that governments should not be doing it if somebody else can do it better.

**Senator S.C. Ferguson:**

Yes, so you are almost more on the sort of less is good government rather than the Government controls everything.

**Senator T.A. Le Sueur:**

Yes. I mean there are some services which frankly it is unlikely that the private sector can every provide better, particularly in terms of social provision, where if there is no commercial market and we know it is going to run at a loss but it is a necessary service, you cannot expect to do it commercially but you may say: can they provide this service in the same way as we could but more efficiently? It may mean a government putting money into subsidising what they are doing. I do not want particularly to open discussion on a bus service. **[Laughter]** That is an example of where you may have to provide money to a third party to provide the service but they may still be better at doing that than the Government trying to run a bus service.

**Deputy C.H. Egré of St. Peter:**

You mentioned, Terry, earlier on the third sector.

**Senator T.A. Le Sueur:**

Yes.

**The Deputy of St. Peter:**

You will be aware in the question plan that you will have received, we are looking at how you work together with the third sector. Firstly, I would perhaps ask for the benefit of everybody what you are determining as the third sector. I know when I asked the question going back some months ago in an open forum with regard to the charitable organisations that support Government, what do you see as their role and what do you think is happening now compared to what it was a year ago?

**Senator T.A. Le Sueur:**

The third sector is a buzzword which means different things to different people. In the U.K. (United Kingdom) it certainly has a different connotation in that there are a lot of government quangos, if you like, providing services which would fall into that category. To me it involves

certainly the charitable sector but also those, for example, like Family Nursing which are on the one hand a charity and on the other hand a service provider providing an operation on behalf of the States on a commercial service agreement basis. I think what attracts me to it is that very often, to misquote a phrase, they reach the parts of the community that the States cannot reach.

**The Deputy of St. Peter:**

How are you going to develop that relationship within the Strategic Plan?

**Senator T.A. Le Sueur:**

At a practical level what I have done is to set up on an informal basis a social policy strategy group, as a subset of the Council of Ministers and Assistant Ministers, bringing together the different ministries of Education, Social Security, Home Affairs, Housing, Health and the Chief Minister's Department, recognising that many of the issues we are going to address in that group go across different ministries, different departmental relations, but very often they affect the same people. It is working back from how it may best help the people who are concerned, that we feed it up through the departments and say: "How can we involve that?" and recognising then that the ministries and the 5 Ministers themselves will not necessarily be completely able to do it and say how can we also involve third sector organisations who are working with us, with the common objectives to solve the same problem. This is very much in its infancy. What we have done at the last meeting is to try to identify which key groups might be involved in this strategic discussion because clearly there are dozens of third sector organisations. I should have added that we also included the 2 Constables from the Committee of Constables on this group, recognising the importance of the parochial element in knowing, identifying people involved; people who do not necessarily fall under or want to fall under any of the normal catchment groups but who are nonetheless known and we need to bring in. So it is really a question of identifying which sorts of organisations can help us in setting out a strategy for better co-ordination and better delivery and then seeing how we can do that.

**The Deputy of St. Peter:**

Having set that initiative in place which you have done, how do you intend to test the efficiency of that initiative?

**Senator T.A. Le Sueur:**

One tends sadly to test efficiencies on a commercial basis and say: "Can we get better value for money by doing it this way rather than another way?" I would say a very simplistic example: does Family Nursing provide a better service than Health do? You have to say what services are being provided? If Health were to do it, how would they cost it out and what would they do to deliver it? If Family Nursing do it, what would their costs be? If somebody else did it, what would their costs be? The fact we have an existing third sector provider does not mean that you should not look at other providers just to validate that the third sector is doing a good job because I think just as one might suggest that the private sector might do a better job than government, there is no reason that should be true. It is a nice theory. It does not always work out in practice. So it is with the third sector. It does not necessarily mean because one party has expertise, other people could not have better expertise. So there is a lot of work to do here. All I am really saying is one should not close off avenues of thinking. One should not be blinkered in one's approach.

**Senator S.C. Ferguson:**

For instance, there are a lot of services provided by organisations which receive grants from the States. I know most of them now have service level agreements. Are you looking to bring them on in a more sort of active ... at the moment, Health just deal out, for instance, a grant to Family Nursing.

**Senator T.A. Le Sueur:**

Yes. I think firstly you have to set your policy and you have to see what your strategic objectives are and say if we are going to achieve that policy, who would help us do that? It is no use giving a grant to the Dahlia Growing Association if the Dahlia Growing Association is not going to help

deliver any of your strategic objectives. Sorry if there are any dahlia growers around the room. But if there is a society which could do that and who we could work with and who would be prepared to work with the Government, because it takes 2 to deliver these things, then, yes, we ought to again have some sort of service level agreement. We will give you a grant to further your objectives provided you will deliver this to further our objectives.

**Connétable D.J. Murphy of Grouville:**

Terry, in the delivery of the Strategic Plan, do you see any role for the Stabilisation Fund financing part of the stuff that you are not able to sometimes generate ...

**Senator T.A. Le Sueur:**

It may well be a stimulus. I point out that one of the objectives of use of the Stabilisation Fund, it should be temporary. Most of the policies that I see being put into place are going to take a bit of time probably to organise. So it also might be the time of the arrangement. They are almost certainly going to be ongoing. It may well be that the Stabilisation Fund can assist in a small way to give a bit more focus at the current time but I do not see there being a long term use of that money. I think we have to have policies which are independent of the Stabilisation Fund which we may have to fund from our own resources.

