

STATES OF JERSEY

Corporate Services Scrutiny Panel Comprehensive Spending Review With The Minister for Home Affairs

FRIDAY, 25th JUNE 2010

Panel:

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

Witness:

Senator B.I. Le Marquand (The Minister for Home Affairs)
Ms. L. Middleton (Finance Director, Home Affairs)

In Attendance:

Mr. M. Robbins (Scrutiny Officer)
Mr. M. Oliver (Economic Adviser)

[14:06]

Senator S.C. Ferguson (Chairman):

Minister, Chief Finance Officer, is it not?

Finance Director, Home Affairs:

I think officially it is Finance Director, but I think it is the same role.

Senator S.C. Ferguson:

Finance Director; sorry. Welcome to this public hearing of the Corporate Services Scrutiny Panel on the Comprehensive Spending Review. I wonder if, for the purposes of the transcription, you can give your name and title.

The Minister for Home Affairs:

Yes, I am Ian Le Marquand and I am the Minister for Home Affairs.

Finance Director, Home Affairs:

Liz Middleton, Finance Director, Home Affairs Department.

Connétable D.J. Murphy of Grouville:

Dan Murphy, Constable of Grouville.

Mr. M. Oliver (Economic Adviser):

Michael Oliver, Economic Adviser to the Panel.

Deputy T.A. Vallois of St. Saviour:
Tracey Vallois, Deputy of St. Saviour.

Senator S.C. Ferguson:
Sarah Ferguson, Chairman of the Panel.

Mr. M. Robbins (Scrutiny Officer):
Mick Robbins, Scrutiny Officer.

Senator S.C. Ferguson:
Super, right, well, we had an excellent meeting with your Chief Officer and your Finance Director which we were told in confidence what reviews were being undertaken by the Home Affairs Department in connection with the C.S.R. (Comprehensive Spending Review). Would you be able to give some brief details about that?

The Minister for Home Affairs:
Am I giving them to you in confidence?

Senator S.C. Ferguson:
No, the briefings we had with your Chief Officer were in confidence because it is not normally procedure for us to have public hearings with officers.

The Minister for Home Affairs:
Okay, I am just slightly nervous about publicly indicating the things that we are reviewing because as far as I was concerned these were still confidential issues. I am very happy to tell you, but I am not sure ...

Senator S.C. Ferguson:
This is a public hearing, so perhaps we could have a private session at the end, in fact.

The Minister for Home Affairs:
Could we go into private session just for that?

Senator S.C. Ferguson:
Yes, surely.

The Minister for Home Affairs:
I do not want to be in any way obstructive, but you understand there are staff members who know nothing about these things. There has been no conversation with unions et cetera.

Senator S.C. Ferguson:
Would the second question come into that category?

The Minister for Home Affairs:
No, there is no problem with the second question. Shall I deal with the second question?

Senator S.C. Ferguson:

You have no problem?

The Minister for Home Affairs:

No problem there.

Senator S.C. Ferguson:

Right, okay, let us go with it.

The Minister for Home Affairs:

It is only the details of the review which are still confidential. I do not think anything else is problematical at all. It is purely the details of the reviews.

Senator S.C. Ferguson:

Well, if there is, then perhaps you can just indicate and we will do it ...

Finance Director, Home Affairs:

I think it is common knowledge that as part of the C.S.R. there are the 6 major reviews, one of which is the Home Affairs Department and one of which is Court and Case Costs which the department is participating in and what the Minister has here now is details of the elements of the Home Affairs Review which, as the Minister says, have not necessarily been progressed that far yet, so probably are confidential.

The Minister for Home Affairs:

That is right. What I have got here are details of 5 reviews which are taking place affecting Home Affairs and indeed a 6th one which is not formal, but which we are conducting anyway, but they are all confidential.

Senator S.C. Ferguson:

Okay, well, we will deal with that at the end.

The Minister for Home Affairs:

We could do it at the end. Thank you for understanding that.

Senator S.C. Ferguson:

Yes. Right, voluntary redundancy is at the forefront of many minds and is one way of achieving savings. How does this fit into your thought processes?

The Minister for Home Affairs:

Well, my understanding is that we are going to seek to make savings where there are people in posts who cannot be deployed to other posts within the public sector by means of voluntary redundancy. Now, in reality when you are looking at Home Affairs in relation to a number of our larger parts this should not be necessary at all and for instance if you talk about police we should not have any need for voluntary redundancy whatsoever because we always get a certain retirement rate. It has been lower in recent times because of the recession which has created certain difficulties in relation to increments and so on, but we simply just recruit a smaller number. It is as simple as that. In relation to the prison, one would always expect some retirement rate there

and again what happens there is that you have a group of people being trained at the same time, as a body, to merely reduce or not reduce the number of new recruits if you are facing reductions. But when you come down to the smaller departments, particularly Customs and Immigration where people seem to work for ever and a day and work their way up through the systems (it is a very stable organisation) it is more difficult, and similarly with the Fire Service because there is no immediate and obvious redeployment process. But in terms of 2011 the only group within Home Affairs which I think is going to require looking at voluntary redundancy is in fact going to be Customs and Immigration.

Senator S.C. Ferguson:

Yes, I mean as the Fire Service goes, would you look at combining the 2 fire services together; the airport and down here?

The Minister for Home Affairs:

That does not work. That has been looked at in the past and I have to say before I became Minister I was interested in that, but it simply does not work for a whole number of different reasons. The Airport Fire Service is designed to fight oil and petrol based fires. They are there only when the airport is open. They are an important part of the overall Island system because if we had a major oil fire somewhere we may have to close the airport in order to redeploy them, but they do not do the same type of jobs. They are quite different in their functionality and their premises are different. You could not operate a fire service out of the airport for security reasons and all sorts of other things, so that has been looked at long ago and excluded as a serious possibility. You have to have a certain number of firemen up at the airport to be able to operate it and you do not have the same skills base. You do not have the people who will deal with fire safety and that kind of thing. It is quite a different functionality.

Senator S.C. Ferguson:

Right. Now, given as you have said frequently that there is no "fat on the bones" of Home Affairs, how have you been able to arrive at the first tranche of saving which is above the 2 per cent required?

The Minister for Home Affairs:

Well, it is not above the 2 per cent as required because the way the 2 per cent has been calculated is by adding in the normal increase that people have had and then taking 2 per cent off that. We do not understand where the figure which you have put down comes from at all because it is 2 per cent of £47,671,900 is the correct figure, which is what we are working to.

