

**THE STATES assembled on Tuesday,
23rd May 2000 at 9.30 a.m. under
the Presidency of the Bailiff,
Sir Philip Bailhache.**

All members were present with the exception of -

Senator Jean Amy Le Maistre - out of the Island
Stanley John Le Cornu, Connétable of St. Clement - out of the Island
Alastair John Layzell, Deputy of St. Brelade - out of the Island
Celia Joyce Scott Warren, Deputy of St. Saviour - ill.

Prayers read by the Bailiff

Tourism Committee - appointment of member

THE STATES appointed Deputy Judith Ann Martin of St. Helier as a member of the Tourism Committee.

Human Resources Committee - resignation of member

THE STATES noted the resignation of the Connétable of St. Ouen from the Human Resources Committee.

Human Resources Committee - appointment of member

THE STATES, appointed Senator Christopher Gerard Pellow Lakeman as a member of the Human Resources Committee.

Matters presented

The following matters were presented to the States -

International Conventions and Agreements: progress report for the period 1st October 1999 to 31st March 2000 - R.C.20/2000.

Presented by the Policy and Resources Committee.

Commission Amicale: annual report 1999 - R.C.21/2000.

Presented by the Commission Amicale.

Motor fuel duty - (P.59/2000): report - P.59/2000 Rpt.

Presented by the Finance and Economics Committee.

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

Matters lodged

The following matters were lodged "au Greffe" -

Draft Amendment (No. 20) of the Standing Orders of the States of Jersey (P.76/2000): amendment - P.79/2000.

Presented by Deputy J.L. Dorey of St. Helier.

Draft Conservation of Wildlife (Jersey) Law 2000 (Appointed Day) Act 200 - P.80/2000.

Presented by the Planning and Environment Committee.

Arrangement of public business for the next meeting on 6th June 2000

THE STATES confirmed that the following matters lodged "au Greffe" would be considered at the next meeting on 6th June 2000 -

Draft Magistrate's Court (Miscellaneous Provisions) (Amendment No. 8) (Jersey) Law 200 - P.69/2000.
Lodged: 16th May 2000.

Legislation Committee.

Draft Maintenance Orders (Enforcement) (Amendment) (Jersey) Law 200 - P.72/2000.

Lodged: 16th May 2000.

Legislation Committee.

Draft Statutory Nuisances (Jersey) Law 1999 (Appointed Day) Act 200 - P.73/2000.

Lodged: 16th May 2000.

Health and Social Services Committee.

Church of England: Draft Ecclesiastical Offices (Age Limit) (Channel Islands) Order 200 - P.74/2000.

Lodged: 16th May 2000.

Legislation Committee.

States members income support and expense allowance: increase for 2000 - P.75/2000.

Lodged: 16th May 2000.
Finance and Economics Committee.

States members income support and expense allowance: increase for 2000 (P.75/2000): amendment - P.78/2000.

Lodged: 16th May 2000.

Deputy A.S. Crowcroft of St. Helier.

Jersey Heritage Trust: appointment of chairman - P.77/2000.

Lodged: 16th May 2000.

Finance and Economics Committee.

Draft Conservation of Wildlife (Jersey) Law 2000 (Appointed Day) Act 200 - P.80/2000.

Lodged: 23rd May 2000.

Planning and Environment Committee.

Redevelopment of the Victoria College Preparatory School - questions and answers (Tape No. 584)

Deputy Roy George Le Hérisier of St. Saviour asked Senator Leonard Norman, President of the Education Committee, the following questions -

- “1.(a) Would the President identify the options currently being considered for the redevelopment of Victoria College Preparatory School?
- (b) Would the President assure the Assembly that the Committee will give absolute priority to the redevelopment of the school on its existing site if possible?
2. Would the President assure members that any option chosen will have, as a priority, the reduction of school traffic in St. Saviour?”

The President of the Education Committee replied as follows -

- “1.(a) Sites both inside and outside of the administration of the Committee in the vicinity of Victoria College and JCG, including the current site, are under consideration.
- (b) Yes, I can give the Assembly an absolute assurance that if it proves safe, efficient and cost effective to redevelop the school on its existing site this will be done.
2. Yes.”

States of Jersey Police Force - question and answer (Tape No. 384)

Senator Paul Vincent Francis Le Claire asked Senator Wendy Kinnard, Vice-President of the Home Affairs Committee, the following question -

“Would the President advise members how many police officers have left the States of Jersey Police Force during the last five years, before normal retirement age i.e. prior to the completion of their service?”

