

STATES OF JERSEY

OFFICIAL REPORT

WEDNESDAY, 13th DECEMBER 2017

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[9:30]

The Roll was called and the Dean led the Assembly in Prayer.

COMMUNICATIONS BY THE PRESIDING OFFICER

1. Volunteer.je – scroll of wishes expressed by volunteers

The Bailiff:

Members may or may not be aware that there is a new initiative called Volunteer.je which has been set up by the Bosdet Foundation which you will know runs Les Ormes. The aim of it is to match volunteers to charities and community groups seeking help. They had a float in the Christmas Parade which included numerous stockings, Christmas stockings, containing wishes to the Island sent in by volunteers. I have been presented this morning with a scroll which contains those wishes; there are 36 of them. It is a presentation which I have received on behalf of the Assembly and I am going to hand it to the Greffier and it can be exhibited in the Members' room, but it includes wishes such as those sent in as follows. Every Child Our Future: "Our wish for 2018 is that every child in Jersey leaves primary school a fluent and passionate reader." From the Jersey Youth Service: "Our wish is to invest in young people because they are our future." From Crimestoppers: "Our wish is to make Jersey safer for everyone." There are 36 wishes on there from different organisations. Members will be interested, no doubt, to read those later on today.

[Approbation]

PUBLIC BUSINESS - resumption

2. Future Hospital: approval of preferred scheme and funding (P.107/2017) - as amended

The Bailiff:

So we now return to P.107 as amended and the proposition is open for debate. Senator Green, the Minister for Health and Social Services.

2.1 Senator A.K.F. Green:

Members would not be surprised that I would want to speak early in this debate. I am going to concentrate my comments primarily around the hospital, not the need for a new hospital, but the journey we have been on and what I want to get from today. But when preparing for today's debate, I could not help but reflect on the journey to get here. I think everyone will agree it has been both emotional and demanding, there have been highs and there have been lows in the process, but I want to say this right at the beginning. As Minister, I have been supported by some fantastic officers across the 3 ministries of Health, D.f.I. (Department for Infrastructure) and Treasury **[Approbation]** as well as other Ministers and my own Assistant Ministers. We often hear, when referring to the States, about silo working. Well this project team, this political oversight group, have broken down those silos, they have worked together to deliver an investment, not only for the short term, but for many, many generations to come. What a fantastic opportunity we have here today. How lucky we are as a community to be able to afford a new hospital, to be able to provide the infrastructure for our ageing population, the infrastructure for our doctors and nurses and medical teams to work in, the infrastructure that will provide both patient dignity and clinical excellence. We are indeed a very fortunate community. So, perhaps it should be at the end, but I am going to say it at the beginning. Let us embrace this opportunity, let us go forward together, putting our political differences behind us for the good of the Island. Just over a year ago I stood in this place and proposed a preferred future hospital site, and I am pleased to say that Members voted overwhelmingly for a new hospital on the current General Hospital site. We have reached now another significant point, seeking Members' approval of the Outline Business Plan

and the funding for the preferred scheme, a preferred scheme that will deliver a modern, a safe, a sustainable and affordable hospital on that agreed site. Given the decisions already made by this Assembly, I do not propose to dwell on the reasons why we need a new hospital or to repeat the particular merits of the site. These have been well rehearsed. But I would like to say this about the current hospital to put members of the public's minds at rest, that due to the fantastic efforts of all the staff in our current hospital, the current hospital is safe. But let me be clear, it will be harder as the hospital infrastructure deteriorates to maintain that safety, but I will give, as Minister for Health and Social Services, this absolute assurance that the resources to maintain statutory and regulatory compliance will be made available. The current hospital will be kept safe. The biggest challenge is managing the beds for elective surgery so people with hips and knees, if we do not get a weave on and do this, people with hips and knee replacements will unfortunately be suffering longer, and none of us would want that. The Outline Business Case goes into detail about our preferred scheme. Throughout the year I have engaged with States Members and we have developed this in detail. I do not believe that there is a Member in this Assembly who has not had the opportunity to discuss any concerns about the scheme or to clarify matters of detail. There have been many, many workshops and opportunities to share information, the last briefings being on 17th October and 17th November. The clear consensus from States Members was that the future hospital should remain in town, that there was no better site than the current one. I know not everyone agrees with that, but that was the clear consensus and this conclusion concurred with the view of the majority of the public. Members were advised it would mean a big building, higher than the current one but lower than the current chimney, and that is what we have in front of us today in the form of a Rochdale Envelope. Not the design of the building, just the massing. It is worth exploring, though, why Members came to this conclusion. It was not one single factor, it was a number of factors; for example, 40 per cent of those who attend the hospital to visit or attend clinics walk in from their home or their place of work. Members said that within reason the need for a new hospital - the Minister for the Environment might not like this - but within reason the need for a new hospital should trump planning considerations and that the suggested development on the current site was justified. They went on to say that the hospital is a special place where special life events happen, and the new hospital should be easily accessible in town. In addition to the workshops, Members have had the opportunity of meeting with me, my ministerial team and project team members, and I have to say that I am very grateful to Members for both their input and the time they gave to this. The Future Hospital Scrutiny Panel have examined the proposals, it appointed technical advisers to assist during their review, and the panel's advisers, Concerto Partners, undertook an assurance review of the O.B.C. (Outline Business Case). Its overall view of the O.B.C. was that it was fit for purpose, that it presented a sound - their words not mine - a sound-enough basis for decision-making by the States Assembly. We talked a bit about this yesterday, Concerto, that is the advisers, rates the project as amber-green because there is sufficient contingency in terms of time and cost allowances to cope with the various risks as they see it. However, in terms of the short-term objectives of the project, the planning approval, the approval of this proposition and the approval and appointment of the main contractor, Concerto rates this phase as amber-red, which means that if we do not make this decision today, and make the right decision for the people of Jersey, then Concerto have grave concerns that this scheme will not be delivered. Why do Concerto say it is in doubt? It is because of the delay. By approving P.107 today to help remove one of the major risks in delay; today is not the day for further delay. Today is the day for approval, today is the day for action.

[9:45]

My colleague, the Minister for Infrastructure, will say more about the planning process and I am sure the Minister for Treasury and Resources when he sums up will say more about the funding. But I would just like to comment that when the Minister for the Environment is making his

decision on whether to grant planning approval, he will be informed by the inspector, the independent inspector's recommendations. The inspector will not be deciding whether a new hospital is to be built on the site. The site is earmarked for such a building. This Assembly has agreed that the site should have such a building on it and it is earmarked within the Island Plan. He will express a view on the exact makeup of the building and of course he may require some changes to gain planning approval, but a hospital, a good hospital, can and should and must be built on this site. The funding of the project should be divorced from the decision to agree planning permission as we discussed yesterday. Any decision from the planning process may well have financial implications, but these must be contained within the budget. We have the, I think the Constable of St. John described it as "one-handcuffed hand" to make sure that we do keep it within that figure. The inspector's report may or may not recommend certain courses of action or modifications, and these will need to be considered by the Minister for the Environment and subsequently any decision will need to be considered by the project team. In every scenario, though, funding is required to progress the current outline scheme or at a later date progress with an amended design change, but we cannot afford to delay today. States Members have said repeatedly: "We know we need a new hospital and we know we need to pay for it." May I remind Members respectfully that the planning inspector's remit is to consider the outline planning permission for the proposed hospital to be built on the preferred site, the preferred site that this Assembly has agreed? As Minister for Health and Social Services, my primary concern though is about safety and experience of Islanders when they use our health and social services. While our current hospital is safe, it is old, it is deteriorating, it cannot - cannot - provide the modern clinical facilities that Jersey needs, that Islanders deserve, the pressures on the current General Hospital already upon us and further delays will make matters worse. Jersey's General Hospital is creaking. Demand is rising for emergency and planned-care beds and this year, as in previous years, we have had to close beds because of norovirus or similar infections. A small number of operations this year have already had to be cancelled because of the demand for surgical beds and insufficient operating theatre capacity. Of course, staff will always do their utmost to keep patients safe. They will do so despite the fact that the building is ill-suited to the needs of modern medicine, despite the fact that this winter may well see extra pressure on the hospital, despite the fact that we have a growing and ageing population with more complex illnesses related to their age. Not just my view, but one confirmed by senior clinicians. Before moving on, I would like to pay tribute to the hard work of the staff in the hospital and the wider health services [**Approbation**] who provide such a good service in increasingly difficult circumstances. I ask Members, make no mistake, with further delay we will reach a stage very quickly where our amazing staff - and they are amazing - will not be able to manage. This will sap both their morale, it will make further recruitment challenging, because who would want to come to a hospital crying out for renewal? A lot more people would want to come to a hospital that was planned for replacement, and I know that from personal experience. I think the chief nurse summed it up for me, I think it was yesterday, when she said she wants a hospital that can thrive, not a hospital that just survives. [**Approbation**] The future hospital will be the right size for the Island, as I have said previously. There will, though, be no bells and whistles as part of this new build, but it will be one that is safe, that is sustainable, that is affordable. A general hospital is not just about the buildings, it is as much about the range and the quality of services within it. I am particularly passionate about the fact that our future hospital will have more single ensuite rooms and therefore provide the opportunities for the kind of privacy and dignity that patients and their families would expect. I would want nothing less for my family, and particularly my mother, and why would anyone else expect someone else's family member not to have that dignified space where private conversations can be taking place and where you can sleep well, not disturbed by another patient who is going through a difficult episode. This is what we want to deliver for our public. They will be able to talk privately, share their last moments without being overheard by strangers in adjacent bays. This cannot come soon enough. We cannot afford

to delay it any further. Members will be aware that senior clinicians have echoed this concern about multi-bed bays and voiced concerns about inadequate future bed base and poor configuration of the current building and the failing in the infrastructure. But they also raise concerns about the lack of provision in single rooms and, as professionals, they do not want it either. Our staff, our clinicians, our public deserve to have an up-to-date new hospital by 2024. At this stage of such a large complex project we now have sufficient certainty, and I hope Members have sufficient certainty, to be able to come with us on the next stage. The next stage would provide even more certainty as we are able then to procure our main contractor. We cannot procure a main contractor without approval of funding today. **[Interruption]** It is for you.

The Bailiff:

This is getting quite profitable, Senator.

Senator S.C. Ferguson:

I understand I am the best contributor to the fund.

Senator A.K.F. Green:

I was talking about procuring a main contractor, maybe that was somebody interested in applying for the role. **[Laughter]** We have recruited substantially members of the project team to provide the resilience that the Scrutiny report has asked us for, but we cannot continue this without approval today, funding will just run out. We have set up the necessary governance structures to manage the contingency sums associated with this project, but we cannot do any more without approval today. Most importantly, we will be able to start the enabling works, and most of that enabling work will go into the local economy because it is local contractors that will be doing the enabling work. That enabling work will provide capacity and capability for the General Hospital to meet its challenges facing the Island between now and 2024 when the new hospital is scheduled to open. This decision today to confirm the Outline Business Plan, to confirm the funding will provide certainty to staff and to patients and also to the public. Not only will we then have a plan, but we will have a plan that is in action. It would enable us to operate and, make no bones about it, we will operate the current hospital safely during the construction period. As much as what we are doing in the enabling works forms part of the permanent solution, providing investment that brings forward many benefits for patients and staff ahead of the main scheme in 2024, but we cannot do that without approval today. In practical terms, and I have probably waffled a bit around it, this scheme will stop without a decision today. The project team funding runs out at the end of February, the ability to procure enabling works and a main contractor will be lost. It is not being scaremongering, it is the advice I have in terms of the procurement procedures that need to take place for main hospital contractors, by then we will be facing at least 12 months delay. You will have a new C.O.M. (Council of Ministers), a new Minister for Health and Social Security, Minister for Infrastructure and Minister for Treasury and Resources probably and they will want to familiarise the work done so far. To be clear, delay will mean additional costs, additional uncertainty, potential loss of goodwill, particularly from stakeholders such as doctors, nurses and other staff who have contributed considerable amounts of time in countless meetings from designing the first outline of what the wards will look like to the size of their various departments. It is probably worth me just picking up on a point that was raised time and time again by different people. Let us be quite clear, we have the support of the majority of the clinicians, they want us to get on with it. They have not been gagged. There are some who think that if we say no today, they can go back to the People's Park. That is not going to happen. I do not have to tell Members that People's Park is gone. So, the majority of clinicians accept that this is a good hospital, the right hospital, probably the only hospital site that will give the opportunity in 100 years' time to build a new hospital alongside. This is the right thing to do. Generations will benefit from this new build,

but in the short term, delay will affect all Islanders in what is becoming rapidly an inadequate environment. I urge Members, let us embrace this opportunity, let us together do what the majority of Islanders are urging us to do. Together, let us get on with it. I commend this proposition to the Assembly. Thank you. **[Approbation]**

The Bailiff:

I call on Senator Ferguson.

2.1.1 Senator S.C. Ferguson:

Well I presume that the preferred solution we are talking about today is the 47-metre high tower, not the 36-metre tower, so I do not think we ought to perhaps spend time discussing that again. The Minister talks of up-to-date and quality services and the fact that these cannot be adopted because of the state of the existing hospital. I would perhaps remind him that the red tray principle was not adopted until I raised the problem in this Assembly, so where were your experts then? The other thing that bothers me is that the Minister does seem to be concentrating on dignity and dying, the patients, and organ donation from dead patients at the moment and, as a more senior Member of the Assembly, this bothers me. Is there something he is not telling us? Or is it wishful thinking? We received 3 letters on Monday. One was from Sir Nigel Broomfield, a gentleman of great stature, which pulled no punches with regard to the mass and scale of the proposed hospital, the effect on the pretty neighbouring Victorian houses, and the effect on the rest of the St. Helier. Sir Nigel pointed out that the effect of a large hunk of cement ... now, Deputy Le Fondré likened it to a nuclear power station. I think it looks more like the Kellogg's factory in Old Trafford which was the main corn flakes factory for the whole of Great Britain. The effect of such a large hunk of cement in the middle of St. Helier does nothing for the tourist industry, nor for the quality of life in St. Helier. The second letter from Rowland Huelin brought up 3 other problem areas. The first was the assumption that the investment returns on the Strategic Reserve will be sufficient to pay for the bond. According to Mr. Huelin, this is not only foolhardy, but irresponsible. Our investment returns last year were lower than those which would have been achieved if we had merely tracked the F.T.S.E. (Financial Times Stock Exchange) 100 Index. The F.T.S.E. returns were 14.4 per cent and ours were 13.5 per cent.

[10:00]

Not so brilliant then. As Mr. Huelin adds: "If we dip into the rainy-day fund, returns will fall and repayments will be more difficult." What is more the F.P.P. (Fiscal Policy Panel) are not too sanguine about the future, commenting that we still have structural problems and of course there are the uncertainties implicit in Brexit, the Panama and the Paradise Papers. The third thing was the report by the Comptroller and Auditor General regarding the decision processes implicit in site selection. Is it any wonder the general public are uneasy? They are; I have had a lot of calls. Then we received the letter from the clinicians. Now, there is a resounding condemnation of the state of our hospital by 3 clinicians, 2 of whom have worked at the hospital for some considerable time and who must have watched the dilapidation of the hospital in dismay. I do wonder why they have said nothing until now. We are told that the state of the hospital is appalling. It seems to me that if the hospital is in such a poor state, we should not wait until 2025 for a new hospital, we should be taking emergency measures now. Why are we embarking on a project which will take 8 years? From what is said in this letter, we cannot afford to wait 8 years. How many people will suffer if we take 8 years? Should we not take steps to complete the project in one to 2 years at a quarter of the price? Chris McCarthy, a highly-intelligent engineer, and highly-qualified with considerable experience in the building of hospitals, suggests that we should look at modular construction. These are high-precision engineering products which are sent packaged up, slotted together and not unwrapped until the building is ready for use. The use of this process reduces the need to import

substantial amounts of labour and we can use some unskilled labour in places, so we can use local labour. At £2,000 per square metre, a 45,000-square metre hospital would cost £100 million or thereabouts and could be ready in about a year to 18 months. A prophet is seldom without honour save in his own country, and Chris McCarthy is a home-grown expert and we are not listening to him. The local construction industry is already crowing over the procurement team's award of tenders to work on the relocation projects. £45 million worth of contracts has already been placed. It also seems that the industry thinks the £460 million is in the bag. Sorry, there are too many uncertainties. If the Minister insists on going ahead rather than delaying the debate, then I think we should vote against it. In 2015 it was noted that around £60 million of maintenance was required and so it was decided to go hell for leather for a new hospital. Chris points out that although we have had a health impact assessment, this is an assessment of the health impact of the project on neighbours. Where is the patient risk assessment? Dust in itself is not necessarily a problem, but the additional germs in the dust are a significant problem, particularly nosocomial invasive aspergillosis, and those who have their iPads can Google it. There are a lot of articles on it. **[Interruption]** Touché. Noise presents an equally large problem and a health impact assessment appears to have disappeared from the website. It should be noted that this health impact assessment should have been submitted at the same time as the planning application, all symptomatic of things being done in a rush. With the greatest respect to my colleagues in the Assembly, and even to those working on the future hospital project, Chris has had considerable international experience with Ove Arup which the States used as a consultant before founding an independent consulting company. I notice that the proposed basement has been reduced in size, noting as a reason that this is because of the sandy ground on the site where a hospital must be built. I find this fascinating, given the problems we have had with piling and a sandy site in St. Brelade. I trust the Minister for the Environment is taking note, especially since many of the houses surrounding the proposed site are old, some even being listed and there is an awful lot of piling being planned. I recognise that this appears to be ancillary and irrelevant to today's debate, but really it is not. We are expected to vote for this funding when we have no idea of the eventual design. If the plan is approved by the Minister following an inspector's review, then as we discussed yesterday, it is quite likely the States and the public will have no real input any further. We will not be able to say much about the overall design, *et cetera*. This is the result of the procedure adopted by the Minister. I was at the inspector's review and even the Planning Department were significantly uneasy about the proposal. Another point worrying me is the decanting of staff from Westaway Court. There are currently 40 bedsits with communal utility rooms within the low-rise block. These are being relocated to The Limes. Bearing in mind that The Limes only have 25 residents' rooms, these may not be too spacious. There are also 7, one-bedroom flats with communal utility rooms within the low-rise block and 9, 2-bed flats within the 9-storey tower block. The occupants of these flats will be relocated to other properties. Where? We have a housing shortage, or has this not occurred to anyone? There is the fact that the culture in the H. and S.S. (Health and Social Services) is such that, despite what the Minister says, many consultants have either not been listened to or have not dared say anything. He will recall that Prospect, the union, have already gone to him with a complaint about the culture in H. and S.S. There are times when it is better to say: "Enough is enough" and cut our losses rather than to insist on carrying on to the bitter end, and this is one of them. Please, vote against this project.

2.1.2 Connétable A.S. Crowcroft of St. Helier:

I want to begin with an apology to Deputy Labey of St. Helier who apparently I went in a bit hard to the tackle yesterday when he tried to defer the debate. I certainly did not suggest he was doing anything wrong by trying to defer it other than, I think, the majority of the public want us to make a decision one way or the other on this. Now we are here to consider the preferred scheme and clearly the emphasis is on how it is to be funded, but I do want to pick up on some of the remarks

that have been made, including by the last speaker on that preferred scheme. My expertise is certainly not in funding mechanisms, and I know there are others in this Assembly more qualified to speak about how it should be funded than me. There have been recent concerns raised about the preferred scheme and indeed the front page of the local paper and the letters pages of the local paper have been full of letters objecting to it. Unfortunately, in Jersey we seem to have a tendency to have a delayed reaction to things that we are doing as a government because, as Members have been reminded, we made the decision about the location of this hospital almost exactly a year ago; I think a year and 2 weeks ago. I know that on 1st December last year I was speaking to the Constable of St. John's amendment who wanted the hospital placed on the Waterfront and that, if memory serves me correctly, is the last time we had the opportunity to debate the location of the new hospital. So it is a bit distressing that we have people writing in and saying: "Why can it not go to Overdale? Why can it not go to the Waterfront? Why can it not go to St. Saviour?" Because things have moved on. Those options are no longer with us, although I suppose there is an argument - and perhaps this is what was happening yesterday - that if we vote against this scheme, of course it will all go back in the melting pot, a new Council of Ministers will have to come up with new proposals and perhaps people feel there is a chance to revisit the whole issue of location all over again. All I would say about St. Saviour, if I am allowed to quickly pop that into the mix, is that if the harbour that failed had not failed, in other words if the Island had built its major harbour in St. Martin more than a century ago, how different would our Island look today and how different would the northern part of the Island look? I am going to come back to the issue of environmental sustainability, if I am allowed to at the end of my speech. A lot of comments have been made about how this is going to look and, clearly, we are in the hands of the planners. We have a planning inspector who is going to bring forward his comments and then the Minister for the Environment has the really onerous task of making a decision and taking the comments, not only of the planning inspector, but of all of those who contributed to the public inquiry which I attended part of. Those will go into the mix. So I think it is scaremongering to say that a nuclear power station is going to be built in Gloucester Street and Patriotic Street. The Rochdale Envelope has already been referred to, and I did a bit of research into it myself. It is an unfortunate device, in a way, because it does visually give the impression, a casual glance at a newspaper, that this huge thing is going to suddenly appear in the middle of town. I have more confidence in our planning process than to think that that is going to happen. So I think design is going to be crucial, of course it is, and I really hope that as a result of this long planning process that the design of the hospital will be such that it is a building that people look at and which they admire and which they enjoy visiting. I hope that it will be the kind of civic building that we are seeing coming all over town not only public sector. Andium are producing some very fine buildings and some fine refurbished buildings, but the private sector is investing in the town, producing a fabulous new hotel in the town centre, a great new retail store in New Street. We are seeing fine buildings coming up in St. Helier, why should the States of Jersey produce a monstrosity? I do not believe that that is a given if we approve the funding today. The preferred scheme, will it set a new standard? I think we have been told it could trump planning concerns and considerations and indeed, like other speakers, I have spoken to planning officers who are troubled by some of the impacts of the scheme. I have also spoken to local traders in Kensington Place and Patriotic Street and local residents who, quite justifiably, feel that there will be an impact on their lives. There is no getting away from it. If you build a new hospital in a town centre, there are going to be some people who will be affected. Kensington Place, which is a quirky, tourism street that we all love visiting is going to change. But again when I met the Minister and his advisers recently, they indicated to me that they are going to do all they can to make sure that street activity is maintained in Kensington Place and that it will not be a bleak wind tunnel at all. The Minister and his advisers also explained to me that there was more scaremongering over the health impacts of building this preferred scheme, because we were told at a public meeting that I hosted in the Town Hall that people would die as a result of this

scheme going ahead and that, of course, was a real concern to me and to others. But I have been reminded by the Minister that of course new hospitals are built in the centre of London. It can be done, and it can be done safely, so again that concern that I had has been taken away. The bottom line for me, and I am just going to first of all talk about sustainability, because I think people forget when they talk about building in St. Helier that of course it is difficult as Constable. One reaction would be for me to say: “Well, let us get rid of these buildings. Let us put the hospital out in St. Saviour or even further away. Let us put it in St. Ouen.” But I also care about the Island; I care about the town and I care about the Island as a whole. I have no doubt that if we allowed such facilities to be built on greenfield sites in St. Peter, perhaps right next to the new statue on that lovely green field that is earmarked for housing, if we allow these kinds of developments to happen, we would lose the coastline and the countryside that is so important to us as Islanders and is so important to our tourism industry.

[10:15]

Of course, the other side of the coin is that building in town, building this new hospital in town, is good for town because, well, it provides employment. We know that most of the staff live in town, who go to the hospital, we know that 40 per cent of people who access its services already live in town. So, building such major projects in town are the lifeblood of town, they make towns work. There is no question, you do not have to look very far away from here to see what happens in an Island town when you allow major developments to occur outside the town. The town begins to lose its lifeblood, it begins to seem rather empty and deserted in the evenings. I think there will be, as well as the environmental sustainability of building the hospital, the preferred scheme, on the current site, there will be beneficial impacts as well for the local economy. I think even the people whose apartments will be overshadowed by the building will find their property prices rising because of the position of their flats to the new hospital. There is no question that in terms of the cultural offering, I have been given some hints that there is going to be a nice atrium, there are going to be events happening in the hospital. I think it will be a cultural place; it will be a civic building that will add immeasurably to town life. So on balance it does seem to me that there is more to celebrate in this new scheme than there is to denigrate. But the bottom line for me is that we are being asked by the previous speaker to defer the debate in the hope that it will move into the long grass and it will become an election issue and so on. We all know how easily that could happen if it is deferred until next year. But I do not want to prolong for a single day the indignity of a person having to leave this life separated from the rest of a crowded ward by a single curtain. I think that will happen if we do not approve this scheme today. I urge Members to give it their full support, to have confidence in the planning process and to have confidence in Jersey as an Island that can produce a new hospital and produce it well. Thank you. **[Approbation]**

2.1.3 Connétable D.W. Mezbourian of St. Lawrence:

I apologise for the delay, I did not hear you call me to speak. Is the site ideal? In my opinion it is not. Am I worried about mass and scale? Certainly. I do not think there is anyone within the Assembly who is not. Have we as an Assembly made a wrong decision in the past about siting a public building of a very large mass and scale which has had a detrimental impact upon the town? I would say that we have done and what springs to mind is the Energy from Waste plant. I remember being in the Assembly when the debate for that took place and what we had to do was approve the funding and of course the decision on the size. The site had been agreed upon but the size, the shape, what this Energy from Waste plant would look like eventually was not a decision that was within the gift of the Assembly because that gift remains with the Minister for the Environment. Deputy Le Fondré yesterday showed us a number of photographs, pictures, images of what we see at the moment and what potentially we are going to see. It was interesting when he explained to us about the way architects subtly change things to give impressions before a

development which potentially would not be recognisable when the development had gone ahead. That is the understanding I got from him. Yes, I come back to what I said a few moments ago. Am I worried about the mass, the scale and the visual impact? Yes, I am, but that gift is not within my competency. Have we decided upon the site? Yes, we have. As I have said, it is not ideal, but it is the site upon which a new hospital for this Island will be built. These are thoughts that have been going through my head leading up to this debate. So, do we need a new hospital? Well, yes, we do. I had a very brief tenure as an Assistant Minister for the Health and Social Services Department going back to 2008. In the very few months that I was there, probably about 6 months, the main talk was about the need for a new hospital and, even then, in 2008, it was a conversation that had been going on for many, many years. I cannot believe that it is 2017, almost 10 years since I was there, and we still have not made our decision. So we need a new hospital and the Minister for Treasury and Resources has told us how we are able to fund it, so it is a project that we can deliver upon. We can afford to provide this hospital for the Island. The services are needed. We know that. We have heard from the Minister about how services are stretched, and the staff of course are stretched. What has also occurred to me is I know, as Constable, because I get a report every month on deaths that have taken place of my parishioners, not necessarily in the Parish, but many of us pass away in the General Hospital or at hospice, we know that the services that are provided by hospice are second to none. **[Approbation]** The facilities and the care that is provided are really what I think we would all be hoping for for our loved ones and for ourselves when we reach the end of our life, so why should our General Hospital be any different? We should be providing the facilities that are on a par or maybe even superior to those provided by hospice. I believe that the new hospital will provide those facilities, much-needed facilities. We have just heard the Constable of St. Helier mention the indignity of a life passing away, separated from a busy, bustling ward by only very thin curtains. I have to say that he chose to mention that to us because we had been having a chat earlier and I described that moment to him when I had been with my own mother in a very big, busy ward and yet 2 beds away we knew that an elderly lady was reaching the end of her life. The staff treated the family who were coming in and out with such respect and dignity that everybody in the ward knew what was going on. We recognised it, and there was nothing that could be done to prevent us all sharing in the loss of a mother and the sadness of hearing the family spending their last few hours with her, with the tears from behind the curtain, and the tears from others within the ward. Because we knew what was happening and we knew that some of us would be going through the very same situation in the days or weeks to follow. When the elderly lady passed away and the family came out from behind the curtain, which eventually they had to do, they were greeted with a show of affection from everybody else who was in there because we knew what had happened and we had shared that loss and we shared the grieving. But none of us should have been in that situation because that family should really have had the dignity of being in a room with their loved one and saying their final goodbyes as a family. I must admit that when I faced that situation a week or 2 later, I was so fortunate, my family was so fortunate, because at that time an isolation ward had become available and we asked whether our mother, my mother, could be moved to that ward so that her final few days would be spent quietly with her family. We were able to have our wish but there was a caveat which was: "If the ward is needed for a case when somebody needs to be isolated, your mother will have to be moved back to the main ward, to the bay" and be basically behind the curtain as the other family had been. We were fortunate that that did not happen. We lost our mother, she passed away with the dignity of her family with her. What I must say, is the care of the staff was second to none. The care was absolutely outstanding, the facilities were appalling, and it is not what any of us would want for end of life in a civilised society. So, I do not want families to have to go through what I know families are going through, and that is my main reason for supporting the funding of the new hospital. We need to provide that dignity because the hospital of course serves us from birth to death, because we do not have a separate maternity hospital. The maternity ward is within the General Hospital

and it is affectionately known as the General Hospital. So my decision today is to support this, notwithstanding that I do have many reservations about the building itself. One other thing I would just like to ask, and I do not know if anyone from Health and Social Services will be able to respond later, the wards at the moment have names such as Pipon and Bartlett and they are names that have derived from benefactors to the hospital and I do hope that when we do finally go ahead and provide our fantastic, modern new hospital that there will be a legacy and a link to those benefactors from the past whose names are remembered at the moment. But that is a very personal story from me, but it certainly has been one of the main reasons that I am prepared to go ahead and support Jersey providing a new General Hospital. I do hope Members will recognise the need to provide these important facilities. Thank you. **[Approbation]**

2.1.4 Deputy J.A.N. Le Fondré of St. Lawrence:

I am very glad to follow the last speaker. It is never a good way to start a speech with an apology, but I am going to start with an apology, I do briefly have to pop out to deal with a matter. I will be listening, so I do have a couple of questions for the Minister for Treasury and Resources. I apologise if I am not present in the Assembly to hear them, but I will be listening to his response. Hopefully, he will be back in the Assembly. The 2 questions I would like to just point in the direction of the Minister for Treasury and Resources is - number one is very easy - is he taking the proposition in separate parts? Is the Minister for Treasury and Resources going to be taking the proposition in separate parts?

[10:30]

Number 2 is as the outcome of the Constable of St. John's amendment; could he confirm my understanding of how the issue of any utilisation of contingency is going to work under financial directions? If I have understood matters correctly, anything above £1 million will be required to be a decision of the Minister ...

The Bailiff:

Excuse me, Deputy. Usher, will you please not circulate those. I think there is an error in them. Thank you.

Deputy J.A.N. Le Fondré:

Anything above £1 million will, I understand it, be a decision of the Minister and I believe it will require a 21-day grace period before the money can be spent because I have understood that was, broadly speaking, the thrust of the Connétable of St. John but what has been done is to make sure this captures the material items and not kind of lesser amounts, shall we say. If he could confirm that, it would be appreciated. What I would also like clarity on is if, in the utilisation of contingency, if it is £1 million each time or if it is when it reaches above £1 million. So, in other words, if we have over 2 months £1 million comes in, then another £1 million comes in and then £500,000 comes in would they all have to be notified because that is £2.5 million eating in the contingency or is that only the first 2 items? Is it cumulative or is it singular? Right ...

Senator I.J. Gorst:

Could I just ask the Deputy to give clarity on his request to have the items voted on separately? Of course, it will be your ruling about whether they make sense separately but whether there are different groupings that he wants to take separately. I think it is quite important for the Minister and for the Chair just to have time to consider that.

The Bailiff:

There are some that clearly come together but ...

Deputy J.A.N. Le Fondré:

I was particularly looking at what I think is part (d) under the various renumberings that have taken place, which is the Strategic Reserve side because there are elements I ... what I have been stating, there are elements I can support and, for reasons I shall be expressing, particularly part (a) and part (c) I probably cannot be supporting, which I will be explaining why. Now, I was very touched by the very ...

Senator A.J.H. Maclean:

I just wonder if the Deputy would give way. Could he clarify that he just said he would like parts (a) and (c) taken separately, is that what the question was?

