

STATES OF JERSEY

OFFICIAL REPORT

MONDAY, 13th SEPTEMBER 2010

QUESTIONS.....	7
1. Written Questions	7
1.1 DEPUTY P.V.F. LE CLAIRE OF ST. HELIER OF THE MINISTER FOR PLANNING AND ENVIRONMENT REGARDING THE VARIATIONS BETWEEN THE ORIGINAL AND CURRENT NORTH OF TOWN MASTERPLAN:.....	7
1.2 THE DEPUTY OF ST. JOHN OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING RURAL INITIATIVE GRANTS:	8
1.3 THE DEPUTY OF ST. JOHN OF THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING PROBLEMS AT THE SATELLITE WASTE PLANT AT BONNE UNIT:.....	15
1.4 THE DEPUTY OF ST. JOHN OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING SCHEDULED FERRY SAILINGS AND THE SERVICE LEVEL AGREEMENT WITH CONDOR:.....	15
1.5 SENATOR J.L. PERCHARD OF H.M. ATTORNEY GENERAL REGARDING LEGAL COSTS IN RESPECT OF FAMILY X:.....	18
1.6 SENATOR J.L. PERCHARD OF THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING THE LEASE ARRANGEMENTS FOR LIBERATION STATION:	20
1.7. TO THE MINISTER FOR ECONOMIC DEVELOPMENT BY SENATOR J.L. PERCHARD REGARDING THE LEASE ARRANGEMENTS FOR LIBERATION STATION:	21
1.8 DEPUTY R.G. LE HERISSIER OF ST. SAVOUR OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING SUCCESSION PLANNING FOR THE HOSPITAL MANAGER'S POST:.....	22
1.9 DEPUTY R.G. LE HÉRISSEIER OF ST. SAVIOUR OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING MANAGEMENT CHANGES FOLLOWING THE APPOINTMENT OF A DIRECTOR OF COMMUNITY AND SOCIAL SERVICES:.....	22
1.10 DEPUTY T.M. PITMAN OF ST. HELIER OF THE CHIEF MINISTER REGARDING THE PUBLICATION OF THE NAPIER REPORT:.....	22
1.11 THE DEPUTY OF ST. MARTIN OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE HUMAN RIGHTS COMPLIANCE OF THE 'DRAFT INCOME TAX (AMENDMENT NO. 35) (JERSEY) LAW 200-':	23
1.12 DEPUTY T.M. PITMAN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE SHIP2ME AND ME:MO INITIATIVES AT JERSEY POST:.....	24
1.13 DEPUTY T.M. PITMAN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE REMUNERATION OF THE CEO, HR AND FINANCE DIRECTORS OF JERSEY POST:.....	24

1.14	DEPUTY T.M. PITMAN OF ST. HELIER OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING RESTRICTING ACCESS TO THE ALBERT QUAY AREA:	25
1.15	DEPUTY T.M. PITMAN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE PRIVATISATION OF THE POSTAL SERVICE:.....	25
1.16	DEPUTY S. PITMAN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING JERSEY POST'S REDUNDANCY POLICY:.....	26
1.17	DEPUTY S. PITMAN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE APPOINTMENT OF AN ADVISOR AT JERSEY POST:	26
1.18	THE DEPUTY OF ST. MARY OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING BLOOD SCREENING PROGRAMMES:	26
1.19	THE DEPUTY OF ST. MARY OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE DIFFERENCE IN THE C.S.R. CUTS TARGET IN RESPECT OF DEPARTMENTS' NET AND GROSS EXPENDITURE:.....	28
1.20	THE DEPUTY OF ST. MARY OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING TOURISM EXPENDITURE FOR 'PLANNING AND RESEARCH':	28
1.21	THE DEPUTY OF ST. MARY OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE 6 MAJOR C.S.R. REVIEWS:.....	31
2.	Oral Questions.....	32
2.1	Senator S.C. Ferguson of the Chief Minister regarding the establishment of suggestion schemes:.....	32
	Senator T.A. Le Sueur (The Chief Minister):	32
2.1.1	Senator S.C. Ferguson:	33
2.1.2	Deputy G.P. Southern of St. Helier:	33
2.2	Senator F. du H. Le Gresley of the Minister for Housing regarding access to the Rent Control Tribunal:.....	33
	Deputy S. Power of St. Brelade (The Minister for Housing):.....	33
2.2.1	Senator F. du H. Le Gresley:.....	33
2.2.2	Deputy G.P. Southern:.....	34
2.2.3	Deputy G.P. Southern:.....	34
2.2.4	Deputy M. Tadier of St. Brelade:	34
2.2.5	Deputy M. Tadier:	35
2.2.6	Senator S.C. Ferguson:	35
2.2.7	Deputy D.J. De Sousa of St. Helier:.....	36
2.2.8	Senator F. du H. Le Gresley:.....	36
2.3	Deputy D.J.A. Wimberley of St. Mary of the Minister for Treasury and Resources regarding the 6 in-depth reviews of the biggest spending areas and departments:	37
	Senator P.F.C. Ozouf (The Minister for Treasury and Resources):	37
2.3.1	The Deputy of St. Mary:.....	37
2.3.2	Deputy M.R. Higgins of St. Helier:.....	37
2.3.3	Deputy G.P. Southern:	38
2.3.4	Deputy M. Tadier:	38
2.3.5	Deputy M. Tadier:	38
2.3.6	Deputy G.P. Southern:.....	39
2.3.7	The Deputy of St. Mary:	39
2.4.	Deputy P.V.F. Le Claire of St. Helier of the Minister for Treasury and Resources regarding the cost of advertising with the <i>J.E.P.</i> and the <i>Jersey Gazette</i> to States departments:	39