The Vice-President of the Home Affairs Committee replied as follows -

“Officers who have left the States of Jersey Police since 1st January 1995, before normal retirement age are as follows -

Police Officers who have resigned	36
(Police Constables	26)

(Sergeant	1)	
(Probationers		9)
Sergeant (deceased)		1
Officers who have retired on medical grounds		4
(Constable	-	3)
(Sergeant	-	1)
Officers who have retired after the age of 50 but before the age of 55		20
Total		<u>61</u>

Appointment of the Chief Executive of the Policy and Resources Department - question and answer (Tape No. 384)

Senator Paul Vincent Francis Le Claire asked the Deputy of Trinity, President of the Human Resources Committee, the following question -

“Would the President provide members with a full explanation of the procedures used in recruiting and appointing a Chief Executive of the Policy and Resources Committee and in particular, will he give details of factors such as the production of a job description, advertising arrangements, the holding of preliminary interviews and the conduct of an assessment centre?”

The President of the Human Resources Committee replied as follows -

“I can advise members that we have recruited on only one occasion to the post of Chief Executive of the Policy and Resources Committee. This was in 1999.

On this occasion, it was decided by the then Establishment Committee and the Policy and Resources Committee to give the responsibility for recruitment to a firm of professional head hunters, Deloitte and Touche. This company was chosen because it had previously carried out the service review of the former Chief Adviser’s office and recommended the establishment of a Policy and Resources Department under a Chief Executive. The job description was the one which was included in the report and proposition presented to the States by the Policy and Resources Committee in 1998 recommending the establishment of a Policy and Resources Department. It was decided on this occasion that an assessment centre was not required given the process to be conducted by the consultants.

Meanwhile the post was circulated internally within the public service and advertised locally in the Island, but no suitable applications were received. Deloitte and Touche carried out a typical head hunting exercise in that they advertised the post nationally and targeted specific individuals of proven high calibre and high profile whom they knew to be suitable and possibly available for this post.

Preliminary interviews with four candidates were held in London in January 1999, involving some members of the Policy and Resources Committee.

Final interviews took place in Jersey in the spring of 1999. Members of both the Policy and Resources and the Establishment Committees participated and three candidates were interviewed. One was selected and offered the post on a five year contract.”

Internet betting - question and answer (Tape No. 584)

Senator Paul Vincent Francis Le Claire asked Senator Pierre François Horsfall, President of the Policy and Resources Committee, the following question -

“At its meeting of 4th May 2000 the Committee agreed to support the introduction of Internet betting. Would the President inform members what advice the Committee received from the Financial Services Commission in respect of this matter?”

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

“The Financial Services Commission considered the proposal before the Committee at its meeting on the afternoon of 3rd May and sent its comments to the Chief Executive of the Department on the morning of 4th May, just before the Committee’s meeting began. Such a quick response had been specially requested by the Chief Executive so that the Committee would be able to know the FSC’s views. The views in the FSC’s letter were reported to the Committee by the Chief Executive.

The FSC said that it considered that Jersey’s reputation as a financial centre with good regulation and effective money laundering controls could be damaged if the applicants were allowed to be established in the Island. They recognised however, that, so long as they did not undertake any activity which would require a licence under any of the Islands regulatory laws administered by the commission, the decision on whether or not to allow them to establish in the Island was not a regulatory matter. The FSC also said that they would need to be satisfied that the risks of money-laundering were minimised.

They said, therefore, that if the Policy and Resources Committee were to conclude that it wished to promote the kind of activity in the Island, if the applicant was considered by the Committee to be of sufficient international stature in this field; and if it were to be subject to the Proceeds of Crime (Jersey) Law, with proper guidelines drawn up and enforced by the appropriate body, then the Commission would accept this and the Register would not refuse a consent under the Control of Borrowing legislation.

The Committee entirely took this on board and the Gambling Control Committee, who were supporting the application and which had the specific regulatory responsibility, was asked to take forward the preparation of appropriate regulations in full consultation with the Financial Services Commission. These Regulations would be made under the Gambling (Jersey) Law 1964, as amended in 1995, when the States took the view that the law should be changed to facilitate the introduction of deposit based offshore betting. New Regulations will, of course, have to come before the States for approval and I doubt that the Assembly would wish to proceed with them unless it was assured that any concerns of the Financial Services Commission had been met.”

