

Economic Affairs Scrutiny Panel

PUBLIC MEETING

Record of Meeting

Date: 6th July 2009
Meeting 17

Present	Deputy C.F. Labey, Vice-Chairman Deputy D.J.A. Wimberley Deputy J.M. Maçon
Apologies	Deputy M.R. Higgins, Chairman
Absent	Deputy S. Pitman
In attendance	Mr C. Ahier, Scrutiny Officer Mr. T. Oldham, Scrutiny Officer

Ref Back	Agenda matter	Action
	<p>1. Minutes</p> <p>The Panel approved the minutes of its meetings of 22nd, 25th and 29th June 2009, which were signed accordingly by the Vice-Chairman.</p>	
22/06/09 Item 7	<p>2. Draft foundations (Continuance) (Jersey) Regulations 200-</p> <p>The Panel considered the purpose of the Draft foundations (Continuance) (Jersey) Regulations 200- and discussed whether or not to initiate a review of the proposed legislation. It was noted that whilst the proposed legislation in question had been included in the Economic Development Department's legislative programme available to the Panel earlier in the year the Panel did not have sufficient capacity in their work programme to conduct a review at this time. Accordingly it was agreed to add the proposed legislation to a list of possible reviews for later in the year.</p>	CA/TO
	<p>3. Action Updates</p> <p>The Panel noted the action updates and gave further consideration to a number of actions.</p>	
22/06/09 Item 2	<p>4. Jersey Farmers Union (JFU)</p> <p>The Panel recalled their decision not to meet with the JFU until the Rural Economy Strategy review report had been received from the Economic Development Department.</p>	
25/06/09 Item 4	<p>5. Sunday Trading</p> <p>The Panel received and noted a paper detailing comments and observations by Deputy D. Wimberley and Deputy S. Pitman on the proposed Shops (Regulation of Opening and Deliveries) (Jersey) Law 200-. The Panel was informed that the proposed legislation would not be debated until the States sitting of the 8th September. It was consequently agreed to invite Connétable L. Norman, Assistant Minister for Economic Development, to a preliminary meeting with</p>	CA/TO

	Deputy D. Wimberley, Deputy S. Pitman and a Scrutiny Officer to discuss the proposed legislation. It was further agreed to consider initiating a review of the proposed legislation dependent upon the outcome of the meeting.	
	<p>6. Jersey Hospitality Association</p> <p>The Panel recalled that at the meeting of 16th March 2009 it had considered that it had received subsequent e-mail correspondence from the Chief Executive of the Jersey Hospitality Association (JHA) questioning why he had yet to receive a reply to his earlier correspondence with the Chairman. Consequently the Chairman had undertaken to draft a letter of reply to an e-mail from the Chief Executive of the JHA. The Panel was informed that a letter of reply had been drafted by the Scrutiny Office and forwarded to the Chairman for his approval but that, whilst the Chairman had indicated his satisfaction with the letter as drafted, he had further indicated his intention to personally add additional information prior to signing the letter and sanctioning the amended letter being sent by Scrutiny Office. As such the Chairman had yet to ascent to the letter being sent despite being reminded about it. The Panel noted that the e-mail correspondence from the JHA had been copied to all Panel members and the Minister for Economic Development and, as a result of their concerns for the reputation of the Panel, agreed that steps should be taken to prevent the Panel's relationship with the Tourism industry being damaged. The Panel consequently agreed to remind the Chairman that the letter of reply was significantly overdue and to request that it be sent as soon as possible.</p>	CA/TO
25/06/09 Item 2 515/15	<p>7. Tourism PPP (Public Private Partnership)</p> <p>The Panel noted that background research on existing Tourism PPP examples was ongoing and that UK examples had been received in the background information from the Department of Economic Development. It was further noted that assessing the success or otherwise of PPPs was difficult. The Panel agreed to request from UK PPPs information relating to the amount of money contributed by government in relation to the amount of money contributed by industry as the ratio could be viewed as one indication of a PPPs success. It was further agreed to request a draft of the proposed Jersey Tourism PPP from the Department of Economic Development.</p> <p>The Panel recalled its decision at the meeting of 25th June 2009 to request information from the JHA regarding the consultation process that it carried out with its membership in relation to the development of a PPP. The Panel further recalled the earlier discussions at this meeting regarding a letter from the Chairman to the JHA which was significantly overdue. It was agreed not to request the JHA's consultation process documentation until the letter in question had been received by the Chief Executive of the JHA and to inform the Chairman accordingly.</p>	CA/TO CA/TO CA/TO
29/06/09 Item 1 515/16	<p>8. Fisheries Legislation – Bag Limits</p> <p>The Panel considered the draft heads of report and, having noted that some re-organisation may be necessary at a later date, agreed to proceed accordingly. The Panel further agreed a draft timeline for the report: the first draft of the report circulated to the Panel on Friday 10th July; the Panel's consequent comments be received by</p>	

