# **STATES OF JERSEY**

# **OFFICIAL REPORT**

# WEDNESDAY, 27th NOVEMBER 2019

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

# **PUBLIC BUSINESS - resumption**

## 1. Government Plan 2020–2023 (P.71/2019): seventeenth Amendment (P.71/2019 Amd.(17))

#### The Bailiff:

We now continue with the debate on the Government Plan and continuing with the running order there is an Amendment by the Corporate Services Scrutiny Panel, Amendment 17 and I ask the Greffier to read the Amendment.

#### The Greffier of the States:

Page 2, paragraph (a) - after the words "Article 9(2)(a) of the Law" insert the words: ", except that the 2020 Estimate for Personal Income Tax shall be reduced by £817,000 by amending Child Tax Allowances in accordance with the table below, with other affected lines in Summary Table 1 to be updated accordingly. The table as on the Amendment paper.

# 1.1 Senator K.L. Moore (Chair, Corporate Services Scrutiny Panel):

Members, this Amendment proposes to increase child tax allowances in line with inflation. Concerns have been raised with the Panel - and I am sure with every Member of this Assembly - in relation to the cost of living. This was a key topic on the doorstep and in the hustings during the last election and it is something that has not abated since. In fact, it is now regularly attributed to problems with recruitment and retention of staff in almost every sector, but particularly in those of healthcare and education, which are, of course, our key services. Following a briefing to States Members, we realised, as the Corporate Services Scrutiny Panel, that families had not had a tax allowance increase while the cost of living had risen. A report in 2016, by the Community Relations Trust, looking at the cost of childcare identified that most parents think that childcare is unjustifiably expensive. Nearly a third of respondents spent between 21 per cent and 40 per cent of their weekly household income on childcare. That is on top of housing costs, which we know sometimes reach 50 per cent of a household's income. This Amendment is consistent with the Government's strategic priority to put children first, by reducing the tax bill for all households with children. The Panel appreciates that the Early Years Policy Development Boardis conducting its work and we do look forward to their findings; however, this Amendment does something now. It helps households with children, who will be at least £100 a year better off and by more if they are a single parent, or if they pay high levels of childcare costs. Moving to the detail of the Amendment: the Government Plan increases the standard tax exemption threshold by 3.1 per cent. There is an established policy to increase these exemptions each year, however this does not extend to tax allowances for children. The child allowance is currently £3,000 and has not been increased since before 2011. We looked back to that point and could not find any indication of that ever happening and were unable to look beyond 2011. So Members will remind themselves, I am sure, at this point, of how much the cost of living and inflation has increased since 2011. Additional allowance available to single parents is currently £4,500 and that has not been increased since 2011. Childcare tax reliefs are designed to help parents with the cost of living, tax relief available for children under the age of 4 is currently £16,000 and was last increased in 2017. The standard allowance for children under 12 has been set at £6,150 since 2011. Treasury advised that this Amendment will cost approximately £870,000, although that depends on how much a household claims under the allowance and the Panel's stamp duty Amendment, which is due to be debated next, would raise just over £1 million, so that would easily cover the amount that is being proposed to the Assembly in this Amendment. I propose the Amendment.

#### The Bailiff:

Is the Amendment seconded? [Seconded]

#### 1.1.1 Senator T.A. Vallois:

This Amendment is proposing changes to 2 very different sets of Government support for children in the tax system: child allowances, including additional child allowances and childcare tax relief, including enhanced childcare tax relief. The policy aims of these 2 sets of allowances are very different and any decisions to change them will be influenced by different factors. Child allowances have historically been set as a fixed contribution towards the cost of caring for a child and they do not get adjusted for R.P.I. (Retail Price Index) each year. This differs from the policy of annually increasing the income tax exemption threshold in line with the lower of R.P.I., or average earnings. to ensure that the entry point into the tax system is uprated each year. In fact, the child allowance has been set at £3,000 since 2008 and the additional allowance has been set at £4,500 since 1999. Assembly Members will be aware that significant work is planned to take place over the next year on the personal tax review and a fundamental part of this work will be to consider tax allowances for children. This work will involve an examination of the level of allowances, who can claim those allowances, how they are targeted and, indeed, whether the tax system is the best way for the Government to provide support for children. This work will be carried out under the guidance of both the Early Years Policy Development Boardand the Revenue Policy Development Boardand it will be premature to introduce an R.P.I. uprating for child allowances while that work is going on. Childcare tax relief is a tax relief that benefits eligible taxpayers to the extent they have incurred professional childcare costs, whether that be a nursery, child minder, or afterschool, or breakfast club. It is not a tax allowance per se. Therefore, to raise the cap, as proposed in the Amendment, will have limited benefit for taxpayers. Many taxpayers will not be entitled to claim the maximum amount of childcare tax relief, because they are not paying that level of professional childcare costs per child. Therefore, any increase in the childcare tax relief cap will be of no benefit to them. The Amendment states that parents do not necessarily claim the full exemption available. It is not the case that taxpayers are not claiming it, it is that they are not eligible to claim the full relief, because they are not spending that amount on childcare. In particular, in the preschool year, the amount of the professional childcare costs incurred is directly impacted by the provision of the Nursey Education Fund and that Nursery Education Fund is currently under review. So, again, it would be premature to make changes to the childcare tax relief caps until that review has concluded. Historically, the cap has been based on the market costs of childcare. There has not been any evidence presented that those costs have increased by R.P.I. and, indeed, there is always a risk that raising the cap by R.P.I. could result in an increase in childcare costs that would not otherwise be made. A further and very important consideration to note with this Amendment is that any measures to increase support to children using the tax system will, by definition, only benefit Islanders who pay tax at the marginal rate. In other words, this Amendment will not provide any assistance to the Island's poorest parents, who do not pay tax. While the Tax Policy Unit does not have detailed data on the proportion of parents who are, or are not, taxpayers, we do know that over a quarter of Islanders, who are of working age or above, are outside the tax net.

#### [9:45]

I would just add to that to give you an example. Because of the way that our tax system is slightly convoluted, 66 per cent of our tax paying population pay on a prior year basis, so the effect of the tax allowances will only be seen the year after for those families that sit within that 66 per cent. Like I have already stated, approximately a quarter, who would potentially be taxpayers, are not because they fall out of it due to the thresholds. When we are talking about support and putting children first and looking at families right across the board, we need to consider putting in the right targeted support. Listening to the comments of Senator Moore, when opening this Amendment, she mentioned that the Amendment would roughly help families be £100 better off a year; however,

because of the way the marginal rate system works, it would only be 26 per cent of that extra funding that is added on to the allowance. So, I have worked out that it would be approximately £39 in real terms that that family would see in terms of the support that they would get from the increase. It is really important that we manage expectations and expectations appropriately. I do not believe it is appropriate just to increase the allowances now, when we know we will be bringing forward changes. One of the important things to point out with regards to this is making sure that when we are targeting support for childcare and family support that the needs be assessed against the appropriateness of the direct and indirect funding. Hence the reason why the tax system may not be the appropriate place to be supporting families. But I can assure Members that I understand and appreciate the intentions of the Amendment; however on the foot of work coming over the next few months, with the personal tax review, the nursery education funding review, there will be important long-term decisions to be made about the way that children are supported both within and outside the tax system. We should await the outcome of these deliberations before any changes are made to child allowances and childcare tax relief. Also, on that note, recognising the importance of the principles that are applied by the Government in terms of taxation, one of which is about fairness. If there are a large proportion of families out there that are not able to be part of this extra claiming in terms of allowances, because they do not take part in the tax system, for very good reasons, then the fairness of increasing these particular allowances, looking in terms of the additional personal allowance as an example, if you have a cohabiting family, one of which is classed as a single parent under the tax system, they would be able to claim the additional allowance, the increase in that additional allowance and, therefore, that cohabiting family would be better off than a married family. We spent the last term trying to bring it up to par in terms of married and cohabiting families, we have only literally just got there, so the increase in the additional allowance would create an unfairness in terms of the allowances in our tax system. So, on that note, I would ask that Members recognise the arguments that I have put forward, also recognising the right intentions of this Amendment, however it is not the appropriate way to go and the Council of Minister do not support this Amendment.

# **Senator S.C. Ferguson:**

I think perhaps I ought to apologise for inadvertently misleading the House yesterday.

#### The Bailiff:

Let us raise the *défaut* on you first.

## Senator S.C. Ferguson:

Right, sorry.

# The Bailiff:

Does everyone agree to raise the *défaut* on the Senator ... yes, the *défaut* is raised on the 2 Deputies and on Senator Ferguson. Yes, Senator, you had something you wished to say.

## Senator S.C. Ferguson:

Yes, I mentioned a small business, which was paying £20,000 a year in fuel charges and it would be a £5,000 increase. On checking when I got home, the £5,000 is correct, but we are not quite sure where the £20,000 has crept in from. We are checking on it and I will come back to the House with the correct figure.

## The Bailiff:

You are simply correcting that you may have inadvertently misled the House?

# Senator S.C. Ferguson:

Absolutely, Sir.

#### The Bailiff:

Thank you very much indeed.

#### 1.1.2 Connétable R. Vibert of St. Peter:

I am aware of a number of families in my Parish, who rely on the child allowance and I feel the Assembly is letting people down if they fail to increase these allowances and have failed to do so for some time. We have already heard, in a number of debates in this session, that there is ongoing work, but if I was one of these families I would get little comfort from knowing that perhaps next year, or the year after, we might see an increase. In fact, if I was one of those families, I would assume that these were just excuses. As an Assembly we have committed to putting children first, but I can see little of that in this policy, which both fails to increase child allowances and tax relief. Again, we have heard figures quoted saying that families may not fall into the tax thresholds that allow them to claim these allowances. However, what we did not have was any figures on exactly how many parents do fall into those categories. Some will be single people, who fail to meet the tax thresholds. How many people with children were there in it? We do not know, so we should not quote figures like that, because it is misleading. All I can say is if we really are committed to putting children first, then we should support this Amendment.

# 1.1.3 Deputy M. Tadier of St. Brelade:

I am not going to speak, at this point, strongly in favour, or against, but I think it is important to stand up and respond to some of the comments we have already heard early on from the ministerial team. It seems to me that what we all agree and what has been said is that the tax system, as it currently stands, is not great, it is not fit for purpose and we know it is undergoing changes that need to be made. Some of those changes are not happening quickly enough. Some of the changes, that I can see coming down the pipeline, from what I know, do not do what we necessarily would want them to do either. So, we need to keep a constant eye on that. The argument that seems to be putting forward, if I were a member of the Corporate Services Scrutiny Panel, would be that our tax system is broken ... and we have had the Minister for Education saying that maybe these benefits should not be paid through the tax system, the implication is that maybe they should all be paid by income support, or through the social security system. We know that we currently have a hybrid system, but that is the way the system currently works and I think it is a bit harsh to criticise the Corporate Services Scrutiny Panel for saying this Amendment does not catch everybody, because not everybody pays tax and because they are trying to work under the system that we already have. The way I look at this is, does it help people, does it establish a problem? Yes, it does establish a problem which exists. Does it seek to resolve that problem using the tools that they have? I think it does, because they have identified that there is a child tax allowance which is currently payable that has not been uprated with inflation and the principle is that benefits and cost of living should be uprated. People do not control costs of living, that is why we have the unions out on the street whenever they feel that they are not getting the correct pay and remuneration that they deserve. This has been identified as a problem. Similarly, they do seem to have found a way to pay for it. On the next page they do seek to ... correct me if I am wrong, but they found money and it is a question, of course, of whether that is acceptable. Now, these 2 things can be taken separately. There will be people in the Assembly who might think: "I support the extra spending, but I do not want to find the money in the way that they propose to pay for it", or we could just look at this on its merits. I just make those comments early on. I do remain open-minded. I want to hear from people on why this cannot be done, but it does seem to me that if allowances have not been keeping up with inflation, which is what they are saying and I take that at face value, then I look for the arguments against, otherwise I am inclined to support this.

#### 1.1.4 Senator S.Y. Mézec:

I totally disagree with what my colleague just said previously. This Amendment is badly targeted, badly timed and, most importantly, uncosted. We are talking about reducing this by over £800,000 and, as I said to a previous Amendment yesterday, I do not particularly want that coming out of my budget and I certainly do not want it coming out of the N.E.F. (Nursery Education Fund), because then this would end up being a completely counterproductive measure and I think Members should be rejecting all Amendments that are uncosted. In the opening speech to this, the proposer said that many people find childcare unjustifiably expensive. Of course I completely agree with that, it is unjustifiably expensive. You have 2 things you can do to try and address that, you can either try and put more money in people's pockets, so that it is more affordable, or you can increase the subsidy to it to make it more affordable by increasing the number of free hours. It is the second of those 2 options which is a better targeted way of reaching the people who will most benefit from that. The people who will benefit the most from this, what is essentially a tax cut, are the people who are at the upper end of the marginal relief system. Those are the people who do not need it the most. The ones who need it the most are the people, who are below the tax threshold in the first place, who will receive not a single penny of benefit from this. Those are the people that we ought to be trying to help and you cannot help them if you take £800,000 out of our budget when there is ongoing work on the N.E.F. to try and improve it, to try and improve access to nursery for young children, which we all accept is the right thing to do. We have said that we are going to put children first and increasing access, or the option of access, to nursery has got to be part of that. Look at what we have done with other tax allowances in recent years that I think have accepted this point. We found ourselves in a situation recently where we realised that our funding system for university tuition fees was broken, in that we did not have grants that were substantial enough. We had an extra tax allowance for families to try and meet those costs of university tuition and it simply did not work; it left families unable to send their children to university, because that tax break applied most to those who needed it least. So, we decided to move away from that by increasing university tuition grants and have that come out of tax revenue, meaning every young person can get their tuition paid for and maintenance grants on a means tested basis on top of that and we paid for that by reducing the higher child tax allowance, because we recognise that direct funding is a better way of helping these people reach that service, than to provide a tax break for it. Let us not forget that there are still some people who pay tax in arrears. So they are not getting a tax break in a year that they would theoretically be eligible for it, they get it a year late. So, some help that ends up being to them, then. This Amendment is so obviously well-meaning. I do not disparage those who brought it forward on that basis, because I think they are certainly coming from the right place, but what I want to see is a situation where we have better direct funding for nursery education, so that every child on the Island has an opportunity to get the benefit of that and the way that you do that is through a direct support system, it is not through a badly targeted, badly timed and uncosted tax break, which is what this is. I urge Members to reject it on that basis.

#### 1.1.5 Connétable K. Shenton-Stone of St. Martin:

I wholeheartedly disagree with Senator Mézec; however I do agree with Deputy Tadier and I thank him for his comments. As he mentioned, Corporate Services should have been saying that the tax system is broken, Corporate Services have been saying for well over a year that the tax system is broken and if anyone cannot remember, I refer them back to my speech at the start of the year saying that the Revenue Administration (Jersey) Law was not fit for purpose and we had it sent back. We are now reviewing *tranche* 2 of the Revenue Administration (Jersey) Law. We, in Scrutiny, work really hard, we have very good officers and we do know what we are doing. I do urge the Government to work more closely with Scrutiny, because too many times through this Government Plan, on almost every Amendment we have got: "The Council of Ministers opposes this proposal" and urges States Members to reject this Amendment. We are being told, quite high-handedly, the Government is right, Scrutiny is wrong.

[10:00]

We have found a way to pay for this and we do not want to wait a year, or 2 years, or 3 years, children grow up very quickly. In 3 years' time, if this takes all this time, some children will not be children anymore and we are trying to put children first. We have worked hard in Corporate Services. Yes, as the Minister for Treasury and Resources will say, we have been banging on for years - since I have been in anyway - that the tax system is broken and we are trying hard to find ways around this. I do urge everybody to vote for this Amendment.

# 1.1.6 Deputy R.J. Ward of St. Helier:

I do have some questions I have to ask the Senator, who proposed this, about who this change will benefit the most and that is my concern. I see the importance of child tax allowance, I am a parent myself and it has been important for me. There is an issue with a small change being, if you like, a gesture that could be misplaced and that concerns me. The other thing is, as well, if there has not been an increase since 2000 and ... I am sorry, I cannot remember the year you said. 2008, then why is it only £100 that you are proposing? Why is not much more? So, if that was the principle that this would be raised each year then, perhaps, it should have gone up by a lot more. The other thing I would ask is, it does seem to be marginal rate taxpayers who will benefit the most. If we want to target the lowest incomes and give access to those who struggle the most, I am afraid this change does not do it, so we have to be clear about that. Who this is targeting and who it is going to benefit the most. That leads me to conclude that, perhaps, this is too simplistic an approach. Now, having said that, I do have concerns, that I share with the Constable, which is about the number of reviews that are going on. For somebody who has brought so many things to this Assembly, where again I have been told that there is a review and we can look into it and something will happen, but what happens is absolutely nothing, which is what the product of vesterday was, absolutely nothing happened and that has happened before when we talked about other issues that I have brought. That concerns me. Perhaps, if we were to have an actual time where we could see these changes and see when the impact of these changes to access to childcare would happen, then I would be more in mind to not support this and say: "Yes, that will happen." I think that is what we need to see. This Government is 2 years in. This Government has to leave a legacy, in some form, in the next 2 years and unless we start taking some action now we will not leave a legacy. Personally, I am concerned that this action is way too simplistic and mistargeted, which is why I struggle to support it for those reasons. It is OK to say take action, but if the action is too simplistic and not targeted in the right place, it makes the situation worse, because we might go away feeling we have done something when we really have not. That is a real concern that I have. It is a difficult one to look at, this. I somewhat wish the Council of Ministers would have brought something more definite about the changes for nursery care and so on now. It has allowed this simplistic Amendment to come through and perhaps be supported. It is a really difficult one.

#### 1.1.7 Deputy S.J. Pinel:

May I just reiterate some of the points made by the Minister for Education at the start of this debate and those of Senator Mézec. Child allowances here are still very generous compared to the U.K. (United Kingdom). U.K. child benefit is around £1,080 per annum compared to £3,000 per annum here. In the U.K., £700 per annum for subsequent children. Like Jersey, the U.K. does not routinely uprate these allowances by inflation. I have already announced the next steps in the personal tax review, to answer Deputy Ward's question. These allowances are a blunt instrument, which do not help those on lower incomes in our society, who do not pay tax. I ask the Assembly to reject this Amendment.

# 1.1.8 Deputy J.A. Martin of St. Helier:

I did not intend to speak in this debate, it was just I felt a bit depressed after listening to the Constable of St. Martin. I am really sorry that she feels like this Council of Ministers has just gone: "Oh, do not like this," We have a high-handed approach, I think she said, because we could

not agree to this Amendment. There are 2 things wrong with this Amendment. I will not go into the nitty-gritty, because you have heard it from the Minister for Education and you have heard it from the Minister for Children and Housing. You have to support 2 other Amendments to pay for it, which have nothing to do with it. I have to admire Corporate Services to try and balance the books, but it has nothing to do, again, with these Amendments. Just a sort of stab in the dark: where can we get this money? I hear from Deputy Ward, I hear from everybody, this Government is going to have no legacy. I think what we are trying to do, we are trying to do it right. You are right, if we have not delivered something by next year, because you cannot make it up on the back of a fag packet. I am on the Revenue Board, looking at the whole tax thing and the thing is about child allowances, they are not targeted enough. It will come through, it may not necessarily be income support, but it could be a benefit, because you will target it then to people. It could be for nursery fees, or childcare. We target it right. You cannot make this up, but I just reiterate we, this Council, have sat around ... we are trying to be helpful. This does not do what the Senator and Corporate Services are trying to do. There is a reason it has not risen with inflation over the years, because it is not helping the people that the Corporate Services think they are helping today. For 2 reasons: it does not work and, secondly, you have to support the other 2 Amendments to pay for it, which have nothing to do with it. I, for one, am not happy with the other 2 Amendments either.

# 1.1.9 Deputy K.F. Morel of St. Lawrence:

Review, review, review, wait, wait, wait. It is 2 years, this is the second Budget. Senator Mézec says he feels that the best way to deal with this is to increase free nursery hours. Why has he not done it? He is the Minister, why have they not done it? This is the question. You cannot keep waiting, waiting for review after review. That is not the purpose of Government. The purpose of Government is to act, is to improve the lives of those in the community that they serve. That is not what I see happening in front of me. Comparisons we just heard from the Minister for Treasury and Resources with the United Kingdom are insulting to the families in this Island. The United Kingdom has far greater choice in childcare, has far cheaper childcare. To try and sit there and make comparisons between Jersey and the U.K. on this particular matter is not appropriate. We know that families in Jersey are of a wide range of incomes, it is not just the most struggling, it is a wide range of families; people are suffering because they have to work, 2 parents in work, which is why also nursery places are not the answer - free nursery places - because this is a problem that affects children well up to the age of 12 and even a bit older. You have 2 parents working, they then have children coming out of school at 3.30 in the afternoon, they then have to pay for childcare to cover those hours that they are still working. That is the Island that we live in. That is the story for most families in this Island, regardless of where they are on the income scale and regardless of how old their children are. I am sorry, we are fed up with waiting. We want to see action, we want to see families' lives made easier in this Island. Please, I would happily support things that this Government had done if they had done them, but they have not. We hear Ministers say: "Wait, wait, oh, you should have done this instead." Ministers do something, please. Quite simply, you are not and we are fed up with waiting. No, I shall be supporting this, because it is time to act and it is time to make our Islanders' lives better, particularly for those with families in this Island.

#### The Bailiff:

Does any other Member wish to speak on the Amendment? I call on Senator Moore to respond. I am sorry, Senator, as I mentioned to Members yesterday, waiting until the last moment to put a light on in order to speak means that the debate ... when I say I call on the proposer to respond, it means the debate is formally closed and there is no more opportunity to speak. Again, because I only emphasised this on one occasion previously, I will allow Deputy Doublet to speak if she wishes to do so but, generally speaking, when I begin to call on the *rapporteur*, that is the close of the debate.

## 1.1.10 Deputy L.M.C. Doublet of St. Saviour:

I do apologise, I have been struggling with which way to go on this and was trying to seek some advice digitally from the rest of the Policy Board. There have been some criticisms in terms of policy decisions not coming forward in terms of nursery funding and being a member of the Early Years Policy Board I do hear that criticism and I take that on board. I know the Minister does as well and the other members. It has been a huge piece of work and all of the information is online. We are very transparent about the work that we are doing and we have been wrestling with where to target this. I can say, after discussion with the Minister, that we do commit to publishing a decision on the changes to the nursery funding by quarter one of next year. That is imminent and I am afraid I am going to have to vote against, reluctantly, because I know that the changes will be coming in terms of direct funding to nurseries and I have learnt from the Minister and from the advice that we have been given that that is the best way to target money and to help families. So, I will reluctantly be voting against this for those reasons.

#### The Bailiff:

Does any other Member wish to speak on the Amendment? I call on Senator Moore to respond.

#### 1.1.11 Senator K.L. Moore:

Thank you to those Members who have spoken. It is absolutely right that we have a debate about the technical aspects of this and whether it is well targeted, or not. I take that challenge and absolutely respect it. If we could focus on the targeting first. Of course, it is only targeted to those who are on the marginal rate and, therefore, receive allowances. That is because those who are not hopefully are in receipt of benefits that are targeted to meet the costs of child provision also. Let us not forget that there is another bracket of taxpayers, those who do not receive allowances, because they are higher earners. So, those on the marginal rate are the middle earners, the working people of Jersey who are most impacted by the cost of living. When I say that I mean of taxpayers, because I absolutely appreciate that those on benefits, who are not in work, are also buffered by the cost of living, but those benefits are increased by the cost of living, or the average wage inflation, on a year-on-year basis. Let us not forget that and let us concentrate on trying to help a group of people who we know are struggling with the cost of living, who are deciding: "Jersey is a very difficult and expensive place to live, while I am doing my really important job that keeps the economy going, or keeps people being looked after in a hospital, or keeps teachers teaching and benefiting the education of our young. No, I am going to go, I am going to leave this Island. I am going to go and find a better quality of life elsewhere, where it is more affordable." There are so many people coming to us as a Scrutiny Panel. We have taken evidence from unions, who have described the problems of recruitment and retention in the Island. So, when we learnt and recognised, as a Panel, that these allowances and reliefs had not been addressed for some period of time, we thought it was time to address it and it is a targeted fashion to enable, in a very small way, a moderate assistance in the structure that we do have, because we recognise that there is a Policy Development Boardlooking at revenue and that changes will come along in the future. But we are tired of being told that. As Deputy Martin would say, there will be jam tomorrow. This Government has been in government for 18 months, they knew that the Government Plan was to be debated this week and they have known that for a considerable period of time.

#### [10:15]

So, to be told that not one, but at least 2 policy boards will be producing their findings in quarter one of next year is absolutely disgraceful. Those Policy Development Boards should have been providing their findings in good time to produce a change for this Budget, this year, so that the benefits can be felt within the community for at least 2 years of this Assembly, not in 2021 when we will be heading quickly towards an election. I really urge the Council of Ministers to consider their timing in a much better way in future, because it is absolutely appalling. They are not letting us down as an Assembly, they are letting the people of this Island down. People who stop us on an everyday basis say: "What

is going on? When will something happen?" Well, the Government are in government to make things happen. They have had their chances, so those Policy Development Boards, who come up with their findings next year, of course, will have to wait until the Government Plan of 2020 for 2021 to bring forward any changes. Please, respect the fact that Scrutiny have taken evidence and looked back at some evidence in terms of the attitudes of the community that we have and we know about and we have done for some time and we have brought to the Assembly these very minor changes that are costed, because we have worked out, with the help of the Treasury, how much they are potentially going to cost and that figure, the £800,000, is the absolute maximum if the maximum benefit relief is claimed by those claiming it. Sorry.

#### The Bailiff:

Could I ask Members, the background noise has achieved rather too penetrative a level, I am afraid, so let us let the Senator conclude her remarks.

#### Senator K.L. Moore:

Thank you. We must not sacrifice the good and wait for the perfect. I urge Members to really give some consideration and support this Amendment, because it is targeted and it is costed.

#### The Bailiff:

Those Members who are in favour of adopting ... the *appel* is called for. I invite Members to return to their seats. I ask the Greffier to open the voting.

POUR: 14	CONTRE: 32	ABSTAIN: 0
Senator K.L. Moore	Senator L.J. Farnham	
Senator S.W. Pallett	Senator S.C. Ferguson	
Connétable of St. Helier	Senator J.A.N. Le Fondré	
Connétable of St. Lawrence	Senator T.A. Vallois	
Connétable of St. Saviour	Senator S.Y. Mézec	
Connétable of St. Brelade	Connétable of St. Clement	
Connétable of St. Peter	Connétable of St. John	
Connétable of St. Martin	Connétable of Trinity	
Deputy J.M. Maçon (S)	Connétable of St. Mary	
Deputy K.F. Morel (L)	Connétable of St. Ouen	
Deputy S.M. Ahier (H)	Deputy J.A. Martin (H)	
Deputy J.H. Perchard (S)	Deputy G.P. Southern (H)	
Deputy K.G. Pamplin (S)	Deputy of Grouville	
Deputy I. Gardiner (H)	Deputy K.C. Lewis (S)	
` , ,	Deputy M. Tadier (B)	
	Deputy M.R. Higgins (H)	
	Deputy S.J. Pinel (C)	
	Deputy of St. Martin	
	Deputy of St. Ouen	
	Deputy L.M.C. Doublet (S)	
	Deputy R. Labey (H)	
	Deputy S.M. Wickenden (H)	
	Deputy of St. Mary	
	Deputy G.J. Truscott (B)	
	Deputy J.H. Young (B)	
	Deputy L.B. Ash (C)	
	Deputy G.C.U. Guida (L)	
	Deputy of St. Peter	
	Deputy of Trinity	
	Deputy of St. John	

	Deputy R.J. Ward (H)	
	Deputy C.S. Alves (H)	

# Deputy J.M. Maçon of St. Saviour:

I need to apologise to the Assembly, I pressed the wrong button.

# 1.2 Government Plan 2020–2023 (P.71/2019): twentieth Amendment (P.71/2019 Amd.(20))

#### The Bailiff:

We now come on to a further Amendment by the Corporate Services Scrutiny Panel, Amendment number 20 and I ask the Greffier to read the Amendment.

#### The Greffier of the States:

Page 2, paragraph (a) - after the words "Article 9(2)(a) of the Law" insert the words: ", except that the 2020 Estimate for Stamp Duty shall be increased by £1.06 million by amending the Stamp Duty bands in accordance with the table below, with other affected lines in Summary Table 1 to be updated accordingly.

# 1.2.1 Senator K.L. Moore (Chair, Corporate Services Scrutiny Panel):

Now we go on to the revenue raising aspect. Yes, they are unrelated, but equally another area that does need to be addressed in the view of the Panel. This Amendment increases stamp duty on properties above the value of £1 million. Last year, during the Budget debate, the Panel recommended that the Minister simplify the bands of stamp duty and increase stamp duty at the top end. The Minister's response stated that a Policy Development Board would, indeed, look at the issue of stamp duty. However, despite waiting over the course of this year, no proposals for stamp duty changes have been included in the Government Plan and the Board has not yet completed its work. It is not due to do so until the new year we are told. So the Panel has, therefore, revisited its Amendment of last year and proposed a slightly simplified version, because we recognise that there was a technical issue with what we brought forward last year. Let us look at the U.K. as an example and their stamp duty is set at 10 per cent for properties above £925,000. That rises to 12 per cent for properties over £1.5 million. It is the view of the Panel that the proposals in this Amendment maintain a competitive edge in this market and Jersey's rates remain low, 4.5 per cent for properties over £1 million and 5.5 per cent rising to 9.5 per cent for properties above £1.5 million. The Amendment would raise over £1 million in revenue, although this figure, of course, excludes transactions over £8 million, due the nature of those; there are very few of them on an annual basis. Even one transaction of a property above £8 million in a year would raise a considerable extra amount for the Treasury. The amount raised would cover the Panel's other Amendment but, of course, unfortunately, the Assembly has not chosen to support that Amendment to raise child tax allowances. I propose the Amendment.

### The Bailiff:

Is the Amendment seconded? [Seconded]. Does any Member wish to speak on the Amendment?

# 1.2.2 Senator S.Y. Mézec:

Just briefly, the Council of Ministers has issued comments opposing this and I fully anticipate incurring the wrath of Deputy Morel for what I am about to say, but I have no hesitation in doing so. This Amendment is premature. The Housing Policy Development Board is performing its ongoing work, looking at wider solutions for what can be done to support those looking for housing in the Island. I am of the view that this particular move to alter stamp duty bands in this way is potentially both premature and damaging, in that while we may not think that it may be too problematic to what

will essentially increase the costs of purchasing a house at the upper end of the market, what that then does is that it pushes people, who are trying to go up back to the level that is currently overheated, where people are struggling the most to try to afford to purchase a home. In the grand scheme of things, that may be something that we are not necessarily too uncomfortable about doing, but I would much prefer to look at what we are going to do from a wholesale perspective. Because, of all of the different levers we will want to pull to try and change how we support people into the housing, stamp duty is only one of those and in many respects it can be a very ineffective tool for assisting with home ownership, because it does nothing to affect supply. It simply affects people's means to purchase a house, shifting people from one part of the market to another, irrespective of how many homes are already available in that part of the market. This, to me, shifts people in a direction that will overheat the place that we are struggling most with at the moment. I will say that, compared to the previous Amendment it is less problematic, in that it does raise money, so I cannot argue against it from that perspective. But I think, in the grander scheme of things, this does not really work out. It is one measure in isolation that is not particularly thought through in terms of what effects it will have on the wider housing market. For that reason, I oppose it.