**Senator S.C. Ferguson:**

Going back to the third sector, a couple of things that occurred when I was on the Health Committee. First of all, a building for some of the smaller charities. If you are working with the third sector, if you had a States building - a corner perhaps of Les Pas Centre for the small charities where they can all share the same photocopier and they do not need large premises. This was something that was explored but kind of fell by the wayside. Would that fall into your discussions do you think, the social strategy?

**Senator T.A. Le Sueur:**

It certainly could do but I do not want those organisations to lose their independence and think they are becoming government departments. If there is a way one can provide an umbrella framework to support their basic service structure then I would be happy to look at that.

**Senator S.C. Ferguson:**

Because some of them are paying market rents which take up virtually the whole of their grant.

**Senator T.A. Le Sueur:**

Yes. I am sure there is scope for delivering that. It is a nice theory. It can be sometimes quite difficult to assemble 12 different charities with 12 different requirements into one building without them squabbling among themselves. I do not want to be responsible to be referee sorting out their troubles.

**Senator S.C. Ferguson:**

Bad enough upstairs. The other thing, as Chief Minister and with all this third sector work going on, are you going to tell your Ministers who give grants that when they receive the accounts from those organisations, they should be published as reports for the States? For instance, the Family Nursing accounts never appear or you have to sort of dig to get hold of them. Surely there should be a report to the States.

**Senator T.A. Le Sueur:**

I think we are probably trespassing to some extent on the Treasury Minister's territory here. Certainly I would be happy within ... and I think within the Public Finances Law there is scope for the Comptroller and Auditor General to look at any organisation which is funded ... which receives a grant from the States.

**Senator S.C. Ferguson:**

No, I am sorry, I think you have misunderstood me. Each Minister who gives a grant gets a set of accounts. They get the Heritage and Arts Trust and so on at Education. Family Nursing at Health. Surely is it not for the Chief Minister to issue a dictate to his Ministers and say because there is a large amount of States money, these should be published as reports to the States.

**Senator T.A. Le Sueur:**

I am sure that is something well worth consideration. Certainly in the States financial statements, you will see at the back now there are a whole lot of annexes of different States-run funds. I am sure we could do the same for some of the others. But of course they are not necessarily uniform in their presentation. I am happy to do that but with a health warning that one should not just try to use them as a basis for comparison.

**Senator S.C. Ferguson:**

No, it is taxpayers' money.

**Senator T.A. Le Sueur:**

Yes, and from that point of view I have no objection to the financial statements being published.

**Senator S.C. Ferguson:**

As reports?

**Senator T.A. Le Sueur:**

As reports if that is the preferred way to do it.

**Mr. W.D. Ogley (Chief Executive, Chief Minister's Department):**

Do we not have to be slightly careful though to judge the extent to which public money is funding that activity because there is a difference between publishing the accounts of an organisation where public money may form a very small element?

**Senator S.C. Ferguson:**

Yes, I think there would need to be a *de minimis*, would there not?

**Mr. W.D. Ogley:**

So there does need to be a judgment exercise. As I said ...

**Senator S.C. Ferguson:**

I do not think Art for Health is one that is worth ...

**Senator T.A. Le Sueur:**

No. Certainly if we provide whatever it is - we will say 25 per cent or 30 per cent of their total revenues or more - then by all means let us do that.

**Deputy T.A. Vallois of St. Saviour:**

With regards to the third sector, do you believe there is a risk of too much reliance on that area going forward? Do you perceive it being monitored to ensure that we are not pushing too many services on to them that should be provided by the States?

**Senator T.A. Le Sueur:**

No, I do not think so. I think the States sets the policy. The States decides what it wants to do to help the public - help the community - and then decides whether to do that itself or by trying to involve an external organisation. It needs to be kept under review. The fact that an external organisation may have been doing it for the last 10 or 20 years tends to lead us to the

complacency of thinking that must be the best way of doing it. So even where an external organisation has been doing it for a number of years, we still need to check that that is the appropriate way forward. But, firstly, we need to ascertain - I think this is where the questioning first began - whether the service needs to be provided at all.

**Deputy T.A. Vallois:**

With regards to R.34 when it was released, with regards to the progress against initiatives as at 31st December 2008, it was mentioned in there that a study was completed to identify the public services that might be provided more efficiently by the private sector. It said that their study completed. Would there be a study completed for the services for third sector organisations or is that already released and will it be monitored going forward?

**Senator T.A. Le Sueur:**

At this stage I think it is probably too early to say but I see no reason why some similar sort of process should not be carried out, yes.

**The Connétable of Grouville:**

The Strategic Plan indicates there will be a review of the terms and conditions of employment for public sector staff. The Minister for Economic Development has recently been reported as stating that redundancies should not be ruled out and that tough decisions will be required of Ministers. What do you envisage might happen in relation to the terms and conditions of employment of public sector staff, i.e. redundancies, pay freezes? Is there a plan?

**Senator T.A. Le Sueur:**

There is a plan insofar as we believe there is a desire from the pay group representatives to work with us to try to find a solution going forward which is fair to the public and fair to the employees. Certainly I recognise the perceived disparity that some people think that a States employee has a guaranteed job whereas other members of the workforce are vulnerable, particularly in times of

economic recession. While any arrangement like that can come to an end very shortly, I still want to ensure that as far as possible our employees who do a good job by and large for the Island do continue to have employment prospects and do continue to receive a fair wage for a fair day's work.

