

PRIVILEGES AND PROCEDURES COMMITTEE

(4th Meeting)

7th February 2003PART A

All members were present, with the exception of Senator C.G.P. Lakeman, from whom apologies had been received.

Connétable D.F. Gray
 Deputy F.J. Hill, B.E.M.
 Deputy C.J. Scott-Warren
 Deputy R.G. Le Hérissier
 Deputy J-A. Bridge
 Deputy J.A. Bernstein

In attendance -

Deputy D.L. Crespel was present as an observer for items A1 to A5.

M.N. de la Haye, Greffier of the States
 Mrs. A.H. Harris, Deputy Greffier of the States
 P. Byrne, Executive Officer
 M.P. Haden, Committee Clerk.

Note: The Minutes of this meeting comprise Part A only.

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| Minutes | A1. The Minutes of the meetings held on 17th and 24th January 2003, having been previously circulated, were taken as read and were confirmed. |
| Matters arising | A2. The Committee noted the following matters arising -

Act No. A2(g), of 17th January 2003 - Training issues - that the Deputy Greffier of the States had met with officers at the States Human Resources Department to discuss possible changes to the current programme of training opportunities to enable members and officers to become more aware of Scrutiny developments. |
| States members' remuneration - further comments. 1240/3(68)

Ex.Off. | A3. The Committee, with reference to its Act No. A2 of 24th January 2003, received a report, prepared by the Executive Officer summarising the consultation responses received in respect of its report and proposition (P.238/2002) on States members' remuneration. In addition, the Committee received Deputy G.P. Southern in person and Mr. J.M.E. Harris, Manager, Machinery of Government Reform, in connexion with the comments of the Policy and Resources Committee, as discussed at its meeting on 6th February 2003.

<p>(a) Deputy G.P. Southern - Deputy Southern expressed the view that the figure proposed for States members' remuneration in P.238/2002, approximately £41,000, was not fully justified. He maintained that, to the ordinary member of the public, this appeared to be a ten per cent pay increase. Deputy Southern accepted the principle of removing the means-testing element in the remuneration package but felt that this should not result in any further increase at this stage beyond the cost of</p> |

living rise on 1st January 2003. He felt that anything else would be perceived as States members taking undue advantage of the fact that, under the present system, they controlled their own pay levels. In his view, an independent review board should be charged with setting and reviewing members' remuneration. As for the question of attracting a broad cross section of the population to stand for election to the States, Deputy Southern felt that this would best be achieved through the introduction of a party system in which candidates might be sponsored.

- (b) **Policy and Resources Committee** (as reported by the Manager of Government Reform), The Committee was advised that the Policy and Resources Committee, while it sympathised with some aspects of P.128/2002, could not support the proposals *in toto* and had recommended that the report and proposition be withdrawn. The Policy and Resources Committee supported the principle of removing the means testing element in the current remuneration package but recommended that the income allowance, which would, in that case, be available to all members on request, and the expense allowance should remain at current levels. The Policy and Resources Committee was concerned at the impact of the Privileges and Procedures Committee current proposals on the present round of pay negotiations with staff groups. It was further suggested that a pay freeze might be considered for the next two years for States members with an independent Review Panel being appointed after that period to decide on levels of remuneration under the new Ministerial system and into the future. As for differential responsibility payments, the Policy and Resources Committee was of the view that the Privileges and Procedures Committee should come forward with firm proposals in time for the introduction of the new Ministerial system. It was felt important that candidates for the new Executive positions should be aware in advance of the remuneration connected with the additional responsibilities.

The Committee received a number of additional papers and graphs, prepared by the Greffier of the States and the Executive Officer, showing a comparison between States members' remuneration and public sector pay awards for the period 1st January 1998 to 1st January 2003, with further projections up until 1st January 2006. The Committee noted that from a starting figure of £32,000 as at 1st January 1998, States members' total remuneration package, including income support and expense allowance, had increased as at 1st January 2003 to £38,648, whereas if the full public sector annual pay increase had been applied, the increase would now stand at £40,024, a difference of £1,376. If an increase in line with the Retail Price Index (RPI) was applied instead, members' total remuneration as at 1st January 2003 would stand at £39,079, a difference of £431. Projections into the future indicated that States members' remuneration would continue to decline in comparison to public sector workers, so long as the principle persisted of maintaining increases at RPI minus half a percent in line with the current agreed updating formula.

The Committee received an oral report from Deputy F.J. Hill, B.E.M. and the Executive Officer in connexion with a meeting with the Comptroller of Income Tax to discuss the issue of expense allowances for States members. The Committee was advised that the present system, whereby an automatic expense allowance of £3,600 was accepted by the Comptroller without scrutiny, might continue under the proposed new remuneration package. If, however, an alternative option involving a single 'rolled-up' figure was adopted, States members would have to produce supporting documentation for any expense claims on their income tax returns. The Committee requested that the Comptroller be asked to clarify in writing the options on expense allowances.

The Committee also noted a letter, dated 7th February 2003, from Mr. D. O'Callaghan, Operations Director, Employment and Social Security Department, on the effects of the proposals in P.238/2002 with regard to Social Security payments.