Deputy J.A.N. Le Fondré:

(a), (c) and (d), if possible. Right, shall I carry on? Right, I was particularly touched by the Connétable of St. Lawrence's speech and she set my mind wondering around the emotional issues that touch on what we are talking about today. I think we need to make it very clear, because there will be a lot of emotion around this, and it got me thinking because she referred to hospice and she is right, the facilities at hospice are fantastic. What she set me thinking on is about, I would say, 3 or 4 years ago I was sitting on a bench at hospice, which is in the name of my father, and I was sitting there with me and my son and, we all have the same name, it was when we were losing my father-in-law. So, anyway, the emotion around ... and also a year ago we lost my mother-in-law in the hospital and ... so we have had different circumstances and we are all aware of the issues that come out of that. I am probably going to revert to cold accountant shortly but the point is that the emotional side and the facilities issue is not an issue. We all want new facilities because what we get is ... yes, it is not as good as we would like. In fact I was in the hospital about 2 weeks ago with a relative visiting an older family friend and there was the exact circumstance that the Connétable was referring to ... well, I assume. Sorry, certainly with somebody not in a good way in the bed nearby and the family gathered around. So, yes, I think we would all support the layouts of the rooms proposed. There are some issues around that but the general principle of the ability to have greater privacy when you need it. So to that extent from that argument I agree with quite a lot about what the Minister for Health and Social Services has said about the need for facilities. We all applaud, we always do; the care and treatment we get from the staff who are fantastic. However, what we are here today is about, ultimately, £0.5 billion are spent. That is the cold-hearted reality, is it not? So it is not about, do we want our new hospital? Yes. Do we want new facilities? Do we want better treatment for patients? Yes. No question about it. The argument around time: "We have got to get on with it today", I get twitchy around it because there are so many times we have had the arguments around pulling on the heart strings to get us to make a decision and this is not about a perfect plan in a long way. But if I have understood the timing correctly we are talking 7 or 8 years for the project. That means, broadly speaking, it is going to span the full life of the next Assembly and the life of the following Assembly mostly. So it is about getting that starting point and, as I said yesterday, we are already severely behind. In fact the Deputy of Trinity may recall a meeting I think I attended in 2010 when she first raised the issue about a new hospital. It has taken 7 years to get to this stage. Very little of that delay is due to this Assembly as opposed to the ministerial system that has got us to this point. I always take the view - and will touch on that in a minute - this Assembly is being asked to make a decision on what is the level of that information we are being given to make that decision. So if we recall even in the last, I will say, year, it might be 18 months now, we had the debate last November, as we know, which, for the reasons I have identified, I could not be there and I know one or 2 other people could not be for very similar reasons, to determine the location. I have always been driven by cost I am afraid. In other words I was relatively site neutral. It was, what was the better? If you agree the principle of hospital you find a site and then what is the best value for money side of things, and I do get concerned and I

reiterated that even on the Minister's own numbers the site we have gone for is more expensive and on their own numbers that was by about £20 million. The full finance costs is about £40 million with the finance costs at that point. I do, therefore, find it difficult sometimes, particularly when you bring in all the other factors, and that is including the disruption to the patients in the present hospital, to ... value for money is also an important matter for the public because we do all sorts of things and we keep putting taxes up and we have now sent a message that we can afford to waste £20 million. In that context there were alternative options from a monetary point of view. It does then rather feel that we then ... if one recalls, we had the Scrutiny debate in ... well, it was in January where the panel had been asking the Minister for Treasury and Resources to allow us, at that point, I think it was a 2-week extra delay. The Minister for Treasury and Resources wanted end of January. We wanted mid-February. That was not accepted so on the first sitting in January the Deputy of St. Ouen had to stand up and fight, and it was a long day, for it to be referred to Scrutiny. So, in other words, when there had been talk about the delays I am going to point the finger very closely, I am afraid, at the Council of Ministers for the way they have handled this process. The delay, therefore, went to May. Now, that was ... the reports were produced and then funnily enough the Council of Ministers needed more time to look at the documentation. Bearing in mind that we get this, and we have had, what ... 31st October this was lodged, 8 weeks. I hope everybody has read the 185 pages and by the way I think it is ... I cannot remember how many appendices, but there are 17 appendices attached which obviously are not in that document. So again we were ready for that debate when it was delayed by the couple of weeks at that point and then, as we all know, that funding debate was pulled and essentially, although technically it was the decision of the Minister for Treasury and Resources because it was his proposition, we all know that in reality it was a decision and pressure from the Chief Minister to pull that debate. So here we are now, when the Outline Business Case is now presented to us with the funding ... and that Outline Business Case also refers to the preferred scheme. Now, one of my big concerns on this, and we have talked about the issues around mass, and, yes, everyone is absolutely right. The building that we have seen the mass of is not going to look like that at the end. It is going to have windows as a starting point but, anyway ... but that is what the application is for. That is why, for example, when the original proposition from the monetary funding was going on, which was up to, I think, £400 million of debt, one has to assume that if one is given the authority of "up to" it is going to be £400 million of debt because that is the permission that this Assembly has given, it is about what permission this Assembly is giving and today is our, as far as I am aware, last vote on this. Once this - and I expect this proposition will be approved - proposition has been approved that is it. That is why I supported, for example, the issues I think we do need to know, the outcome of the planning inquiry, but the other matter I am very concerned about is by supporting part (a) we will be sending a message to the Minister for the Environment that we, as an Assembly, have endorsed the preferred scheme. In other words, something that is 47 metres high in St. Helier and, therefore, that will be a material consideration for him in taking his decision irrespective of the outcomes of the planning inquiry because this Assembly will have endorsed that scheme. Irrespective of whether ... and I refer to the picture on page 74 of the Gleeds Report, which has a picture of what they are calling "preferred scheme". As far as I understand, the diagram in there is probably smaller than what is being proposed; not sure on that. I started to lose the plot on which diagram was which. All we know is that ... and I think it is a fair comment, the headlines of the *J.E.P. (Jersey Evening Post)* last night; I think that is the first time on the front page that members of the public have seen the kind of mass that is being asked for. It is all very well for the Minister for Health and Social Services to say: "Oh, yes, it was higher than the present tower of the hospital but lower than the chimney." Well, it is just lower than the chimney and those pictures or those images were never shown to States Members, ever, on any of the presentations we have had until ... I think we asked in... whenever; one of the presentations across the road in Church House within the last 4 weeks mainly because I asked for them to be put up on the screen. It is that why I am

critical of the process as to how we got here because we are meant to be making decisions with the benefit of the information that is available, not a photo-shopped image designed to sell things. I notice again on, I think it was *Bailiwick Express* last night, this morning, they are again using that photo-shopped image I referred to. They talked about that, I think, as the official image from Health and they talked about the images circulated by Sir Nigel Broomfield as a ... it implied they had been designed by a local architect. They were directly from the planning application. The images I use in the back of the pack are from the planning application, the before and afters, by the Grand and looking east, are from the planning application. They are not from the Health PowerPoint presentations that we have had, which, as I said, have been photo-shopped. It was Deputy Mézec, as far as I am aware, that used the scheme ... the reference to the hospital must be a special place, that is where I recall at one of the workshops that coming up, and I think he is right, but again it is that distinction between what we were originally shown and what we are now being asked to sign up to and the relevance of that coming back with my cold-hearted accountancy bit is if the planning inquiry now comes back and says: "That has got to be taken down 2 floors" or whatever, there will be a cost implication from that and there is bound to be a time delay on that. That is why, for me, one needs to be in a far better ... even though I do not like the site, one needs to be in a far better place to understand the implications of the planning inquiry. There may be an element of fall-back from the Connétable of St. John because, as I have understood it, any increase will have to be notified to this Assembly with a 21-day grace period, if it is over £1 million.

[10:45]

There was just a shake of the head by the Minister for Treasury and Resources. So, in other words, I am saying that if those costs have increased by £10 million or £20 million if the way they are going to be funded is out of contingency that will have to be notified to this Assembly as a result of the amendment by the Connétable of St. John because that will be a Ministerial Decision to endorse the utilisation of that contingency fund. That is the purpose of why the Connétable of St. John put that amendment through. If it is not then that would be severely worrying. Now, what I did want to address a little bit is we have talked about the advisers from Concerto and it is true. They do say the O.B.C. is fit for purpose basically. However, they ... I will give a flavour. One of the things they say is: "Our chief concern with the O.B.C., which is the Outline Business Case, is with its presentation and overarching flow. The O.B.C. does not present a compelling story, starting with the drivers for change and leading the leader to a natural conclusion. An executive summary would help linking the drivers for change. The whole health and social care transformation and the hospital's place within it, the target operating model and the number of beds. The O.B.C. does not describe a target operating model." Now, this is the quite important bit: "Raising a potential of risk of future contingency fund drawdown if scope or layout changes become necessary." So in other words, the O.B.C. is fine but we do not get to see the final sign off. We have no influence on that. This is the decision today. That is what I am trying to say, I think there is a distinction and that is my concern as a politician that because of the potential risks ... there is a bit of a noise coming out of the back room. Because of the potential risk of the planning inquiry and the money tree impact on what is already an expensive scheme; that is my fundamental concern. What a targeted operating model basically is, is kind of a bringing together of all the various subsets of information to sort of say: "This is what we have got now and this is what we are going to have." That is broadly speaking, looking at Deputy Brée for a quick ... making sure that is about right. Because there is nowhere in here particularly that we, as Members, know these are the functions you are going to get and the trouble is there are different details. The hydrotherapy pool in monetary terms is probably quite a small issue but in people's minds it is quite an important issue and yet at this stage they cannot tell us it is there. What I was going to say is it is not about ... the Connétable of St. Helier has made reference about us caring for the Island, and he started throwing in St. Saviour's Hospital if you go out to St. Ouen, or wherever it is. Firstly, whichever way we vote for

this today, I am fairly certain that we all care for this Island. Secondly, I have never bought into the St. Saviour's arguments or the Warwick Farm argument; I do accept that having it somewhere near town because of the impact of traffic and the walking and stuff makes sense. I have heard the various arguments on noise and dust. I have not gone into those in too much detail because I have not been able to verify them myself. I am open to them. Certainly myself and other colleagues have heard the noises that came through from a patient in one of the wards which hit 84 decibels in the corridor, from the experience of people there. Now, when we raised it at the meeting in Church House, Health basically said: "Yes, we messed up." But not only that it obviously lasted for several days because the Connétable ... it was not a couple of hours because the Connétable of St. John was able to go in, I understand, a day or so after the issue was raised and take the noise recordings. The trouble is if you are there in the last stages of one's life listening to a Kango on the end of a JCB for 8 hours of your day it is not going to be pleasant and I hope - really do hope - that those measures are sorted. We sometimes do get involved in the technical issues of how you are practically going to do it. I think the message has been taken on board, you have to sort it or the department doing the construction has to really make sure that is sorted. The problem will be if those measures are not adequate that will be too late at that point but I am not really that worried about it, because I am more monetary driven, if that makes sense. In other words, how do we justify what we are doing and the potential extra cost, depending on the unknown outcome of the planning inquiry which reports on 8th January, we hope. "Trust me", does not work I am afraid, not on £0.5 billion. I hope that the Connétable of St. Helier, when he talks about he has been given all the assurances about making Kensington Place work. At the end of the day that is not that material to what is a hospital scheme. It is one of those kind of fluffy emotional bits around but it is important to a number of people. I am trying to say in the context of a hospital scheme it is not that important but it will have an impact. Kensington Place is well used. It is a tourism element and unless they have suddenly inserted lots of shops and things like that how are you going to get away from quite a sterile traffic area, compared to what we have got now, I do not see but I just hope the Connétable of St. Helier has seen the plans and seen the discussions because otherwise he is working on: "Trust me, I am a Minister and I will do it." That Minister may not be there in May next year. I have certainly been in the position when assurances have been given in the past by Ministers and the Minister has not been in the position to carry out those assurances. So I want to run down the proposition a bit and I want to refer to a couple of things. There are a couple of things I am afraid. One is, and it has been referred to already, I hope the Connétable of St. John will address it at some point because it is his committee these days, but the C. and A.G. (Comptroller and Auditor General) reports. The C. and A.G. has talked about ... just a quote from her conclusion and it was a pretty damning report. You know: "Decision-making, selecting a site for the future hospital. 10.7 I have a significant concern about the accountability arrangements for the capital expenditure. The existing statutory framework meant the legal responsibility for capital expenditure and therefore site selection for the future hospital project rested solely with the chief officer responsible for Jersey Property Holdings. At no time ..." I am going to try and abridge this slightly: "At no time did any legal responsibility rest with the chief officer for Health and Social Services Department's client despite their responsibility for specification of the requirement for a new asset and for the costs of delivering services from that asset once it is built." We have not talked about the revenue implications. I think with inflation it is £65 billion over the life of the hospital if I remember correctly. "This framework would allow Health and Social Services to stand back from elements of the site decision process, it encourages silo working and can be a barrier to effective decision-making. Being clear, therefore, I have highlighted a third of Highlands, some basic operational imperatives and one of them, which is secure the delivery of good decisions in a timely manner which were not consistently demonstrated, and one of those was being clear that key information necessary to make a decision is in place and robust before the engagement of external advisers. In the context of the future hospital I am surprised that consultants were engaged to

advise on site selection without an acute service strategy and essential underpinning of the specification of the future hospital being in place. The overall effect of these weaknesses is that it was difficult for the States to justify that the sites proposed in the period covered by this review were an optimal solution for Jersey based on objective and agreed criteria. There have been additional costs and delays and it is more difficult to justify all of the costs incurred.” The Minister for Health and Social Services will no doubt turn around and say: “Well, that is why we have got to get on with it.” I think I have talked about prevarication from the Council of Ministers and I have talked about the issues around the O.B.C. and the Minister for the Environment. I have not talked about debt. Now, just to be clear, up to £275 million is a lot better than up to £400 million, depending on your viewpoint on what your view on debt is. If you are happy to borrow then, as has been the case in the past, what is being proposed is probably okay. My concern - I think oddly enough, I think Senator Ozouf and I are probably in agreement on this - is the level of debt that this Island is coming to carry. It is, we are moving away from the psyche that this Island used to have of minimal or no debt. So now are up to ... we are definitely up £0.5 billion if this proposition goes through and we will probably be up significantly higher by the time you bring in the States-owned entities and you are way higher once you bring in pension liabilities. The context of Brexit means there is uncertainty ahead. Now, that uncertainty ... now, is there a request, I do not ... and I have had some problems with my emails today so I have not seen this or at least I am not aware of it. If it has come in then I apologise. But there was a request from the Scrutiny Panel for Treasury to re-run their stress testing on the debt model and what that means is that when they were doing the measurement on the £400 million and the impact on the Strategic Reserve and how long it would last, they ran a profile which said, how long would it take if certain things happened, for the Strategic Reserve to run out, to be wiped out? The officers came up, or the Minister came up, with a note which was: “If we take £42 million out a year ...” I cannot remember the period. It was something like 28 years: “... the Rainy Day Fund will be wiped out.” You think: “Well, that is fine. That is quite a size of money that should be okay.” That is around 5 per cent of income and in effect that, as a proportion, gets smaller because it is £42 million fixed. It is not £42 million increasing by inflation each year. So under the assumptions of growth and all that sort of stuff, less than 5 per cent of income shift, in other words we have got to start funding a deficit of £42 million a year, would wipe out the Rainy Day Fund in about 28 years, a period of time of around that order, because I am talking from memory here. Now, what we have not seen is how those figures have been updated for the revised assumptions and where the economy is going particularly and more importantly around the uncertainties of Brexit because a 5 per cent change in your revenue is possible. Now, the argument is: “Well, we will have to take other measures.” Well, those other measures can only be, put taxes up. If your economy is in difficulties the last thing you want to be doing is pricing yourself out of the market and the other context I will put in there is in the Budget we have just approved there is a statement that in 2020 we are going to be looking for £15 million more a year unless something else is done because supplementation figures are going up at that point by about that sum of money and that is about one per cent of G.S.T. (Goods and Services Tax). So I just put down the fact that, therefore, 42 less 15, 32 ... £27 million is kind of now the figure because that is assuming you have got other taxes and charges coming up. So, yes, I am always cautious. I am slightly risk averse. What my concern is, is the level of debt that our future generations will have to fund if we have a problem. We will not know whether we have got a problem or not probably for 5 years. I hope, and generally do recognise, and reference was made yesterday that the Strategic Reserve still continues to make the returns it is doing. It is doing well. I would like to see more of those returns put into paying for the project upfront. It was odd, because I remember, I always look back at my time in Treasury and the C.I.F. (Common Investment Fund) was the suggestion of Senator Terry Le Sueur, or at least he signed off on it, and I remember being present when he did it, and we all thought it was a good idea because basically it was reducing your admin costs. Anyone can see those benefits now. That is, if you call it, long-

term thinking. It was doing stuff then and cumulatively things have improved. So in conclusion I think, I am reserved at that fact I do not know what the stress testing issue is around the debt levels. I have a reservation about taking on more debt but my fundamental one is around the cost implications or the unknown cost implications of the decision that is going to be made in about 3 weeks' time. So for that basis I think I have spoken long enough, just to run down, if I have the choice, if not unfortunately it means I vote against the whole lot, I will not support part (a), which is to approve the preferred scheme because I consider that the mass of that scheme is horrific and it is not what States Members were shown when they were asked to approve the site in November.

[11:00]

The Bailiff:

Deputy, can I say that the Greffe are in the course of putting together a revised proposition which contains all the amendments? The Minister for Treasury and Resources has heard your request that the paragraphs be taken be separately but as the lettering of the paragraphs has changed I think it might be better if I come to you at the end when we have circulated it and I will ask you which ones you want taken separately.

Deputy J.A.N. Le Fondré:

Well, I just, as a principle, say that I will not be supporting whichever the ... I presume it will still be (a), the preferred scheme or the Outline Business Case at this stage. I am very happy for the creation of the Hospital Construction Fund, not happy with the debt and happy to authorise the access to the Strategic Reserve, the policies around that. Senator Ozouf's feasibility study, it is not an agreement to change the funding. It is to look into it. Also then, I think it would be the Connétable of St. John's amendments at the end but the fundamental one for me is I will not be supporting the preferred scheme business case or the debt. To sum up, this is a very high impact scheme on St. Helier. We have unknown cost implications at this stage. We will know more about that very soon and I am not prepared to make the decision based on, ultimately, images that were photo-shopped.

2.1.5 Deputy R.G. Bryans of St. Helier:

Firstly, I would just like to say that I am totally aligned with the Constable of St. Helier and his thoughts about what would happen with regard to ... we have heard a lot about the size and the massing of the hospital but I have every confidence, having been through the Les Quennevais School experience, that the planning officers and the architects and all the people involved will have a review of that situation and address the majority of those concerns. So I am aligned with him in trusting those individuals. I am equally aligned with the Constable of St. Lawrence. I too had the experience of my father dying, just over a year ago, in Harrogate Hospital and moving from an 8-bed ward to a single-bed ward, very fortunately.

The Bailiff:

Deputy, just a moment please. I need to make a count. Thank you, we are now quorate but perhaps before you start again I can invite Members in the coffee room, listening to the debate there, to return to the Chamber because we are on the minimum number at present.

Deputy R.G. Bryans:

Yes, my father moved from an 8-bed ward to a single-bed ward just days before he died, in each of those circumstances it was laudable that the care and consideration, the kindness, the empathy and compassion that were shown him was just utterly fantastic. But he was given a choice at some point within the last few days of staying in that ward or staying in that particular room, moving to a hospice or moving back home and it was he that chose to stay in that ward because he knew the

care would be paramount and would accommodate everything that he would need. [Aside] I would like to move on to something ... I think there is a bit more positive, certainly from my perspective, I believe the need for a new hospital, a modern healthcare facility, has now been firmly established and the longer we wait the greater the need grows and the longer we wait the greater the cost grows. I thought I would mention some thoughts that have been expressed by others who view what we are considering as a great opportunity but feel their voice is not being heard. Everyone I have spoken to understand the desire to get on with this project; that includes the clinicians, consultants, doctors and nurses whose lives are defined by the buildings they work in. The letter the other day confirmed this. They are hungry for the building to begin and for their lives, and that of their patients, to be made better and that is the very reason we all signed up as politicians, to make people's lives better. Instead of trawling through old decisions we should seize the moment and look towards what benefits a brand new hospital can offer. A new build with new technologies and a new service delivery that is clearly focused around the well-being of the patient is tantalisingly close. Emotionally hospital staff have been run dry by this experience. They desperately want us to get on with the job. I have spoken to various members of our community, as I am sure we all have, but there are those out there that are keen for us to progress matters. I am talking about training our future construction workers, creating jobs in a viable industry, upskilling the workforce, introducing modern methods of construction which will change the way we build forever. Working with Digital Jersey to introduce new technology to construct, maintain and run the hospital in the future. There has been talk of it being a training hospital offering modern facilities to help create clinicians, doctors and nurses from within our own community and possibly pan-island, something Guernsey has been talking about for years. It will create new industries. It will help support the tourist and hospitality industry with over 500 workers on a site. This in turn will help support training and jobs in retail and hospitality. All of the main contractors are committed to developing skills and training for a vast number of Islanders through our provision of private apprenticeships, Trackers and Back-to-Work creating a legacy Jersey can be proud of. A key part of the project is to engage local companies as partners. Highlands College is likely to see an increase in skills and training requirements. It will provide a new focus for students and a big boost for the local economy. The concept of this hospital sits in a new health delivery system designed for a 21st century society where care is provided closer to home and hospitals were used as a place for critical intervention. A crucial fact is both the system and the hospital are interdependent. The hospital sits in the centre of this new design and is integral to the way the health system will run. So it is not just those currently working within the hospital's outdated confines but a whole health ecosystem braced to meet the challenges of a 21st century society. As we speak, consultants and theatre nurses are scrubbing up for operations in poor facilities with the prospect of a new build designed to make patients' lives better being dangled in front of them. They feel compromised and ignored. Like true professionals they accept and they cope but we could ease everyone's circumstance by moving things on. As Minister for Education, it is the opportunities that this new hospital offers that has really caught my attention and my imagination. In context I spoke to one of my colleagues in higher education and she said: "This project is the biggest thing in my lifetime that affects so many people in the Island. It is a huge boost to the economy and it will touch the lives of every part of our community. It will not only be the single biggest investment in the well-being of the Island but it will connect with so many people on so many levels." But the biggest thing for me is the primary children. They will see it being built. They will be involved in its building. They will visit the site. They will draw it. They will write about it. They may look at its history. They will be involved and inspired and who knows where that may go. How many doctors and nurses, architects and surveyors, electricians, carpenters it will inspire to follow careers they had not previously thought about and that came from a ... it was delivered in a torrent of emotion, I have to say. It provoked me to go back and do something we all tend to do these days, which is Google some ideas and thoughts and one of the things I Googled

was: “Why do we build hospitals?” and I came across a document put out by the World Health Organisation so I hope you will indulge me just reading some small parts out. It says ... it is called *The Role of the Hospital in a Changing Environment*. “Hospitals pose many challenges to those undertaking reform of healthcare systems. This paper examines the evolving role of the hospital within the healthcare system in industrialised countries and explores the evidence on which policymakers might base their decisions. It begins by tracing the evolving concept of the hospital, concluding that hospitals must continue to evolve in response to factors such as changing healthcare needs and emerging technologies. The size and distribution of hospitals are matters for ongoing debate.” It then goes on: “What is a hospital? An environment that is technically complex, surrounded by much uncertainty which contains information asymmetry, only enhances the mystique of the medical profession and often leaves the outsider confused and perplexed. Given these barriers to change it is unsurprising that hospital reform is viewed with trepidation by health policy makers yet hospitals are very important elements of the healthcare system. Financially they account for about 50 per cent of overall healthcare expenditure. Organisationally they dominate the rest of the healthcare system.” Then it asks some questions. “First, why were hospitals created and do these conditions still pertain? Has the dramatic growth in knowledge and technology invalidated the 19th century foundations of hospitals? More fundamentally what do we mean by the term ‘hospital’ and does the designation of a building as a hospital mean the same thing everywhere? Second, if hospitals are to be an integral part of the healthcare system what should they look like? What size should they be? How should they be distributed within a geographical area? What should they look like on the inside? How can hospitals be designed in ways that enhance their performance, both in terms of health outcomes and economic performance?” Finally, it says: “Hospitals are often considered as black boxes when in reality they are complex, adaptive human systems. Why do some hospitals seem to work well when others do not? How can hospital performance be optimised? The health policy maker is often faced with inherited hospitals that are the wrong size and shape and in the wrong place. The evidence reviewed above helps in deciding what a hospital should look like now but hospitals cannot be built or converted instantly.” It goes on and it ends with this: “The hospital of the future must respond to all of these challenges. It must balance economies of scope with optimal access, drawing on advances in technology as appropriate. It may need fewer beds but it will need more operating theatres and recovery areas as well as purpose built facilities that can offer one-day surgery or integrated care for common disorders. Most importantly the hospital needs to be flexible because the diseases it treats and the way in which it treats them will be very different from those of today.”

The second thing I found when I Googled this was related to Birmingham’s hospital, which is a brand new hospital, and you can see the cost and the size of it if you Google it yourself. It has this little document right at the front. It says: “Benefits of a new hospital. Better, faster and more pleasant care. Our new hospital represents a £545 million investment in health services for Birmingham and Midlands. It provides a wide range of benefits to greatly improve the level of patient care our clinical teams can provide.” One model hospital. “It is built to the very latest healthcare standards and for the first time all of our services will be under one roof once the move is complete. This helps our emergency services in particular to provide care precisely when and where it is required. Despite its size the hospital is designed to operate on a human scale putting our patients at ease. Care based on the needs of patients, bright, welcoming and calm. The new hospital is designed specifically around the needs of patients and visitors making coming to hospital easier and more pleasant. For example, a dedicated patient visitor list with other lists available for staff and the moving of goods. The new hospital allows us to support new ways of working that benefit both patients and staff.” Again, here we go. “More single rooms for improved privacy” and it talks about the differences they have. It talks about a step change in our ability to fight infections, which is the common problems that hospitals have these days. “The new design also greatly improves our ability to prevent infection as it gives us greater ability to protect or

isolate patients who have a higher risk of picking up a bug or passing one on to others. Wards have clinical hand wash stations at their entrances to highlight the need to wash hands before entering and leaving. New technology and equipment. Building the new hospital has allowed us to invest in the very latest equipment bringing our services right up to the date with the latest medical advances available to the N.H.S. (National Health Service) which means the latest diagnostic scanners, new theatre equipment and even robots deployed within our pharmacy and laboratories to make drug dispensing and testing faster and safer.” Finally, it talks about integrated services for timely care. “We are now able to organise services in the most efficient and effective way so patients get the best and quickest service possible. We are able to provide more one-stop clinics meaning fewer visits to hospital. We are carrying out more day surgeries so patients do not spend so long in hospital and specialities are able to accelerate their service improvements, for example renal patients now have access to dialysis on their ward.” That ends the 2 documents but they do go on and it is worth having a look at. So I think you can see there that it establishes both the need and the parallels drawn. When we got to the end of the decision related to Les Quennevais I felt it was a landmark decision. Great for the students, great for the community and great for the Island. Because the final decision on the school has been made a new momentum has been created and a new perspective discovered.

[11:15]

We can do the same with the hospital. Whatever the inspector may suggest when he comes back with his recommendation we can solve any problems he presents. At this very moment people are crying for us to press the “yes” button to make all this happen. It releases people’s expectations, confirms our support for everyone employed in the hospital, and focuses people’s minds on all the benefits a new hospital can deliver. I think you will gather from that that I am totally supportive of what we are about to embark on here today and I hope other Members will see that this is so desperately needed and we have the opportunity here today to move on and create a new future.

2.1.6 Deputy M. Tadier:

So people are “crying out for us to press the ‘yes’ button”, is what we have just heard from the Minister for Education in a very passionate speech that he has given in favour of this project. That is not my experience. I think we do not always get lobbied on the issues that come to the States. There have been a few in the past. I mean Plémont is one that springs to mind. That was an issue which did divide the Island and it was an important issue and people had very compelling reasons and arguments on both sides and a decision was finally made and it was quite close and we know the history of that. But this is not an issue which I have been lobbied on to vote yes for. In fact quite the opposite. We have had lots of correspondence and I have not had any correspondence, apart from through the official channels, which is essentially the Council of Ministers and their entourage and, of course, the leading clinicians at the hospital who are driving this project anyway. But I have only heard reasons not to support this project from a whole wide variety and cross-section of the public. In architecture that is people who know about finance, accounting and it is not people saying we do not need a new hospital because people acknowledge ... there are very few people out there who think we can go on without a new hospital. So it is simply not true to say that people are urging us to vote yes today simply to get something done, and it is not a valid argument to put forward, and we hear it time and time again. It is better to take a decision, even if it is the wrong one, than to not take a decision because people just want us to make decisions. Well, I do not think they do. They want us to make decisions and to make the right decisions and considered ones. Now, the first question I would ask is: if the hospital is so urgent, and I think we do think it is urgent, why are we going for the option that takes the longest to build? We were told by the Minister for Health and Social Services not so long ago that this was the worst option on the table; that you do not want to make it into a building site. We do not want a dual site. It is too costly. It

takes too long. Frankly, the analogy that has just been made with Les Quennevais School is a faulty one because the new Les Quennevais School is going to be built on a completely different site. It is going to be built on a green field site. There is no suggestion of knocking the current school down and building around it while we do that. Obviously the footprint is not big enough and of course it has breathed new life and expectancy into that school because they can expect a new school to be built in 2 years, but if it were the case that the new school were to be built in 8 years I doubt there would be the sigh of relief from them. They would be saying: "What, we have got to wait another 8 years for a school?" and that is exactly what I know that staff and patients and potential patients at this hospital will be doing. Many of the speeches we have heard, including from the previous speaker and the very good speech that the Constable of St. Helier gave, were speeches about the benefits of building a hospital, about building a new hospital, not specifically this particular design in this place with this financial price tag attached to it. Of course, you build a new hospital and people will be able to be looked after. Of course, if you build a hospital in town there will be effects on the economy, on the vibrancy potentially. No one is arguing, I do not think, anymore about building a hospital outside of town but let us face up to the reality, and this is where I do have sympathy for the Minister for Health and Social Services, for the staff and those who have been designing the new hospital but also for Members of this Assembly, is that he should never have been put in this position and, moreover, we should never have been put in the position of having to approve a sub-standard option for the hospital which is not the best option. It is purely because of the machinations of a few individuals and perhaps even one individual who was in the Council of Ministers at the time. I mean, do we have short memories? It was not so long ago that the Minister for Health and Social Services was saying, as I have said: "This is the worst option." The Minister for Treasury and Resources was urging to say: "This cannot wait at all", only for him to come back and say: "This politician has got a friend who thinks this is a better way to do it." Let us look at the financing of this. What we are being asked to agree today is to, among other things, take up to £214.6 million out of the Strategic Reserve. Now, that is despite the financial advice that I remember sitting and listening to at St. Paul's Centre when the individual ... I think he was from the Fiscal Policy Panel or something similar, saying to us: "I would not borrow from the Strategic Reserve" and there were 2 main reasons for that. First of all, you should borrow all of the money, or borrow as much money as you are allowed to under the law, and you should do that because you can borrow it cheap and the Strategic Reserve, this is the other reason, is there for a particular purpose. I remember asking the Chief Minister, he might have been the Minister for Treasury and Resources at the time, Senator Terry Le Sueur, about, you know: "Why do we not use the Strategic Reserve for X, Y or Z? What is your Plan B for the finance industry?" He says: "There is no Plan B. The Strategic Reserve is basically there if the finance industry leaves or if there is some kind of catastrophe." Again, that is the advice that was given to us only a few months ago in that room at St. Paul's saying: "You keep your Strategic Reserve, you borrow now because you have got great rates to borrow and in the future if something does go wrong and you need to rely on your Strategic Reserve you are not going to be able to borrow then and you are certainly not going to be able to borrow cheaply when your finances are in difficulty." So there are 2 reasons. So I am wondering why there is a departure from that perceived logic that we have always abided by in this Assembly. I do not have a problem with borrowing *per se* and it is a false analogy, I think, to compare the economics of a State and a Government to that of basic home economics, and I think we heard some of that yesterday. It is not the same thing. Of course, if you have money in your own life you might use that before you laden yourself with debt but governments and states work differently. They have access to cheap borrowing so we know that. So I know that the Minister is trying to please lots of people by going for a blended solution which increasingly sounds like some kind of mediocre Scottish whiskey when we talk about the blended solution or similarly a mediocre coffee brand. I am not fully convinced. I am slightly more relaxed. I think he is trying to get the best of both worlds but £214 million taken out of the Strategic Reserve, which it is likely to be, is

not an insignificant sum of money and I think that is a departure from the fiscal prudence that we have seen and we have been told is the bedrock of this Assembly and the way we do things. I think we all agree with the sentiment that was conveyed by the Constable of St. Lawrence and, of course, the dignity of people in hospital is paramount. We know that the staff at the hospital provide a great service and they are often limited by resources and their surroundings and no doubt overworked. We know that there are issues in recruitment and retention in the hospital but they do the best of a bad job. Now, if it is the situation that there are shared wards, which I know about, and I have spent a lot of time, more time than I would have cared to in the last couple of years, in and out of hospital, not for myself, but for others... of course we all know that there is a certain ignominy especially if people are spending the last few days and weeks of their lives in a hospital. That is because ... that is a political choice. We choose, as an Island, to have a low tax system so that some people can pay low taxes and there is a cost to that. It means that the reality is that we do not fund our health service and we get the commensurate health service that goes along with that. If you want to have a gold plated service, like you will in other countries, it needs to be paid for. What this proposition does not do, it does not tell us what the proper funding mechanism for the running of the future hospital will be. This is just talking about the building of the new hospital. That is the real nuts and bolts that we have to deal with. So it may well be that you have got a spanking brand new hospital with mostly or entirely single wards and I think there are benefits in some cases, of course, to having shared wards. I have received representation from somebody from the hospital saying that it is important, of course, for training staff that they do have access to areas which are sufficiently big enough so that they can train and they would not want to see everything being taught by camera for example. There is an importance to having hands-on and I thought I would convey that point that was conveyed to me. But we need to look at that mechanism and that is due to our tax and spending system rather than, *per se*, the need for a new hospital, which I have said we already agree with. The point I would make though is that I do not think people should be going to hospital to die, of course. You know, it is perhaps unavoidable but wherever possible people should be dying in relative comfort, preferably in their own homes surrounded by their own family. So I do not think we can necessarily look at that too clearly but, of course, there are issues even when it is in a non-palliative context for people who need to have their dignity in what is currently a shared ward. We have not talked about the population. So the idea of height; again I am slightly more relaxed about the height of the new hospital but there are implications for that. The fact that it has to be so big and do we know what kind of population the new hospital will be catering for because we do not have the figures for the new population? There is also a risk that as a consequence of going higher than is standardly allowed in St. Helier that will, of course, set a precedent obviously and perhaps that is a good thing because I think we can no longer have it both ways. You cannot continue to increase the population, we already have a very high population for a small Island, and keep low-rise and put everyone in town. You either make the decision to proliferate your urban areas into the green rural areas or you go up and I think that is what we are going to see. So if we do pass this hospital today we accept that it will be very bulky. We have heard all sorts of promises. There is not going to be a wind tunnel apparently in that street. I was not even thinking that there was going to be a wind tunnel until I heard that there was not going to be a wind tunnel and we have all walked through certain parts of town where we know that is exactly what happens and that is why people do not walk through those parts of town. So I would suggest that the Constable of St. Helier needs to be concerned about that. I am still very disappointed that the hospital was not built on the open space at the Waterfront at that area, and we are told: "Oh, it is too premium land. It is too good for people who are sick and in hospital who are spending many weeks there perhaps even spending the last few days and weeks of their life. That is too premium. We cannot give them a decent view like that." So I am concerned about how the new hospital will be run. Will there be a new health tax? Yes, we are told there will. We do not know what it looks like. So will you have to be rich or will you have to have private health

insurance to even go into our hospital? Are they thinking of making it into a quango, an arm's length body? There is no suggestion of that yet but, of course, if they know that they would not suggest that yet. Let us wait 8 years down the line. Deputy Le Fondré already made the point, which I was going to make and I will reiterate, is that if it is bad at the moment where you have to be potentially dying with people around you and no privacy in a collective ward then for the next 8 years you are going to have to do that as well but with a building site next to you with noise. Now, people who have had buildings done next to them ... put up next to them or have constituents in such a condition all know that it is very disruptive and that is disruptive when it is limited times, of course, because they would say: "Well, you cannot build at weekends and you should not build when people are likely to be home" and, of course, if people are out from 9.00 a.m. to 5.00 p.m. that is fine if all the building is going on between 9.00 a.m. and 5.00 p.m. and then you are back at home and you do not really see the workmen. You do not really hear the noise because you are only there in the evenings and weekends." But, of course, in a hospital people are there 24/7 and they are there 24/7 sometimes for weeks and the building will have to go on at some time during the day.

[11:30]

So there will be 8 years potentially of disruption while we are building and that was the reason we were told: "It is a bad option. We do not want to turn the current hospital into a building site for up to 8 years" but now these stories change. That is okay and the disruption will be minimised. Will it? Or are we going to spend the next 8, or whoever is, in this Assembly getting calls and complaints about why did you pass this, why on earth did you pass this scheme when you know we needed something much more urgently and we can and could have a hospital built on an open space somewhere else still in town, which ticks all the boxes, and which perhaps will annoy one former Minister because that is not what he wanted, but it is the best sense. I think there are too many questions that still need to be answered and there are too many risks associated with this particular hospital. Let us not say that we do not care about the population and we should not be put in the situation where we are forced to rubber stamp a sub-standard option with all the risks that go along with it. I think we can do better as an Assembly. We can do better as an Island. We can get a hospital built in a shorter time period, in a better location, and perhaps with a different funding mechanism.

Senator A.K.F. Green:

I did not want to interrupt the Member but I just wonder if he would withdraw the comment that I said building on the current site was the worst of all options? What I said was renovating the current hospital was the worst of all options.

Deputy M. Tadier:

I am happy to acknowledge that I was not quoting the Minister verbatim, but it is certainly the sentiment that I picked up from the previous options that were put forward is that this option was very much down the list and that there were much better options, which he was lauding to the Assembly, which did not include this particular option.