Establishment of an Audit Committee (Policy and Resources Committee) - question and answer (Tape No. 384)

Deputy Philip Francis Cyril Ozouf of St. Helier asked Senator Pierre François Horsfall, President of the Policy and Resources Committee, the following question -

“Would the President explain to members what steps the Committee has taken to set up an Audit Committee and, if the answer is none, would the President explain why?”

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

“The Policy and Resources Committee does not have a separate Audit Committee and, in fact, the question of its having one has never been raised as an issue before. This is no doubt because it is a fairly new Department and its budget is relatively small. Particularly in view of the recommendations of the recent Hepworth report that the number of separate Audit Committees should be reduced, I would not see it as a sensible and productive move now to create such a Committee.”

Establishment of an Audit Committee (Planning and Environment Committee) - question and answer (Tape No. 384)

Deputy Philip Francis Cyril Ozouf of St. Helier asked Senator Nigel Lewis Quérée, President of the Planning and Environment Committee, the following question -

“Would the President explain to members what steps the Committee has taken to set up an Audit Committee and, if the answer is none, would the President explain why?”

The President of the Planning and Environment Committee replied as follows -

“The Committee has decided against setting up an Audit Committee for the following reasons -

Whilst the Committee understands why larger States Departments have found setting up separate Audit Committees advantageous, it is not convinced that in the case of small departments the benefits of a body dedicated solely to financial review and value for money justify the time and resources required to service such a body properly. The time of Department officers and Committee members is already fully and effectively committed. The Committee is very satisfied with the safeguards of the existing review arrangements by the Treasury Internal Audit and Jersey Audit Commission, both of whom have open access to the Department. The Committee is also fortunate to have in its present Chief Officer a qualified accountant.

In its case the Department’s budget is one of the smallest in the States. A very large proportion (70 per cent) of this budget is allocated to meet the fixed costs of staffing its core services. The scope for discretionary (avoidable) expenditure is therefore low. The Department’s financial management is particularly strong, as evidenced by the low rate of growth of its revenue budget over the past nine years which has been only one third of that of the States as whole. The Committee regularly receives financial reports which have shown consistently excellent management. This is confirmed by the audit reports received from the States Treasury Internal Audit.

The Committee also has concerns that, in its case, an Audit Committee would have far too a narrow a focus. The continued existence of numerous, disconnected separate Audit Committees perpetuates the already fragmented and cumbersome organisation of the States. It tends towards bureaucracy and would reinforce vertical divisions which prevent horizontal integration of States functions. This in turn prevents efficiency savings being realised.

In the future the Committee sees merit in examining proposals with the objective of providing a properly resourced, empowered and integrated audit body rather than continued fragmentation.”

Establishment of an Audit Committee (Employment and Social Security Committee) - question and answer
(Tape No. 384)

Deputy Philip Francis Cyril Ozouf of St. Helier asked Senator Terence Augustine Le Sueur, President of the Employment and Social Security Committee, the following question -

“Would the President explain to members what steps the Committee has taken to set up an Audit Committee and, if the answer is none, would the President explain why?”

The President of the Employment and Social Security Committee replied as follows -

“The Committee does not currently have an Audit Committee largely because of the existing audit coverage.

Unlike other Committees, the bulk of expenditure of the Employment and Social Security Committee is on benefits which are prescribed by detailed legislation. Both the Social Security and Health Insurance Funds are subject to independent audit by law and the statutory audit has been widened over the years to incorporate value for money scrutiny and comments. In addition, both the Social Security and Health Insurance Schemes are subject to regular and comprehensive actuarial reviews.

As well as external audit, the Department is also subject to internal audit and there is a rolling audit (including value for money scrutiny) in place with the States auditors covering all States funded benefits and services. Other arrangements exist for various internal audits.

In addition to these arrangements, the Committee has plans, which have been approved in principle by the States, to set up a Social Security Advisory Committee, possibly incorporating a Pension Fund Management Committee as the Scheme moves to a partially funded pension system. It is envisaged that these bodies will include a majority of independent people who will also maintain a public 'watchdog' role.

The Department has very recently been in touch with the Chairman of the Audit Commission. The suggestion is that the Commission may wish to review these arrangements and proposals independently, to ensure that they are comprehensive and to help determine the most appropriate arrangements for the future. I would not wish to set up new bodies, whose functions may overlap or duplicate existing provision."