**The Connétable of Grouville:**

So you would suggest that in fact it is going to be a situation of negotiation not confrontation?

**Senator T.A. Le Sueur:**

Yes, that has always been my approach. I think if one wants to get the best out of our workforce - and certainly I value the States workforce - and one looks at the major contributors to that workforce which are people in Health and Education and Social Services and so on, they tend to work extremely diligently and conscientiously for the benefit of the community on the Island. I want to work with them but I want then also to recognise the fact that if we have times of economic difficulty we all have to share in the problem. We all have to share in the solution.

**The Connétable of Grouville:**

I was about to say that. How do you reconcile that with the private sector where, in fact, pay cuts and pay freezes are pretty well the norm at the moment?

**Senator T.A. Le Sueur:**

I think that this has always been a difficulty in trying to explain to some people that the States is not a commercial organisation in the sense that it can pick and choose what services it provides or chooses not to provide. I cannot suddenly say: "I think our education service is a bit of a drain on the taxpayer. Let us stop teaching people." That would be impractical, immoral, unreasonable and it would be a non starter. Similarly, most of the services which a commercial operation might take a second look at and say: "We are going to cut that out. We will cut that out. We will focus on the bits that make us money." Government cannot just focus on the bits that make us money.

We have to provide an overall service. But having said that, we have to make sure that we do not waste that money, that the services that we have to provide are provided in an effective, efficient way and the services we do not need to provide that other people can provide, we encourage other people to provide them.

**Senator S.C. Ferguson:**

There was quite a lot of talk over the last year or so about setting up a proper States wide complaints policy and whistle-blowing policy. How is that coming along?

**Senator T.A. Le Sueur:**

I thought it was all finalised. If it is not all finalised, it just requires a final T being crossed or a final I dotted because the complaints procedure was signed off by the States Employment Board 2 or 3 months ago. I think we sent it to the union representatives just to make sure that they were happy with it. I believe they are happy with it. So if it has not been finalised, it ought to have been. Thank you for reminding me. I see both of my officers taking notes. If it has not been, it will be in the near future.

**Senator S.C. Ferguson:**

This includes whistle-blowing?

**Senator T.A. Le Sueur:**

Absolutely. Yes, that is a fundamental part of it.

**Senator S.C. Ferguson:**

Super. I will look forward to seeing it.

**Mr. W.D. Ogley:**

We are commissioning a proper comparison of pay levels with the private sector, as we do periodically. We will bring that up to date. I just want to point out one thing that when we looked at the information that is coming back to us, the experience within the private sector is very mixed. We expected to find - as you said - pay freezes, et cetera as the norm. That was not what was being reported to us. So we will be more interested to see - and it is an externally completed comparison - what that tells us.

**The Connétable of Grouville:**

When you are doing these negotiations you must remember as well you, for instance, said education was a priority which we had to look at. Obviously you must also remember I think that you have a monopoly of the provision of jobs in education within the Island. So that is kind of a head start I would have thought.

**Senator T.A. Le Sueur:**

Yes. It does except that we do not have our education system run in isolation. We employ the majority of the staff from the U.K. They work to U.K. standards. We tend to work in terms of U.K. university requirements, examination curriculum, national curriculum. We adapt to a certain extent to the local situation but you cannot be too far out of line.

**Deputy T.A. Vallois:**

At a hearing in February, you indicated that the equivalent of Green and White Papers have not been used as effectively as they could have been. What work are you currently undertaking to address this issue?

**Senator T.A. Le Sueur:**

It is really a question of getting people better informed. I think it is at 3 levels. Firstly, with Ministers and I have a new ...

**Senator S.C. Ferguson:**

One or 2 who are colour blind **[Laughter]**.

**Senator T.A. Le Sueur:**

... who may have colour blindness problems. Equally I think there are some department's chief officers who will say we have always done it this way and perhaps do not understand clearly the nature of the difference. I think we have to explain it to States Members and the public generally. I think even if I say that I think I have made progress, I also think we are not perfect yet. In the Strategic Plan I try to distinguish between the first draft which we issued for a discussion early in the year and the current situation which I would regard in the context of Green and White Papers. But the fact that perhaps they looked quite similar in many ways in shape and content, it does not necessarily mean that a Green Paper is going to be radically different in content from a White Paper. So it is an understanding process. I think progress is being made and I have emphasised that I want the process to go not just to Ministers but to chief officers and the chief executive who is quite happy to take that message and deliver it. Equally, Janet who is in conjunction with our Communications Unit one of those instrumental in pursuing the notion of Green and White Papers which hopefully is not there just as a communications message which some people think they are, I fear. But they are part of a consultation process and equally should be part of a scrutiny process.

**Senator S.C. Ferguson:**

Yes.

**Mr. W.D. Ogley:**

I hope you will be aware - if not, we can supply it - of the updated guide that has been published on the use of consultation which is very clear about the role of Green and White Papers and how to use them. It is called *Step by Step Guide to Public Consultation*.

**The Deputy of St. Peter:**

Terry mentioned the fact there are 3 phases of education: (1) our own departments; (2) States Members; and (3) the general public. How do you intend to put that out to the general public so they have an understanding of what we are doing in relation to Green and White papers?

**Senator T.A. Le Sueur:**

I believe we take one step at a time. **[Laughter]** I will make sure that we have consolidated our own awareness.