2.1.7 Deputy A.E. Pryke of Trinity:

Before I start my speech, I will just pick up on the points that Deputy Tadier made about the risk of doing this and the risk of noise, *et cetera*. But the risk of doing nothing is far greater than that. This journey for a new hospital began when I was Minister for Health and Social Services when I brought P.82 to this Assembly back in 2014, a new way forward. We are being accused here of being too quick. If we are too quick then so many years later it is a pretty poor show. Over the weekend, we received a letter from the Island's chief nurse, 2 senior clinicians from Health and Social Services, and the Medical Director of the Hospital and the Director of Primary Care. They

very succinctly explained the reason that this Island, Islanders, need a new hospital. As I said, the new hospital was identified way back in 2012/2013. Even before, when Deputy Le Fondré is quite right, I sat with him and the then Chief Minister, Senator Le Sueur, about the need of what I found in that hospital. But before that, a great deal of work has been done, the consultants, KPMG, consulted with the public to agree a new way forward for providing health and care in this Island. In 2012 I stood up then, and I make no apologies for doing so today, that the cost of providing health care was going only one way and that is up. We know that by a population who is living longer, due to modern medicine and technology, able to live longer with life-long conditions such as diabetes, emphysema, heart conditions. This is great, this is wonderful, this is what we all want, but it comes at a cost. The KPMG report and P.82 very much then said not changing the way we provide health care had to change. Doing nothing was not an option. Change the acute hospital strategy, more care giving in the primary setting, long-term care, nurse prescribing, all this has been approved by this Assembly as part of that journey of P.82. But also part of P.82 was that new hospital. I hope there are no Members in this Assembly that do not think we need a new one. When I became Minister for Health and Social Services I thought the hospital building was fine, but when you stop and really look at the state of it, the drains, the wards, the high beds too close together, I was staggered. I think I can say in this Assembly that I am the only one here, and if I am to be corrected I am happy, that has actually worked in a hospital ward, know what it is like to nurse patients, look after their families, in an open ward in a 6-bedded bay. From a nursing point of view, it is stressful, time consuming, and really, at the end of it, you sometimes wonder if you are giving the best possible care. Because, as every nurse should know, putting patients and family first is the heart of what we do and we all want to give the best possible care, be that a new baby being born with the parents there, and the conditions of the maternity room leave a lot to be desired. We talk about putting the importance of bonding, that extra care. In the Care Inquiry it says the importance of putting children first, families first, that few moments of the new life and the bonding is important, they need to be surrounded in good conditions. Patients who come into hospital are now acutely unwell. When you are very ill, do you want to share a room with 4 to 6 other people, with only a curtain, and we have had experiences from the Constable of St. Lawrence; and I sympathise and empathise with all of what she is saying, I can 100 per cent understand that. I could go on but a hospital is not about the building, it is about the people and the patients and the families inside it. But the facilities have to be right, have to be right for the 21st century, and we are way, way behind. Patients and family need their dignity. It is important when they come into hospital that they are safe, single rooms are vital. We know that health care over the years has changed dramatically. When I first started nursing we were in a Nightingale Ward, they were all open wards then and not much dignity, not much privacy, everybody knew exactly what was happening. Also, if you were having radiotherapy at that time you were in hospital completely for the 6 to 8 weeks of the treatments. In fact you were prescribed Guinness once a day. Also, on the medicine trolley, yes, it is supposed to be good for your health to lift your stamina up. On the medicine trolley there was also sherry and I think occasionally sometimes consultants used to prescribe a little tot of whisky. So things have changed and quite rightly, but we have to keep up with it, we are way, way behind. Doing nothing, please, is not an option. We cannot put off this decision any longer. The time has come to make that decision now. If we do not have this new hospital, it will still cost us a lot of money to do up the hospital that needs to be done, parts of it need to be done, and still not have a building that is fit for purpose. I said the hospital is about patients, family and staff, it is them that need it. They work tirelessly for Islanders, 24 hours a day, 360 days of the year, providing the excellent care for Islanders, be that anywhere in the department. We have to make that decision today for them, the patients, for the families and the staff. We need to thank them for what they do and, yes, they deserve a new hospital, one which they have been asking for and Islanders need today. But not only for us, for our generation, for when we get elderly and need to be admitted, and yes, I have worked in hospice for about 25 years, single rooms

was a priority because those last few days of dignity, of privacy, and where all the family can be, are the most precious, precious time. You do not get another chance. So it is crunch time, doing nothing or delaying a decision is not right. It is not right. It will have a devastating effect on giving Islanders the best possible care. If we do not make the decision and put it off and put it off for another election, another round and a new Council of Ministers, what are we going to tell our electorate, that we could not make a decision, that we do not really care how they are looked after in hospital? I am not prepared to do that. We need to make that decision today. The next phase of the project will be worked through, it will be worked through with the volunteers, different focus groups, I am assured of that, because the working group team, who have worked well above the call of duty to provide us with all the information, will continue to do that because they are committed. They are committed to the health of the Islanders in Jersey, all of them, and we should be really proud of them and thank them for that. **[Approbation]** So I urge Members please, please, do not put off this decision, please make it right and make a decision that we can be proud of for future, for our grandchildren and great grandchildren.

2.1.8 Connétable C.H. Taylor of St. John:

I enjoyed the last speaker's speech, especially when she said, I think I heard correctly, she nursed with Florence Nightingale and gave the patients whisky.

The Deputy of Trinity:

I am not quite that old. **[Laughter]**

The Connétable of St. John:

Last year I brought an amendment. That amendment was to bring forward the 2 hospital sites so that today we would be choosing the better one of the 2. Instead we have a choice of one or nothing and we are told nothing is not a choice. So why are we bothering with this debate, we do not have a choice. I will not be blackmailed in that way. We have heard a lot of talk about the need for a new hospital. Yes, there is a need for a new hospital, we all know that. That debate is not what is taking place. What is taking place is: is this business plan what we want for the future of this Island? I am reminded of something that I heard at agricultural college where a farmer approached an expert and he said: "I am going to build a new cow stable here and I am going to build it like this and it is going to cost X amount of money. Can it be feasible?" The expert looked at it and said: "Yes, you can build it there. Yes, it is within your budget. Yes, it will work." The question he should have asked the expert is: "What would you advise?" or: "Is this the best option?" because luckily the farmer did ask that and the expert told him: "Well I would not do it that way; I would do it this way. It is on a better site; it is cheaper, there is less risk; and it can be delivered more quickly."

[11:45]

Lo and behold, many years after being at agricultural college, I am faced with exactly the same situation here. Do we want a hospital that is not the cheapest option? Do we want a hospital that is not the cheapest to deliver? Do we want a hospital that is not going to be aesthetically pleasing? Do we want a hospital that is going to have a higher risk to it in being delivered than other sites? As chairman of P.A.C. (Public Accounts Committee), I have been asked several times, do I believe that we will get value for money from our £466 million? My reply has been very clear, I do not believe we will get value for money. Jersey deserves the best. At £466 million we are paying for the best. But I listened very carefully to the Minister for Health and Social Services and throughout his speech he made comments like this: "The Scrutiny advisers have said it is fit for purpose." Not: "Well done, this is the best, you are doing the best." They have said this is fit for the purpose. I am sure you would agree with me that, if you went into a restaurant and you ordered a fillet steak and a piece of old leather was put on your plate and you complained to the chef and said: "This is

terrible” and the chef turns around and says: “Well it is edible, is it not?” would you be happy? I would not. Not at £466 million that is for sure. I have been approached by numerous people, both working in the hospital and elsewhere, and Islanders. We have recently had our Christmas lunch. I was asked: “Why have there been so many delays?” Well, the only thing I could say was we were promised as an Assembly that we would have a one-site option brought back to us within 100 days. It took 700 days. So do not blame this Assembly for the delays and do not hold a pistol to my head saying: “We have to accept this because of delays. We cannot have delays.” I want the best and this is not the best. The Jersey public, the people who will be using the hospital, they deserve the best. I urge Members to be bold, to represent the future of this Island, reject this, turn it down, and say: “We must have something better, something cheaper, something that can be delivered more quickly, and something that is going to do the job that we can proudly point to in the future and say, there, that is our hospital,” as opposed to pointing to a carbuncle and saying: “That is what we had to have.” I urge Members to reject this proposition.

2.1.9 Deputy S.M. Brée of St. Clement:

I have listened with both interest and growing concern at the number of speakers before. I think it is important to stress that the need for a new hospital is not in doubt. The need for improved patient facilities is not in doubt. The need for improved clinical facilities is not in doubt. But what is in doubt is whether or not this proposition is the best way to provide this. So I would urge any Member who is considering standing up and berating any other Members who decide that this is not the best way forward on the basis of we do not care, I urge them not please to go down that route. We all understand the needs, but what we are looking at: is this the best way to provide a solution? So looking at the proposition itself, what are we being asked to approve? We are being asked to approve the preferred scheme. Now that is building the future hospital on the site that was decided upon under P.10/2016 Future Hospital: preferred site. Now, at the time of that debate and vote, only 3 Members of this Assembly voted against the site. I was one of them. I will vote against this proposition as well, solely on the basis that this is not the best site for a new hospital. I do wonder whether or not all of those Members who did vote pour under that particular proposition, now they have seen the projected size, volume and impact, would have voted the same way if they had the information they have today. I doubt it. Despite what the Connétable of St. Helier said, this is not about the benefits to St. Helier, this is about the benefits to all Islanders, and we have to be very clear that whatever future hospital we do build is the best for all Islanders, both the location, accessibility, and services being provided. I, in P.10/2016, spoke about my concerns to do with the disruption to existing patients and services being provided at the hospital and we now have found out that - despite protestations that everything was going to be all right - in order for this future hospital work to commence, the one that is contained within the preferred scheme, the Pathology Unit has to be moved to Westaway Court because of the disruption caused by the demolition. This was given to us in a public hearing and it is publicly accessible information, the decision to move pathology is based upon the fact that their particular tests, their particular sensitive machines, could be at risk due to the vibrations caused by demolition work and construction work. So we already know that there is going to be an impact with building the future hospital on the preferred site, so we will call it the preferred scheme. We also have a concern, and this was raised by the advisers to the Future Hospital Review Panel that while the future hospital sits within an overall health services offering, which includes a lot of other things that are known as interventions, looking to provide better care both in the community and in the home, if any of those interventions were not to work as successfully as projected, there is a major issue with regards to bed numbers. Now, I am sure, like myself, many Members, and certainly many members of the public who have approached me, have raised questions over there does not seem to be that many additional beds being provided in this £466 million hospital. We continually are told by the Council of Ministers that their policies are being driven by the pressures of the ageing population.

If that is true, then one would have expected to see in the projections for bed numbers for the future hospital a large number of more beds because the chronic diseases that the elderly will be suffering will require hospitalised treatment. So, again, there is a question mark in my mind between the projections that are put forward under the preferred scheme as to the pressure or requirements of the future hospital versus the population figures that we can all see. The 2 do not appear to match up. Now, moving on to the other side is the funding issue. Now, you either, as a person, believe that Government should borrow or, like myself, you believe that the Government should use its assets that it currently has in order to fund the public domain. Now the hospital is of benefit to the whole public. However, if you do believe in borrowing, which our current Government does, let us just look at what is being proposed under this. A borrowing of £275 million is being proposed. The bond itself is a public rated sterling, what is called a straight bond. If you believe in borrowing that is probably the most pragmatic way to go ahead, but it is a 40-year bond. Now, let us just look at this sensibly. Each year, if you had a coupon rate of 2.75 per cent, which is what seems to be projected at the moment, and we are talking about the coupon rate here, not the yield to investors, which some people very often get confused about, each year we will be required to pay out in interest effectively £7,562,500. Now, over 40 years that is an additional £302,500,000. So what is the cost to Jersey and the taxpayer of borrowing £275 million over 40 years? It is £577,500,000. That is the cost. Now, interestingly, we were presented with this option before, many Members will recall, we did a lot of work on it, we studied it, we looked at it and then at the last minute it was pulled by the Minister for Treasury and Resources on the basis that more information was needed, more options were needed to be looked at. But the Minister for Treasury and Resources in his proposition has come back with essentially an identical proposition, so any delay that we have been accused of, any delay at all, must be firmly placed at the Council of Ministers' feet on this one. We were prepared to debate it. We were prepared to look at it. They pulled the proposition. Now, when we start looking at, well if the funding, the budget, is £466 million, if £275 million of that is going to be borrowed, well it is not £275 million that is going to be borrowed because, when you start looking at the figures, Treasury and Resources' own figures estimate that on a bond offering of £275 million they will only receive £266 million approximately worth of money. So I am selling something at a discount or I am getting less than it is worth, but that is how the bond markets work. So we are talking about a total cost, when you start adding all the figures - and I may not be exact here - but the total cost over 40 years is £768 million to build a future hospital, funding it, on the site, on the preferred site, the preferred scheme, funding it through the preferred funding route. That in anybody's books is a huge amount of money.

[12:00]

Now, it may well be that, like me, you think that is too much pressure, too much onus to place on to taxpayers going forward for the next 40 years and that we do have reserves that we can utilise. Perhaps now, more than ever, is not the time to be going out and borrowing huge amounts of money and committing ourselves to 40 years of repayments. We do not know what impact Brexit will have on the finance industry in Jersey. Now I believe a more prudent approach would be let us look at the funding strategy that uses our reserves. Remember, the reserves that we have within the Strategic Reserve Fund come from the glory days of the finance industry when we had large deposits over here in all the banks. Yes, it comes with the golden years, if you want to call it, of deposit banking. Perhaps we should return some of that to the people of Jersey in the form of building them a new hospital, funded without the need to borrow more money. Planning, as we have discussed, is a big risk for this project. I argued that we should delay the debate until we knew the outcome of the independent planning inquiry. The Future Hospital Review Panel that I chaired recommended that we delay the debate and we are only talking about 4 or 5 weeks, that is all we were looking for. This Assembly has decided not to take on the recommendation of the Future Hospital Review Panel and I feel that to have been a mistake because we need to know

whether or not what the preferred scheme is can be delivered. I believe that is still a big risk for the whole project. We have been told by various Ministers that we cannot delay reaching a decision because if we delay any longer the health of Islanders will be impacted upon. The preferred scheme is, probably out of all the options that were looked at, other than the refurbishment of the existing general hospital, the longest delivery time of any of the options looked at. How can it be the best option? Despite what the Minister for Health and Social Services said in a public hearing when answering the question, is this not a 2-site hospital, saying, no, it is not a 2-site hospital, it is a 2-building hospital, I firmly believe that this is a 2-site option? It is not a one-site option. You have the future hospital and then you have Westaway Court; that, in anybody's books, is 2 sites. They are not interconnected by tunnels or a travel way, anybody would have to walk across the Westaway Court to access Outpatients, Pathology or Physiotherapy, so it is a 2-site hospital. Again, the Minister for Health and Social Services keeps on telling us the public have been telling him: "Just get on with it." It must be a completely different set of public to the ones I speak to because most of the public that I have been speaking to have gone: "Now we realise what it is actually going to look like, the impact it is going to have on St. Helier. We are concerned. We think you need to relook at it." The project is a 6 to 8-year project. We can afford to delay slightly, and we are not talking about a long time, to answer concerns raised from the independent planning inquiry and I think it is right that we should do so. There seems to be, if I may say, a rush from the Council of Ministers to get this decision through the States Assembly. Pressure is being put on Members to vote in favour of this proposition, pressure from an emotional point of view, pressure from you are letting the public down and this pressure is, in my opinion, wrong because we need to make a decision, that is not in doubt. But we need to make the right decision for the right reasons. This decision we make today will affect generations to come because not only through the delivery of healthcare services but also by saddling future generations with a debt obligation they have to pay. If any Members have any reservations or concerns about any aspect of this project and this proposition, now is the time to have your say. Now is the time to send a message to the Council of Ministers: "No, stop, there are concerns, we do have questions. We cannot vote this through as it stands." Because this is the very last time that our voices will be heard and the voices of the electorate that we represent can be heard through us. I think it is important that we are sure that every aspect of this proposition is correct, is the right location, is the right scheme, delivers the right services through the right funding mechanism before we vote for it. If any Members have any concerns over any of those areas, then I urge them to be prudent and vote against this proposition, knowing full well we do need a new hospital. The question is: is this the right one?

Deputy J.M. Maçon of St. Saviour:

I just wondered on a point of process, like with the law looking at the proposition, is it possible for Members to ask for a section of it to be voted on separately?

The Bailiff:

It will be for the Minister's choice ultimately but you can no doubt ask him now.

Deputy J.M. Maçon:

Okay, because I think like many ...

The Bailiff:

It is the Minister's choice.

2.1.10 Deputy J.M. Maçon:

Yes, I understand that. I think, like many Members, many of us want to support some of the funding elements of it but are concerned about the business case of it, and I wondered if the Minister would consider allowing Members to vote perhaps on part (a) and (c) and the rest, and I

will leave that with him to consider because I still have my reservations about the business case, which is what my amendment was about yesterday. I did put in a submission to the planning inspector and in terms of some of the negative issues expressed, I said: "We know when it was brought to the Assembly. This is going to be a particularly tall building, we know it is going to be a big building. Why do we not see this because this could be the iconic building for Jersey? Why can we not design it in such a way that it is something for us to be proud of? Say, yes, this is a big building but this is our hospital, this is something that we, the people of Jersey, really support and we think it is such an important thing. It could be, if designed appropriately, attractive." That is kind of what I said during the planning inquiry. I did say that it should not be white and I sent Members around a photo of Hautlieu School about what happens to white public buildings when they are not looked after. Again, I hope when the planning inspector considers that he will make a judgment on that, especially given the traffic that will be in the area going forward. But looking at the funding of it, yes, okay, fair enough, going forward we are looking to borrow and we live in an uncertain world. We do not know exactly what is going to happen but is this is a funding mechanism and a funding way which is practical? We have looked at the advice from Concerto and they said it is something that can be progressed. Overall, I am minded that I want to support the funding aspect of this project because I see a lot of merit in it. Members will be aware about my concerns in the absence of the planning inspector's report because I think that information is critical. I will ask the Minister to consider allowing Members to vote on the different parts of the project when it comes to the vote because there are elements that I do support but if I am forced into a position whereby it is all *en bloc*, I may not be able to.

2.1.11 Deputy J.A. Hilton of St. Helier:

I have spent many hours going back over how we got to where we are today. I have revisited previous Scrutiny reports, conducted by the Health and Social Security Scrutiny Panel. Senator Sarah Ferguson was on that panel, as was the former Deputy of St. Ouen. Members have made reference to delaying this project and I noticed in P.82/2012 one of the comments under the Sustaining Hospital Services, it talked about bringing forward investment in hospital services and detailed plans for a new hospital, either on a new site or a rebuilt and refurbished hospital on the current site by the end of 2014; 3 years on we are here today discussing the preferred site and that really concerns me. When Members talk about delaying and Deputy Brée talked about a short delay, the question I was asking myself is: why, by delaying this for a short period of time, what is that going to bring to the table? This has been a long, torturous process for all Members from 2012. I cannot think of another project that has involved the public so much in consultation. There has been consultation after consultation for the public, States Members. Last year I was not here, I missed the debate that took place at the end of November, 1st December, about this site because I was in the U.K. (United Kingdom) with a terminally ill member of my family. But I have made it quite clear previously that I did support the Waterfront option. I have been quite clear about that right from the very start. But I was not here for the debate, I have looked at Hansard, I have spent a couple of hours reading all the comments that people had made. I have looked at the paperwork that Members who voted for that last year, the paperwork that they made their decision based on. I respect the decision that States Members made here last December and we have moved on from there. I know some Members have said: "We made that decision and it has changed, that somehow the development has changed." But what Members were presented with last year, the image they were presented with, has not really changed at all because it was this image here, which is on the first page of the Jersey Future Hospital chronology. The one thing that has changed is the height of the building. It now does stand at 47 metres, which includes the height of the flues. But the actual height of the building has only increased between 6 and 7 metres, which is approximately 20 to 24 feet. What I will say to Members is the reason it has increased in height is because the Architectural Commission, through a process that they have been working on all year, suggested

that the building should be stepped back from Gloucester Street, Newgate Street and Kensington Place, which is what they have done. By stepping the building back by 17 feet on Kensington Place, 6½ metres from Gloucester Street and 4½ half metres from Newgate Street, the building had to go up.

[12:15]

That is why you have got that additional 6 to 7 metres in height over what you had seen last December. With the best will in the world, when you are talking about 6 to 7 metres it is about 20 to 24 feet, I am struggling to understand why Members would want to throw it out on that basis because you had the argument last December in this place about this preferred site. I am struggling with that a little bit. Like the Constable of St. Helier, I value our green zone and our coastal zone and I have always supported development happening in St. Helier to keep the rest of the Island green. I am very proud of the fact that Members in this House have achieved that over the decades. If you fly over Guernsey they have no planning policies the same as us and if you fly over Guernsey you will see ribbon development everywhere. I am very proud that Members made those decisions that they did in previous decades about keeping this Island green. On that basis, I do not object to tall buildings. I have asked myself, when Cyril Le Marquand House was built in the 1960s, how did Members react to that? This huge building in the middle of St. Helier. I was going to go back and do some research but I have been so busy I could not do it. I have not really got an issue over tall buildings. I sat at the traffic lights at the end of Victoria Avenue for the past 2 mornings and looked across to the hospital and tried to figure in my own mind, how is this going to look? I looked at the Grand Hotel, I looked at the new office development right next door and when that was first unveiled I thought, my goodness, that is a huge building but you get used to it and it is quite a nice building. Like Deputy Maçon, I truly hope that this hospital building could be an iconic building. There is absolutely no reason why it should not be. I do have faith in the Planning Panel, when it comes back to the Planning Panel about all the additional finishes to the façade of the building. I do have confidence in the Planning Panel that they will work on behalf of Members and the public to make this possibly the best image that they possibly can. I hold a lot of store by Scrutiny Panel reports. Scrutiny Panels put a tremendous amount of work into the reports that they produce. On that basis, I read the panel report that was produced in the last week and I am satisfied with the comments by Concerto and Opus who looked at the financial side of it. I am satisfied that the work that has been carried out has indeed been thorough. Concerto said in their report: “The review team found good practice with the future hospital project.” I know that sometimes members of that team have come under a lot of criticism and that must have been extremely difficult for them at times. Motivated people, albeit under-resourced, I think that is something that will need to be addressed going into the future because the last thing we want is our valued staff coming under tremendous pressure through being under-resourced: “Working collaboratively to achieve a significant health system transformation in line with the objectives set out in P.82.” They went on to say: “Our overarching conclusion is that the Outline Business Case provides the States of Jersey with a sound enough basis for decision making. The 5 elements of the Outline Business Case match good practice, albeit containing some issues but none of these are showstoppers. We rate the project as amber-green because the project has sufficient contingency in terms of time and cost allowances to cope with the various risks that it faces.” On the basis of that and everything else I have read, as you have probably gathered, I am supporting the proposition in front of us today. I would urge Members, please get behind this project. This is a project that States Members can be very, very proud of, it just needs the will. Please, do not delay this any longer. It is just simply unfair to Islanders who have to go in to access services, the staff who work under difficult conditions, we owe them this. Please, please, support this project. **[Approbation]**

2.1.12 Connétable J. Gallichan of St. Mary:

I am sure we are all finding this a very difficult debate. The need for the hospital, I am not going to go into it. It has been established, we all know that we need a new hospital. The hospital that we have now does not serve the needs of the community and that very, very soon there is likely to be a serious failing. I do not want that responsibility for not having done something about it, to be down to me but that does not make this debate easy for me. The established site has already been decided and debated and I groaned when I heard Deputy Brée say that this was not the best site. I tried to groan internally, I do think it slipped out, it may have been audible. But I was not groaning because I do not think he is right, he probably is right; in fact I know he is right, there is a better site for the hospital on paper but it is a site that was not acceptable to the public generally. It certainly was not acceptable to me personally and it was withdrawn from the list. I think People's Park, on paper, was the ideal place to put it, the setting, the sitting, the shape of the area but it simply was not acceptable for lots of reasons and, as I said, it was not acceptable to me either. Hospital design and build is a very specialist area. I have been on the Planning Applications Panel for a long time. I have seen lots of big designs, I have seen lots of bold ambitious things, I have seen lots of things that the panel has thought, whoa. We have seen a lot but none of us, even with the extra exposure that we have had to this sort of thing, is in any way qualified to talk about a hospital design. Les Quennevais School was an ambitious project but we have got lots of schools. It is not as unusual as a hospital. There are people who specialise in nothing else but hospital design and planning. But this Assembly has got a history of trying to be an expert at planning at times and so I cannot really be surprised that the temptation is there to try and relocate, to say this could be better, this would be better, resize it, redesign it but none of us here are qualified in that area. There has been a remarkable and an in-depth consultation process took us here. We have all had the opportunity to participate in workshops, seminars and so on. I have attended as many of them as I could and found them very useful, particularly when we discussed other sites, and one of the early ones and things that I thought pretty obvious turned out to be not obvious at all and I was wrong and had to readapt. I have come to understand why the other sites were discounted. Now I accept that from the situation that we have worked our way through systematically, we are at a situation when we have a site and the hospital building is going to be large wherever we put it. There cannot be any doubt about that. I cannot pretend to understand or know at this time what the planning inspector is likely to come back with. I am sure there will be a whole host of recommendations. I will be very surprised if there were not and that is something that the Minister for the Environment is going to have to deal with. I was very pleased to follow on from Deputy Hilton, I share her hope and the one expressed by Deputy Maçon. The finished building will not be something we are trying to mask but something that we are going to celebrate because it is a very important building structurally for our own and how it works and also it will be a focal point. In my own mind I am thinking maybe an even taller building but less bulky might be the idea but, of course, that is me just speaking, as we are all speaking. I understand that there are things such as clinical adjacency that needs to be considered, which might make a tall, thin building not the right thing. This is not a simple let us get something and how it looks, it has to be functional as well. But, having said that, there is no doubt in my mind that the reserved matters will be the critical stage for this design. I have seen many times in the past how the idea of a building which the Planning Committee has refused at one stage because we did not like the impact, the sizing matter that it would have, has been dramatically softened by treatment of external materials and window design and so on. I do not think that is an insurmountable problem. But I have still got reservations and my concerns are that ... and I have raised these concerns at the workshops and the team answered the questions, I believe, fully and truthfully but I still have these concerns because from the point of view of someone who has responsibility for a disabled person, I have a renewed appreciation of the difficulties that the carers can have in simple logistics of getting people to and from appointments and how it works. I have got particular concerns about the Westaway Court area and I know there is restricted parking there and I know there are all sorts of schemes in place envisaged for delivery

of people to the area where they will be handed over to someone, taken inside or whatever. But that person who is doing the running around, doing the assistance for that disabled person still has to then go and find somewhere to park, then has to walk back to help them, then has to walk back to get the car, then has to come back; there are just lots of ways and I do not think it works quite well enough. I understand how a simple logistical difficulty might seem trivial, where will you park? But for someone who has that increased level of responsibility and care, it can be the thing that really breaks the day, when you realise that you cannot get to the person who needs your help quickly because you have to go back. It is just something that I think we need to do more work on because we are going to be spending a lot of money on this hospital and I do not want it just to be a bit better in some areas and a lot better, of course, in the accommodation side and the way the nursing function will happen. But it has got to be better all round and I think there is more work to be done but there is more planning to be done. I am saying this now because I want that taken on board, not because I say it is impossible. The sheer scale of the finance, the sheer scale of the debt commitment is, I think, making this very difficult, it is just such a big number. But it is such a big project and it is something that we all need. I do not think this solution is perfect and I have got these concerns. I do understand where the public are coming from and they are concerned that we have not got it right yet. But I want to support this funding so that we can move to the next stage, that we can take this forward because the worst thing happened, it is a simple thing but I have done and what lots of other people have done and the Constables especially, we have been having our Christmas lunches with having our senior citizens together and I am sure that all Members talk to their constituents at every opportunity. There was somebody saying to me: "Whatever happens it is too late for me." They are well ... they are elderly but they are well, they are fit, they are a vital member of society but they think we have waited too long and they think that whatever happens now the option of a really good possible end of life situation for them in a hospital, if it comes to that, is gone and I think that is just awful. I really feel I have failed in that respect. We have to move this forward but I will say that I do not know which of the team are going to be able to answer my questions but I just need to know that more work will be done. We have to make it better all round. At the same time I know that if I do not approve this we will not even put our foot on the ladder to getting it better. It is a really tough decision, I am still waiting for my epiphany on this one.

2.1.13 Connétable P.B. Le Sueur of Trinity:

It grieves me to make this speech, however, I am going to take up the Chief Minister's invitation from yesterday and nail my colours to the mast. I will start by saying that, along with others, I have no doubt there is a requirement for a new general hospital. However, no matter how much I search my conscience I cannot convince myself that to proceed with the current proposal will prove to be in the best interest of Islanders and future generations. My overarching concern is the question: is it right to embark on the largest capital project the Island has ever undertaken in the knowledge from the outset that it is a compromised solution?

[12:30]

The previous Minister for Health and Social Services' proposal for a 2-centre hospital was rejected as unworkable. What we have before us today is exactly that, a 2-centre hospital, albeit that it is linked by a vacuum tube. The need to redevelop Westaway Court for pathology, various outpatient services, is a clear indication to me that the new main hospital building is already too small to meet our requirements. I refer to the comments that Deputy Bryans made earlier when he applauded the new hospital in Birmingham and they said it was so great because all the services were under one roof. Some say we should wait for the results of the independent planning inspector's report, I would agree if I did not already believe in my heart of hearts that we are being railroaded into making a decision today that our successors and we might regret for generations to come. I cannot

erase from my memory the thought that I took away from the second States Members' workshop that I attended at the hospice, the one that followed the abandonment of People's Park and the redevelopment of the existing site, suddenly became the new preferred option. We were informed that Planning have indicated there was a possibility of going higher on the existing site but there will be compromises. We were also told that we would attach our new £0.5 billion hospital to the undersized out-of-date public car park that is Patriotic Street, which, incidentally, is already full to capacity. But if we add a couple of bridge links and 2 half-floors all our worries would be over. Clinical adjacency, the buzzword of the time and something that People's Park offered to deliver, this is no longer a consideration because we now have a much smaller footprint but, of course, we can have 2 ground floors, another compromise. Before the elections in 2014 I spent 46 years in the construction industry, so please do not tell me that we cannot build a new hospital on a Green Zone site, land that is already in public ownership and not deliver a better without-compromise hospital solution, quicker, most cost effectively than the current proposal. Okay, if we have to sacrifice an adjacent field in order to make it work, then the hospital is, as we all know, a special place and we should do it without question. I was staggered to read that the ministerial oversight group removed Warwick Farm from the list of potential sites on the basis that rezoning Green Zone land for development did not fit with current planning policy. I asked myself: how does the height scale and mass of the current proposal meet planning policy? The abortive costs of the temporary relocating medical facilities, staff and office accommodation associated with this current proposal runs into millions, as we all know. The large proportion of that will be dead money with nothing tangible to show for it once we have finished the new building. The disruption, disturbance to patients, staff and clinicians and neighbours of the site and the general public needing to access hospital services or circulating the site during the various construction phases does not bear thinking about. I urge Members to consider, is it right to embark on the largest capital project this Island has ever undertaken in the knowledge that it is already a compromise, a £466 million compromise? **[Approbation]**

2.1.14 Senator L.J. Farnham:

I am sorry to have to follow my good friend, the Constable of Trinity, because he does not speak very often but when he does he speaks well and it is very considered. I find it, as do most Islanders, difficult to disagree with what he says and I make no criticism of any Member, not even my good friend, Deputy Brée, on this occasion, who works diligently and thoroughly in Scrutiny. I would like to praise Members that have put a lot of thought, we do not agree on a number of things but we have put a lot of thought in this; debate deserves that. The comments of the Constable of Trinity about the compromise are valid but, in reality, practically every decision we make in this Assembly is based on a compromise. Compromise is what makes our society work. It is what enables this Assembly to progress and move on. Yes, this is a compromise but I think it is a good compromise. I would like to have a new hospital in green meadows with a sea view but I also accept, for the reasons that a number of Members have outlined and the Minister for Health and Social Services especially, that what we have is going to be a good compromise, what we are proposing is going to be a good compromise. Three speeches that stood out for me: the Constable of St. Mary raises very valid points about logistics and there is going to be a lot more consideration on that issue but other Members will deal with that. The Constable of St. Helier, I thought his speech was excellent and covered some very valid points about the benefit, not just to St. Helier but to the whole Island. I would argue that a benefit to St. Helier is usually a benefit to all Islanders because all Islanders or nearly all Islanders rely on St. Helier; it is our capital and most of us either live or work in the Parish. Deputy Hilton also made a very good speech and I hope drew Members' attention back and allayed some of the fears on some of the comments that have been made about height and scale. I just want to turn back to Deputy Brée's comments, and I am not offering any criticism, I am just going to disagree with him on costings because I do not think ... while the

Deputy's arithmetic I would not question, I think we must not forget that the money we have in our reserve is working hard for us and generating quite a lot of income, perhaps, I am not sure. But perhaps the Minister for Treasury and Resources could remind the Assembly how much the Strategic Reserve has generated for us. It has been working hard, how much has it generated for us in the last 5 years? A lot of money. I am waiting for the Minister for Treasury and Resources to give me a figure, I am sure it is a lot.

The Bailiff:

He will do that when he replies, Senator.

Senator L.J. Farnham:

A lot of money. If we borrow £275 million and we pay back interest on that at 2.75 per cent, to my calculations we will still stand to make more money, whether it is 1 per cent more or 5 per cent more or 10 per cent more, by making sure the money we are investing is working harder for us; it makes absolute sense. I know if it was my money and I had investments producing good returns, I would certainly look to source cheaper money for capital projects and it is what most businesses would also do. Also, we have not agreed 40 years, due to one of the amendments that was approved by the Assembly yesterday; that could be different. Personally, I would favour a shorter bond but there is work to be done there but I am confident that the Treasury will come back with the right funding product for us. I stress that we will be better off by ensuring our investments continue to work hard for us and borrowing at a very competitive rate. The Islanders will be better off to the tune of hundreds of millions of pounds over the length of the bond, than if we were to pay for it all with cash from our bank account. But really if we look at the financial side of this, the capital outlay really is significant but still a smaller part of the amount of money that the taxpayer is going to invest in health in the years ahead. To my calculations the amount of money that Health budget will be, over the next 10 years, in the region of £5 billion; that is how much we are going to invest in health, somewhere over the next 40 years in the region of £10 billion, give or take a billion. The future and the effort is going to be required to ensure that we have the right medical staff, the doctors, the nurses, the surgeons but not just the medical staff, all the ancillary and support staff that are going to make our health service world class and keep it world class. We are also going to have to invest heavily in technology. I was talking to one of our new residents yesterday, a resident who came in with the Locate Jersey high-net worth programme, who has significant involvement with medical technology and I have mentioned this to the Minister for Health and Social Services, just in passing, very briefly. The opportunities for the development of technology in that sector are absolutely huge and they are moving faster than anyone can imagine. But to deliver these we need the right platform and a new hospital would deliver that, of course, that is not particularly relevant to this site. But I quite like this and I have studied the plans and I have looked very closely right through the Future Jersey website and while this is not a perfect plan; there is nothing, no perfect plans exist. It is not a perfect plan and I am going to use the cliché that we often use, the enemy of a good plan is the quest for a perfect plan. I am not going to attempt to blackmail anybody or be over-emotional because I have not had many Islanders really engage with me about this. I have spoken to friends and family who want really the best health service available. We have been lobbied by a handful of passionate people who believe that this is not the case and I respect their position on it. I have listened and I have noted their views and I do disagree, respectfully, with them because we could spend an awful lot of time trying to find a perfect plan and we will never find it. But this building will, in my opinion, provide a really good platform for us to develop our health service, for us to develop people, for us to attract the right people, for us to bring in new technologies. I also think that this large building, which will be visible from the risen areas around St. Helier, love it or hate it, will prove to be a beacon of reassurance for Islanders when it comes to thinking about their health and their old age and what

the future holds. I think it is time to vote for it. I think it is time to stop talking, to stop trying to blame each other and get on with it.

LUNCHEON ADJOURNMENT PROPOSED

The Bailiff:

Can I just ask how many more Members intend to speak or wish to speak on this subject? Six and a half, right, at least. I say that because looking at the rest of the agenda, the chairman of Privileges and Procedures and those who are moving other propositions will want to consider how best to accommodate a number of propositions, which it appears to me that we simply will not get to. The adjournment is proposed. We stand now adjourned until 2.15 p.m. this afternoon.

[12:44]

LUNCHEON ADJOURNMENT

[14:16]

The Bailiff:

Will you call the roll, please, Greffier? Electronically, all Members present, please show their presence by voting. All Members present have had the opportunity of voting.