Establishment of an Audit Committee (Harbours and Airport Committee) - question and answer (Tape No. 384)

Deputy Philip Francis Cyril Ozouf of St. Helier asked the Deputy of St. Mary, President of the Harbours and Airport Security Committee, the following question -

"Would the President explain to members what steps the Committee has taken to set up an Audit Committee and, if the answer is none, would the President explain why?"

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

"I do not actually know why the Deputy is asking the question at this time. I received a letter from the Chairman of the Audit Commission asking exactly the same question a little while ago and I wrote to him a full and frank reply inviting him to come and talk to me at any time that suited him. I have yet to receive a reply to that letter which was written on 5th April so it came as a surprise to find that one of the members of the Audit Commission was asking the same question as his Chairman.

The Harbours and Airport Committee will form two Audit Committees when we are in a position to give the Audit Committees something meaningful to audit.

I am well aware of the benefits of audit and an Audit Committee because I trained as an accountant and was the Finance Director of my firm for 20 years. I have served on the Audit Committees of a number of public companies and I served on the Audit Commission for most of its life as well as being one of the honorary parish auditors for 15 years.

The task that our two new heads of finance, one at the harbour and one at the airport, are undertaking is to convert the relatively meaningless public sector accounting systems into something more focused and positive that will provide the two senior management teams with the right tools to do their job more effectively.

When the Committee is satisfied that we have reached an appropriate level of proper accountability and an effective accounting system, then we will create Audit Committees."

Establishment of an Audit Committee (Telecommunications Board) - question and answer (Tape No. 384)

Deputy Philip Francis Cyril Ozouf of St. Helier asked Deputy Paul Francis Routier of St. Helier, President of the Telecom-munications Board the following question -

“Would the President explain to members what steps the Board has taken to set up an Audit Committee and, if the answer is none, would the President explain why?”

The President of the Telecommunications Board replied as follows -

“The Board is very aware of the value of establishing an Audit Committee and steps have been taken to establish one as part of the Board’s incorporation plans, which are currently being reviewed by the Finance and Economics and Industries Committee.”

Renovation of the Town Hall - statement

Senator Nigel Lewis Quérée, President of the Planning and Environment Committee, made a statement in the following terms -

“On Tuesday 16th May 2000 I was asked a supplementary question regarding the cost of providing advice to the Parish of St Helier with regard to the replacement dormer windows to the Town Hall. I did not have the details to hand and undertook to provide that information to the Assembly.

The advice was provided through the use of approximately three hours each of two officers of the Department, together with some professional advice from a local architect, originally estimated to cost around £300, but for which we have not yet been charged. There is tremendous goodwill between the Department and local professionals who both wish to promote good solutions to these sorts of problems.”

Draft Separation and Maintenance Orders (Amendment No. 2) (Jersey) Law 200 - P.46/2000

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

Draft Maintenance Orders (Facilities for Enforcement) (Jersey) Law 200 - P.49/2000

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, adopted a Law entitled the Maintenance Orders (Facilities for Enforcement) (Jersey) Law 200-.

Draft Diseases of Animals (Amendment No. 5) (Jersey) Law 200 - P.54/2000

THE STATES commenced consideration of the draft Diseases of Animals (Amendment No. 5) (Jersey) Law 200- and adopted the Preamble.

Articles 1 to 3 were adopted.

Members present voted as follows -

“**Pour**” (41)

Senators

Stein, Quérée, Bailhache, Syvret, Norman, Kinnard, Le Sueur, Le Claire, Lakeman.

Connétables

St. Mary, St. Peter, St. Helier, St. Martin, St. Ouen, St. John, St. Brelade, St. Lawrence.

Deputies

H. Baudains(C), St. Mary, S. Baudains(H), Trinity, Duhamel(S), Breckon(S), Grouville, Huet(H), S Martin, Le Main(H), Crowcroft(H), Vibert(B), St. Peter, Dubras(L), St. Ouen, G. Baudains(C), Dorey(H Troy(B), Farnham(S), Le Hérisier(S), Ozouf(H), Fox(H), Bridge(H), Martin(H).

“Contre” (1)

Deputy

St. John.

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, adopted a Law entitled the Diseases of Animals (Amendment No. 5) (Jersey) Law 200-.

THE STATES rose at 11.36 a.m.

G.H.C. COPPOCK

Greffier of the States.