## 1.2.3 Deputy J.H. Perchard of St. Saviour:

Irrespective of what the Senator has just said, I am sure that he will be slightly sympathetic to the fact that the reason for us bringing this as the Corporate Services Panel is that we did try to bring an Amendment regarding stamp duty to the Budget last year, that looked at the whole range of transaction values and that played around even with the bands. Quite rightly and appropriately, the Minister for Treasury and Resources pointed out to us the unintended consequences, which we appreciated at the time and, therefore, withdrew our Proposition. We were told: "We will be looking at this between now and the next effective Budget debate", which is in the form of the Government Plan. So, just in terms of process alone, I am sure the Assembly can appreciate that the Corporate Services Panel have taken on board the advice given and we have not been as ambitious this time as we were last time. We have not touched the £700,000 to £1 million bracket and below, because we do not want to have those unintended consequences appearing for the lower end. But, in addition, the bracket which has the most movement is also ... we have taken that into account with the way in which we have applied percentages and where we have not. There is a very deliberate reason we have stopped where we have stopped with the £1 million to £1.5 million. I do not necessarily agree that our proposal will encourage people to move from the brackets that we are affecting to move down. The £1 million to £1.5 million is an increase of 0.5 per cent and I think if one is in a position to buy property of that value, I do not necessarily believe 0.5 per cent is going to stop you from doing so. As the Senator pointed out in the introductory comments, we are still competitive with these rates. Still highly competitive, compared to the rates proposed in the U.K. While I am hesitant to compare things that are not like for like, it is a point that was raised and it is a point that is relevant when it comes to properties in certain pockets of the U.K. We have made those comparisons and we have done the best we can, with the resources we have and taken on board the advice that we received over a year ago. Again, while I can fully appreciate that there are times where we, perhaps, do not have all the inside knowledge, or perhaps that there is work going on in Government that we are not always completely on top of, Scrutiny are doing the best job that it can to get something moving, to get something happening in the interim, because we keep being told: "Well, yes, we are going to look at that." We have waited a year between the Budget debate and this Government Plan debate for something, some Proposition; there is nothing in this Government Plan about stamp duty. We were expecting it, based on what we were told. It would be one thing to say: "There is nothing about stamp duty" and the Government to say: "Well, that is because we are not looking at stamp duty", fine. But we have been told a year ago: "We will take on board what you have done, we are going to do some work on it and we will bring it back in the next Plan." That is where the frustration lies and that is why we are proposing the Amendment we have proposed. It might not be perfect, but I think our mantra at the moment is let us not sacrifice an achievable good for a perfect we might not see in this term.

# 1.2.4 Deputy S.M. Ahier of St. Helier:

This Amendment seeks only to increase duty on properties valued at above £1 million and seems a fair amount to ask of people, who wish to buy premium property. If we pass this negligible duty increase, the Treasury estimates that an extra £1 million will be accrued, but it is the view of the Corporate Services Scrutiny Panel that this figure is a conservative estimate. Will Jersey remain competitive in the global market? If we compare the proposed increase to other low tax jurisdictions, Jersey's new rate of 5 per cent on properties valued at up to £1.5 million would be lower than Bermuda's, which is 6 per cent and only just above the 4 per cent charged in both Singapore and the British Virgin Islands. It is worth noting, however, that Singapore and the British Virgin Islands charge a flat rate of 4 per cent for all property transactions, irrespective of value, provided that the purchaser is from the relevant jurisdiction. Foreign investors pay as much as 20 per cent in Singapore. Perhaps the Treasurer will give this concept serious consideration. Of course, residents of the United Kingdom pay much more, amounting to 10 per cent on the properties valued up to £1.5 million and 12 per cent for properties which are worth more than this. Jersey's proposed 6.5 per cent for properties valued at more than £1.5 million is, again, less than the equivalent rate of Bermuda, which currently stands at 7 per cent. We hope that the Treasury will bring about a reduction in the number of stamp duty bands from 10 per cent to 5 per cent and this welcome simplification will be incorporated into the 2020 Government Plan. Only last week, the Chief Minister stated that the Housing Policy Development Board should conclude before making changes to stamp duty in time for the next Government Plan, so let us hope that these changes materialise. The Corporate Services Scrutiny Panel asked the Treasurer to address stamp duty before the 2018 Budget, yet here we are a year later with no policy executed.

[10:30]

I believe that this Amendment, while raising much-needed additional revenue, will help to curb house price inflation, which will be good news for Islanders looking to purchase their first home. I hope that the Assembly sees fit to support this Amendment.

## 1.2.5 Connétable A.S. Crowcroft of St. Helier:

I must say I am surprised that Members are not lining up to support this. We are told that it is premature. Premature seems to be the word of the moment as far as this Government Plan is concerned. Almost everything that backbenchers have brought, or Scrutiny Panels have brought, to the Plan has been described as premature. Why is it then not premature to raise the cost of petrol significantly ahead of cost of living when we have not got a report on climate change? Why is it not premature to raise parking charges, when we have not had a transport policy report? These increases, which are going to affect the less well-off in Jersey - and already on the radio this morning, when I was not encountering some rather unfortunate remarks about a proposed twinning with Trenton, New Jersey - I was quite struck by the feedback that the radio was getting on how upset people are by the swingeing increases that we approved yesterday in alcohol. So, the working person, the working person's pint, the working person's tot is going to cost more, but this Assembly does not want to put up the cost of the rich person's house purchase and that to me is wrong. I think Members need to get behind this and they need to support a stamp duty increase. Deputy Perchard talks about her frustration after 2 years. Multiply that by 10 and that is how frustrated I am, because we have been talking about stamp duty for 2 decades and we still have not had the courage to do anything about it. I refer Members to the statement by the Chief Minister, second paragraph: "This is an ambitious Plan." Well, I say to Members, let us be ambitious, let us get some extra revenue in from stamp duty which we will need in the coming year to spend on social services. I will support the Amendment.

## 1.2.6 Deputy J.H. Young of St. Brelade:

At first sight, there is no question that the opportunity here to grab probably up to a good slice of the £1 million from the higher end £1 million-plus properties is an attractive one, but I think we should also note that the Amendment does, in fact, also increase stamp duty in the range where it has the most pent-up demand at the moment in the £500,000 properties. Well, it does according to here. I see shaking of heads; it says it goes from 2.5 per cent to 3 per cent. I still think that the high end is attractive, but I want to refer Members to the work of the Housing Board, again. I support, generally, Senator Mézec's comments, because we do have to have joined-up policy. I have been very impressed, as a member of that group, with the performance of it and I assure Members that this is not kicking things into the long grass. I feel the work of that group is progressing extraordinarily well, it is independently chaired; again, I can see shaking of heads. It is independently chaired and we have got experts on board and there is no question, what we do on stamp duty has to be one of the elements of policy. But the particular proposal has to work with all the other aspects, the Planning policies, what we do about assisted purchase schemes, loan schemes and so on. It is a very complex business and so I urge Members ... look, I share Members' frustration. We got elected in 2018 and here we are still having to grapple with these problems and we are having to say things like "jam tomorrow". I hate that, but we have to make sure that what we come up with is sustainable policy options that really work. I think that this one here, I believe strongly that we have got the opportunity in the updated Government Plan, because this is not like the M.T.F.P. (Medium Term Financial Plan) where you get one bite of the cherry. This Plan can be updated periodically and that is what is going to happen. I shall be really upset if that Policy Board does not achieve a very successful set of policies, because I need it in my ministerial role for the Island Plan and the timetable is critical. It is just, again, another unfortunate situation where we have got into this business of we have got these Government Plan processes, timetable and stuff out of kilter with the other work. That is not our fault. I do not know where the fault is, maybe in our civil servant structure, this is a new process for us. But please, Members, I understand the frustration, I share it, but I think we must make sure that we have joined-up policy and it makes sense. So, I think there are some snags about this one that, despite the initial attractions, I think, unfortunately, it means we have to say no.

# Deputy J.H. Perchard:

A point of clarification?

#### The Bailiff:

Are you asking a point of clarification from Deputy Young? Yes.

## **Deputy J.H. Perchard:**

Will the Deputy accept that he has misread the Amendment and that what he has suggested, which was an increase from 2.5 per cent to 3 per cent in the £500,000 to £700,000 range is the 2018 rate put next to the 2019 rate that his Government proposed last year and that we are not proposing any change to that rate in our Amendment?

# **Deputy J.H. Young:**

I accept that. I think that probably illustrates some of the complexity of this debate that we can all find slight misreadings and snags because, well, I am just going to refer to these reports. When we have a Scrutiny report that thick ...

## **Deputy J.H. Perchard:**

That was the yes I needed.

#### **Deputy J.H. Young:**

When we have a Government Plan that thick, I think we can be forgiven for making mistakes.

#### The Bailiff:

Deputy, I think you are going slightly beyond clarification. [Laughter]

# **Deputy J.H. Young:**

OK, thank you. Yes, I accept the clarification. I was wrong and I apologise to the Assembly.

## 1.2.7 Deputy M. Tadier:

Talking about the merits, or not, of whether there should be a different rate increase for these properties, I have just got to ask the practical question: what is the money for? It seems to me that this Amendment was put in there to pay for something else that the Corporate Services Panel wanted to do and it more than adequately covered that money. So, it seems that if it had been the other way around and we had been asking for this to be debated first and it had lost and then the money was not available, presumably, if not technically, the next Amendment would have fallen, because there was not any money there to pay for it, given the fact that this Assembly likes to be disciplined and is not going to incur an uncosted Amendment. Of course, we are doing it the other way around now and so I think, like most Members, of course, if there were completely no consequences to doing this and we knew what the consequences were, I think we would all love to have an extra £1 million in the budget to play with. I certainly would like a small proportion of that for our Department, or the entire amount of that. So, we are not being told why we are raising money and I think that, irrespective of where one lies on the political spectrum, you normally try and justify any tax increases, so I am not saying that we should not do it. So I think it is quite true that somebody who buys, for example, a £6 million-plus property in Jersey, rather than paying 9.5 per cent on the excess, they could pay 11 per cent. We are not told why a 1.5 per cent increase on the 9.5 per cent rate is the magic number. Why is it not an 18 per cent increase on that particular property? Given the fact that the people buying the £6 million properties, for example, are not going to be your ordinary folk, they are going to probably be, I suspect, the 2(1)(e)s, who will buy those for specific purposes for their residency all tied up to that. You have to say that if you want to target the rich and if you do not like people, or you think that people who buy properties over £1 million are too rich, then there are probably lots of easier ways to get money out of them than tweaking around with the stamp duty. Now I accept the fact that, of course, it is not the Corporate Services Panel who have proposed this policy, they have just proposed a slightly different rate, so it is obviously a government policy to try and extract money from property sales. I think we have come to an issue here. Just as an aside, I was out canvassing in St. Brelade over the weekend with my party and the party Chairman, Senator Mézec. You might find that strange, seeing as there is not an election on, that is because we do not need an election to go out canvassing, because we are in the middle of a Government Plan which arguably is more important, or equally as important, as an election. It is where we try to get all the things that we did not tell the public about during the election through this Assembly and hope that they will vote for us next time, even though we did not tell them we would be doing this. Of course, that does not apply to us, we have a very strong and robust manifesto, which we try to stick to at all times. But getting back to the point, I would like to know what this money is to be spent on. If the Corporate Services Panel could tell me where that is going to end up, because it seems to me that we are being asked for an increase in taxation when we already have a balanced budget here and we do not know where this is going to be spent.

# 1.2.8 Deputy M.R. Higgins of St. Helier:

I must say that I am happy to support this Amendment, the reason being that we have passed measures in the States over the last few days that have put up the cost of living to ordinary people in the Island by putting up the cost of fuel, putting up the cost of spirits and other forms of alcohol and we are constantly adding to their pressures. Now, the people who buy these homes will not be deterred by the actual increases that are here. For example, if they are unhappy with the U.K., we keep on hearing all these reports that they all want to leave the U.K. and they are looking at Jersey. Lucky Jersey, we keep on hearing this and more and more people are coming. This will not put them off, but the money

that is raised from it, I want to see spent; I know Deputy Tadier is saying he would like to know where it is. I am going to be voting against the car parking charges later on; I would like to see the money put into that. So, although the Budget has perhaps been funded and this is not necessary, I think it will be if we vote down some of the other measures, which are going to hurt ordinary people of this Island. So, as I say, I am happy to support this and I hope other Members will.

# 1.2.9 Deputy R.J. Renouf of St. Ouen:

Whenever we debate stamp duty, we think of purchasers of high-end properties, but Members should also remember that this charge also applies to people inheriting immovable property in the Island, that is the land and the houses and the buildings that are built on the soil of this Island. I make that distinction clear because, there is a differential around leaving investments, cash and share transfer property, which is charged differently on death; that is charged via probate duty. What is the rate of probate duty? It is 0.75 per cent, with a maximum of £100,000 duty payable. So, if a person organises their affairs and they do not leave any landed property, immovable property, but leave solely movable property, which could be an apartment, a penthouse apartment worth many millions, they will pay duty of no more than £100,000. Why? Is this not discriminatory, because both are assets left on death, both are capital, both are inheritances, but just why do we do this? It perhaps did not matter when stamp duty rates were much lower than they are now and there was not that great differential, but it seems, over the years, States Assemblies have just gone to the Stamp Duty Law and raised duty for the transactions in immovable property, thinking: "We will capture the purchasers who have got lots of money to buy" and they are not thinking of those who are inheriting assets. The result is that we have got this huge differential now between somebody who inherits cash and investments and a share transfer property and somebody who inherits a valuable house in the Island. This is surely discriminatory, this is not a fair taxation system. It means that because we are just always running and enlarging that differential, I cannot support this. Not because it is a Scrutiny Amendment, or the like, but simply because it offends the basic fairness around this by constantly increasing that differential. Now it might be said that through detailed exemptions in the Regulations, some people can avoid paying these high rates of stamp duty. It is true, if a person leaves their will in such a way, a spouse need not pay stamp duty and children need not pay stamp duty. If everything is shared precisely equally between children, then it is a very small, nominal, stamp duty. But, again, that discriminates against single people, it seems to me. It might discriminate against widowed people, it discriminates against families, who might in their lifetime have assisted one child and upon death wish to leave their remaining estate to another child. Stamp duty kicks in then.

#### [10:45]

So, it seems to me we do need to change. I acknowledge that it is not for the Scrutiny Panel to come up with this change, it is something that Government needs to do. But it does mean that I cannot support further increases in the stamp duty rates which only drive that vastly unfair distinction between the different assets and how they are taxed on inheritance. So, I have said this before, I urge Members to be aware of that distinction and I really hope Treasury and the Policy Development Boards, that are around, are going to address this. Perhaps we should really think about if we want to raise money, let us look at the probate duty, 0.75 per cent with a maximum duty of £100,000, whatever the value of your assets.

## **Deputy M. Tadier:**

Can I just ask a point of clarification? Is the Minister saying that he cannot support this Amendment, because he does not agree with stamp duty full stop; just so I can try and find out how that affects the way I might vote?

## The Deputy of St. Ouen:

I agree there should be a stamp duty, there should be a duty payable on persons inheriting, but I think we have an unfair system in that it depends on what you inherit. I am alarmed by the continuing discrepancy and continued increases in one and no thought being given to the other asset class, which is charged via probate duty.

# Deputy M. Tadier:

Can I ask another clarification? Is he supporting then his Government's increase from 2018 to 2019 in stamp duty?

#### The Deputy of St. Ouen:

I cannot remember. I trust it was the Government's increase. I cannot remember whether I supported it

#### The Bailiff:

I am not sure that that is entirely a fact of clarification of your speech, because that must be clarification of what you meant to say. You have explained what you meant to say, Deputy, so ...

# The Deputy of St. Ouen:

I believe I made the same point on a previous occasion, probably in that speech.

#### 1.2.10 Deputy R.E. Huelin of St. Peter:

This may be a first, and hopefully it is not a last, but I totally agree with the Minister for Children and Housing's logic. As I understand it, in the Island, the property market of £1.25 million-ish and above is not quite stagnant, but it is struggling. If you look at the market below £1 million, it is totally overheated and what we should be doing is looking at ways of freeing-up that stock to enable more people to buy properties, to make those more affordable and persuade those that have the means, to encourage them to move into the market that is suffering. I remember, very clearly, in London when they put stamp duty up from 4 per cent to 7 per cent. I know that is a big change compared to this - I think it was about 2011 and I think it was a mansions tax it was called - but stamp duty over £2 million went from 4 per cent to 7 per cent. It froze the market overnight and created a huge bubble in the market below that. It became overheated and caused huge property rises as a result of that, distorting the market and we have to be very wary of that. Now, I know these measures are small, but they could be fundamental in the decision-making process of people buying properties. We have another reason that the market is overheated in a flat market and that is called the 'lock-up-and-leaves' - I think they are talking about them in the press - the buy-to-lets. Well, the U.K. have introduced 3 per cent across the board on all second homes and buy-to-lets. I think we should be looking at those sort of measures, to dissuade people from that sort of investment and freeing that stock up for local people to buy their particular property. So, I will not be supporting it; however, I understand why, but I think more thinking needs to be done to address what we really have and it is a problem with our property market in this Island.

# 1.2.11 Senator L.J. Farnham:

Thank you to Deputy Huelin, he has said quite a bit of what I was going to emphasise. There are other bits I am going to say, so I will not be long. I would ask Members to give a bit of consideration around stamp duty, which is an important source of government revenue. It raises about £34 million a year for us and house sales above £2 million constitute about a quarter of that figure. Therefore, I think it is very important that any changes to that sector are considered carefully, because, while trying to raise £1 million extra in a difficult part of the market, if we saw sales decrease further, we are going to lose a lot more stamp duty than we tend to gain with these sort of increases, is my view. A clear and coherent package of policy interventions is required and the Housing Policy Board is considering how to make better use of existing residential dwellings. The Minister for Children and Housing has said and other Members, downsizing is going to be a really important part of any future

housing strategy and encouraging it and this Amendment will not support downsizing. In actual fact, £1 million homes, £2 million homes, most of those homes are fairly average family homes that have been bought by families 10, 20, 30 years ago for £200,000 and £300,000 before we saw the exponential rise in housing and those are the homes we need to use for life's new generations of people, so the Housing Policy Board are going to be looking at ways to motivate that market to get people into that market. Deputy Ahier has displayed an almost encyclopaedic knowledge of stamp duty around the world and those figures are quite useful and Deputy Perchard mentioned the competitiveness of this. An international competitor is very important to Jersey in many activities that we partake in. But our stamp duty rates are out of line with some key competitor jurisdictions; I am not going to go through all of the figures. But if we just look to the U.K., where our top rate is 11 per cent, we are just 1 per cent behind the U.K. for top rate. I know the U.K.'s rate comes in at a lower figure, but if we also look to Guernsey, bearing in mind, I should add, that approximately half of the high levels of stamp duty comes from our high-value resident population. Yes, you can argue that they can afford to pay more and that is what I hope will happen when we have the Housing Policy Board report, there will be a package of measures that will encourage downsizing and it will look to the higher echelons. Over £6 million, over £10 million, I think we are all agreed, higher duty rates at that level, well, that is something, I think, that prices at that level could stand, but not at the levels here. £1.5 million, £2 million, those are the key size family homes that we are going to be targeting for downsizing. I would urge Members, just a cautionary approach, not to do this until we have our housing policy. This is going to be an urgent and important piece of work and I know the Minister for Children and Housing is treating it as such. We should wait for that, because the revenue we raise from duty is an important income stream and we do not want to disrupt it unintentionally.

# 1.2.12 Deputy G.C. Guida of St. Lawrence:

It is funny, because I was feeling I was back in France now for a few minutes. Again, almost 2 years into being a politician and I still discover new things. I had a very strong feeling up until now that when we are looking at taxation, we needed some sort of justification, some sort of reason for taxation. We take the money here, because you have just made it with the help of the Government and we need to bring it back into the community. We needed to justify why we were taking it. Now I heard an extraordinary word, I heard 'grab'. There is the money there, why do we not just take it? Why do we not just go to the banks and ask for the bank accounts to be open? Why do we not just grab the money where it is? We do not need justification anymore, we do not need to explain why: you have just made this, you have made it because you are in the Island, because you have been helped and, therefore, we can have a share and spread it around. No, this one is just about: there is money there, why do we not get a bit of it? It is not that we need it, because we have a balanced budget and we do not need that extra £1 million, but why not take it? It is there, why not just grab it? Rates in Jersey are our most immoral tax. There is no justification for it, there is no reason. The only reason is that the money is there, somebody is going to put £1 million in the bank and, yes, that is an easy time where we can grab it. It does not matter that the people, whatever the amount, have begged, borrowed and stolen to get that money. We will still get 5 per cent, that is fine, the money is there, we will just grab it. It is our most immoral tax. Other countries have worse ones, but here it is our most immoral tax and we have mentioned, of course, that it was our one inheritance tax. If all you leave to your children, depending on the condition, is a house, they may not be able to afford it. They may have to sell it, because there is 5 per cent to pay to the Government on top of it. So, please, find me a justification that is other than: it is there; therefore, we can grab it. If it is a lever, that is different. The increase that we put on last year was all about mortgages. We also have stamp duty on mortgages, that is more immoral than having it on property and we try to balance that. I was fine with that, that is not a problem. Move the figures around, so that you get rid of something that is even worse, that is very good. Please tell me what we are trying to do today.

# 1.2.13 Deputy D. Johnson of St. Mary:

I had noted that in neither the Amendment, nor the Minister's comments in response, no references have been made to the question of stamp duty on death. To a large extent, the Deputy of St. Ouen has clarified that and I fully endorse his comment that there is an anomaly here that stamp duty is payable on death. No death duty as such, but stamp duty is payable on property on death, simply exemptions, whereas if you hold your property through a share transfer arrangement, the only probate court fee paid there is by reference to weight. It is a basic 0.5 per cent and I think 0.75 per cent over £100,000. Now that is, shall I say, minimal compared to stamp duty itself. I simply ask that future policies have regard to that and it might also address the question of the lock-up-and-leave properties. Most of those will be flats, held through share transfer properties and it should not be beyond the wit of this Assembly, or a legislature, to introduce measures which could impose a higher tax on the occasion of their death. A more general point, but not for now, is the question of the fact that personal estate and real estate, or movables and immovables, are regarded separately under the law and that is something I would like to address, although I appreciate there is some opposition to that at a high level. But, certainly, the stamp duty point on death does need to be looked at and embodied in any future arrangements regarding imposition of stamp duty generally.

## **1.2.14 Deputy R.J. Ward:**

This is a strange debate and there are a number of points that have come from it. The first, the strangest thing for me, I have got to point out, is I found myself slightly agreeing with something Deputy Huelin had said, which I felt a bit dizzy standing up, if I am honest, in terms of lock-up-and-leave and he is absolutely right, these are the areas we should be taxing, because they are destroying the housing market here and creating huge problems for people who are trying to live here in reasonable rents. Now I, for one, have said consistently about the number of reviews going on and we need some actions and I totally agree with that and the housing board is yet another one. I get it. I get the poisoned chalice that the Minister for Children and Housing has taken up. I will say, in support of the Minister, he has taken up 2 incredibly difficult areas and that has to be recognised. We have a robust debate within Reform and we fight out our issues before we get here and I think that is what leads to us having good policy and clear manifestos. But the housing issue is so complex and I get it. I understand the £1 million housing issue and there is a huge irony that we are standing here talking about £1 million properties; and you know, I dislike that word, we should be using the word 'homes'.

## [11:00]

The issue is that they are sold as properties, like any other item to be bought and sold in a supermarket, where they should be homes for people. We seem to be losing sight of that moral area of this debate, which we need to do, so £1 million homes as the norm. Now, I am not a specialist in the housing market - even that phrase I find uneasy - in terms of whether that £1 million blockage will have the effects that you have but I see it. I have no problem with taxing more and the redistribution of wealth and I say thank you to the Corporate Services Panel for recognising the importance of the redistribution of wealth. I would be brave enough to say: "Thank you, Comrade" more, but I will not say that, because it is not appropriate language. But that redistribution of wealth, I have no problem with it and there are plenty. There is one fund screaming out for some money, because we failed to put money into it yesterday. Let us put it there. Let us put that money towards insulating the homes of those who cannot afford to do it. The elderly, those who are single parents, who do not have the money to insulate their homes and are suffering from having to pay for their heating in Andium Homes, let us put it there. If that is what was happening here, I would be 100 per cent behind this, but I am still not certain as to whether this is the right way to do it. Whether we can say: "Well, if that £1 million blockage can be solved, once the Housing Policy Board comes up with the issues and it comes up with the evidence to say: 'You cannot do that; let us reverse that and put £2 million onwards" absolutely, happy days, carry on. I would also say if you can afford a home of over £6 million, or £7 million, we should be taking more of that money back to States' coffers and there is

something that you have to consider regardless. I know some from the more conservative end of our political spectrum may struggle with that notion of that level of wealth and doing something, but we cannot sustain our society in Jersey without addressing that end of the spectrum more directly in the future. So, this is a very difficult debate. I am not so sure stamp duty is the place to do this and it just demonstrates the skewed level that people are paying for their homes.

# 1.2.15 Connétable C.H. Taylor of St. John:

Not meaning to repeat and I do not wish to, but some of the points may have been made, but I have them in my speech. We increased stamp duty last year and to do it 2 years in a row, I think, is incorrect. There has been some pushback and I have spoken to estate agents and they have said: "You had an increase last year, do not put it up again this year." Unlike many other taxes, stamp duty goes up every year, anyway, because the value of the houses and the property goes up every year. So, we are told that property went up, I think it was, in various categories, one of them was 8 per cent, in which case the stamp duty has gone up 8 per cent, because that is what they pay. The second thing that has been raised is: what are we going to do with the money? I think that is a very important question and I would like to hear an answer as to what we are going to do with it specifically, because it is not in the Government Plan. There is an issue which again has been raised by the Deputy of St. Ouen; if I sold one of my properties, I could sell it without any stamp duty at all, because it is owned in a company name, because you transfer the company as opposed to transferring the property. This is an area that we are looking at and it needs a lot more investigation, but that is where there is a low-hanging fruit, if I can use that term, in order to increase stamp duty. Rather than increasing it on domestic property, let us find a way of getting it off commercial property, which is an area that we need to look at. So, now is the wrong time to be doing this, we should be looking at a broader spectrum and I urge Members to reject this Amendment.

#### The Bailiff:

Does any other Member wish to speak on the Amendment? I call on Senator Moore to respond.

# 1.2.16 Senator K.L. Moore:

I thank the Constable of St. John for his speech and I think, particularly at the end there, he really hit on the point of this debate. Because the Constable highlighted, as many other Members have, that there is work to be done in this area of stamp duty. That is exactly what the Corporate Services Scrutiny Panel said to the Minister last year, when we debated the Budget. The Minister duly said she would and here we are, a year later, with nothing. Nothing. So, this was our attempt to address that situation and to simplify the work that we had done last year. So, I thank all those who have contributed to this interesting debate. I think what I will do is just focus on the 2 main issues. We all know that timing is an issue and I do not need to rehearse those arguments again, because they were made perfectly clear in the previous debate and the same argument stands in this debate. It sticks in the craw to be told that quarter one next year we will have the findings of the Housing Policy Development Board. Of course, there is nothing in the Government Plan to direct that work and so we will have to wait for the end of the year to set the money that is in the Government Plan for 2021 for the results of the Housing Policy Development Board. Meanwhile, people live in unsuitable accommodation, people live in car parks at the moment, yet we will not be spending any money on homelessness until 2021. It seems quite extraordinary and Senator Mézec was there on Saturday night with me and 100 other people, who slept in Pier Road car park, to raise awareness of Sanctuary Trust [Approbation] and to raise money for Sanctuary Trust, which we were very successful in doing. I have always said to people, when we have talked about homelessness - and I am going on a slight tangent, but it is important and relevant to the debate - I have always said to people that nobody is physically and truly homeless in this Island, although we have homelessness issues. I have always thought, until Saturday night, that nobody was homeless, because there was a bed for everyone and I learnt on Saturday that that is not true. There are a number of people, who find themselves sleeping in our car parks and that is utterly appalling. So, when Deputy Tadier asks what we are going to do with this money, well I think ... and it was not me who raised that, I think it was Deputy Ward, who suggested we could direct the money at the homeless. That is a very good start. There are many things we could direct it. Until that point, I was going to suggest that we could simply use it to bolster the efficiencies programme, because we still do not know whether the efficiencies programme will achieve what it is setting out to achieve, or not. That will only be found at the end of the year in the balance of the Consolidated Fund, so it could help there. There are many uses for this money and it will be extremely well used, I am sure, by this Government if it is raised. Of course, the Scrutiny Panel did intend for it to be used to allow the child allowances but, as I mentioned in the opening speech, that will not happen because of the decision of the Assembly. That is absolutely fine, that is the way it is, but to say that there is no conceivable use for the money is really quite difficult to understand. Senator Mézec, rightly, as the Minister for Children and Housing, raised the issue of the housing market and that is absolutely right and that is the second point to really focus on here. Because we did, as a Panel, give quite considerable consideration to how this should be pitched and targeted and which were the important areas. There was recently a policy forum report in the U.K. that suggested scrapping almost all stamp duty just to encourage movement within housing markets. So we did consider reducing stamp duty in some of the bands, but we felt that the work was becoming too complex in the time that we had available and so we were unable to gather enough evidence at that point in our work in order to do that, so we simply ploughed on. But the market does need encouragement in some areas and I do look forward to the findings of the Policy Development Board in that regard. It must be said, though, that the impact of these changes in that critical part of the market that I am told is slow at the moment, between £1 million and £1.5 million, the impact of this policy, if Members saw the addendum - and I appreciate Members have received an awful lot of information in the run-up to this debate - but on Monday an addendum was published in relation to this Amendment which sets out the impact of each duty rise. For £1 million to £1.5 million, the impact would be £24,500 in respect of the first £1 million, which is the stamp duty rates that were set last year and then the increase that is being proposed, which is only 0.5 per cent, would be equivalent of £5 for every £100 spent on the property over and above the £1 million. Because, of course, our stamp duty calculations are somewhat of an accumulator quiz and rather complex and so £5 in every £100 on a value of over £1 million is a relatively reasonable sum of money, in our view. So, I will leave it at that. It has been an interesting and thought-provoking debate. I do not think that this is a grab for cash that is immoral, I think it is an important debate to have, it is an important consideration for this Assembly in how we develop our proposals going forward, but I do urge the Minister for Children and Housing and the Minister for Treasury and Resources to give much better consideration to this issue in future. I propose the Amendment and ask for the appel.

The Bailiff:
The appel is called for. I invite Members to return to their seats. I ask the Greffier to open the voting.

POUR: 13	CONTRE: 32	ABSTAIN: 0
Senator K.L. Moore	Senator L.J. Farnham	
Connétable of St. Helier	Senator S.C. Ferguson	
Connétable of St. Saviour	Senator J.A.N. Le Fondré	
Connétable of St. Brelade	Senator S.W. Pallett	
Connétable of St. Peter	Senator S.Y. Mézec	
Connétable of St. Martin	Connétable of St. Clement	
Deputy M.R. Higgins (H)	Connétable of St. Lawrence	
Deputy L.M.C. Doublet (S)	Connétable of St. John	
Deputy K.F. Morel (L)	Connétable of Trinity	
Deputy S.M. Ahier (H)	Connétable of St. Mary	
Deputy J.H. Perchard (S)	Connétable of St. Ouen	
Deputy K.G. Pamplin (S)	Deputy J.A. Martin (H)	

Deputy I. Gardiner (H)	Deputy G.P. Southern (H)
	Deputy of Grouville
	Deputy K.C. Lewis (S)
	Deputy M. Tadier (B)
	Deputy J.M. Maçon (S)
	Deputy S.J. Pinel (C)
	Deputy of St. Martin
	Deputy of St. Ouen
	Deputy R. Labey (H)
	Deputy S.M. Wickenden (H)
	Deputy of St. Mary
	Deputy G.J. Truscott (B)
	Deputy J.H. Young (B)
	Deputy L.B. Ash (C)
	Deputy G.C.U. Guida (L)
	Deputy of St. Peter
	Deputy of Trinity
	Deputy of St. John
	Deputy R.J. Ward (H)
	Deputy C.S. Alves (H)

# 1.3 Government Plan 2020-2023 (P.71/2019): fifth Amendment (P.71/2019 Amd.(5))

#### The Bailiff:

Very well, there is a change to the running order, Members will have noticed. We no longer need to debate Amendment number 22, because the Proposition was read, as amended by this Amendment, on Tuesday and therefore we can now move on to the next Amendment, which is the Amendment of the Economic and International Affairs Panel, Amendment number 5 and I ask the Greffier to read ... is there a suggestion this be read as amended? Sorry, is this to be read as amended? No? Very well, read the Amendment.