Senator P.F. Routier				
Senator A.J.H. Maclean				
Senator I.J. Gorst				
Senator A.K.F. Green				
Connétable of St. Peter				
Connétable of St. Lawrence				
Connétable of St. Mary				
Connétable of St. Ouen				
Connétable of St. Martin				
Connétable of St. Saviour				
Connétable of Grouville				
Connétable of St. John				
Connétable of Trinity				
Deputy J.A. Martin (H)				
Deputy J.A. Hilton (H)				
Deputy of Trinity				
Deputy E.J. Noel (L)				
Deputy J.M. Maçon (S)				
Deputy R.G. Bryans (H)				
Deputy of St. Ouen				
Deputy S.M. Bree (C)				
Deputy T.A. McDonald (S)				
Deputy G.J. Truscott (B)				

The Bailiff:

We are not quorate. We will have to adjourn for 5 minutes and then we will try again.

ADJOURNMENT

[14:22]

The Bailiff:

The Greffier will take another roll call now so if you will please open the voting. Voting is now open for Members to show their presence.

Senator I.J. Gorst:

May we raise the défaut on Senator Bailhache please?

The Bailiff:

We are not here to do that yet. [Laughter]

Senator I.J. Gorst:

We have reconvened and are quorate so ...

The Bailiff:

I am just establishing whether we are quorate, that is why the vote is being taken.

Senator I.J. Gorst:

We have to demonstrate that we are quorate?

The Bailiff:

Because we were inquorate, then we were suspended, so now the vote is being taken to make sure that we are quorate.

Senator P.F. Routier				
Senator A.J.H. Maclean				
Senator I.J. Gorst				
Senator A.K.F. Green				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. Lawrence				
Connétable of St. Mary				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				
Connétable of Grouville				
Connétable of St. John				
Connétable of Trinity				
Deputy J.A. Martin (H)				
Deputy G.P. Southern (H)				
Deputy J.A. Hilton (H)				
Deputy of Trinity				
Deputy E.J. Noel (L)				
Deputy J.M. Maçon (S)				
Deputy R.G. Bryans (H)				
Deputy S.Y. Mézec (H)				
Deputy of St. Ouen				
Deputy L.M.C. Doublet (S)				
Deputy S.M. Bree (C)				
Deputy T.A. McDonald (S)				
Deputy G.J. Truscott (B)				

The Bailiff:

I can announce that we are now quorate. I would like to take the opportunity of thanking Senator Routier, Senator Maclean, Chief Minister, Senator Green, the Constable of St. Peter, the Constable of St. Lawrence, the Constable of St. Mary, the Constable of St. Ouen, the Constable of St. Martin, the Constable of St. Saviour, the Constable of Grouville, the Constable of St. John, the Constable of Trinity, Deputy Martin, Deputy Hilton, the Deputy of Trinity, Deputy Noel, Deputy Maçon, Deputy Bryans, the Deputy of St. Ouen, Deputy Brée, Deputy McDonald and Deputy Truscott for being present on time.

Deputy P.D. McLinton of St. Saviour:

I wonder if I might just mention that ironically both Deputy Mézec and I were in the Assembly and we would have been quorate but we were discussing when the House of Commons was quorate at the time and missed the chance to vote ourselves present.

The Bailiff:

That sounds like a very good topic for discussion, Deputy.

The Bailiff:

We are returning to debate on P.107, does any other Member wish to speak?

Senator P.F. Routier:

I will try and do this one leg and kneeling.

The Bailiff:

Senator, if you would prefer to sit and address us you certainly can do that.

2.1.15 Senator P.F. Routier:

Well I will try as I am, thank you very much. It was really interesting to hear the Connétable of St. Mary this morning to say we are going to get one foot on the ladder, which I would just caution be very careful when you are putting that one foot on a ladder. **[Laughter]** I think we are doing that because of what we are doing today. Some Members will have obviously had an experience of the General Hospital, as I have recently. I would like to say how fortunate we are to have such excellent staff and expert caring staff in our hospital. **[Approbation]** They have so far done a first rate job and I am on the mend, but my table tennis team is going to be without me for a few months so I regret that. The personal experience of being cared for in a 6-bed bay on Beauport Ward has certainly strengthened my resolve to ensure that we do not allow patients to endure what I would call outdated and inappropriate facilities longer than we have to. When I arrived on the ward I was welcomed by some great fellow patients who did not take very long to let me know that they had had a disturbed night and they had the disruptive ambience caused by patients on the ward; so they had had a really difficult night, they had not been able to sleep and they were very tired from the noise that had been happening on the ward. It was particularly embarrassing with the beds being so close together with just a thin curtain, which we have heard various experiences from around the Assembly this morning about their circumstances. I have to say that was not a good experience trying not to hear what other patients were having to be told about their own personal matters, and that is certainly something which was very difficult to handle because there was some very personal and difficult conversations being had by people on either side of me. As a nurse has said recently, it is from their point of view a very difficult thing to do to have to tell patients about the prognosis of their health, and especially if it is life limiting, because of the lack of dignity which is caused. We just cannot really let that carry on for much longer. I am sure that other Members will have experienced those circumstances, but if not please be assured by what you have heard today from

the Constable of St. Lawrence and others about what a difficult thing that is to experience. The Minister for Health and Social Services has reinforced the important message and the point that our community does have a hospital which is safe now, but my experience and that of others tells us that the buildings are tired and failing. It is costing a great deal to maintain and to keep it going as the current building. One example of the current inefficiencies caused by the tired hospital, I was due to go down to theatre and the porters were due to come and collect me and they took quite some time. One lift was out of order and they went to the theatre so there was only one lift working. So they had taken an extra-long time to get to me and the same on the reverse trip to get me down to theatre, and what I experienced was the consultants were waiting in the corridor for me and that is really not an efficient use of their time. They were waiting for patients to arrive, and that really struck me then how inefficient our current hospital is. I have to say I was amazed that the Reform Party on social media are trying to attempt to justify the reason for delaying a decision. I find that really very difficult to understand because they were quoting the Scrutiny Panel's report which, if you look at the Concerto report and the consultants' reports, they clearly say that we should get on with it. They do highlight that things should be looked at carefully but they do say that delay is a real problem. So wanting to add more delay to it; I do not think that really stacks-up.

[14:30]

It is difficult to understand why the Reform Party and the Scrutiny Panel have come to their conclusions on their report. I am really pleased that our Assembly is made up of different skills around us, we have lots of different abilities, and some of my friends are accountants. Even my boss is an accountant. So I am sorry but even accountants cannot predict and plan effectively for health incidents and needs. There are times when we need to think about our health and we need to know how much it is going to cost but health does come first and we need to think about that. We cannot plan for these things. I wish I could have planned for my leg being damaged but you just cannot plan for these things, so I hope Members can appreciate that the health of our community needs to really take a priority. I am not one for blaming other people for where we are today, however, Deputy Le Fondré wants to point a finger at this Council of Ministers, and others have done the same. Well, when the Deputy of Trinity became the Minister for Health and Social Services she started the moves to get us a new hospital, and it has been a really, really difficult process to go through. Even at that time when the Deputy of Trinity was the Minister for Health and Social Services, Deputy Le Fondré was the Assistant Minister for Treasury and Resources responsible for property. I am saying I am not pointing fingers at anybody but I am just making an observation that we have all got a part to play in this. We do not want to point at anybody in particular but we are all part of this and we should take the responsibility for our decisions. The Minister for Health and Social Services at the time, the Deputy of Trinity, inherited a failing and tired building and she has done her utmost, along with the current Minister for Health and Social Services to get things moving. We are suffering now from a lack of regular investment over the years in our hospital. It has been going on for years and we should have been dealing with it before. We just cannot let it continue. Deputy Tadier I think misquoted the Minister for Health and Social Services with regard to saying that this was the worst option. I think the Minister for Health and Social Services popped up and hopefully has put that right and I think Deputy Tadier accepted that point that the Minister for Health and Social Services was talking about the redevelopment of the existing hospital, not about what is being proposed now which is a brand new-build on a clean site once the demolition has happened. We are not talking about the same things at all. The Constable of St. John feels that because we do not have a choice of 2 sites he felt that we were probably being blackmailed, and he gives that as a reason for not supporting this proposition. Well, every proposition that comes to this House comes with an option of voting yes or no. We never have options with regard to various sites, you either accept what is coming forward now ... and we have heard about all the consultation that has gone over all the years, and

the Members have had the opportunity to become involved in the workshops and having the ability to influence where we are today and there has been so much work going on, so I suggest to the Connétable of St. John that if he is that uncomfortable he has obviously got to vote against. It is not blackmail, it is what the Assembly does. We vote pour or contre or abstain when we are faced with propositions. He says he would like the best hospital. We can have the best hospital; we will have the best hospital that we can with the site we have available to us and for the funds we have available to us. We will have the very best we can achieve. I realise that we have a wide spectrum of views among our community regarding the style, the shape and the visibility, what we are going to see from the outside of the building. On the various outline plans which we have seen over the development of the projects it has changed as it has gone along. As we have heard from the Connétable of St. Mary, with the planning process that will come forward it will look different again, and it will not look like this big white blob that we are seeing in the plans now, it is going to look, hopefully, with the influence of the planning system, we will have a really good building to look at and the facilities inside will be what the patients need. Please do not think you are going to have this big white blob, as it has been represented to us currently. Today we are not being asked to make a decision about what it looks like, it is just an envelope of what the building can fit into. That is all we are being asked to do. I do not know if any Members have had the opportunity to go to Great Ormond Street Hospital in London. That hospital develops all the time, with building going on around it all the time, and they provide excellent care for their patients. They have got a big project going on at the present time, which is coming to a close. They are a first-class hospital, but they managed to develop around their existing facilities and the patients receive excellent care. There can be mitigation processes all along the way. Whenever a problem arises with regard to the potential of something affecting the care of patients, there can be mitigating things put in place to ensure that the care of the patients is looked after. I hope today that we are going to really think about the care of community, we are going to put that as our top priority. This is something that we want to ensure. Let us show today by the vote we are going to have that we want to have a first-class hospital, because we can achieve that with what is before us today. We have discussed the funding options, we have got amendments to that and I think what we have before us today as an amended proposition is something which we can all be proud of and we should celebrate. I have forgotten who said it now, about having a building that we can celebrate and to see it as a signal to our community that we have a first-class health system and first-class health provision. We will be able to look at it and think: “Yes, that community cares for people in their hospital. That community is proud of what it does within the hospital” and we can achieve by that approving this proposition today. We will be able to hold our heads up and think that we have done it, we have got there, we are on our way, we have got our foot on the base of the ladder, but we are doing it carefully. I recommend that anybody who puts a foot on the ladder does it with health and safety in mind. I recommend this proposition to everybody. **[Approbation]**

2.1.16 Connétable S.A. Le Sueur-Rennard of St. Saviour:

I have had contact with a lot of people and they say: “Yes, we need a hospital, but it is in the wrong place. We need a new hospital, but not where it is wanting to be put.” A lot of them are very, very concerned about the Outpatients Department in Westaway. Like the Constable of St. Mary, they do not know how they are going to get there, from A to B with the roads. They said to me: “Is Infrastructure going to do something about the roads?” I said: “I do not know. We are still discussing the hospital.” Maybe that will be another discussion for another month and half, but at this moment in time, everybody who has contacted me says: “Yes, we need a hospital, but not where we are putting it.”

2.1.17 Deputy J.A. Martin of St. Helier:

I was thinking all day: "Do I speak? What have I really got to add to this?" because I did say a lot when we chose the site last year. But I have heard today that we really must do this for our community. We have heard some stories that are not good to hear. I want to give the Council of Ministers and everyone else a little bit of a history journey that I have been on with the Minister, the Deputy of Trinity. I was her Assistant Minister for 6 years. In 2011, yes, we decided that we needed a new hospital and to a man, or a woman, everyone around that table said: "Not on this site. This will be a last resort. Not on this site." They then engaged; they went out. If I can tell you how many times the ministerial oversight group met around the table - and the Ministers sitting here now, they might not have been in the same job they are today - had their finger in every pie saying: "No, we cannot do this, we cannot do that." As for the Waterfront, the words are, and it still is: "It is prime land. It is absolutely prime land, it is too good for our people's hospital." This has come out of the Council of Ministers. How dare they stand here today and tell me I am at the last chance? I have now got to go with a scheme, as the Constable of Trinity put so well, that is a massive compromise. Page 75 of their report, I think it is, option 4, the new-build, that is with Westaway Court. Do not tell me Westaway has got 12 parking spaces. It will not have any. It is going to be completely demolished. We have not done anything since 2011 when we started. In 2012, P.82, the new way forward: "We are going to try to keep people out of hospital because we are going to keep them in their homes. That explains why we are not going to have too many extra beds, because you are going to have help in the community" which is not working that well. People are still living longer and they are getting ill, me included. I, unlike Senator Ozouf, intend to be here in 40 years when they repay this loan, in one form or another, haunting the rafters, probably. I can see people who can see this as pure, pure desperation today. The Council of Ministers and the Council of Ministers before - I am not blaming all, but as I say, they were all in the jobs, but maybe with different hats on; not many new ones - have had more than a hand in this, I would say a foot and everything else. Some great sites: top of the list was Warwick Farm. It was a brown field, it was ready to build. We could have started building: "We will go and look at that, go and see this again." As I say, when this came around in the last year, we came back to this carbuncle on the back of the existing hospital, which does not cater for everything. Even in the Gleeds report it only works with option 4 and a complete new build at Westaway. The Scrutiny report, that did not like the 2 sites, the site here and the site at Overdale. Yes, you are not as far away, but as the Constable of St. Mary said this morning, when you are not physically well or you are dealing with somebody or pushing somebody, either it could be a child in a buggy or a person in a wheelchair, you need to be right in that place, you need to be right there. These are all things: "Trust us, it will work out." Of course it will be a better hospital than what we have, but we are operating. We have just put 2 massive operation theatres at the back because we need them.

[14:45]

What Deputy Tadier said this morning about the dignity, this will be 8 years in the building, in hospital on a building site. Then when they take the hospital down, what do we need? What does Jersey desperately need and we can only do it in St. Helier? Massive housing blocks. That is what it is going to be. The people in that new block are going to be on a building site for the next 10 years after that. You could not make it up. Then you go to the money. It is not £500 million. We said this in the debate earlier when we talked about the money, after all the repayments we are today saying £1 billion, near enough. Nobody is denying it, because I know the Minister for Treasury and Resources knows it is true. At the end of the day, this is going to cost us that amount of money and for once I am definitely not going to be persuaded this is the last chance. It is the last chance for this Council of Ministers. They will not get another option to bring a new hospital. You are right there, they are right there. But do not be persuaded that this is the last chance for Jersey to have a new hospital; never, never, never. We have got the money, we can get the funding. We can still have debates about which way we go on that, but do not pass this funding today on this

massive compromising site that the Council of Ministers want you to sleepwalk in and say: “Oh, I trust you.” For me, I do not trust them. It is not about the trust. I am not putting Jersey people’s money into something that is in the wrong place, it does not fit and you are trying to squeeze something in: a pint into ... I am up the creek without a paddle again, but I really, really do emphasise, please, do not believe them again when they say this is your last chance. It is not. It is not Jersey’s last chance, it is not the people’s last chance, it is this Council of Ministers’ last chance to give it another nudge forward in the wrong place and to spend millions and millions and millions of pounds into your children’s 40-year future. It is up to Members, but I really am not up for that, so I am voting against it. Too many issues. I really hope those who ... just if you have got a doubt, go without and do not vote for it.

2.1.18 Deputy K.L. Moore of St. Peter:

I could not resist the opportunity to follow the last speaker, because last month, Sir, you opened the new Police Headquarters. That was a great day. It was the kind of day that makes public service feel worthwhile. I have no doubt that each and every Member of this Assembly and those who serve us in our work are here because they want to contribute to this wonderful community, but we are very good at delaying. During my speech at the opening of the police headquarters, I recalled the delay that the police station project had endured for many, many years. There were years of painful debate and I regret those years of debate and delay. I regret that the delayed construction did not improve what is now a very fine building that serves its purpose extremely well on what is a tight site, but it does a very good job and those who work in it appreciate it on a daily basis, as do, I am sure, the members of the public who attend it for various reasons. I regret also the personal damage that that debate caused to the reputations of some people who persevered, to their own personal cost, and I think particularly of the former Minister for Treasury and Resources when I say that. I regret also the fact that the people who really paid the cost of that delay are the families who are waiting for social housing. If we had not had the many years of protracted debate and delay over the site of the Police Headquarters, families who need houses would now be living on the Summerland site, because that site would be finished. I ask Members, they really must consider what they are asking for when they suggest that further delay will not harm anybody, because as Senator Routier just recalled - and many other Members have - the purpose and what we are here about today is achieving a hospital for people who need it and need to be cared for in some of their most difficult days. We all have to keep those people in the forefront of our minds. It will perhaps surprise people that I have not found the process easy to achieve today’s proposition and particularly in relation to the funding of this hospital, but I am grateful to the Assembly for their support of the amendment yesterday and I can assure Members that I will continue to work with the Minister for Treasury and Resources to ensure that we find an excellent and sustainable funding platform and way forward following today’s debate. I urge Members to support the future health of our Island and our community. **[Approbation]**

2.1.19 Deputy G.P. Southern of St. Helier:

I want to start with 2 questions. The first one is a why question: why is it that this House steadfastly and often refuses to listen to Scrutiny? We set up Scrutiny to give us advice and to weigh the facts and to give us evidence-based facts. This particular Scrutiny Panel has come out and said: “Delay just a little while. Delay, because we initiated a quite large-scale planning inquiry in order that we should get the decision right and that planning inquiry has not reported back to us with its findings.” I do not know what other Members of this Assembly might think, but I cannot see any way the independent planner is going to accept an extension upwards to 47 metres, going against all planning advice in town for maximum height, and not say: “That goes against planning advice, your own standards.” I cannot accept this. Surely there will be at least comment on that. That in and of itself will - as the Scrutiny Panel have suggested - have a cost attached to that. That

will mean expenses straight away. But today, as I have reminded Members earlier, this is about this Council of Ministers saying: "Do not delay any further." Hang on, hang on. Who has been the cause of the large-scale delay so far, a delay which has turned 100 days into nearly 1,000 days? Now, that is a delay; that is a king-sized delay. Second question: how do you turn 100 days into 1,000 days? You give a task to this Minister in this Council of Ministers and you guarantee that delay we will still be debating in 3 years' time. That is the length of delay initiated and caused by this Council of Ministers, yet here we are, end of term, 3 days in, everybody wants to get home. That is when the screws turn: "Do not cause any further delay. It might cause a further 6 weeks' delay before we get conclusions from the planning inquiry", *et cetera*: "But you cannot do that" say the Ministers: "That means delay and you will be letting down people in the hospital", a hospital which has been let down by this Minister, the previous Minister, the previous Minister before that and the previous Minister before that, because it was left to rot. I remember the days when the Comprehensive Spending Review meant that they were laying off engineers, vitally needed to maintain ageing equipment in the hospital - I was here when that was done - thus advancing the deterioration and making sure that without this hospital, we have got a carcass of a hospital that is not fit for purpose as a result of lack of spending from Minister after Minister after Minister. That is the reality. That delay has been caused by some obvious things: picking the wrong site, then devising: "Oh, I have got a whizzo idea, an alternative way of using a hedge fund to get funding", *et cetera*, again another delay by one then Minister at the time, so a debate pulled and not discussed, not debated. Now at last we have got the preferred scheme, the preferred scheme which has the longest lead-in time of all the possible schemes and it is going to take the longest to deliver. When my colleague alongside says the worst decision, he means the one with the greatest delay to get something up and running and in place, yet I hear the Assistant Minister in his speech talk about the clean site that this is. It is an interesting definition of a clean site. It is a clean site once it has been cleared, with the kangos operating 9.00 a.m. to 5.00 p.m., 8.00 a.m. to 6.00 p.m. - I do not know - and weekends, JCBs in, knocking walls down, clearing the site. A clean site. It will be a clean site. It will also be a noisy site for a length of time, a considerable length of time, yet here we are doing nothing, says the Deputy of Trinity, and doing nothing is not an option. How many times in this Chamber have I heard that? A dozen, perhaps 20? I do not know. The most memorable, and it was always wonderful and I knew it must be right when it was used: "Doing nothing is not an option" most famously, Senator Walker used to say that to me after he had called me dangerous. Another badge of honour, being called dangerous. The reality is that doing nothing is not an option, except that doing nothing gives us space to read the planning inquiry's report and make sure we get it right. Now, another objection by some of those on the Scrutiny Panel that examined this were against the extensive borrowing. Now, I do not have a problem with borrowing, I think it is perfectly acceptable for most governments and this Government to borrow in order to fund major projects - and this is the major project - but what you must be careful to do is make sure you have got an income stream to service that borrowing. That makes me very doubtful about what is happening here. We are told we can cater for that income by using interest, basically, on what we have, but if those figures that we are currently seeing in terms of our investments start to disappear, what then? Where is the income stream necessary to fund this bond? We have done that for Housing. Housing has an income stream, it has rents coming in regular as clockwork. I believe we got it wrong, because we have got rents set at 90 per cent of the private sector, which is a much bigger level of rents than anywhere else in the world probably. Certainly 80 per cent is the norm and 70 per cent and 60 per cent in social housing still exists in many areas in the U.K.

[15:00]

We got that wrong, but this does not have an income stream unless somewhere down the line we can see that we are going to be charged for the services that currently we do not get charged for at the hospital. That possibility becomes live. We have just had an initiative which has introduced

new governance measures for our health service. I believe fundamentally that that opens the way for the privatisation of health services, as is happening in the U.K., and it is the worst type of privatisation, because it is basically an American model. The American model is the least efficient, most expensive way of delivering health care in the world, yet I believe that is what we have opened the door to. I can see in the near future we shall be embarked upon that route and all of a sudden we shall be paying for services through the nose. When that happens, I will be suggesting, with the best hospital in the world, do not be ill and do not be old and do not be vulnerable, because you will pay for it. But my fundamental objection is a very straightforward and simple one. This planning inquiry I believe should be and will be objecting to 47 metres high in a building, because that sets the standard for the rest of town. It is nowhere near 47 metres now, planning guidance. I believe inevitably it will lead to more at or around that level. That was not what we were presented with this time last year, that massive block. I was just looking at it again today in preparation for this speech and I looked at some of the pictures. It looks like this is a shining building on a hill until you realise that from that roundabout there is no hill there. That is the hill. I believe that is not what we want. The risk of voting against taking this move today is not a risk that seriously endangers the health of anybody, apart from having waited 1,000 days to get to this stage, we are asked to wait another 6 weeks. For me, listening to what Scrutiny has said, the evidence base, that is not a big step for me and I will certainly be voting against this proposition.

2.1.20 Deputy M.R. Higgins of St. Helier:

I will be exceptionally brief, because everybody has said I think what needs to be said. Just stating what my own position on this particular proposition is, I will be voting against it. I happen to think that despite the fact that we do need a hospital, I think the Council of Ministers have gone around it the wrong way. They have chosen the scheme that will take the longest. They have put forward a building which is an absolute monstrosity, which dwarfs everything else in the area. How the Constable of St. Helier can stand up here and say it is going to be fine, I do not know. I echo what Deputy Southern was just saying, that it will be the start of multi-storey buildings the size of the hospital being put up in St. Helier. Anyone who doubts that, you will not have to wait long before you start seeing the applications coming in. I would like to compliment Deputy Brée on his speech. His financial explanation of the bond was excellent. I wonder if the population really understand what it is they are being committed to. I, like Deputy Southern, am not averse to borrowing. If you borrow for infrastructure and they are the right things, yes, but you must borrow in a responsible way. I am not convinced that what is being put forward is responsible. I have always believed that Members should stand up and say what they think. Others have said most of the arguments, which I agree with, against this here. I have not been convinced by the arguments coming from the Council of Ministers' benches and so I tell the public where I stand: I think we are making another mistake, unfortunately, and I will be voting against this proposition.

2.1.21 Connétable J.M. Refault of St. Peter:

History demonstrates that there is one good thing this Assembly always does, it always prevaricates, it puts things off and eventually it delivers them at a far higher cost. Can I just remind Members of just a few that came to me, listening to people this morning? The Cavern to prevent the flooding down at West Centre, the 2 reclamation sites: campaign groups were set up to stop those going forward. What would we do without them now? Queen's Valley, the reservoir: we could not cope now if the Queen's Valley had not been flooded. Airport runway extensions: several in my Parish of St. Peter. The Energy from Waste plant: the rescindment motion we sat through 3 hours in this Chamber for in early 2009. The police station, which my fellow Deputy of St. Peter mentioned earlier, the iteration it went through there. Of course we are about to see another complaint group coming up about the hospital kitchen even in the Parish of St. Peter. Moving on, I just want to pick up a few points. I am not going to try to influence people; people

have already made up their minds, but I would just like to clarify a few issues. One of them is about the noise of kangos in the hospital, which the last speaker mentioned. Yes, there was a mistake. There was a mistake putting in the new scanner when they had to break the floor, because they found the drains had collapsed underneath and they used kangos. They were stopped and quieter methods were used. How many complaints have you heard from patients in the hospital over the past month for all the core drilling that has been going on there to determine the ground conditions? Not one, because I stood alongside the containment area that they were working in and I could not hear anything and I was standing right alongside it. It is inside the car park. You can walk in off the street and you can go and test it for yourself. It is virtually silent. The modern building methods, yesterday lunchtime quite a few of us went down to the International Finance Centre for a meeting down there. While we were there in the Finance Centre, they were working on the building alongside, the next building, which is going up very quickly, as we can see, around us. You know what? We could not hear a single thing apart from the wind whistling around the building. That is all we could hear. We heard nothing coming from that site right alongside, far closer to the building we were in than the new building will be to the current hospital wards in our general hospital. A couple of other things that have been raised this morning or have been raised right the way through the past few days, I just did a quick internet search on some building heights. Do you know where the Cedars are? The block of flats as you come from the east going into the tunnel on the left, on the high ground, total height 57 metres, not 47, 57. Let us go down the road, down Green Street, to La Collette high-rise. How high are those? Fifty-four metres. A little bit closer to home at the top of town, Convent Court, 47 metres. Cyril Le Marquand House: how tall is Cyril Le Marquand House exactly? 42.75 metres. The new hospital building, the building itself, is 0.225 of a metre higher. Yes, the flue behind it will be higher. That will be up 47 metres. That is not the building, that is the flue. The other comment that I have to pick up is from Deputy Southern, and a couple of others have mentioned it, why do we keep ignoring Scrutiny? I would like to ask why does Scrutiny keep paying out thousands - if not tens of thousands - of pounds for professional advice to ignore their advice, because their advice is: "Get on with it. This is the right product to do"? I am afraid they do; read their reports. They have been mentioned several times in this Assembly in the last 2 days. I will not reiterate them, I will allow you to have a look at them yourselves. That is what the Scrutiny professional advisers are saying. I think I have said enough. Thank you very much.

2.1.22 Deputy A.D. Lewis of St. Helier:

I am largely in support of the proposition, because it comes as a package. We are talking here about a site and we are talking about the principle of the new hospital and we are talking about a funding mechanism. I agree with most of it. I want to see a brand-new, shiny hospital for the generations to come and for those that are still here today that can enjoy it in 8 or 10 years' time. We can talk about the detail of the location, the finance package and we can carry on doing that for the rest of the day. At the end of the day, it is a package. The residents that I represent in District 3 and 4 are concerned, but I am very impressed with the way that the future hospital team are engaging with them and discussing it with them. They cannot give them a definitive answer exactly what it will look like yet, but they are getting close. That process has just begun. We are at the end of the beginning, but we are not at the end of the project by any means. I am comfortable that I can reassure my constituents that what they will have will be different to what they have today, but it will not be a blight to their lives in the way they are suggesting. I have had that assurance from the future hospital project team and the Minister and others. It is not easy to convince all your constituents that that is the case, but we are working at doing that. Hospitals that have disappeared from city centres and town centres around the U.K., at the same time they have lost some of their shopping and retail offering as well, because of out of town shopping, they start to die. Vibrant towns and cities that have hospitals and retail thrive. St. Helier will benefit hugely

from this development in the town centre as long as it is well-managed, the project is well-designed and the area immediately around it is well-catered for. It will add a vibrancy to St. Helier, the like of which we will not have seen for many years. That level of investment in a relatively small town is good for towns. A lot of towns would be crying out for this. That does not mean it can be done in any way. It has to follow planning guidelines, it has to be good, it has to be as pretty as it can be. That said, hospitals around the country, there are not many examples of beautiful hospitals from the outside. What is beautiful about many of them is what is on the inside. That is what I was trying to say yesterday, when you are very ill in bed and you are being well looked after, I am not sure that you or your relatives are that concerned about what it looks like on the outside. I have faith that we will end up with a design that is acceptable to many. Not to all, the line is extremely subjective and what is a carbuncle to some is beautiful to others. Let us face it, we have listed the Odeon building and this is not anywhere near as bad as that. It is all subjective. What we need to do is build the best that we can for the people that we represent to ensure health care for the future is accommodated in the best possible building that we could possibly deliver. The bit that concerns me most is the funding and how it is funded. I agree with the advisory panel we should have been borrowing more. Why? Because we are under-borrowed, I think, as a public business, which is what we are at the moment, way, way under-borrowed with the assets that we have. I would not want to be way over-borrowed either, the U.K. at 88 per cent of G.D.P. (Gross Domestic Product), the U.S. (United States) probably over 100 per cent, very, very risky. But in a big economy you can get away with it, in a small economy you cannot, which is why we have exercised considerable restraint for many years already, and rightly so. But there comes a point where the public demand capital expenditure. You do not spend as much of your savings as we are suggesting you spend today. It is a compromise, as the Minister for Treasury and Resources mentioned earlier on. Just to put some perspective on it, if you were to spend the £400 million now by borrowing it in the concept of a bond, when you come to pay it back in 40 years' time, it is only worth about £100 million, not £400 million. Your revenue during that period will have increased by the same sort of ratio, of 4 times, so you would have revenue of £3.2 billion as against our £800 million at today, so your percentage of revenue to pay back your £100 million in 40 years' time is less than 3 per cent of your annual revenue, to put it in perspective. Some were saying: "We are mortgaging it to a future generation." Guess what, that future generation are the very generation that is going to be using the hospital, so why should they not pay for it? Those spending now in their taxes and Social Security and everything else going into well-invested funds, they will not be able to use it for as long. They were the ones that have invested in - well, us - not doing something about this problem for a long period of time, so we have a bigger problem to resolve now that we might have done if we had tackled this a decade or so ago.

[15:15]

My big issue is the funding, but this is a package. We cannot have a package without the funding. The compromise the Minister for Treasury and Resources has come up with, which is borrowing some and use of some of the Strategic Reserve, is a compromise. Why are we compromising? Because unfortunately not everybody accepts the maths, not everybody wants to listen the advisers. Senator Ozouf yesterday seemed to condemn all advisers, saying that advisers always got it wrong. Yes, advisers do sometimes get it wrong, but if you look back historically, as I said yesterday, over the last 100 years, average inflation rates have been 3 per cent. Even if it was half of that over the next 40 years, we would still be in a better place by leaving more money in our reserve and investing it wisely, as we have done for a long time already. Senator Ferguson mentioned the investment returns as not being that great. I do not know what she is saying by that. They have been amazing, but they are not all predicated on the F.T.S.E., which has performed extremely well. The investment strategy is much broader than that, so yes, we have had a peak in equities, but the investment strategy is much wider than that, as it should be. Over the next several generations, it

will continue that way, so when equities are not doing so well, other things might be doing better. It has always been conservatively invested yet still maintained a fantastic return. We are about to spend £250 million of that - £275 million - which could have been continued to be invested at rates of anywhere between 3 and 12 per cent. To me, in business that would be absolute folly. You would not spend all of your savings unless you absolutely had to when you buy your first house, because you like to try to keep something in reserve for that emergency fund, if you like. Not all can do that. If the bank will lend you more, then you will borrow it and you will keep your savings, because at the moment, depending how you have invested it, you are going to get a better return and we are. That is the problem I have, but I realise that I cannot have this brand-new shiny hospital, which is desperately needed for the future generations, without the package that the Minister for Treasury and Resources is proposing. It is a compromise. It is a fair compromise. It is not one I would have preferred, but it is safe, it is sustainable and it is affordable, which are words that were used, I think, by the Minister for Health and Social Services earlier. He is right. The benefits we get, a fantastic modern hospital, single rooms, which I will not go on about, but I had a similar experience as others, who articulated better than I could have done, so I will not go there. We get all of that with this. As Deputy Hilton said, this is an opportunity, this is our moment to invest for future generations. We should grab it for Jersey, St. Helier, for future generations now, today, definitely not prevaricate any further. We have done enough of that. That said, the time spent to this point, some would say it was not money well spent, but to commit to a project of this size, you do need to spend a lot of money to get it right. This is not perfect and we have spent a lot of money to get to this point. To abort today or to not carry on would be folly, because we would have wasted all that money, you will not have your new hospital, we will continue with the debate about location for possibly months, years, how long I do not know, and all the time it is costing more and all the time what we have is becoming - to put it in the words of one clinician who spoke to me - dangerous. It needs to be fixed as soon as possible. It is going to take time, 2024 is quite a long time. I do not agree with what Senator Ferguson was saying about modular builds today, have it tomorrow. We have done that already as a prop, a crutch, by creating theatres in the car park with modular builds. You cannot keep doing that with a modern hospital, you need a purpose-built facility that is well designed for the future. The sort of model that Senator Ferguson was suggesting is something for a quick fix, not for the future.

Senator S.C. Ferguson:

Excuse me, Sir, if I could just intervene.

The Bailiff:

Is this a point of order or is this a point of information? Are you asking the Deputy to give way?

Senator S.C. Ferguson:

A point of clarification, sir.

The Bailiff:

Does the Deputy give way?

Deputy A.D. Lewis:

I think enough has been said already, but I am happy to talk to the Senator later if she has something that is enlightening. As far as I am concerned, I fully support the proposal, with reservations about the funding. If anything more can be done about that in the future to safeguard our investments for the future rather than spend so much of our well-invested funds now, when borrowing is so low cost, then if that is the way it has to be, if that is the compromise the Minister for Treasury and Resources is proposing and this is the only way today to get this moving, then I

will support it, but I would be interested in hearing more as time progresses as to whether there is anything more we can do to safeguard our reserves rather than spending so much of it now.

