

## **6. Statement by the Chairman of the Privileges and Procedures Committee regarding States Members remuneration**

### **6.1 Connétable J. Gallichan of St. Mary (Chairman, Privileges and Procedures Committee):**

On 21st October 2010 in adopting paragraph (a) as amended of P.127/2010 lodged by Senator Ben Shenton, the Assembly voted by 28 to 12 with 5 abstentions to request the Privileges and Procedures Committee to request the States Members Remuneration Review Body to review its recommendation for an £800 increase in remuneration for elected Members from 1st January 2011 as set out in R.93/2010. The States Members Remuneration Review Body had already indicated to P.P.C. before the debate that it was not willing to reconsider its recommendation and the review body's view was relayed to Members in P.P.C.'s comments on Senator Shenton's proposition. Nevertheless, in light of the States decision, P.P.C. considered that it was appropriate to comply with the request from the Assembly and I wrote to the Chairman of the S.M.R.R.B. (States Members Remuneration Review Body) on 25th October 2010 to make the review body aware of the request from the Assembly. P.P.C. has now received a reply from the S.M.R.R.B. in the following terms: "Thank you for your letter of 25th October 2010 which the review body considered carefully at a recent meeting. As I indicated in my letter of 14th October 2010, we made our recommendation for 2011 having regard to all relevant factors in accordance with our terms of reference and since the publication of our recommendation we have received no representations from the public or from any States Member. The relevant factors we are required to consider have not changed since we made our recommendation and we are agreed that it would be improper on our part as well as inappropriate were we now to revisit it. We are, moreover, firmly of the view that were we to do so as a result of circumstances such as have arisen it would be open to being seen as compromising our independence. We completed our review in June and the States Assembly has effectively accepted our recommendation in accordance with our terms of reference as no proposition to challenge that recommendation was lodged within one month of its publication. If any States Member wishes to draw a lesser amount than that then that is of course entirely a matter for her or him acting either privately or publicly. We note with interest from your letter that you intend to remind Members of this. We will meet again in early 2011 to begin to consider our review for 2012 and beyond and we intend to seek the views of all States Members as part of the public consultation process." In the light of the S.M.R.R.B.'s view before the debate I was not surprised by this response. As indicated in our comments on P.127/2010, P.P.C. is disappointed that the recent proposition from Senator Shenton and his earlier amendment to the Annual Business Plan have sought to bring back to the Assembly discussions about Members remuneration when the whole purpose of establishing the S.M.R.R.B. was to prevent this happening [**Approbation**]. I would like to reiterate my thanks to the members of the S.M.R.R.B. who work on an honorary basis and who have shown again this year that they are willing to undertake their very difficult task in a careful, well-researched and reasoned way and in accordance with their terms of reference as agreed by this Assembly. As indicated in the letter from the Chairman of the S.M.R.R.B. it is entirely a matter for each Member to decide whether he or she wishes to draw the £800 increase from 1st January 2011. If any Member feels it is inappropriate to take the full sum available at any time, all that is required is for the Member concerned to write to the States Treasury and indicate the lesser annual sum that he or she wishes to receive. P.P.C. believes that this is a far more appropriate way for Members to deal with this matter rather than seeking to undermine the independent and objective work of the S.M.R.R.B. through debates on remuneration in this Assembly.

#### **The Bailiff:**

Does any Member wish to ask a question?

#### **6.1.1 Deputy G.P. Southern:**

I am drawn in particular to the independence of the States Members Remuneration Review Body. Will the P.P.C. now proactively promote and maintain the independence of the States Members Remuneration and Review Body?

**The Connétable of St. Mary:**

I believe that the independence of the body has never been anything but maintained by P.P.C. It is precisely for that reason that we have at all times laid their findings before the Committee in accordance with the system agreed and have never attempted to interfere with their deliberations.

**6.1.2 Senator B.E. Shenton:**

Given that the review board have never been allocated an overall budget limit and that States Members pay currently operates on an open chequebook basis in budgetary terms, what controls are in place to ensure prudent financial management on a total cost basis?

**The Connétable of St. Mary:**

The review body independently assesses the level of remuneration which it considers appropriate. In doing so it weighs-up all the necessary external factors. Having said that, it is highly unlikely that an increase out of kilter with prevailing economic trends would be suggested by the board although of course I am not able to influence their decisions in any way. If a Member considers that constraints need to be tightened-down when a recommendation is made by the board in future, they must within one month lodge a proposition that this matter be debated. Ultimately the States of Jersey sets the budget for the States Assembly into which remuneration comes and in that way there is not an open chequebook. There are limits as on every other department.