#### The Greffier of the States:

Page 2, paragraph (c) after the words "of the Report" insert the words ", except that in Summary Table 3(i) the Head of Expenditure for Growth, Housing and Environment shall be increased by £125,000, to allow for greater investment in minor capital replacements within the Sport Division, with other affected lines in Summary Table 3(i) to be updated accordingly".

# 1.3.1 Deputy K.F. Morel (Chair, Economic and International Affairs Scrutiny Panel):

I am sure everybody here understands, as I do, that there is no doubt that Jersey's sport facilities are run-down and poorly maintained. This is due to a lack of investment and it is despite the very best efforts of those charged with maintaining those facilities. As a Scrutiny Panel, we heard some interesting stories about the ways the Department, charged with maintaining the facilities, are making ends meet and trying to do their best. Our Panel's review found that the business case initially for the sports maintenance requested £250,000, but this had been reduced in the Government Plan, somewhat to the surprise of Senator Pallett, Assistant Minister, Economic Development, Tourism, Sport and Culture, who we quote in our report.

## [11:15]

He says: "I found out about them when I read this. That, for me, is not the way it should have been done. It does not give me the opportunity to argue for maintaining the level at £250,000, which was put in there originally." The Government wants Jersey to be healthier and become one of the most physically active populations in the world and that is quoting from the Government Plan, as well.

This cannot happen if the Island's sports facilities are not properly maintained and are, therefore, unusable. I will stop there, because I know we have an Amendment to come, but I think the Amendment also accepts the principle. The argument, I imagine, will be over where that money should exactly sit, rather than should that money be spent. So, I urge you to support the Panel's Amendment it has brought and I will speak again soon.

#### The Bailiff:

Is the Amendment seconded? [Seconded]

# 1.4. Government Plan 2020-2023 (P.71/2019): fifth Amendment (P.71/2019 Amd.(5)) - Amendment (P.71/2019 Amd.(5)Amd.)

#### The Bailiff:

There is an Amendment to the Amendment, proposed by the Council of Ministers, I ask the Greffier to read that Amendment.

#### The Greffier of the States:

Page 2, for the words to be inserted in paragraph (c) of P.71/2019: ", except that in Summary Table 3(i) the Head of Expenditure for Growth, Housing and Environment shall be increased by £125,000 to allow for greater investment in minor capital replacements within the Sport Division, with other affected lines in Summary Table 3(i) to be updated accordingly", substitute the words ", and to allow for greater investment in minor capital replacements within the Sport Division, £125,000 will be allocated to the division from within existing resources available to the Minister for Economic Development, Tourism, Sport and Culture, within Growth, Housing and Environment".

# 1.4.1 Senator L.J. Farnham (The Minister for Economic Development, Tourism, Sport and Culture):

Yes, I agree with the Chairman of the Scrutiny Panel, we are closely aligned on this and have debated about where the £125,000 will come from. But can I just start by giving Members a little bit of background about the States' sporting estate? Before 2012, the old gym equipment and general sports equipment and sports site, all the equipment was replaced using minor capital and historically that had a budget of £250,000. The budget was reduced during the last M.T.F.P. period down to £64,000 a year, so we went from probably having too much budget to having too little budget and that is what we are working to now. Do not forget this Government and the Assembly are generally working still towards the current M.T.F.P. Plan. Just if I can go slightly off-piste for a minute and say to Members of the Assembly, who have said that the Government are not doing anything, this is a ground-breaking debate, because it is the first time that the States Assembly have debated policy and budget together and I think that is a very good and useful step forward. I think, over the next 2 to 3 years, this Assembly and the Government and, more importantly, the people of Jersey will see significant benefits coming from it. I think this is an example, the debate between my Department and the Scrutiny Panel, because sometimes we work firstly together, sometimes we challenge each other; more often the latter, I think, but we are working for the same outcome and that is to benefit the people of Jersey. Although in the scheme of things this is a very small Amendment, it is important. I am making the argument that, because of the size of the funding and the size of our budget and, having discussed the matter closely with Senator Pallett; and Senator Pallett - I want to show appreciation for all of the work and passion he puts into sport - has held me to account many times over this. I have given him my word and reassurance and we have looked at our facts and figures. Looking at our revenue budget and our minor capital allocations, we feel confident that we can find that money, that important money, from our own budget. It is not only important, because we want to make sure Islanders can have access to good sporting facilities run by our Department, but also there is a revenue stream attached to this. We operate in a commercial way, we compete with other

health and fitness businesses, so it is very important that our estate and our equipment are in the condition to compete to attract membership. If we invest properly in this equipment, we are going to help grow our revenues over a period of time. So, in the interests of cracking on with the debate today, that is all I am going to say for now.

#### The Bailiff:

Is the Amendment to the Amendment seconded? [Seconded] Does any Member wish to speak on this Amendment?

# 1.4.2 Deputy K.F. Morel:

Keeping to my promises, that you would hear from me soon, the question is why not accept the Council of Ministers' Amendment? Quite simply, it is because we want to be sure that the money is allocated as we are requesting it. Unfortunately, the Government's Amendment has provided us with no information as to how they will achieve this extra spending and no mechanism by which we will be able to hold them to account. It is for that reason that we are sticking with our Amendment and saying: "Right, this is fine. I completely agree with the Senator, we are both sides saying, yes, we are going to invest £250,000." From Scrutiny's perspective we are saying: "Right, we want it to be there in the head of expenditure, so we can see it and we can hold you to account more easily." The concern is that if it is just from revenue elsewhere in the Department, well that means somewhere else is going to lose money. We do not know where we will be losing that money and it will be much harder for us to say: "Right, you had £250,000, how did you spend it?" and so that is the logic on this side of the argument.

# 1.4.3 Deputy J.H. Perchard:

My concern with the Amendment to the Amendment is to do with the wording of it. I know we are not talking about the fifth Amendment, but the Amendment to the fifth Amendment, but I just would like to draw Members' attention to the fact that in the Panel's fifth Amendment it states that the head of expenditure will be increased by £125,000, whereas, in the Amendment to the Amendment it states that £125,000 will be allocated to the division from existing resources. It does not state that there will be £125,000 in addition to the £125,000 in the Plan. So, I believe - and I may be corrected here - that this, therefore, could be interpreted to state that, yes, there will be £125,000 allocated to sports but not the additional £125,000, or the increased £125,000 that we have asked for, because it does not say that in the Amendment to the Amendment.

## 1.4.4 Deputy S.G. Luce of St. Martin:

I rise to just express my disappointment with the Minister's response and this Amendment to the Amendment. The Minister has a great deal of responsibility to the economy and I was disappointed when this Plan was published that there was little for the economy as is proposed. I am thinking specifically about productivity, how we keep businesses moving in this Island, about marketing and support and maybe specifically about how we help the dairy and fishing industries. I would have liked to have seen more ...

#### The Bailiff:

Deputy, I am sorry to interrupt you, but this is about the specific Amendment, dealing with the £125,000 for sporting activity, it is not a general ...

# The Deputy of St. Martin:

I just expressed those examples as the reason why the Minister has suddenly found £125,000. If he has £125,000 to spare to do this, why was he not doing other things before? I am very disappointed and I shall be supporting the original Amendment.

#### 1.4.5 Senator S.W. Pallett:

I share Deputy Perchard's concerns and Deputy Morel's concerns about where the money is going to come from. I have challenged the Minister continually in recent days, the Director General, as to where exactly this money is going to be found and when it is going to be made available. Having spoken to the operations manager, we have already identified the equipment we need. We are going to spend the money. We are going to find the money and we are going to spend the money. We have to do that, because we have fallen so far behind the curve in regards to what we provide our Active Card members. We have no choice. We are losing members hand over fist at the current time and we will carry on doing so. As we do that, the revenue for the Active Card scheme is decreasing and the amount of subsidy we are having to put into it is going to increase, so we have to invest into our facilities. The issue is around the confidence this Assembly can have in the money being provided from within existing resources. The G.H.E. (Growth, Housing and Environment) budget, as we all know, is a big budget. I have been convinced by both the Minister and the Director General that this money will be found from within existing resources ...

## **Deputy J.H. Perchard:**

Would the Member give way?

## **Senator S.W. Pallett:**

Yes, of course I will.

#### **Deputy J.H. Perchard:**

It is just a clarification, I think will help the Assembly's wider understanding of what the Assistant Minister is saying. When the Assistant Minister says "the money", is he referring to the £125,000 already allocated in the Plan, or is he referring to an additional £125,000 that is not specified in the Amendment to the Amendment?

## Senator S.W. Pallett:

I have been reassured by the Minister and Director General that the £250,000 extra will be found this year over and above the other £64,000 that is already in there. So, it will be over £300,000 that we can invest in facilities. I will be back here if I do not feel that I am being listened to and that money is not available. I have been assured by the Minister, he has given me - not written assurance - but promises that he will provide that money and I take him on his word. I have worked with the Minister now for - how long? - 4 years, 5 years and I have got to honestly say we have a good relationship and when push comes to shove, I have never been let down. So, I have got to take him on his word, I have got to take the Director General on his word and that the funding will be made available to support the extra funding that is required, the £250,000. I have got to thank Deputy Morel and the rest of his Panel for highlighting this, because it was of grave concern to me, as he well knows. I was scathing of the process and I still remain quietly fuming inside about the way it was put together. But, at the end of the day, I think there has been an understanding that we cannot carry on in the same vein, so I would just ask the Panel that they accept my assurance that this money will be found. If I, at any stage, feel that it is not the case, I will be back to the Panel to say that, but I have confidence in the Minister and the Director General that they will stick by their word.

# 1.4.6 Deputy M. Tadier:

I thought fairly long and hard, because I do not want to create any discordance with the view of the Department and myself. I think the first thing to say is that we are all of one mind when it comes to wanting to provide an excellent service in the offering from our Department. Obviously, I was very grateful earlier in the year and remain grateful, especially on behalf of the organisations for whom this Assembly made the decision to give more money to and secure their future in terms of those cultural organisations. They will benefit from that. I was also aware that there are - how to say it diplomatically? - that there are clearly political ... things need to be treated gently around the Council of Ministers, which is a composite group of individuals, by and large and this is a Council of

Ministers' Amendment, it is not *per se* an Amendment from our Department. I remember similar arguments being given back, then, about cultural funding: "We do not need to do that. We will sort it. We will talk to the Director General." We do live in a brave new world of politics in this ministerial era, which not everybody, I think, envisaged, even down to the point of the Director General titles. These are similar titles that you would find in the novel *Brave New World*. We hear about these directors of hatcheries, *et cetera*, and the different directors. What I would say is that we are debating a relatively small sum of money, but for something which is really important. I think all of us in this Assembly should be really concerned that ... I am an Active member, recently rejoined with my partner, because I decided that, at the age of 40, I do not want to have a heart attack and I would like to keep going a bit longer. The Active scheme is a really good thing to get involved with and when I was there a couple of weeks ago, I was stopped by a constituent and she said, partly jokingly, but there was clearly a serious undertone: "What are you going to do about the roof that is leaking" because they had the buckets out.

## [11:30]

This is not a problem that is unique to Les Quennevais Sports Centre; it is something that we have throughout our portfolios. I am dealing with a similar problem at the Opera House; we have a great Opera House there, which is their tenants and it is owned by Property Holdings and we, as the States, collectively over decades have not maintained our properties properly. So, when I gave an interview and it is probably apposite at this time of year, a little plug for Scrooge, which is going to be coming up at the Jersey Arts Centre, I likened Jersey's Government, not this one, but historically, to Scrooge, who has been sitting there with loads of money under his bed accumulated, but he has leaks and the house is falling around about his ears. It is not for the want of not having the money to pay for it, it is because he has decided that he wants to accumulate and put all this money for security in a rainy day fund for the future, in case something terrible happens, but, in the meantime, it literally is a rainy day and the water is coming through the roof. So, we have a rainy day fund, which is being put aside and we are told that this is fiscally prudent, but it is not fiscally prudent if you are doing it at the expense of not maintaining your property and we do literally have rain coming through the roof. So, what I would say to Senator Pallett - and I completely support him - is that why take the risk of having to say that: "I will come back to the Assembly if the Director General will not give me the money"? Why are we putting it down to the largesse of a Director General to grant £125,000, which is relatively small money in the grand scheme of things, when it should be the opportunity for this Assembly to reaffirm its supremacy and say: "We are not willing to take the risk?" We all agree that we want this £125,000 to be used for urgent repairs and if we make this decision now, today, that money will be made available to Senator Pallett to make these repairs as quickly as possible, which means that this £125,000, incidentally that I did not know about before. If I knew there was £125,000, which was going, I would have definitely asked for some more of that, because I need some for this coming year, because the cultural funding does not kick in until 2021 in earnest and I could have done with some of that to front-load. The point is, we do not have the opportunity to do this. I would have loved to have moved some of the budgets around from 2021 and I would have loved to have given Senator Pallett perhaps some of the money from 2021, if I could have had more next year, but we are told by these Directors General, who certainly I never see, I am not saying they sit in ivory towers, but they certainly sit somewhere that I cannot see them, and I just make that point. This Assembly should make this decision today to do what we all want to do and to free up this £125,000. I apologise to my ministerial colleagues if that is a slightly different message, but I think we are on the same page, we want this money to be released. That money will still be there and it can be used for other stuff. I do not want that money coming out of some other budget where we do not have the control where that comes from.

#### Senator S.W. Pallett:

Could I just ask, I have already spoken, I just want a point of clarification?

#### The Bailiff:

You are asking the Deputy for a point of clarification from his speech, yes.

#### **Senator S.W. Pallett:**

Because he mentioned a couple of times around money being invested in facilities and I just wanted him to confirm that he understands that this is not in facilities, this is around equipment for the gyms, it is not about facilities and it is not about repairing roofs. I just wanted him to confirm that is the case.

# **Deputy M. Tadier:**

I take that point, but I think, generally, if you take £125,000, you do not have it to spend elsewhere and I think the facilities need to be taken in the round. We do have a situation where we have leaky roofs and we have old equipment that needs to be replaced and that will come out of our budget one way, or the other.

#### 1.4.7 The Connétable of St. Helier:

I rise, really, to voice a certain amount of disquiet that I am feeling as I hear this "money being found" in an extremely tight budget and yet, when certain Ministers want money to be found, it can be found, often with the prompting of a Scrutiny Panel, less often through the prompting of a backbencher, because most of the efforts thus far of Members to reorder the Government Plan have failed by quite a large margin. I am disquieted by a number of things; one is the role that party politics are playing in all this. I am curious at the position adopted by Reform over stamp duty, for example. That is another matter, but I am also reading between the lines of Deputy Tadier's speech, trying to search out what he is really saying about his role as Assistant Minister. I am just curious, that is all I can say and I am flagging this up, really, because later in this debate I am going to be asking Members to set up a Committee to manage an extremely large pot of money, which will be going to an extremely important source, which is climate change. What I am feeling about the way our Government is operating is a lack of transparency and I believe that members of the public, listening to this particular debate about whether an extra £125,000 can be found for sports facilities, hey presto it has been found in the Minister's back pocket, they must be wondering how transparent is that process. What comfort do they have as taxpayers that the Government Plan process is producing outcomes that are really fair and that are consistent with the Common Strategic Policy? So, I have concerns about this particular Amendment. I am not sure quite how Deputy Morel is going to handle it; I think he is absolutely right to resist the Amendment, because there is always a risk, when money is found in ministerial back pockets, that it is not new money. It has happened to me in the past where a Minister has agreed to find extra money and, hey presto; I found that money has been taken off the bottom line of another project that was very important to me. So I am concerned: is this new money? I would be grateful if the Council of Ministers could find a little bit more transparency, so the public know exactly what is going on.

# 1.4.8 Deputy K.G. Pamplin:

I rise in this part of the debate to pick up some points of previous speakers, but specifically refer to this time last year with the release of the *States of Jersey Sports Facilities Delivery*, November 2018. There was so much in this report that stresses the need for once and for all the urgent investment that is required, which is why, on its second strategic requirement, it says: "To agree to close Fort Regent as a sports and entertainment venue and investigate other uses for the site" because, for so many years, many of the Island's sports facilities are sadly becoming not fit for purpose. Because of the urgency and the depth of knowledge that was put into that report that was accepted by many in this world, we all agreed that the time has come where we want to look at this Island, as a sports with excellence, but also encouraging the health and well-being of generations to come. I say that in light of this Amendment put forward that I agree with Senator Pallett in what he is saying here that he has

a great relationship with his Minister, who is also a keen triathlete and we all are aligned on the urgency of sport delivery. When we look around the cricket pitches of my Parish and see how just run down they are, where the access for people who can just walk and play sports is not at the standard it should be for all of us. With the urgency that is once and for all required for us to absolutely deliver on this, we need more assurances than the goodwill and the relationship you have with your Minister and I have that as well. But the Amendment the Panel has put forward just puts some more rubber stamp on it that, as the Constable of St. Helier and Deputy Tadier have said - and others - that this does not really match, I believe, the urgency that is required going forward, which is why I cannot agree with the Senator on this Amendment and I urge other Members to reject it also.

# 1.4.9 The Deputy of St. Mary:

I am a member of the Economic Affairs Scrutiny Panel and I maintain my support for our Amendment. We are talking about a relatively small sum and I would not wish to disturb the harmony, which exists between our Panel and the Minister. That said, Deputy Tadier has highlighted that one of the very concerns that there are greater demands within the Department for funds from various branches of it and, while in no way doubting the sincerity of what the Minister says, pressure might be put on him to release the funds for other purposes. To avoid that very problem - and possibly to help other Assistant Ministers - it is better for the States, for the sports facility, if we maintain our original Amendment and reject the Minister's Amendment.

#### 1.4.10 Senator J.A.N. Le Fondré:

When the Government Plan was being put together, as most Ministers will vouch for, we had some quite tough decisions and discussions around all the various priorities, so I do make the point that obviously, from where we were, the budget has increased, number one. What we are now all in unanimous agreement with is that the budget is going to increase again by £125,000. It is purely where it comes from. It is either we have a line on the increase, which ultimately increases the deficit if it is spent, or we can say we can fund it from the existing resources. Just to be really clear for Deputy Perchard, it is an additional £125,000; let us be very clear on that front. What we have tried to do on this - and I hope Members will see that as we go through some of the debates - we have tried, where we can, to either accept - and we have moved a couple of points more recently - or we have tried to amend. This is an Amendment that we have gone for. We felt, from the point of view of trying to remember budgetary discipline and all that side of things, we have tried to keep the line in this area. When it was raised and the arguments were raised around the Council of Ministers, we accepted the principle of increasing the allocation of funds to this area. But we also felt and I will maybe just give a flavour, I was disappointed that the Deputy of St. Martin saying there was very little money for the economy. There is £80 million over the next 4 years for the economy as a whole. That is what the numbers are that we are talking about. This is a one-off sum. There is a different discussion between recurring expenditure, which repeats each year; this is a one-off Amendment and so, from that point of view, we have said that, as a one-off sum of money, we can fund this, but without adding to the bottom line. I think the Treasury's expression was "broadly balanced". It is fractionally in deficit. If you add it to the bottom line, it increases the deficit; we believe we can fund it out of our existing resources. We have committed to that, I commit that to the Assembly, there will not be any messing around. That is what we have said. This is an additional spend. I hope that clarifies matters. It is, obviously, in the hands of the Assembly. Our view was it was better to amend it, we are supporting the outcome, it is just purely the source of the funding, but we have committed to achieving that outcome.

#### The Bailiff:

Does any other Member wish to speak on the Amendment to the Amendment? I call on Senator Farnham to respond.

# 1.4.11 Senator L.J. Farnham:

Thank you to all Members who have spoken. It is a slightly odd one, this, because sport are going to win either way, because my intention is - and Senator Pallett's intention is and the Chairman of the Scrutiny Panel's intention is - to ensure that sporting equipment gets £250,000, so I am not quite sure if it matters which way we vote on anything, because, even if we reject everything, that is what is going to happen. But, in terms of the process and Members will know this and Ministers, as part of the year-end process, not only do we look at departmental revenue expenditure, but we also review capital heads of expenditure. As part of that review we, and I am talking about the Government in general, but my Department and sub-departments within my Department, return budgets where contingency, or funds, are no longer required. Even with the best budgeting in the world, it happens there are always funds that are not required. We might have thought we needed them at the start, but because of various reasons during the course of the year - and these are commercial activities we are talking about, trends change, decisions change - all departments always have an area of flexibility and costs are often lower than anticipated. Sometimes they are higher; quite often they are lower in the Department for Economic Development, Tourism, Sport and Culture. The review work done, so far, also gives us comfort that sufficient elements of budgets could be released in this way and an additional £125,000 can be made available. That is not just suddenly finding it; that is being realistic, because if I had to find it now, I do not know where it is coming from, but as we go through the year, do not forget our departmental budget, £25 million going up to £32 million over the Government Plan, there is a lot of money and there will be some reserve there. I take on board Deputy Tadier's comments - and Deputy Tadier and I and certain members of Reform have not always been the best of political bedfellows - but I hope he agrees with me that Senator Pallett and Deputy Tadier and ourselves have put that aside and worked well as a team over the last couple of years.

# [11:45]

It is because of Deputy Tadier that Heritage, Arts and Culture are going to see their funding increase by £700,000 next year and by up to £3 million, £4 million and £5 million additional on the support of the States Assembly over the next 3 years. Turning to my good friend, the Deputy of St. Martin, I was slightly disappointed with him, he was disappointed with me, I am a bit more disappointed with him for questioning our commitment to the economy. The Chief Minister has said right at the heart of the Strategic Plan and right at the heart of this Government Plan it is supporting the economy, because that is what delivers us the revenue to make the improvements we want to make. From my point of view, we in our Department, as agreed by myself and the Assistant Ministers, are investing more in tourism, in agriculture, in business, in sport; right across the board we are putting more money in. The efficiencies are not cuts; the efficiencies are a reprioritisation of spending. It is where we have decided we are not going to spend money on those things, we are going to use that money on other things and that is what we have tried to do in our Department. I think we have come up with a good solution. So, I undertake to join the Chief Minister's commitment to this Assembly that, whatever happens in the vote, sporting equipment will be better off to the tune of £250,000 if they need it. There are no ifs and buts, £250,000 will be made available for sporting equipment next year.

### The Bailiff:

The *appel* is called for. I invite Members to return to their seats. I ask the Greffier to open the voting.

POUR: 24	CONTRE: 19	ABSTAIN: 0
Senator L.J. Farnham	Senator K.L. Moore	
Senator S.C. Ferguson	Connétable of St. Helier	
Senator J.A.N. Le Fondré	Connétable of St. Saviour	
Senator T.A. Vallois	Connétable of St. Brelade	
Senator S.W. Pallett	Connétable of St. Peter	
Connétable of St. Clement	Connétable of St. Martin	
Connétable of St. Lawrence	Deputy G.P. Southern (H)	
Connétable of St. Mary	Deputy M. Tadier (B)	

Connétable of St. Ouen	Deputy M.R. Higgins (H)	
Deputy J.A. Martin (H)	Deputy of St. Martin	
Deputy of Grouville	Deputy L.M.C. Doublet (S)	
Deputy K.C. Lewis (S)	Deputy of St. Mary	
Deputy J.M. Maçon (S)	Deputy K.F. Morel (L)	
Deputy S.J. Pinel (C)	Deputy of St. John	
Deputy of St. Ouen	Deputy S.M. Ahier (H)	
Deputy R. Labey (H)	Deputy J.H. Perchard (S)	
Deputy S.M. Wickenden (H)	Deputy R.J. Ward (H)	
Deputy G.J. Truscott (B)	Deputy C.S. Alves (H)	
Deputy J.H. Young (B)	Deputy K.G. Pamplin (S)	
Deputy L.B. Ash (C)		
Deputy G.C.U. Guida (L)		
Deputy of St. Peter		
Deputy of Trinity		
Deputy I. Gardiner (H)		

# 1.5 Government Plan 2020–2023 (P.71/2019): fifth Amendment (P.71/2019 Amd.(5)) - as amended

# The Bailiff:

We now then return to consideration of Amendment number 5, as amended. Does any Member wish to speak on Amendment number 5? Those in favour of adopting Amendment number 5 kindly show. The *appel* is called for. I invite Members to return to their seats. I ask the Greffier to open the voting.

POUR: 44	CONTRE: 0	ABSTAIN: 0
Senator L.J. Farnham		
Senator S.C. Ferguson		
Senator J.A.N. Le Fondré		
Senator T.A. Vallois		
Senator K.L. Moore		
Senator S.W. Pallett		
Connétable of St. Helier		
Connétable of St. Clement		
Connétable of St. Lawrence		
Connétable of St. Saviour		
Connétable of St. Brelade		
Connétable of Trinity		
Connétable of St. Peter		
Connétable of St. Mary		
Connétable of St. Ouen		
Connétable of St. Martin		
Deputy J.A. Martin (H)		
Deputy G.P. Southern (H)		
Deputy of Grouville		
Deputy K.C. Lewis (S)		
Deputy M. Tadier (B)		
Deputy M.R. Higgins (H)		
Deputy J.M. Maçon (S)		
Deputy S.J. Pinel (C)		
Deputy of St. Martin		
Deputy of St. Ouen		
Deputy L.M.C. Doublet (S)		

Deputy R. Labey (H)	
Deputy S.M. Wickenden (H)	
Deputy of St. Mary	
Deputy G.J. Truscott (B)	
Deputy J.H. Young (B)	
Deputy L.B. Ash (C)	
Deputy K.F. Morel (L)	
Deputy G.C.U. Guida (L)	
Deputy of St. Peter	
Deputy of Trinity	
Deputy of St. John	
Deputy S.M. Ahier (H)	
Deputy J.H. Perchard (S)	
Deputy R.J. Ward (H)	
Deputy C.S. Alves (H)	
Deputy K.G. Pamplin (S)	
Deputy I. Gardiner (H)	

#### Senator L.J. Farnham:

Sir, just as a point of order, should the Chairman not have been given the opportunity to speak on his Amendment before we voted?

#### The Bailiff:

Because no one spoke. You only get a chance to reply if a Member has spoken on the Proposition, so there was nothing to reply to.

# 1.6 Government Plan 2020–2023 (P.71/2019): sixth Amendment (P.71/2019 Amd.(6))

#### The Bailiff:

We now come to Amendment number 6, brought by the Economic and International Affairs Scrutiny Panel. I ask the Greffier to read the Amendment.

# The Deputy Greffier of the States:

1. Page 2, paragraph (c) – After the words "of the Report" insert the words ", except that in Summary Table 3(i) the Head of Expenditure for the Office of the Chief Executive shall be reduced by £150,000 on the basis that a Financial Stability Board (as described on page 60 of Appendix 4 to the Report) will not be established, with other affected lines in Summary Table 3(i) to be updated accordingly. 2. Page 3, paragraph (i) – After the words "Appendix 4 to the Report" insert the words ", except that on page 60 of Appendix 4 the action entitled "Establish a Financial Stability Board" shall be deleted".

# 1.6.1 Deputy K.F. Morel (Chair, Economic and International Affairs Scrutiny Panel):

There were some important takeaways from the debate we have just had on the Government's Amendment to the Amendment and those takeaways are about transparency and, even more importantly, the primacy of the States of Jersey, the protection of our democracy and holding Ministers to account. I wish you to bear them in mind, as I present our reasons for this Amendment today, because I think it is hugely important. As we say in our report, the Panel believes that the Government already has the resources in place to manage the risks spoken of in the Ministerial Decision that created the Financial Stability Board back in July. Quite simply, we feel that there is no need for Jersey to outsource any more of its democracy and by so doing chipping away at our democratic rights. Why do I say this with regard to an Amendment about a Board that is supposedly

designed to provide formal recommendation on matters of financial stability, such as a bank failure, economic crisis, or major disaster, as the Chief Minister wrote to us to explain? Sadly, as we have seen with the Fiscal Policy Panel, what this means is this Government and future Governments doing exactly as they are told by these Boards. On top of this, we are told that the Board is to be chaired by Lord Andrew Tyrie and also to have as a member someone who was previously a Director of the Bank of England. These are people who have clearly been focused on acting in the interests of the U.K. and they are to play a role in determining the interests of Jersey, particularly at a time when our interests are diverging. With regard to transparency and to add to the mystery, this Board was set up, in shadow form, by previous Governments back in 2012, yet it has failed to function properly. It was recommended in the Boleat report of 2011. The Boleat report, which, if you have read it, please let me know, because it has never been published and it has not been provided to Scrutiny. Yet the Government wants us to spend £150,000 a year, so that they can be told what to do by a Board of other people, who are not elected and do not answer to this Assembly. All the while we sit here in St. Helier with economists and financiers aplenty. We are one of the world's leading financial We have, locally, the resources to determine the risks to our financial stability ourselves. We do not need to look overseas for that. It amazes me and I am very concerned in his letter to our Panel, the Chief Minister said that he wants to put this Board on to a statutory footing. That is very dangerous, in my view. That is the worry that I have to make in law this Board, because I can tell you now, Ministers will just pass on, as we see from the Fiscal Policy Panel: "But they told us to do it, but they told us to do it." We will have no response to that, because that Board told the Ministers to do it. We have also, in Jersey, not just the financial and economic expertise, importantly the regulatory expertise. That is, in fact, far more developed than that of much of the U.K.'s regulatory expertise. But are those Islanders, who have this expertise, on this Board? No. Apparently we need people from the U.K. to tell us what to do. The £150,000 is to create a secretariat for this Board. That to me sounds very much like an empire beginning to be built. It worries me when I hear that, when I read such words. There is nothing that this Board does that cannot be done on-Island already with the resources we have here, the people we have here. If there is a Financial Stability Board that we need, then I would ask the Minister to make sure that it is staffed exactly in that way, from people who are here, from the expertise we have. No longer. This Island should not sit there anymore saying that we are not good enough, we have to look overseas for other people to tell us. This is our area of expertise. This Board could be made with less than £150,000 a year. This Board could be created without the need for an empire to surround it. So, I ask you, when thinking about this, when you are being asked about how we need to be directed by other people, think about the transparency, think about the primacy of this Assembly, think about the threat to our democracy from the constant chipping away, the constant outsourcing to independent boards elsewhere that do not answer to us and that we apparently have no answer to. I make the Proposition.

### The Bailiff:

Is the Proposition seconded? [Seconded] Does any Member wish to speak?