2.1.23 Senator P.F.C. Ozouf:

I spoke yesterday at length about part (c) of the proposition, because it is that that has been my principal concern. It is and remains my concern that the implementation, and I, for the avoidance of doubt, will be voting for all parts of this proposition because I believe that it is in the best interests of those who we are elected to serve. Every single capital project that this Assembly has debated and the Assistant Minister for Treasury and Resources referred to the Queen's Valley and of course there is a catalogue of capital projects. Each one of them, rightly, has had a noisy political debate. There is nobody that has the monopoly of a perfect answer and there is no perfect answer and nobody also has absolute evidence of the future but what we can do is we can look at the past. There is no evidence of the future but the future is going to be different. The future for health care is going to be revolutionised by technology and I have no problem with effectively what our excellent health professionals want, just as our police professionals and our criminal justice professionals want, and they deserve better infrastructure. You have spoken about the Jersey way in the positive sense and I understand why. We need to define that Jersey way. The Jersey way; that is the good aspect of the Jersey way is living within your means, not taking too many risks, paying capital as the capital projects arise and not leaving a debt for a future generation. I respect and understand those Members who may have a different view, yes, and the further you go out, the more difficult it is to guess. I respect the views of those Members who have a different perspective of mine that worries about inflation and that worries about investment returns because this Assembly is not doing anything. We are not adding any new money. This is a free hospital for the investment decisions of our predecessors. We are relying upon the investment returns in future to repay a hospital. We are not asking taxpayers for a single penny of additional money for this hospital. Something that comes for free, or it is said that it comes for free, always worries me. Now in the sense that you could put the annual return of the Strategic Reserve in the Consolidated Fund and spend it, it is not free. It is certainly money that is in the roll-up fund. I understand the Minister for Treasury and Resources is in a very difficult position because political debates are noisy and he has noise on both sides of planning matters and on investment matters and he has people on the one side that say: "Do not worry. Borrow, borrow. Interest rates are low. They are going to stay low." Those investment returns that we have seen in the last few years, on average even, they say 30 years are going to be the same in the future. On the other side, he has more people that say: "Well, the future is going to be different." We could be Japan. We could have deflation. The real value of the £275 million could, if we had deflation - and it is possible that we could have deflation - be the opposite of what most Members are assuming that this is going to be. Now I am looking at my former Assistant Minister, Sir, instead of looking at you and I am worried because he may well rise to his feet and say: "Well, we thought it different in 2012, 2013 and 2014 when we took the last bond." I said I respect that there is a noise on both sides of the Minister for Treasury and Resources' ears. On the one side, there is the noise that investment returns and inflation is going to be: inflation, low; and investment returns, high. On the other side, he has people that say: "Inflation is going to be low and be careful with those investment returns." What I know is that the report which we are not approving is basically saying that the Minister for Treasury and Resources if he comes back and he says: "No" to the 2 amendments, which I am grateful for him accepting, is that we are going to be effectively locking-in for 40 years. That is a long time. I cannot remember what I was doing at 7 years old. I do not know whether you, Sir, can remember what you were doing 40 years ago. Most of us cannot. The world looks very different but I say to Members that the world and change accelerates faster than one ever believes is possible and the world is going to look faster and more different in a way that I do not think that anybody really perhaps understands and that is my difficulty. So that leads me to the conclusion that it is

wrong to lock yourself in to a situation whereby you lock in what is effectively an interest only endowment mortgage. I say "endowment" because the endowment payments are those returns from the Strategic Reserve. Now how many investment advisers would go out and tell an individual to go and get an endowment mortgage today? They are regulated. People have to say about the upfront fees of an endowment mortgage and there are fees concerning this bond and there are certainly some people in the Minister for Treasury and Resources' ear, just like I had with my Assistant Minister who was also the much valued Assistant Minister to the current Minister, the Constable of St. Peter, who said: "We have to pay a lot of money for the issuance of that bond." A lot of money. It is an upfront fee so of course they are motivated by getting their fee. I wish no disrespect for the advisers but for those who question the advisers, I want them to question them with the same cynicism, the same questioning, the probing questions that I almost felt that I did not do sufficiently enough of. Goodness me, I am known to be questioning and difficult and I ask a lot of questions but I wish in 2013 when I said: "Yes" to the Minister for Housing ... and again, we are in the same position. I agree with the money that needs to be spent. I do not like the budget of £468 million but I understand why it is what it is. It is called inflation. It is a shame perhaps we did not make this decision earlier because putting a decision off costs more money. So that part (c) of that proposition that we are about to be asked to vote on is a vote for not the people that we are going to be asking some of us or not maybe to vote for us in next year's elections. It is going to be the people who are going to be voting for the Jersey Elections in 2048. They are the ones that are going to get the bill unless the Minister for Treasury and Resources has a change of heart. In 2042, they are going to be asked to repay the Andium bond. Now what is going to happen with that? They are most probably going to roll it over and this Island has had a long and splendid tradition. We used to say: "No debt." It used to be the mantra when I was Financial Services Assistant Minister. We used to say: "Jersey has 100 per cent of G.D.P. and assets and no debt." Now the Minister for Treasury and Resources has to say: "Well, we have 13 per cent of debt." Well, it is more than zero and it is growing and what the problem is is when this Assembly gets used to debt - like most governments around the world have done - they end up in the financial catastrophe that we have seen in other countries. What does that mean? That means higher taxes, that means that you have given up your sovereignty, you have given up your independence, you have given up your ability to make the decisions yourself and that is perhaps why the former Assistant Minister for Treasury and Resources, Deputy Le Fondré, and I might have something in common on this. We worry. We are worriers I think and we worry about those voters who are going to be voting people into office who are going to have to pay those 2 bonds back. I do not want a bond that has to be repaid at £275 million in 2048.

[15:30]

I do not want it because I cannot guarantee - and not a single Member of this Assembly can guarantee - that we are going to have enough money to repay it from the Strategic Reserve or that it is going to be worth, in real terms, less. They do not know. They are guessing and that is what I have asked the Minister for Treasury and Resources to do in conclusion. I am not going to talk about the planning application because, frankly, I have confidence in the Minister for the Environment, I have confidence in the inspector and if it is too blocky, if it is not quite right, if the dual site option that is now being proposed ... I did not tell the Minister for Health and Social Services last time where to build the outpatients or mental health services. I expect professionals to do that and we have a planning inspector who I have no doubt - if he has been properly appointed as I know he will have been - will come up with solutions to the problems of the planning issues. It will be a dual site. Good, it should be. That is more prudent. So it will be a dual site and it will get the design right and everybody will be happy, but I will not be happy because I will be worrying, like Deputy Le Fondré, and perhaps even Deputy Brée, about that bond, that loan, that interest-free endowment loan. For the next few years, maybe we will be lulled into a false sense of security.

Maybe we will be thinking: “Goodness me, those equity returns have been so splendid” and that is the reason why, by the way, the Minister for Treasury and Resources is bringing forward a proposal of less borrowing because the equity returns have been high. That is the real reason. He cannot do that. I would like him to pay it off. I would like him to do exactly almost what he has done between January and now which is reduce that debt. I can see Deputy Le Fondré nodding at me and when we agree, it is a strange situation because when those investments returns happen, I would prefer that debt to be paid off, not to be further in the Strategic Reserve at risk because there is no risk in holding money. If you hold money and put it under the bed, it might not change the real value of it. If you do not get a return, what is the purpose of that? So what I am really asking the Minister for Treasury and Resources to do is please consider how, when the bounty of the return of the pension fund that our forefathers have given and all those difficult decisions that this Assembly made in introducing G.S.T. and not spending the Strategic Reserve like our sister island did, not incurring debt, living within our means ... I want him to repay that debt as soon as possible so that the people who will be standing in the elections of 2040, of 2048, 2042 or whenever it is, are not burdened like today’s politicians in the U.K. Westminster Parliament. They are burdened with a debt mountain. It is a debt mountain that would be the equivalent of £4 billion for the Minister for Treasury and Resources of today. Do we want the Minister for Treasury and Resources in 2048 to be ending up with a debt pile the size of the U.K. today because we are well on the way to it? We are getting used to borrowing and I do not think that that is the Jersey way. It is not the way that a home owning democracy where plentiful jobs and inward investment ... and I have just come back from a Chamber lunch listening to Tessa Hartmann C.B.E. (Commander of the Order of the British Empire) speaking about the future magnificent offering for retail in Jersey. Brilliant. I know that other Members heard it too. I thought it was brilliant. That is the kind of aspiration but aspiration with a mountain of debt will not work. We will not deliver it. We will not deliver our financial services industry and it is that that I want. So I ask the Minister would he, in his summing up, give me an assurance to assuage my Deputy Le Fondré-like, Deputy Brée-like worrying traits that has learnt the decisions of the past, that learnt today that the Andium bond that I was promised... all the advisers said: “Issue it now. Issue it now. Interest rates are not going to change. They have gone down by 1 per cent.” If we wanted to buy back that bond, it would cost £60 million to £80 million more. What a state of affairs. I could have given £3 million lower rates if I had made the decision now. That is the truth of it. £3 million is the difference in the interest rate on the bond that Andium took if it would take it today versus 3 years ago. If any Member stands up and says: “Oh, well, that the wrong decision”, well, it was the right decision at the time but based upon the advice, the advice of people who thought they knew the future and they got it wrong but nobody would get the future wrong because there is no evidence of it. All I know is that you make decisions in the most prudent way you can so what I want the Minister for Treasury and Resources to do is to set up a loan that makes sure that if the investment returns from the Strategic Reserve are as bountiful as they have been in the last 24 months which has meant that loan has come down to 275 ... I think he really released a rather splendid return this year which the Minister for Social Security will not let him have his paws on because it is a ring-fenced fund. She is nodding and I am glad because there is a bounty. Why are our social security rates not going up? Because we have seen more investment return. Fantastic. That is the Jersey way. So when those investment returns come in, please, Minister for Treasury and Resources, will you make a mechanism to repay that bond early and so that it cannot be left for those people who will face the electorate in 2048. I might be wrong. The real value of money in 2048 may be £200 million but I am not sure and neither is any other Member of this Assembly. So that is why I ask could the Minister for Treasury and Resources please investigate the options of repaying whatever financing he can have earlier in a staged approach, give flexibility and if there is any possible way ... I heard a conversation between Deputy Brée and the Minister for Treasury and Resources yesterday which was interesting. It was about: “You have a whole lot of bonds in your portfolio basically. Why are

you issuing another bond? Why can you not use some of that and just match them so that those banks do not make a turn? Why do we not do a deal with ourselves?" That is possible. There are all sorts of things that are possible but what we are doing here is making a certain decision for those good people at the hospital who want the certainty, and the patients in the hospital, but we are exposing ourselves to risk and risk is something that this Assembly is never very good at and what all governments outside of the world have engaged in and look at the mess they are in. So, please, a statement the first sitting in January. Tell us how the Minister for Treasury and Resources is going to implement (c) because I am not approving a report. I do not want a public bond. I do not believe in it. I think the advice should be questioned. I think the motive of the people selling it ... I think we should have a transparency just like an endowment mortgage. When I took out my endowment mortgage, what I found out is that the seller of the endowment mortgage got a £6,000 or £8,000 upfront fee. I want to know all the terms because I am nosy because it is taxpayers' money. It is not my money and it could be the taxpayers of the future that might just get what we are saying and they might say: "Those people in 2017 made the decision with the best of intentions but, unfortunately, the advice was wrong." So I am going to vote for this but I ask the Minister for Treasury and Resources please look again at how you are going to finance (c). I accept up to £275 million financing but not as a public bond with a 40-year maturity for the reasons I have said but apart from that, I hope Members will vote in favour of what I am voting on which is this proposition. There is a lot more work to be done on implementing it; housing, planning or the infrastructure. They will get that right. I just want the Minister for Treasury and Resources to also make sure that he asks more questions. I thank Members for their time and I will be supporting the proposition. I do also congratulate the Minister for bringing this proposition because it is far too long that we have needed a new hospital. We might get one this time and that is a good thing for all those that we serve. Thank you.

2.1.24 Senator I.J. Gorst:

It is difficult to follow perhaps that last week talking about the funding and the concerns that that contributor has, and I know the Minister for Treasury and Resources understands those and he has undertaken, during the course of that amendment, to ask those further questions and do the further review and that is the right course of action for all the reasons that the previous speaker has just outlined. So there is risk all around us and we must mitigate that risk where we can but, nevertheless, we should never let risk stop us from taking action. We should understand it, we should rightly evaluate it and question it and then we should make decisions. So I have been struck by a number of speeches during the course of the day. Quite a lot of them from Members who perhaps cannot bring themselves to support this proposition have used the word "compromise" as though there was something uncomfortable about the word "compromise". I say that particularly with regard to the site and some Members in the Assembly I know harbour a desire that we could perhaps just find a more perfect site somewhere else. I know that I have been approached about St. Saviour. I do not know if it is because it has the word "hospital" in it but St. Saviour would be a better site in their view but Members who have read all of the paperwork over the course of the last number of years will know why we are concerned about 47 metres in town. How much more would we be concerned about a building of 5 stories in St. Saviour? It is not a perfect site either. It is just a different site we are compromising. Then I think Deputy Martin spoke about a number of sites the ministerial oversight group had reviewed in the past and then we go to Warwick Farm, a site in States ownership. Okay, that delivers one benefit but, again, the size of building that would be required there in a residential area and re-zoning of green fields, it is another site but it is another compromise. Then we go to the Waterfront on the remaining part of the International Finance Centre, it is in public ownership. It is another site but Members know, who even support the Waterfront, that there is a site which is another compromise; a compromise of access and a compromise again of heights required. Not that different at all to the current box or envelope of the

site being proposed or across the road on the other side of the Waterfront; another site in public ownership but, yet again, a compromise. So compromise is not something that we should shy away from. It is something that we should acknowledge in a small island, there is very, very rarely, if ever, a perfect site for a building. The Deputy of St. Peter so powerfully articulated the issues with the police station. That site is now working and it is working well even though it was a compromise. I understand Members who have concerns about the massing and we heard from Deputy Hilton so clearly about why there was a change in the height of that envelope because of taking the building back on the various sides facing the roads. It might be that the planning inspector proposes to go back to reduce the height and to change the layout of that envelope but the massing square footage remained the same on both proposals. As others have said - and I understand their concerns - about that envelope and about the massing but that can be dealt with by the planning inspector and, ultimately, when we get to the design phase which is absolutely critically important.

[15:45]

Because how a building looks is so important to how it is perceived in the community and how it is perceived by users and those who pass by and it can enhance for us our urban environment and St. Helier or it can detract from it. There is also the challenge for the Planning Committee because I have no doubt the Planning Committee will have to decide and that is why, in some ways, I am heartened by the comments of some members of the Planning Committee during this debate. They may be voting against this today but when it comes to their desk to make a decision about that design phase of what the building will look like, I have confidence in them as well because I know that their reason for voting against today is because what they want to see is a civic building that we can be proud of. I think that they will. However, they have voted, I hope they continue in that role and make strong and positive decisions about the design of the building when it comes forward so I understand those. A lot of Members have spoken about blackmail, about guns to the head and about being in the Last Chance Saloon. Let us be clear. This is not the Last Chance Saloon. There is no gun to their head. Members can vote against this today and some have articulated why they wish to do so but it will delay. It will not be a short 5 or 6-week delay until the planning inspector's report has been published and the Minister has made a decision. The existing Minister for Health and Social Services stood on an election platform ... she stood on the shoulders, if I may say this - she is not in the room - of a giant of a Minister who took on the challenges of the Health Department of recognising there was a need for a new hospital when everybody else, like the 3 wise monkeys, had seen no evil, heard no evil and spoken no evil. How wrong they were because the hospital has needed to be changed and improved for a long time but she rose to the challenge. Senator Green stood on an election platform and said, in his view, what was then proposed was not right and he would do a review for 100 days. He did that review and, as Members have criticised him, 100 days turned into 1,000 days and so it did and so works the wheels of government. So works the wheels of government. Elsewhere, we are doing lots of work to try and ensure that we work faster and get better and quicker decisions but let us be clear. Saying: "No" to this decision and then reopening all of the other sites will be a matter of years and not a matter of weeks because we know that we have an election in May and we know that a lot of the work that has been undertaken will have to be parked and revisited and redone. It is not scaremongering; it is what we learn from the history of where we have arrived at today. I understand why some Members still, even for them for all the right reasons, will make the decision that they will. So how bad is the hospital? I am absolutely of the view that the care provided by the people who work in the hospital is quite literally papering over the cracks. I do not have the first-hand experience of being cared for in the hospital, as some Members have had, but I have, over the years, known people very closely who have worked in the hospital and I still know people who work in that hospital and they are frustrated with the building and they are frustrated with the culture. We heard from the Senator in

front of us and I know from others sitting not too far from me here who are really concerned about the culture. Both need to be dealt with; a new hospital and a transformation of culture. We cannot do one, I believe, without the other and as other Members have done, I pay tribute to those who work in the hospital who day in and day out face the difficulties that the building presents to them providing the care they want to provide for the people who come through the door, but they do and they are to be commended for it. There is also a number of staff in the backroom, sometimes some Members have accused them of being noisy, and I do not know quite who is in that backroom now and it would not be fair for me to pick them out but there is at least one person back there, who has had an absolute can-do attitude to keeping this project on the road and I want to thank them. **[Approbation]** They know who they are and I think they are all that is best that people who move to our community and have connections in our community and they are to be congratulated. So, £0.5 billion, we heard from one of my fellow accountants. Ultimately we are talking about £0.5 billion. We are talking about a lot of money. So much money that most of us struggle to imagine it. But I refer to another speech from St. Lawrence, because we are not ultimately talking about a site with compromises. We are not ultimately talking about £0.5 billion. Ultimately we are talking about people. Ultimately we are talking about the care that we, as a community, provide for those who are ill and in their hour of need and that current building stops the provision of the care that we all know is needed. Stops the provision of care with dignity and that is what we should be striving for in all of our decision-making. I remind Members of the words of the Constable of St. Lawrence, because ultimately we are talking about the care of every Islander that needs to go into hospital. It is currently not good enough because the building is hampering it. This decision is difficult. We know that big decisions like this are difficult. The Scrutiny Panel's expert says we have enough information today to make that decision and to be confident of the decision. That is why I ask Members to vote pour to the proposal in front of them.

2.1.25 Deputy L.M.C. Doublet of St. Saviour:

I will be brief. I think Members want to get to the vote. I just wanted to briefly go over some of the main concerns and factors that I have been considering because I was very prepared to take a decisive course of action when we started the debate yesterday. I knew which way I was inclined to vote but there have been some very persuasive speeches from some individuals in this Assembly who I really respect, on both sides, so this has been quite difficult for me in weighing-up which way I should vote so I just want to make clear really to those that I represent why I am going to vote in the way that I think I am going to and it is 5 main factors briefly. The first one that has worried me really is what we are hearing from the staff, and I will not go into detail about what we have had, but we have had emails from the staff with lots of concerns and we have also had some positive feedback through the Minister for Health and Social Services, and just broadly when we are weighing-up big decisions like this I really would like to have a method of consulting front line workers across the board. It does not have to be a lengthy process but I have tried this in Scrutiny and it is very difficult and I think when we are making decisions of this magnitude we should be able to consult properly with the staff across the board and try and get more representative views. So that is something just for Ministers to think about. So that is something that ... I am not really sure what the staff think. We have seen from both sides. I do not feel I really can say the staff want this hospital here or they do not from what I have seen. So I am unsure on that factor. The second factor I was considering was ... and many people have spoken about the height. Deputy Hilton convinced me on that one because there have been Members that have said that they are going to vote against this because they do not like the changes to the height and I think that is really not a reason to vote against this. I think that is a trivial reason to vote against this and I do not think that Members who have that as the biggest factor in their head, I think perhaps think again on that, because when we had some of the workshops, and this is was quite early on I think. I think this was over a year ago. I remember I was discussing this specific issue and it was not the Minister for

Health and Social Services' idea or the Minister for Treasury and Resources' idea to build higher in town. I cannot remember who it was but I am pretty sure it was a Back-Bencher that said: "Well, this is a really special building. It should be different to other types of planning processes and other buildings because it is so important. It is possibly the most important building we will ever build." I remember that conversation. I remember there being lots of agreement, Back-Benchers and Ministers alike, kind of having a light bulb moment. So I recalled that when Deputy Hilton wrote her speech and I am convinced on that one so that is a point for voting for this in my opinion. The appearance of the building. I mean I am sick of seeing these boxy grey buildings in Jersey. I think everyone is sick of it and it does have an impact on our quality of life. You know, we are seeing these buildings every day, everyone uses St. Helier, and we have got to be imaginative about it. I am not sure what we have got on the table is the most attractive building but the Constable of St. Mary reassured me that there are processes there by which her committee can address some of those concerns. So I put my faith in her committee to address those concerns. So I am convinced on that one on the appearance. The noise. That is something, having myself used the hospital facilities recently, when I gave birth to my son, that is something, the noise in the hospital, and I have to say in the maternity ward, it is the noise of the buzzers going off constantly, is absolutely tortuous already. The thought for me of there being a building site and building noises going on, I mean the impact it had just for the first 3 days of my son's life, the negative impact that the noise being in that hospital and being on a shared ward, that that had on us was huge. So that has been possibly the biggest thing I have been considering, is the noise. I am still really concerned about that because the psychological impacts, the negative psychological impacts, of noise pollution on an average human being can be really quite serious and can lead to things like heart attacks. There was a research report recently showing the negative impact of noise pollution and how it might be contributing to a lot more ill-health than we realise. So the noise factor of there being a building site on the current hospital site that really concerns me. The Constable of St. Peter just spoke about there being a containment around the building work that was going on. I want to hear from the Minister for Treasury and Resources when he sums up if he knows some more detail about that because that, for me, that is something that I really want ... I want to vote against it because I cannot imagine being a sick person and having that noise to deal with. That is something that is really holding me back I am afraid so I want some reassurance from the Minister for Treasury and Resources if there is some kind of technology facilities that the building will be covered over.

[16:00]

The fifth thing, which is quite general really, I was going to ask the Minister for Health and Social Services privately about this but I want to get it out in the open in the Assembly. Other Members have advised me to just put it out there. We have talked about the structure, the outside structure, and the rough configuration of the rooms and private rooms, *et cetera*, and we have not got into the detail of what will be in the different departments so much. I would like to know from the Minister for Treasury and Resources when he sums up how will States Members and members of the public, staff, *et cetera* ... what will be the process by which we can contribute to what we think we would like to see inside the hospital? I know this is slightly away from what we are talking about but I want to know that there is processes there so we can continue to have an input because some Members have talked about: "Well, this is all the input we are going to have", because I have a lot to say about the maternity facilities and I would like to see ... I would like a chance to say some of those things, particularly about how we can accommodate fathers in the maternity ward so that fathers are not having to leave and go home. It is done in other countries. They have double-beds. So I am just putting that out there. I think on balance I am going to vote for this but I am assuming by the nods the Minister for Treasury and Resources is giving me that he can reassure me on some of my worries so it is conditional on what the Minister for Treasury and Resources is going to say.

2.1.26 Deputy E.J. Noel of St. Lawrence:

We have covered much ground in the debate over the past 2 days so I am going to try and keep my speech as concise as possible. We do need to make the decision today and we do need to get on with it. I, like many others today, was touched by my Constable's speech because I am sure we have all shared similar experiences in our own families. I have been in this Assembly some 9 years now and I have not seen a more thoroughly complete proposition with all the associated paperwork and documentation for consideration ever, and that is a tribute both to those officers in the back room and the officers back in their own offices but also to the Scrutiny Panel themselves as well and their advisers, Concerto and Opus. That amount of work does not happen by accident. It happens by teamwork and it is teamwork across ... we broke down the silos. It is teamwork across Treasury, across Health and Social Services and across D.f.I. Members will bear with me because I am going to try and cut out as much of this as possible. The Outline Business Case has been confirmed by Concerto, Scrutiny's own advisers, that it is fit for the purpose of us making this decision today. I could go into a lot more detail but I am conscious of the hour. One point that came up from Senator Ferguson in her speech said that her expert, for want of a better word, could build the hospital for some £2,000 per square metre. For those of you who work in square feet that is £200 per square foot. I know for first hand that a modular house costs significantly more than £200 per square foot to make so how someone could come up with that you could build a hospital for that sort of figure just is not believable. Yesterday we heard from a developer that the minimum cost they have managed to get down to build a flat is £160 per square foot. So to build a hospital for £200 per square foot just does not work. Members will have seen the review panel's report and had that opportunity. The Concerto report that went with it, and it is an excellent report, but I would say that because it came out in favour of what we were doing. But it was also a balanced report and it recognised that the process is a complex one and that we have taken steps to make sure that we can, and as I say, amber-green; all probability to deliver this. It is the short-term risk. It is the risks of not making the decision today that are amber-red. It is the risks in the short term that could scupper this proposal but I do not believe that Members will fall into that trap and kick this into the long grass. It is too important. It is too important to our families as we heard this morning. If the planning inspector recommendation was a refusal because of X, Y and Z, in the same way that the inspector did with Les Quennevais, we will address X, Y and Z and come back with a proposal that does work. If the inspector comes back with a: "You should accept this with these conditions" it is the same process, we will work on those conditions and deliver a first rate hospital. It does not matter which way the inspector goes. At the end of the day we will deliver. The team out there will deliver. It is not going to be 8 years before the hospital is going to be open for patients. It is going to be in 2024, 6 years away. It is 8 years until the whole project is completed and the granite building is reconfigured for an educational suite. In 2024 our families will be using the new hospital. I hope not, Constable. That hospital will be built in such a way that it will be flexible. It will be flexible for increased demand, it will be flexible for the types of services that our staff will deliver. It needs to be, it is going to have a long life. It is going to have a 60-year life. What we get on day one will not be the same thing that we have in 60 years' time. It will change. There are 3 certainties in life, there is death, there is taxes - and we all talk about those - and there is change. That is the other certainty. It will be different from what we think it is going to be today in 2024 to when it opens in 2024. It needs to change and adapt, it needs to be flexible and we can build that in. We have said all along that it will 45,000 square metres in size. That has not changed. We said that the shape and the box will change a year ago, and it has. The height will not be 47 metres, the height will be 43 metres. The flues that go on top of the building will get as high as 47 metres. They are 2 feet wide. That is all they are. There are about a dozen of them and they are 2-feet wide but the building will be 43 metres high exactly. Well, not quite exactly but that much difference to the height of Cyril Le Marquand House. We have already heard this afternoon that there are many buildings in St. Helier that are already at that height or exceeding that height. Some States Members yesterday took up the opportunity to have an update from the States of

Jersey Development Company in their new building on the Esplanade. Right next door they are building their second office building. Did we hear lots of noise? Did we see lots of dust? Was there any vibration? No, we experienced none of those while a modern building was going up at the same distance as I am from you, Sir. No noise, no vibration because modern building techniques mitigate those hazards. So reassurance for Deputy Doublet, we can build the new hospital on a clear site, on a new site, adjacent to the interim hospital, which is different to the works that happened recently with the I.M.R. (Iterative Model Reconstruction) scanner. That was works that was going on inside the hospital, next to patients. When another major developer in the Island built Spectrum, that building site was closer to the operating theatres today than the new hospital will be to the operating theatres. The patients and the staff working in those theatres while Spectrum was being built did not have any noise, any dust, any vibration to interfere with the care that they were giving and receiving. It will be exactly the same in the new site. People have mentioned about Patriotic Street and car parking being issues. Patriotic Street Car Park will be linked to the hospital. If I have my own personal way with that it will become the hospital car park. It will be the gateway to the General Hospital for those visiting patients and those going into hospital for treatment. Yes, commuters will be displaced but every day I have 400 to 500 spaces spare in my car parks. We can cope for those commuters, they will just have to walk a little bit further. I do not want them to do that, I want them to get on a bus, I want them to get on their bicycles, I want them to walk to work, I do not want them to use their cars and nor does this Assembly because that is part of the Sustainable Transport Policy. We can accommodate the commuters, they might have to change their lifestyle, it might make them a bit fitter, it might keep them out of our hospital. People have also mentioned concerns about Westaway Court. We already know that Westaway Court will at least double the current provision for disabled spaces and for pick up and drop off of patients. We will continue to work on that. It will have at least 40 disabled sized parking spaces so people can drop off people attending clinics. We know we are going to change the way clinics are going to work so people can attend one appointment as opposed to 3 or 4 by the use of technology and the booking system, but we also have dedicated pick up and drop off spaces. We have the patient transport facility space there and we will have a dedicated bus stop there as well. We can work now on the issues about transport there and we will do transport planning when that application is produced and sent into the Planning Department. Westaway Court is not part of this planning process, it is separate in terms of planning applications. This is a big decision and it should be given careful consideration. I am not going to rise to the bait of my former Minister for Treasury and Resources, Senator Ozouf. I respect him too much for that. I did attend virtually every single meeting on the housing bond. I was a party to virtually every single decision that was made on the housing bond and my recollection of history does not match his. I will leave it there. He mentioned about the Jersey way. Well, my view on the Jersey way in terms of infrastructure is that we did not invest in our housing stock, hence we had to borrow £250 million. We did not invest in our health estate, which is why we are having to invest £466 million now. The old-fashioned Jersey way has not done the generations below mine any favours or the future generations any favours. We need to invest in our infrastructure every year not just once in a generation. As I said, this is a big decision, I hope Members feel that the amount of work that has gone on warrants their support today. This is probably the most important decision that I will have in my tenure, in my 9½ years in this Assembly and I am proud to be leaving this Assembly hopefully having made this decision and looking forward to when the generations to come have the use of what is the most important building on this Island, that is our future general hospital. Scrutiny's own experts, both Concerto and Opus, agree with what we are doing. They said that is the right thing and that Members have sufficient information to make the decision today. I hope that we can persuade the Reform Members to reconsider their Facebook post yesterday and vote with the proposition. Thank you. **[Approbation]**

Deputy M.R. Higgins:

A point of clarification. Could the Minister tell us, he mentioned that there would be no noise and that the modern construction techniques that we used on the Waterfront will mean that the patients will not be getting an undue noise. Can he confirm then that the hospital is going to be built using the same Meccano technique that has been used on the Waterfront, i.e. steel, no poured concrete, pre-made concrete slabs and all the rest of it?

[16:15]

Is he saying it is going to be building using the same technique, because he cannot guarantee otherwise the noise will not be there?

Deputy E.J. Noel:

We are undoubtedly going to have to use modern techniques. We are going to have to build some of the hospital off-Island. It is the right thing to do. The Finance Centre ... it is a shame that Deputy does not go to these meetings that he is invited to because he would have seen first-hand yesterday that you can put up a 6-storey office block in the same distance as I am sitting now from you, Sir, without any noise, without any disruption. I encourage the Deputy, please attend these meetings.

The Bailiff:

Does any other Member wish to speak? Then I call on the Minister for Treasury and Resources to reply.

2.1.27 Senator A.J.H. Maclean:

I find it curious that there is foot stamping and I have not uttered a word yet. Perhaps I should go straight to the vote. **[Applauding]** But why miss an opportunity now that I am up?

The Bailiff:

You just want Senator Ferguson to pay up some more, Senator.

Senator A.J.H. Maclean:

Indeed. We could go a long way with the costs if she carries on as she has already this week. I am going to start, if I may, just very briefly, because it struck me as a really important point, and that was the questions raised by Deputy Doublet. She asked about the process and whether the public were going to be involved at all in the design, layout and functioning of the new hospital. What I can tell her is that lessons - and this is a terrible phrase, I have to admit - have been learned. Certainly experiences have been gained from what has happened elsewhere. In particular places like Liverpool, where I know the Minister for Health and Social Services and his team have been to experience new hospital construction there and how importantly patients and members of the public were involved in the whole process. They helped design how it was going to work. They helped improve the experience and it was a very positive and constructive way to operate. So I can tell the Deputy that in this case with our new hospital there are going to be patient forums, the public are going to be involved. Indeed, the Minister has told me that Members of this Assembly who are particularly interested in becoming involved can also become part of that engagement process. I think that is critically important. I do not know why Senator Ozouf is looking at me, I am not sure if he is volunteering to be part of the forum or not. Just the financing bit, yes. We are talking about the functioning of the hospital, Senator. The Deputy also asked about the other important point, and it has come up from a number of Members and that is around noise. I was struck when I attended one of the many engagement sessions organised by the excellent team that have been managing the hospital programme. At that particular event there were a number of consultants who gave their particular views on the project. One consultant is a consultant who has worked in the U.K., in a hospital in the U.K. with development going on in that particular hospital while he was

working there. It was very interesting to challenge him as to what the experience was like from his perspective on a development site like that. He made it absolutely clear - and this is not coming from some building experts or architects or design consultants or anything else, it is coming from a medical consultant working in a functioning hospital that was being extended - he said that there are modern systems in place now, sound proof, dust proof sheets that drop down so the development work is going on very close by and caused, in his view, no or minimal disruption on that particular site. I think that is important. Here in Jersey, we are going to have, as I understand it a minimum of 10 metres between where the building work is going to be undertaken and the functioning hospital. That is a much further distance away from the example that I have just given to the Deputy. I might add, it is a lot further than those people living next door to the Police Headquarters when that was developed. That particular development and the people living close by... I know it is not a working hospital but nevertheless it is the same issue about noise and disruption. So there is a further distance away. I hope that gives her some comfort in terms of those 2 important points, which she quite rightly raised. I am going to just pick up on - because he has come back in now - Senator Ozouf. I have been struck both today in the speech that he made and also during the course of his amendments, which we sought to assist with and I know that he is pleased that those have been accepted. He is being, I think, a bit hard on himself. I think he did a good job when he was at Treasury, I think that he is particularly hard over the Andium bond and now suggests that borrowing is a bad thing. It is not a bad thing to borrow if you get the model right. I do not think debt, either, is a bad thing and other Members have also pointed this out. I do not think he should be too hard. What I can say to him is that it is important that we have agreed to the amendment in the proposition that the Senator put forward, we have agreed and therefore it is now contained in the revised proposition for Members, that we look at the repayment process and whether that is through tranches over the period or amortising or whatever it happens to be, we will look at it. But I would say to the Senator there has already been professional advice looking at a whole raft of ways in which the funding of this hospital could be managed. We have looked at retail bond options, private placements, bond ladders, asset backed commercial papers, project finance, bank finance, using our own reserves. It is hard to imagine any option that has not already been looked at. I have given a commitment, and it is contained now within the amendment proposition, that we will look at again the repayment process through tranches to give some comfort, and that will be undertaken. Now Members will, I am sure, be pleased to know that I am not going to refer to all Members' speeches but I would take the opportunity to thank each and every Member for their contributions. I thank some more than others but nevertheless it is important that we have had a lengthy debate over what it is, without doubt, the most significant decision, as I think my colleague has said, this Assembly will be asked to make. There are, from Members' comments, some consistent themes and that is why I picked up on that initial one, but there are others that I think are important. I will try to focus, if I may, on the key points. This is clearly a very difficult debate for Members because it is so significant and because it involves so many different aspects. There is the financing, there is the structural, the look and the feel of a building, the massing, and there is, of course, the emotional aspects of all of this. Strongly held views, strongly held opinions by Members of this Assembly representing the views of their constituents and members of the public themselves is completely and utterly understandable. There has, of course, among the whole process been a certain amount of misinformation that has gone out and gained some degree of credence and there has, unfortunately, also as part of that been some scaremongering. We have heard it said that the new hospital is going to be far too big, it is going to dominate St. Helier, it is going to be ugly, a blot on the St. Helier landscape and so on. For that reason, I was particularly pleased to hear from the Constable of St. Helier. He is not behind me at the moment but I was pleased to hear from him and he referred to things like the Rochdale Envelope. He talked about health impacts, raised public meetings, some of the points that have been raised by Members during the course of this debate. The Constable, though, has engaged fully

in the process. He has listened to how the scheme is going to be developed. It has taken some time, he has listened to all the concerns raised at public meetings that he has both held and attended. Scaremongering comments about people possibly dying or being seriously unwell as a result of the construction functioning. I hope I have dealt, at least in part, with that. He has also listened to the facts that have been delivered. He has listened to the views of consultants. I commented on that a moment ago so I will not go over it again about the consultant's experience in the U.K. which is important in terms of the building technologies and materials now used in a modern construction site which helped to mitigate many of those concerns. The Constable made it clear, and rightly so, that design is crucial to him. It is crucial, I think, to most Members and members of our community. We do not want a blot on the horizon. But he has rightly pointed out that he has confidence in the planning process, he has confidence in the planning inspector and he commented on the improving landscape that he has seen in St. Helier, exciting modern designs in housing developments delivered by Andium, commercial developments, housing developments by S.o.J.D.C. (States of Jersey Development Company). He is right to point those out. Those are good examples where design and good design can make a difference, even with the concept of a hospital, which is clearly more difficult to manage in that regard but, nevertheless, in this day and age clever things can be done. He understands, like most Members do, and I have no doubt this point was made several times, there is a need for a new hospital. Members have stood, made whatever speech they were going to make, to say they understood the need for a new hospital and the importance of a quality healthcare system. I have no doubt of that commitment from Members. The Constable says - and I am sure he shares the view of many - that he does not want to see a single day of delay. I thank him for his support. I think it is very important to have the support of the Constable of St. Helier in this area. I will comment a little bit about Senator Ferguson. I know it is risky because she is right next to me, but I am going to do it anyway. She is geographically close, which is why it is dangerous. **[Laughter]** She has put forward a certain doom and gloom scenario, which I think she has garnered by listening to the views of quite a number of no doubt well-meaning people. What she does not appear to have done is listened quite so closely to the views of any of the professional advisers which have been involved in this project. There have been an enormous number of professional advisers used, and I am not sure if it is appropriate to mention the organisations that we have used. Some have been mentioned before like the Fiscal Policy Panel, the Treasury Advisory Panel with their external members, EY, the Scrutiny's own advisers - which is a really important point - Chartered Institute of Public Finance, Opus, Concerto. There are a huge raft of expertise, and all of that expertise raises some concerns in some areas but overwhelmingly believes that the enormous amount of work that has gone on in developing the outline business case and the funding model before Members today is the right way forward. There have been more than just those experts, we have had of course healthcare professionals and other professionals, planning experts and so on. I think it is important to listen to what they have to say; in fact it is more than important, it is essential. The Senator on the other hand has had advice about the fact a hospital can be built for a fraction of the cost of what is being proposed at the moment, and in a fraction of the time, about a quarter of the time that perhaps is being suggested in this particularly proposal. Well I can say to the Senator I am about to build an extension at home and if she can manage it at that sort of cost level and that speed she is signed up, she has got a job, because she will do a better job than my architect and Q.S. (Quantity Surveyor). I hope they are not listening. Senator Ferguson's advisers, if I can put it that way, have also used examples - and I am just going to pick out one because I think it is important - and that was around I believe a hospital called Cramlington. But it is very different and you have got to, if you are going to make comparisons, make comparisons that are like for like. It is a different hospital with a different structure in a different place at a different time. It has got to be like for like comparisons, that is why we have employed and spent a significant amount of money on professional advice to arrive at the position that we are at, at the moment. I think that is really important. The Senator, and I do

not wish to pick on her too much, it is just that she made comments that were relevant to many other Members as well so it is not just the Senator, and it was around investment returns and the performance of our investment in recent years. She made the comment, and I hope I have got this correct, that the F.T.S.E. benchmark did better last year than our Strategic Reserve; but that again is selective quoting. Let us be realistic about this, if we are going to quote let us look at comparisons because of course the returns of investments like the Strategic Reserve or any other fund is based on the investment strategy utilised.