Deputy E.J. Noel of St. Lawrence (Assistant Minister for Treasury and Resources - rapporteur):.....	40
2.4.1 Deputy M.R. Higgins:.....	40
2.4.2 Deputy P.J. Rondel of St. John:	40
2.4.3 Deputy M. Tadier:	40
2.4.4 Deputy M. Tadier:	40
2.5 Connétable A.S. Crowcroft of St. Helier of the Minister for Treasury and Resources regarding Health and Safety compliance in the States property portfolio:.....	41
Deputy J.A.N. Le Fondré of St. Lawrence (Assistant Minister for Treasury and Resources - rapporteur):.....	41
2.5.1 The Deputy of St. John:	41
2.5.2 Deputy D.J. De Sousa:.....	41
2.5.3 Deputy P.V.F. Le Claire:	42
2.5.4 Deputy P.V.F. Le Claire:	42
2.5.5 The Deputy of St. John:	42
2.5.6 The Connétable of St. Helier:.....	42
2.5.7 The Connétable of St. Helier:.....	43
2.6 Deputy G.P. Southern of the Minister for Treasury and Resources regarding the introduction of the zero component of the Zero/Ten policy for non-finance companies: 43	
Senator P.F.C. Ozouf (The Minister for Treasury and Resources):	43
2.6.1 Deputy G.P. Southern:.....	44
2.6.2 Deputy G.P. Southern:.....	44
2.6.3 Deputy G.P. Southern:.....	44
2.6.4 Deputy M. Tadier:	45
2.6.5 Deputy M. Tadier:	45
2.6.6 Deputy M.R. Higgins:.....	45
2.6.7 Deputy M.R. Higgins:.....	46
2.6.8 Deputy G.P. Southern:.....	46
2.7 Deputy T.M. Pitman of St. Helier of the Minister for Economic Development regarding 'wild cat' industrial action by Condor staff at the Harbour:	46
Senator A.J.H. Maclean (The Minister for Economic Development):.....	46
2.7.1 Deputy T.M. Pitman:	46
2.8 The Deputy of St. John of the Minister for Economic Development regarding the targeting of public funding:.....	47
Senator A.J.H. Maclean (The Minister for Economic Development):.....	47
2.8.1 The Deputy of St. John:	47
2.8.2 Deputy M.R. Higgins:.....	47
2.8.3 The Deputy of St. John:	48
2.8.4 The Deputy of St. John:	48
2.8.5 The Deputy of St. John:	49
2.9 Deputy F.J. Hill of St. Martin of the Chief Minister regarding an extension of the U.K. ratification of the United Nations Convention on the Rights of the Child:	49
Senator T.A. Le Sueur (The Chief Minister):	49
2.9.1 The Deputy of St. Martin:	49
2.9.2 The Deputy of St. Martin.....	50
2.9.3 Deputy T.M. Pitman:	50
2.9.4 Deputy M. Tadier:	50
2.9.5 Deputy M. Tadier:	50
2.9.6 Senator S.C. Ferguson:	51
2.9.7 The Deputy of St. Martin:.....	51
2.10 Deputy G.P. Southern of the Minister for Treasury and Resources regarding the impact of budget spending cuts on the vulnerable:.....	51