## 1.6.2 Connétable R.A. Buchanan of St. Ouen:

I cannot support the Economic and International Affairs Scrutiny Panel's Amendment that seeks to remove the funding for the Financial Stability Board. It is a relatively small amount of money to secure the substantial benefits of protecting Jersey's economy from financial stability risks. Jersey's economy is reliant on the financial services industry. It has brought us decades of prosperity, but we should never take it for granted. The Financial Stability Board is needed to evaluate the risks to financial stability in the Island and identify the best ways of managing any financial shocks and to minimise the risks and costs to Islanders and to provide that advice to the relevant Ministers. It is about ensuring the stable functioning of our financial system, supporting our continued prosperity by ensuring the ongoing provision of services to businesses and households. Financial stability is an essential requirement for the smooth running of a modern economy. All jurisdictions face risks in

relation to their financial system and there are many examples of failing to protect against these risks from the example of numerous high-profile banking crises and the risks to foreign states resolving them. Jersey faces an additional challenge insofar as it does not have the capacity of its own central bank to seek to stabilise a financial sector in crisis and protecting the wider economy from financial instability. This is why we need a Financial Stability Board to identify where the significant risks arise from the financial sector and recommend appropriate mitigation and preventative measures. The Fiscal Policy Panel stated that the cost to Government of the financial services crisis in Iceland, Finland and Cyprus, ranged from between 30 and 60 per cent of gross domestic product, which would be about £1.5 billion to £3 billion for Jersey. This is only the cost to Government. The cost to the whole Island economy would be potentially much larger. Enhancing our protection against these sorts of catastrophic costs is surely worth the annual expenditure of £150,000. Again, we only have to look at Iceland to see what happened there, they did not think they were going to have a financial crisis. The last financial crisis, in 2008, completely decimated their banking sector and plunged the Icelandic economy into a major financial crisis. All businesses and households are part of the financial system and all of us benefit from financial stability. The Financial Stability Board will seek to address macroeconomic risks, either risk to the overall economy, including where those risks were on businesses in the non-finance sectors and households. Macroeconomic risks also result in significant costs to public finances and to taxpayers. This is a small amount of investment that could potentially save significant costs to the Government in the future. Further, the existence of a Financial Stability Board will provide reassurance internationally that Jersey is a stable jurisdiction; that we have taken time to plan for a range of contingencies and to manage any significant risks. These reputational benefits will help attract and retain investors in both the financial services and the rest of the economy. The Scrutiny Panel has asked why this important function cannot potentially be carried out by Jersey Finance, or the Jersey Financial Services Commission. I will take both these organisations in turn. Jersey Finance does an excellent job of promoting Jersey in the Financial Services Centre. While a Financial Services Stability Board will help cement this reputation, the Board will not be tasked with promoting Jersey, but rather identifying macroeconomic risks and making recommendations to Government to deal with these risks.

#### [12:00]

There is, therefore, a limited crossover with Jersey Finance. The Jersey Financial Services Commission, on the other hand, is tasked with regulating the conduct of individual businesses in the financial services sector. While effective regulation undoubtedly helps contribute to financial stability, the regulator is not especially focused on the broad economic risks which may arise from a crisis in the financial services sector. Neither is it resourced to do that, as dealing with regulation is a massive task in itself. The Scrutiny Panel also hint that this role could be undertaken by economic research units, employed within financial services firms locally. I am sure the Scrutiny Panel has not failed to notice many failings with the management of these risks of the global crisis. These failings have made headline news throughout the world. The experience of the crisis has focused minds more clearly on macroprudent risks, as they have tended to fall between the gaps between microprudent regulators, the monetary authority and the industry itself and Government. Let us take the U.K. as an example. The financial crisis in the U.K., it was not clear who was responsible for the financial stability across the regulators, the Central Bank and Government. Following the experience of the crisis, the U.K. Government set up the Financial Policy Committee to identify any risks arising from the U.K. financial system and to ensure that society can have the confidence in financial institutions and markets. Jersey's Financial Stability Board will ensure that we do not make the same mistakes as they did in the 2008 crisis. The U.K.'s Financial Policy Committee exists to support the U.K.'s economic policies and its first guiding principle is that financial stability is the constant supply of these vital services that real economy demands from the financial system. This is just as important in Jersey for all the businesses and households that depend on receiving these services. To assume that individual firms are first and foremost focused on these interests is optimistic, at best. The level of optimism was shown to be naïve in the most spectacular fashion with the drastic steps taken by some of the world's richest countries, in order to restore stability and fix mistakes made by government regulators and firms acting within the market. Individual firms within the financial sector will neither have the breadth of knowledge, that a body like the U.K.'s Financial Policy Committee, or the Jersey Stability Fund Board have, nor will they have the same objectives. While firms may be keen to reduce the risk to their clients and shareholders, they will not be focused on avoiding systemic risks that only Government can address. These firms will simply not be equipped to act unilaterally to ensure financial stability. I can sympathise with the Scrutiny Panel's attempts to avoid duplication, but there is no duplication here. The Board will, of course, co-ordinate with and rely on the support of the Government, the regulator and the industry, but will be independent from them. The Board perform a vital function in identifying risks that could seriously affect our future prosperity. Only an independent Financial Stability Board, reporting to the Government, can hope to identify the key risks and make recommendations as to how to act to reduce these risks. I believe £150,000 is a small price to pay for this additional protection to our economy and our standards of living and I urge Members to reject this Amendment.

# 1.6.3 Deputy L.B.E. Ash of St. Clement:

I will not speak for long. I just really want to back up what the Constable said there. We are very lucky to have these people coming in. They operate, of course, from a neutral perspective. If you employ people from here, as the Constable alluded to, they have their own agendas that are going on, because they are within the Island. You get someone from outside the Island in many of these consulting forums, they will look at it and they look at it from a different angle, plus they are close to the City of London, which we are very much tied to the City of London, so hearing what their views are from the U.K. is a very important thing. Deputy Morel seems to have this paranoid fear of anything to do with the U.K. He is fast turning into Jersey's answer to Nicola Sturgeon.

# **Deputy K.F. Morel:**

A point of order, Sir.

# The Bailiff:

I think that is an unnecessary personal observation directed ... I mean, by all means comment on what Deputy Morel's statements are and characterise them as you will, but I think to refer to him as the equivalent of Nicola Sturgeon and operating paranoia is probably not parliamentary, Deputy.

# Deputy L.B.E. Ash:

I withdraw that statement, Sir.

# 1.6.4 Deputy K.G. Pamplin:

I was not going to speak, but I have now risen to my feet after the previous speaker. I think we have to be careful in these debates and read the evidence in front of us. The Scrutiny Panel have put together a well measured, well thought out, well proposed comments paper. There has been a lack of those in other areas, I would make that comment now. It is very clear when we start making statements: "Oh, we are tied in with the U.K. and we believe this", the whole world right now is going through economic instability. New people are coming to the forefront and we are seeking their advice. I get that, but if we are to completely back and own the running of our independent finance industry here in Jersey, which is well regulated with Jersey Finance, then I completely concur with the Scrutiny Panel's recommendation. We have the expertise, we get that advice here locally. Now is the time to not keep looking to other parts of the world, especially the U.K. now with what is about to happen after this election that they are about to go through and Brexit coming through, we do not know the certainty of the U.K. economy. We do know, here in Jersey, that we have a thriving, well-supported economy that we need to support. We appreciate their advice and I think the Scrutiny Panel have done a great job, which is why I am supporting this.

## 1.6.5 Deputy J.M. Maçon:

This is an Amendment from a Scrutiny Panel and I did listen to the Chair's opening speech. I do have to challenge some of the evidence he puts to the Assembly and some of the assertions that were put forward, one being that the Government is incredibly not transparent. But, of course, he then went to talk about the Fiscal Policy Panel, but the Fiscal Policy Panel, of course, is independent and provides its report, which is thoroughly transparent, which any Islander can access. Then the Deputy went on to say: "We do things because the Fiscal Policy Panel have said it." Now, I have sat on Corporate Services reports with Senator Ferguson in the past and we have certainly bashed the previous Council of Ministers over the head for not listening to the Fiscal Policy Panel's recommendations. The issue has always been the evidence is produced from the Fiscal Policy Panel, the Government of the day has always looked at it and has decided whether to choose and adopt recommendations from it, or not. Sometimes it has and sometimes it has not, so the evidence produced by the Chairman of saying that suddenly these experts, which we pay the taxpayers' money for in order to get this expert advice: "Oh, now we are going to disregard it and do our own thing", it does not make any sense, whatsoever. That does not necessarily undermine the argument for the Amendment, but all I am saying is that the evidence that the Chairman has produced, in order to back up some of his argument does not add up, because Governments have and have not been listening to the Fiscal Policy Panel, but certainly I would want to say that their work is absolutely transparent because those reports anyone can access.

### 1.6.6 Deputy J.A. Martin:

For me to rise on something to speak about finances, which I do not always grasp, but when I read the Amendment, I thought: "The Deputy, or the Panel, have not got what Jersey Finance Limited do" and especially the Jersey Financial Services Commission. We were a regulator - we were - and I think it went down very badly and I think we were blacklisted. We have to keep Government away from the regulator. I listened to the Deputy's speech and his misunderstanding of what we can do with the expertise in Jersey was confusing. I listened to Deputy Pamplin, who said: "The world is changing, but bury your head in the sand and make sure you only listen to people who live in this 9 by 5 area." It does not make sense. I am probably going to speak out of turn here, but I think this is a bit like the other Amendments. This is £150,000 we cannot afford not to spend. Now, if you vote this out, where we have been very transparent in saying what we need it for and I have had Moneyval explained to me to the depth that I literally cannot take any more, but some people say it affects only this much and some people say: "The majority of your financial institutions cannot bury their head in the sand because it means this." What we are asking for, heads of expenditure, we need this Financial Stability Board, we need something else. We cannot use the regulator and Jersey Finance goes around the world promoting the product we have. What this Board needs to do is tell us the product we have is fit now, it is fit for the future and we are not standing in the queue when everyone else is saying: "Oh, I wish we had known that, if we had perhaps looked a bit further afield ..." I am sorry, this is not by Scrutiny, it really is not. We have to have ... and I am sorry, I am not talking on my expert subject, but I am sure ... sorry, I know as much as I understand over the 20 years to how bad we were before when we were a regulator. We need this advice. The world out there is changing. Now, if we can go out to advertise, I do not say it has to be someone from abroad and I am not saying ... there may be a person on-Island who has got the time and the initiative of £50,000 to give us billions of pounds worth of expert advice. I will leave it there. The Amendment is very short-sighted and it should not be accepted, because it has got to be done one way or the other.

# 1.6.7 Deputy S.M. Wickenden of St. Helier:

I think what gives me confidence in that we are doing the right thing here is the person that gave us the advice in the first place to set up an F.S.B. (Financial Services Board), which was the late Colin Powell. [Approbation] This was a gentleman that was respected the world over and his advice was sought the world over. He was a gentleman that has helped us weather the storms of the past through

his advice and his hard work that has been going on. He is sorely missed, he is sorely missed in Jersey, he is sorely missed across financial services and the world for the staunch and clear advice he used to give to many places. If there is any reason why we should be following what we are doing here, it is because the advice of what we should be doing came from somebody that has never failed us in the past. For that reason, that is why I think we should stay the course.

# Deputy K.F. Morel:

A point of clarification.

#### The Bailiff:

You wish to ask the Deputy for a point of clarification? Yes.

### **Deputy K.F. Morel:**

It was just - and it is a genuine misunderstanding - everything that our Panel was told was that the advice on this came from the Boleat report, from Mark Boleat. I just wanted to clarify where the reference to the late Colin Powell came from, only because that never came across the ...

#### The Bailiff:

You can ask for clarification as to where the reference to Mr. Powell came from, I think.

# Deputy S.M. Wickenden:

The Boleat report has passed through with it, but the late Colin Powell was also the person that advised that we should be going ahead with this.

#### The Bailiff:

Very well. That clarifies the Deputy's understanding.

## 1.6.8 Deputy M.R. Higgins:

I must say that I am slightly concerned about the Government setting up the F.S.B. Its purpose is to determine the risks to the Island and the economy and yet we have already taken steps - I say "we have taken steps", or the U.K. has taken steps - which puts, I think, our economy in danger. To give you an example, in the U.K., one of the consequences of the 2008 crash was the desire to ring-fence certain banks. The idea of ring-fencing those banks was to keep them from contamination from what they used to call the casino banks. The investment banks were the ones that caused the problem and caused the economy to crash. Now, what they did, they wanted to separate retail banks so the ordinary citizen would be OK. If you think about it, they had to bail out of the Bank of Scotland, I think it was the Royal Bank of Scotland and a number of the other banks. To be honest, they had no choice. They were so bad, those particular banks, that if they had not been bailed out by the Government, they would have brought the whole system crashing down, but it was the investment banking side of it that caused the problem. As I say, they set up a body that looked at it - I am trying to remember the name of the economist who was responsible - and they came forward with a recommendation that they should ring-fence the banks where you and I keep our bank accounts and so, therefore, they were not at risk from the other part of the bank who were engaging in dealing, buying and selling for profit. We do not have ring-fencing in Jersey. Our banks have been put in with the casino banks, the ones that are being engaged in investments and, therefore, we are at risk from actions of banks in the U.K. which have branches here and it could have a consequence. Now, there is also another aspect of this. In the U.K., yes, they have a banking deposit scheme; so do we. Our scheme makes us more vulnerable than the ones in the U.K. I say more vulnerable, because the first port of call in a case of a bank failure is going to be the Government and that money is coming from our Strategic Reserve.

[12:15]

That Strategic Reserve, the idea behind this concept was that they would use the Government first to pay out everyone, who had paid a deposit in those banks first and then from the assets that would be recovered from the bank failure, then hopefully the Government would get its money back. There was talk again about other banks contributing, but the point is we are at risk now because of the call on the Strategic Reserve if a bank goes down and with the lack of ring-fencing for retail depositors. So, we have got some problems here. I am not sure the F.S.B. is going to do us any favours, but I am trying to say that there are dangers that we have at the moment, which I do not believe we are fully aware of. I am somewhat reluctant to support people like - and this is not meant as a personal criticism of the gentleman - Andrew Tyrie. He was on the Scrutiny Panel in the U.K. that looked after finance, but I am not convinced that these people are going to add anything extra to it. They will probably end up supporting it and saying: "Oh, the Island is fine. We have got nothing to worry about." That, I do not think, is the case. There is a divergence between what we need and what they have. I may not sound terribly clear. I have just come to this. I have got to be honest, I had not read this particular Proposition before and I am just expressing my own self-doubt and trying to put in your minds the fact that we are in danger already. Anyway, I will just leave it at that and let Members decide themselves on what they are going to do and I will try and make my mind up what I am going to do.

# 1.6.9 The Deputy of St. Peter:

The key here is who is on the F.S.B., because it is that advice that is absolutely paramount and that foresight that our advisers can bring to this particular Board and our Island. I am sure we do not need the history lesson of why and what caused the 2008 financial meltdown, but we must take lessons from that, when it was caused by some over-greedy, over-commissioned mortgage salesmen selling dodgy debt in America, which then subsequently goes on to equally greedy bond salesmen wrapping that debt, good A class debt, with poor debt into it and then people selling short on those bonds, which was again for a profit. It was totally down to greed. We, a little Island here, directly suffered the consequences of what was happening far away from our shores and, therefore, if we do not take advice from people who are not enclosed and in this particular Island and have a vision from elsewhere across the globe, we are putting ourselves, I believe, at risk. Certainly, for the price of £150,000, when the consequence to Iceland - as the Constable of St. Ouen reminded us - was, what, 3 to 4 times G.D.P. (Gross Domestic Product) and we cannot allow that to happen to us. We have also got a massive change in the banking sector with the disruptive companies, Monso and Revolut coming on. Revolut have just had a £3 billion investment to make them go global, to recruit something like 5,000 more people and they have only been going 3 years. We have major changes out there, that we need to understand and I say embrace for our benefit, be aware of what is going on and embrace it for our own benefit. If we cannot go and get a small piece of advice to help us through this stage, then I think we are missing an opportunity, but I will say the key is the advisers that we select. I think they ought to be balanced on the Board with local expertise.

# **1.6.10 Deputy R.J. Ward:**

A couple of questions I am going to ask, but I would just like to start by mentioning that I am concerned somewhat by sometimes some of the rather personal comments that were made in the analogies that are made towards individuals, or Panels, that have brought well-meaning Amendments. Just because it has taken our time to go through them, it is called democracy and we might not like to be here that long, but I would urge people to be careful of that, because it does not add anything to the debate at all. The question I have: it says in the report to this Amendment that: "Jersey needs a Financial Stability Board to help protect the Island from the sorts of underlying threats to our domestic economy that resulted in the 2008 global financial crisis." I ask this of the bringers of the Amendment: do they believe that the F.S.B. would not provide this service, or do they believe it is just simply the wrong structure to provide that service, or is that service not needed at all? There are 3 points there. The second point I would make from what Deputy Huelin said about

the importance of the people on this Board, that rang alarm bells a little with me, because if we are going to go from the City of London people, are they not the ones who were involved in the development of that crisis initially anyway? My political view of that, that was a failing of the banking system in general, because it had absolute disregard for the population that it was representing, but was bailed out by the population, which ended up with years of austerity. We certainly do not want to take advice from any of those people on what we should be doing, so just reassurance that we are getting the right people who were not involved in that is very important. I think it is just a question of how the advice is taken, whether it is advice and whether we have strong enough leadership to have that advice and use it when necessary to make decisions using that advice or whether we are just going to follow that advice blindly. I think we have to be very careful of that, because of the context of Jersey and the context of the people of Jersey, who perhaps are sometimes forgotten in the larger banking and finance system.

## 1.6.11 Senator K.L. Moore:

As a member of this Scrutiny Panel, I do support the Amendment. Of course I accept and absolutely recognise the very distinct roles of both Jersey Finance Limited and the Jersey Financial Services Commission. Deputy Martin is completely right on that matter. What is really behind this Amendment is confidence and Deputy Morel described this confidence issue. If we are going to talk about our dearly beloved late economic adviser, Mr. Powell, confidence, he would always say, is key. When the U.K. joined the E.U. (European Union) back in the 1970s, I think he was behind the setting up of some grand committees who sat down, they were respected members of our community who knew and understood how Jersey worked and operated at the time and were able to give their opinion and advice in these committees to drive Jersey's reaction to the situation forwards. Deputy Morel is simply reminding the Assembly that we should have confidence in our own. Just last week the Chief Minister was telling the Institute of Directors that we are a global marketplace. We have people with great expertise, who understand global business, because that is what they do each and every single day. Why not tap into those resources and appreciate our home-grown talent and our knowledge, in order to drive forward and prepare for the future and deliver a sustainable and competitive future for our Island industry? I think this is really the nub of the argument here. We must be mindful of this. There is also a great deal of antipathy in our community at the moment towards - and I say this as somebody who was born in the U.K. - people who have been brought in from elsewhere to guide us in key roles and we should be mindful of that. We have a great history of delivering change, because of the resourcefulness of the Jersey people and we should never forget that.

# 1.6.12 Senator J.A.N. Le Fondré:

Part of the problem is it is quite a technical area, so I will just try and summarise it down. I absolutely agree with some of the last comments of Senator Moore about the comments that were made to the Institute of Directors last week in praise of the finance industry. We are a global player, we make a significant contribution. Do not forget, however, we are small. Relative to our size, we punch above our weight, but one of those reasons that we have done so well is that the structures we have in place are assessed at a really high level of international regulation. In terms of the timelines, I believe this kicked off somewhere back in 2009, probably after the 2008 crash, or perhaps during the immediate consequences, which was that the I.M.F. (International Monetary Fund) recommended we needed some further development of capacity to assess overall the financial system's soundness. Now, I should just emphasise, by the way, this is not just necessarily about the finance industry *per se* because it is around the Island and the risks that the Island, as a whole, could face. So, the idea is that the F.S.B. would evaluate the risk to financial stability in the Island and identify the best ways to manage any financial shocks and minimise risk to Islanders. That is slightly different to the risks around the finance industry. What I will say is where I know one of the eyebrows got raised in the original feedback we had had from Scrutiny on the comments that there were, which is in their

observations on page 5 at the very top it says: "Through its existing institutions, private companies, with their extensive economic research units, industry associations, the Government's own economists, Jersey Finance and the J.F.S.C. (Jersey Financial Services Commission) we have got sufficient expertise." We got very twitchy, because the J.F.S.C. is an independent regulator. We do not go near them. Jersey Finance is the promotional arm of the Island, obviously, who we give grants to, but this is completely different territory. I think also then going back to things like the F.P.P. (Fiscal Policy Panel), which is independent, its work is primarily focused on the fiscal policy, so that is our tax policy, if you like, and the appropriate balance of revenue expenditure at different points in the economic cycle. That is not about the level of risk on the Island and the Islanders. That is again a different area. So, really this idea is about filling a gap in the structures that we have already available. The intention is to have a mix. I will say the intention is to have a mix of on-Island, where we do tap into some of the expertise, but off-Island to give that global view, if that makes sense. I do not really want to get dragged into the individuals on the Board, because I do not think that is appropriate. I do have absolute confidence to the individual I know who would be on the Board and the one name that has been suggested to me from a local perspective, but that is a separate debate. It is about the structures. So, just to have local, effectively internal - for want of a better expression to the Island will not give you that breadth and you have then got issues about managing the independence bit to make sure there are not any conflicts of interest and things like that. In terms of the legacy of the late Colin Powell, I think it is appropriate. Obviously, when I first came in, I did have a discussion with the late Colin Powell the first 3 months of being in post. That is a guess. Thinking about it, it was around risk to the Island and where financial services might be going and so on. A few weeks later this paper turned up, which was obviously one that had been going through the system. That was when I got involved. Obviously, mainly, it sits under the External Relations and financial services side, but there has been a kind of joint working approach, but that was the influence of the late Colin Powell in that territory. I regard it, if you like, as one of his last legacies. He was very comfortable with the structure that was being put in place and, as an aside, the individuals that were being proposed. I hope that sort of clarifies some of the area. It is around looking at what they call - and that is why it gets technical - the macroeconomic risk facing the Island. Some of them will be financial services, some might not be, some might be around cybercrime, for example, but it is looking at an overall area and seeing what gaps we might need to address. It is again about that kind of long-term thinking, plug some gaps we have got in our structure, get the advice in. We can always choose to ignore the advice, we are not bound by it, but the reality is if you have got some very credible people on that Board and they are saying: "You might have a problem in this area", seriously, as politicians, are we going to ignore that advice? That depends, but we need to know there is a problem there first and that is why you are building it up around that kind of level of experience that we are talking about. To be honest, by adding that into our tools, or whatever expression you want to use, that we have available to us in terms of how people look at us from an external perspective, I think also it does provide reassurance internationally that we are a stable jurisdiction, we are taking time to plan for a range of contingencies and to manage any significant risks. That is a reputational issue in terms of reputational benefits that will help, in my view, to attract and retain investors in both financial services and other parts of the economy. I am not sure if there is much more I can say in terms of my notes, without starting to blind people with science, which I am trying not to, because I know money ... sorry, numbers and financial services and economy, or economics, will send most of us to sleep and I am speaking as an accountant.

#### [12:30]

But I do stand back and say we would not be proposing it if we did not support it. I am generally very supportive of this as a principle. I think we are putting the right structures around it and it is going to be an independent. If it goes on to a statutory basis, it comes to this Assembly, so it is not about slicing away the democratic powers of this Assembly and the people of Jersey. For me, it is about supporting the Island, supporting its economy, again plugging some gaps around potential risks

that this Island might face and that in itself will be a benefit to Islanders as a whole if we get that information and if we can then be taking the steps to deal with it. But that is why, from our point of view, we think it is a gap that needs plugged and I said it was very much on the advice of somebody who was a founder, if you like, of our financial services industry. If you like, his legacy is the prosperity that this Island enjoys today and it would take a lot of people to persuade me that he was wrong.

# Deputy R.J. Ward:

I had a point of clarification.

#### The Bailiff:

Yes, a point of clarification.

## **Deputy R.J. Ward:**

I did try and get in it. Can I ask that?

#### The Bailiff:

Yes.

# Deputy R.J. Ward:

Can I just ask the Chief Minister a genuine question? If this is put on to a statutory basis and comes to the Assembly, does that change the value of the advice, i.e. it has to be followed as opposed to it can be followed? Does that statutory basis change if it was to come to the Assembly? Not that I am saying that the Assembly often follow things through from the Council of Ministers anyway, but just to say in terms of if it goes on to a statutory basis what change does that make for future? Because if you are setting up the structure, it may inevitably come on to a statutory basis and if we are going to vote, we need to understand that.

#### Senator J.A.N. Le Fondré:

To an extent, that is a future question, that matter, because it depends what the law says. As far as I am concerned, it does not require us, we cannot bind the hands of an Assembly full stop, so it is not going to require somebody, it is not going to force Members, because you cannot force Members to accept the advice of an independent body. The body is advisory. I think by putting it on a statutory basis - I am not a lawyer, but as I have understood - it formalises the structures, how they report and it gives some confidence around the independence level. So, the first point is get the funding, get it going and then we come back and do the statutory stuff afterwards if the Assembly so desires. Sorry, on that basis, hopefully it is clear that the Council of Ministers are not supporting this Amendment.

## **Deputy C.S. Alves of St. Helier:**

I would like to ask a point of clarification to the Chief Minister, please.

#### The Bailiff:

If it is a point that the Chief Minister has made in his speech that you need clarified, then you can.

# **Deputy C.S. Alves:**

Basically, I would like to ask if the £150,000, this is the total of creating and operating the Board per year, or it will be additional money to put in.

## The Bailiff:

Deputy, I will interrupt you. You have not spoken in this debate, so it is open to you to both speak and to ask questions and to put them together if you are ready to do so. I will call upon you in due time. Yes, I think that is right, but it would not be for the Chief Minister to answer, so if it is

clarification you need of the Chief Minister from his speech, then it is right that you ask it at this point.

## **Deputy C.S. Alves:**

I will keep it to my speech, because I have only one question, Sir.

#### The Bailiff:

But it will not be ...

### **Deputy C.S. Alves:**

I would like to ask the question. When it will be the right time to ask, I will ask the question.

#### The Bailiff:

Yes, but it is not a question that ... if it is in part of your speech, the Chief Minister will not be able to answer, because he has already spoken, so you would have to ask ... if it is from the Chief Minister, you need to ask it now. If it is a question generally that needs to be answered, it needs to be answered effectively by anyone who has not spoken, or by Deputy Morel when he sums up.

# **Deputy C.S. Alves:**

I will ask now, please.

#### The Bailiff:

Yes, very well.

# **Deputy C.S. Alves:**

I would like just to understand that £150,000, would it be the total cost to run this Board through the year, or it is just the cost to set up the Board and we will see additional spending on people who would be on the Board and so on during the year? So, is it the total cost for running the Board, or it will be extra spending?

## Senator J.A.N. Le Fondré:

As far as I am concerned, it is the total cost of the set-up and running, so it includes the admin support and everything else, so it is the total cost of running it.

## 1.6.13 Connétable D.W. Mezbourian of St. Lawrence:

I am getting confused, because it seems to be that we are degenerating into question time. I do not think that question of clarification was specific to what the Chief Minister had mentioned in his speech. I am getting a little bit cross, because I am disappointed to be following the Chief Minister because I too have questions that I would like somebody to answer before we reach the summing up by Deputy Morel. But, clearly, I cannot ask the Chief Minister to answer these and I am not asking him for clarification, but I have just got a few comments to make on this. One of them is clearly the Boleat report, that has been referred to, came out in 2011, so in 2019 we are now finding that we need to introduce this Board. I wonder why it has taken so long, if it is absolutely as pertinent and relevant as we are being told, why it has taken 8 years to materialise. The other question I have is why the report was not made available to the Panel when they requested it and, indeed, why is it not a public document? Perhaps somebody can answer that. Clearly this is not a question, but my third point is that the Council of Ministers cannot be expecting this Amendment to be accepted, because it appears that they have already approached the person that they would want to Chair this Board. So if that is the case, because they tell us in their comments who would be the Chairman, they say they would draw on the experience of Lord Andrew Tyrie as Chair if this Amendment is successful, it seems to me that, clearly, they would still be able to find the cost from somewhere else within the budget. It seems to me that we can, in fact, support the Amendment by the Scrutiny Panel, because

the money is out there and it can be found from somewhere else within that budget. So, looking forward to having somebody answer my questions if possible, please.

#### The Bailiff:

Does any other Member wish to speak on the Amendment? I call on Deputy Morel to respond.

# 1.6.14 Deputy K.F. Morel:

It is very astute of the Constable of St. Lawrence. The money is clearly already out there, because this Board has been functioning for many years, apparently. So, yes, there is no need for extra money to ensure this Board carries on. I would like to go back to the issue of transparency that Deputy Maçon raised. He said how transparent the F.P.P. was, or is, sorry. My concern about transparency is how many Members know that this Board has existed for the past 7 years? How many Members know, because we know it has been in shadow form since 2012? How many Members knew that? How many Members knew that Lord Andrew Tyrie was already Chair of that shadow Board? I forget the name, but there was a member, a director of the Bank of England, who is already on that shadow Board as well. How many Members knew this? We are told it is transparency. There is nothing about a Board that none of us knew existed, which has existed for 7 years and which has been paid for quite happily in that time. In my view, it is the wrong structure. The comments about Jersey Finance, the J.F.S.C., are slightly erroneous. What we are saying is we have the people who have the expertise in these sorts of institutions. When the Chief Minister says: "Oh, we do not go anywhere near the J.F.S.C." the Government are in constant contact with the J.F.S.C. They speak to them about the laws they are bringing through, about the policies that they are bringing through with regard to financial services and quite rightly too. To suggest that the J.F.S.C. is so independent there is just no overlap with Government is just not correct. What we are saying is we have the people on-Island with a massive range of skills. They can do that and they can probably do it for a lot less than £150,000 a year. I also ask, we have a plethora of economists within Government, whose job is already to be looking out at these threats and to be looking at these things, so I question what they are doing if we then need another bunch of economists and financiers to tell us ourselves. I forget about all of the questions that the Constable asked, I do apologise. I really could only answer the one, which was about the £150,000, because the other ones I think would need a Member of the Government to answer them. The concerns here are about transparency, about the primacy of the States Assembly, because, as we see with the F.P.P., they essentially dictate policy, because we can see that in this Government Plan questions are not asked and there is no pushback. So, I ask Members to reassert the fact this is the States Assembly, this is where these decisions get made. We want Government to be answerable to people that we understand and who are accountable to us as well and not to just a Board, which is based elsewhere and has other interests at heart. With that, I propose ... I forget what to say, but let us go to the vote, Sir.

### The Bailiff:

You call for the *appel*? The *appel* is called for. I invite Members to return to their seats. I ask the Greffier to open the voting.

POUR: 15	CONTRE: 31	ABSTAIN: 0
Senator K.L. Moore	Senator L.J. Farnham	
Connétable of St. Helier	Senator S.C. Ferguson	
Connétable of St. Lawrence	Senator J.A.N. Le Fondré	
Connétable of St. Saviour	Senator T.A. Vallois	
Connétable of St. Brelade	Senator S.W. Pallett	
Connétable of Trinity	Senator S.Y. Mézec	
Connétable of St. Peter	Connétable of St. Clement	
Connétable of St. Martin	Connétable of St. John	
Deputy of St. Martin	Connétable of St. Mary	

Deputy L.M.C. Doublet (S)	Connétable of St. Ouen	
Deputy of St. Mary	Deputy J.A. Martin (H)	
Deputy K.F. Morel (L)	Deputy G.P. Southern (H)	
Deputy J.H. Perchard (S)	Deputy of Grouville	
Deputy K.G. Pamplin (S)	Deputy K.C. Lewis (S)	
Deputy I. Gardiner (H)	Deputy M. Tadier (B)	
	Deputy M.R. Higgins (H)	
	Deputy J.M. Maçon (S)	
	Deputy S.J. Pinel (C)	
	Deputy of St. Ouen	
	Deputy R. Labey (H)	
	Deputy S.M. Wickenden (H)	
	Deputy G.J. Truscott (B)	
	Deputy J.H. Young (B)	
	Deputy L.B. Ash (C)	
	Deputy G.C.U. Guida (L)	
	Deputy of St. Peter	
	Deputy of Trinity	
	Deputy of St. John	
	Deputy S.M. Ahier (H)	
	Deputy R.J. Ward (H)	
	Deputy C.S. Alves (H)	

#### LUNCHEON ADJOURNMENT PROPOSED

#### The Bailiff:

The adjournment is proposed. The States adjourned until 2.15 p.m.

[12:42]

## **LUNCHEON ADJOURNMENT**

[14:15]

#### 1.7 Government Plan 2020-2023 (P.71/2019): seventh Amendment (P.71/2019 Amd.(7))

#### The Bailiff:

We now continue with Public Business. The next Amendment is Amendment number 7, lodged by the Corporate Services Scrutiny Panel, and I ask the Greffier to read the Amendment.