[16:30]

She could, for example - and I am looking across at the Minister for Social Security - have looked in the direction of Social Security. They last year saw a more than 19 per cent increase, exceeding the benchmark, because the investment strategy of that particular fund is different. What we have done to give comfort hopefully to Members and members of the public is that, upon professional advice, we have looked at historical data, historical investment returns in the Strategic Reserve, and as I mentioned yesterday they have achieved on average over the last 40 years 4.4 per cent above R.P.I. (Retail Price Index), and in the last 10 years an even better performance of 6 per cent above R.P.I. That includes the period of the financial crisis where we saw markets crash. Despite that, over the last 10 years we have seen 6 per cent above R.P.I. So last year's 13.6 per cent may be slightly below on the Strategic Reserve F.T.S.E. benchmark, it is still an extraordinarily good return and I think we need to keep in focus the fact that because of those good returns, because we have been able to build up our reserves in this way, it has given us the additional flexibility with our borrowing so we can limit the borrowing to a maximum of £275 million, which is what the proposal is before Members today. I was, like other Members, struck by the contribution from the Constable of St. Lawrence sharing her very personal story. I think more than anything else that demonstrates the need to make changes, to modernise the healthcare system and the hospital. It was a very telling contribution and I am sure there are many households throughout the Island who have had similar experiences and similar views about the need to improve our hospital and hospital services and facilities. The Constable asked questions - and it was a very important point, it struck a chord with me - about the wards and how historic benefactors have helped contribute towards those wards. I do not know the answer to her question but I am getting a nod from the Minister for Health and Social Services, so my view would be that we should indeed maintain that in terms of naming wards, but we should also look to the future for future benefactors who may be generous enough to contribute towards our hospital and be recognised in a similar way. I think that is something that would be very positive. Turning to Deputy Le Fondré, he had particular concerns I think around the release of contingencies. There was a little bit of confusion in what he was saying because he was referring to the Constable of St. John's amendment before it was amended about coming back to this Assembly and 21 days' notice in terms of drawdown of contingencies. The effect of the amendment, which was accepted by this Assembly, means that drawdowns will be notified on a 6-monthly basis to the Council of Ministers and to this Assembly, but they will be controlled by a new financial direction and that financial direction was shared with the Constable of St. John, and that will be available to be seen as well. I can see the Deputy is looking confused but that was what was agreed yesterday and was discussed at some length. He was right to say that for amounts of contingency drawdown of over £1 million will require the sign off of the Minister for Treasury and Resources. For amounts below that it will require the sign off of the Treasurer. The Treasurer, I can assure Members, certainly for any contentious sign-offs, always seeks the advice of the Minister before proceeding ahead. There are, therefore, clear, strong and appropriate governance structures in place, and I thank the Constable of St. John for his assistance in that matter and his concern around it. It is a really important point that had to be addressed. There was also, in a sense linked in part to that, concerns about the planning inspector and the impact of his recommendations upon the cost, and I know that was something Deputy Le Fondré and others were

concerned about. In fact, it was an issue that arose in relation to Les Quennevais School because of course as a result of the planning inspector's contribution there was additional cost; I know Deputy Le Fondré has referred to that. The difference though between Les Quennevais School and this hospital project is that there is contingency built-in on the expectation there will be recommendations from the planning inspector, and it would be within the bounds of the contingency to deal with such matters. However, in the unlikely circumstances that any of those recommendations were so significant that they could not be dealt with within the overall capped budget of £466 million, then we would have to return to this Assembly. That was a condition the Constable of St. John was absolutely fixed on and that is why his helpful contribution was important. So if the budget is going to be breached as a result of the inspector's recommendations then the matter will come back to this Assembly. Both Deputy Le Fondré and Deputy Brée said in their opening remarks, in a rather reluctant way I felt, if we have to borrow then I suppose it is okay. But they do not like borrowing; neither of them. I respect that view. There are others, and in fact right in front of me now Senator Ozouf has been converted from a borrower of past to a different model today. People do change their minds and I am sure the Senator will remind me of: "If the facts change I change my mind" and that is of course a very valid position to take. It was interesting that both of the 2 Deputies I have just referred to took the view about borrowing and the funding model that we have before us, because their professional advisers, the advisers to Scrutiny, both made it clear that they supported the concept of borrowing and the model that was being proposed was the right model. That is why I think that certainly Deputy Le Fondré's views I think he expressed as personal views because that was the appropriate way to do it. Deputy Tadier had concerns about the policy around the Strategic Reserve, but I have to say to him - and I think he was most concerned about the use of the Strategic Reserve - but of course the policy was amended in 2014 to allow that fund, the Strategic Reserve Fund, to be used for "planning and creation of new hospital services". The policy made it clear that excess returns could be used above the protected value which was agreed by this Assembly in 2012, and that is what could be used for the purpose. On that basis this Assembly then agreed in Budget 2014 the withdrawal of £10.2 million for that purpose, and again in Budget 2015 the withdrawal of £22.7 million, again for the same purpose. Deputy Tadier also talked about his ... I think probably it is my interpretation but it came across as disdain for the blended solution. I have talked a lot about blended solutions for the financing of this hospital project, and I think that is right, but the Deputy was referring to a poor quality whiskey. It is not a poor quality solution, I think it is the right solution to take into consideration the need to balance borrowing and some use of our reserves in a prudent way, and that is exactly what we have sought to do.

Deputy M. Tadier:

Can I clarify?

Senator A.J.H. Maclean:

No, I am going to continue my speech. So the Deputy was concerned and I am just trying to hopefully give him some reassurance that I believe with the modelling and the advice undertaken it is prudent, it is conservative, and we are looking at current rates about £7.4 million coupon. That is what will have to be repaid over the period on an annual basis from the borrowing of up to £275 million. I think it was a point that Senator Farnham asked how much the Strategic Reserve was returning. Of course last year the returns were well above expectation, in monetary terms it was just over £105 million. We have been seeing returns in the last 3 or 4 years of between £60 million and £100 million or so. To give comfort to Members, the annual coupon, the interest rate if one describes it as that, at current rates would be around about £7.4 million. So I hope that gives comfort. I should also say that the investment strategy, on a conservative basis of 2 per cent above R.P.I.Y. (Retail Price Index excluding Mortgage Interest Payments and Indirect Taxes) over

the period of borrowing, and if it were a 40-year bond - and that is not guaranteed, that is just an indication - then the annual coupons can be paid and indeed the capital sum maturity can be paid by 2058 and the estimate from the professional advisers is that the Strategic Reserve would have grown to a figure of around £3.6 billion. That demonstrates a sensible, measured and conservative approach that does not call upon the need for Islanders to contribute at all towards the funding of the hospital directly in that way. I would also like to just touch on Deputy Tadier making comments about unknown running costs. Well they are not unknown. A lot of work has been put into the running costs of the hospital would be over the future period; the modelling was done to 2084. We know from that work that purely in financial terms what is known is that if we do nothing, if we do not take this decision and we do nothing, by 2084 in purely financial terms we would have spent £74 billion. These are big numbers and I know Deputy Martin was talking about the bond and the borrowing and £1 billion of costs. It is not £1 billion, it is less than that, if you add up all the interest and all the other bits and pieces, and of course I do not know of anybody who treats their own mortgage on their own house in that way, adding it all up and having a look at the lump, because it is only looking at part of the picture. It is not looking at the part of the picture where we have investment returns or, in the case of an individual, earnings and perhaps other investments to balance off what you are putting in. That is exactly what we are seeking to do here; a balanced approach. Even after capital cost of the preferred scheme, it is worth saying the total capital cost and revenue costs forecast out to 2084, which is another way of looking at it, are less than for the option where we do not build; and that is by £13 billion. I hope that I have answered most of the questions that Members have raised. This is the biggest and most important decision this Assembly will make on behalf of Islanders. I believe what is before Members today is the right solution to fund and build this much needed hospital. I hope that I can now convince the Constable of Trinity. He made some comments earlier, and he always makes very measured and sensible contributions in this Assembly. I would just like to say to him that this may not be a perfect solution, and yes there have been compromises, but I do not know of a project of this size where you are not going to have some form of compromise. But what I can say to the Constable and to other Members is that this is a good solution. It is the right solution and it is an affordable solution. I would really hope, therefore, that the Constable can take into consideration the views of all the experts that have looked into this, whether they be financial or design, all of the individual expertise, and that includes experts on the other side of the argument, one might say from a scrutiny perspective, who believe that this is the right solution. I ask Members to consider all the facts. I ask Members to make this decision for Islanders for the long term, for our children and for our grandchildren. It is a critically important decision and it is not holding guns to anybody's head or forcing anybody to make decisions; it is just quite simply this decision making process has taken a lot longer than would normally have been the case. On balance, that is the right thing; that Members and those responsible for drawing up these plans have looked into it in great, great detail to make sure that this is the best possible proposal for the Island. I, therefore, ask Members to support this funding proposal and outline business case for the Island. I maintain the proposition.

[16:45]

Deputy J.A.N. Le Fondré:

A point of clarification? There were 2 questions: I do not mind doing them one at a time. One is a very easy one about whether we can vote in parts, particular (a) and (c) separately. There is a second query.

The Bailiff:

Looking at the summary proposition which the Greffe have put together and circulated, Minister for Treasury, which I hope you have before you ...

Senator A.J.H. Maclean:

Sorry, I did not hear what you said.

The Bailiff:

Looking at the summary of your proposition, as amended, which the Greffe have circulated, which I hope you have before you; you were asked by Deputy Le Fondré to indicate whether you are willing to take any of those paragraphs separately, and particularly paragraphs (a) and (c). It is up to you, it is your proposition.

Senator A.J.H. Maclean:

No, I have given some consideration to this because the Deputy kindly raised the matter earlier on today. As far as I am concerned, and I have consulted with ministerial colleagues, this proposition hangs together as one. I know Deputy Maçon was concerned with some parts. I hope, certainly, Deputy Maçon will have some comfort from the extra protection that we have put in place. I know where some of his concerns are around this. I hope the amended version that is before Members today will give that extra comfort to Deputy Maçon. But, as far as Deputy Le Fondré is concerned, no, I cannot take them in part. Sorry, it is one proposition and it needs to be voted on as one.

The Bailiff:

Your second point ...

Deputy J.A.N. Le Fondré:

Okay, thank you, Sir, and I will just note that means, unfortunately, I will be voting against the whole thing. The second question, which is a point of clarification from the Minister's speech, he made reference, and it is in the report, to draft financial directions which has satisfied the Constable of St. John. What I had understood is that the Constable of St. John had previously in his previous amendment with this Assembly got notified within ... there are 21 days between a Ministerial Decision being signed on use of those contingencies and the Assembly either being notified or a decision being written. Am I right now in saying that the draft financial directions do not reflect that at all and it is purely on a 6-monthly basis?

Senator A.J.H. Maclean:

Yes, that is a correct assumption. In discussions with the Constable of St. John we explained the fact that if every funding decision from contingency had to be lodged for a 21-day period, it made it almost impossible to manage the project. He accepted that point on the basis of the financial directions, which helped to clarify how contingencies would be managed and I dealt with that earlier on. There is a strict governance structure around the management of those contingencies.

Deputy J.A.N. Le Fondré:

Sorry, does that mean that amounts over £1 million the Minister will be signing a Ministerial Decision, which will be public?

Senator A.J.H. Maclean:

Yes, 2 things will happen; that will be the case and that is correct, Deputy. But also there will be reporting both to the Council of Ministers and to this Assembly on a 6-monthly basis on the management and distributions with regard to contingencies having to be closely monitored.

Deputy J.A.N. Le Fondré:

Sir ...

The Bailiff:

Just a moment, please. Minister, the amendment that you put forward, which the Assembly has adopted, substituted in the Connétable of St. John's amendment, requirements set out in the financial direction issued by the Treasurer and your report indicated that it was a draft and, therefore, it had not been issued and there was, therefore, some inconsistency between what the amendment said and what your report said and, indeed, the information that was given to the Assembly. If you look at the amended summary proposition that the Greffe had put forward, I thought it would be helpful and I hope it causes no difficulty, in paragraph (f) you will see that I have summarised what plan the Assembly was told, which was that: "Subject to the requirements set out in financial directions issued by the Treasurer" and so that assumes that the Treasurer will issue the financial direction, if he has not done so already. Of course, it will be up to the Connétable of St. John or any other Member to keep you and the Treasurer under scrutiny to make sure that financial direction is in fact issued; that reflects what you intended.

Senator A.J.H. Maclean:

Yes, Sir.

The Connétable of St. John:

I just wanted to say I think the Minister inadvertently misled the Assembly when he said: "Clear, concise procedures were in place." They are still in draft and they are not yet in place.

The Bailiff:

Yes, that is why paragraph (f) has been re-classed to be consistent with what the Assembly was told, which is set out in financial directions and it will be for the Minister to make sure that is ...

Senator A.J.H. Maclean:

Yes, Sir, I agree with that and I accept the correction will be in place. The Constables have seen the draft financial directions but the important thing is that there will be a strong governance structure contained within those financial directions, which the Constables have seen and will be circulated.

Senator P.F.C. Ozouf:

The Minister was kind and made some complimentary remarks about me, which I was grateful for but he did not do what I asked him to in his summing up. Can I ask him, please, to answer and give me the confirmation that I have asked, is that he will return to the Assembly in, hopefully, the first sitting in the New Year and report on the outcome of his findings in relation to borrowing? Because what worried me is that he spoke in his summing up as if we were approving the report and we are not approving the report. I am approving part (c) now with part (d). The Minister gave an indication, he spoke as though he was going to go on and implement what is said in the report and this Assembly is not approving a public bond. We are approving what it says. We are approving the borrowing and there is a massive different number of ways of borrowing and that is what we are doing. I would like the Minister to please confirm, will he return to the States in the first sitting and say how he is going to implement (c) because we are not approving the report? That is what you ruled under your ruling.

The Bailiff:

I have said that we are approving appendix 8 in the report but not ...

Senator P.F.C. Ozouf:

Yes, but we are not approving the ...

The Bailiff:

Minister, you are being asked to confirm that you will come back to the States and report, following the review, if it is adopted, paragraph (d) provides.

Senator A.J.H. Maclean:

Yes, Sir. The amended proposition before Members, and I hope the Senator in front of me has got a copy of it, is as amended and it includes the acceptance of his amendment. Under (d)(i) it first of all says that we will undertake a review, as described and under (d)(ii) it has we will report back to this Assembly with the results of that by 28th February. What I can say to Members is that that review will be carried out much faster than 28th February, largely because quite a bit of work has already been done, looking around at those areas. That will be reviewed and I suspect that I will indeed be in a position by the first sitting in January to be able to report back to Members ahead of the schedule set in the proposition and that Members will, hopefully, support.

Senator P.F.C. Ozouf:

For the avoidance of doubt, can I just ensure that that report will be done before any decision is made to press the button and go and borrow the money that he says in the way that he wants. I just want him to say that is what he is going to do.

The Bailiff:

That is not what the proposition says and, as I understood it, not what the Minister was proposing.

Senator P.F.C. Ozouf:

So he can go and borrow and just tell us what he has done afterwards.

The Bailiff:

Yes.

Senator P.F.C. Ozouf:

I asked in my response ...

The Bailiff:

I am sorry, it is absolutely clear. You have put the question to him and he has answered it.

Senator P.F.C. Ozouf:

No, he has not answered it. Will he make sure that he reports before he does what he says the report is?

The Bailiff:

Yes, and the answer was, no, he will not report before he presses the button, it is not necessary.

Senator P.F.C. Ozouf:

He is going to borrow before and then report.

The Bailiff:

That is what the proposition says, Senator.

Senator P.F.C. Ozouf:

No, it does not say that, Sir.

The Bailiff:

Yes, it does.

Deputy G.P. Southern:

Point of clarification, if I may, Sir. Did the Minister offer any guarantee that interest earned by the Strategic Fund would cover the cost of the coupon, as he put it, over the next 40 years? Did he offer any guarantee?

The Bailiff:

Did you hear that?

Senator A.J.H. Maclean:

I was trying to listen, Sir.

The Bailiff:

I was going to say, Senator Ozouf, will you please allow the Minister to listen to a question that is coming from across the Chamber? Would you put it again, Deputy?

Deputy G.P. Southern:

I will try again. A point of clarification, did the Minister offer any guarantee that the interest earned from the Strategic Reserve would cover the cost of the coupon over the next 40 years?

Senator A.J.H. Maclean:

I clearly do not offer guarantees but what I can say is there has been a lot of financial modelling, which I made in my speech a moment ago, my summing-up speech, which shows that the coupon can be paid for. The coupon, which is at current rates, going to be around about £7.4 million per year. I mentioned that the investment returns from the Strategic Reserve last year were £105 million and have been running between £60 million and £90 million in recent years, so there is plenty of headroom. But the important point is that the modelling over the next 40 years, based on investment returns of 2 per cent above R.P.I., why, which is under half of what the last 40 years have produced in terms of investment returns, suggest the conservative approach in terms of the ability to be able to pay the coupon over the term? I hope that gives comfort. There is quite a bit of headroom in there. But this has been financially modelled independently and that is, hopefully, the comfort that the Deputy requires.

Deputy G.P. Southern:

Headroom but no guarantee.

The Bailiff:

Headroom but no guarantee is the question to you.

Senator A.J.H. Maclean:

I am not sure what he wants in terms of guarantee. I can just give him the facts. The facts are and they have been garnered from professional investment advisers and others that there is plenty of capacity on investment returns to pay the coupon, the interest rate, over the period of the next 40 years, based on investment returns and under half what they have been for the last 40 years, under half.

Deputy G.P. Southern:

That is not a guarantee.

The Bailiff:

Not another speech, Deputy. The position is clear. Deputy Tadier, you had something you wish to ask.

Deputy M. Tadier:

Yes, I think that the Minister is at risk of misleading the House, no doubt that was not his intention, when he misquoted me. I never said that we do not know what the running costs of the new hospital will be, what I said is that we do not have a proper funding mechanism for the running costs of the hospital and I know that because I have got my notes in front of me. But does the Minister accept that, will he acknowledge that? Could he clarify the fact that we do not have a proper funding mechanism for the running costs of the hospital and that is not included in these proposals here? Perhaps he can tell us because I think it is all linked, so when are we likely to see a health charge and what nature it ...

The Bailiff:

Is that something you wish to clarify, Minister?

Senator A.J.H. Maclean:

The Deputy is moving into a different subject with health charges and things. What I will do, if I misquoted him, I apologise. I had no intention to misquote him at all. I had clearly misheard the way in which he described his point; he made a number of points. I simply clarified the part about the running costs and the overall cost of the hospital, the doing nothing scenario and such like, so, hopefully, that is enough for him.

The Bailiff:

Then you call for the appel, somebody I am sure would like one; the appel was called before. I ask Members to return to their seats and the vote is on the proposition of the Minister for Treasury and Resources for approval of preferred scheme and funding for the new hospital, as set out in the proposition, as amended, which has been circulated to Members. I ask the Greffier to open the voting.

POUR: 30		CONTRE: 16		ABSTAIN: 0
Senator P.F. Routier		Senator S.C. Ferguson		
Senator P.F.C. Ozouf		Connétable of St. Saviour		
Senator A.J.H. Maclean		Connétable of St. John		
Senator I.J. Gorst		Connétable of Trinity		
Senator L.J. Farnham		Deputy J.A. Martin (H)		
Senator P.M. Bailhache		Deputy G.P. Southern (H)		
Senator A.K.F. Green		Deputy of Grouville		
Connétable of St. Helier		Deputy J.A.N. Le Fondré (L)		
Connétable of St. Clement		Deputy M. Tadier (B)		
Connétable of St. Peter		Deputy of St. John		
Connétable of St. Lawrence		Deputy M.R. Higgins (H)		
Connétable of St. Mary		Deputy J.M. Maçon (S)		
Connétable of St. Ouen		Deputy S.Y. Mézec (H)		
Connétable of St. Brelade		Deputy R. Labey (H)		
Connétable of St. Martin		Deputy S.M. Bree (C)		
Connétable of Grouville		Deputy T.A. McDonald (S)		
Deputy J.A. Hilton (H)				
Deputy of Trinity				
Deputy E.J. Noel (L)				
Deputy S.J. Pinel (C)				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				
Deputy A.D. Lewis (H)				
Deputy of St. Ouen				

Deputy L.M.C. Doublet (S)				
Deputy S.M. Wickenden (H)				
Deputy M.J. Norton (B)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				
Deputy P.D. McLinton (S)				

Senator A.J.H. Maclean:

Sir, before we go on, could I just simply say thank you to all the officers and others that have been involved in this project. **[Approbation]** Those are all the officers from the Health Department, the hospital, Treasury, D.f.I., and Property Holdings, who have done a fantastic job. Many of them have been sitting outside in pretty unpleasant circumstances with little oxygen and they have been very helpful, I know, to Members who have had a number of questions during the course of this debate. I would like to thank them for all their considerable hard work. **[Approbation]**

3. Draft Public Finances (Amendment No. 5) (Jersey) Law 201- (P.111/2017)

The Bailiff:

The next item on the Order Paper is P.111. Before I ask the Greffier to read the citation of the draft, this is a matter in which, Minister, you will need to have the approval of the Assembly under Standing Order 26(7) to reduce the lodging period and I take it you now ask for that.

[17:00]

Senator A.J.H. Maclean:

Yes, Sir, indeed, if I may.

The Bailiff:

Seconded? **[Seconded]** Do the Assembly agree that we can reduce the lodging period to proceed with this? All right, very well. I take general silence meaning consent on this occasion and we will proceed. Greffier, will you read the citation of the draft, please?

The Greffier of the States:

Draft Public Finances (Amendment No. 5) (Jersey) Law 201-. A Law to amend further the Public Finances (Jersey) Law 2005. The States, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following Law.

The Bailiff:

Minister, do you wish to propose the principles?

3.1 Senator A.J.H. Maclean (The Minister for Treasury and Resources):

Yes, Sir, if I may, I will just say a few words. This amendment to the Public Finances Law is required as a direct consequence of the significant decision that this Assembly has just made about the funding of the Island’s future hospital, a major part of which centres on the use of the States Strategic Reserve Fund. The rules surrounding this fund are defined in the Public Finances Law and the content of this law amendment will ensure that the law is aligned with the funding proposals we have just approved for the future hospital. This amendment ensures that any funds borrowed for the future hospital will be paid directly into the Strategic Reserve Fund, that all costs associated with the borrowing can be met directly from this fund. The transfers can be made directly from the Strategic Reserve Fund to the Hospital Construction Fund when required to meet

the costs associated with the future hospital. On the winding-up of the Hospital Construction Fund, any balance remaining in it is returned to the Strategic Reserve Fund. I must emphasise that all transfers and costs must be within the financial limits and parameters Members have earlier agreed in P.107. From a reporting perspective, I am also committed to regularly update the Assembly on expenditure on the hospital project. This law amendment builds on this requirement by committing the Minister for Treasury and Resources to provide the Council of Ministers and the States with regular updates to the funding made available from the Strategic Reserve Fund for the project. The amendments we are considering today affect part 2 of the Public Finances Law and will require U.K. Privy Council consideration and consent prior to implementation. I have taken the opportunity to streamline the process and to bring this part of the law in line with other parts, so that future changes can be achieved via regulations to this Assembly. I would be happy to answer any questions and I commend this law amendment to the Assembly.

The Bailiff:

Are the principles seconded? **[Seconded]** Does any Member wish to speak on the principles?

3.1.1 Senator P.F.C. Ozouf:

This goes to the heart of the nomenclature, the administrative arrangements that I have been concerned with and that is, effectively, the ability to repay earlier. What I am not clear about is this... and maybe this will be able to be dealt with in the Articles but, effectively, if what I have been trying to achieve is not a public bond and some sort of repayment, I just want to get the Minister to explain how this decision ... obviously the report, we had that thing before but if there is a different sort of borrowing on a laddered basis or other form of borrowing or financing, does that still work with what he is proposing because I am just struggling to see? I can see the money that is borrowed go out, it goes into the Strategic Reserve, I understand that and the hospital fund, *et cetera*, which we have approved. But, basically, can it be then repaid earlier? In other words, does my hope that we can repay early work with what this draft law basically says because I am not sure?

The Bailiff:

Does any other Member wish to speak? Can I ask the Minister to reply?

3.1.2 Senator A.J.H. Maclean:

I do not believe it provides any barrier, as the Senator has described, as far as I am aware. I maintain the proposition.

The Bailiff:

The appel is called for and I invite Members to return to their seats. The vote is on whether to adopt the principles of the Draft Public Finances (Amendment No. 5) (Jersey) Law and I ask the Greffier to open the voting.

POUR: 34		CONTRE: 0		ABSTAIN: 0
Senator P.F. Routier				
Senator A.J.H. Maclean				
Senator I.J. Gorst				
Senator L.J. Farnham				
Senator P.M. Bailhache				
Senator A.K.F. Green				
Senator S.C. Ferguson				
Connétable of St. Helier				
Connétable of St. Clement				
Connétable of St. Peter				

Connétable of St. Lawrence				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				
Connétable of Grouville				
Connétable of Trinity				
Deputy J.A. Martin (H)				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy M. Tadier (B)				
Deputy J.M. Maçon (S)				
Deputy S.J. Pinel (C)				
Deputy of St. Peter				
Deputy S.Y. Mézec (H)				
Deputy A.D. Lewis (H)				
Deputy of St. Ouen				
Deputy S.M. Bree (C)				
Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				

The Bailiff:

Minister, are you proposing the Articles *en bloc*? I am sorry, Scrutiny. Deputy Fondré, do you want to scrutinise ...

Deputy J.A.N. Le Fondré (Chairman, Corporate Services Scrutiny Panel):

No, thank you, Sir. I assume, no, thank you.

The Bailiff:

Very well. Minister, do you wish to propose the Articles *en bloc*?

Senator A.J.H. Maclean:

Yes, Sir, I propose them *en bloc*.

The Bailiff:

Seconded? **[Seconded]** Does any Member wish to speak? All those in favour of adopting the Articles, kindly show. Those against? The Articles are adopted. Do you propose the Bill in Third Reading? Seconded? **[Seconded]** Does any Member wish to speak on Third Reading? All those in favour of adopting Third Reading, kindly show. The appel is called for. The vote is on whether to adopt the Draft Public Finances (Amendment No. 5) Law in Third Reading and I ask the Greffier to open the voting.

POUR: 35		CONTRE: 0		ABSTAIN: 0
Senator P.F. Routier				
Senator P.F.C. Ozouf				
Senator A.J.H. Maclean				
Senator I.J. Gorst				
Senator L.J. Farnham				

Senator P.M. Bailhache				
Senator A.K.F. Green				
Senator S.C. Ferguson				
Connétable of St. Helier				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. Lawrence				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				
Connétable of Grouville				
Connétable of Trinity				
Deputy J.A. Martin (H)				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy M. Tadier (B)				
Deputy J.M. Maçon (S)				
Deputy S.J. Pinel (C)				
Deputy of St. Peter				
Deputy S.Y. Mézec (H)				
Deputy A.D. Lewis (H)				
Deputy of St. Ouen				
Deputy S.M. Bree (C)				
Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				

The Bailiff:

If I may say to the chairman of the Privileges and Procedures Committee, we are now at 5.07 p.m., if we carry on with the agenda, which we certainly can, but I am not sure how much of it we are going to get through tonight. What are his thoughts for future conduct of this?

Connétable L. Norman of St. Clement:

Looking at the remaining items, it appears to me that we might well have a good 2 days' worth of business yet. That could be wrong. Members could be more disciplined than that, but it seems to me that is a likely scenario. In view of that, I did ask both the Minister for Infrastructure and the Minister for the Environment if they could defer their 2 items, one on the Howard Davis Farm covenant and the other on the proposed infrastructure levy. If they could be deferred until February, but they do not feel inclined to do that. Therefore, I think the only way we can manage to try and complete the business is perhaps to sit until about 7.00 p.m. this evening, if that were practical. Also, tomorrow to adjourn perhaps at 12.15 p.m., so that Members can complete their commitments at Highlands College and see where we are tomorrow afternoon. Then perhaps think about coming back again on Monday next to try and complete the business. That is the only way forward I can think of, if we are to try and complete all the business that is on the agenda, bearing in mind those 2 Ministers to not wish to defer the items on the agenda, Sir.

The Bailiff:

Minister, your proposition is we continue until 7.00 p.m. tonight?

The Connétable of St. Clement:

I think that would help matters. I am sure Members must be tired of sitting here for so long, but nevertheless we do have a lot of business to get through and therefore I would make that recommendation and that proposal.

The Bailiff:

Is that seconded? **[Seconded]** Does any Member wish to speak? Members in favour of following that course kindly show? Sorry, Senator Ozouf?

Senator P.F.C. Ozouf:

I was going to suggest that now the Constable has made that very helpful suggestion is that I wonder whether or not it is possible for ... clearly the infrastructure levy debate is going to be a big debate. Do we want to move ... I know we are doing the Rented Dwellings Law next, but is it ... I do not want to take Members' time. I just invite the chairman of Privileges and Procedures Committee to consider whether or not we can knock off the quick items and then just deal with the bigger items tomorrow. It is just a reordering. It is just a helpful suggestion, Sir.

The Bailiff:

We might well end up in that place. So, could I ask Members to vote on whether to continue until 7.00 p.m. this evening? The appel was called for. I ask the Greffier to open the voting.

POUR: 31		CONTRE: 11		ABSTAIN: 0
Senator P.F. Routier		Senator A.J.H. Maclean		
Senator P.F.C. Ozouf		Senator P.M. Bailhache		
Senator I.J. Gorst		Senator S.C. Ferguson		
Senator L.J. Farnham		Connétable of St. Peter		
Senator A.K.F. Green		Connétable of St. Lawrence		
Connétable of St. Helier		Connétable of St. Mary		
Connétable of St. Clement		Connétable of St. Saviour		
Connétable of St. Ouen		Connétable of St. John		
Connétable of St. Brelade		Deputy M.R. Higgins (H)		
Connétable of St. Martin		Deputy A.D. Lewis (H)		
Connétable of Grouville		Deputy R. Labey (H)		
Connétable of Trinity				
Deputy J.A. Martin (H)				
Deputy G.P. Southern (H)				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy M. Tadier (B)				
Deputy E.J. Noel (L)				
Deputy of St. John				
Deputy J.M. Maçon (S)				
Deputy S.J. Pinel (C)				
Deputy of St. Martin				
Deputy of St. Peter				
Deputy S.Y. Mézec (H)				
Deputy of St. Ouen				
Deputy S.M. Bree (C)				

Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy G.J. Truscott (B)				

Senator P.F.C. Ozouf:

Can I make an additional suggestion then, Sir? I do not know whether the Minister for the Environment wants to do this or not, but in view of that, for speed, could we then start the infrastructure levy debate first thing tomorrow morning and then deal with P.101, P.104, P.105 ...

The Bailiff:

Senator, we will see how we go. What we are going to do is deal with P.66 now and then, Deputy Tadier, if you could be ready to deal with P.101 this evening and perhaps P.104, if we go swimmingly well. In the meantime, maybe the Minister for Infrastructure could give thought to Deputy Le Fondré about P.105, and the extent to which that is likely to take time. I would like to be given some indication as to whether that has been agreed or not. If it is agreed then it may be that we can advance that up the list as well.

4. Draft Public Health and Safety (Rented Dwellings) (Jersey) Law 201- (P.66/2017): amendment (P.66/2017 Amd.)

The Bailiff:

Right, we come to P.66 the Draft Public Health and Safety (Rented Dwellings) (Jersey) Law lodged by the Minister for the Environment and we are now looking at resuming the reading of the Bill, having had the report of the Environment and Scrutiny Panel. There is an amendment, which the Minister ... no, we cannot debate that until tomorrow, unless we have approval from the Assembly to go now. Minister, you asked for that?

Deputy S.G. Luce of St. Martin:

I would like to ask for approval to start this debate now, not tomorrow morning.

The Bailiff:

Is that seconded? [**Seconded**] Do Members agree we take it now? Good, thank you. Will you read the citation to the draft amendment, please, Greffier? Minister, do you wish to propose the Articles as amended?

The Deputy of St. Martin:

If that is with the agreement of the Assembly, Sir. The amendments are very, very small.

The Bailiff:

Senator, the Minister can propose it as amended? I will still then ask the Greffier to read the citation of the draft in relation to the amendment Bill and then it can be counter-read.

The Greffier of the States:

Page 18, Article 2, and Article 2(2)(ii), delete the words “including the zero hours contracts”. 2 Page 21, Article 6 and Article 6(3)(a) in the opening words, the words “occupier or” substitute the words “occupier and” (b) and sub-paragraphs (b) and (c) for the words “or person having control of the dwelling” in each place substitute the words “or in the absence of the occupier, the person having control of the dwelling”. 3 Page 24, Article 10 and Article 10(2)(a) delete the words “or any other published guidelines”.

The Bailiff:

Minister, how do you wish to break up your presentation of the Articles?

The Deputy of St. Martin:

For brevity, I will take the whole thing in one go, if I may. I do have the ability to do that; it is not very complicated.

The Bailiff:

If Members agree you should certainly do that. Yes.

4.1 The Deputy of St. Martin (The Minister for the Environment):

I was delighted that the Assembly voted so decisively, indeed unanimously, on the principles of this draft law on 31st October. I was also pleased to see the overwhelming support for the draft law in the broadcast published and social media outlets. I believe this clearly reinforces the need for this draft law. Since then, myself and my officers have been working with Scrutiny on the details of the law. This work has been productive and I believe useful to all concerned. I would wish at this point to thank the panel for their time and their input. I felt it was extremely positive and, quite frankly, I thought it was the best piece of Scrutiny I had sat through for some time. It does show how working together we can achieve the best results. Members will, I hope, have had the opportunity to read the panel's comments. We have been able to discuss in some detail what this draft law, if approved, will do and what it will not do; how it fits in with existing legislation and how through working across government departments those in the community living in any tenure of rented accommodation will be better protected and able to live in healthier, safer homes. I accept that this law does not in itself provide the complete solution. It is not a panacea for all housing problems. There are some other issues which need to be addressed and are being addressed by other departments.