Senator S.C. Ferguson:

Until, when was it, yesterday or the day before, we were working off the old figures and it may have crept in with that.

The Minister for Home Affairs:

We do not know where those figures came from. Liz has tried to work out where they came from and failed.

Finance Director, Home Affairs:

The savings targets that we were issued were based on the gross expenditure in the 2010 Business Plan approved by the States and they were issued to all departments by the C.S.R. team some time ago which comes to the £954,000.

The Minister for Home Affairs:

To answer your question, when I came into the Home Affairs Department, or when I stood at the Senatorial elections, and indicated my interest to Home Affairs I made it quite clear that one of my goals would be to run this department more efficiently and seek to find ways of so doing.

[14:15]

I think that is something that every Minister should be seeking to do. Now, some of the areas where we are making savings are simply that, simply trying to run things more efficiently. Some of them are things that we were going to give up doing. For instance, there is an item closure of police facility and it is coupled together with reduction and non-staff costs, but the closure of a police facility ... I think I can say what that is?

Finance Director, Home Affairs:

I think you can.

The Minister for Home Affairs:

It is the canteen and as you know we are working towards a new police premises and frankly I am not planning to have a canteen in a new police premises. We think a canteen is just outdated in reality and other arrangements can be made. So, that is something that was going to happen as part of the reorganisation of the building anyway and we are just bringing it forward in time. I should have mentioned before, there is a potential voluntary redundancy issue there in relation to the people, but I would hope they could be redeployed elsewhere in catering services within the public sector. There are real cuts in here as well. Principally the removal of discrimination legislation budget which I see there is a specific question on, so I will come to that question. The other thing that somewhat confuses the picture is that the figures you are looking at here are the reductions, but you have not referred to the growth bids which Home Affairs has and I need to explain those to you. One is in relation to increments and again there is a question about increments and I will come back and deal with that later. The fact is that we are being hit by increments in the way no other department has been because of the extent of changes between bottom and lower salary for certain groups of people, but I will come back to that in more detail. I have lost my train of thought.

Finance Director, Home Affairs:

You were talking about the impact of the savings, but also balanced out by being ...

The Minister for Home Affairs:

Thank you, yes. The other thing is that there is in fact a bid effectively for 8 additional police officers to work in the Financial Crimes Unit and this is the result of a recommendation of the last I.M.F. (International Monetary Fund) Report basically saying we just did not have enough people, which is absolutely right. We have a ludicrous situation in which when it comes to - what is the word - what the Financial Services Commission does. It is not regulation; it is a word like regulation.

The Minister for Home Affairs:

Supervision regulation?

The Minister for Home Affairs:

It is a word like regulation, but they seem to be able to expand their staffing numbers and to raise additional money by charges and yet if they find evidence of real criminality it then passes to the police and the police have limited resources. So, you have to understand the package in relation to the police is a package in which we are making certain savings, but we are receiving additional staffing back on the other hand.

Senator S.C. Ferguson:

Is the F.C.U. (Financial Crimes Unit) perhaps something that should be moved out of the Home Affairs Department?

The Minister for Home Affairs:

Well, it is a policing function, unless one was to create some special body to deal with it ... but whoever deals with it, it has to be resourced properly. The staff placed, if I can just explain in relation to that, are not all policemen. There are people like accountants; there are civilians in there. It is a complete package to strengthen the financial crimes investigation side which is now very underpowered. So, we have got this offset against it which we all accept is that the actual police budget goes up in reality, but there are other real savings. The department in my view is going to be the most stretched by the 2 per cent process is Customs and Immigration. But we believe we are able to do this without reducing the number of staff per shift because we are right down on the lower limit in relation to that and you will see there is replacement of a multi-functional officer; that is a normal Customs/Immigration officer with the clerks. That is a civilianisation operation. There is also one post appearing which is essentially a management post.

Senator S.C. Ferguson:

Well, if you are having such a problem with the 2 per cent, how are you going to cope with the extra 3 and the 5?

The Minister for Home Affairs:

We think with great difficulty and I can tell you the sort of areas in which we think that we can make additional savings next year and those are basically in police civilianisation. We were working on this already as a number of posts within the police force where one could replace officers who on average with packages cost £55,000 a year, with civilians who on average with pension

packages and so on cost £35,000 a year. We have a certain degree of loss of flexibility in case you needed more officers for some particular thing, but we have got a fairly major programme of civilianisation which we think we will be able to roll out in 2012 and that is all just part of making us more efficient. You have heard me in the House and Assembly I am sure on many occasions talk about civilianisation as being a major goal. The other thing is we are hoping by 2012 to have moved to new premises. There may be, we do not know, some savings in terms of maintenance costs in relation to those. Obviously we have got the outcome of the reviews which I will reveal to you shortly. We are also looking at planning for reduction in the size of the prison population. We are anticipating a reduction in the size of the prison population within the next 2 or 3 years based upon implementation of repatriation of offenders' legislation which basically means that people who are sentenced have the right to serve their sentence in a prison in their home country. Now, bearing in mind the high percentage in Jersey of people who are imprisoned to do with drugs offences, particularly "drugs mules" we have a lot of foreign nationals and a lot of people from the U.K. (United Kingdom) in our prison and if they are able to serve their sentence back in their home prison there will be a lot more leaving Jersey than those who come back.

The Connètable of Grouville:

Do you have the right to send them back, or will it be a request?

The Minister for Home Affairs:

That is a good question.

The Connètable of Grouville:

I know that we do not have the legislation yet.

The Minister for Home Affairs:

It is an international convention, Europe-wide convention that people should be able to do so. I think it is at their request. Yes, it is at their request, but the vast majority of people who have got no connections with the Island want to go back because their family are there and language and culture and all those sort of things. So, we are anticipating, and in fact I was talking to Bill Miller today about that, that we need to have a clear plan of action as to how it would operate. It does not transfer simply. If you have a 25 per cent reduction in your prison population that does not reduce your present cost of 25 per cent because you are running units and what will tend to happen in a short term is that it just means you have got less people sharing. Now, you then get to a trade-off position in which you have to decide do we close down a whole floor and have more people sharing in the other parts, which is unpopular with prisoners, but those are the sort of decisions. But we are going to be working on that.