## The Deputy Greffier of the States:

1. Page 2, paragraph (c) - after the words "of the Report" insert the words ", except that in Summary Table 3(i) the line entitled "Efficiencies to be allocated" should be deleted". 2. Page 3, paragraph (i) - after the words "Appendix 4 to the Report" insert the words ", except that - (i) Part 2.7 (entitled "The Efficiencies Programme") should be deleted; and (ii) the Council of Ministers is requested to include the full detail of the Efficiencies Programme, as contained in 'Efficiencies Plan 2020-23' (R.130/2019) including all appendices, in an Amendment to the approved Government Plan to be lodged in accordance with Article 16 of the Public Finances (Jersey) Law 2019 after the approval of the Government Plan 2020–2023, notwithstanding that for any proposal in R.130/2019 that would require a separate decision of the Assembly to be implemented, a Proposition may be lodged ahead of the Amendment to the Government Plan or, if such a Proposition has already been lodged, it need not be withdrawn".

# 1.7.1 Senator K.L. Moore (Chair, Corporate Services Scrutiny Panel):

The Government Plan Review Panel was formed to oversee and co-ordinate Scrutiny's review of the Government Plan. Since the Plan was lodged, the 7 Scrutiny Panels involved have held 21 hearings, they have received 42 submissions and 28 written responses. They have reviewed 146 background documents and 304 actions, business cases and additional revenue expenditure business cases for None of this work includes any detailed analysis of the efficiencies capital expenditure too. programme, as this information was not made available to Scrutiny at the time. Even before the Plan was lodged, Scrutiny was asking the Chief Minister when the efficiencies will be ready. Time and time again we were told that they would come in November. Time and again we told the Chief Minister that this was too late to provide effective scrutiny. To be fair, this timeline was brought forward and Scrutiny received an initial briefing on draft efficiencies in late September; however, the Chief Minister did not attend the briefing, sending his officers instead to deliver a message that these efficiencies were still in flux and would not be formally approved until mid-October. Also, officers did not provide the detail and template for efficiencies at the September meeting, as has been claimed by the Chief Minister. Instead, we had to request that this be provided in draft form on the basis that Scrutiny would provide comment as to whether, or not, the efficiency template, not the actual efficiencies, was adequate. Put simply, Scrutiny did not receive the full set of efficiencies until 17th October. The Panel received another briefing at this time and again we were disappointed that the Chief Minister chose not to attend and only sent officers to address the Panel. The briefing was also set just after receipt of the details of the efficiencies programme, not allowing any time for Scrutiny Panel members, who are already knee deep in Government Plan work itself, to review the documents beforehand. The first time that any real scrutiny work could be undertaken on the efficiencies programme was at a hearing with the Chief Minister on 29th October. At this hearing it was also revealed that there was far greater analysis sitting behind the efficiency templates than were publicly released; detail that was not provided to Scrutiny. Given the lessons that should have been learnt from the information Scrutiny requested for Government Plan business cases, we were very disappointed to not have been given this upfront, as it is the analysis that is required to undertake a review. When you take this and consider the lack of time available, not only for Scrutiny but for Ministers and officers themselves to prepare background information, attend hearings, there is simply no possible way that effective scrutiny could have been conducted on the efficiencies programme. This is a point that is reinforced by the Chief Minister agreeing that efficiencies should be released within the Government Plan in future years. It is further reinforced through P.88, which provides for the efficiencies programme to be lodged with and approved by the Assembly as part of the Government Plan Proposition each year. This is a key point that is missing for the first and largest component of the 4-year, £100 million programme. As it stands, the £40 million efficiencies programme for 2020 does not require the explicit approval of the Assembly. The Assembly has agreed, of course, to Deputy Southern's proposal to review it every 6 months, but it is normal before a major piece of policy is presented to the Assembly that it is properly scrutinised beforehand and not allowed to begin with 6-monthly reviews happening after the event. So it is, for all intents and purposes, an aspirational policy document that may, or may not, be achieved. A point that was also made by C.I.P.F.A. (Chartered Institute of Public Finance and Accountancy) in their review of the Government Plan for scrutiny and also backed up by the fact that the heads of expenditure in the Government Plan are not being reduced commensurately with the efficiency savings. Let me be clear; Scrutiny does not want to stop the efficiencies programme. Scrutiny simply wants to conduct sensible, measurable and achievable scrutiny of those efficiencies, so that they should always form part of the Budget setting. What this Amendment seeks to do is to provide Scrutiny with the time it should always have had to ensure that this is the case. It simply presses the pause button on the efficiencies programme and requires it to be reintroduced if the Government Plan is approved by the Assembly. It mirrors P.88, bringing the 2020 efficiencies under the control of the Assembly, where they should have been in the first place. The efficiencies programme is not as simple as saving £40

million. This Amendment simply requires the Council of Ministers to do what it should have done in the first place and allow sufficient time for scrutiny and seek the approval of the Assembly.

#### The Bailiff:

Is the Amendment seconded? [Seconded]

# 1.7.2 Deputy S.J. Pinel:

For successive Assemblies and elections, the message has been very clear from the public. That message is that the Government should invest in the things that matter to Islanders, but that it should take action to address the efficiency and effectiveness of public services before it asks Islanders to pay more taxes to fund that investment. This Government Plan is doing just that. It puts forward much needed investment in children, education, healthcare, protecting the environment, the economic lifeblood of our Island, and towards supporting families financially. We are investing in both the economic and community infrastructure of the Island with significant investment in our long-term infrastructure. At the same time, we are taking the necessary steps to organise and run our public services better, that is, more efficiently and more cost effectively and to release and recycle the savings we generate to fund priorities in the Government Plan. These efficiencies are common sense, including actions to secure better commercial deals and to improve the management of budgets. Others involve addressing the deficit of investment in technology and, our most important asset, our committed public servants. These investments will not only yield long-term efficiencies through more modern systems, processes and ways of working, but will also improve the delivery of services to Islanders. We have said repeatedly that we would use efficiencies to help fund our priorities in preference to tax measures. The Assembly has been telling us repeatedly to get on with improving the outcomes for Islanders. Scrutiny now wants to push the funding of the investment into the long grass by debating it next year. We have agreed a new Public Finances Law to bring together decisions for expenditure with decisions to fund that expenditure. This addresses the weaknesses of the past where expenditure was approved by the Assembly on the promise of agreeing funding measures in the future, only to turn around and reject those funding measures when the pressure was on. It would, quite simply, be fiscally irresponsible now to decide on the considerable investment in Islanders' futures, but then put off, until next year, the approval of a significant proportion of the funding for those improvements. Members may be seduced by the arguments that we can just get on with some of the efficiencies, but that opinion does not direct us to pause only part of the efficiencies Plan, it brings into uncertainty all of the efficiencies and, therefore, all of the funding for investment. Unless we have certainty of funding, we cannot proceed with the proposed investments. It is not just the efficiencies Plan that would be stalled, the whole Government Plan would grind to a halt, because we cannot commit spending that is not backed by the finances to pay for it. The Panel says, in the opening line of the report to its Amendment: "This Amendment temporarily pauses the official introduction of the efficiencies programme." Members need to be clear; pausing the efficiencies Plan would put the Government Plan itself on life support. The Government cannot proceed with spending without certainty about the affordability and sustainability of the funding for the expenditure approvals before this Assembly. The Government Plan has been lodged for 18 weeks. The first half of the 2020 efficiencies were included in the Government Plan 18 weeks ago. Additional information has been provided at various times since then. The Assembly will also receive reports every 6 months on our progress and the P.A.C. (Public Accounts Committee) will review that progress and its impact. The very close oversight by this Assembly is secured. I urge Members to reject this Amendment and to enable the Government to get on with improving the lives of Islanders without delay. This Assembly unanimously agreed the priorities in the Common Strategic Policy a year ago. We have set out the detail of how we can deliver these priorities in this comprehensive Government Plan, what they will cost and how we will fund them. Now it is time to get on with delivery.

#### Senator K.L. Moore:

Sir, may I ask a point of clarification of the Minister for Treasury and Resources please?

#### The Bailiff:

If it is a point of clarification. I think there has been a number of requests for points of clarification and I think it might be helpful ...

#### Senator K.L. Moore:

Well it is a fundamental point.

#### The Bailiff:

It still has to be a point of clarification. If it is something you are unclear about from the Minister's speech and you require clarity in order to help you understand it, then that is a legitimate point of clarification.

#### Senator K.L. Moore:

I most certainly do and I think Assembly Members need to also. I think the Minister for Treasury and Resources needs to clarify exactly how the whole Government Plan would grind to a halt, because the efficiencies Plan only impacts upon the Government Plan on the balance of the Consolidated Fund at the end of the year. So, if the Minister for Treasury and Resources believes that it would impact on the Government Plan in a different way, please could she elaborate for the Assembly to understand?

#### The Bailiff:

Could you clarify how removal of the efficiencies at this point would impact on the entirety of the Plan, Minister?

# **Deputy S.J. Pinel:**

Yes, I think I did say it in the speech that without the efficiencies we could not make the investment and *vice versa*. So, the Government Plan is a combined Plan, as we have said from the very word go, that expenditure and revenue go hand in hand.

## 1.7.3 Deputy G.P. Southern of St. Helier:

Members will already have heard reference to my Proposition, which I too was concerned about the efficiency programme, P.88/2019 and so I took some considerable time back and forth from the Greffier to find some mechanism by which we could give the Chamber some control over some aspects of the Government Plan, because I think it is very important that we do so and that we do not just give everything over to the Ministers and say: "Get on with it."

#### [14:30]

So, I was quite surprised when I found that a 7th Amendment had been lodged, because I thought through my efforts we had managed to get something which did give us some control over efficiency savings, *et cetera*. I am terribly sorry that the Scrutiny Panel has had its work delayed because of work in progress. It used to be a bugbear we often came across in Scrutiny: "You cannot discuss it, still a work in progress, you will see it later." But my P.88 did 2 things: it required the future Government Plan Propositions to include a paragraph seeking specific approval for the efficiencies programme. The problem is that if you get a report, you cannot react to it, you cannot do anything to it, you cannot change it. If you get a Proposition you can amend it and you have some control. P.88 also requires the Scrutiny Liaison Committee to undertake, commission, or oversee, detailed 6-monthly assessments of the planned efficiency savings, specifying the expected impact on the ongoing delivery of public services by Minister, Department and Common Strategic Policy priority, accompanied by a comprehensive review of the real impact of the previous 6 months' efficiencies throughout the life of the 2020-2023 Government Plan. So as you can see, it was the widest scope I

could give, it was very comprehensive and I think it was a satisfactory way to get back a little control over what the process was. So, I thought we had done enough in that and I thought this Chamber had agreed with me, because it was passed by a considerable margin. So, the arrival of Amendment 7 gives me some cause for concern. I do not quite understand what extra we think we are doing that I have not already put into P.88. I talked to the Greffier this morning and he says Amendment 7 would remove the reference to the efficiencies programme from summary table 3, which means the bottom line would reflect the actual heads of expenditure allocated to departments, not heads of expenditure minus separate efficiency proposals. That would make the financial position, agreed by the Assembly, less rosy than before. Now, the key here is, as I was negotiating with the Greffier, how do we do this. The Public Finances Law and the Government Plan attached to it is pretty tightly locked up; it is very difficult to find a way through it. The problem was that you cannot have part acceptance of a Government Plan, I was told; you cannot accept some of it, except that bit over there. It is either you take the Government Plan as a whole, or you do not take the Government Plan and you vote it down. Simple black and white stuff, we all know about. That appears not to have happened. Meanwhile, the Greffier says part 2 of the Amendment would require Ministers to lodge an Amendment to the Government Plan for debate in quarter one next year. This Amendment would reduce heads of expenditure, to reflect the proposed efficiencies and the Assembly would have to debate and agree those heads of expenditure. Note this starts in quarter one next year. Certainly it was my assumption that if the Liaison Panel was to investigate the efficiency savings they would, in whatever format, indeed start in guarter one, trying to build up to a report in the summer. Certainly Members will know that I volunteered to help with that work, along with a small team and, certainly, what I was envisaging - as soon as we have got this Government Plan out of the way - is starting to do exactly that. From quarter one next year, let us start looking at the evidence and seeing where we are, doing that first bit, what has already happened, how effective has that been and projecting into what you expect to do next, how is that going to work. Those questions are absolutely essential and I think were in place with P.88. The Greffier finally says it would not be a full rerun of this debate the one we are in today - as only heads of expenditure would be in play. Presumably, Members would bring Amendments to reverse, or modify, certain efficiency proposals. So, a second way at arriving at the same place, I think. P.88, as far as I am concerned, works as it is and I have seen no evidence yet that Amendment 7 is necessary in order that this Assembly could keep control of some aspects of the Government Plan. So I am very loath, unless I hear some sound reasoning today to say: "Yes, but" then I am minded not to vote with the Liaison Panel and not to do a vote for Amendment 7.

## 1.7.4 Deputy S.M. Wickenden:

From my point of view, I think this delaying what we are doing in the efficiencies now we have got to the Government Plan today and taking £14 million out of the bottom line of where our Plan is, will mean we will have to stop spending in certain areas where we are looking for growth. Because it is not prudent to spend money, unless you know that it is going to be there. Everyone wants our Government to be a more efficient government and be more effective in the way that it works. They want to have their services better and easier to access and more transparent. Now, when I look at say taking £14 million off the bottom line, I look around and say: "Well where are we going to stop spending that?" because there are certain things that we have to do. We are not going to take the money off the bottom of education, because we have got to make sure that we continue to improve and grow in our education sector, we are not going to stop spending that money in health, we are not going to stop fixing our roads and infrastructure. I know exactly where the low hanging fruit for this money is and it is the technology budget, which means that we are not going to start building on our cybersecurity that we need to start digitising our tax records and our health records. If we are not going to do that, there is no point digitising our health and our tax records, which means that when we are looking at building a new hospital let us start building another great big file store at the bottom of the building. Because, if we are not going to make sure that it is going to be secure and then it is

hackable, then we are going to lose the trust of the people anyway. We are not going to be able to deliver things like a replacement of our J.D. Edwards system, which means that we can get much quicker and better financial accounts and reports and know where our money is better being spent and being able to improve on those areas. It gives me great concern to think that there are some projects that we put behind - and it will not be in our key services - but by not doing some of the technology stuff, we are going to start being less efficient as well. So, we will not have the tools in place to be able to bring departments together, we will not have the tools to make people do things online, which is more convenient than them coming into the building. I think this is a dangerous plan to go down this route. I think that Deputy Southern's Amendment to review the efficiencies has enough safeguards in it to make sure that, as we go through this year, before we get to the next Government Plan, that it is being reviewed and checked and scrutinised; but this is not the way to do it. Putting off everything that we need to start moving forward to have an efficient and an effective Government, that serves the people of this Island is not the way to do this. So, I ask this Assembly to reject this Amendment, please.

# 1.7.5 Deputy I. Gardiner of St. Helier:

Not to make again a big mess with my points of clarifications/questions, I would like to ask now 2 questions from who will speak from the Government. I would like to get an example, or examples, to understand clearly if we will postpone efficiencies for later on how it will impact the Budget, spending, new projects coming in, new heads of expenditure. I really would like to get clear examples on this to understand how it will work in practice. I would like to ask proposer Senator Moore in her closing speech to clarify what this Amendment will add to Deputy Southern's Proposition to review. Where does the difference lie? It will be easier for me to understand and make my decision on this.

## 1.7.6 Deputy K.G. Pamplin:

I just wanted to speak out loud and maybe, by doing so, raise some points, because I really like the idea that has been worked on here. I stand by the idea of efficiencies, because, as somebody of 42 years of age, who has watched the Island for the last few years, as many frustrations of Islanders, is how our taxpayers' money is being spent so we can provide services that we desperately need. For example, when I walked into Orchard House at the beginning of my political career and see where we have failed to have a purpose-built place for people to get well, in the most critical moment of their lives. We have buildings and properties and issues that have been going on and on. We need to get better, we need to be more efficient, we need to spend our taxpayers' money better, as well as all the thinking out bold, which we have done for many years with the creation of our finance industry, which is one of the most envious things that we have in many jurisdictions; and I could go on. I was all for this and I think Deputy Southern was correct with what he said and that is why we voted for him. But then, the efficiencies came out and, with the benefit of hindsight, there was questions when they started coming forward and what is an efficiency as opposed to what is cost raising measures. I know Deputy Labey has raised this issue with the car parking and many others that has given us cause for concern of what the efficiencies are, which is giving us the concern that we want to see more, to understand more to go through. So, I am in a quandary, because I want this to go through, we need to be efficient and I understand where the Chief Minister is coming from. I am also concerned about what the impact could be into the hard work that we did to make sure that the money being spent to improve those mental health facilities do come through and are under no threat. So, I am in a quandary and I am open to any one of the Government - if the Chief Minister is going to stand - to reassure us about these efficiencies, because that is where I am coming from and I just wanted to raise that point.

#### The Bailiff:

Does any other Member wish to speak on the Amendment? I call on Senator Moore. I have suddenly had a raft of 4 buttons be pressed and I had called on Senator Moore to respond. I did give an indication before luncheon that that would be my approach. I call on Senator Moore to respond.

#### Senator L.J. Farnham:

Sir, in debates like this, I have to say - and I think it is quite right that Members be allowed to exercise some tactic as to when they speak and Members quite often want to hear the views of other Members before they speak - the system has to allow for us to operate in that way. I just wanted to make that point, I am not sure that Standing Orders account for that, or perhaps are being properly interpreted.

#### The Bailiff:

Thank you for that observation, Senator. The fact is that Standing Orders provide that the ability to talk ends when the debate ends. The debate ends when the proposer is called upon to respond and that is when the debate comes to an end. I appreciate that there have been circumstances, for as long as I have been sitting here, where people have come in, at the very last minute and that has become a habit, perhaps, that Members have had. The fact is that I have allowed a reasonable period between calling for any other Member to speak before I called upon the Senator to respond. It is not my intention, at all, to stifle debate and I fully appreciate people can tactically wish to wait for the end, but the reality of it is that I will simply be calling on people to respond at the end and then backing down from that as soon as few more lights go on and I think Members have to appreciate that there comes a time when the Presiding Officer simply has to say: "No, the debate has come to an end, you have had enough time to signal that." Senator, I will hear from you again.

#### Senator L.J. Farnham:

I fully accept that and I think you are introducing a new style, which is very welcome. But traditionally and previously [Members: Oh!] previous Chairs have allowed a short period of time to ensure every Member has had a chance to speak. On debates like this, it is absolutely essential. This is an absolutely essential Amendment, the whole future of this Government Plan depends on this Amendment.

[14:45]

You were, Sir, very quick to go back to the *rapporteur*. I would ask greater indulgence that you just give other Members, given the importance of this debate, to have a chance to say a few words.

# Deputy R. Labey of St. Helier:

I could not disagree with the Senator more. There is no way that you, as Presiding Officer, were trigger happy, in any way, just now. [Approbation] To your credit, you have given the Assembly maybe 3, or 4, warnings about this. Now, if the Assembly wants to play cat and mouse - and I accept that is a part of the debate and part of the political rough and tumble - about when to speak that is fine, but you do not have to play cat and mouse. You have given warnings and I think your ruling is absolutely correct. [Approbation]

#### Senator S.Y. Mézec:

Sir, could I offer perhaps a constructive suggestion, to prevent this happening in future. I was one of those who tried to put my light on at the last moment and you have made your judgment and I accept that. What may be helpful is, when you enter that situation where you have asked for anybody to put their lights on, as you may do several occasions during a debate when nobody has indicated, perhaps it may be helpful to say: "And this is now your final chance" and if that does not happen ... [Members: Oh!] The ones who groan the loudest are the ones who speak the least, of course, but that could be an opportunity then to stop cat and mouse at that point when you know this is the final opportunity.

#### The Bailiff:

Well, Senator, I think that is a helpful suggestion and I am grateful. I will take it on board. My ruling stands; the debate is closed on this matter and I will shortly call on Senator Moore to respond. [Approbation] I will consider whether there is a way I can make the end of timing clearer to Members, but at the moment I am effectively counting silently in my head a good number of seconds before I call upon anyone to respond and I will see if I can make the position even clearer.

#### 1.7.7 Senator K.L. Moore:

Maybe we can club together for Christmas and buy you a gavel. That might be helpful for the job. I am quite relieved that this debate will not be going on any longer, because I have never heard such ridiculous shroud-waving before, in my entire career here in the States Assembly and even before my career began I observed a good many debates. It is quite interesting being on the other side, because you, obviously, see things from a different perspective and that is the very purpose of Scrutiny. We are here to serve the democratic process and offer a different perspective. That is why, generally, when we have a new proposal, or a policy, before the Assembly, it is Scrutiny that gives it consideration before the Assembly then vote on that proposal, or policy direction. That is simply what Scrutiny is being asked to do. We are not saying that we disagree with making efficiencies in the Assembly. We, too, listen to the public and we know and understand that the public wish to see an efficient and modern public sector. I remember the 7 angry men, who could forget them? It is an oft-repeated phrase and it has been a focus and it has been something that previous Governments have worked on before, as well. We had a very effective, in my opinion, public sector reform programme in the previous Assembly. There was a dedicated pot of money, departments would apply to that pot of money with their various ideas, in order to make efficiencies in their departments, such as implementing mobile data services for the police force, which improves the service that the police are able to give the public, it improves the way they interact with the public and it was an invest to save piece of work. But I appreciate that we are now in a different place and that things are being treated in a different way. But I do find it surprising that, given most of the Council of Ministers has spent at least one term on Scrutiny, it is rather surprising that they could forget what the process is and the general order of events. So, please do not disregard Scrutiny, please do not tell us that we are kicking things into the long grass; we are simply here to ask the questions that the public wish to know the answers to. The public are not convinced by the efficiencies programme. Since they were published at the mid to end of October, there have been concerns raised. There are concerns among the staff and the impact that some of the measures might have upon staff. There are concerns - as Deputy Pamplin raised - about whether some of the more genuine efficiencies ... well, even the Minister for Treasury and Resources herself, I think, has acknowledged that some of them are revenue raising measures and not genuine efficiencies. So, for a Government who says they are not implementing user pays, then it is down to us as Scrutiny Panels to go through that test. Deputy Southern, indeed, will conduct 6-monthly scrutiny of the efficiencies as the Assembly has agreed, once the Assembly has agreed to these efficiencies. I am simply asking the Assembly to allow us to ask questions of this process, on behalf of the public, at the right part of the process and not to look at it when it is past the point of no return. There can be some element of learning to be taken at a 6-monthly event, but the point when actual change can be effected is before the process begins. So, that means debating the efficiencies at the end of January, or beginning of February, will not have an impact on budgets for the next year, because any piece of work that has been paused because of any uncertainty about their budget ... and I do not think that they will be, because some of the efficiency programmes have already started, so there is an absolute acknowledgement that this is not preventing any work from going ahead whatsoever. The only difference that will occur is if some of the efficiencies are not achieved then the balance on the Consolidated Fund at the end of the year will reflect that achievement, or lack of achievement and that is the way that the finances have been directed. The Government Plan and the heads of expenditure are heads of expenditure without factoring in the efficiencies. So, we are not kicking this into the long grass, we are not causing the Government Plan to grind to a halt. I ask Members to vote for scrutiny and allow us to ask the questions and understand the efficiencies on behalf of the public, so that we can move forward and support the proper modernisation of our public sector.

The Bailiff:

The appel is called for. I invite Members to return to their seats. I ask the Greffier to open the voting.

POUR: 13	CONTRE: 31	ABSTAIN: 3
Senator T.A. Vallois	Senator I.J. Gorst	Senator S.C. Ferguson
Senator K.L. Moore	Senator L.J. Farnham	Deputy K.G. Pamplin (S)
Connétable of St. Helier	Senator J.A.N. Le Fondré	Deputy I. Gardiner (H)
Connétable of St. Lawrence	Senator S.W. Pallett	
Connétable of St. Saviour	Senator S.Y. Mézec	
Connétable of St. Brelade	Connétable of St. Clement	
Connétable of Trinity	Connétable of St. John	
Connétable of St. Martin	Connétable of St. Peter	
Deputy of St. Martin	Connétable of St. Mary	
Deputy L.M.C. Doublet (S)	Connétable of St. Ouen	
Deputy of St. Mary	Deputy J.A. Martin (H)	
Deputy K.F. Morel (L)	Deputy G.P. Southern (H)	
Deputy S.M. Ahier (H)	Deputy of Grouville	
	Deputy K.C. Lewis (S)	
	Deputy M. Tadier (B)	
	Deputy M.R. Higgins (H)	
	Deputy J.M. Maçon (S)	
	Deputy S.J. Pinel (C)	
	Deputy of St. Ouen	
	Deputy R. Labey (H)	
	Deputy S.M. Wickenden (H)	
	Deputy G.J. Truscott (B)	
	Deputy J.H. Young (B)	
	Deputy L.B. Ash (C)	
	Deputy G.C.U. Guida (L)	
	Deputy of St. Peter	
	Deputy of Trinity	
	Deputy of St. John	
	Deputy J.H. Perchard (S)	
	Deputy R.J. Ward (H)	
	Deputy C.S. Alves (H)	

# 1.8 Government Plan 2020-2023 (P.71/2019): eleventh Amendment (P.71/2019 Amd.(11))

## The Bailiff:

We now have Deputy Gardiner's Amendment, Amendment number 11. I ask the Greffier to read the Amendment.

# The Deputy Greffier of the States:

1. Page 2, paragraph (c) - after the words "of the Report" insert the words ", except that in Summary Table 3(i) the Head of Expenditure for Children, Young People, Education and Skills shall be increased by £53,000 to allow for the Youth Service to employ an additional full-time assistant youth worker for the 'Move on' project which will allow them to continue to operate and meet the increased need, with other affected lines in Summary Table 3(i) to be updated accordingly; and to request the Minister for Treasury and Resources to investigate whether the additional spending can be funded

from the Criminal Offences Confiscation Fund or other similar fund if possible and, if not, then from the Consolidated Fund. 2. Page 2, paragraph (c) - after the words "of the Report" insert the words ", except that in Summary Table 3(i) the Head of Expenditure for Children, Young People, Education and Skills shall be increased by £174,000 to allow for the Youth Service to run a pilot scheme to engage with young people from the Portuguese, Polish and Romanian communities, with other affected lines in Summary Table 3(i) to be updated accordingly; and to request the Minister for Treasury and Resources to investigate whether the additional spending can be funded from the Criminal Offences Confiscation Fund or other similar fund if possible and, if not, then from the Consolidated Fund".

# 1.8.1 Deputy I. Gardiner:

Both parts of this Amendment ask to increase funding for the Youth Service. We all well know that the Youth Service provides personal and social development opportunities, encouraging young people's participation and promoting safe environment for young people. There are 2 parts for this Amendment for 2 different projects and I thought of bringing 2 Amendments, but then decided to put it in one, but again I would ask for 2 separate votes, so each of the projects can be considered on its merits. The first project, part (a), the Move On Café is a very unique place. Move On Café delivers fantastic work for some of our most vulnerable young people. [Approbation] It provides for young people somewhere to go, something to do and someone to talk with. It is ideally located at Liberty Wharf, the Island's transportation hub, to serve as many of the Island's youth as possible. Also, the staff of Move On Café provides an outreach team that work on the streets to support those young people, who do not want to engage with traditional youth clubs. When the large events are happening, they attract a large group of young people, such as funfairs, under-18 disco and they patrol these hotpots of antisocial behaviour that we all know. The first part of my Amendment is asking for a full-time youth street worker for the Move On Café project. Currently they have one youth worker that works full time and one youth worker that works part time. What I am asking - if the first paragraph of the Amendment will be accepted - the Move On Café project will have 2 full-time youth workers. What it will achieve and I identified 5 needs why we need 2 full-time youth workers and not one. First, it will meet a need to increase involvement and support for current participants and working with them in multiagency teams addressing various safeguarding issues, for example, child integrated support team and similar for early help, child in need, child protection. Preparing this Amendment, I had multiple conversations, meetings, email exchanges with Youth Service, police, young people themselves, head teachers, Children's Commissioner and different government officials. The feedback was the youth worker is the key partner to have the best rapport with the young people. The example that you can find in my report from the children integrated support team project in summer 2018 that stated that the youth worker from Move On Café, from this project, being on this multiagency team was a key in the success and the success was clear. Total number of youth offences dropped from total 63 to 5 and we are talking about 3 months of engagement with the 10 people who participated. Total number of youth incidents drops from total 97 to 20. Why do we need 2 youth workers that are working full time? Because both of them are involved with young people during the evening, but the part-time youth worker cannot attend this multiagency safeguarding Panel, because it is only part time. The second, currently they do not have enough staff to put on the streets, to engage with young people that do not come inside at youth café and do not go to any clubs and do not go to cadets. If they put people on the street to outreach the teenagers on the street, it means they run a reduced programme of activities and unable to run them all the time. Third, a youth worker, when I had a conversation with them, said that there is a new activity that they did not have before to engage with 19 year-olds. They have now only one session running on Tuesday evening. Why is it important to engage with 19 year-olds? Because 19 year-olds are not in any school-type framework, they are out there and working and when I went to visit the Move On Café in the evening, there was a young lady that finished her shift in one of the retail shops and she came in there and she basically shared how did she feel through the day and what has happened and she is thinking to change the job.

[15:00]

This is the place for her to come in, to drop in and we need ... this is the reason, again, it is the third reason why we need the 2 full time and not 1½. The fourth, the outreach activities when the youth workers come into schools, they do not have time to come to schools and run a lunch session. It is bringing me to the fifth point, the last on this bit, it came from the Children's Commissioner conversation when she basically said in the U.K. there is a connection between youth workers, who go to school during the lunchtime and the same youth worker meeting them at clubs in the evening and sometimes children bring their certificate and show them, because the youth worker is basically the only adult that they are really speaking to, because the teacher is the teacher and the parents, not all of them have this. This is the reason that I am asking for a full-time youth worker, which will basically allow for a part-time youth worker to work. Now, we had comments and conversations and I do not want to skip an elephant, because there was a conversation about it. Currently, this part time youth worker, £25,000 from £53,000 which I am asking, was subsidised by the Youth and Community Trust. The Youth and Community Trust is a charitable trust with a £126,000 annual budget. Youth and Community Trust indicated, during the last 2 years, that they will not be able to continue to maintain this funding and why, because the frame of this Trust is very simple, 50 per cent going to the youth and 50 per cent should go to other community project with elderly, family and whatever is added. This is the reason that they indicated in April this year that in April 2020 it will be reduced. Another point, the Trust continued to support 2 St. Helier traditional youth clubs as any other Parish. Move On Project ... and I have got the numbers, 367 visitors until now this year, until 31st October, 225 from the Island and only 142 from St. Helier. It is approximately the same as in our society. Basically, I would like to see the Government being bold and provide the Move On Café project a second full-time youth worker to expand and engage with more vulnerable teenagers on the streets of Jersey. This is about the first part; I am closing and I am opening the second part: a pilot scheme dedicated to youth workers for minorities. As a Deputy for St. Helier and a non-executive director for Caritas International social inclusion project and as a member of ethnic minority, as well, I am regularly engaged with different ethnic minorities on the Island. It has been raised that we have a need for youth development work with youth that English is their second language. I have met with the principal youth officer, who confirmed that very few young people with English as their second language engage with youth clubs, activities. While the Youth Service would like to engage with them, there are no resources. By the way, I asked Move On Café how many from the minorities when I was there and they said maybe 10 out of 367 really come in and engage. We know that many of these young people are vulnerable, living in poor accommodation and need the support to help integrate with local networks and services. Having a youth worker, who can speak their language and develop a connection with them, would be a positive start to integrate these young people in the youth club's work. Twenty-five years ago, I was part of this type of integration project with young immigrants and it does work. It is to bring them in and be completely integrated; it is not to create something for them, it is just to outreach, engage and bring them in. Our youth work had great experience with this type of targeted work ... I am talking about 2 projects, the L.G.B.T.Q. (Lesbian, Gay, Bisexual, Transgender and Questioning) project and the Young Carers project. Both projects started 2 years ago with our Youth Service as really small. They carried out some scoping work, made new contacts with different children, listened to their needs and after developed a service that is relevant to their needs. So, now, both projects were both successful and we do have this experience in Jersey. Also, as I mentioned earlier, it is very interesting, we are talking about Young Carers, the project that ran for 2 years, children from ethnic minorities, they are not engaged with this project. It is a widely known fact that immigrant families have a profound sense of obligation. I had a conversation with E.A.L. (English as an Additional Language) co-ordinator from one of the state schools and she wrote to me: "Many of my students have parents who work more than one job in

order to earn enough to cover living costs. As such, the majority of my students play a major role in caring for younger siblings. This usually involves school drop offs, pickups, doing weekly shopping for the house, preparing meals, cleaning; tasks that are similarly shared by young carers and they are not engaged with existing programme. In addition to the educational barriers, my students experience social difference that may cause stress. Children facing such differences can lead to young people feeling socially isolated. Many of my students have reported that they do not feel they belong and do not take part in any social activities including after school clubs and sport clubs. Lack of opportunities for social interaction may also make integration more difficult. This can have a direct effect on their mental well-being too. One student, in particular, is struggling with the above issues and dealing with the loss of his older brother. I have attempted to seek professional counselling for him and his mother during this difficult time, but it would seem we do not have any Portuguese speaking counsellors available on the Island. I believe that creating a targeted youth group in Jersey, for these students to attend, would make a considerable difference for these young people's lives and it would enable them to find an active and responsible role and place within the community." Originally, I proposed the pilot scheme to reach Portuguese, Polish and Romanian community and engage with them and there are 2 Amendments to my Amendment. So, the first Amendment was from Deputy Morel, which asked to add the words "communities with English as a second language" and I am accepting this Amendment, because this was my intention. When we write the Amendment, it is not always right, but thank you for bringing it in and I am accepting this Amendment. I am sure that having youth workers that reflects the diversity of our children and young people is extremely important. Second was the Amendment from the Council of Ministers, proposing the funding for Amendment for £106,000 for the first-year period. This will enable 2 youth workers - I requested 3 - to be employed for the pilot of this community engagement project and I am also accepting this Amendment, because it is the pilot; we need to start and we need to focus and see what is there, understand the needs and if it is successful that we will have a further request in the next Government Plan. So, thank you, for your understanding and support and I, as I say, accept this Amendment. So I look forward to Members' contribution and I propose the Amendment.