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):	51
2.10.1 Deputy G.P. Southern:	52
2.10.2 Deputy G.P. Southern:	52
2.10.3 Deputy G.P. Southern:	52
2.10.4 The Deputy of St. Mary:.....	53
2.10.5 Deputy G.P. Southern:	53
2.10.6 Deputy G.P. Southern:	53
2.11 The Deputy of St. John of the Minister for Economic Development regarding Condor's winter sailings to St. Malo:	54
Senator A.J.H. Maclean (The Minister for Economic Development):	54
2.11.1 The Deputy of St. John:.....	54
2.11.2 Deputy J.B. Fox of St. Helier:	55
2.11.3 Deputy J.B. Fox:	55
2.11.4 Deputy T.M. Pitman:.....	55
2.11.5 The Deputy of St. John:.....	55
2.12 The Deputy of St. Martin of the Chief Minister regarding a review of Article 26(1) of the Court of Appeal (Jersey) Law 1961:	56
Senator T.A. Le Sueur (The Chief Minister):	56
2.12.1 The Deputy of St. Martin:	57
2.13 The Deputy of St. Mary of the Chief Minister regarding the provision of organisational charts of departments:.....	57
Senator T.A. Le Sueur (The Chief Minister):	57
2.13.1 Deputy P.V.F. Le Claire:.....	57
2.14 Deputy T.M. Pitman of the Minister for Treasury and Resources regarding the terms of the voluntary redundancy package offer made to workers by Jersey Post:	58
Deputy E.J. Noel (Assistant Minister for Treasury and Resources - rapporteur):	58
2.14.1 Deputy T.M Pitman:.....	58
2.14.2 Senator A. Breckon:.....	58
2.14.3 Senator A. Breckon:.....	59
2.14.4 Senator A. Breckon:.....	59
2.14.5 Deputy M.R. Higgins:.....	59
2.14.6 Deputy M. Tadier:.....	60
2.14.7 Senator S.C. Ferguson:.....	60
2.14.8 Deputy T.M Pitman:.....	60
3. Questions to Ministers Without Notice - The Minister for Housing	60
3.1 Senator F. du H. Le Gresley:.....	61
Deputy S. Power (The Minister for Housing):	61
3.2 Deputy T.M Pitman:	61
3.3 Senator F. du H. Le Gresley:.....	61
3.4 Deputy J.A. Hilton of St. Helier:.....	61
3.5 Deputy D.J. De Sousa:.....	62
3.6 Deputy G.P. Southern:.....	62
3.6.1 Deputy G.P. Southern:.....	62
3.7 Deputy J.A. Martin of St. Helier:	63
3.8 Deputy R.C. Duhamel of St. Saviour:	63
3.9 Deputy A.T. Dupre of St. Clement:.....	63
3.10 Senator A. Breckon:	64
3.11 Deputy M. Tadier:	64
4. Questions to Ministers Without Notice - The Minister for Planning and Environment	64

4.1	Senator F. du H. Le Gresley:.....	64
	Senator F.E. Cohen (The Minister for Planning and Environment):.....	65
4.2	Deputy P.V.F. Le Claire:	65
4.3	Deputy T.M. Pitman:	65
4.4	Deputy D.J. De Sousa:.....	65
4.5	Senator A. Breckon:	66
4.6	Deputy J.A. Hilton:.....	66
4.6.1	Deputy J.A. Hilton:.....	66
4.7	Deputy A.E. Jeune of St. Brelade:.....	67
4.8	Deputy M.R. Higgins:.....	67
4.9	The Deputy of St. John:	67
4.10	Senator F. du H. Le Gresley:.....	67
4.11	Deputy J.A. Hilton:.....	68
4.12	Deputy P.V.F. Le Claire:	68
5.	Urgent Oral Question.....	68
5.1	Deputy T.M. Pitman of the Chief Minister regarding discussions about reducing the number of departments and outsourcing/privatising essential areas:	68
	Senator T.A. Le Sueur (The Chief Minister):	68
5.1.1	Deputy T.M. Pitman:	69
5.1.2	Deputy P.V.F. Le Claire:	69
5.1.3	Deputy P.V.F. Le Claire:	69
5.1.4	Deputy M.R. Higgins:.....	70
5.1.5	Deputy M.R. Higgins:.....	70
5.1.6	Deputy G.P. Southern:	70
5.1.7	Deputy G.P. Southern:.....	71
5.1.8	Deputy A.T. Dupre:.....	71
5.1.9	The Deputy of St. Mary:	71
5.1.10	The Deputy of St. Mary:.....	71
5.1.11	The Deputy of St. Mary:.....	72
	STATEMENTS ON A MATTER OF OFFICIAL RESPONSIBILITY	72
6.	Statement by the Minister for Transport and Technical Services regarding town flooding.....	72
6.1	Connétable M.K. Jackson of St. Brelade (The Minister for Transport and Technical Services):.....	72
6.1.1	Deputy P.V.F. Le Claire:	73
6.1.2	Deputy M.R. Higgins:.....	73
6.1.3	The Deputy of St. John:	73
6.1.4	The Deputy of St. Mary:	73
6.1.5	The Deputy of St. Mary:	74
6.1.6	Connétable D.W. Mezbourian of St. Lawrence:	74
6.1.7	Deputy D.J. De Sousa:.....	74
6.1.8	The Deputy of St. John:	74
6.1.9	The Deputy of St. John:	75
6.1.10	The Deputy of St. Mary:.....	75
6.1.11	The Deputy of St. John:.....	75
	ARRANGEMENT OF PUBLIC BUSINESS.....	76
7.	Deputy C.H. Egré of St. Peter (Vice-Chairman, Privileges and Procedures Committee):	76