The Connètable of Grouville:

Well, we do not want to make them too comfortable if they have got the right to go home, do we?

Mr. M. Oliver:

But equally could you send a bill overseas to their home countries; user payers?

The Minister for Home Affairs:

No, the benefit of repatriation is that we do not pay.

Mr. M. Oliver:

No, I know that; I understand that. But I am saying could you then bill?

The Minister for Home Affairs:

No.

Mr. M. Oliver:

I am trying to think radically.

Senator S.C. Ferguson:

I suppose to be fair, just going back to the F.C.U. for a minute, if you are doing work for the Financial Services Commission there should be some financial arrangement, particularly if they find somebody and collect the money?

The Minister for Home Affairs:

Well, I do not know if you have spotted in the figures that course, because you may not have looked at the growth bids, but the assumption is that this is going to be financed, the additional 8 officers, by a charge on companies of some sort.

Senator S.C. Ferguson:

Yes, so they could be on the company. Yes, I am sorry we do have a ...

The Minister for Home Affairs:

It will be on the end users, yes. That is the idea.

Senator S.C. Ferguson:

I am sorry we are jumping a bit with questions.

The Minister for Home Affairs:

Okay, well, it is probably me rambling. There are other areas frankly that we have to look at, but there is this one that I am afraid is just too politically sensitive for me to indicate in open session, but I am willing to reveal it to you in closed session.

Senator S.C. Ferguson:

Yes, because the fact that both planning and yourselves have people dealing with fire precautions and so on it is quite ridiculous to have 2 departments each doing a part of it and I think also that the premises that are inspected should pay for the ... surely?

The Minister for Home Affairs:

Well, you are getting to the user pays area part of the operation.

Senator S.C. Ferguson:

Yes.

The Minister for Home Affairs:

This is something that we have been looking at. The difficulty is at the moment the current legislation is a bit arbitrary in terms of certification. It is very arbitrary as to which premises need to be certificated and which ones do not. We think that the way forward is for an increase in the planning charges to reflect the amount of work which is done by the Fire Service in relation to work on assisting architects in terms of making sure their plans are okay. I think it is perfectly ridiculous that at the moment we are doing work as it were on checking buildings and advising the planning as to whether they are “fire safety okay” and we are not getting anything back for it. So, we realise that essentially a certification was a possibility, but would take time and require legislation, but we are in fact looking at working with planning in terms of increasing planning charges. There are different skills, if I can explain that. The architectural aspect is one thing and the ability to go in and say: “Right, a building of this size, you need to have this sort of fire safety system” et cetera, et cetera. One of the difficulties is at the moment we have a system whereby the Fire Service will advise people in relation to what should be there and so on and so forth and in the process of doing that they can get drawn into doing quite a lot of work in relation to which we could have done if we were making a charge.

Senator S.C. Ferguson:

Well, of course the parish assemblies rely on the Fire Service figures for the licensing law too.

The Minister for Home Affairs:

It is the same point. It is exactly the same point. We are doing all that work and we are not charging for it which is ludicrous really because it is being done essentially on behalf of the licensees.

The Connètable of Grouville:

It would be very easy to charge though?

The Minister for Home Affairs:

Well, it would require a change of law.

The Connètable of Grouville:

No, you just charge it out to the architect because the parish boards rely on the architect’s report to come in which includes a fire service report, so the architect would then be obliged to get a fire service report and obliged to pay for it which in turn would be passed on to the client, I would think?

The Minister for Home Affairs:

One thing I am working on at the moment is the new Fire Service law which will increase our ability to charge for things like this and we certainly need to look at as to how that is going to work. You get to a slightly delicate area

when you are requiring people to do something and then say: "And you have got to use our services to do it and we are going to charge you." It is slightly delicate, but that is the direction we want to go, yes.

The Connètable of Grouville:

Providing the charges are fair I do not think you are going to have a problem. If one assumed they were using a monopolistic situation to overcharge then there would be a problem.

[14:30]

The Minister for Home Affairs:

Yes. This is the direction we want to go and once we get the new Fire Service law in place which is in an advanced drafting stage it is going to provide us for a mechanism for some things, but in terms of planning stuff it is much easier to come in on the edge of that, but these are the sort of areas we want to go down.

Mr. M. Oliver:

On the question of user pays, how much direction have you been given by the Treasury in this area to guidance, marginal cost pricing, eloquent efficiency, a whole raft of different things about pricing things in the public sector?

The Minister for Home Affairs:

I am looking to Liz because I was about to say none, but of course things happen at the officer level which the Minister does not necessarily know about.

Finance Director, Home Affairs:

As far as the C.S.R. process is concerned obviously there has been the discussions on user pays and for 2011 Home Affairs have just come up with increasing the fire service charges and as the Minister says for future years we are looking at other areas. In terms of what level of charges the States could provide there is a Financial Direction which talks about recovering costs and overheads, but not making a profit.

The Connètable of Grouville:

So, it is a bit woolly?

Finance Director, Home Affairs:

The Direction is quite clear. Perhaps its application might be a bit woolly, but again it is all about identifying the true cost of service to start with before you can recharge.

Mr. M. Oliver:

Precisely.

Finance Director, Home Affairs:

Yes.

Mr. M. Oliver:

Have you spent much time identifying the true cost?

Finance Director, Home Affairs:

Not yet because for 2011 we were concentrating very much on the savings proposals because there was quite a short timescale to get the 2011 proposals together. We have got a bit longer now ... well, I thought we had a bit longer, but time is creeping up on us. But for 2012 and 2013 we have got more time to review and as the Minister says we are looking certainly at the Fire Service to look at the possibility of charging there.

Mr. M. Oliver:

Because looking through your user pays they are the most extensive out of any department, therefore there is a lot of user pays in your area, so I would have thought you would have done a little work on that.

Finance Director, Home Affairs:

We do not have a great deal of user pays charges. We have been down the road with the police and not got too far, but the majority of our income in Home Affairs is passport income which we are tied to the U.K. passport fees so we cannot control that.

Mr. M. Oliver:

Can I just ask one more question on this area; how imaginative could you be on user pays, do you think, in terms of your vision for user pays?