	<p>Wednesday the 15th July; the second draft of the report be circulated to the Panel by Wednesday 22nd July; and the final report be published by the end of July. The Panel agreed to inform the Chairman and Deputy S. Pitman of the draft timeline.</p>	<p>CA/TO</p> <p>CA/TO</p>
<p>29/06/09 Item 2 515/17</p>	<p>9. Depositor Compensation</p> <p>The Panel considered issues relating to their decision of the 22nd June 2009 to ask for draft legislation <u>P85/2009/ - Draft Public Finances (Depositors Compensation) (Jersey) Regulations 200-</u>, to be referred to the Panel ('call in') under the procedures prescribed by the Standing Orders of the States of Jersey:</p> <p>It was noted that if the Panel were to 'call in' <u>P85/2009/ - Draft Public Finances (Depositors Compensation) (Jersey) Regulations 200-</u>, the States would not debate that legislation until the 20th October. It was further noted that should the Panel wish to lodge amendments as a result of their review they would have to be lodged at least two weeks prior to the date of debate. In addition, the Panel acknowledged that the Scrutiny code of practice prescribes that witnesses should be given at least five working days in which to make comment on the factual content of the report prior to its publication. Whilst the Panel expressed their hope that any resultant report could be drafted within a two week period they accepted advice that this could not be guaranteed and moreover it was likely a review of this nature would require up to four weeks in which to draft a report.</p> <p>The Panel was advised of the difficulties in conducting a review during August and early September due to the potential absence through annual leave of States members, key witnesses and/or stakeholders. The Panel acknowledged that the potential absences outlined may cause difficulties in co-ordinating public hearings and thus necessitate a longer period than usual in which to conduct them.</p> <p>It was further acknowledged that conducting public hearings during the first two weeks of September would coincide with the resumption of States sittings and a potentially heavy agenda. Additionally the Panel noted that, given the time required to produce and read transcripts of the public hearings, scheduling them during the first two weeks of September would necessarily encroach upon the period allocated to write the report.</p> <p>The Panel agreed that it would need the assistance of an expert advisor if it were to undertake a review of the draft legislation. It was noted that identifying and employing a suitable candidate, given the requirements of the tendering process as laid out in the Scrutiny code of practice and Financial Directions 5.1, would necessitate a not insignificant period of time. It was further noted that the requirement for immediate assistance would in all probability make it more difficult to secure a suitable advisor in short order. However, it was agreed to immediately initiate the recruitment procedure for an expert advisor, should the Panel initiate a review at some stage, and for the Panel to be appraised of progress on Friday 10th July.</p> <p>The Panel noted that the funding from the Strategic Reserve for the Depositor Compensation Scheme, <u>P84/2009/ - Strategic Reserve Fund: use for Bank Depositors' Compensation Scheme</u>, was of legitimate relevance</p>	<p>CA/TO</p>

