

STATES OF JERSEY



VOTE OF NO CONFIDENCE: CHIEF MINISTER

Lodged au Greffe on 8th June 2010
by Deputy G.P. Southern of St. Helier

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

that they have no confidence in the Chief Minister.

DEPUTY G.P. SOUTHERN OF ST. HELIER

Note: In accordance with Standing Order 22(a) this proposition has been signed by the following additional members –

1. Deputy of St. Martin
2. Deputy of St. Mary
3. Deputy M. Tadier of St. Brelade

The reasons for bringing this proposition are set out in the following report.

REPORT

This motion of confidence is prompted by the content and handling of the Comprehensive Spending Review (CSR). In my opinion, the Council of Ministers (CoM) has produced a series of savings which are unacceptable in all sorts of ways which are outlined below. The manner in which they have been produced and presented has also been deeply flawed and unsatisfactory. However, the CSR should not be seen as the sole cause of the lack of confidence in the Chief Minister, but rather as the culmination of a series of defective decisions on the part of the CoM.

It could be argued that the object of the confidence motion should be the Minister for Treasury and Resources, as the initiator of much that is wrong. However, I believe what we have been presented with is a team effort which all Ministers have contributed to and so the real accountability lies with the head of that government, the Chief Minister. The buck must stop there.

The importance of public services

The States must recognise that Jersey's public services are a vital bedrock in sustaining the local economy and the community both in good times and now, during the worst global economic recession in living memory. They ensure essential investment in infrastructure and support for business, and can mitigate the worst social and economic consequences of the downturn. Their importance is marked by the willingness of the Council of Ministers to use over £40 million of the Stabilisation Fund to bolster the economy in both public and private sectors.

As public services come under increasing pressure to cut costs and jobs, I believe that the view of the Minister for Treasury and Resources that spending cuts are the first and priority option needs to be robustly challenged. For Jersey to emerge successfully from the current recession in a strong position for the future, we need to strengthen and sustain our public services.

The proposals put forward are truly staggering. Despite numerous assurances that the cuts will be about careful restructuring of the delivery of services, and will try to avoid cuts to front-line services, this is manifestly not the case. In the absence of agreement amongst the CoM on a strategic way forward, we have a list of cuts which look totally unco-ordinated. They appear to be a set of random decisions with no medium-term objectives set to an agenda of 2% across-the-board savings.

All of the cuts need to be seen in the light of the objectives set out in the CoM's Strategic Plan. When they are set against the Plan, they are seen to fail spectacularly. I highlight some of the most obvious short-sighted cuts which will have the greatest impact on the population here:

FRONT-LINE SERVICE CUTS

Economic Development appears to have given up on diversity.

Tourism loses over £340,000 for route development, event-led tourism (remember that?) Even the Visitor Centre will close early. We appear to have given up on tourism, whilst there is further funding directed to Finance.

Agriculture loses £120,000 in grant aid.

School milk of course is dropped again.

Education, Sport and Culture

At a time when our young people are increasingly obese, **the primary school PE** enhancement programme is cut by £120,000. How short-sighted can you get?

Support for **Special Educational Needs** loses £160,000 and 2 posts, this is called “restructuring” but is a reduction in reality. It must result in more pupils with emotional and behavioural difficulties in classes. It is likely to make classroom management even more difficult.

Also hidden from view under the banner of “re-defining core business for schools” is a proposal to scrap foreign language assistants in secondary schools.

Health and Social Services gets a real hammering. No sign of front-line service protection here.

Physiotherapy, Occupational Therapy and Mental Health services lose £300,000 and 5.4 posts. This is no time to fall ill.

A reduction in gardening and engineering maintenance accounts for another £360,000 and 8.5 jobs. Skimping on engineering maintenance is no way to ensure patient safety. Let us hope that nothing serious is overlooked.

A reduced linen service results in a further 7 job losses. Surely clean linen is a prerequisite to a clean hospital?

Home Affairs lose 2 customs officers and 3.8 police staff.

Are these cuts in police staffing in addition to the current shortfall of police establishment which we have had for some months now, and which are due to the previous cuts? Or are they setting in stone a reduction in the establishment figure itself? (i.e. we now need less policemen than we did).

Will we be able to properly guard our borders from a tide of illegal drugs? Will fewer police be on the beat or will response times be longer?

Social Security

Here there are some really insidious cuts.

Remember the Le Fondré solution for protecting the less well-off from the costs of GST? It brought in the **GST Bonus** for those below the income tax threshold. It was sold to States as a last-minute compromise to members to keep GST on food and essentials, when it looked likely that the CoM was about to be defeated. This has been **scrapped**, saving between £300 and £600 thousand.

So much for this government's promises to protect less well-off families. As many pointed out at the time, the best way to protect the poor from the regressive impact of GST is not to charge it in the first place. Increased benefits to compensate can always be taken away.