Finance Director, Home Affairs:

I suppose the issue is that the number of services that Home Affairs provide are frontline services and there is a line between what you would expect the public sector to provide like a policing service, like a fire service and what the public would then expect to pay in addition to their tax. In the U.K., I do not know if they still do, but there used to be charged every time an ambulance went to a road traffic accident. I do not know if that is still the case. As I say we have not gone too far down "thinking outside the box" yet in Home Affairs because we have been concentrating on next year, but as the targets get tougher and tougher obviously we are going to have to look at more options to give the Council of Ministers and the States a range of options to fill the funding gap.

The Minister for Home Affairs:

I have been considering the user pays expansion of the Fire Service in conjunction with the new Fire Service law because certainly the real driving that has come from my direction has been geared very much towards expanding the possibilities there. I also need to talk to you in relation to the 6th potential area of major review, but I do not want to do that in the public hearing.

Senator S.C. Ferguson:

Right, now, police officers are purported to be fully occupied. There are issues around the length of time cases take to be dealt with. You have got a

proposed saving of £314,000 at the cost of 3.8 posts and that suggests that cases are going to take longer to investigate. Is there a danger that already busy officers may simply allow cases to go uninvestigated due to excessive workloads?

The Minister for Home Affairs:

Well, the answer to that is that the process we have less policemen requires you to prioritise your time; that is inevitably so. We are receiving compensating additional amounts. We talk about the 8 additional people in the Financial Crimes Unit. The fact is that if we had not got those 8 we would have had to have diverted some additional officers in that direction in any event. So, effectively by being formally given the 8 we get some additional resourcing back. The reality of the situation is that the police increasingly in recent years have had to target their activities in terms of other key areas and indeed they have been very successful in that. I have before me a draft 2009 Annual Performance Report and can indicate, because it will be going out shortly, that we have had a 6.5 per cent reduction in reported crime between 2008 and 2009 and that is just carrying through a general trend which has been happening since 2004. These sort of success rates occur because of targeting known offenders and putting resources into scaling reaction. If you have a spate of burglaries you put a lot of resources into it to find who is doing it and to arrest them and put them in prison. It brings your crime figures down, it is also very effective. Inevitably also there is an ebbing and flowing in the police numbers. I mean, we are going to continue to drop in terms of numbers with retirements until the 12 new officers, who are going to start being trained in September, come on line. But they have got a 6-month training process but they are not really going to be fully on their own for about 12 months. Having said that, we have now got the benefit of, I think, it is 15 officers who started training in January 2009 who came on line. So, if you know what I am saying, within a normal annual cycle of training and retirements there is an ebbing and flowing in numbers and of course there is an ebbing and flowing in terms of pressures. One of the peculiarities of the police force, which I am constantly reminding my colleagues on the Council of Ministers about, is that if we do get big cases which we cannot deal with, with the normal resources, then what happens is we have to resort to overtime and the costs will pop up again in terms of court case cost budget at time and a half. So, I am constantly saying to my colleagues: "If the police force is squeezed down below a certain level and there are major cases" ... and there appear to be major cases every year now. I mean, when we had the Haut de la Garenne investigation we may have thought that was exceptional; it was quite exceptional in terms of for a number reasons including ones that will shortly be revealed, but in terms of resourcing et cetera. But in fact in 2009 we had the Warren case and in 2010 we had a number of major fraud cases. So, year after year we have these large cases. What I am saying in short is there is a safety valve built in within the policing system, whereby if our numbers get too low and the cases turn up we have to get resources and it costs time and a half. That has got to be borne in mind in terms of what we are doing.

Senator S.C. Ferguson:

Well, as long as you can keep it to time and a half.

The Minister for Home Affairs:

Yes, quite.

Deputy T.A. Vallois:

What is the lowest number that the force can work at efficiently?

The Minister for Home Affairs:

I have no idea. I mean, my judgment is at the moment in terms of the numbers that we are going to operate on are going to be towards the lower end of what we can operate on efficiently. But we are constantly working at trying to make ourselves more efficient. I mean, there are improvements to systems, there are improvements to ways in which policemen operate. There is a reduction of amounts of bureaucracy which can be achieved internally. There are major initiatives taking place internally within the police force, quite independently of the C.S.R. (Comprehensive Spending Review) process. The present acting leadership is very, very committed to change and to restructuring and reorganisation. So, I cannot tell you how much more efficient they can make themselves over a period of years, also because I cannot anticipate entirely the workload. I mean we have got an area like the Public Protection Unit which deals with cases involving abuse of children, it also deals with domestic violence, perhaps vulnerable adults. Now that workload has massively grown and in fact the figures I have got this year indicate that the big jump in growth from 2007 to 2008 was maintained in 2009. So, we have had to massively grow that and that is of course taking resources away from other areas. I cannot tell what the next massive growth area may be. I hope there will not be but I cannot give you a simple figure. I mean, the police will tell me: "We think we can manage on these levels" which we see down towards the bottom end, in their opinion, but next year they might be able to manage on less, so I do not know. It also depends upon what level of service one sets out to provide. I mean, as I say, we are providing a service against a baseline where reported levels of crime are dropping.

Deputy T.A. Vallois:

But surely this service would be expected as per the strategic plan. I mean, we want crime levels low and people want crime to be responded to, very much reliant on frontline services and you are talking about more civilians. I am just wondering where your vision is with regards to the efficiency.

The Minister for Home Affairs:

Well, my vision is to make ourselves as efficient as possible. I mean, there have been inefficient practices within the police force and what happens, in any organisation, is that things gradually change but people do not entirely change their method of operation. You had police officers still making pocketbook notes of things and then going and making a statement, which these days, rather than writing out a statement, they will actually type in a statement on a computer while you had some police officers still doing both which is a waste of time. A pocket notebook is purely for something, you

know: "What did the accused person say at the time? What do I need to write down immediately which I might forget the details of?" So there are issues like this that you can make the organisation more efficient simply by changing the way you deal with your procedures. That is one of the major reviews; that was not secret.

Senator S.C. Ferguson:

Yes, because I gather in the U.K. (United Kingdom) they are cutting down the paperwork with the Stop and Search.

The Minister for Home Affairs:

Yes, well one of the problems with policing work is that increased standards of criminal justice systems have produced increased workloads. I mean, in all my areas as magistrate, the workload of the criminal justice unit, for instance, which is the people who deal with administration of the paperwork and so on, have just massively grown. When people did not plead guilty the first time and there had to be disclosure of statements and documents and everything else and so on, what was required to be disclosed has massively grown. It has done so because of guidelines produced by the Attorney General which were quite correct guidelines. But what I am trying to explain, in a longwinded way, is that it is attempts to make the system more fair and more just which in themselves have in the past produced more workload. Now, I am all in favour of a fair and just system but you actually have to have a system that works financially within the resources that you have got. There has to be degrees of pragmatism in relation to that and it is no good a state having a wonderful, deluxe system of criminal justice which is perfect in every ideal, but never actually finds anybody guilty of anything, and they have been guilty. You have to be pragmatic.