**The Deputy of St. Peter:**

So we know what they mean first.

**Senator T.A. Le Sueur:**

Exactly.

**Deputy S.C. Ferguson:**

Super. Sorry, back to me. **[Laughter]** Under the ...

**Senator T.A. Le Sueur:**

One of the advantages of me being here, I have to have all the answers.

**The Deputy of St. Peter:**

That is why you are sitting there.

**Senator T.A. Le Sueur:**

Absolutely.

**Deputy S.C. Ferguson:**

Under the previous Strategic Plan, the States received 6-monthly reports on progress made against the stated objectives. How is it envisaged that progress on the new plan will be monitored and reported?

**Senator T.A. Le Sueur:**

I think if you look at the new Draft Strategic Plan and compare it with the other one, you will find that this one is rather less detailed. That was one of my objectives to try and slim it down. In fact I would like probably to slim it down still further but we are moving in the right direction. But I think we are focussing much more on those objectives. Objectives of course should not, and in my view will not, change every 6 months. Objectives are there for the duration of the plan. What we have to do is to monitor those objectives and see if and how they are being delivered. Delivery tends to be through the Business Plans published and upgraded every year. So I think what we need to do is to take, if you like, a yearly check against those objectives in the context of the annual Business Plan which by its nature comes out once a year but within the Business Plan to set more detailed targets and to review those targets at the operational level. I think there has been a danger in the past because the Strategic Plan was so broad in its context that it tended to be superseded by a Business Plan each year so the old Strategic Plan was more or less put in a drawer and forgotten about. I would like to think the current Strategic Plan will be a live document for the next 3 years, running side by side with an annual Business Plan. We should be looking at the 2 documents and comparing performance against the 2 documents; one for the longer term objectives and one for the annual - not necessarily short term - progress against those objectives. So I see far more focus in terms of performance measurement in the use of the annual Business Plan.

**Deputy S.C. Ferguson:**

Super.

**The Deputy of St. Peter:**

The previous Strategic Plan contained objectives indicating that the relationship between the States and the Parishes would be enhanced. In the December 2008 update to the previous plan, it indicates that comments have been sought on these matters from the Comité des Connétables. The new Draft Strategic Plan repeats the commitment to work with the Parishes. For instance, indicating that the Chief Minister's Department would: "Work with the Comité des Connétables to develop a programme of community engagement." The question that follows, how far are we getting with this because it would appear on the surface not very?

**Senator T.A. Le Sueur:**

On the surface you are probably quite right to say not very. It is not something that is going to change overnight. What we had in the previous Council of Ministers was a target of meeting the Committee of Constables every 3 months for a full discussion at the Council of Ministers. I think we achieved 2 or 3 of those in the course of the 3 year period.

**The Deputy of St. Peter:**

I think the last one was cancelled.

**Senator T.A. Le Sueur:**

Yes, and the one before. [Laughter]

**Male Speaker:**

Not by us.

**Senator T.A. Le Sueur:**

I am anxious that we do maintain that, however. We have the next meeting scheduled for 21st May. I want to make sure that those dates are adhered to. I am sure the Constables want to make sure the dates are adhered to and that we have meaningful items to discuss at those

meetings. I mention in the context of the third sector how I wanted to involve the Constables in that social policy group. It is not a question of looking at the Parishes in terms of what state their roads are in or what they might do in terms of speed limits or ...

**The Connétable of Grouville:**

The Parishes might disagree with you there, Minister. We worry a lot about the state of roads around here.

**Senator T.A. Le Sueur:**

I am sure you do. If we can bring that to the Council of Ministers and have a joint discussion on how we can best provide that service, I am happy to do that. But I am saying it should not be limited to some of the factors which some people think of. It should be much broader. There has been I think a certain amount of controversy or suspicion in some people's minds about the fact that we have the representative of the Committee of Constables sitting *ex officio* on the Council of Ministers because I think it is right that the Parishes get involved on an ongoing basis on States policy. Even though he may not have a vote or much of a voice, it is input there that we can turn to. If there are other ways in which we can develop this, I am happy to listen. But as I say, the involvement predominantly in the social policy group to me is one clear way forward.

**The Deputy of St. Peter:**

I think the concern that you have voiced yourself is that this was ongoing and was to be developed and the failure to carry out those meetings is indicative of a problem. It is a case of how do you intend to get over that and make sure that this element does happen without the ... I mean this has been ongoing.

**Senator T.A. Le Sueur:**

In my 20 years in the States I have almost never cancelled a meeting. Once a meeting is in the diary as far as I am concerned it stays there.

**The Deputy of St. Peter:**

I am reassured.

**Deputy T.A. Vallois:**

The mention of the Constables meeting this House on a regular basis but where would the Deputies come in on that because obviously you have Deputies for each Parish. Yes, they liaise with the Constable but they may have a different overview of what is going on in their Parish. I am just wondering what your view would be.

**Senator T.A. Le Sueur:**

I am sure that they do and I am sure that in Parishes with more than one Deputy there may even be a variety of views within that one Parish. I think the Constable is elected by the people of his or her Parish to represent that Parish's views. I think because the Constable is primarily elected in his parochial role, he is the one best able to represent the views of his Parish. Deputies are elected, if you like, by parishioners. You are the Deputy of St. Saviour just as I was a Deputy of St. Helier but I think it is a different relationship from that of the election of a Constable. So I think that is probably one of the reasons why the role of the Constable in the States is slightly different and the importance of having the Constables in the States is equally valid because of the different nature of their role. The same in terms of the relationship of the Committee of Constables with the Council of Ministers. I think there is a role for the Committee of Constables in working together with the Council of Ministers. I do not immediately see a role for a Council of Deputies or ... a Council of Senators might be superfluous since half of them are on the Council of Ministers anyway.