# The Bailiff:

Is the Amendment seconded? [Seconded]

#### Senator S.Y. Mézec:

Sir, could I ask a point of clarification from the proposer? It does arise from a point that she raised in her speech, she referred to the changing nature of the funding that goes out from the St. Helier Youth and Community Trust moving to a 50:50 model. Could she, therefore, clarify if some of the funding, which she seeks to get in part 1 of her Amendment, is there to replace funding that had previously been given from that Trust and that it is a reduction that is partly made up by the first part of her Amendment?

## **Deputy I. Gardiner:**

Yes and I think I have made it clear. The previous funding was £85,000 and it has been maintained for 2 years. It does not work with the framework of the charity that requires 50 per cent go to the youth and 50 per cent for other segments of the community. So, the reduction is £25,000 from the contribution and the Trust continues to give £10,000 to the Move On Café for the rent. It is not replacing funds, it is giving £53,000 for a full-time worker and it is kind of yes and no, but at the end of the day, would we ask the Trust for £126,000 and we are talking about £25,000 and we are talking about £800 million budget. But, yes, this is the situation. I hope I clarified it.

#### Senator S.Y. Mézec:

Could I seek further clarification on that point then; as she says that the funding arrangement was not in line with what the Trust is mandated to do? Could she clarify whether the Youth Service had been aware, in advance of this point, where that decrease in funding was going to occur?

# **Deputy I. Gardiner:**

Yes, the Trust indicated during the last 2 years for the Youth Service and in April this year, when I was elected, it has been made clear to the officers that the Trust will not be able to continue to fund. So, the officers were made aware a year in advance that this is what will happen.

# 1.9 Government Plan 2020–2023 (P.71/2019): eleventh Amendment (P.71/2019 Amd.(11)) – second Amendment (P.71/2019 Amd.(11)Amd.(2))

#### The Bailiff:

Very well, there is an Amendment to the Amendment, proposed by the Council of Ministers and I ask the Greffier to read that Amendment.

# The Deputy Greffier of the States:

Page 2, paragraph 2 – For the inserted words "shall be increased by £174,000", substitute the words "must include an allocation of £106,000"; delete the inserted words ", with other affected lines in Summary Table 3(i) to be updated accordingly"; and for the inserted words "from the Consolidated Fund", substitute the words "from existing resources"

# 1.9.1 Senator T.A. Vallois (The Minister for Education - rapporteur):

Firstly, on a positive note on this part in particular, the Amendment is to part 2 of Deputy Gardiner's Proposition and I am grateful for her stating in her speech that she was willing to accept this Amendment. The recognition, in terms of what Deputy Gardiner has brought forward, is, of course, something that was considered as an appropriate model that may be brought forward in following Government Plans due to the forthcoming building of the North of Town St. Helier Youth and Community Centre. But I absolutely note and recognise the importance of trying to create those relationships earlier. The Council of Ministers also recognise that and that is why we have requested an Amendment. The reason why we have requested for the 2 - and I will just clarify it for Members - is because it will take that bit of time to draw up the programme, recruit and retain 2 individuals in this particular area and get it built and started building those relationships in 2020. Once that has started in 2020, like Deputy Gardiner has stated, then in the 2020 Government Plan when it comes forward we can build this into the base budget appropriately and build in the appropriate requirements, based on that pilot work that has happened in 2020. So, I am grateful for Deputy Gardiner bringing forward her Proposition and us getting on with this sooner rather than later and I would ask for Members to agree to the Amendment.

#### The Bailiff:

Is the Amendment of the Council of Ministers seconded? [Seconded] Does any Member wish to speak on the Council of Minister's Amendment to Deputy Gardiner's Proposition? All those in favour of adopting the ... the *appel* is called for, I invite Members to return to their seats.

## **Deputy G.C. Guida:**

Sorry, a point of ... I understand that Deputy Gardiner has accepted both Amendments to her Amendment, so are we now voting on her Amendment, as amended?

#### The Bailiff:

No, you are voting on the Council of Ministers' Amendment. The fact that Deputy Gardiner has accepted it does not mean the Assembly has adopted it and so the vote is now by the Assembly on

the adoption of the Council of Ministers' Amendment to Deputy Gardiner's Amendment. If Members have had the opportunity of returning to their seats I ask the Greffier to open the voting.

POUR: 47	CONTRE: 0	ABSTAIN: 0
Senator I.J. Gorst		
Senator L.J. Farnham		
Senator S.C. Ferguson		
Senator J.A.N. Le Fondré		
Senator T.A. Vallois		
Senator K.L. Moore		
Senator S.W. Pallett		
Senator S.Y. Mézec		
Connétable of St. Helier		
Connétable of St. Clement		
Connétable of St. Lawrence		
Connétable of St. Saviour		
Connétable of St. Brelade		
Connétable of St. John		
Connétable of Trinity		
Connétable of St. Peter		
Connétable of St. Mary		
Connétable of St. Ouen		
Connétable of St. Martin		
Deputy J.A. Martin (H)		
Deputy G.P. Southern (H)		
Deputy of Grouville		
Deputy K.C. Lewis (S)		
Deputy M. Tadier (B)		
Deputy M.R. Higgins (H)		
Deputy J.M. Maçon (S)		
Deputy S.J. Pinel (C)		
Deputy of St. Martin		
Deputy of St. Ouen		
Deputy L.M.C. Doublet (S)		
Deputy R. Labey (H)		
Deputy S.M. Wickenden (H)		
Deputy of St. Mary		
Deputy G.J. Truscott (B)		
Deputy J.H. Young (B)		
Deputy L.B. Ash (C)		
Deputy K.F. Morel (L)		
Deputy G.C.U. Guida (L)		
Deputy of St. Peter		
Deputy of Trinity		
Deputy of St. John		
Deputy S.M. Ahier (H)		
Deputy J.H. Perchard (S)		
Deputy R.J. Ward (H)		
Deputy C.S. Alves (H)		
Deputy K.G. Pamplin (S)		
Deputy I. Gardiner (H)		

# 1.10 Government Plan 2020–2023 (P.71/2019): eleventh Amendment (P.71/2019 Amd.(11)) – Amendment (P.71/2019 Amd.(11)Amd)

#### The Bailiff:

There is now a further Amendment to the Amendment, lodged by Deputy Morel and I ask the Greffier to read the Amendment.

### The Deputy Greffier of the States:

Page 2, paragraph 2 - After the words "young people from" insert the words "communities with English as a second language, with, in the first instance, a focus on".

[15:15]

# 1.10.1 Deputy K.F. Morel:

This is just a very simple Amendment, just to widen the remit to make sure that no non-English speaking communities were left out of Deputy Gardiner's Amendment and we spoke about it when I was lodging it a few weeks ago and I know Deputy Gardiner is very happy with it, so I hope the Assembly will be too.

### The Bailiff:

Is Deputy Morel's Amendment seconded? [Seconded] Does any Member wish to speak on Deputy Morel's Amendment?

# 1.10.2 Deputy M. Tadier:

I do not know if this is pedantry to the extent of differentiating between mass and weight, but as somebody who takes an interest in language - and I certainly welcome the spirit of Deputy Morel's Proposition and Amendment here - it is English as a second language, of course, is not quite the correct terminology, it should be English as a foreign language, because, of course, there will be communities for whom English is not the preferred language, it may not be a language at all. It could be that somebody only has one language, which is not English. It could be that people have 2 languages before English comes on to the radar. That may seem like slightly an esoteric point, but I think the fact that that is not acknowledged by us, I think it needs to be put on the table. We have such a cosmopolitan society and I will speak on that in the main Proposition, as amended. I do not think it is grounds for voting against this, because I think that would be a silly thing to do, because I know what the spirit of that is. At least it does include the very many people in the community who do have English as their second language. There will be others out there, who have all sorts of difficulties in communicating in English, or whatever and they will certainly be captured by the spirit of this Amendment, as well.

#### The Bailiff:

Does any other Member wish to speak on Deputy Morel's Amendment? Senator Farnham, yes, do you want to ...

#### Senator L.J. Farnham:

No, thank, you, Sir. [Members: Oh!]

#### The Bailiff:

I call on Deputy Morel to respond.

#### **1.10.3 Deputy K.F. Morel:**

Just as I did know the difference between mass and weight, but the mass of a car is regarded as the kerb weight by the industry. As a former teacher of English as a Second Language, yes, I should, to be fair to Deputy Tadier, have known that difference and I did, once upon a time, but it is 20 years

ago and I have slightly forgotten, in the meantime. But I do not think the Assembly should take that into account, because we do know what is intended by the Amendment with the words English as a second language, as opposed to English as a foreign language, but thank you, Deputy Tadier, for pointing it out.

# The Bailiff:

Those in favour of adopting ... the *appel* is called for. I invite Members to return to their seats. I ask the Greffier to open the voting.

POUR: 47	CONTRE: 0	ABSTAIN: 0s
Senator I.J. Gorst		
Senator L.J. Farnham		
Senator S.C. Ferguson		
Senator J.A.N. Le Fondré		
Senator T.A. Vallois		
Senator K.L. Moore		
Senator S.W. Pallett		
Senator S.Y. Mézec		
Connétable of St. Helier		
Connétable of St. Clement		
Connétable of St. Lawrence		
Connétable of St. Saviour		
Connétable of St. Brelade		
Connétable of St. John		
Connétable of Trinity		
Connétable of St. Peter		
Connétable of St. Mary		
Connétable of St. Ouen		
Connétable of St. Martin		
Deputy J.A. Martin (H)		
Deputy G.P. Southern (H)		
Deputy of Grouville		
Deputy K.C. Lewis (S)		
Deputy M. Tadier (B)		
Deputy M.R. Higgins (H)		
Deputy J.M. Maçon (S)		
Deputy S.J. Pinel (C)		
Deputy of St. Martin		
Deputy of St. Ouen		
Deputy L.M.C. Doublet (S)		
Deputy R. Labey (H)		
Deputy S.M. Wickenden (H)		
Deputy of St. Mary		
Deputy G.J. Truscott (B)		
Deputy J.H. Young (B)		
Deputy L.B. Ash (C)		
Deputy K.F. Morel (L)		
Deputy G.C.U. Guida (L)		
Deputy of St. Peter		
Deputy of Trinity		
Deputy of St. John		
Deputy S.M. Ahier (H)		
Deputy J.H. Perchard (S)		
Deputy R.J. Ward (H)		

Deputy C.S. Alves (H)		
Deputy K.G. Pamplin (S)		
Deputy I. Gardiner (H)		

# 1.11 Government Plan 2020-2023 (P.71/2019): eleventh Amendment (P.71/2019 Amd.(11)) - as amended

We now return to Deputy Gardiner's Amendment, as amended, so does anyone else wish to speak on Deputy Gardiner's Amendment?

#### 1.11.1 Senator T.A. Vallois:

After the positive part of the Amendment, I hate to come on to part 1 and take the level of enthusiasm down a slight touch. On part 1 - and I recognise what Deputy Gardiner is trying to achieve in terms of having a full-time worker for the Move on Café. I do not think I could explain it as well as she did, showing how brilliant and excellent our Youth Service is in terms of providing the appropriate support for our youngsters in the Island and some adults as well. They are very well valued and extremely important to our community - in part 1 it is asking us to apply £53,000 to this particular area. But, along with my colleagues from the Council of Ministers, we are opposing this part of the Amendment and although it appears that the request would provide funding for a full-time youth worker, in reality the information that we have received and have been informed on is that there is an intention to reduce the amount of money that is provided through the St. Helier partnership agreement, which is not due to end until April 2020, from approximately £85,000 to a maximum of £60,000. The reason why I feel it important that we look to reject this is because, firstly, I was not aware ... officers may have been aware, but the first time I heard about it was Deputy Gardiner approaching me with regards to this particular Amendment. But, fundamentally, there is a long-running, extremely good working relationship between our Youth Service and the Comité des Connétables, the Constables of our Parishes with regards to partnership agreements. partnership agreements are carried out very well in terms of negotiating with the relevant Constables and the Procureurs of the Parishes to enable an appropriate amount of money to be provided for the Youth Services within their Parishes. It is very difficult to hear the argument that just because it does not provide for a certain amount of young people in St. Helier, that St. Helier should not contribute that amount of money. The reason why I say that is because that could be the argument from every single Constable that sits in this States Assembly. Because every Youth Service provides support for children all over our Island, but the partnership agreement has been running since the early 1990s, built up over time. Yes, there are different amounts from different Constables, but that is because it is done with the relevant stakeholders in the right room with the right information and the appropriate time dedicated to understanding what that provision exactly is provided for. Therefore, I find it not an appropriate forum for us to be having this discussion, when the partnership agreement is not up until April 2020. We should have that discussion and I am happy to be in that room if it is necessary, if the St. Helier Youth and Community Trust wish to look at reducing that funding, but then negotiations should be taking place with the relevant parties, with the relevant stakeholders. If there is an intention to have a full-time permanent youth worker, in addition to the other full-time worker, then we could look at identifying the appropriate monies within a year, but that negotiation then has to take place between the relevant parties. By us agreeing to this Amendment, the £53,000 will reduce that ability in terms of the negotiation around the table and I feel, effectively, reduce the value of the partnership agreement that the Youth Service have directly with all Constables in terms of how that is built up, in terms of relationship over the years and how we in partnership have provided and supported our young people in the Island. I would ask Members, although a very positive part 2 of this Amendment, to please reject part 1.

# 1.11.2 The Deputy of St. Martin:

I am grateful to Deputy Gardiner for bringing this Amendment. She did not need to talk for more than 30 seconds to have me convinced. As a member of the Youth Panel for many years, I saw any number of young people come in front of me. The common denominator among most of them was that they had no structured activity outside the school. I can see nothing but progress and positivity here and I will be certainly supporting the Deputy.

## 1.11.3 The Connétable of St. Helier:

I thought I should speak to clarify a few things that have been raised, particularly the Minister for Education's speech. First of all, I need to say that this is Deputy Gardiner's Proposition and it is not mine, although she has consulted me extensively during its preparation. I should also say that both Deputy Gardiner and I were members of the St. Helier Youth and Community Trust until we were advised that it was not appropriate for us to be on the Trust any longer, in order to secure its independence. In a sense, what the Minister for Education is asking for, a negotiation is not with me and my Procureurs, it is with the Trust. Clearly, if this Amendment is not supported, that negotiation will need to take place very quickly. Also, in opening really, I want to pay tribute, first of all, to Deputy Gardiner for a really well-presented set of Amendments. [Approbation] As a Parish Deputy, she really has hit the ground running and is working on many issues and bringing real clarity to them. I am really grateful to her for taking up this particular problem, which has dogged the Parish long before the Community Trust was set up. It dogged the Parish, when in fact it was the St. Helier Youth Committee that was allocating money every year. An increasingly large amount of its allocated budget from ratepayers being taken up by the payment of youth-working staff and that is where the idea of a 50 per cent ceiling came from. Because we saw a predicament, many years ago, whereby all the money that ratepayers were putting into the St. Helier Youth Committee would be used up in paying the salaries of staff in the Youth Service. That clearly led certain Members to ask the question: "Why are these salaries not being paid for out of taxation?" As the Senator alluded, of course, the Parish wants to contribute in agreements to various youth clubs and the Parish has always done that very generously. There comes a point where the ability of ratepayers to support other community initiatives, particularly relating to the elderly - and Deputy Gardiner has been active in that area before she became a Deputy and continues to be active - they were unable to do so, because the money was all being used in spending on salaries. That is, I think, an important thing to state. Also, I want to pay tribute to former Deputy Ben Fox; it may seem a few years ago that he was telling about his former life as a police officer, but some of us remember that very fondly. Deputy Fox was instrumental in helping the Parish secure this building, when it was just an empty shell of a building and to have it turned into a youth centre. Let us not forget that, that right at the start the Parish, really led by Deputy Fox, got this project underway. The Minister for Education began by saying that the Youth Service is excellent and then, of course, came the but. As I say, this is a discussion that she will have to have with the Trust and it is not a discussion that I can really be involved in anymore because, as I say, I am not a member of the Trust. But it is all very well to praise the activities of the Youth Service, but if you go on to say: "We are not willing to pay for them", then that praise can sound hollow. Deputy Gardiner made, I think, the very important point that the data that she has compiled and this is what you would expect, it is the way our population works, that two-thirds of the clients using this much-needed centre do not come from Town at all and that is why, I think, she is arguing that a greater share of the funding should be coming out of taxation, rather than out of ratepayers' pockets. I commend Deputy Gardiner for what she is doing and I do hope the Members will support what is, in terms of the overall budget of the States, a very small amount, so that the Move on Café can carry on. Because I fear that if it is not supported, then there are all kinds of questions going to be thrown up about whether the right amount of Youth Service work can be paid for in the future.

## 1.11.4 Deputy J.M. Maçon:

Again, will pay tribute to Deputy Gardiner for, again, allowing us to speak about the Youth Service and what a vital, important job that they do for those within our community. The splinter groups that have evolved over time, the carers' one, the inclusion one, for people with disabilities and the L.G.B.T. (Lesbian Gay Bisexual Transgender) one have done great work for those children and that should be recognised. But there are a few things that I do need to pick up on what has just been said from the Constable of St. Helier. What needs to be said is this argument of, well, X number of children use the Move On Café that are not from St. Helier. But wait a moment, so what? How many children go to Grands Vaux Youth Centre, but are from St. Helier and what are we going to do? Sorry, you cannot come in because ... what a load of nonsense. [Approbation] This is the best thing to do for our young people and we are not going to get dictatorial about Parish boundary lines, it is what is best for the youth of the Island. I think we would all want to sign up to that, so that argument does not wash with me. It also does not wash with me, because if that facility was not there, who knows what these kids in St. Helier may be doing, but they would still be in St. Helier and may be causing trouble. I do not want to paint them in a negative light, but as if to say that St. Helier does not benefit in some way from supporting the Move On Café is absolute nonsense. I would also go on to say to the Constable of St. Helier, the Minister for Education did not say that Education do not feel, in some way, that we need to contribute to this.

[15:30]

What the Minister for Education said is: "This needs to be properly negotiated and go through the proper processes; that we do when we establish those relationships between the Youth Service and the Parish" and that is what the Minister for Education is looking to do. We are not saying we do not expect to pay a penny; that is absolutely not what we are saying. But what we are saying is there has to be a proper negotiation, which, until now, is what all the Parishes have signed up to. All we are asking to do is to hold that line, because we appreciate not only the importance of the Move On Café, but also the process in which it is done in order to support the youth services across the Island and how we work with the Parishes in order to establish that. Again - and said even by the Constable of St. Helier - this is not the right forum at the moment to be discussing this and having this conversation, which is why the Minister for Education has said: "Please, let us have this negotiation with the Trust, because those are the people we need to speak to and let us see where we are from there." But, in order to basically try and pass on the entire cost back to the States, without having a proper negotiation, is not fair either and let us not forget about that. That is what we are asking for, that we have time to go through the proper process with now the Trust and establish what we can do.

## 1.11.5 The Connétable of St. John:

There are 2 points I would like to raise. The first is a point raised by the Constable of St. Helier in which he said many of the youths come from outside St. Helier. This is the case right across the Island. I know that, in St. John, at our youth club, it tends to be school friends so, in other words, those that go to school at Grainville, they have their friends who come up to St. John. We do not have a kicker, or a bouncer, on the door saying: "Sorry, you are not from this Parish." I am afraid that that particular argument holds no water, whatsoever. The second point I would like to make is that all Parishes, I believe, make a contribution towards the running of the youth clubs in their Parishes. Working it out on a per head, or per ratepayer, basis - and I have not done all the Parishes, but I have certainly done it with my own - St. Helier fares very poorly by comparison, certainly with the Parish of St. John. I think there is a bit of an escape goat going on here, because St. Helier give it to a Trust, who then distribute the money, instead of giving it directly as a Parish. We are hearing that the Trust needs to fork out more money and it is the Trust's fault. No, I am sorry, at the end of the day it is the Parish of St. Helier who fund the Trust and they have got to ensure that that Trust is properly funded, so that the Youth Service can be properly run and I make that point.

#### 1.11.6 Deputy M. Tadier:

Sir, before I start, can I just seek clarification that I can speak on the Proposition, as amended, so both on paragraphs 1 and 2, is that correct?

#### The Bailiff:

Yes, the debate is now on the Proposition as amended in full, Deputy.

# **Deputy M. Tadier:**

Both parts. I will start off, perhaps, with the global comments then, which I have saved for this period. First of all, just to congratulate Deputy Gardiner on what she is seeking to do here. I think she has got full backing for the principle of what she has achieved with that first Amendment, which was accepted. There is common ground here. I think this Assembly is richer for having pluralistic voices, not just politically, but also in terms of where people come from. I think we are much richer for not just having, ostensibly, British people in the Assembly, although technically we may all be: it is really important that we have those voices. I look forward to a day when this Assembly is sufficiently less jingoistic than it has been in the past, to accept the fact that the British nationality test should not be the appropriate one for admission into this Assembly, but it should be that anybody in Jersey, who wants to put themselves up for election and who lives here and is part of the community, can represent the Island in this Assembly. I say that as a segue, because I think we do not do enough generally for the minorities in our Island. They play a very important role, both economically, socially and culturally. There is some good work going on already, for example, I know within the Education Department I have spoken to a couple of their senior officers at Education, who have been over to Portugal and Madeira recently to look at what they do over there to try and get a better understanding of how we might improve our system, but also adapt it for the multiplicity of communities that we have represented in our schools in the Island. I am very worried when I hear that E.F.L. (English as a Foreign Language), or E.A.L., is taught in our schools still under an S.E.N. (Special Educational Needs) provision. Clearly, special educational needs are vital and they are complex, but simply because you come to the Island at whatever age, whether the age of 5 or 15 and then have to integrate yourself into that education system, that does not mean that you have special educational needs, in the traditional sense of the words and I find that quite offensive. We have some of the brightest students in our Island, the most capable ones, who are perhaps not being given the proper resources and this is something that we need to tackle across the board. I do congratulate the Education Department for the work they are trying to do and this clearly does need extra resources, extra knowledge and extra funding; it is something we should all get behind. This has become one of those classic debates where if you want anything to get the juices flowing in this Assembly, if it touches on the Parish boundaries, then you can be sure that people will be standing up to speak, especially those who do not necessarily normally engage in these kind of debates. This really does touch on many questions. For example, I have just come back from Switzerland and I was quite fascinated to see the level of decentralisation they have there, the breakdown of their, I think, 28 cantons and the fact that Jura, which is one of the youngest, if not the youngest canton, calls itself a republic, because it broke away from the German-speaking part of that particular canton and they are very proud of their independence from their previous state, even though they are part of the federation. It does make me question, what is the correct level of the evolution that we should have in the Island? You would think that if Jersey did not have a pre-existing Parish system, nobody would come along and look at the Island and say: "OK, you have got 9 by 5, you have got 100,000 people, plus the other ones that you do not count, because you have not had a census and you do not want to think about living on your Island." Surely, the best way to administer this would be to pour some water on the Island, see where the water falls and then where the streams are, they will become the Parishes. I must admit that I am not just a strong supporter of the Parish system, I would go one step further and if it were up to me, I would give full independence to all the vingtaines, so we could have a multiplicity. Because, there is a big difference between the vingtaine of La Moye and the vingtaine of Les Quennevais, just as there is between the vingtaines of Noirmont and Croiserie and that is before you get into the other parts of the Island in La Rocque, et cetera, not to mention the fact that St. Ouen does not have vingtaines, as we know. We start off from a position which is curious. For my part, I just want to know that Deputy Gardiner is going to have the money that she needs in order for this provision to continue. As somebody, who is not a St. Helier resident, or ratepayer, but who recognises the really important work that goes on at the Move On Café, I want to make sure that all of those people who go there, no matter what their nationality and no matter where they come from on the Island, are getting a top class service and a top class youth provision that they can support. It is not for us to say what the Parish of St. Helier should, or should not, be doing, I do not think. That is where I have got the difficulty, I am a States Member, like the other 48 Members in this room. I can only make decisions on the basis of my and our jurisdiction. I cannot presume to think, or know, what the Parish of St. Helier should do. I am told that one of the advantages of having the Constables in the States and, in this instance, having the Constable of St. Helier in the States, is that you have joined-up thinking. But the Constable of St. Helier has said that he cannot influence what the Trust is doing, but surely that cannot be true, even if it is true on a technical basis. Surely he speaks to the Parish representatives and he could have a word and say: "This is what I want you to do." But even that is not enough, because, of course, ultimately it is the Parish Assembly which has the ability to decide. It may well be that the Parish Assembly would disagree with Deputy Maçon and say: "We do not think that this money, this £25,000 which we want to reduce our budget by, we think that can be spent on something else. We think that is the States job to do it." Of course, by the time that happens, this moment of opportunity will have already passed, because we are making a decision about what is in front of us today. Certainly, my inclination, for belt and braces, is to say I would like to support certainly not just the principle of what Deputy Gardiner is doing, but the only thing that I can do, as a non-St. Helier resident, is to give my support today for what is being offered from Deputy Gardiner. I say that with some caveats. I want to hear from other Members. I particularly want to hear from St. Helier representatives, because it is their area. I would like to hear from the 3 Deputies who represent St. Helier No. 1 District, 2 of whom I know are Government Ministers and one of whom is not, clearly. I would like to know what they think about this really important initiative in their districts, both the St. Helier representatives, if not residents themselves, where they think that the money should be coming from.

#### **1.11.7 Deputy R.J. Ward:**

There are a number of points here, but I would like to not just give platitudes to the Move On Café and I absolutely agree with what they do. I want to point out - and I agree with Deputy Gardiner so much on this - the work they do is vital for a group of very young people on the Island who need that sort of support. If you want to look at it purely economically, the work they do saves this Island thousands and thousands of pounds in the future, by enabling those young people to take control of their lives and make the right decisions in their lives. This is a very small investment if it is necessary and that is the issue that I have. The one thing I would say is that it troubles me, it concerns me so much and I say well done, Deputy Gardiner, because I have stood here and tried to fight for Youth Services as well and got a bit lucky. But it is difficult, because in St. Helier, to be quite frank, there are a number of things. A young person in St. Helier does not know whether they live in District 2, District 3, District 1; it is irrelevant to them. They go to the youth centre, or wherever they go with their friends and thank heavens that they do. They do not really care if they live in St. Helier, or wherever they live, they go to the youth centres. What we need to be doing and it is very clear from this debate, that we need to look at the funding overall and make this a priority, so that the funding is, first, fair and reasonable but, second, it is stable. We should not be squabbling over this amount of money for something that has such a positive impact. We need to be looking beyond that. My point on this Amendment is, I would ask a couple of questions: why is it that the funding from the Youth and Community Service has been lost in this way? Why was that decision made? Why was that the case? Because it seems to me it is not the right decision. I was not on that board, but I certainly would not support a decision like that and I know you did not get the opportunity to, or not. OK, but that would be a question first of all. But, second of all, I do not think we should be squabbling over whether it is St. Helier who funds it, or the Government who funds it. What we should be doing is saying that we recognise that this is a very useful piece of funding. It is a really good investment in our young people of St. Helier and so, therefore, the money will be there. This is only £53,000. I am very much in line with supporting this, because where it comes from I do not mind. I do have a problem, one problem I have with the Amendment, it does say to investigate whether the additional funding can come from the Criminal Fund, or the Consolidated Fund. Every time the word 'investigate' is put there I worry about that, because it is not definite enough. I would worry about sustaining the funding, because the worse thing we can do is say there is a year for this extra worker, that worker gets involved with a number of young people, who really need their help and then, all of a sudden, we let them down and they are not there. We cannot do that. We must sustain that support for people, because it is a long-term impact that we have. I would suggest, please, let us just ensure that this service continues, sit down with the Constables, sit down with the groups, sit down with the Education Department and say: "We want to fund this." Why these decisions are being made and come up with it and let us support this funding. I have no problem with voting for this, simply because the funding is there. But we have to ensure future funding, as well, because it is such a vital service for our community. I say well done for the Youth Service for providing it.

#### 1.11.8 Senator S.Y. Mézec:

Like the Constable of St. Helier and Deputy Gardiner, can I just start by declaring that I was a trustee for the St. Helier Youth and Community Trust and had to resign from that several months ago, due to my position as Minister for Children and Housing. I was also a member of the St. Helier Youth Community, before the Trust was established.