Senator S.C. Ferguson:

So, presumably you are also looking to do more with the Honorary Police?

The Minister for Home Affairs:

Yes, a classic example of that in recent times has been the reduction of involvement of police officers in terms of speed checks. That is borne out by the figures in the current statistics, but at the same time the Honorary Police have been increasingly ... I do not know if they have in the parish ...

[14:45]

The Connétable of Grouville:

We are in a very, very bad position because staffing numbers in Honorary Police in all parishes are very short, very short. We just cannot get people interested. I had a phone call today from a lady who read the Grouville Gazette where I had been asking for volunteers and she wanted to volunteer and I very nearly ran up the road to catch her. I lost 4 police last year through deaths in my Honoraries; it was awful. So normally one would expect people coming back but we are just not getting them. It is a very, very big problem now. It is a very big problem now.

The Minister for Home Affairs:

Well there is no doubt that the amount of work being done by the police in terms of speed road checks has reduced, there is no question about that. If we got to a stage where the Honorary Police Forces cannot do that at an acceptable level then we are going to have to put more resources back into that. It is as simple as that.

The Connétable of Grouville:

Well the other thing too is that obviously we certainly do not want to lose the role within the police which works so well, and it is just we have got to get people interested in it; we are not doing the right thing apparently.

Senator S.C. Ferguson:

Right, and moving on, the discrimination legislation funding was the result of a States decision within the annual business plan last year. Is it realistic to expect the £100,000 saving to remove the discrimination legislation suggested to be accepted by the States?

The Minister for Home Affairs:

Well that is a matter for the States to decide. Can I say that this was I think the last item within our savings because we were seeking to find a 2 per cent figure this year, albeit I talk about compensating growth issues. It was in a sense the last item and the problem I had was not so much 2011, because I think that if I had only been looking at 2011 I would have kept it in, and I would have to find some money somewhere else, or not achieve the initial aim of the department. The difficulty is 2012 and 2013 because it does not make any sense whatsoever to, in act of this legislation, set up the tribunal that goes with it and then the year after say: "Oh, sorry, we have not got the money now." It just makes no sense whatsoever. So, my view was that it would not survive the entire process. Now, if the view of the States is otherwise, so be it. But there is one other thing I need to say, I think, which is this: that my view the time has come for my colleagues in the States to bite the bullet. Because in the past it has been too easy for backbenchers, as part of the business plan, to add things in and, you know, everybody wants to add things in, it is nice, we are providing extra service to the public, et cetera, et cetera. Well, now the fact is I have to bite the bullet. I have had to bite the bullet this year. I have had to make the tough decisions, they are interim decisions, obviously you are free to disagree with them if you so wish and the States are free too. But the fact is, when I have been doing the process I have been saying: "Now why are you going to cut £100,000 on this?" Or: "Am I going to lose yet 2 more policemen, or one fireman and one policeman" or whatever. That is the sort of decision. I think that that is what should be happening in the House. I think that if you have a situation in which an amendment goes in trying to put something back in, my intention will be to lodge a counter amendment taking something else out. So that my colleagues have to bite the bullet and say: "Okay, if you want to have this in here, that is going to go instead." Because that is the choice I have had to make, and it has just been too easy in the past because that ...

Deputy T.A. Vallois:

But you have had the information of the department to be able to do that, whereas backbenchers do not have all the information of the department to do so.

The Minister for Home Affairs:

Well, I think that is right, but the point is this; if I put in a counter amendment and say: "Look, if you really, really want to have the discrimination legislation in for 2011 and 2012 and 2013, then in 2011 I am going to seek to cut the following in place of it." I could be gunned down on that, but I will put in an amendment.

Deputy T.A. Vallois:

So, what will you be saving on the 2012 and 2013 then? Is that already budgeted for?

The Minister for Home Affairs:

Sorry?

Deputy T.A. Vallois:

If the discrimination legislation gets removed for 2011, how much would you say as per budget would have been agreed for 2012, 2013?

The Minister for Home Affairs:

Same amount.

Deputy T.A. Vallois:

£100,000?

The Minister for Home Affairs:

It is £100,000. It could be £100,000 ...

Deputy T.A. Vallois:

Will that come as part of your 3 and 5 per cent?

The Minister for Home Affairs:

No. No, it is not, because they are cumulative. It is 2 per cent plus 3, plus 5. The 2012 process means we are looking at 5 per cent of savings: 2 per cent plus 3. 2013 means we are looking at 10 per cent of savings: 2 plus 3 plus 5. Can I be absolutely open with you and reflect some of the things I have been saying to my colleagues in the Council of Ministers. There are tough decisions to be made. There is clearly a shortfall. That shortfall appears to be of the order of £90 to £100 million, if you take into account proper provision of monies for maintenance of buildings which has not happened for a very long time. Senator Ferguson made it on that in her campaign in 2008, as I well remember. If, instead of relying upon chance events like confiscations for court case costs, we have a proper budget for it. If, instead of relying upon 11(8) things, you have a proper contingency fund and actually there is an issue as to whether or not you can have contingency funds in individual departmental budgets. There is nothing built into 2011, incidentally. But that is thinking for the future. If you are going to have a pot of money from which

you can pay out monies in terms of voluntary redundancies, then we are looking at something like (on the current figures) between £90 and £100 million. Now, again, the Council of Ministers has had to look at this and try to make tough decisions. When we started the process we thought we were looking at £110 million, so it has improved and now I think we are looking at £90 to £100 million, so that is good. But the tough issue is this: how much of that £90 million to £100 million is going to be tax increases and how much of that is going to be reductions in service levels and savings et cetera? Now, I believe that the Council of Ministers needs to throw that back onto the Assembly. Why should we always be taking the flack for things? Let our colleagues share the pain.

Deputy T.A. Vallois:

But is that not the reason why we have the presentation?