The rental and accommodation components of **Income Support** have been frozen. This takes £225,000 out of the pockets of the poorest in society. It becomes clear who will pay for this recession: those least able to pay.

Christmas Bonus Here is the meanest of all the cuts that could be made. The Council of Ministers want to remove the Christmas Bonus from widows and widowers and those with 100% disability. This saves over £400,000.

The cost of these cuts, especially the loss of nearly 70 posts, will add further to the burden imposed on Income Support, and will reduce Income Tax and Social Security contributions, not to mention pushing the supplementation bill up further. It may well cause "double dip" recession and put the recovery at risk.

Many economists have pointed out cuts in public services should not be made until recovery is firmly in place. There is as yet no clear indication that the recovery is place. There must be private sector jobs to absorb those made redundant. This is manifestly not the case. The headlong pursuit of cuts is a highly risky strategy.

Setting out the full agenda

I believe that that before we can decide on any measures, the public and the States must be in a position to fully understand the first year (2%) cuts in the context of:

- (a) the full (10%) cuts to be applied over 3 years, and
- (b) the possible tax changes that that might mitigate the cuts.

Here we are being asked to decide without both of these essential elements. The medium- and long-term restructuring which is what may ultimately be required is still being worked on. The tax alternatives with which we might balance the economy are also still not in the public domain, and will not be finalized until after the decisions on cuts have been made in September.

Already the 2% proposals are a month behind schedule and are being rushed through Scrutiny. There is little reason to place any faith in the proposed schedule for debating the overall measures and the alternatives.

Public sector workers know that 10% cuts cannot be forced through without major disruption to services to the vulnerable and large-scale redundancies. This in turn will make the recession worse and further delay any recovery.

Those services that are not scrapped are likely to be the subject of outsourcing or outright privatization, in the search for £50 million savings. This will result in lower standards of delivery and reductions in terms and conditions for employees as it has in the UK and elsewhere. In the absence of TUPE regulations any such moves must be resisted.

Lack of consultation

The first cut has already taken place: the arbitrary, unilateral and perverse decision to impose a pay freeze, and thereby an effective cut in public sector pay, removing at a stroke some £7 million from circulation in an already depressed economy. It took place without any consultation with public sector representatives.

As a result we have a suspicious and wary public sector workforce which is primed for confrontation. Public sector relations are at an all time low, with the Island's teachers threatening to strike; a situation which is unprecedented in Jersey's history.

The terms of the £6 million Voluntary Redundancy package designed to remove up to 60 jobs still have not been discussed with staff representatives. Public sector representatives are in the dark too, over the details what is being proposed in the job losses proposed at the Hospital and elsewhere.

The States Employment Board (SEB) has played a critical role in the breakdown of trust between employee representatives. The Chief Minister is, of course, the Chairman of the Board and is therefore directly accountable for its actions. This lack of any attempt to consult and engage with the public sector employees alone could be said to be sufficient reason for a loss of faith in the competence and political direction of the government and its Chief Minister, but the failings of SEB go far wider.

States Employment Board

The Chief Minister is Chairman of the States Employment Board which has sole responsibility for the oversight of the welfare of States Employees which includes suspensions. However, it not only failed miserably to contain an ever-increasing rise in staff suspensions, but unsuccessfully opposed propositions to establish a fairer scheme which has resulted in no suspensions being imposed since last summer.

The States Employment Board also failed miserably in its oversight of the 3 year+ suspension of a hospital consultant. Following the review which the Chief Minister initially opposed, it became apparent that not only was the lengthy suspension unjustified, but the investigation was months late and over budget. It is also apparent that neither the Minister for Health and Social Services nor the Chief Minister has, at the time of writing, seen fit to apologise to the consultant.

It is also apparent that the Chief Minister has failed to act in a neutral way in his handling of the 20 month suspension of the Chief Officer of the States of Jersey Police. Like the suspension of the hospital consultant, the Chief Officer's suspension has also cost the taxpayer over a million pounds and the review which was initially opposed by the Chief Minister has over-run and is also over budget.

At the time of his suspension, the Chief Police Officer strongly suspected foul play and had reason to believe that the suspension documents could not have been drafted on the dates recorded on them. He wrote to the Chief Minister requesting that he be provided with details of the dates and times of their drafting. Instead of acting in a neutral way, the Chief Minister refused to provide the relevant details.

The Chief Officer of the States of Jersey Police applied to the Complaints Board for the release of the details. Although the Chief Minister personally attended the Hearing, and at the public's expense defended his actions, the Complaints Board found in favour of the Chief Officer. Following the release of the details it became apparent that the documents were drafted 4 days before the suspension and substantiated the Chief Officer of the States of Jersey Police's suspicion of foul play.

Not only has the release of the details confirmed foul play, but is likely to implicate the Chief Executive Officer who was responsible for the destruction of written notes taken at the time of the suspension.

The Chief Minister's integrity should be above reproach, however it is appears that this is not so.

Financial and manpower implications

There are no financial or manpower costs arising from this proposition.