**Deputy T.A. Vallois:**

Would it be fair to say that it would probably be better for the Parishes to have such as a tier system so the Deputies report in to the Constables who take the issues to the Council of Ministers going forward if we have any?

**Senator T.A. Le Sueur:**

I am not going to dictate or suggest to the Constables how they should run their Parish affairs. Some Parishes have regular meetings I think with their Deputies. St. Helier would tend to at least have a meeting on a more formal basis from time to time. Other little Parishes will meet their Parish Deputy at a school function or after church or in the supermarket on a Saturday. There are various ways of making contact and it will depend from Parish to Parish which is the most appropriate way to do that. Certainly I would expect there to be an understanding; not always an agreement between the Constable and their Deputies. At the end of the day we must remember it is the States that sets policy.

**The Connétable of Grouville:**

I think if I could just come in here perhaps to assist. That is that the Constables have responsibilities which are in fact even though they administer them parochially, the responsibilities are Island-wide. For instance, the issue of driving licenses, to take one, which are parochially issued but they are Island-wide driving licenses. Rates is another one where the Island ... the Parish rates are one thing. So the systems that go in to issue driving licenses, to issue rates, et cetera, et cetera are an Island-wide thing but at the same time administered by the Parishes.

**Deputy T.A. Vallois:**

But if the States are to work with the Parishes then the Parishes involve not only a Constable, they also involve the Deputies as well. As has been identified, there is a difference between Constables and Deputies.

**Senator S.C. Ferguson:**

We will talk about this after. Just in the context of this, how would you define community engagement? It is one of those lovely, warm, fuzzy terms.

**Senator T.A. Le Sueur:**

It is. It is a bit like defining an elephant, is it not?

**Senator S.C. Ferguson:**

Are you blind? [Laughter]

**Senator T.A. Le Sueur:**

No, it is quite hard to define but you know what it is when you see it. I think it is really in some ways the epitome of community engagement should be a well run Parish Assembly where the community of the Parish can have a discussion with the Constables and Parish officials about Parish rates or whatever problem there might be in the Parish. There is a sense that the community as rate payers or as Procureurs or as Honorary Police are all part of that community working together for the benefit of the Parish. Community engagement at an Island-wide level might be something like that. You could not achieve it in the same way. You cannot have an Island assembly in the way you can have a Parish Assembly. So you have to find other ways of being able to communicate with parishioners and for them to communicate with the States because communication as I keep saying is a 2 way process.

**Senator S.C. Ferguson:**

Could you see the Parish Assembly coming back into its importance because it used to be very much more important I think *temps passé* than it is perhaps treated at the moment and perhaps developing like the Swiss system?

**Senator T.A. Le Sueur:**

Perhaps Parish Deputies should take each projet back to their Parish Assembly in that 2 week lodging period and ask them to discuss the content. I am not going to suggest to Constables how they run Parish Assemblies. I think they have had years of experience at doing that and they probably know more about it than I do.

**Mr. W.D. Ogley:**

When you say how do you define community engagement, at a very high level, there are clearly 2 sets of activities, are there not? One is trying to give people in the community - whatever that community is and it varies even within Jersey - a voice on matters which affect them or on matters which the Government is taking on, or the Parish is taking on on their behalf. There you are looking at issues clearly like Assemblies or you are looking at ... it may not have found a lot of favour but Imagine Jersey exercises to try and give people a voice, whether that is in large meetings, through questionnaires or a different forum. So it is a voice issue. The other is giving people in the community or communities the ability to do things for themselves rather than to be done to them or necessarily always for them. As we talk, there are examples that occur. I mean the Safer St. Helier initiative seems to me to be a very positive community engagement activity where you have identified a problem of behaviour at certain times of the day in certain parts of the town and then they have created a whole set of structures; not just to give people a voice but to allow people to do things about it sometimes with government help. I think that is a very prime example. If you look at Housing, the work that they have done with States tenants and the creation of a community forum to allow States tenants in particular communities not just to have a voice about what is done to States housing but to control things like playground facilities and deal with issues of behaviour. So it is a huge, wide topic. I think you have to define the issue. Some of it is Island-wide. Some of it is parochial. Some of it may be specific community groups. Some of it may be particular interest groups. A lot of the work that is done on the environment through the various community groups is very positive community engagement.

**Senator S.C. Ferguson:**

So it is almost moving things out or encouraging people instead of saying somebody must do something about it or the Government must do something about it. You are encouraging people almost to say let us do something about it.

**Mr. W.D. Ogleby:**

Let us do something about it. Let us take control of a response to that. Let us tell the Government what we want to be done because sometimes we want something done on our behalf. It is a whole range of issues.

**The Deputy of St. Peter:**

It is not the role here for me to be praising what you are doing, however, if I could just add to what you have said, in particular the housing element. The fact that people know now that they can achieve something. The example I would offer in my own Parish is that there is a group who have come together on the school estate who now are saying we are going to form an association because they know it works and that is the big advantage.

**Mr. W.D. Ogleby:**

Exactly. Our job is to help that to happen not get in the way of it.