The Minister for Home Affairs:

Yes, but we have got to have a decision-making process. We have got to have a decision making-process by which the whole Assembly basically says: "Okay, we acknowledge we have got a hole of X and we are going to fill that by Y in terms of tax increases and Z in terms of savings." At the moment we are looking at a total of £90 million to £100 million. Now, we may all have different views as to what the ratio should be in terms of the tax increases, some of may think we should have no tax increases and we should have £90 million to £100 million worth of savings, in which case we need 20 per cent, not 10 per cent.

Mr. M. Oliver:

Can I be a little cheeky and ask, what is the sort of feeling about that question that you wrote? In terms of, in the Council of Ministers, is there an 80/20 split or a 50/50 split?

The Minister for Home Affairs:

I do not think I should reveal private conversations within the Council of Ministers. I think that it is fair to say that there is a recognition that there needs to be a debate in the Assembly on this to look at the different levels. Indeed, the work that is being done currently on the 5 per cent and 10 per cent figures is important, because it will give people some idea of what they would look like, what a 10 per cent thing would really look like. But the trouble is, in terms of Home Affairs, I have talked about the things we can definitely do. Over and above that we start to run into a real brick wall in terms of further matters.

Senator S.C. Ferguson:

Yes, are we doing enough work on ... because I presume you have done some for your department, are we doing enough work on things that the States should be doing and things that are peripheral to our statutory requirements? You know, there are a number of nice to haves, or businesses which the State is trying to run and the State is no good at running businesses.

The Minister for Home Affairs:

Well, you are absolutely right, of course. But we do not do that sort of the stuff in Home Affairs.

Senator S.C. Ferguson:

No, no, you have looked at your statutory requirements?

The Minister for Home Affairs:

Yes, we are mainly statutory requirements. I mean, there are other things we are doing that are not strictly statutory requirements and one of those is one of the areas I want to talk to you privately. You are absolutely right, there are issues as to the size of the centre (the central organisation); has it grown too big, or not? We may all have different views on that. There are issues as to peripheral organisations like the J.C.R.A. (Jersey Competition Regulation Authority), some of us may love it to bits and others may think it is a waste of money. It is not for me to decide, except I have one vote in the Assembly, because that is not within my area.

Senator S.C. Ferguson:

No. We will come back to it. Right, your proposals say £15,000 from the Building a Safer Society budget. This is 3 per cent of that particular bit of the budget. What impact will that saving have on the organisations in receipt of the grants?

The Minister for Home Affairs:

We do not know because we do not yet know where that is going to go. It is not yet decided whether that would all fall on one organisation or be split. There is an issue, and I can call this a 7th review if you like, internally and I don't think there is any great secret about this because the staff involved in this themselves have raised the issue. There is an issue as to whether in fact we should be entirely reviewing the way in which the whole Building a Safer Society process is delivered, and we will have to do that within the subsequent ... I should have mentioned that as one of the other areas.

Senator S.C. Ferguson:

Well, with £40 million a year in various grants throughout the States, according to page 179 of the appendix to the accounts, it is an area that other Ministers have also said they are looking at the grants area.

The Minister for Home Affairs:

Yes, we actually do not have a lot.

Senator S.C. Ferguson:

No.

The Minister for Home Affairs:

Because a lot of the Building a Safer Society, and my colleague will know the details better than I do, is money which is channelled through other departments, like the Sports and Leisure. I should not name a name; a gentleman who runs a football programme which is highly successful in

diverting youngsters who otherwise might be getting into mischief and so on. That works extremely well. There are programmes which have been run for a year or so and programmes being run with probation. It is providing funding into all sorts of different organisations, all of which are designed to reduce the levels of crime, thus reduce the level and cost of the police force and courts et cetera.

Senator S.C. Ferguson:

Well, that was one of Robert Peel's basic things, was it not?

The Minister for Home Affairs:

I do not in my head have a list of all the things that we have sent across, but Building a Safer Society ... sorry, it does mean in a way we have a £15,000 ...

Finance Director, Home Affairs:

There is only about 2 or 3 grants that we physically give out and that is to organisations outside the States. As the Minister says, the rest is within Health and Social Services, Probation and Education, Sport and Culture, targeted for specific projects.

Senator S.C. Ferguson:

Yes.

The Connétable of Grouville:

Is that a good point for me to come in on the military side of things here? The uniformed youth organisations and things like that. I see a review of that, I mean, I do not think they could bear to suffer any more cuts at all. Organisations like that which are doing a job which you just described, in keeping children very well-occupied and very well-trained and, in fact, off the streets, as the expression would have it.

The Minister for Home Affairs:

I am looking quizzically at my colleague as if to say, have we got a review of that?

The Connétable of Grouville:

Yes, it says hear: "A full review of non staff costs."

Finance Director, Home Affairs:

That is right.

The Connétable of Grouville:

Uniformed youth organisations may be reduced.

[15:00]

Finance Director, Home Affairs:

Yes, as part of the Jersey Field Squadron's contribution to savings next year, it is over 2 per cent because as you are aware the Minister has not pro rated 2 per cent across all areas and some departments have been spared from

savings from 2011. What we have said is that there would be a target of £55,000 and they would be reviewing their operational costs which does include the grants to the uniformed cadets.

The Minister for Home Affairs:

I was not expecting a reduction of those, I have to say. I was not expecting a review to result in that.

The Connétable of Grouville:

The Field Squadron expenses are basically charged to us from the U.K. Government, are they not? We do not have any budget on that, we are told what our budget will be, am I correct?

Finance Director, Home Affairs:

The Field Squadron's costs are ... if you exclude the grants, you know, they are basically 50/50 almost, costs ... running costs of the T.A. (Territorial Army) Centre and costs that are kept in Jersey and then the payment to the Ministry of Defence.

The Connétable of Grouville:

The Ministry of Defence do not have a set payment; that is just ... they will send you a bill saying: "You owe us X." It does not come out ... there is no budget for it.

Finance Director, Home Affairs:

It does come out of that, but that is included in that amount in the accounts.

The Connétable of Grouville:

Yes, but as I say, if one was to up the budget we do not have any say in how much it should be. That is the point I am trying to make.

Finance Director, Home Affairs:

We have got an agreement with the Ministry of Defence that any change and any extraordinary items we do get notice about so we can discuss, and we do get forecasts from them on an annual basis based on the amount of training days and the costs of running the T.A. part of this.

The Connétable of Grouville:

But we cannot contest it. They say, to put it crudely: "We want X, we will get X."