to the Corporate Services Panel. The Panel recalled that its Chairman had received correspondence from the Chairman of the Corporate Services Panel in which the Chairman of the Corporate Services Panel had proposed that she be co-opted onto any review of the draft regulations rather than both Panels conduct separate reviews. It was further recalled that at its meeting of 29th June 2009 it had agreed to decline the invitation and for the Chairman to inform the Chairman of the Corporate Services Panel of the decision. The Panel received and noted correspondence indicating that the Chairman had not yet taken this action. The Panel was informed that, although the Corporate Services Scrutiny Panel did not intend to conduct a review of P84/2009/- Strategic Reserve Fund: use for Bank Depositors' Compensation Scheme., it was meeting with the Minister for Treasury and Resources on Wednesday 8th July to discuss the proposals after which it may reconsider its decision not to conduct a review. The Panel agreed to invite the Chairman of the Corporate Services Panel to be co-opted onto any review of P85/2009/- Draft Public Finances (Depositors Compensation) (Jersey) Regulations 200-, should her Panel have any concerns about the proposals following its meeting with the Minister for Treasury & Resources on Wednesday 8th July.

The Panel noted that a depositor compensation scheme was a matter of legitimate public interest and importance and that by 'calling in' the draft legislation it would be delaying its introduction. The Panel further noted that as a result of 'calling in' the proposed legislation the Scrutiny Panel could be viewed as responsible for the delay in public cover. However it was agreed that by not 'calling in' the proposed legislation, albeit in the process informing the States that the Panel reserved its position in respect of reviewing the legislation at a later date and that the prescribed period for scrutiny under Standing Orders would not permit the Panel adequate time to conduct a thorough and meaningful review with possible consequent amendments, it would be at the discretion of individual States Members to vote on the merits or otherwise of the proposed legislation as they saw them. It was noted that should the States agree the proposals, in the absence of a scrutiny review of the draft legislation, any subsequent issues arising from the scheme would be the responsibility of the Economic Development Department.

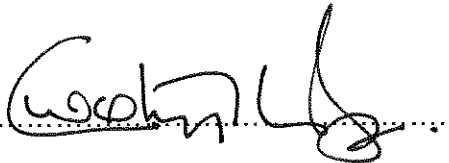
The Panel further noted the option to decline the invitation to 'call in' the draft legislation and to state that, whilst the draft legislation did require thorough and meaningful scrutiny, it would not be possible to achieve that goal in the prescribed timeframe. The Panel regretted the time constraints that it faced and noted that they were not of the Panel's making.

As such, given the aforementioned timescales, with due regard to the consequent difficulties outlined and notwithstanding the Panel's previous decision the Panel therefore agreed that it would not be possible to undertake a thorough and meaningful review of the draft legislation if it was 'called in'.

Consequently the Panel agreed not to 'call in' P85/2009/- Draft Public Finances (Depositors Compensation) (Jersey) Regulations 200-, unless the States agreed to suspend Standing Orders to allow them greater time to conduct a thorough and meaningful review. In addition

	should the States refuse to suspend Standing Orders and should the States subsequently approve <u>P85/2009/- Draft Public Finances (Depositors Compensation) (Jersey) Regulations 200-</u> . it was agreed to undertake a review of the legislation following its introduction and to propose relevant amendments as deemed necessary and appropriate.	
	<p>10. Ministerial Decisions</p> <p>The Panel noted recent Ministerial Decisions pertinent to the Panel's remit. The Panel discussed Ministerial Decision MD-E-2009-0007 concerning the Minister for Economic Development's decision that Jersey Coastguard be funded solely from freight harbour dues. The Panel agreed to ask the Minister how and why this situation had come to be and what impact, if any, there would be on the service as a result of a fall in revenue from freight harbour dues.</p>	CA/TO
	<p>11. Forthcoming Propositions</p> <p>The Panel noted the forthcoming propositions within the remit of the Panel lodged <i>au Greffe</i>.</p>	
	<p>12. Questions to Ministers</p> <p>The Panel noted the arrangements for questions without notice to Ministers at future States sittings.</p>	
	<p>13. Future Meetings</p> <p>The Panel noted that its next scheduled meeting would take place at 9:30am in Le Capelain Room, States Building, on Monday 20th July 2009.</p>	

Signed



Date:

10th August 2009

Chairman
Economic Affairs Scrutiny Panel