[17:15]

I speak of the supply side of housing and the possibilities of revenge eviction. These fall to the remit of the Minister for Housing and if action is needed I am assured that it will be taken. Our officers continue to work together in what is a great example of joined-up government. With Scrutiny, we have also been able to discuss the rights and responsibilities of landlords and tenants and how a vibrant, professional rented sector is vital for our Island. We have discussed how enforcement will work, how this is nuanced in our approach and how it will be good for landlords, tenants and for our housing stock. I have no intention of repeating my speech from October. It is clear as to why this law is needed. The sooner we can bring it about, the sooner those in Jersey not living in their own property will have the protection they have for so long lacked. So, if I can get very briefly to the Articles as amended? Articles 1 and 2, deal with definitions. They have been drafted with the purpose of closing any potential loopholes, thereby ensuring the law does what it is supposed to do. Article 2 has been the subject to slight amendment, following Scrutiny process. The clarification here removes the reference to zero-hours contracts as there is no legal definition of a zero-hours contract. The words "whether or not under a contract" should encompass all type of contract in any event, including what we will all recognise as a zero-hours contract. This is perhaps an example of where we are doing something for the avoidance of doubt, but in fact create us more doubt than it removes. But, nevertheless, I will move on to Article 3 and 4. These Articles cover the setting up of minimum standards and the publication of codes of practice. We are already working to standards with Andium, but the standards which will be set are the Decent Homes Standards, plus fire detection and where appropriate carbon monoxide detection and gas safety certification. Article 5 gives the States power by regulation to introduce a licencing scheme. These Regulations would be subject to the usual Scrutiny process and subsequent approval by this

Assembly. It should be remembered that some rented dwellings and lodging houses are already subject to licensing and it would be my intention that only one licensing scheme would operate and that the new scheme would supersede the lodging house schemes. But, of course, as I have just said, this would be subject to Scrutiny and debate and would come back at a later time. Articles 6 to 22, these deal with enforcement; something which we all hope to be unnecessary or very seldom needed. I dealt in my speech in October about the way we try to educate, rather than to go in with a heavy hand. There is protection for the tenant here. The law is designed for their benefit. Again, following discussions with the Scrutiny Panel, I have brought forward an amendment to Article 6. This is to further clarify the notice to be given to a tenant before intended entry. This is to ensure the tenant has protection and will not be subject to unannounced visits for intended entry. The last clarification is a very slight amendment to Article 10 that removes the reference to “any other published guidelines”. Again, this is for clarification. It was a small reference to development control and building control regulations. We have taken that out, so that it is very clear. I think that covers it all. I would just propose those Articles in the Second Reading.

The Bailiff:

Seconded? [**Seconded**] Does any Member wish to speak on the Articles in the Second Reading?

4.1.1 Deputy J.A.N. Le Fondré:

A very, very quick question and whether it is for the Attorney General or the Minister. Article 17(1) on page 29 of the proposition, I did raise it when we went through the principles and I have not followed it up, so just curious now. Basically, any corporate entities, obviously listed there, if an offence is proved to have been committed with the consent to connivance of or to be attributable to any neglect on the part of basically a person. What does neglect mean? The reason I say that is because I seem to recall from many, many years ago in accountancy when we did do a little bit of law the terminology used to be “negligence”. I am just wondering: is this a wider term?

The Deputy of St. Martin:

I wonder if the Attorney General might help me out here.

The Attorney General:

It is an ordinary English word, so I do not think the Deputy would be going far wrong in adopting the approach that “neglect” mean “negligence” for these purposes.

4.1.2 Deputy D. Johnson of St. Mary:

Similarly too, I thank the Minister for his kind words. Scrutiny have adopted a cultured approach in looking at the legislation, more particularly we are very much supportive of his aim to bring in the Regulations as soon as possible in the hope that we might again approve these before the course of this current Parliament. Again, I thank the Minister for his kind words and confirm we will continue to support him in his endeavours.

The Bailiff:

Does any other Member wish to speak? Minister, do you wish to reply?

4.1.3 The Deputy of St. Martin:

I would like to propose the Articles in the second reading, Sir.

The Bailiff:

Yes. All Members in favour of adopting the Articles. The appel is called for. I invite Members to return to their seats. The vote is on whether to adopt the Articles of the Draft Public Health and Safety (Rented Dwellings) (Jersey) Law as amended. I ask the Greffier to open the voting.

POUR: 35		CONTRE: 0		ABSTAIN: 0
Senator I.J. Gorst				
Senator L.J. Farnham				
Senator P.M. Bailhache				
Senator A.K.F. Green				
Senator S.C. Ferguson				
Connétable of St. Helier				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. Lawrence				
Connétable of St. Mary				
Connétable of St. Ouen				
Connétable of St. Martin				
Connétable of St. Saviour				
Connétable of Grouville				
Deputy J.A. Martin (H)				
Deputy G.P. Southern (H)				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy M. Tadier (B)				
Deputy E.J. Noel (L)				
Deputy of St. John				
Deputy M.R. Higgins (H)				
Deputy J.M. Maçon (S)				
Deputy S.J. Pinel (C)				
Deputy of St. Martin				
Deputy of St. Peter				
Deputy S.Y. Mézec (H)				
Deputy of St. Ouen				
Deputy R. Labey (H)				
Deputy S.M. Bree (C)				
Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				

The Bailiff:

Proposed in the Third Reading, Minister?

4.2 The Deputy of St. Martin:

I do, Sir.

The Bailiff:

Seconded? **[Seconded]** Does any Member wish to speak in the Third Reading? Deputy of St. John?

4.2.1 Deputy T.A. Vallois of St. John:

I would just like to take the opportunity to thank the Minister as well as vice-chair of the panel in terms of the work we have done with him and his officers. Also, make all States Members aware, of course, within the comments we go a little bit further than the Articles in this law. There is a

wider issue in terms of Residential Tenancy Law, Social Housing Regulations and the scheme that may come forward. But, it is just to make Members aware of that and, again, thank the Minister, and particularly his officers, for working with us so well.

4.2.2 Deputy M. Tadier:

I was away on States business when this came to the Assembly in the First Reading, so the first thing to say is to thank the rest of the Scrutiny Panel who really did the work on this, in particular I know the Deputy of St. John and the Deputy of St. Mary led on this. It is something that I have been passionate about. Members may remember in 2014 I lodged a proposition which asked for the establishment of minimum standards for all categories of residential rental properties to be brought forward. The timeline was amended, but it is nice to see something which is so important to myself and, I know, other Members currently and in the previous Assembly. It is worth remembering people like former Senator Alan Breckon, who really for many years campaigned about these issues. Over a period of time we have gone from a position to where there was much resistance to any form of regulation for housing. It is really through persistence from a few key individuals and the great work that, of course, is being done by officers at Environmental Health. There still are other issues that need to be addressed. I think the issue, clearly, of affordability of housing in the future needs to be looked at. We do need to have those difficult questions. It has been recognised that housing is such an important issue, for we all have to live somewhere. Of course, just because it is treated as a business for some people, the renting of accommodation, that does not mean that there cannot be good standards, which benefit both tenants and landlords. There has been an attempt by some people to try and put a false dichotomy, I think, when it comes to the issue of regulation and good housing to say that it is going one way or the other. Of course, proper regulation at the start and licencing, no doubt, and of course the devil will be in the detail and that really needs to be fleshed-out. That is why I think the momentum needs to be kept up in this and in the future Assembly, because regulation is good, it gives clarity to both tenant and landlord and that can only be a good thing.

The Bailiff:

Does any Member wish to speak in the Third Reading? No? I will call on the Minister to reply.

4.2.3 The Deputy of St. Martin:

I thank Members for their contributions. I would like to thank the Assembly and particularly the Scrutiny Panel for backing this draft law, which is a hugely important piece of the housing jigsaw, I cannot stress that enough. **[Approbation]** I can ensure Members that I will work with them across government to ensure that whatever is necessary to have a strong, vibrant rental sector, where tenants are protected, but landlords can also run their businesses without unnecessary bureaucracy. Officers in my Environment health team are used to dealing with unsavoury sights on a frequent basis, but this law will help them deal with them better and it will also better protect the more vulnerable in our society. I would like to thank my officers in my team for working on this. It has been an awful long time coming. In reference, just very quickly, to Deputy Tadier's use of the word "momentum". I can guarantee to him and the Scrutiny Panel that I intend to keep up the momentum on this and I will be working on the regulations while we wait for Privy Council approval. I will move mountains to try to get those regulations back to this Assembly before the elections. With that and again with my thanks to the Assembly for backing this I call for the appel from the Third Reading.

The Bailiff:

All Members in favour of adopting the Bill in Third Reading. The appel is called for. I invite Members to return to their seats. The vote is on whether to adopt the Public Health and Safety

(Rented Dwellings) (Jersey) Law as amended in Third Reading. I will ask the Greffier to open the voting.

POUR: 37		CONTRE: 0		ABSTAIN: 0
Senator I.J. Gorst				
Senator L.J. Farnham				
Senator P.M. Bailhache				
Senator A.K.F. Green				
Connétable of St. Helier				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. Mary				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				
Connétable of Grouville				
Deputy J.A. Martin (H)				
Deputy G.P. Southern (H)				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy M. Tadier (B)				
Deputy E.J. Noel (L)				
Deputy of St. John				
Deputy M.R. Higgins (H)				
Deputy J.M. Maçon (S)				
Deputy S.J. Pinel (C)				
Deputy of St. Martin				
Deputy of St. Peter				
Deputy S.Y. Mézec (H)				
Deputy A.D. Lewis (H)				
Deputy of St. Ouen				
Deputy L.M.C. Doublet (S)				
Deputy R. Labey (H)				
Deputy S.M. Wickenden (H)				
Deputy S.M. Bree (C)				
Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				

5. Draft Royal Court (Amendment No. 15) (Jersey) Law 201- (P.101/2017)

The Bailiff:

We are going to hop over the Jersey Infrastructure Levy proposition for the time being with your agreement, Minister. So, the next item after that is the Draft Royal Court (Amendment No. 15) (Jersey) Law 201-. I am going to ask the Greffier to preside over that.

The Greffier of the States (in the Chair):

The next item after that is the Draft Royal Court (Amendment No. 15) (Jersey) Law 201-. I will ask the Greffier to read the citation.

The Deputy Greffier of the States:

The Draft Royal Court (Amendment No. 15) (Jersey) Law 201-. A Law to amend further the Royal Court (Jersey) Law 1948. The States, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following Law.

5.1 Deputy M. Tadier:

Obviously, because it is such a simple, hopefully uncontroversial, amendment it is being proposed directly as an amendment to the law which has been drafted. I thank the law drafting person for their time in putting that together. This was an issue which came up during question time in July 2012, where it was pointed out that there was an otiose Article or reference within the relevant law, which talked about a requirement or rather saying that if somebody had been in receipt of poor relief in the last 12 months it would bar somebody from taking up the position of juror or rather even disqualify them for that position, which is clear, I think, no longer relevant. I think it is important that it is removed, because when these things are flagged-up ... it was at the time suggested by the Chief Minister that this would be picked up by the relevant panel, which was looking at it. But, clearly nothing has happened in the last 5 years. It may well be, of course, that there are other issues and other amendments that need to come forward to that law, which are more far reaching and which maybe need consultation on. But, I think it is important for any suggestion, because of course poor relief could be confused with income support. We do not have poor relief any more, but we do have income support. I think, especially when government generally across the board is trying to attract a more diverse range of people to serve in all sorts of different functions, we would not want somebody to misinterpret that ... a lay person to read that and think: "Oh, well I cannot stand for the role of Jurat because I am on income support." I am not suggesting that by changing this today there are going to be lots of people coming out of Social Security claiming income support and asking to become Jurats, but there is nothing to stop them doing that anyway, if they wish to. I do ask for this to be made in the First Reading.

The Greffier of the States (in the Chair):

Is the principle seconded? [**Seconded**] Does any Member wish to speak on the principles?

[17:30]

5.1.1 Senator P.M. Bailhache:

I think that I should say a few words about this draft Bill, because some years ago it was referred to the Legislation Advisory Panel, which I chair. It was given consideration by it. I think the first thing to say is that the provision which this draft Bill seeks to remove is, as Deputy Tadier has said, otiose. My dictionary definition of otiose says that it serves no useful purpose or is superfluous. Therefore, the Bill will not affect any practical change to the law, because there is no confusion between poor relief and income support. Poor relief no longer exists and therefore the provision in the Royal Court Law, which refers to poor relief, is superfluous, ineffective and without any effect at all. The Legislation Advisory Panel did consider whether it should bring forward an amendment, as Deputy Tadier has done, but decided against that for a number of reasons. The principle of which was that the Royal Court Law of 1948 contains a number of other provisions, which merit consideration and which may well have to be amended in due course. The principle example of this relates to the question as to how Jurats are elected, because the Chief Minister has under consideration a Draft Judicial and Legal Services Commission Law, which may have some impact upon the provisions in the Royal Court Law. Therefore, the Legislation Advisory Panel thought that it would not consume law drafting time and Law Officers' time in bringing forward the proposal that the Deputy has done. I do not say that in any critical sense of the Deputy, but if the Deputy had come to talk to the Legislation Advisory Panel before lodging this amendment it was something that we might have discussed with him and perhaps explained. So, the panel has advised

the Chief Minister that this proposition should not be opposed, but I hope that we need not take too much time on it.

The Greffier of the States (in the Chair):

Does any other Member wish to speak on the principles? If not, Deputy Tadier?

5.1.2 Deputy M. Tadier:

I thank Senator Bailhache for his comments. They are noted and appreciated. I think just to perhaps talk to the comments that there are other issues in the law that are under consideration, I also welcome that. Part of the reason that I have brought this is because I think it is important sometimes, especially when it is a relatively simple matter to continue the work of a former States Member when he is not long here is to do that. We know that, for whatever reason, some people choose to retire, some people do not get re-elected and others are disbarred for reasons of bankruptcy. It could be any of those issues which stop somebody from being a States Member. I think sometime, if it is a relatively simple matter, we should not just let things go, because they are important to some people. Clearly, there will be future possible changes in the Jurats law. I have stood up here on a number of occasions and said that I am very uncomfortable about the way in which they are appointed and elected. I will not repeat those comments now. I do thank the Senator, again, for speaking and ask the appel.

The Greffier of the States (in the Chair):

The appel has been called for. I will give time for Members to return to their seats. The vote is on the principles of the Royal Court (Amendment No. 15) (Jersey) Law. I ask the Greffier to open the voting.

POUR: 36		CONTRE: 0		ABSTAIN: 1
Senator P.F. Routier				Connétable of Grouville
Senator I.J. Gorst				
Senator L.J. Farnham				
Senator A.K.F. Green				
Connétable of St. Helier				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				
Connétable of St. John				
Deputy J.A. Martin (H)				
Deputy G.P. Southern (H)				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy M. Tadier (B)				
Deputy E.J. Noel (L)				
Deputy of St. John				
Deputy M.R. Higgins (H)				
Deputy J.M. Maçon (S)				
Deputy S.J. Pinel (C)				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				

Deputy S.Y. Mézec (H)				
Deputy A.D. Lewis (H)				
Deputy of St. Ouen				
Deputy L.M.C. Doublet (S)				
Deputy R. Labey (H)				
Deputy S.M. Wickenden (H)				
Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				

The Greffier of the States (in the Chair):

Deputy Le Fondré, does you panel wish to call this is?

Deputy J.A.N. Le Fondré (Chairman, Corporate Services Scrutiny Panel):

Tempting, but no thank you.

The Greffier of the States (in the Chair):

Move on to the Articles. Deputy Tadier, do you wish to take them together?

Deputy M. Tadier:

Yes, please.

The Greffier of the States (in the Chair):

Do you wish to say anything?

5.2 Deputy M. Tadier:

I think they are fairly straight forward. I am happy to take questions.

The Greffier of the States (in the Chair):

Are the Articles seconded? [**Seconded**] Does any Member wish to speak on the Articles? If not, all those Members in favour of the Articles kindly show? The Articles are adopted. The Third Reading, Deputy?

5.3 Deputy M. Tadier:

I do not think there is anything else to add. Clearly, there will be other changes potentially coming forward. There might be other words; also otiose is redundant. I think there is some reference to the fact that a woman by virtue of her gender or pre-marriage is not disbarred from being a Jurat and it has been put in there specifically, because at a time it was felt necessary that that was in there. I think it is important that we do keep all of our laws under review and where there are parts that are redundant or also when there are laws which have not yet been brought into effect, I think that is an issue. I thank Members for their time on this small matter today.

The Greffier of the States (in the Chair):

Does anybody else wish to speak on Third Reading? If not, those Members in favour kindly show? The appel has been called for. I ask Members to return to their seats. The vote is on the Third Reading of the Royal Court (Amendment No. 15) (Jersey) Law. I ask the Greffier to open the voting.

POUR: 38		CONTRE: 0		ABSTAIN: 0
Senator P.F. Routier				

Senator L.J. Farnham				
Senator P.M. Bailhache				
Senator A.K.F. Green				
Connétable of St. Helier				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				
Connétable of Grouville				
Connétable of St. John				
Deputy J.A. Martin (H)				
Deputy G.P. Southern (H)				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy M. Tadier (B)				
Deputy E.J. Noel (L)				
Deputy of St. John				
Deputy M.R. Higgins (H)				
Deputy J.M. Maçon (S)				
Deputy S.J. Pinel (C)				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				
Deputy S.Y. Mézec (H)				
Deputy A.D. Lewis (H)				
Deputy of St. Ouen				
Deputy L.M.C. Doublet (S)				
Deputy R. Labey (H)				
Deputy S.M. Wickenden (H)				
Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				

6. Draft Employment (Minimum Wage) (Amendment No. 14) (Jersey) Regulations 201-(P.104/2017)

The Bailiff:

The next item of business is P.104/2017, the Draft Employment (Minimum Wage) (Amendment No. 14) (Jersey) Regulations, lodged by the Minister for Social Security. I ask the Greffier to read the citation of the draft.

The Deputy Greffier of the States:

Draft Employment (Minimum Wage) (Amendment No. 14) (Jersey) Regulations 201-. The States in pursuance of Articles 17, 18 and 104 of the Employment (Jersey) Law 2003 have made the following Regulations.

The Bailiff:

Minister, do you wish to propose the principles?

6.1 Deputy S.J. Pinel (The Minister for Social Security):

Minimum wage earners in the hospitality and agricultural sectors are often provided with accommodation and meals as part of their employment package. Average earnings data shows this to be the case in around 1,000 of the 3,000 minimum wage jobs in Jersey. The Minimum Wage Regulations cap the amount that employers are permitted to offset against pay where these benefits in kind are provided. Based on the recommendation of the Employment Forum, this amendment to the Minimum Wage Regulations would increase that cap in line with the proposed increases in the minimum wage and the trainee rates. The maximum offset against the minimum wage would increase by 4.5 per cent and the maximum offset against the trainee rate would be set at 75 per cent of the full offset. I propose the principles.

The Bailiff:

Are the principles seconded? **[Seconded]** Does any Member wish to speak on the principles? Those in favour of adopting the principles kindly show. Those against? The principles are adopted. Do you propose the regulations *en bloc*, Minister?

Deputy S.J. Pinel:

Yes, please.

The Bailiff:

Are they seconded? **[Seconded]** Does any Member wish to speak? Those in favour of adopting Regulations 1 and 2 kindly show. Those against? The Regulations are adopted. Do you propose the regulations in Third Reading, Minister?

Deputy S.J. Pinel:

Yes, please, and may I take the opportunity to thank the members of the Employment Forum for their recommendation? May I call for the appel, please?

The Bailiff:

Is that seconded? **[Seconded]** Does any Member wish to speak in Third Reading? Then I invite Members to return to their seats. The vote is on whether to adopt the Draft Employment (Minimum Wage) (Amendment No. 14) (Jersey) Regulations in Third Reading, and I ask the Greffier to open the voting.

POUR: 33		CONTRE: 0		ABSTAIN: 0
Senator P.F. Routier				
Senator L.J. Farnham				
Senator A.K.F. Green				
Connétable of St. Helier				
Connétable of St. Peter				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of Grouville				
Connétable of St. John				
Connétable of Trinity				
Deputy G.P. Southern (H)				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				

Deputy of Trinity				
Deputy M. Tadier (B)				
Deputy E.J. Noel (L)				
Deputy of St. John				
Deputy M.R. Higgins (H)				
Deputy J.M. Maçon (S)				
Deputy S.J. Pinel (C)				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				
Deputy S.Y. Mézec (H)				
Deputy A.D. Lewis (H)				
Deputy of St. Ouen				
Deputy S.M. Bree (C)				
Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				

7. Draft Howard Davis Farm (Arrangements for Further Abrogation of Covenant) (Jersey) Law 201- (P.105/2017) - as amended (P.105/2017 Amd.) (P.105/2017 Amd.Amd.)

The Bailiff:

We now come to P.105/2017, the Draft Howard Davis Farm (Arrangements for Further Abrogation of Covenant). There are amendments. Can you just help me, Minister, as to the extent of the debate that there is? There is an amendment from Deputy Le Fondré and an amendment by you to Deputy Le Fondré's amendment. Perhaps I will start with Deputy Le Fondré. Do you accept the Minister's amendment to your amendment?

Deputy J.A.N. Le Fondré:

Yes.

The Bailiff:

You do. Minister, do you wish to propose P.105/2017 as amended and further amended by your amendment?

Deputy E.J. Noel:

I do and I thank Deputy Le Fondré for helping us out to make this a better proposition.

The Bailiff:

Are Members willing to take it in that way? Very well. Greffier, would you please read the citation of the draft?

The Deputy Greffier of the States:

Draft Howard Davis Farm (Arrangements for Further Abrogation of Covenant) (Jersey) Law 201-. A Law to allow for the further abrogation of the covenant applying to the gift of land known as Howard Davis Farm and associated land to the public of Jersey and for connected purposes. The States, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following Law.

7.1 Deputy E.J. Noel (The Minister for Infrastructure):

If I may start by quickly recapping the background to this law, when the farm was given to the public by the Howard Davis family in 1927, it was subject to a covenant requiring that the land be used as an experimental farm for developing the study of agriculture and for instructing in that science young people and other interested parties. In truth, the States managed to find uses for parts of the farm which did not comply with the covenant and that situation continued for many years. In the early 2000s, there was a comprehensive proposal under consideration to relocate the Jersey Dairy from Five Oaks to the farm. However, that development could not take place because it was in contravention of the covenant and it was, therefore, proposed in 2008 to pass a law which (a) cancelled the covenant; and (b) set out in a schedule all existing land uses on the site at the time, i.e. offices, housing, warehousing, *et cetera*; and finally (c), set out how the future rental income from the farm was to be passed to the new trust for use on agricultural and environmental projects. Since approval of the law in 2008, I am pleased to say that significant rental incomes from the farm have been passed to the trust and every year used on approved projects. However, having now operated the law for approximately 10 years, we have found 2 aspects which would benefit from improvement. First, the schedule which sets out the land uses which existed in 2008 requires the approval of the States for any revisions. Therefore, for example, when Acorn Enterprises suggested that they set up a small café within their nursery complex, it required the full process of a Ministerial Decision to instruct the Law Draftsman, Law Draftsman's time and then lodging for debate by this Assembly and quite a bureaucratic process that went with that. We have found that the nature of the farm and the various uses in this present day are such that relatively minor proposals such as Acorn's café come up fairly regularly. In every case, it is necessary to bring the law back to the States with a slight variation to the schedule and has become unnecessarily excessively bureaucratic. Given that the covenant was cancelled in 2008 and replaced with the arrangement whereby the rental is passed to the trust for agricultural and environmental projects, it is questionable as to whether every minor land use or change on the site needs States approval. The trust and I feel that such changes should be agreed between the trustees and the Minister and, in any event, all new uses are subject to the statutory provision of the planning process.

[17:45]

The second issue is that 2 fields forming part of the farm, Field No. 302 and a small "Côtîl at Egypt" were omitted from the 2008 law and, therefore, are technically still subject to the original covenant, thus requiring the land use to be used as an experimental farm, *et cetera*. This amendment to this replacement law brings those 2 fields into the scope of the current arrangements. At the time it was believed that was just a simple omission that because these 2 fields were not connected with the main part of the farm that they were simply omitted from the original 2008 law. So, that is a quick recap of the background and the reasons why this proposal to revise the law is being brought forward. Members will be aware that my counterpart from St. Lawrence, Deputy Le Fondré, was the political driver of the 2008 law to cancel the covenant and the Deputy has quite helpfully improved on what was originally agreed between myself and my department and the trustees by bringing in this cut-off that if a new lease for an activity is put into place that exceeds £50,000 per annum, that would have to come back to the States. It was a suggestion from the trustees that this enhanced arrangement could be brought forward, so I am grateful to the Deputy for bringing his amendment and for working with the trustees and myself to improve it further. So, going forward, subject to the approval of the Assembly today, all small changes of use will be agreed between the Minister and the trust and, as mentioned earlier, will be subject to planning approval. They will also be caught under the Standing Order 168 rules. So, I am pleased to say that the Howard Davis family, Deputy Le Fondré, the trustees and I have agreed this and I am grateful to all of them for their efforts to do so. I will just reiterate to finish by saying that in 2008 the States removed the covenant from Howard Davis Farm. We thought the covenant had gone but it still obviously was in place because of these 2 fields. Therefore, this amendment is not about the

covenant, which I have already spoken about, but sets us forward with a more pragmatic way to run Howard Davis Farm and, in particular, for our principal tenant there, being Acorn Enterprises. I maintain the proposition.

The Bailiff:

Is the proposition seconded? **[Seconded]** Does any Member wish to speak on the principles?

7.1.1 Deputy J.A.N. Le Fondré:

I hope just briefly, when the dairy was originally mooted to go up to Howard Davis Farm I think it was the beginning of about 4 years of my involvement in the subject and about 3 different law changes or at least 3 different propositions that came back to the Assembly. When this proposition came through, I would just draw Members' attention to Article 2(1) of what we are being asked to approve today, which I support. It read that despite the covenant as obligated by the 2008 law it is lawful for the public of the Island to make any use of Howard Davis Farm. So, in other words, although the original covenant was, I guess, removed - I would have said changed - it was replaced by something at that point. What this further abrogation does is this removes it entirely but then it is subject to the agreement of the trustees of the trust. The trust at present comprises 3 members of the T.B. Davis family, so therefore there is a comfort that that does give some oversight of the original wishes of a very generous benefactor of this Island, and we must not underestimate the benefit to this Island of T.B. Davis. It is obviously not just Howard Davis Farm and it is not just Howard Davis Park, it is not even just the Howard D. lifeboat. He was a huge benefactor of this Island and these types of covenants when they come to this Assembly do need to be treated with respect. What I was attempting to do... and I go back to the point, when this covenant was originally brought to the Assembly there was a lot of controversy at the time. There were some very senior and vocal Members of the Assembly who did not support the principles, so there was a lot of work done on this. It even required me going to not quite the other side of the planet but certainly to Cape Town to speak to representatives there and to come back with their agreement of what we were doing at that point. Some of those people are trustees. One of the concerns was that, bluntly, we did not think if you just lifted the covenant it would be appropriate to allow some future Minister to sell the land to a multi-mall car retailer or something and flatten the site because the site is rezoned in the white zone. But anyway, the point is that one did not want to try and get into minutiae of minor changes having to come back here. At the time trying to define material changes is different under law, so it was done under a square footage area at the time with a bit of flexibility. Obviously, the Minister has defined certain issues around how it operates and provided it remains subject to the agreement of the trustees of the trust I am comfortable with that, but at the time the point was that there were 3 legs to the story, which was the family and trustees, the Minister and this Assembly. This took the Assembly completely out of the equation. There is a degree of comfort that if the Minister seeks to sell the land, because obviously it is still retained as States ownership, it would be reported to this Assembly under Standing Order 168, if the Minister can nod at that point and just confirm that is the case. So, on that basis the original changes were that basically the trustees had to notify the Assembly. We then defined on materiality so it is amounts of £50,000 or above if it is a lease. On that basis, that was what one was able to do. I would just make one note, which is really for future reference. The standard position is that the 15-day rule will at some point need to be examined, I think, by either the Chairmen's Committee or P.P.C. (Privileges and Procedures Committee) because it does not prevent somebody lodging something on 1st August and States Members missing it, which was why the original intention was to do it in terms of numbers of States sittings. That is not relevant for today but it is something people might want to look at in the future when that kind of regulation comes back up again in terms of the ability of States Members. They should be notified under certain things and it is the practical ability of States Members to see it, if they are away on holiday, and then do something

about it. That is probably enough from me. I want to say a huge thanks to the trustees because I did speak to a couple of them briefly on this matter. They have made the recommendation to the Minister as amended. That all seems to work and on that basis I am very happy to support the proposition.

The Bailiff:

Does any other Member wish to speak? Does the Minister wish to reply?

7.1.2 Deputy E.J. Noel:

Just to thank the Deputy for his report and for his input to make this a better proposition than originally drafted.

The Bailiff:

Very well, all Members in favour of adopting ... the appel is called for. The vote is on the principles of the Howard Davis Farm (Arrangements for Further Abrogation of Covenant) (Jersey) Law as amended. I ask Members to return to their seats and the Greffier to open the voting.

POUR: 36	CONTRE: 0	ABSTAIN: 0
Senator P.F. Routier		
Senator L.J. Farnham		
Senator A.K.F. Green		
Connétable of St. Helier		
Connétable of St. Peter		
Connétable of St. Ouen		
Connétable of St. Brelade		
Connétable of St. Martin		
Connétable of Grouville		
Connétable of St. John		
Connétable of Trinity		
Deputy J.A. Martin (H)		
Deputy G.P. Southern (H)		
Deputy of Grouville		
Deputy J.A. Hilton (H)		
Deputy J.A.N. Le Fondré (L)		
Deputy of Trinity		
Deputy M. Tadier (B)		
Deputy E.J. Noel (L)		
Deputy of St. John		
Deputy M.R. Higgins (H)		
Deputy J.M. Maçon (S)		
Deputy S.J. Pinel (C)		
Deputy of St. Martin		
Deputy R.G. Bryans (H)		
Deputy of St. Peter		
Deputy S.Y. Mézec (H)		
Deputy A.D. Lewis (H)		
Deputy of St. Ouen		
Deputy R. Labey (H)		
Deputy S.M. Wickenden (H)		
Deputy S.M. Bree (C)		
Deputy M.J. Norton (B)		
Deputy T.A. McDonald (S)		
Deputy of St. Mary		

Deputy G.J. Truscott (B)				
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The Bailiff:

Deputy of St. Mary, does your panel want to scrutinise this legislation?

The Deputy of St. Mary (Chairman, Environment, Housing and Infrastructure Scrutiny Panel):

No.

The Bailiff:

Do you wish to propose the Articles *en bloc*, Minister?

Deputy E.J. Noel:

If I may, given the late hour and the mood of the Assembly, if I could take them *en bloc* and answer any questions, should there be any.

The Bailiff:

Are they seconded? **[Seconded]** Does any Member wish to speak on the Articles? Those in favour of adopting them kindly show. Those against? Do you wish to propose the Bill in Third Reading?

Deputy E.J. Noel:

I do, thank you.

The Bailiff:

Is that seconded? **[Seconded]** Does any Member wish to speak in Third Reading? Those in favour of adopting the Bill in Third Reading kindly show. Those against? The Bill is adopted in Third Reading. The Chief Minister has been called away from the Chamber, so the only other items left are the Draft Statistics and Census (Jersey) Law, which we might have gone to, or else the Infrastructure Levy. The Assembly had resolved to continue until 7.00 p.m. I am not sure that is not still a good idea.

Senator P.F. Routier:

I could attempt to do the Census Law if Members would like.

The Bailiff:

Very well.

Senator P.F. Routier:

As long as I can sit down if that is all right.

8. Draft Statistics and Census (Jersey) Law 201- (P.106/2017)

The Bailiff:

Yes, that is fine. Greffier, we will take next then P.106/2017, the Draft Statistics and Census (Jersey) Law lodged by the Chief Minister. I ask the Greffier to read the citation of the draft.

The Deputy Greffier of the States:

Draft Statistics and Census (Jersey) Law 201-. A Law relating to the provision of official statistics, including the taking of censuses of the population and for connected purposes. The States, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following Law.

8.1 Senator P.F. Routier (Assistant Chief Minister - rapporteur):

This is about enshrining in legislation for the first time the role of the Chief Statistician and the Statistics Users Group, safeguarding their independence for the future. The level and sophistication of the official statistics in our Island is increasing all the time, helping us to make better decisions about Jersey's future. This will likely continue as the world becomes more sophisticated. The existing Census (Jersey) Law 1951 was designed solely for a traditional approach to censuses, especially a mass exercise whereby all households completed paper-based forms, and does not cover other statistics. This new law covers all official statistics and modernises our approach to censuses. In particular, it enables the Chief Statistician with the oversight of the Statistics Users Group to choose the best way of producing a census with a preference for administrative data supported by a traditional census, a sample survey or a rolling traditional census. The Statistics Users Group have welcomed the law, believing that it will improve the ability to gather data and bring Jersey into line with international norms. Legally enshrined in independence is the primary indicator used by Eurostat for recognising the freedom of a jurisdiction's statistics from political and other external and internal interference. Indeed, 95 per cent of countries do have legislation safeguarding independence. It is important for investors and our reputation, not least for Islanders, that we have the same protection. A new census is planned for 2021 so the Chief Statistician has decided that a parallel e-census is already under way. We are hoping to conduct a new Income Distribution Survey in 2018 subject to funding. This will ensure that all this work is done by professional statisticians whose independence is legally protected. Guernsey already have a statistics law and an e-census and the U.K. have a statistics law and are planning their last traditional census in 2021. This compares with most jurisdictions who do have legislation safeguarding the independence of official statistics, including the United Kingdom, the Isle of Man, and Guernsey is in process of adding new legislation. So, with that in mind, I propose the principles.

The Bailiff:

Are the principles seconded? [**Seconded**] Does any Member wish to speak on the principles?

8.1.1 Deputy G.P. Southern:

I note the phrase used by the Assistant Minister "subject to funding" and I am motivated thereby to remind Members that statistics do not gather themselves into convenient groups. They require funding to be collected in a proper manner. In particular, the Stats Department has come under intense pressure in recent budgets over its staffing and its funding, which is to be, I believe, lamented. The latest thing I hear is that a promise by the Chief Minister to investigate inequality in the Island has ... the Stats Office put in a bid to do that work in 2018 and failed to get that funding. So a promise by the Chief Minister is unlikely to be delivered just because of the funding issue around it. I find that very disappointing on the part of the Chief Minister. Maybe this is early warning because I take a personal interest in the Stats Department. Without proper stats we do not function properly; nobody can say anything.

[18:00]

We had a spat earlier in the week, the Chief Minister and I, where he was denying my figures and I was denying his. Somebody has to be there to arbitrate over that. I still believe my figure of 15 per cent in the public sector loss of real terms earnings is the correct one, and I shall pursue that later. So, funding needed. Watch out, there will be a proposition along to restore some of that funding in due course.

The Bailiff:

Does any other Member wish to speak? Then I ask the Assistant Chief Minister to reply.

8.1.2 Senator P.F. Routier:

I share Deputy Southern's concern about ensuring that we have the right information, particularly about income inequality. That is why I mentioned in the opening comments about the Income Distribution Survey, which is due to happen soon. With regard to the issue of funding, there is certainly a desire to get that funding put in place and I am sure the Chief Minister and myself and other Ministers will ensure that we do get that funding ready so that that work can be carried out. I maintain the proposition.