Finance Director, Home Affairs:

When we get the bill we pay, but we can negotiate beforehand and we have done over recent years with officers from the Ministry of Defence to get a better agreement for Jersey so that we are not just given an invoice which we have to pay. There are categories that we can negotiate on and engage in conversation.

The Connétable of Grouville:

I would hate to see that the uniformed youth groups were being hit.

The Minister for Home Affairs:

I agree with this which is why I am quite surprised. I have to look through wording; I do not have that wording in front of me, could you pass it over? Because I am not sure ...

The Connétable of Grouville:

You cannot miss it, it is under the huge question mark.

The Minister for Home Affairs:

I am not sure ... lumped everything together. I mean, in fact, we have expanded that because we have taken on a 4th organisation, the Governor has helped to set up, an army group separate from the Combined Cadet Force.

Finance Director, Home Affairs:

I think it might be the way the information is being presented, because the £55,000 was just a non-staff total for the Field Squadron to review their operations and they are looking at in all areas ...

The Connétable of St. Grouville:

So, there is no intention of cutting the uniformed youth?

The Minister for Home Affairs:

No, not in the path of this Minister.

Finance Director, Home Affairs:

As the Minister says, from 2010 the budget has gone up from £30,000 to £40,000. Hence a new organisation being established.

The Minister for Home Affairs:

I know where the cuts are likely to be, at least the substantial part of it is not there. I think they do excellent work. I mean, I certainly, whenever I visited the organisations ... they are very well run.

Senator S.C. Ferguson:

Now, the police, prison, fire and customs staff have always had the incremental rises inbuilt into their pay scales, which has not been included in previous budgets. How has that happened? I mean, this seems a bit imprecise.

The Minister for Home Affairs:

Well, if one goes back to the middle ages when I was a Chief Officer effective from 1990 to 1997, pay increments were given every year, they were automatic. You just worked out how much they were. Somewhere along the way some bright spark, no doubt with intention of trying to squeeze down financial departments, decided no, no, you would not automatically get your increments, you would get your pot of money and an allowance for pay increase. But you would have to adjust. So, they were no longer a given. Now, that seems to have worked fairly happily until such time as we hit a

major recession and, of course, when you hit a major recession you are getting a situation where senior officers in the police force are delaying retirement. They can go between 50 and 55, take their pension rights. Historically they had quite often been happy to go at 50, get a nice part time job that pays their social security, pick up their pension and they are working less hours and they are better off. But when there were no part time jobs to go to, were no other options, they do not. I, to my shame, have to confess to you that only today I looked for the first time at the differential between a policeman when he starts as Constable and one when he is after 12 years service. Because we have 8 increments over a period of 12 years, and most of those increments are in the first 4 years. The differential between the starting on appointment salary and the after 12 years salary is about £19,300 per officer plus.

Senator S.C. Ferguson:
90?

The Minister for Home Affairs:
No, 19.

Senator S.C. Ferguson:
Oh, 19.

The Minister for Home Affairs:
It is more than a 60 per cent increase. So, you can see that where we get a situation where our senior officers are not retiring but have remorselessly moved up the ranks, we get clobbered. You have got age increments over 12 years. The Fire Service has 8 increments over 10 years but the differentiation between the bottom and the top is £29,000 to £39,000 plus pension so that is only a differential of, I have worked out, 30 something per cent. We have issues in relation to the prison. I have not got the figures in front of me. My colleague may remember but, again, there are a number of increments over a period. Now, there is a particular problem with the prison because the pay deal that was done in 2008 whereby hours were reduced required increased numbers of staff and they all came in at the same time and therefore they were going to remorselessly march up the increments in a great block. That has happened. Customs and Immigration has an interesting position with its multi-purpose officers. They come in at grade 7 and move to grade 8 after 12 months, grade 9 after 2 years and then work their way up over another 3 years up to grade 10. So, you have got people starting at 7/0 and ending at 10/3 and I do not have the figures for that but that would be probably 50 per cent, 60 per cent difference. So, again, when people are not moving, the costs are going up. Now, the good news from the Home Affairs point of view is that I managed to persuade my colleagues and the Minister for Treasury for 2010 that we keep our 2009 underspends which will provide us with some cover for the effect between 2009 and 2010 total of increments. Between 2010 and 2011, at the moment, we have a growth bid and it is not called incremental, it is called maintenance of essential staffing but it is the same problem. We have been hit much worse than the other organisations because, in most organisations, people come in at a grade, say, 9/0 and they

will reach 9/3 on average in 2.5 years' time. So you do not have that massive ...

Senator S.C. Ferguson:

If you stay on a grade 9, you just stay on a grade 9/3?

The Minister for Home Affairs:

You stay on a grade 9/3 on the top. You could get jobs which had started on 9 and finished on 10 but we have a much worse situation. It took a long time to persuade the Treasury and our colleagues that we had a real case, which we do. For 2011, we will still need to keep 2010 underspends to give us some cover and then the additional money, so there it is. I think this is perfectly ridiculous if you want to know my opinion of this. I think it is absolutely daft to have a differential of pay level of up to 60 per cent simply upon the basis that the person is more senior without any real serious attempt to assess whether they are a better officer or not a better officer. But this is the public sector. I came in in 1990 from the private sector running my own law firm and it is an extraordinary culture shock to arrive in an organisation where people's pays went up just because they were there longer irrespective of how well they were performing. I may be a bit of a heretic on these sorts of things but I really think that we have got to review this. We have got to change this. It requires negotiation, it requires reviewing the thing. It is just not reasonable. I suspect most of you will agree with me. Why do we not do something about it for goodness sake? It is not reasonable and a 60 per cent increase without (several inaudible words) our Police Force is totally unreasonable.

Senator S.C. Ferguson:

Well, it is with the Police Force. It is available on the Police website for the public, which is where I have got it from usually.

The Minister for Home Affairs:

Yes, I know. That is right and I confess my shame for not having looked at the figures before. I have been told the results but I have not looked at the individual thing. Interestingly enough, in the more senior ranks, that simply does not happen. The differential is not as great. It is police constables.

Senator S.C. Ferguson:

Yes and you can get a very good comparison with the MET on their website.

The Minister for Home Affairs:

Yes.

The Connétable of Grouville:

I think that also it does not really encourage them to take examinations and move further up the ladder, does it, because if you are going to get a rise anyway, there is no point in taking an examination to get a promotion.