**6.1.3 Senator B.E. Shenton:**

There is no limit. That is a very misleading answer. The remuneration board has no limit. They can come up with any figure they want.

**The Connétable of St. Mary:**

Firstly, the Assembly is not under any obligation to accept blindly the recommendations. However, I would say that the States Members Remuneration Budget is set within the States Assembly. No amount can be given that is outside that budget without this Assembly having agreed that.

**6.1.4 Senator A. Breckon:**

In the statement the Chairman of P.P.C. has quoted the letter from the chairman of the review body. He said: "We will meet again in early 2011 to begin to consider our review for 2012 and beyond. We intend to seek the views of all States Members as part of the public consultation process." Can the Chairman of P.P.C. give this House an assurance that she and the Privileges and Procedures Committee will indeed encourage Members who wish to do so to make submissions to this body rather than make political football of it in this House?

**The Connétable of St. Mary:**

Members of this Assembly are always encouraged to give their views to the remuneration board. In January 2009 prior to consideration of the 2009 to 2011 pay structure, there was a discussion document issued by the S.M.R.R.B. detailing exactly what the terms of reference were, what various parameters there were for review and setting out precisely how members of the public and anybody generally could contact the board. I know for a fact that certain States Members did attend public meetings *et cetera*. All I can say is that I am sure something in a similar format will be issued again. At that time I am sure that P.P.C. will make sure it is brought to the attention of Members.

**6.1.5 Deputy T.M. Pitman:**

Following on from Senator Breckon really; I was one of those Members who made a submission to the review board. Is it possible to change legislation or Standing Orders so that if Members do not act within that month then they cannot come back at a later date perhaps when there is an election looming and they are getting desperate to bring something forward like this?

**The Connétable of St. Mary:**

The procedure as set down at the moment is an automatic acceptance provided that nothing is made within the month. But politicians are by nature of the fact politicians **[Laughter]** and will undoubtedly seek to treat things in a way that they can make political stances at various times in all manner of things. Perhaps that is not the job of P.P.C. to limit that but rather of Members to make their own thoughts felt at the correct time and during the right timescale.

**6.1.6 Senator J.L. Perchard:**

I am inspired to ask the President of the P.P.C. to consider more carefully her response to Senator Shenton about whether there should be an overall limit on the budget for States Members remuneration so that the review body would work within that limit. Will she at least rather than dismiss, as she just did, the suggestion, take it to her committee to consider whether there should be a proposal from P.P.C. to introduce an overall limit for States Members remuneration; a maximum so that proper budgetary controls can be used as an example to other States departments?

**The Connétable of St. Mary:**

Firstly, I should clarify I was asked whether there was an open chequebook for States Members remuneration. I answered there was not because it falls within the budget of the States Assembly. That is the question that I was asked previously. The States Members Remuneration Review Board are given terms of reference. They have terms of reference to adjudicate the appropriate level of remuneration. They are tasked to do that independently. I have not received any detailed requests from Members to have their terms of reference changed. I think in light of the current terms of reference the remuneration body do exactly what they are tasked to do. To set an overall limit might be to impede their actions. I would certainly not be prepared to make any comment on that off the cuff.

**6.1.7 The Deputy of St. Mary:**

Can I thank the Chairman for an excellent statement including the text of a letter written to the committee? I think that is a very good precedent. She once more confirmed that she and her committee will resist attempts by some Members of this Assembly - they are still at it - to remove the independence of the board **[Approbation]** by tying them up and making very, very precise definitions whereas in fact their terms of reference are perfectly adequate.

**The Bailiff**

What is the question, Deputy?

**The Deputy of St. Mary:**

Will she confirm that she will continue to resist attempts by some Members of this Assembly to remove the independence of the board and try to make political capital?

**The Connétable of St. Mary:**

Yes, I think the independence of the board is paramount. There was previously an old saying: "Donner et retenir ne vaut." You cannot give something to someone and keep hold of it yourself. I think tasking the States Members Remuneration Review Board to act independently in this way is a decision this Assembly took some time ago. I see no reason not to reinforce that decision.

**The Bailiff:**

An impressive knowledge of ancient Jersey customary law, Constable.

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

If a Member wishes not to take the increase that is proposed for next year, could the Chairman advise what happens to these funds seeing as they have already been agreed in the budget?

**The Connétable of St. Mary:**

They are shown, therefore, as an underspend in the budget of the States Assembly.

**The Bailiff:**

Does any other Member wish to ask any questions? Very well. That concludes questions then.