The Bailiff:

Members in favour of adopting the principles kindly show? The appel is called for. The vote is on the principles of the Draft Statistics and Census (Jersey) Law, P.106/2017. I ask Members to return to their seats and I ask the Greffier to open the voting.

POUR: 35		CONTRE: 0		ABSTAIN: 0
Senator P.F. Routier				
Senator L.J. Farnham				
Connétable of St. Helier				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of Grouville				
Connétable of Trinity				
Deputy J.A. Martin (H)				
Deputy G.P. Southern (H)				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy M. Tadier (B)				
Deputy E.J. Noel (L)				
Deputy of St. John				
Deputy M.R. Higgins (H)				
Deputy J.M. Maçon (S)				
Deputy S.J. Pinel (C)				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				
Deputy S.Y. Mézec (H)				
Deputy A.D. Lewis (H)				
Deputy of St. Ouen				
Deputy R. Labey (H)				
Deputy S.M. Wickenden (H)				
Deputy S.M. Bree (C)				
Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				

If all Members have had the opportunity of voting, I ask the Greffier to close the voting. I can announce the principles have been adopted: 35 votes in favour and no votes against. [INSERT VOTE TABLE]

The Bailiff:

How do you wish to propose the Articles?

8.2 Senator P.F. Routier:

I think it would be best that I did just briefly go through the Articles in groups; 1 to 7 would probably be an appropriate ...

The Bailiff:

Very well, 1 to 7.

Senator P.F. Routier:

That includes the establishing of the role of the Chief Statistician and the Statistics Users Group, which is to ensure that they are independent. I think that is the main part of that, so I propose 1 to 7.

The Bailiff:

Is that seconded? [**Seconded**] Does any Member wish to speak on Articles 1 to 7?

8.2.1 Deputy G.P. Southern:

Just briefly, I forgot to mention that the Chief Statistician is very grateful that finally his position and the stats users' position is finally being recognised, and he does say that it does provide a degree of stability and security in terms of what his department does.

Deputy J.M. Maçon:

It could be my attention span has just gone but was there a referral to Scrutiny there?

The Bailiff:

You are absolutely correct, Deputy. Corporate Services, no doubt because the chairman was not here. [**Laughter**]

Deputy J.M. Maçon:

The vice-chairman was.

The Bailiff:

Apologies to the vice-chair and to the chairman. Do you wish to ...?

Deputy J.M. Maçon (Vice-Chairman, Corporate Services Scrutiny Panel):

No, thank you.

The Bailiff:

Thank you. It is the late hour; I am sorry about that. Does any other Member wish to speak on Articles 1 to 7? Assistant Chief Minister, do you wish to reply?

8.2.2 Senator P.F. Routier:

I would like to thank the Deputy for confirming what I would have said about the Statistics Users Group and the Chief Statistician, that they are really pleased that this is happening. So, I maintain the Articles.

The Bailiff:

Members in favour of adopting Articles 1 to 7 kindly show. Those against? The Articles are adopted.

8.3 Senator P.F. Routier:

Articles 8 to 10 concern the census itself and it ensures that we carry out our census in a modern way and we will be able to have an e-census in the future. It will bring us into modern-day life. I propose Articles 8 to 10.

The Bailiff:

Are they seconded? **[Seconded]**

8.3.1 Deputy J.A. Martin:

It is just a pure question because I really do not understand what is any different. Article 8(3)(b) talks about a traditional census being a collection of data from the whole population and then Article 9(a) - and this is my question on the difference - provides by order for the division of Jersey into districts for the purpose of a traditional census. Would that just be the normal or would that be a small census in one district? I just do not really understand.

8.3.2 Deputy M. Tadier:

It relates to Article 9(b). 9(b) says that: "The Minister may by Order prescribe the procedure for taking the census" and, of course, a census is something that is politically charged and will be looked at by States Members and potentially members of the public. Having accurate information from a census is clearly important because it shows us whether or not the future population policy... nobody laugh at this point but presuming that at some point we do have a population policy, the census will tell us whether or not that is working, whether we are meeting targets and whether we are not. Of course, the way in which you conduct a census, there are many ways to conduct a census, no doubt which will produce different results depending when it is done and how you do it. I am slightly concerned that it is the Minister who would be prescribing the procedure for taking the census and not the Chief Statistician who is the independent one. It would seem to me that it should be the independent statistician who prescribes the procedure for taking the census because I am sure that in most cases of course any Minister will simply be following the advice of the Chief Statistician, but it does not say that in that Article and we could be in a scenario in the future where a Minister acts politically - it could be anyone - and chooses a method of collating the census in such a way that would be politically favourable to that particular Minister or the Council of Ministers at the time. So I have concerns about Article 9 and I may vote against if for that purpose, but I would like Members to give that consideration and the Minister to watch how that pans out and whether in the future it might be appropriate to have even a clause there, which says that the Minister may delegate responsibility for prescribing the procedure to the Chief Statistician.

8.3.3 Deputy G.P. Southern:

Just to reiterate, as I have said before, that a full census is required and it is becoming increasingly necessary as the estimates from the Stats Department as to population and migration trends are getting increasingly thin and unreliable, he says. Also, the fact that the rolling census that we were supposed to have with the population register has been an abject failure; we have not been able to people that accurately and it is a virtually meaningless piece of work. But a full census is required as a matter of some urgency I think.

The Bailiff:

Does any other Member wish to speak on Articles 8 to 10? All right, let us hear from the Assistant Chief Minister.

8.3.4 Senator P.F. Routier:

I might be asking the Attorney General for advice on whether the Minister will have the freedom to influence what statistics are collected, because my understanding of the way it is written is that the Chief Statistician will be the one who will be making the decisions about how the statistics are collected. I know it goes on to say that it will be done by Order; I just wonder if the Attorney General might be able to give some clarity to that.

The Attorney General:

Certainly in relation to a census, the Chief Statistician has certain duties under Article 10 of the Law and, as we know, his or her independence is enshrined in Article 2 of the Law, as set out in Article 2(4): "Statistics Jersey has the right to act independently." I am not quite sure I can assist in answering any more than that or ought simply to draw the attention of the Assembly to Article 7, which says: "The Minister must ensure that Statistics Jersey is resourced and has the ability to carry out its functions under this law free from political influence." I can answer the question asked by Deputy Martin unless the Minister has an answer already in relation to the traditional census?

Senator P.F. Routier:

Deputy Martin's question was regarding the decision about traditional census or not. That will be for the Statistician who will be recommending to the Minister exactly what he proposes, it gives him the freedom to have whatever process he thinks is the right one for us. Being that we have only just had the one way of collecting census information, now with the electronic way of collecting information, and also he can have periodic collections as well in between times, it gives him the freedom to do that. Sorry, Deputy Tadier's question?

The Bailiff:

Deputy Tadier's question was the one referred to the Attorney.

Senator P.F. Routier:

Yes.

Deputy M. Tadier:

Could I follow up with a question to the Attorney, because it seems to me that of course Article 10 says that the Chief Statistician is the one to make the arrangements to carry out the census, but the point I was making simply says that 9(b) is the Minister who sets the procedure for the taking of a census and then the statistician simply carries out the functioning of the census under what has been prescribed by the Minister. That is all I am saying. Could the Attorney General just confirm that is his opinion?

The Attorney General:

The question?

The Bailiff:

The question really is: given 9(b) gives the Minister the opportunity by Order to prescribe the procedure, what does it mean under 10(1) when the Chief Statistician is to make arrangements, is he not just doing the Minister's bidding? I think that is really the question.

The Attorney General:

Yes, I agree with the Deputy that is what is occurring. In relation to the census itself, of course, the information required under any census is prescribed in the schedule. I do not know whether Deputy Martin has the answer she wanted to her question because I thought she was asking whether or not Article 9(a), by referring to the division of Jersey into districts for the purpose of a census, was suggesting that there might be something other than a full census encompassed by that provision.

Deputy J.A. Martin:

That was my question.

The Attorney General:

In that case I would like to go on to answer her question. Traditional census is a defined term in Article 1, which cross-refers to Article 8(3)(b), which says: “A traditional census being a collection of data from the whole population conducted either on a single appointed day or on a different appointed day for people in different geographical areas.” So a traditional census does involve the whole Island and not part of it, which I think answers the question she asked.

Senator I.J. Gorst:

I wonder if the Attorney could confirm that the need for the Order, the Order will prescribe what the Chief Statistician asks, the need for the Order is to ensure that there is that legislative base, i.e. the Order, in order that everyone complies with providing the information and there is a proper structure to that.

The Attorney General:

Yes.

The Bailiff:

Members in favour of adopting Articles 8 to 10 kindly show.

Deputy M. Tadier:

Can we have the vote please on 9 separately?

The Bailiff:

Very well, then we will take them individually, we will take Article 8 first. Members in favour of adopting Article 8 kindly show. Those against? Article 8 is adopted. Those in favour of adopting Article 9 kindly show. The appel is called for. Members return to their seats. The vote is on whether to adopt Article 9 of the draft Bill. I will ask the Greffier to open the voting.

POUR: 34		CONTRE: 3		ABSTAIN: 0
Senator P.F. Routier		Deputy G.P. Southern (H)		
Senator P.F.C. Ozouf		Deputy M. Tadier (B)		
Senator I.J. Gorst		Deputy S.Y. Mézec (H)		
Senator L.J. Farnham				
Senator S.C. Ferguson				
Connétable of St. Helier				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of Grouville				
Connétable of Trinity				
Deputy J.A. Martin (H)				

Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy E.J. Noel (L)				
Deputy of St. John				
Deputy M.R. Higgins (H)				
Deputy J.M. Maçon (S)				
Deputy S.J. Pinel (C)				
Deputy of St. Martin				
Deputy of St. Peter				
Deputy A.D. Lewis (H)				
Deputy of St. Ouen				
Deputy R. Labey (H)				
Deputy S.M. Wickenden (H)				
Deputy S.M. Bree (C)				
Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				

8.4 Senator P.F. Routier:

Now Articles 11 to 21 are fairly straightforward, it concerns standards of collection, including compulsory and voluntary provision of information and enforcement. I propose those Articles.

The Bailiff:

Seconded? **[Seconded]** Does any Member wish to speak on those Articles 11 to 21? Those Members in favour of adopting the Articles kindly show. Those against? The Articles are adopted.

[18:15]

The Bailiff:

Articles 22 to 25 and the Schedule.

8.5 Senator P.F. Routier:

Yes. I propose those and the schedules.

The Bailiff:

Seconded? **[Seconded]** Does any Member wish to speak on those Articles and Schedule? Those Members in favour of adopting them kindly show. Those against? The Articles are adopted.

The Bailiff:

Do you wish to propose the Bill in Third Reading?

8.6 Senator P.F. Routier:

Yes.

The Bailiff:

Seconded? **[Seconded]** Does any Member wish to speak in Third reading?

8.6.1 Senator I.J. Gorst:

I just wish to apologise to the Assembly that I had to step out for a short period, and I am grateful to Senator Routier, who has stood in and acted as rapporteur in this regard.

8.6.2 Senator P.F. Routier:

I thank the Chief Minister for his comments.

The Bailiff:

The appel is called for. I invite Members to return to their seats. The vote is on whether to adopt the Draft Statistics and Census (Jersey) Law in third reading. I ask the Greffier to open the voting.

POUR: 37		CONTRE: 0		ABSTAIN: 0
Senator P.F. Routier				
Senator P.F.C. Ozouf				
Senator I.J. Gorst				
Senator L.J. Farnham				
Senator S.C. Ferguson				
Connétable of St. Helier				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of Grouville				
Connétable of Trinity				
Deputy J.A. Martin (H)				
Deputy G.P. Southern (H)				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy M. Tadier (B)				
Deputy E.J. Noel (L)				
Deputy of St. John				
Deputy M.R. Higgins (H)				
Deputy J.M. Maçon (S)				
Deputy S.J. Pinel (C)				
Deputy of St. Martin				
Deputy of St. Peter				
Deputy S.Y. Mézec (H)				
Deputy A.D. Lewis (H)				
Deputy of St. Ouen				
Deputy R. Labey (H)				
Deputy S.M. Wickenden (H)				
Deputy S.M. Bree (C)				
Deputy M.J. Norton (B)				
Deputy T.A. McDonald (S)				
Deputy of St. Mary				
Deputy G.J. Truscott (B)				

The Bailiff:

We have three-quarters of an hour left. The Deputy of St. Martin, the Minister is looking very interested in producing his proposition, unless there is a contrary proposition.

Deputy J.A.N. Le Fondré:

Can I just move for the Assembly either to adjourn now and come back at normal time tomorrow morning ... I am going to propose we adjourn now and come back at 8.45 a.m. tomorrow morning, which means we do not lose any time whatsoever. Okay, I will withdraw that proposition.

Senator L.J. Farnham:

I know a number of Members and Ministers, because of the lengthy sitting, have arranged breakfast meetings to try to get some business done.

9. Jersey Infrastructure Levy: approval in principle (P.100/2017)

The Bailiff:

That proposition has been withdrawn. Very well, then we come to the Jersey Infrastructure Levy: approval in principle, P.100, lodged by the Minister for the Environment. I would ask the Greffier to read the proposition.

The Deputy Greffier of the States:

The States are asked to decide whether they are of the opinion (a) to agree in principle to the introduction of an infrastructure levy in Jersey to ensure that those who benefit from an increase in land value arising from the award of planning permission make a small contribution to offset the impact of that development on the Island community; (b) to charge the Minister for the Environment to develop and bring forward for approval the necessary legislation to give effect to the above proposal.

9.1 The Deputy of St. Martin (The Minister for the Environment):

On Monday afternoon we had questions in this Assembly and following that, Monday evening, very rarely for me after I had eaten I found myself watching television and my choice of entertainment and viewing was the House of Commons Live where they were debating the Finance Bill. I never cease to be amazed how the House operates with only literally a handful of Members on either side of the House. I make the analogy only to say that of course that could not happen here because we need to be a considerable number to be quorate, and I just wish to thank Members for staying, not that late an hour, but still later than we expected to stay this afternoon to start this debate. When I first took on the role of Minister for the Environment there were a number of key areas that I had identified as being high priorities for myself and my department moving forward. I have tackled many of these since the start of my tenure, including cutting red tape to allow residents to do more without planning permission, a new planning appeals system, implemented a new rural economy strategy with the help of the Minister for Economic Development, Tourism, Sport and Culture, as well as other major environmental improvements such as agreeing a new water plan to improve water quality. There are some pieces of work however that have taken more careful consideration and the development of this proposition this evening certainly falls into that category. The fact that this proposal has taken a little longer reflects its importance as a key policy going forward. I have to say to Members the improvement and betterment of our Island is at the heart of everything that I do as your Minister for the Environment. Delivering improvements has been my focus and this proposition can only help achieve this. Cities, towns and villages, are often judged by the quality of the spaces around and between buildings, including their streets, squares, play spaces, parks, and other areas, and these we often refer to as the public realm because of their special quality and it defines how we feel. The value of the public realm plays a major part in the future character, the attractiveness and the success of Jersey and, in particular, St. Helier. I think the Members can agree that improving our public realm and providing better community-related investment to attract people to live, work and visit, Jersey is not only vital to our economy but also to the quality of life of existing residents and this is a key outcome that we should all strive for. It

is also an area that I, as Minister for the Environment, can have a direct influence upon. It is at the heart of one of the key strategic objectives of this Government and that is the regeneration of St. Helier, but in truth this extends to all parts of the Island; it is equally important, be that in St. Ouen's Village, Les Quennevais, Five Oaks or Gorey. Currently, payments for these wide area improvements come directly from the general tax reserves and very little directly from the planning process or from the neighbouring landowners and developers. These are the very same landowners and developers who can then go on to benefit from increasing sales values as they develop their own land in areas, which have received public investment. The development industry is therefore part of the problem and part of the solution to what I am trying to solve today. They are part of the problem because as developers they have the ongoing impact upon the Island's resources and communities, but they are also part of the solution as they can generate increased land values as they develop land for housing, offices and retail outlets. The award of planning permission to develop land will in an instant increase its value while the subsequent development will then have in some way a lasting impact on the community. This impact is not always positive and, as we develop our Island to meet new population requirements, the cumulative effect of development will continue to affect all of us. This is at the heart of my in-principle proposition. This in-principle proposal aims to provide the community with a modest but long-term stream of sustained income in order to improve our Island. Members might be asking why I am proposing the levy in principle. The question was also raised by Scrutiny in their comments submitted as part of this debate. The panel specifically suggested that it should be for the next Assembly to make this decision as then they would be the ones also making a decision on the later details. I would respectfully not agree. We are here to make decisions now for the benefit of the Island and not to delay or pass this duty to others instead of taking it ourselves. The fact of the matter is that most of the details on the future policy are contained in the proposition. The only significant part missing is the required supporting legislation. To bring those additional details to the Assembly today would have required a significant amount of time and resource to be spent on developing potentially wasted legislative work. Given the fundamentals of this proposal, I believe that it is right for this Assembly to first agree on the principle of a levy, but with as much information as possible to make an informed decision. The Assembly must therefore view this in-principle proposition in this light as the basic account of the levy policy would fundamentally be unaltered with the next debate on the legislation and policy framework. Furthermore, the levy rates as proposed are considered viable but they would be subject to a final independent public examination by an independent planning inspector. All of our evidence will be resubmitted and the outcome of this process would then determine the final adopted levy rates. The idea of a land development levy is not new and various ideas and proposals have been put forward over the years by various States departments and individual Members to capture the increased value. These have ranged from the recent property tax review or on environmental taxes proposed by Deputy Le Fondré and the Chief Minister, Senator Gorst, in 2007. The most relevant piece of work and one that is most related to this proposal today was undertaken by Oxera by 2008 entitled *Further Analysis of Land Development Based Environmental Taxes: What is the impact for Jersey*. In essence, this work supports the principle of a levy but makes a very important point and one that I have ensured the levy proposals meet. Any levy must be viable. In other words, it must not impact the flow of new development going forward. The reason that the large number of ideas and proposals never led to policy solutions is that they were too complex and often unworkable. They were also often met with very well co-ordinated opposition. The proposal, the proposition that Members have before them today is instead a simple one based upon local evidence that has been tested and I believe is robust. But before we get into the details in my proposition it is important to talk about what we currently do. One of my earliest reviews of the development process identified that the current policy for addressing and mitigating the effect that development has on its immediate neighbours - P.O.A.s (planning obligation agreements) - were inadequate and out of date. My department has now reviewed and updated the

P.O.A. guidance to make it clearer to developers what their obligations will be, but they are still limited. In simple terms, they are, as they state on the tin, agreements that are negotiated between the developer and the Minister. These agreements are made to address the specific site-related issues that need to be legally mitigated for before development can commence. Such issues have to be directly related to the development proposed, in basic terms this means that we may require a developer to provide adequate site access off a main road or agree to affordable housing occupancy conditions, for example, or before we allow that development to take place we need to ensure that drainage connections have been made. They are negotiated legal documents, which require legal input, often costing the developer valuable time and money and on items that are difficult for the developer to agree and cost before the start of the planning process. They are only used on larger schemes, 5 houses or more for example, and so that is what they are. What they are not are means to provide for improvements that are not directly related to the development site. In other words, I cannot legally ask a developer to pay for tree planting or pavement improvement in Snow Hill from an office development he is delivering on the Esplanade. There is currently no link allowing me to do that. Developments in the Eastern Cycle Corridor do make a small contribution at present for the impact they have on the cycle corridor proposal, but this covers relatively few applications and is not applied across the Island. Also, P.O.A.s are not directly applied to smaller developments. This means that, although smaller developments make up the majority of developments in Jersey, they do not need to make any contributions. This is not fair to the Island or indeed those developers having to make contributions on larger sites. Cumulatively, these smaller sites make a larger overall impact on the Island but I do not have the means to capture any value from these schemes through the planning process and in order to improve their neighbourhoods. So how will a levy work? The levy will be different from P.O.A.s because it will enable the planning process to capture a small part of the uplift in value from all developments across the Island and will be fairer to both the developer and the communities accepting development. Why is that so? Because the levy will be a fixed low and viable tariff applied to a much wider range of size and type of development, rather than a negotiated and complex legal document that only applies to large developments. By low, I mean it would be less than 2 per cent of the value of the development, and I will come back to that later. But going back to why, the levy will be different because it will provide more certainty for developers when seeking to purchase land as they will know up front what the rate will be.

[18:30]

It will be different because communities will benefit from a wider capture of value from large and small developments alike that affect their neighbourhoods. Finally, it will be different because it is right and fair that if you are developing-out precious and limited land supply you should contribute to making sure that your development enhances our whole Island and does not place a further burden upon it. In order to meet all these very laudable aims, I have insisted throughout the development of the levy that it had to be viable and if it was proved to be unviable then we would not pursue this approach in Jersey. It was also important to me that the levy did not hit families simply trying to improve their homes in a modest way. The levy will therefore not apply to small-scale extensions below 75 square metres and to put this into perspective that is the equivalent in space terms of a small 2-bedroom flat. So families with young children just looking to extend their homes in a small way will not be subject to a levy payment. The levy will not be applied to refurbishments of existing buildings and structures. It will only apply to net increases in developed land and so, for example, if someone is not increasing their development by more than 75 square metres they will not be charged. The levy will only be applied to residential development, retail development and office development. This was because these were the only forms of development that were tested through the viability assessment process as being capable of paying for a levy. The extensive viability work we did could not recommend that any other development types would be

viable and so, to be clear, hotels, restaurants, agricultural developments, and all conversions, for example, will not have to pay the levy. Affordable housing will also be exempt and so hopefully this will encourage the development of much-needed affordable housing on this Island. One of my original ideas was that the levy rate could be variable according to where development was happening on the Island. More specifically, my initial thoughts were that I could discourage developments in our most precious and sensitive parts of the Island, such as our countryside and our coastline, with higher levy rates, and in those areas where we want to encourage development, with lower rates. The consultants who undertook the review and analysis of the levy looked at this to see if development values changed in different areas of the Island. The viability evidence could not support this view, which was, to be honest, a surprise to me, but which is one that I have accepted. The construction industry is a vital part of the economy delivering the developments needed to take this Island forward, maintain its sustainable growth targets, house its population, and provide employment opportunities. Last year it accounted for 6.7 per cent of the Island's G.V.A. (gross value added) or, in monetary terms, around £280 million. To further put this into context, the economic value of the construction industry in development terms since 2008 totals nearly £2.2 billion. Over that same period, my department has taken £3.4 million in planning obligation agreements. Yes, those numbers are correct, £2.2 billion of development value and 10 years of development with only £3.4 million of gain. I have been very clear and upfront from the outset with the industry that it is right and fair that the Island should seek to capture value from those who develop our limited land resources. Land owners should put something back into the communities that accept development in their area. I was equally upfront with the industry that I would not introduce any significant new policy that would have a detrimental effect upon the delivery of development in the Island or the current Island Plan requirements. I decided we would test this as part of an open dialogue using Jersey-based facts, costs and values. I asked the industry to be as open with me as I had been with them in order for the dialogue to be meaningful. We started this journey in early 2016, we explained our thinking and looked at ways to develop and explore my proposal. I fully support and respect the construction industry and recognise their importance in delivering much-needed development in the Island. They are of course a very powerful lobby group and I know that they have worked very hard to persuade us all that my proposition is flawed. But I believe that we in my department have addressed their concerns and developed a fair and viable approach for Jersey. In my opening remarks I touched on how important the public realm in Jersey is. It is positive to see that more and more people appreciate and understand that good architecture and the improved urban design of our streets and public spaces have the power to connect, engage and inspire us all. These spaces are critical to our lives. They connect communities together. We move through them. We play in them. We sit in them. We eat and drink in them and we appreciate them. They are also spaces in which we have our landscape, our trees and our green areas. Conversely when public realm is poor and treated without thought and not planted or left-over bits from building developments are used, they become places that we rush through, we avoid, we dislike, and they are places which look ugly. Members will have noticed, I hope, that I have taken some disquiet to some recent work that has been done in our public realm. Our Island deserves better than this. We have a vibrant town centre. We have vibrant communities. We are proud of our countryside, our beaches and our coastline, and rightly so. So then, why can we not create the same feeling of pride for our public spaces? Our communities deserve this. Our children deserve it and our visitors deserve it. We all deserve better. We have a strong construction industry and I want that to continue but I want to ensure that the large uplift in value from any approval to develop on land does not just benefit a few but benefits the many. As the population of Jersey inevitably increases just through natural growth alone, there will be more pressure on our environment and our urban areas that would need to accommodate more development. The use of a fair, viable and consistent source of income in the form of the levy will enable the delivery of high quality public spaces and streets to tie our communities together.

Creating more vibrant thoroughfares with greener spaces, open spaces, amenity spaces, quality street furniture, cultural activities and art, will add life to our urban areas and breathe economic benefits through business opportunities and through changes in how people then more actively engage with their improved surroundings. Some Members may be asking at this point: “What about the Percentage for Arts scheme? How does that fit in with the Jersey Infrastructure Levy?” Well, the Percentage for Arts scheme will remain as it is today; a voluntary policy that developers can use to incorporate an artistic input into their schemes, should they wish to. I would encourage them to continue to do so. However, the additional generation of funds derived from J.I.L. (Jersey Infrastructure Levy) will lead to even greater enhancement of our public realm. This is my vision and it is why we need to deliver a viable way of financing such lasting improvements to our Island, by harnessing a small proportion of the value created through developments. In politics we always look for a win-win. In my view, we have this in this proposal. By investing in our public realm we create spaces we want to use are more attractive and are safer. By doing this we enhance the value of the developments in buildings, which enable these spaces as they border and look out on to better places. So, in short, developments get approved, levy gets paid from the development land value, prices increase, and we all benefit; developers included. It is of course important to ensure that such future plans and ambitions are properly managed and so as part of developing the levy I would also like to create an independent commission to oversee the spending and management of the levy funds. This will co-ordinate a new public realm strategy to ensure the delivery of lasting, long-term quality public realm improvements. This commission and the strategy will be part of the details to be brought back to the Assembly for their approval should the Assembly agree with this in principle levy proposal. So now I would like to turn to how we develop the levy and directly address the concerns that have been raised about it. As I have said from the outset, we have worked hard to engage with the construction industry and many Members will have heard from them that we had just not listened. But this is not the case. We have listened and looked very closely at what they have said. We have not ignored their views. I will start by saying that I just cannot agree with all their comments, many of which are inconsistent with each other or contradictory. Some are reasonable. I have to accept that. As a result we went away and carefully considered. However, very few of the comments contained substantive evidence. For example, no evidence was provided on house prices to suggest we had over-egged these and no evidence was produced around land values, although this was one of the main points of objection. While I had not expected universal agreement of the appraisals I am greatly reassured that in spite of the lobbying the fundamental assumptions behind our assessment of the levy has not really been seriously challenged. I have to say, and I say it again - I have said it before - my number one concern was this levy should not make development unviable. I would not be bringing this proposal before Members today as Minister for the Environment if I believed that the impact would be detrimental to the industry. To get to this point we have spent 12 months working on the viability of development in Jersey and the amount of work that has been undertaken has been exceptional and, of course, has been fully open to scrutiny and review. The level of this research has not been undertaken before in such detail on the Island, as you can see from the viability report produced by the consultants. The consultants have provided expert analysis of data provided by local surveying firms on the costs of land and a line by line construction cost review and onward sale values. Much of this data is in the public domain in the form of Royal Court sales values and so are simply the facts, they do not need any further explanation. There are areas of the report, however, which will be a matter of professional judgment, and this has been one of the more interesting parts of the project for me. Personally, it was not a surprise for myself to find that the industry were against the proposal in principle. They see it as unfair burden being placed upon them and although they understand why we are doing this they have suggested that the general taxpayer should meet the cost of the improvements. It is my contention that those who benefit from large increases in value from planning consents should contribute to making improvements. So there is also a community benefit, as well as the

commercial benefit from wider development. Here we are in this Assembly to benefit the many, not the few. Once we started discussions on the detailed viability assumptions, other interesting facts appeared. Firstly, it was revealed that the industry could not agree among themselves on many of the costs, be it professional fees or levels of interest rates. Secondly, we received very little alternative evidence on the specific viability assumptions that we could openly test. The real issue became not one of the viability assumptions but one of principle and general comments made about the damage to long-term supply and prices that a levy would cause. While there has been much dialogue I was generally heartened to hear industry comments at the annual construction council debate saying that they were not against the principle of contributing but were just talking about how they would make that contribution. This does show to me that the level at which we are pitching this levy is certainly viable and will become embedded very quickly once the legislative detail has been set. In this instance, I would like to thank the Environment, Housing and Infrastructure Scrutiny Panel for their interest in this proposal. I have of course already addressed their initial comments on the debate itself. But we have had a number of open and frank discussions with them over the last 12 months and provided updates as we have progressed at every stage of the work. This culminated in a panel meeting very recently when we were able to address the issues directly raised by the industry yet once more.

[18:45]

The panel have very usefully provided a background summary paper of those meetings and I hope Members have found the time to read it. I will, in any event, like to draw from the relevant sections so that Members can judge for themselves the merits or otherwise of this proposal. The industry have been engaged with the consultation process and I was pleased that they commissioned their own consultant, Lichfields, to review the viability report. The report by Lichfields is, on the face of it, a thorough response but on closer inspection it fails to provide any real alternative facts. For example, by analysing their own cost and value assumptions, no development in Jersey would be viable with or without a levy. I want to stress that again. If we take all of Lichfields conclusions into account we would not be currently building anything in Jersey. This is clearly not the case, as we see from the very many developments underway in the Island. Indeed, the whole construction industry is in very rude health at the moment. Our local surveyors who assess the costs do not recognise Lichfields assumptions as being representative on the developments they manage. Equally, they say that Lichfields have misread our own assumptions on land costs and assume that we have used lower land values. We have not. The land values are derived from the actual Royal Court transactions and are easily checked and verified. In short, the Lichfields report makes great efforts to talk about the negative impacts the levy would bring, drawing a lot from U.K. experience, but these are based on flawed assumptions and selective and incomplete evidence. I think it is a fair criticism to say that they over-egged their own pudding to try to demonstrate that a small levy would cause developments to fail in Jersey. Other principal concerns from the industry have been around the potential to reduce land supply. This was clearly a concern of mine and was the main reason to carry out the viability work in the detail that we did. It is clear from this work that the levy will not have the impact upon supply that is being claimed. Fundamentals of the levy are that it would represent a very small fraction of the final development value. Our analysis shows that it would be in fact less than 2 per cent. The work undertaken to understand viability has been based upon Royal Institute of Chartered Surveyors Guidance. This is what all professional surveyors, including those of course in Jersey, are using. We have had no disagreement on this general approach. I would admit, however, that valuation is an art rather than a science and is a process based on a series of professional judgments and estimates. This is important because when developers are buying land they will use their judgment and experience as well as the hard facts. If you would indulge me for a moment there is some interesting research into the variance of valuations used to buy land for developments. The most recent research found the average original

valuation price was about 8 per cent different from the eventual sale price of that property. I make that point only to illustrate that a 2 per cent levy value is a small proportion of even the margin for error that developers accept when they make a decision to not or to buy land. This does not mean that it would be an insignificant cost but it provides context to the level and subsequent effect a new charge or levy might have. To further assure Members on the impact that the levy might have on development on the Island, the Economic Adviser has also been consulted. The key point to note here is that from an economic point of view if the levy is a relatively small amount and developers operate in a competitive market then the impact should not be a significant one. If I can be frank, I do not believe that the scaremongering deployed by the industry to suggest the supply of land would cease and prices significantly rise are accurate. If this is the case then I can see no evidence of this happening elsewhere. Nothing to support the alternative view has been produced. More importantly, the evidence offered by local developers has not supported this contention either, despite our best efforts to have a proper and meaningful exchange of evidence. I suspect it is because at such a low levy rate it is very difficult to prove. The industry have talked about the levy increasing house prices by thousands of pounds. They have made statements about increasing house prices ranging from £7,000 to £12,000, depending on which meeting I was attending. These have been reported by the press but no explanation or analysis of these figures have been offered or tested. My assumption, as backed by the Economic Adviser and every other economic and property consultant who has looked at this, is that in Jersey we have a competitive housing market. It follows that in this market developers are trying to sell their products, their houses and their flats for as much as they can, and consumers are trying to pay as little as possible. Consumers are constrained by what they can pay, particularly by the banks, who will value a property before agreeing a mortgage. More importantly, the levy will only apply to new development, which typically represents less than 20 per cent of annual house sales on the market. However, putting these facts aside, if the levy suddenly landed on the new housing market then I do not think that developers could just pass this on and sell at a higher price than the market dictates. The market would not enable them to do so. If they could just add £7,000 or £12,000 to the house prices then why are they not doing so already, assuming of course they want to maximise their returns. This levy will add to the developer costs, which will then be reflected in the price of land. Land owners and developers will have time to adjust to this, to this small viable levy, and it will only come into effect if approved in 2019. It will not affect any schemes that are approved before that date that then end up being built after the levy policy has been put in place. In simple terms, in undertaking a development, a developer works out what can be built on the site. They work out what this value would be. They then deduct their costs, their build costs, their architect costs, their finance costs, their profit, and in this case their levy cost, this leaves a figure for which they can afford to buy the land. Yes, they will pay the levy but before they do so they will also pay an equal amount less for the land once the value is taken into account into the calculation. It will therefore not go on house prices as much as any other development cost does, and it will not put house prices up. One of the other criticisms of the levy is that development in Jersey is different to England and that a levy would not be appropriate. As much as I like to consider Jersey as a unique and wonderful place, the development industry is in many ways similar to the U.K. Our legal system is similar, the planning system is similar and from day to day the markets work in a similar way. We are not operating in a bubble here in Jersey. I would agree that as a small Island we have limited land supply and that some landowners, like anywhere else for that matter, will always want to get the highest price for their land. But this is the same for many towns and cities in the U.K. where they are surrounded by green belts and have similar or higher planning restrictions, such as conservation areas. If you were to compare us to the U.K. then you would also have to include other much more significant development costs. Many authorities, for example, will require developers to provide up to 50 per cent affordable housing - normally about 30 per cent - on residential developments. Developers are not required to do this in Jersey. So is development in Jersey significantly different

to the U.K.? I would say maybe yes, it is. Development here is well supported and has far fewer restrictions placed upon on it. The viability work we have undertaken shows that the industry is therefore able to give something back to be used for positive community gain without causing any of the impacts that have been suggested. I genuinely started this process with an open mind and if the evidence had pointed to this proposal levy not being viable then the levy would not be before Members today. During the open and extensive evidence gathering and then subsequent consultation process, I have come to the clear conclusion that I believe the levy is sound, fair and a viable proposition. I believe that it is right that landowners and developers should contribute to making improvements, as they are the ones who have directly impacted and gained from developing our Island. This is about the positives that a levy can bring to Jersey communities. I believe our community is worth this investment and it is worth us supporting this today. Our children are worth better play spaces. We want to see more greenery and wildlife in town. We want to feel uplifted as we walk, cycle and move through our built-up areas. I hope Members will see this proposal provides them with a long-term sustainable policy to improve our public spaces, our places, our communities for everybody in this Island for years to come. If this is something Members also feel passionate about then I would urge them to support this proposition and make a real difference. This is a vote for all and a vote for an improved future. I make the proposition.

The Bailiff:

Is the proposition seconded? **[Seconded]** There is an amendment lodged by Deputy Le Fondré but it would seem appropriate to adjourn at this stage and start with that tomorrow morning?

Senator P.F. Routier:

I propose the adjournment.

The Bailiff:

Before we adjourn, can I just say that I am sure Members will want to express their appreciation to the Greffier and Greffe staff and to the Usher for continuing to work? **[Approbation]** The States now stand adjourned until 9.30 a.m. tomorrow.

ADJOURNMENT

[18:56]