The Committee, having considered the comments received from States members on P.238/2002, decided to withdraw the said *projet* and substitute revised proposals, as follows -

- (i) **Means testing** - The Committee noted that there had been a general consensus that a remuneration package should be available to all States members regardless of income from other sources. The Committee agreed that it should press ahead with its proposal to abolish the present means tested income allowance. The Committee was mindful that this proposal could potentially involve additional costs to the States in the region of £1 million if the new package was claimed by all States members. The Committee considered whether the implementation of this proposal should be backdated to 1st January 2003 or should commence from 1st January 2004 and so be included in the budget process for that year. The Committee, however, was equally split between these two options. A commencement date for the beginning of the second quarter in 2003 was also considered but rejected. It was agreed that the decision would be deferred until a subsequent meeting in order that the views of the Finance and Economics Committee on the implementation date might be sought;
- (ii) **Level of remuneration** - The Committee agreed that it would not seek at this stage any further increase in States members' remuneration. The current total package, including income support and expense allowance, in the sum of £38,648 which had been increased as at 1st January 2003 in line with the agreed updating formula (RPI minus half a percent) would be maintained for 2003. (The Committee noted, however, that a mistake to the advantage of States members had been made by the Treasury in calculating the increase given to members on 1st January 2002.) It was further agreed that the said updating formula and the current system of payment quarterly in advance should be retained;
- (iii) **Expense allowances** - The Committee agreed to give this matter further consideration once it had received the clarification requested from the Comptroller of Income Tax;
- (iv) **Future review of remuneration** - The Committee was concerned that States members' remuneration would continue to decline in relation to public sector workers under the current updating formula. It was minded to support the appointment of an independent review board in the future and maintained its view that the work of States members merited a significantly higher level of remuneration than that available at present. However, it recognised that a substantial increase would only be acceptable to the public if it were closely linked with the implementation of the reforms to the machinery of government; and
- (v) **Responsibility payments** - The Committee agreed that it would indicate in the revised *projet* that it would come forward with proposals in this respect at a later date prior to the introduction of the Ministerial system.

The Committee requested that a revised *projet* be prepared for its consideration at a subsequent meeting.

States of Jersey
Law - drafting
proposals.
450/1(1)

A4. The Committee, with reference to its Act No. A3 of 24th January 2003, received Mr. M. Entwistle, Principal Legal Instruction Officer, Machinery of Government Reforms, in connexion with his discussion paper on the drafting proposals for the new States of Jersey Law.

Ex.Off.

The Committee recalled that a Working Group had been formed to scrutinise the drafting proposals in detail and was advised of the progress made by this group. The Committee noted the following points , in particular -

- (a) **Bailiff's power of dissent** - The Committee recalled that it had requested that research be conducted into the historical background of this power and potential constitutional implications of its removal. It was advised that it appeared that this power had not been invoked for many years. Its only likely possible use in present day circumstances was considered to be in connexion with triennial Regulations;
- (b) **Privileges and Procedures Committee** - The Committee noted that it was intended that the Privileges and Procedures Committee should serve the whole Assembly with both Non-Executive and Executive representation on the Committee;
- (c) **Public Accounts Committee (PAC)** - The Committee, with reference to Act No. A11(c), dated 2nd October 2002, of the Committee as previously constituted, recalled that there remained a clear difference of view between itself and the PAC Working Party on the respective roles of the PAC and Scrutiny. The Committee requested that a meeting be arranged with the President of the Finance and Economics Committee at the earliest opportunity in order to resolve these differences. The Vice President, Connétable D.F. Gray and Deputy R.G. Le Hérissier agreed to represent the Committee; and
- (d) **Scrutiny Panels** - The Committee noted that it was intended that Scrutiny Panels would have the same powers inscribed in Law as a Committee of Inquiry. It was not expected that such powers would need to be invoked often but it was considered necessary that they should be available in reserve.

The Committee agreed to receive at a subsequent meeting a further update on the progress of the work of the aforementioned Working Group.

Administrative
Appeals Panel -
appointment of
new Panel.
1386/2/2(5)
465/1(30)

A5. The Committee, with reference to its Act No. A4 of 24th January 2003, gave further consideration to the reconstitution of the Administrative Appeals Panel.

The Committee decided that a presentation to mark the retirement of Mr. R.R. Jeune, C.B.E., as Chairman of the Panel should take place at the Société Jersiaise.

Ex.Off.

The Committee agreed that all those previous members of the Panel, who had indicated that they would be prepared to serve another term, to make up the new Panel. However, it thought that in the future the opportunity to serve on the Panel should be advertised openly.

It was agreed that the proposed new Chairman should be consulted on the question of the appointment of a second Deputy Chairman.

The Committee requested the Greffier of the States to prepare a discussion paper on the operation of the Administrative Appeals system in conjunction with Deputies Hill and Scott Warren.

Code of Conduct

A6. The Committee, with reference to Act No. A3, dated 3rd August 2002, of the

for elected States
members.
1240/9/1(110)

Committee as previously constituted, received a report from the Greffier of the States in connexion with a draft report and proposition on the proposed Code of Conduct for elected States members.

Ex.Off.

The Committee noted that the Code required members, in the course of their public and private conduct, not to act in a manner which would bring the States, or its members generally, into disrepute. The Committee was conscious that the area of private conduct was a difficult one to include in the Code. It requested that further research be conducted into the Codes of Conduct in other parliamentary bodies. It was also suggested that the Code for police officers could provide some guidance.

The Committee agreed to give more detailed consideration to the aforementioned draft report and proposition at its next meeting.

Date of next
meeting.

A7. The Committee noted that its next meeting, scheduled for 14th February 2003, was to include a meeting with H.M. Attorney General to discuss his views on Freedom of Information, the application of 'call-in' within the proposed ministerial system and the position of H.M. Attorney General as an advisor to the states and Scrutiny Panels. The Committee requested that the meeting be brought forward to 12 noon, if possible.

Members were invited to join in with a visit the States Building at 11.30 a.m. to consider the allocation of rooms.