**The Connétable of Grouville:**

We as Constables do have difficulty in arousing enough interest in Parish affairs and Parish assemblies to get a lot of people there. You see a situation where you have 10 or 15 people turn up for a Parish Assembly. However hard you work, they do not come. I take that as a sign that they are content to carry on as they are. But it is not very satisfactory because it is quite debilitating when you sit there with about 15 people or 10 people there when you have something quite important which could be swayed by a minority of people turning up and deciding to do something. All of a sudden you are stuck with a policy you do not want.

**Senator T.A. Le Sueur:**

I sat down and managed to find in the Strategic Plan a comment that is central to this open agenda is the development of shared responsibility between Government and the individual. This is a partnership that will require Government and Islanders to work together on the understanding that Government cannot provide everything.

**The Connétable of Grouville:**

Yes. "On 9th April 2009, the U.K. Prime Minister wrote to the Chief Minister stating that if genuine progress in agreeing information and implementing and abiding by his agreements does not continue to be made, I will encourage you to all abide with the highest standards." I assume that is T.I.E.A (Tax Information Exchange Agreement). You have been reported as saying that the recent letter from the U.K. Prime Minister was fairly non committal. What action, if any, will you take directly as a result of this letter?

**Senator T.A. Le Sueur:**

I think different people have interpreted that letter in different ways. In terms of the letter itself I would say it was acknowledging the fact that Jersey had not just this year but over the last few years been demonstrating greater commitment to openness, to transparency, to co-operation, of which T.I.E.A. is one aspect and one type of evidence of that co-operation and of that working together. It fits together with some of the other things we have been doing such as improving our standards of the quality of legislation that we have to meet some of the ongoing changing requirements. I regarded the letter as a perfectly reasonable statement of where we are, acknowledging what we have done and saying: "But you cannot stand still any more than the rest of the world can stand still. We want to see the world setting higher and higher standards and we want Jersey to be setting higher and higher standards and maybe continuing to show an example to some other places in the way that that is being done."

**Senator T.A. Le Sueur:**

I said: "Yes, I am happy to do that. I am happy to stay one step ahead or even 2 steps ahead." I think we have to be realistic in terms of setting the pace, if you like. I mean just like running a race, you do not set a pace to necessarily run a mile ahead of the rest of the field. You do it at a reasonable level.

**The Connétable of Grouville:**

If I can just strike slightly off tangent here. We were told for years even I think when you were the Treasury Minister that a level playing field was what was required.

**Senator T.A. Le Sueur:**

Yes.

**The Connétable of Grouville:**

We are looking particularly at America at the moment where Delaware, Florida and various other states who have secrecy laws and tax laws which are much, much more out of line with O.E.C.D. (Organisation for Economic Co-operation and Development) laws than we are. Yet we see them operating quite freely and yet we are being hammered, for want of a better word. I believe Switzerland also made their own rules on this and they are doing their own thing. So where is the level playing field now? Has that gone completely? We do not believe in that any more.

**Senator T.A. Le Sueur:**

No, the level playing field is as important as ever. I think it is also recognised by people like Gordon Brown as being important. I think if one looks at some of the positional changes that there have been around the world in the last few months in an effort to appear co-operative in terms of G20 assessments that ... you spoke of Switzerland. I think they have made significant changes in thinking and change in emphasis of the way they are going to go forward in the future. They may not have done a great deal yet but I think the movement is there. The effect, if you like,

within Gordon Brown's letter is I say directed far more at places like that to ensure that they follow the line, if that is the right words. They ensure that the playing field does get levelled by those people making sure that the playing field gets levelled rather than us trying to change the situation. I am grateful really that Gordon Brown, if you like, is pursuing now the message that we have said, that we want to have a level playing field. Having got that level playing field that gives us the stimulus to go ahead and support him. If you like, it is a 2 way process. I think that may be reinforced by Michael Foote's statement of the last couple of days. I think if you try to interpret that, he is saying that there is a role for the Crown dependencies to play and there is a role for the new British Government to play, and we need to complement one another in ensuring that we both achieve the outcome which is the best one for our respective jurisdictions.

**The Connétable of Grouville:**

Yes, but at the moment the biggest threat obviously is Switzerland but it is also going to be the American states. How can we influence that? We cannot, can we?

**Senator T.A. Le Sueur:**

I think what we can do is to demonstrate that we are good quality, open, transparent. In terms of collective competitive advantage, I do not think that the amount of business we are going to lose to Delaware is going to make a significant difference to our Island economy.

**The Connétable of Grouville:**

I disagree with you because I would say to you that the more you slim down these people so there are far fewer of them operating in freedom - if you want, for a better word - the more business they are going to attract.

**Senator T.A. Le Sueur:**

I think the business model is going to change and it is changing. The business model of secrecy, of that sort of activity, is no longer relevant to the Crown dependencies and has been diminishing

for a number of years. Which way we will go in the future, we are going to have really debate and size up the market and try and keep one step of the market the whole time. But I do not think the market is going to be in the sort of products that Delaware has been pushing for the last few years.