The Minister for Home Affairs:

Well, you are absolutely right and looking at the figures I have got in front of me, the top rank for a constable PC, this is with reference to basic salary and the bottom rank for sergeants is about £4,500. But the difference between on appointments to top rank of a constable is £19,000. This is unreasonable. You have got to have proper incentive, it seems to me, for people to aspire to higher ranks and to be willing to put in extra work in examinations and take the extra responsibility. So, there we are. If I have explained all that.

Senator S.C. Ferguson:

All right.

The Minister for Home Affairs:

I have to say this is not within my control, of course. This is a matter for the S.E.B. (States Employment Board).

Senator S.C. Ferguson:

And the Pay and Employment Review.

The Minister for Home Affairs:

Yes, indeed.

Senator S.C. Ferguson:

Basically you have touched on the difficulties. I am sorry, I should have said we are running slightly over.

The Minister for Home Affairs:

Okay, that is all right.

Senator S.C. Ferguson:

That is fine, super, thank you. What are the real difficulties with meeting the 3 and the 5 per cent? I think you have touched on them.

The Minister for Home Affairs:

Yes, we have a situation in which we have one fireman less per shift than we probably should have. That is being looked at by an outside force. I have taken a decision, realpolitik, that I could not achieve that, that we would have to manage with that and we do. We also, of course, have our part-timers who can be called in, the retained fire fighters, and they are very good backup people. They are very committed and so on and so forth. Customs, similarly we are one per shift down. We had this ridiculous situation in which a previous F.S.R. process led to them losing 2 per shift and then they got given back one. But we are still probably one down on where we should be and this does lead to pressures and difficulties. So, there are core activities there in terms of both those organisations which we simply cannot go down on further without compromise. Deputy Vallois quite rightly asked me the question, what can we manage on in terms of the police force? Depends how we are operating in reality. It depends what level of policing people expect.

Deputy T.A. Vallois:

You need a degree of flexibility within that role, within your budget.

The Minister for Home Affairs:

Yes, because you are always going to have factors, sickness, long-term sickness, suspensions, dare I mention it, from time to time and a workload. It is responsive. You have got a certain amount of policing which is just normal policing but a lot of the workload is responsive and you can have sudden major incidents and suddenly your workload will go up.

[15:15]

You may have a quieter year in another year. There are going to be variations. You have to have a degree of flexibility. In all of the organisations, we suffer from the basic problem that we cannot call on the force next door immediately. In policing, interestingly enough, of course we can borrow officers from other forces, you can second them across so you can try and cover for that. But the Fire Service, who is going to come and help us apart from the airport with the airport closed? With Customs and Immigration, who are we going to call on in terms of that? With the prison, hypothetically if we have a prison riot ... we do not have a lot of those but we sort of had one some years ago some barricading in and setting fire to something. I remember dealing with the case when I was Magistrate taking it to the Royal Court. Where are you going to call on for extra prison officers? You have not got them. So there are limitations in that and we counter that with things like the Fire Service by having retained people. We counter that with the Police Force by use of overtime. Similarly, if necessary, we would have to counter it with the use of overtime but it does create a real difficulty. In the U.K., you have got a major fire, you will sometimes hear 16 fire engines have turned out to this major fire. Well, we do not have 16, let alone a staff for 16. So, there are special difficulties which do mean that there is a kind of baseline. Now, obviously it is my responsibility to make the judgment balancing risk against risk and so on as to where the baseline is. Obviously I receive advice on that and I just hope and pray that we will not have some major incident which means that I have got it wrong.

Senator S.C. Ferguson:

So that the 3 and the 5 per cent are going to be tough?

The Minister for Home Affairs:

I do not think we can achieve them, I will be honest. Even with the major reviews, there are going to be limits, I think, on what those reviews are going to deliver. The key issue, I think, in terms of long-term costing is going to be staff wages levels. But, of course, any changes to staff wage levels or to packages or whatever which might come out of one of the reviews does not deliver immediately.

Senator S.C. Ferguson:

No, it cannot do. You have to have a natural wastage because I remember when the J.E.C. (Jersey Electric Company) changed their terms and conditions, there was a considerable amount of natural wastage and doing it

over. This is what the Auditor General said. It has got to be done over a period of years.

The Minister for Home Affairs:

Yes, you are going to have to protect status for a number of years obviously negotiated and so on so you cannot deliver a meaningful result in terms of that but I have no doubt that in terms of long-term issues in the Home Affairs areas, that that is the key issue. It is not just a question of pay levels. It is also a question of allowances. I am reliably informed that some of my groups have allowances which senior officers who have come from away find very strange indeed.

Senator S.C. Ferguson:

Thank you for your time on the public session.

The Minister for Home Affairs:

Okay.

Senator S.C. Ferguson:

I am sorry to throw you out.

Female Speaker:

Can I ask the specific reason that I have to leave so I can tell anyone who asks about it?

Senator S.C. Ferguson:

There are a number of reviews going on where, if I understand you, Minister, they are in such an embryonic stage that it would be counterproductive to start talking about them in public.

The Minister for Home Affairs:

Yes, I can talk about ... just trying to be really helpful, I can talk about modernisation of law enforcement and policing because I have already spoken about that. That is simply the Police Force operating in a more effective way and a more in terms of resources and there is the review of the criminal justice processes which is to do with core processes and so on. I was a member for a number of years of the thing called the 1864 Group.

Senator S.C. Ferguson:

Your date of birth!

The Minister for Home Affairs:

It did feel as if that was the year that I started work. 1864 is the date of the key Criminal Justice Law, criminal procedure law, Loi sur la procédure criminelle I think it is. That produced excellent work but has sort of died a death simply because the Attorney General, who was passing it through, became the Deputy Bailiff and they do not seem to have the resources at the Law Offices to do it. So, all the work has been done, lots of work has been done in terms of improvements but it is a question of implementation. Those 2 I can talk about publicly but the rest I cannot, I am afraid.

Female Speaker:

That is ... literally, it is just so that I know. Thank you.

The Minister for Home Affairs:

Okay.

Senator S.C. Ferguson:

Super, thank you very much indeed.

Female Speaker:

Thank you.

The Connétable of Grouville:

You did get the bit about no cuts in 3:20:56 (inaudible) associations, did you?

Female Speaker:

I did.

[15:21]