[15:45]

As has been said, the Trust was established for one reason: to widen its remit so that it could play a part in supporting events, or organisations, with grants and for things that are not just to do with youth but also to do with the community and obviously that is a good thing. But the other reason and this, I think, is crucial, that it was set up to do that was to open the door to be able to take in funding from elsewhere, not just from Parish rates. I am going to take a guess here, I do not know, because I have not been a trustee for several month, but on the basis that this is about moving to the 50:50 split, 50 for the community, 50 for the youth and that means a reduction, a cut, from £85,000 to £60,000. I am going to assume, unless I can be told otherwise, that that means the Trust has not got funds, or substantial funds, from elsewhere outside the Parish rates. I do not know if that is true, if it is not I hope to be corrected on that. But I remember, from my time, that it was around about £120,000 that the Trust had yearly. If that is the case, now 2 years into the existence of the Trust, we are looking at a cut in support that St. Helier gives to the Youth Service of £25,000. I would make the case that perhaps it is time for rethink, to say let us get round the table, representatives from the Parish and that will have to include the political representatives, as well as representatives from the Trust. When the Trust was set up, there was meant to be a Deputy from each district represented on it; I was one of those. That is not the case anymore. Now we have this detachment, which is clearly unhelpful, because we are now in a situation where Deputy Gardiner is quite rightly and quite admirably proposing something, the principle of which none of us disagree with. Of course we want the Move On Café to be funded properly, because it is doing amazing work, supporting young people, some from St. Helier, some from other Parishes. As it has been said, the other Parishes do fantastic work supporting their youth centres, as well. All Parishes financially contribute and I think it is about 10 have partnership agreements. I remember when I was growing up in St. Saviour, I occasionally attended Trinity Youth Centre. Nobody ever asked me for my passport at the door there, because that is just what you do, you want to support young people. It seems to me that it is obvious, as the Minister for Education said, that if this situation has arisen because of this now arbitrary move to reach a deadline to get to this 50:50 split, which means cutting the support that is coming from Parish

rates through one route, or another, to the Youth Service, that they need to get round the table and have a discussion and say: "Right, what is the appropriate balance that ought to come from the Parish, because the Parish should contribute to it?" I say that as a St. Helier ratepayer, I want my rates going to supporting young people in the Parish, as well. Of course, the Education Department should be supporting the Youth Service, as well. The Minister for Education is reviewing the education law. that is one of the big projects she wants to achieve in her time in office and that is going to include looking at how, if, or in what format, the Youth Service could get statutory support, because it is a non-statutory service right now. That will, hopefully, at the end of it mean that there is a more stable and appropriate funding mechanism to make sure that all of these services are funded properly. What we have in part 1 of this Proposition is asking to allow the Trust to just cut that funding. They will have no incentive whatsoever to increase that funding, or go back on that, if the States says: "Do not worry, cut whatever you like and we will just make up the shortfall." Any other Parish could then, theoretically, do the same afterwards and we would feel guilty if we did not do the same thing and that would, clearly, be wrong. We are to get this extra funding, firstly, by looking at the Criminal Offences Confiscation Fund. That Fund, of course, has been used as a slush fund in the past for funding other ventures that may not necessarily have been appropriate. That may, or may not, be allowed this time and if it is not allowed, then we have to do what the Proposition says, which is to look from the Consolidated Fund. I know, as Minister for Children and Housing and as Assistant Minister for Education, that a lot of very difficult work is going on to make sure that the funding and the education that C.Y.P.E.S. (Children, Young People, Education and Skills) has is being used most effectively. There is pressure on us, as there are on all departments and that can be incredibly difficult. We throw in another £53,000 to make that even more difficult. Deputy Gardiner has proposed this for all the right reasons. It feels counterintuitive when you want to support young people in Jersey to stand up and say: "We cannot vote in favour of this." But I urge Members to reject part 1 of this Amendment and then force these different parties round the table, where they ought to be, to say, right, let us sort this out properly. Because I do not think it is acceptable to give a green light to a cut from the Parish contribution, when many of us involved in the Parish and myself as a ratepayer, want the Parish to be contributing at an appropriate rate. I would say that the situation that has now arisen, with that detachment from the Trust and to the political representation is not quite appropriate at this point and ought to be thought through, to make sure that there are safeguards in place and we do not end up with a situation where, as the Minister for Education said before, she did not know about this until this gets brought up in this format, which is clearly wrong. I would say to Members, who feel uneasy about voting against this - and I do not blame any Member that would feel uneasy about this - to say that there is still time to sort this. We do still have several months for that discussion to take place, for that arrangement to be found. That is the right thing to do, because everybody then enters that room in the best position, without having had to give anything up, hold your hands up and potentially open the floodgates for having to find other arrangements for other funding, or other Parishes, which is not where we want to be. Let us do the right thing for the young people, not just of St. Helier, but of Jersey as a whole and do this properly through the formats we have already got, rather than this, which there is absolutely every chance it might not work properly. But we can all vote in favour of part 2.

## 1.11.9 Connétable L. Norman of St. Clement:

I congratulate Senator Mézec on that speech, which I support 100 per cent; he has analysed the situation, I think, almost perfectly and I support him 100 per cent. But I say shame; I say shame on the Parish of St. Helier. I say it is a shame that St. Helier are reducing their support for the young people, for the Youth Service, because, according to the Constable, some youngsters from other Parishes use the facilities in town. My Parish supports the Youth Service and has done for many years financially and we have been increasing our funding year on year. We are now negotiating with the Youth Service for the future, because our current agreement finishes this year. What are my parishioners going to say when they see St. Helier reducing their contribution and I am asking them,

my parishioners, to increase their contribution? At Le Squez Youth Club, a club which we are extremely proud of, I can tell this Assembly, tell Members that there are youngsters who attend there from other Parishes. I am proud of that. Some of them come from St. Saviour, some come from Grouville and we are delighted to welcome them. But I do not work out the Parish's contribution based on where these young people come from; it is a good thing. In fact, St. Peter was whispering to me: "I have youngsters who come from St. Brelade." [Members: Oh!] I do not know about other Parishes, but I am sure they do. The Constable said: "We are having to reduce it, because we cannot do everything." Of course they can, of course they can. They cannot possibly claim poverty. Just remember, it is only 2 years since the States started paying rates, increasing St. Helier's income hugely. What is the response of the Constable and the Parish? What is their response? Reduce the support for the Youth Service, that is wrong and that is shameful. I think it is fair to say that Senator Mézec and I and others on the Council of Ministers will not see the Move On Café close. But we must vote against part 1, because voting against part 1 will show this Assembly's disapproval of the attitude of St. Helier to reduce their support for the Youth Service and we will, hopefully, shame them into maintaining the support. That is so important that there is a good partnership between the Parishes and the Youth Service and St. Helier are in danger or ruining that and we will not allow that to happen.

# **1.11.10 Deputy R. Labey:**

I can see why the debate is being characterised in the way that the Constable of St. Clement has just done and through no fault of his own. I can see why that correlation is being made. But there is another way and I am going to explain it to the Constable, because what we want to do is put children first, do we not, not kick things into the long grass, administratively? We want to put children first, all children. The Constable of St. Helier is not saying that children from other Parishes are not welcome in the Move On Café. It is this, this is the point, we moved to a Trust system and I was on the original one with Senator Mézec. It was former Deputy Andrew Lewis's idea and it was a really good one and he is still working on it. The mechanism of the Trust means that the St. Helier Youth and Community Trust can go out and get private funding, to support young people and the community, in St. Helier. It is difficult to get and this is going to work and it is going to be good and it is going to get more funds from private sources for young people and the community and older people; it is a community Trust, of St. Helier. It is not an attractive Proposition, when you are going out to get private funds, or business sponsorship, as it were. It is less attractive and harder to get that money if what you are asking the funders to do is, effectively, fund something that should be coming from central funds, like an essential, like the Move On Café. Because you are funding the youth workers, their salaries, that should be coming from central funds and what the Youth and Community Trust wants to do is be able to respond to those parents and young people themselves who come to it, asking for assistance, to go on the Duke of Edinburgh Award scheme, or to a ballet course in the Royal National Ballet and they are 15 years old. It is to fund those things. It is to make a difference to individual children in St. Helier. I feel that the debate here is going very well for the Council of Ministers and I feel that they could absorb this one and be a little bit generous here and not turn what is a good-news story from Deputy Gardiner into a less good-news story. Christmas is coming and we can start to see Scrooge arriving in the form of the Council of Ministers. For all their talk of putting children first, here we are, we are here let us review it, let us kick it into the long grass, let us talk about it, let us do this, let us do that. No, I think we should not water down Deputy Gardiner's excellent Proposition, because at the coalface, at the sharp end, it is going to make a difference. The St. Helier Youth and Community Trust is going to be able to help individual children with something they need immediately to make a difference to their lives. I urge Members to support Deputy Gardiner.

#### 1.11.11 The Connétable of St. Martin:

If I can read my terrible notes here, but I felt compelled to say something. All this nonsense about which children, or which youth, goes to which youth club. In St. Martin, we proudly financially support Maufant Youth Project and – shock, horror - Maufant Youth Project is in St. Saviour and our youths all travel over the border and they let them in and they all have a jolly good time. I am really grateful to them and I am grateful to people like Mark and Jackie and Nathan, who work tirelessly for our young people. I am a member of the Maufant Youth Project team, as well and we are really progressing. In fact, we have almost achieved charity status. That is kind of by the by, but it is not because we are proactively trying to raise more funds, apart from the funds in the Parish.

[16:00]

At our Parish Assembly, in July, the parishioners were so appreciative of all the work that is done at the Maufant Youth Project that we voted to increase our funding and that is being increased incrementally for 3 years. I wholeheartedly support Deputy Gardiner, but I am troubled by St. Helier's stance on funding. St. Helier is a very wealthy Parish and *per capita* far wealthier than some of the country Parishes like St. Martin, St. Mary, probably Trinity. I do think that that does need to be addressed. However, in the spirit of putting children first and what a brilliant job the Youth Service do, I will be voting for Deputy Gardiner's Proposition.

# 1.11.12 Deputy J.H. Young:

The importance of the Youth Service and its proper funding just cannot be overvalued. It is so crucial. We only have to look to other societies and see the problems they have got with their young people and the long-term damage to our communities if we do not do that. I find this debate, to be honest with you, thoroughly unpleasant. We are having a squabble over who pays such petty derisory sums for really fundamental services. I have felt that way ever since this matter came across the desk in the Council of Ministers and both the Minister and the Assistant Minister know it. What I heard from the proposer gave me a lot more information and what I picked up was that Deputy Gardiner has worked on this since she got elected, right up from the start. She has done all the meetings, she has done all the negotiations, she has met with all the parties and she gave us a lot of answers that we did not have. I do not think the Council of Ministers ... she has given us a lot more explanation and a lot more information has come to this table. It strikes me, being that I just want this Assembly to focus on outcomes, rather than process and mechanics. If it were millions of pounds I would think differently but this is, frankly, I think, a miniscule sum of money. I do not know what the Education Budget must be, £120 million, £130 million. What happens, I ask, if these negotiations, that we are being told that is the way forward, do not work? What happens then? We have to wait until the next Plan comes back. Of course, when I look at the words in the Proposition, what I see ... it says to me see if we can get the money from the Criminal Offences Fund. Senator Mézec says he does not think that that is going to be likely, but I know some of the things that have gone from the Fund, much more millions that you could stick a finger at and say, well, really, is that right? Then we have got here or another similar fund if possible. We spend £800 million a year. Are we saying that there is no fund sloshing around in our budgets where we cannot find it somewhere? I see I am getting frowns, but I ask these questions. Then, if not, from the Consolidated Fund. I thought the Consolidated Fund was the sort of States balances. I thought we were a rich Island, we had this. It is only because this whole issue ... I think we have an outstanding Member in Deputy Gardiner. She has worked on this. She has brought the most well-researched, the well-argued case that I have heard in this Assembly for a very long time. I think if we, for procedural and technical reasons, find ways of booting it out, it is a really big disappointment. I am sorry I should fall out with my colleagues, but there we are. We have to speak our mind in this place.

## 1.11.13 The Connétable of St. Saviour:

Like the Constable of St. Martin said, they have paid for Maufant Youth Club, although it is in St. Saviour. The Deputy of that area, Deputy Perchard, she supports the youth club there. But we

have supported Grands Vaux Youth Club, because initially we were supporting both half and half. It seemed much more practical for St. Martin to look after Maufant Youth Club and we would look after Grands Vaux. I have just signed papers again, because we have upped our money for the carers and the youth workers at Grands Vaux. At this moment in time, Deputy Macon and I are looking desperately and are hoping to have some form of youth club in Georgetown. We seem to have got something, but Deputy Maçon is the one who is working hard to try and secure that. That would mean St. Saviour would have another youth club to support. I am not going to be asking St. Helier to come and support it. Because of its location, we will find that a lot of children from other areas will be coming down there. The whole idea is to keep these children off the streets with some friends to talk to, go and have a coffee, games to play and to get integrated. The fact that St. Martin is paying for Maufant does not stop the Deputy for that area going in there and giving her support. She is supporting the children and I think this is the most important thing. What worries me is if we do not do this for this café in St. Helier, I would hate to see it closed and this is worrying me. With the debates that we are having at this moment, you promise me it is not going to because it would be an awful thing to do. For someone to stand in the door and say: "Excuse me, do you come from St. Helier, or do you come from St. Peter, or do you come from St. Saviour?" It is totally out of order. Love us, or hate us, the Constables are contributing quite a lot to the youth. I know some of you do not, but we do contribute quite a lot to our Parish to make sure that the youth are supported.

#### 1.11.14 The Connétable of St. Lawrence:

It seems a long time ago to me that I was in this Assembly as a Deputy and it certainly was a long time ago. But, as a Deputy of St. Lawrence, I recall speaking to my then Connétable - this must have been in about 2006, something like that, 2007 - who had been approached by the Education Department, who had, effectively, gone begging to him. The Department had gone begging to the Connétable and I believe they went to all others at that time, because the funding for the Youth Service was, at that stage, under threat. The way they saw it being able to continue was by achieving support from the Parishes. That has happened, certainly, within my Parish, as I say, from about 2006, 2007, something like that. Every single year since I have been the Connétable, I have stood up at my Rates Assembly and asked my parishioners to support 50 per cent of the cost of a part-time youth worker. The parishioners of St. Lawrence pay £15,000 a year towards the cost of a part-time youth worker, for the facilities in St. Lawrence. We also provide the facilities. It is disappointing to me, having spoken about this to the Connétable of St. Helier, that he is not prepared to stand up and ask his parishioners, via his Rates Assembly, to support his budget and include in that budget whatever the cost is that is negotiated between him and the Minister for Education to provide for funding in some way in whatever facility they consider. Because it is down to the Connétable to do that; he makes the Proposition to his Assembly and they either approve it, or not. It is quite clear, yes, the Connétables stand up every year and, yes, we ask for funding towards the Youth Service. Whatever date it was in July this year, I did exactly the same and we have approved £15,000 for this financial year. However, what I would say to the Minister is, she must be aware and the Council of Ministers must be aware, that this money, it is not my choice, it is not my decision, to make this payment across to the Education Department. At any time, it may be July of next year when I present my budget, that my parishioners, they decide, no, they do not want to support the youth work initiative in St. Lawrence, because they too may think that it should come from Central Government, that the States of Jersey, the Government of Jersey should be providing that facility. I raise that as a point for the Council of Ministers and, in particular, the Minister for Education, to be aware of, because next year it may be that £15,000 will not be forthcoming from St. Lawrence. Where do I stand on the Amendment that Deputy Gardiner has brought today? I think I have to give a signal that this money, in fact, should be coming from the Parish at this stage, as I believe 11 other Parishes are doing. Reluctantly, because the money needs to come from somewhere, I will not be supporting Deputy Gardiner, but I hope she understands my reasons for not supporting her Amendment.

### 1.11.15 Senator I.J. Gorst:

I am delighted to follow the Connétable. It is obvious that she and I are getting long in the tooth together, because I was going to mention, also, all those years ago when the Youth Service toured round the Parishes and what did start as a difficulty of stretched budgets and wanting to improve the Youth Service provision under straitened times. I recall well the presentation that the Youth Service gave at that time and that time, rather than being in St. Lawrence Parish Hall it was in St. Clement Parish Hall, about the benefit of a partnership between the Parishes and the Youth Service. Some have tried to suggest that the objection that Ministers are bringing to this particular part of the Amendment is not putting children first and is Scrooge-like. It is the reverse. I well remember that in that Parish meeting, we all know ratepayers for the municipality of the Parishes can be difficult and hard taskmasters and they expect Constables and their Procureurs to get the very best value out of every pound and questions were asked about whether ratepayers should be supporting the Youth Service. That was an argument that was, I think, difficult, but it was well made, that getting ownership, getting buy-in to what sometimes can be difficult activities in Parishes where young people need appropriate support, where they can have activity, where they can have a listening ear, where they can have space to express themselves, sometimes ratepayers are unhappy with the activity of young people in their Parishes. They go to Constables and they complain about various elements of some members of the community's activity. What this partnership has done - and I am really pleased to hear the Constable of St. Clement, the Constable of St. Martin, other Constables saying that partnership, rather might have started under difficult circumstances - has grown and grown and parishioners and ratepayers are pleased to work in partnership and to provide more of their money to encourage the Youth Service and provision for young people in their particular Parish, wherever they come from across the Island. A partnership between ratepayers, between the municipality of the Parishes and between provision for young people in their Parishes are very much putting children first. If we are to say to the Parishes: "We think Government knows better, we are going to withdraw from those partnerships. We are not going to ask ratepayers to provide that money. We are not going to maintain that really close link between the Constables and the Youth Service", I think that would be doing a disservice to the young people of our community, rather than putting them first.

## [16:15]

There are lots of others we have got to do to continue to put children first, but I think that this partnership that I know the Minister for Education and the Minister for Children and Housing - and I am pleased to hear many Constables today - are passionate about, is one that works. We should not be letting Parishes walk away from those partnerships. We should be continuing to talk, continuing to negotiate about the amount of money that Parishes put into those partnerships and that is why the Deputy is right to raise the issue. But we should not be doing anything today that will undermine those partnerships and if greater provision is to be provided, in whichever Parish it is, the first port of call should be to revisit that partnership. Members have heard today and you have heard it, both Ministers with responsibility have said that Move On Café will not close down. It is not going to close down. The first port of call is to maintain and extend that Parish partnership agreement. That is why, I think, the Deputy is right to raise the issue about extra provision and the excellent work of the Move On Café and the Youth Service, but the Ministry is also right to say: "Let us maintain, let us strengthen and let us grow those Parish partnerships" because they really are putting children first. As somebody else said, the work the Children's Service does ultimately saves tens, hundreds of thousands of pounds in benefit to the Island financially, but fundamentally it is the right thing for the Government and the Island to be doing, to provide safe places for children to grow, to build friendships, to be creative, to express themselves in a safe environment. I have nothing but praise for the work of the Youth Service here and I also have praise for these Parish partnerships, which I think are another great success story, which was the brainchild of the Youth Service, as well. I will not be voting for that part of the Deputy's Amendment because ... and it is not because I am Scrooge. Other Members have said it is such a little amount, of course, the Council of Ministers could have agreed it just like that. But that is not the point. The point is the benefit that the Parish partnership brings to young children across the Island and young people across the Island and that is what I want to see maintained and increased.

## 1.11.16 Deputy C.F. Labey of Grouville:

I am always amazed at this Assembly; we can sort of skip through £40 million propositional Amendments and here we are, the rest of the afternoon, debating £53,000. In many respects, that is kind of what makes this Island tick. It is a community and we are made up of different communities. If I could just give the Assembly a bit of a history lesson, here we are arguing about borders; a St. Helier child in the Gorey Youth Club, or St. Brelade Youth Club. If I could just say, youth clubs were built round the Island in ecclesiastical areas. So, my youth club – well, not mine, but one where I sit on the committee - is Gorey. So, we have St. Martin and Grouville children. It is in the ecclesiastical area. By dint of that, you are going to have children, young people, from different Parishes. I think that is a good thing. It is a different thing. Now, here we are and I must say, at this point, I think Deputy Gardiner, what she has brought forward here is absolutely excellent and her research and her community involvement has got to be commended. I think it is really good that Deputies are still working hard in their particular areas, they get to know the young people, the elderly and they fight the cause. So, well done, Deputy Gardiner, for bringing this forward. Different youth clubs have different arrangements with the States and I heard it said round the Council of Ministers the other day, Grouville is a bit mealy-mouthed when it comes to their contributions. Yes and that will surprise some people, I know. But, the partnerships are individual partnerships with the States. They, again, are historic and they have come about in different ways. For example, Gorey Youth Club - the Grouville contribution one - we gave the land and Variety Club built the building and donated it to the States of Jersey to the Youth Club, so our contributions might not be as great as others. However, we are getting there. But this, I think, it is a fantastic facility. It has got to be supported one way, or another, but I think on this particular occasion, goodness me, St. Helier, you are looking fairly mean here, I think. How much did you get from windfall last year from the rates? Was it about £800,000? Grouville got £3,000 from the States paying. I think if you cannot contribute to your own community in that way, then I do not think that is in the spirit of having these community-based young people hubs round the Parish. So I will be looking to St. Helier first and foremost. But again, I say, well done, Deputy Gardiner, for bringing this forward.

#### 1.11.17 The Deputy of St. Mary:

I have to say, I am somewhat dismayed at the recent addresses in this Assembly. The debate seems to have degenerated into an argument as to who should be responsible for paying this small amount, when we are all agreed that certainly it should be made available. I think, in fairness, St. Helier, as a Parish, has been pilloried unnecessarily. Reference has been made to Deputy Andrew Lewis being responsible for setting up some form of Trust. I am aware of that, he consulted me in the early days and bounced off me a couple of drafts. If my recollection is right, the idea was that all the Deputies of the Parish would be trustees of such Trust. There was, therefore, to be a connection. If I understand what the Constable of St. Helier has said, he is not denying that the Parish will pay their way, it is not the Parish itself which is currently responsible. Their responsibility has been passed to the Trust. Whether it is a good thing, or bad, I do not know. Maybe, in hindsight, not good. But if the political representatives remain trustees, it seems to me that the problem could perhaps have been overcome. So, all I am saying is, I do not think St. Helier has refused to make payment, as has been suggested. I very much support the idea behind Deputy Gardiner's Proposition and again join in the congratulations in her bringing it, but I do see the point the Minister for Education has made, that let us give time for the Trust to conduct its negotiations, so it can produce the money and that I think is where we should stand and that is where I shall be voting.

#### 1.11.18 Connétable J. Le Bailly of St. Mary:

The smallest Parish in the Island, St. Mary, contribute £20,000 each year to the Youth Service. [Approbation] We are one of the Parishes that contribute the most and, like the Constable of St. Lawrence, I have to justify this to the parishioners. We have an obligation to support our youth across the Island. St. Mary does this, because parishioners understand the importance of this. We will continue to do so if that is their wish. However, funding would be welcome if it was made available from the Central Government funds.

# **1.11.19 Deputy J.A. Martin:**

I was going to, not because I thought that Senator Gorst had probably said a lot, but I did put my light on about 30 minutes ago, but you were looking to the sky. [Laughter] But I do know you have a little black box there that should register my ... anyway, Sir. I will try and keep it very simple. So, we started this debate in 2 parts. We started this conversation around the Council of Ministers: what Amendments can we accept? Within 5 minutes we accepted to spend £106,000 for outreach workers with an Amendment - or £100,000 - because we were told by the Minister for Education and the Minister for Children and Housing it was the right thing to do. An hour ago, I am watching the debate and I am like are we really going on about this £53,000. Went to find the Chief Minister and said: "Look, can someone put this debate out of its misery?" One way, or the other and I put a challenge, I will go further than Senator Gorst ... Deputy Young thinks that this may close. I can assure you, if you ever want to vote a no confidence and this does not carry on, this work has not delivered, or another one, what the Deputy ... bring it on, because what we are saying is and I am listening more is: who pays? I do think the Constable of St. Helier took it too much on the chin today and I think it was Deputy Fox who said: "Let us have a Trust, because lots of rich millionaires love to give their money to Trusts." Unfortunately, it does not seem to have worked. But rich millionaires would look at the children of St. Helier and say: "Ooh, it is only for them children" and that is not what they are doing. I think we are making heavy weather. I have been like this and I was convinced by the Minister for Education and still am and listening ... I think it was the Constable of St. Lawrence and now the Constable of St. Mary who has to go and make their case for smaller amounts, but to much smaller parishioners, for this amount yearly to have a partnership. I could say: "Is that the right thing?" because you are on a yearly planning basis. But then, it is about buying in to your community, buying in to your youth and literally that is what the Constable of St. Lawrence was saying. - she did it as a Deputy - and that is how you keep people interested. I note there was a fine balance of saying, well ... the Constable of St. Mary did say it: "But if central will do it, I can go to my Parish next year and say: 'We do not need that £20,000 for the youth.'" Times that by the different-sized Parishes, times that by the money, it is not £53,000. So, I am sorry I did have to speak, but just got in before the gavel. I can assure you, whatever way you vote - and I hope you vote with the Minister for Education, with Council - absolutely applaud Deputy Gardiner. She is doing a fantastic job. This café will not shut. There will not be any staff reductions. I look forward to her summing up.

#### The Bailiff:

Does any other Member wish to speak on the Amendment? I call on Deputy Gardiner to respond.

#### 1.11.20 Deputy I. Gardiner:

First of all, I did not bring the partnership between St. Helier Youth Trust and Government is ending. We are talking about continued relationship and continued support for 2 youth clubs that are run in St. Helier; one at La Pouquelaye, another First Tower. The youth clubs in St. Helier - La Pouquelaye and First Tower - are well attended by children and young people from other Parishes. I know, for a fact, that La Pouquelaye we have children from St. John and from Trinity. I know that First Tower has children from St. Lawrence. Nobody is talking about breaking partnerships and St. Helier stepping out. We are a full partnership. It is there. We are all right and it is all about where the funding is coming from. Yes, unfortunately, we did not have private donations and I am now standing

in this Assembly and saying if any wealthy person hears me now, please come forward, make the donation to Youth and Community Trust and we will pass it on. [Approbation]

[16:30]

But the situation now with Move On Café and this is the reason that I brought it to the Assembly, because in April 2019 it has been indicated that we are not able to continue to fund because of the restriction of the trust; 50 per cent for use, 50 per cent for elderly and other communities. I would expect that conversation would go and we would get to the arrangements by now, but it did not happen. My worry, from April 2020, we will not have an extra youth worker. I am not asking to replace the funds, I am asking to increase, to have one full-time youth worker. In Children's Commissioner Island survey - I am not sure how many. I did not know about it until I just came to this recently. I saw this book and I got through this book: 51 per cent of responses up to 11 years old; the major thing, the first thing they want places to play; 11 to 18, better places to spend time. My first paragraph of my Amendment is supporting the stability of Move On Café. Now these youth workers and these young people listening to this debate and basically what we are saying, it is not us. If it will stop it will be Youth and Community Trust that did not have extra £25,000. But we are talking about a Trust with a £126,000 annual budget, which will continue to support. By the way, from this £125,000 annual budget, we still give £10,000 to the Move On Café for the rent, even with all this scope, so it still continues. Voting against my first part of the Amendment, everybody will vote as they feel. I brought it forward, because it is not about this Parish, or that Parish. Everybody is welcome to St. Helier Parish clubs. It is about this Move On Café Island-wide project continuing to grow and be stable. So, this is the message that I would like to see sent out from the Assembly. The second part, I am again grateful for the Council of Ministers, grateful for the Minister for Education and Minister for Children and Housing, that you support this Amendment, you support engaging with ethnic minorities of the Island and I hope this second part will not be forgotten when you decide how you vote on the first part. Basically, the first part of my Amendment is urging to take a very specific point of action. To reach out to young people, who are not engaged and provide them with service and support and safety that you need. I maintain my Amendment and ask for a separate vote and call for the appel.

#### The Bailiff:

The Amendment will be taken as separate votes. The *appel* is called for. I invite Members to return to their seats. The first vote is on paragraph 1 of Deputy Gardiner's Amendment. I ask the Greffier to open the voting.

POUR: 17	CONTRE: 30	ABSTAIN: 0
Senator K.L. Moore	Senator I.J. Gorst	
Connétable of St. Helier	Senator L.J. Farnham	
Connétable of St. Brelade	Senator S.C. Ferguson	
Connétable of Trinity	Senator J.A.N. Le Fondré	
Connétable of St. Martin	Senator T.A. Vallois	
Deputy G.P. Southern (H)	Senator S.W. Pallett	
Deputy M. Tadier (B)	Senator S.Y. Mézec	
Deputy M.R. Higgins (H)	Connétable of St. Clement	
Deputy of St. Martin	Connétable of St. Lawrence	
Deputy L.M.C. Doublet (S)	Connétable of St. Saviour	
Deputy R. Labey (H)	Connétable of St. John	
Deputy G.J. Truscott (B)	Connétable of St. Peter	
Deputy J.H. Young (B)	Connétable of St. Mary	
Deputy R.J. Ward (H)	Connétable of St. Ouen	
Deputy C.S. Alves (H)	Deputy J.A. Martin (H)	
Deputy K.G. Pamplin (S)	Deputy of Grouville	
Deputy I. Gardiner (H)	Deputy K.C. Lewis (S)	

Deputy J.M. Maçon (S)	
Deputy S.J. Pinel (C)	
Deputy of St. Ouen	
Deputy S.M. Wickenden (H)	
Deputy of St. Mary	
Deputy L.B. Ash (C)	
Deputy K.F. Morel (L)	
Deputy G.C.U. Guida (L)	
Deputy of St. Peter	
Deputy of Trinity	
Deputy of St. John	
Deputy S.M. Ahier (H)	
Deputy J.H. Perchard (S)	

# The Bailiff:

I ask the Greffier to reset the voting system. The vote is now on paragraph 2 of Deputy Gardiner's Amendment as amended, and I ask the Greffier to open the voting.

POUR: 47	CONTRE: 0	ABSTAIN: 0
Senator I.J. Gorst		
Senator L.J. Farnham		
Senator S.C. Ferguson		
Senator J.A.N. Le Fondré		
Senator T.A. Vallois		
Senator K.L. Moore		
Senator S.W. Pallett		
Senator S.Y. Mézec		
Connétable of St. Helier		
Connétable of St. Clement		
Connétable of St. Lawrence		
Connétable of St. Saviour		
Connétable of St. Brelade		
Connétable of St. John		
Connétable of Trinity		
Connétable of St. Peter		
Connétable of St. Mary		
Connétable of St. Ouen		
Connétable of St. Martin		
Deputy J.A. Martin (H)		
Deputy G.P. Southern (H)		
Deputy of Grouville		
Deputy K.C. Lewis (S)		
Deputy M. Tadier (B)		
Deputy M.R. Higgins (H)		
Deputy J.M. Maçon (S)		
Deputy S.J. Pinel (C)		
Deputy of St. Martin		
Deputy of St. Ouen		
Deputy L.M.C. Doublet (S)		
Deputy R. Labey (H)		
Deputy S.M. Wickenden (H)		
Deputy of St. Mary		
Deputy G.J. Truscott (B)		

Deputy J.H. Young (B)		
Deputy L.B. Ash (C)		
Deputy K.F. Morel (L)		
Deputy G.C.U. Guida (L)		
Deputy of St. Peter		
Deputy of Trinity		
Deputy of St. John		
Deputy S.M. Ahier (H)		
Deputy J.H. Perchard (S)		
Deputy R.J. Ward (H)		
Deputy C.S. Alves (H)		
Deputy K.G. Pamplin (S)		
Deputy I. Gardiner (H)		

# 1.12 Government Plan 2020–2023 (P.71/2019): fifteenth Amendment (P.71/2019 Amd.(15)) The Bailiff:

There is now an Amendment brought by the Connétable of St. Helier, Amendment number 15, and I ask the Greffier to read the Amendment.

## The Deputy Greffier of the States:

Page 2, paragraph (c) – After the words "of the Report" insert the words ", except that in Summary Table 3(i), the proposed 2020 Revenue Head of Expenditure for the Office of the Chief Executive should be increased by £15,000 in order to fund the establishment of a Policy Development Board to consider and identify the activities, responsibilities and services that could be delivered by a Conseil Municipal of St. Helier; the Council of Ministers are requested to engage with the shadow *Conseil* for St. Helier, established by the St. Helier Parish Assembly on 6th November 2019, and the Policy Development Board, to explore opportunities to improve services to parishioners through devolution and delegation; and by the end of September 2020 the Policy Development Board is requested to make any recommendations deemed advisable to the States concerning the delivery of public amenities and the devolving of appropriate responsibilities from the States to the Parish of St. Helier".

#### 1.12.1 The Connétable of St. Helier:

I must apologise to Members that I have only recently been able to secure an audience with the Chief Minister to discuss this Proposition and we both agree - and it has nothing to do with the slightly heated tenor of the last debate - but we both feel that this matter can better be addressed by my bringing a standalone Proposition to the Assembly in the new year. So that is what I propose to do. So I will not be pursuing this Amendment.

## The Bailiff:

So you withdraw the Amendment, Connétable?