**Mr. W.D. Ogley:**

I think it is important on the level playing field be put in context. We adopted very clearly the level playing field because in our view - in Jersey's view - it has always been the case that high standards are inherent in our industry, high standards are what we are striving for and we believe the world should strive for that. But we were not willing to go so far ahead of general jurisdictions that we suffered a competitive commercial disadvantage. So we addressed high standards but clearly not to the disadvantage of Jersey. We said that is where the level playing field is so important. But if you remember, we did make the statement and we have acted on the statement that says notwithstanding the level playing field we will enter into these agreements with other countries where there is an economic benefit to the Island. So we continue to move the standards upward to the benefit of Jersey. What we are effectively now seeing is that the international community while they have not created an absolute level playing field have been very clear about the sanctions that they will apply to those people who do not adopt the higher standards. Now if you take the view of competitive advantage and commercial advantage, it is clear to us that people cannot hide behind bad practices to create commercial advantage. It now becomes, we believe, in our commercial advantage to move forward with these standards of tax information exchange and regulation because it differentiates us. We are, therefore, in a commercial market which is all about quality, which is all about security and is about long term sustainability. That is where Jersey has to be and our finance industry wants to be. So we see the advantage now in differentiation because the big economies are saying we will apply the sanctions. As the Chief Minister says, what Delaware does is not what we want to do or where the commercial advantage is for Jersey.

**The Connétable of Grouville:**

Yes, but Delaware is one situation only where they are being protected by their own government. So in fact the level playing field does not apply because the American Government will protect Delaware's right to secrecy and to taxation which may influence us or will affect us.

**Senator T.A. Le Sueur:**

That may be. I admit that I cannot influence U.S. Government policy to any great extent.

**Mr. W.D. Ogleby:**

There is a but though, is there not? If the U.S. is seeking to protect the interests of Delaware for whatever reason, they will inevitably influence the international global initiatives. Given that we are part of that then of course we are equally affected.

**The Connétable of Grouville:**

Call me a cynic.

**Mr. W.D. Ogleby:**

I think we all take a cynical view because that is the way we have to protect our interests. We have to make a judgment about what is our best advantage at any one point. Clearly the global climate has changed dramatically where there is a clear sanctions regime, there is a clear differentiation and business will flow down one of 2 channels: the high quality, secure, safe business route or the secret, hidden for whatever reason route. It is time for Jersey as we have done to make a choice about where we are. It is about quality, security, professionalism and value.

**The Connétable of Grouville:**

I am not saying you are doing the wrong thing. I think you are doing absolutely the right thing. What I do not like to see is somebody trying to outsmart us by not playing the rules; playing the bank.

**The Deputy of St. Peter:**

But that is life.

**Senator T.A. Le Sueur:**

That is life.

**Deputy T.A. Vallois:**

The Draft Strategic Plan indicates that our constitutional relationship will be kept under review. What work do you envisage will be undertaken in this regard were the plan to be adopted?

**Senator T.A. Le Sueur:**

I think there is a danger in reading too much into constitutional review. Certainly what we are doing as part of a normal policy, if you like ... it is like risk assessment in a way. One has to look at all the options and say in any particular situation, what would be the best approach? In an extreme situation the best approach might be a different constitutional relationship. But at the moment we are talking about risk assessment and risk awareness. All we are doing is monitoring the current situation and saying is there any great switch on the horizon at the moment? Is there something we need to be prepared about we could be in a real constitutional difficulty? I am in fact heartened by the way in which in recent weeks the relationship between the U.K. and the Crown dependencies appears to be strengthening in understanding our own mutual problems and trying to find a solution for all our interests. As you know, Lord Bach who is the representative for the Channel Islands came over to Jersey last week. We had a good discussion with him. I am sure he understands and can convey to the U.K. Government, Jersey's situation and also

Jersey's strength and the ability to assist in playing its part in the global picture. But going back to your question, yes, one has to accept the fact that there could at some stage be something which could cause us to have to have a rethink. We have to make basic preparations and investigations. That work will continue as time permits in an orderly way. The report published last year gave certain indications of high level questions that might need to be asked in order to pursue this. That work will be continued over the next 3 years as part of our strategic activities. It is certainly not an objective to seek independence by 2012 or any date in the future. It is more of an insurance policy.

**Deputy T.A. Vallois:**

Do you see a possibility going forward of working much more closely with the other Islands, such as Guernsey and Isle of Man, in more social policy?

**Senator T.A. Le Sueur:**

I think in policy generally the outside world tends to regard Jersey and Guernsey if not all the Crown dependencies as one. But certainly Jersey and Guernsey to the outside world are the Channel Islands. In fact if you look at some adverts Jersey is mistaken for Guernsey or vice versa. I think to that extent we need to try to have wherever possible common policies and common objectives and a common voice. It can also often lead to economies of scale in certain operations. But we have to protect Jersey's interests above all. If Jersey's interests were to differ from those of Guernsey's then I would have to put Jersey's first.

**Deputy T.A. Vallois:**

Through the Strategic Plan under number 15 was protect our unique culture and identity. Just identifying under page 30 and 31, could you advise as to why out of the 8 items identifying what we will do, only one is dedicated to the department with oversight for culture? The remaining 7 are under the Chief Minister's Department.

**Senator T.A. Le Sueur:**

I think probably because the Chief Minister's Department is, if you like, the department that has collective responsibility for pan departmental and pan Island issues. I think Jersey's culture and identity is very much a pan departmental issue that affects all of us. We have the Education system. Maybe we mentioned Education there. But we have Home Affairs - a recent operation, if you like - which affects the whole Island. We have a unique policing system, if you like, with the honorary police. We could have said Home Affairs but really that is something which is to me at a much more fundamental strategic level something for the whole Council of Ministers. I think sometimes we had these references to different departments in the last strategic plan and there is a danger I think in reading too much into those levels.