#### The Connétable of St. Helier:

Yes, Sir.

# 1.13 Government Plan 2020–2023 (P.71/2019): eighteenth Amendment (P.71/2019 Amd.(18)) The Bailiff:

It is perfectly in order to withdraw an Amendment before the debate is opened and obviously the Amendment of the Council of Ministers had already been withdrawn, so we now move to

Amendment 18 brought by the Corporate Services Scrutiny Panel. I ask the Greffier to read the Amendment.

# The Deputy Greffier of the States:

Page 2, paragraph (c) – After the words "of the Report" insert the words ", except that, in Summary Table 3(i), the Expenditure and Head of Expenditure for Customer and Local Services shall be increased by £41,374 by increasing the amount of the Food Costs Bonus to £258.25, with other affected lines in Summary Table 3(i) to be updated accordingly".

# Senator K.L. Moore (Chair, Corporate Services Scrutiny Panel):

Deputy Ahier will be the *rapporteur*.

# 1.13.1 Deputy S.M. Ahier (Vice-Chair, Corporate Services Scrutiny Panel - rapporteur):

The 18th Amendment has been brought by the Corporate Services Scrutiny Panel and proposes to increase the food costs bonus in line with inflation since 2014. We are pleased to document that the Council of Ministers have withdrawn their Amendment to Amendment 18, which would have limited the food costs bonus increase to 6.6 per cent for the period, as determined by the rise in the Jersey Retail Food Price Index since December 2013. The purpose of this Amendment is to assist low income households faced with increases in the cost of living. The food costs bonus was designed to help households with the cost of G.S.T. on food and is one way that the States can help struggling Islanders. A household can receive a bonus if it does not receive income support and if no member of the household has been served with an income tax assessment notice showing a tax liability for the previous assessment year. The family must also have at least one adult member who has been continuously ordinarily resident for the past 5 years. The present bonus was set at £226.95 within the P.56/2014 Food Costs Bonus Regulations, which specified that the bonus was to increase at the same rate as the Jersey Retail Food Price Index for the years 2014, 2015 and 2016. There was no change to the index during those years and so the bonus remained the same. There was no such provision in P.83/2016, which instead maintained the bonus of £226.95 for the triennial period from 2017. The Corporate Services Scrutiny Panel recently received a submission from Citizens Advice which stated that the bonus is: "A valuable way to protect the most vulnerable in our society from the impact of G.S.T. on food." The submission also stated that the bonus makes and this is once again in the words of Citizens Advice: "... a large positive impact on a relatively small number of people." Citizens Advice have already suggested the bonus should be increased by 13.8 per cent in line with inflation since 2014. This would amount to an uplift of £31.30. The Government Plan contains a commitment to maintaining the food costs bonus, but not to increase it. We believe it is very important to ensure that the bonus keeps pace with inflation and that is why we are proposing this Amendment for your approval. I propose the Amendment.

#### The Bailiff:

Is the Amendment seconded? **[Seconded]** Does any Member wish to speak on the Amendment? Those in favour of adopting the Amendment kindly show. The *appel* is called for. I invite Members to return to their seats. I am pausing because I can hear the patter of feet. I ask the Greffier to open the voting.

POUR: 40	CONTRE: 0	ABSTAIN: 0
Senator I.J. Gorst		
Senator L.J. Farnham		
Senator S.C. Ferguson		
Senator J.A.N. Le Fondré		
Senator K.L. Moore		
Senator S.W. Pallett		
Senator S.Y. Mézec		

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Connétable of St. Peter	
Connétable of St. Mary	
Connétable of St. Ouen	
Connétable of St. Martin	
Deputy J.A. Martin (H)	
Deputy G.P. Southern (H)	
Deputy of Grouville	
Deputy K.C. Lewis (S)	
Deputy M. Tadier (B)	
Deputy M.R. Higgins (H)	
Deputy J.M. Maçon (S)	
Deputy S.J. Pinel (C)	
Deputy of St. Martin	
Deputy of St. Ouen	
Deputy L.M.C. Doublet (S)	
Deputy R. Labey (H)	
Deputy of St. Mary	
Deputy J.H. Young (B)	
Deputy L.B. Ash (C)	
Deputy G.C.U. Guida (L)	
Deputy of Trinity	
Deputy of St. John	
Deputy S.M. Ahier (H)	
Deputy J.H. Perchard (S)	
Deputy R.J. Ward (H)	
Deputy C.S. Alves (H)	
Deputy I. Gardiner (H)	

# 1.14 Government Plan 2020–2023 (P.71/2019): twenty-third Amendment (P.71/2019 Amd.(23))

#### The Bailiff:

We now come to Amendment 23, which is an Amendment to be brought by Deputy Doublet and I ask the Greffier to read the Amendment.

#### The Deputy Bailiff:

Page 2, paragraph (c) – After the words "of the Report" insert the words ", except that in Summary Table 3(i) the Head of Expenditure for Health and Community Services shall be increased by £91,000 to allow for an Infant Feeding Lead for the Maternity Department and 2 part-time peer supporters to be employed to support mothers wishing to breastfeed, with other affected lines in Summary Table 3(i) to be updated accordingly; and to request the Minister for Treasury and Resources to arrange for this to be funded from the Consolidated Fund".

# 1.14.1 Deputy L.M.C. Doublet:

I hope Members will bear with me, because my voice appears to be about to leave me. This Amendment creates a full-time infant feeding lead for the Maternity Department. Currently, the

maternity unit is staffed by some absolutely remarkable midwives, who work tirelessly for mothers and babies on a daily basis. Midwives, as we know, provide care for women throughout pregnancy, of course during birth itself and for the first few days after birth. We also have a team of highly effective health visitors, who provide support to every child up to their 5th birthday. This service begins around 10 to 14 days after birth. Breastfeeding support is currently delivered by both of these teams in hospital and in the community. There is specialist support available from one staff member who has trained to be a certified breastfeeding specialist. Breastfeeding is a highly specialised medical area. So, this individual has this training above and beyond their health visiting qualifications and is now the project lead for the U.N.I.C.E.F. (United Nations Children's Fund) baby friendly initiative, which was adopted by the Health Department alongside the decision by Future Jersey to make improving breastfeeding rates a key indicator for public health improvement. I am joined on the Baby Friendly Steering Group by Senator Moore and Senator Pallett. The work is going really well. The baby friendly initiative has robust evidence behind it. It was launched by W.H.O. (World Health Organization) and U.N.I.C.E.F. in 1992. There are many studies proving outcomes. I found at least 20 of them since 2006 alone, showing effectiveness in terms of improving breastfeeding rates and many other health indictors. For example, just one of them from 2016 by Munn et al, this study reviewed the impact of the baby friendly initiative implementation on breastfeeding and child health outcomes across 19 countries. It was found that adherence to the B.F.I. (Baby Friendly Initiative) standards had a positive impact on breastfeeding outcomes, including early breastfeeding initiation, exclusive breastfeeding on hospital discharge and breastfeeding duration. Adherence was also linked to a significant decrease in the incidents of gastrointestinal infections and atopic eczema at one year of age. Follow up research found a positive impact on children's I.Q. (intelligence quota) and academic performance, as well as an increased likelihood that mothers would breastfeed subsequent children. So, that is just one study showing the effectiveness of this one project, the baby friendly project.

#### [16:45]

I think we are quite fond of saying that we understand the benefits of breastfeeding and we have had several debates around breastfeeding in recent years. But I do not think that we truly comprehend quite how remarkable the health outcomes are for children who are breastfed. It has been suggested to me that there might be better uses for this money and it is a small amount of money I am asking for, in the grand scheme of things. It is £91,000. But I am not aware of many other policy areas in health, or otherwise, that has such a vast body of evidence behind it. Again, this is from the U.N.I.C.E.F. evidence: "Infant health. It protects children from a range of illnesses, including infection, diabetes, asthma, heart disease and obesity, as well as cot death and many of these benefits stay with the individual through their lifetime. It does not just help babies, it also improves maternal health and protects mothers from breast and ovarian cancers and heart disease. In terms of relationship-building, the mother-baby relationship is supported and also the mental health of baby and mother improved. On a worldwide level, increasing breastfeeding rates around the world to near universal levels could prevent 823,000 deaths annually." So, it is not just of benefit to the child as an individual and to the mother. As a Government we also stand to make huge savings in the long term. Again, the cost-saving evidence that I will read to you now again is from the U.N.I.C.E.F. evidence: "Breastfeeding contributes to significant savings to the N.H.S. (National Health Service), with initial investments paying off within just a few years. A N.I.C.E. (National Institute for Health and Care Excellence) costing report estimates that becoming baby-friendly will start to save a facility money after 3 years, owing to a reduction in the incidence of certain childhood illnesses. Baby Friendly's report: 'Preventing disease and saving resources' found that even a moderate increase in breastfeeding rates would translate into cost savings for the N.H.S. of many millions and tens of thousands in terms of fewer hospital admissions and G.P. (general practitioner) consultations." Those savings could also translate to Jersey, as well. Now, the B.F.I. project lead tells me that in terms of achieving these outcomes, it does take a number of years to embed the B.F.I. programme. If we can

put another professional in post, with specialist breastfeeding qualifications, who can support the project lead, then this change can be accelerated. A discussion was held at the B.F.I. Steering Group about support for mothers and it was established that the current project lead is operating at capacity. As I understand it, the Maternity Unit is also at capacity and despite a sincere prioritisation of breastfeeding, we unfortunately have not had attendance from a midwife representative at the B.F.I. Steering Group at all this year. They are very busy doing the day-to-day work. I did do my research and I asked for the professional advice of the interim head of midwifery and she is absolutely certain that adding this post will have a significant positive impact in this area. What is on offer currently? At the moment, there is one breastfeeding clinic every week. This happens on a Tuesday at the Communicare Centre in St. Brelade. This is the only place where mothers can access the breastfeeding specialist support. What does one do if you have a baby that is struggling in some way with feeding and you have left the maternity ward, it is a Wednesday afternoon and you live in town and you cannot drive to the clinic, because you have had a C. (Caesarean) section? Frequently, mothers are turning to online support groups. There are some fantastic communities being built online in this area, including one locally, with so much support being given by women to their fellow mothers, but the research shows that it is the specialist support that has an impact. Many of the women providing support in these online forums, living locally, are desperately keen to upskill themselves and provide peer support. Now, this is something that is in place in many jurisdictions in the U.K. and elsewhere and if we were to have a formally established peer support network, which there are people waiting and keen to take these roles on, they would need to be trained and they would need to be supervised. Just to reiterate what I said about the current B.F.I. lead; she is at capacity. There is no capacity within the midwife service, or within the health visitor service at the moment, to train and supervise this team of peer supporters. If we did have a well-trained and adequately supervised peer support team on-Island, this would mean that mothers could get the right help at the right time from a specialist and would contribute towards the more rapid progress of the B.F.I. I do understand that there are many priorities in Health and other departments, but I have not picked this out of a hat. I have done my research. I am part of the B.F.I. Steering Group. We discussed this. I have looked at the evidence; I have spoken to experts locally. Mothers on the Island are crying out for this support. We have chosen, we have made a commitment to put children first. This is the very first act that we can do for a child after it is born and I firmly believe this small amount of money would have a huge impact in the long term and should be invested. I ask Members to support children and families and to support this Amendment.

## The Bailiff:

Is the Amendment seconded? [Seconded] Does any Member wish to speak on the Amendment?

#### 1.14.2 The Deputy of St. Ouen:

It goes without saying that, as Minister for Health and Social Services, I am fully supportive of breastfeeding initiatives and I recognise breastfeeding is a crucial determinant of health and has great health outcomes. All that the Deputy has said about that, I certainly would not wish to contradict and neither would any members of the Council of Ministers, I believe. Indeed, I mentioned my support for breastfeeding when I offered myself for the position of Minister for Health and Community Services and, of course, this Government has said that it has a priority to put children first. All that I fully accept and I acknowledge the excellent work of our staff in maternity services, be they midwives, or health workers and also the service provided by Family Nursing and Home Care services. They do a great job and compassionate work in looking after young mothers. This Amendment seeks an extra full-time post in the maternity services and care workers to be drawn from the community, who might be paid, or who might volunteer their services. It seeks an extra £91,000 to be added to the budget for the purposes of creating and funding those posts. The Amendment by the Deputy has been carefully considered by the Council of Ministers and we have still been considering it all the way until this afternoon, because the U.N.I.C.E.F. B.F.I., which the Deputy has

referenced, is a priority in the Government's nutritional strategy and the Children and Young People's Plan and it is an international programme which supports breastfeeding and good nutrition. Indeed, Family Nursing and Home Care have achieved the first level accreditation within it just last month and the Health and Community Services Department is also working towards accreditation under U.N.I.C.E.F. We currently believe that we would reach that level of accreditation next year, so all this excellent work is continuing. We have those teams within the hospital and in the community and together I am advised that they meet present need and demand and they meet the education opportunities that are presented. U.N.I.C.E.F. recommend a programme of work, they do not recommend a staffing model, so the way Jersey has chosen to implement the programme of work has been determined by the midwives, the health workers and Family Nursing and Home Care and that model has moved forward. But I accept there may be other ways in which to implement the U.N.I.C.E.F. programme and the Deputy has proposed an enhancement to it, another way of working. If an extra £91,000 were available, that could be used to work in a different way. It cannot be said that any service is at maximum efficiency. Perhaps we could work in different ways. Maybe we could do even more, so yes, extra support would have an impact, I am sure. If it was the view of this Assembly to support this Amendment, that money would be used and we would make every pound count and it would be used to benefit the work in the breastfeeding initiative, but it does mean that £91,000 would come off another budget, probably within Health and Community Services and that is what has caused the difficulty in my mind and in the minds of Ministers. How can we determine that what the Deputy wishes is a priority over all the other calls on Health? What else might we do if we were asked to spend £91,000? Cancer is the largest cause of death in the Island. For that money, we could employ another oncology nurse. I am presently, quite rightly, being pressed by Diabetes Jersey to employ additional staff and provide additional resource for the diabetic service. We want to enhance our mental health care that we provide, both in the community and in acute services. I am often being asked to provide additional equipment in the hospital, or in the community, or to fund supplies that people have to buy out of their own resources. There are many needs, let us face it and we know that, do we not? Of course, I could come and I could ask for lots of money, lots of extra funding and that would be put to good use. I cannot say - I will not say - that £91,000 will not be put to good use and will have a positive outcome in the maternity service, but what I can say is that I cannot feel assured that this is the right priority at this time. Members will know that the usual way to assess the priorities is for business cases to be brought forward and assessed by a team of people. That, unfortunately, is what I find lacking here. I do not have that information to understand why I can treat this very well-intentioned and laudable programme as having a priority over everything else that people are asking the health service to provide. For the past few months, the midwifery service has been running under an interim head and a new head of midwifery will be taking up her post on 9th December, just a few days' time. She will be tasked with making an assessment of the workforce that we need to provide the best service we can in the future. It seems to me that then we would be better-placed to make decisions around staffing. If the Deputy was not to be successful in this Amendment, I would still invite her to contribute to that review and it may be that then we can really delve into the model she is suggesting for staffing and decide, with all the professionals in the field, whether that is the model we want to adopt. I do not feel that a Government Plan debate between us as States Members is necessarily a good place to ensure we receive the right outcome and determine the right model for staffing this service.

[17:00]

But I have to say, if the Assembly felt that it was appropriate to give this service an extra £91,000, then, of course, Government would need to find that money. The question is how are we assured that is a priority, because it would come from some other priority that the Government Plan has set out? I do not think I can say any more, so I will leave it there.

# 1.14.3 Senator K.L. Moore:

As a member of the U.N.I.C.E.F. Steering Group, I am rather surprised by the attitude that has been taken by the Minister for Health and Social Services. The Steering Group, if I can remind Members, is not simply a political group, it is a cross-cutting group that is mainly staffed by professionals in order to ensure that the aims and objectives of the U.N.I.C.E.F. B.F.I. project are met at all levels and with all the health professionals who interact with mothers and babies at this very earliest stage of life. The Deputy very helpfully reminded the Assembly of the many benefits of breastfeeding and the Minister for Health and Social Services also mentioned that he acknowledges that the nutrition strategy identifies breastfeeding as a priority, but the benefits of breastfeeding go further than that. If Members recall - and I am sure they do - the 1,001 Critical Days and importance of attachment in the early days and bonding with parent and child and the many benefits that that has, not only on the physical and the mental development of that baby, but also the emotional side of things too. When the Minister talks about the other priorities that he has in his piece - and I absolutely understand that - but dealing with breastfeeding is an early intervention and it is the ultimate prevention technique. The reason why this is a priority in the nutrition strategy is because of the preventative impact that good breastfeeding can have on that young life, the benefits to reducing obesity, improving nutrition and also the development of the immune system. It can help the Minister prevent the incidence and the increase and continuation of those long-term issues into adult life. In the future, if we are successful with this, we would have fewer people suffering from diabetes, we would have fewer people suffering from obesity, which is a great and increasing cost to the current health service. I absolutely appreciate that, but we need to take a long-term view here. Going back to my level of surprise by the Minister's approach, this steering group has come up with a very reasonable suggestion for this, because they have identified this need, having listened to the professionals attending upon this steering group. I really do urge Members to take this very seriously. The Deputy has taken a practical initiative and it is absolutely appropriate, as a backbencher, to use the evidence and the experience that she has gathered through leading a group, such as this, to find a place for it to solve a problem within the Government Plan. Why else do we have a debate here and democratically decide how best we feel that monies should be attributed? I really urge Members to support this really important, however seemingly small, Amendment today.

#### **1.14.4 Deputy R.J. Ward:**

I would like to support the Amendment and I would like to support it as a man supporting this as a very important part of developing our young children. The benefits of breastfeeding are absolutely known and they are so important for our children. I recognise that there are systems in place to help with this, but it is obvious to me that they are not adequate, regardless of the phenomenal work that is done, particularly I would say by midwives, but then I have to say that, because I have to declare my wife used to be a midwife and I know the incredible work that they used to do. My children grew up and were breastfed initially and it made them healthy, it made them happy and it was the best thing that could happen to them, but women sometimes need support with that and that support that we provide is beneficial to our society, beneficial to those children. For such a small amount of money, we have to think about this again as an investment for the future. The benefits will come back to us tenfold at least, so I urge you to support this Amendment.

#### 1.14.5 The Connétable of St. John:

I think the most important point about this Proposition is if we were to go to the health service and say: "Here is £90,000. How and where would you prioritise it?" they would not come back with what is in this Proposition. That is the standpoint that I come from. It is very difficult to prioritise where money should be spent and that is the point of this Plan. The Minister for Health and Social Services has pointed out very eloquently that if this is to be spent on the Amendment, on breastfeeding, then we will have to find £90,000 from somewhere else and somebody else, some other section will be then underfunded. This is not the Health Department's priority and I take the advice of those who have advised us in the production of this Government Plan. I would urge

Members to therefore think in a practical way and to reject this Amendment, because we are not medical experts and we are not in a position to prioritise. I urge Members to listen to what the medical profession has advised the Council of Ministers to do and to prioritise this money in other areas rather than on breastfeeding.

# 1.14.6 Senator S.C. Ferguson:

I think everybody is aware of the benefits. In my experience, speaking as a female - although it was a few years ago - the quality of the midwives current when I had my family was such that they did not need extra people to tell you how to breastfeed your child. If they do not do it anymore like that, then I am quite appalled at the quality of nursing training. Sorry, I shall not be voting for this.

#### 1.14.7 Senator S.W. Pallett:

I wonder why we set up advisory groups, if we are not going to listen to them. The U.N.I.C.E.F. breastfeeding groups are not politicians, as has already been said, it is a cross-cutting group that includes medical professionals. Their advice is that this is a service that is needed. I sit on that breastfeeding group and some people might ask why, but I think I bring an independent view to that and I bring an independent view as a recent grandparent, so I have some experience, or some recent experience, of what a new parent goes through. We should be looking to transform healthcare for babies, mothers, fathers and families. I am not going to go through the benefits, they are well-established for breastfeeding, but clearly they provide all sorts of protection from a vast range of illnesses and we should be providing effective infant breastfeeding support. I just mention that, from a personal point of view, that I have had a family member who has had a baby quite recently, about a year ago and as much as the support was reasonably good, I personally thought it could have been better. I do not think that individual got the support they could have needed through those early months, early weeks. Certainly, there were fears and challenges that a young mother has and I think it is important that the support is there to help them through that. It is certainly important to carry on through to the early childhood development. There are definite emotional benefits of breastfeeding, both for the mother and the child. I think what has been stated, that we have only one breastfeeding clinic once a week in St. Brelade, clearly says to me that we could do more. We do need support from specialist practitioners, to ensure parents are sufficiently supported. Frankly, we have got to do better. We say we are going to put children first, we are going to support better outcomes, then we have got to support that, we have got to put those supports in place. This is a small amount of funding to provide support that will support and promote better understanding and support to parents. I am not saying that we do not provide a level of support for parents; the Minister for Health and Social Services believes it is adequate. I do not think it is adequate at the current time and we should be doing more. The Minister for Health and Social Services, who has been hugely supportive of me in my time working with him in Health, says he is fully supportive of this and he questions whether the money would be put to good use. He suggests it is £91,000 off another budget. I want to just concentrate on this particular Proposition. We are not saying it is £91,000 off another budget. If we think this is important enough we can find £91,000 to support this and it does not have to come out of oncology, it does not have to come out of another service, if we believe that it is important enough. He is not sure it is the right priority. Well, what are the Government's priorities? The Government's priorities, I have said already, is putting children first, it is promoting well-being, both physical and mental. It is giving children the best opportunity for the best start in life. That is exactly what this does. So, I will go back to my first point: what is the point of having advisory groups if we are not going to listen to them? I absolutely applaud Deputy Doublet for bringing this Proposition, because she sticks by her principles and she sticks by knowledge and expertise that she has and she needs to be applauded for that. I know I am probably not going to be the most popular person in Health, at the current time, because I know that some members of Health have their own view, but I believe the service, the midwifery team, are supportive of this, as Deputy Doublet says, so we need to get behind this, we need to support it. I do not believe it is a great deal of money to find to make sure children get the best start in life. Breastfeeding, for me, is the way that we can ensure our children do get the best start, I admit it is not for every parent, but we do need to promote it and we do need to educate properly so that parents can make the right choices.

## 1.14.8 Deputy K.G. Pamplin:

I am pleased to follow the previous speaker. I speak in my capacity first as Vice-Chairman of the Health and Social Services Scrutiny Panel and it is an area that we have looked at in the past few months and, as Deputy Doublet has raised it and brought various items to our attention, we have, as Members would appreciate, scrutinised. On this particular one we had to do some scrutiny on it and so, as ever, went to the source of the Proposition and I took it upon myself to speak to the people who deliver this service to understand what it means, where this identifies gaps in service. It is clear that the lead on this will retain project management responsibility, the funding will help with day-to-day advice on maternity, supporting with training, there will be some involvement in audit and policy writing moving forward, as well with the midwifery lead, who are supporting of it and have convinced us of the need of it. So, I say that as a member of the Scrutiny Panel that it is important that we did some scrutiny on it to understand the Proposition. Equally, I just want to raise a point, I have the Proposition in front of me and I stand to be corrected, but what the Proposition is asking the Minister for Treasury and Resources to arrange for this to be funded from the Consolidated Fund, so not requesting Health to look at their budget. So, I just wanted to draw attention to what is in the Proposition, because that is really important, because I felt we were being led down a path that some other area of funding in Health would be funded, but if we adopt it as it is written it will be requesting the Minister for Treasury and Resources to arrange this to be funded as stated, so I just wanted to raise it. Scrutiny has done some work on this and drew attention to the Proposition, which is why I am supporting it.

[17:15]

# 1.14.9 Deputy M. Tadier:

Just to highlight that point, which I have underlined, I do not know how Members, especially ones representing the Government position, can stand up and say things that are patently untrue. By shroud-waving and saying, if you take this £91,000, which is £91,000 that is currently spent on medical provision, which is not going to be there, it is not true and it is a misleading of the Assembly, hopefully unintentionally, because the wording quite clearly says to come out of the Consolidated Fund. If we know anything - and if I know anything from my time in this Assembly and, incidentally, you will notice that just because I happen to be an Assistant Minister it does not mean my principles go out the window - I like to see fair play in this Assembly in terms of the consistency of the arguments I would use. I do not know why there was a groan there; I am just speaking for myself, not for other people. There is an inequality of arms between a backbencher, or even a Scrutiny Panel member, in trying to bring something to the Assembly versus the Council of Ministers with their whole team of officers. Of course, what they produce is a collective vision, which has had many compromises needed to be made thrashed out around the table, so you get compromises, both negative and positive, in the sense that people have had to let things go that they would have wanted to see put on the table, either because they do not have the support for it generally, or because it is promised that it will be done in the future. So, the point is that nobody in this Assembly has a monopoly on knowledge and I certainly do not get up to speak as any kind of expert when it comes to child rearing. But I do know that Deputy Doublet and others in the Assembly do know about this, they are passionate and they have a lot of research that they have done and we all agree on the principle. I also read between the lines and listen between the lines when I hear a speech and listening to the Minister's speech, which was at best lukewarm and he was almost giving us the green light. I took that to say: "Officially, I cannot support this; I do not think my officers support this, but I would quite like to support it." I am a bit disappointed that the Council of Ministers have not really accepted much during the course of this. £91,000, we are being told, cannot be found for this, but you can find £125,000 very easily from within your budget if you know where to look. So, there is not an equality of arms, there is not a level playing field. We know that there is a healthy Consolidated Fund there. We know, for example, that, at the very last minute - and this is nobody's fault - but the publishing of the R.P.I. figures, instead of being 3.1 was found to be 2.7 and we know, for example, that the settlement with the unions is significantly less, it was to the region of £1.6 million that was put aside to pay the unions. The R.P.I. figure is much less, so there is already £1.6 million there, which was not there at the beginning of the drafting of the Plan, which is going into the Consolidated Fund, which is available for spending. So, this £91,000 pales into insignificance for that, for something we all want to do, which the Minister probably wants to do and which we certainly know the new Assistant Minister for Health and Social Services, with responsibility in particular for mental health, also wants to do. There is, of course, an implication, not just for the baby and the mother, but for the wider consequences of having a secure and loving upbringing when you are young, which includes breastfeeding and your overall mental health. The Senator recognises that; I certainly recognise that and we should be supporting this wholeheartedly and I would ask the Minister and the Council of Ministers to reconsider their position on this one to accept Deputy Doublet's Amendment.

#### 1.14.10 Deputy I. Gardiner:

I would like to raise 2 points to the attention of the Assembly and also for the proposal to be sure that I got it correct; I would like the proposal for Deputy Doublet to mention in her speech. From my previous experience, before I was a States Member, I worked a lot with big organisations and what I found out there are lots of times miscommunication from the bottom coming to the top and I have heard through these speeches different messages and I am not sure if the communication from the midwife, who is leading this, has come through the officer to the Director General, to the Minister, if it was one message, or it was separate messages and I would like to check if I sense it is right, or wrong. The second point, everybody knows that I am a mum for 4 year-old and I have done my breastfeeding and at that time I lived in St. Helier and we did have the breastfeeding clinics where I could and I did use them during the first months since Mia was born. If I got it correct, it does not exist anymore, OK, so I just would like to be sure because that clinic helped me personally a lot through my first months and I could walk there, because I live in St. Helier and if it stopped work in St. Helier it means it stopped work in other places, so these are the 2 points that I wanted to raise.

#### **1.14.11 Deputy J.M. Maçon:**

Both the Minister and Deputy Doublet are absolutely right about the importance of breastfeeding, as other Members have mentioned in this Assembly. There does seem to be conflicting information in the evidence that Deputy Doublet has put forward and from the feedback that we had from the Health Department of breastfeeding is currently supported by the H.C.S. (Health and Community Services) Midwifery Team, Family Nursing Home Care and independently by the National Childbirth Trust, which together meet present need and demand and educative opportunities. We have heard from Deputy Doublet that, obviously, she does not feel that is the case. So, perhaps we are in the precarious situation where we have conflicting information, we do not necessarily have the evidence in one way, Looking at the Amendment going further, obviously the Deputy approached the Department to get the figures to put down £91,000 as the fee. Of course, we know, even if we were to approve this, this does not necessarily mean that post will then come into fruition on 1st January immediately. There would still be a recruitment period, which would be required. We know that level of nursing is difficult to recruit to at the moment, so whether we would necessarily get a post immediately that would be difficult. We would then also need time to recruit the other support that the Deputy has required. The point I am trying to make is the £91,000 is more of an upper ceiling than necessarily what the cost might be. The Minister does have a point that we are looking at a new head of the service, they might have an opinion on how it should be structured and what it should look like, which may not necessarily match what Deputy Doublet necessarily wants, based on their clinical abilities and understanding. I am wondering if that figure, when we unravel it a little bit, is

not quite as much and I wonder whether there are ways in which we can find funding to support this and whether there is something around £60,000 in the Home Affairs Department that perhaps could come out of the Criminal Confiscation Fund, which might alleviate pressures elsewhere. Not that that has ever happened before. I do need to support my Minister on this, but I wonder whether, if we grant the pot to be held by Health, when we do that service design with the new head of Health, necessarily all of that pot would be used. Therefore, if we are talking about smaller amounts, is this as big a problem as the Minister quite rightly is worried about, because no one wants to say we are going to take from another part of Health somewhere. I must support my Minister on this one, but I am wondering if, perhaps, the more creative financial minds in this Assembly can come to our aid here, because the upper limit that we are looking for is £91,000; it may not necessarily be that, we do need to find the money and can someone come to our aid here, because we all want to push in this direction, but everything must be accounted for. So, at the moment, very reluctantly, I will not be able to support the Deputy, but I wonder whether, perhaps, we are necessarily poles apart at this stage.

## 1.14.12 Deputy S.M. Wickenden:

This debate has been quite fascinating in some ways, because, of course, we have an excellent Deputy, who has gone and done some work and heard about a need that is required and she has come to us and said that: "Why do we not do that here and we can get the money through the Government Plan and that will help fund you?" and we have the Department saying: "We feel like this is fine." So we know that. My concern is, we have a Chamber of 49 politicians here that are making a decision on how our hospital should run, which is political. It is defining who should work in a given Department and I do not feel comfortable as a politician telling any Department that: "You should employ this type of person, this type of person and this type of person." If there is a need and Deputy Doublet can work with the Minister for Health and Social Services, I think the Health Department could find the money to do something, if the need was proven and the Minister for Health and Social Services will fight equally as hard, as the Deputy would, if the evidence was there to say that it is required. I just do not feel that it is appropriate, or right, for a room full of politicians to define the roles that should be employed within a department politically. That is why I cannot support this Amendment.

#### Senator J.A.N. Le Fondré:

Can I defer to Senator Gorst for a moment?

#### The Bailiff:

Yes.

#### Senator I.J. Gorst:

I am just wondering if I could, with about 3 minutes to go, call for the adjournment. I sense that there is slightly differing information that the Assembly is receiving and it would be useful for the Council of Ministers to be able to provide clarity to Members and, as we are at about the time to adjourn, I wonder if I could seek the adjournment now, so that Ministers can come back with fuller information in the morning?

#### The Bailiff:

Thank you very much, Senator. In one minute's time I will be obliged. under Standing Orders, in any event, to ask the Assembly whether it wished to continue, or to adjourn until tomorrow morning. The Senator proposes that we adjourn at this point until tomorrow morning. Is that seconded? [Seconded] Does any Member wish to speak?

#### **Deputy J.A. Martin:**

Yes, I fully agree with that. On the information needed overnight, Deputy Pamplin spoke about comments from Scrutiny, I have searched high and low and cannot find any, but if we could be provided with them as well overnight to make our decision please?

# The Bailiff:

Does any other Member wish to speak? Those in favour of adjourning until tomorrow morning kindly show. Those against? The States stands adjourned until 9.30 a.m. tomorrow morning.

# **ADJOURNMENT**

[17:27]