**The Deputy of St. Peter:**

Strategy versus tactics.

**Senator T.A. Le Sueur:**

I regard that as a guide to where somebody may need to have particular involvement. But to me this is a Strategic Plan for the Council of Ministers for the public of the Island. It is the Council of Ministers' Strategic Plan and we should own all of it as the Council of Ministers; not say he owns that bit and she owns that bit. We own the whole thing.

**Deputy T.A. Vallois:**

That is fair enough but the feeling out there is that the cultural identity of the Island has to some extent been lost and for the department with oversight only having one out of those 7, it is just a general view.

**Senator T.A. Le Sueur:**

I understand that. But I think to say that if we are going to regain the cultural and social identity of the Island, Education, Sport and Culture can do it all would be a fallacy. It is up to us as the

Council of Ministers. It is up to the States Assembly as a whole to develop and try to enhance that sense of identity. To say as Education, it has nothing to do with me is I think to give a totally wrong message. I am far happier to say this is a message which involves all of us. It is not meant to involve just me as Chief Minister. Where it says C.M. there, it is really Council of Ministers rather than Chief Minister; both C.M. But if I could put in there States or people of the Island, I probably would have done. Those abbreviations there are more in terms of accountability if you want to try and performance criteria. But I think, as we were discussing in an earlier question, how we judge performance is really much more down to the Business Plan. I would expect that everyone's Business Plan will need to have one eye open to all of the 15 objectives within that plan. As pointed out to me, they are tentatively the lead department. I always feel this danger is back to the old silo mentality that if you say someone is a lead department then the other 9 departments say: "Nothing to do with me."

**Mr. W.D. Ogle:**

It is true though that if you look at the issues there, there is a whole set of international and local identities, constitutional issues and a whole range of other services. If you go through those 7 issues, certainly the Council of Ministers realise they were the key things to be done. If you see, the departments with that responsibility are there as the lead departments. Education, Sport and Culture clearly has that direct lead on local identity, local cultural initiatives and supporting local traditions through that whole infrastructure they have. What that item is saying, please do all of that. This is about the plan being at a higher level rather than a series of tasks. The other things are also very important when we are talking about culture and identity in a local and international context. It would not be E.S.C. (Education, Sport and Culture) that would lead on the others. So that is a very positive reinforcement for the whole range of cultural activities and is in nature the plan moving up to a higher level.

**Senator S.C. Ferguson:**

A couple of quick ones. We have received your response to the report on the Waterfront Enterprise Board. Thank you very much indeed. What now? How are you taking it forward and what is the timetable?

**The Connétable of Grouville:**

I would like to declare obviously an interest, yes, so I shall keep quiet.

**Senator T.A. Le Sueur:**

I should begin by an apology because I was hoping to have a draft report and proposition in your hands last month. I saw a draft report and proposition last month and I said: "This is okay but it is not quite right yet." We saw one last year but it was not quite right. I was determined we were not going to have the same mistake again. So I said: "I am not going to show this to the Scrutiny Panel or to the States Members until I am satisfied that it is right and it does meet that objective." So it has been delayed and I expect it to come back to my Council of Ministers, 7th May. That is not long now, after which obviously I will share it with you. Provided that I am then satisfied [Laughter] then I will share with you and then you can tell me whether you people here are satisfied with it or whether there is something which could be improved upon, in which case I will be happy to listen. I hope that we can at least take this one forward with the idea, yes, this is 90 per cent of the way there now let us rub off the rough edges rather than last year's which was ...

**The Deputy of St. Peter:**

I put it in the file.

**Senator T.A. Le Sueur:**

No, I think anyone who was on the last panel will know what I am talking about.

**The Deputy of St. Peter:**

I think finally now, at a hearing in February the panel was advised that the funding for the September British Irish Council Summit remained to be found. Have you found it and from where?

**Senator T.A. Le Sueur:**

From where? We have found it. We have found a potential source of funding because clearly this is a one-off. Certainly it is something that does not occur every year which is unfortunate. There have been some underspends in the last budget. The Treasury Minister has been looking at how those underspends might be allocated or might be put back into the Consolidation Fund or left with departments. He has identified and the Council of Ministers have acknowledged that part of the carry forward could be used to fund this figure which we estimate to be in the region of £250,000.

**Mr. W.D. Ogleby:**

He has now signed that off formally for publication I believe in the next 24 hours.

**Senator S.C. Ferguson:**

Super. Will you be trying to explain to the people at the British and Irish Council exactly what the difference is between tax avoidance and tax evasion? There seems to be a vast ignorance in the general public, particularly outside the Island, as to the difference.

**Senator T.A. Le Sueur:**

I think there is a confusion in the minds of the general public. I believe that most of the officials at the British Irish Council have a higher level of intelligence, if I can put it crudely, than the general public in terms of understanding these differences. Certainly I am much more confident that people who make decisions in different countries around Europe and around the world understand quite clearly the difference between the 2 and also understand Jersey's position and

what Jersey stands for and what Jersey represents. Clearly as part of discussions with the British Irish Council, I am happy to reinforce that message but I think I am probably preaching largely there to the converted.

**Senator S.C. Ferguson:**

Thank you very much indeed. I do not think there is ... I am sorry, I should have asked. Anyone?

Thank you very much indeed, Chief Minister. Thank you, Mr. Ogle. Thank you, Mrs. Marshall. I

look forward to our next meeting.