7.1	The Deputy of St. John:	76
7.2	The Deputy of St. Mary:	76
8.	Public Sector cuts and alternative taxation measures (P.113/2010) - proposal to bring forward debate before Annual Business Plan	78
8.1	Deputy G.P. Southern:	78
8.1.1	Senator T.A. Le Sueur:	78
8.1.2	Senator P.F.C. Ozouf:	79
8.1.3	Deputy G.P. Southern:	79
	The Deputy of St. Mary:	81
	PUBLIC BUSINESS	81
9.	Jersey Financial Services Commission: appointment of Commissioner (P.116/2010).81	
	[Debate proceeded in camera]	82
	ADJOURNMENT	82

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

[14:45]

QUESTIONS

1. Written Questions

1.1 DEPUTY P.V.F. LE CLAIRE OF ST. HELIER OF THE MINISTER FOR PLANNING AND ENVIRONMENT REGARDING THE VARIATIONS BETWEEN THE ORIGINAL AND CURRENT NORTH OF TOWN MASTERPLAN:

Question

In the original Masterplan for the North of St Helier how many square metres of accommodation and vergées of open space were proposed and how many are expected now?

Answer

The answers are tabulated to make cross-reference easier.

Residential Accommodation (approximate m² (gross))

Site	Original Masterplan	Revised Masterplan
Gas Place	7,600	0
Ann Court	12,300	15,000
Minden Place	2,250	2,250
Jersey Gas Site	0	24,000
Total	22,150	41,250

In addition there are numerous opportunities for additional housing development on other sites identified in the Revised North of Town Masterplan

Public Amenity Space (approximate m²/vergees)

Site	Original Masterplan		Revised Masterplan	
	m²	vergees	m²	vergees
Town Park	10,900	6	12,710	7
Belmont Gdns	550	0.3	550	0.3
Ann Court	2480	1.36	2,480	1.36
Minden Place	260	0.14	260	0.14
Old Fire Stn	400	0.22	400	0.22
Total	14,590	8.02	16,400	9.02

1.2 THE DEPUTY OF ST. JOHN OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING RURAL INITIATIVE GRANTS:

Question

Would the Minister advise to whom the grant for vodka production has been made and under what terms?

Would he state how many grants have been made under the Rural Initiative Scheme since 2006 and advise—

- (a) for what purpose the grants were made?
- (b) what were the recipients names?
- (c) what was the value of each grant?
- (d) whether recipients had benefited from other grant schemes administered by the Department or former Agriculture and Fisheries Department and, if so, how many, for what purpose and to what value since 2000?
- (e) whether funds must be matched pound for pound by recipients and, if so, how is this monitored and would the draw off of spend be expected to be equal?
- (f) have any of the recipients had funding from the former Agriculture and Fisheries Department for research into areas currently being granted aid under the Rural Initiative Scheme, and, if so, which?
- (g) whether the Minister read the 2004 reports financed by the former Agriculture and Fisheries Department and Jersey Potato Marketing Board investigating the potential for vodka production in the Island and, if so, given the negative conclusions of those reports, why did he approve this grant?

Question

1. Would the Minister advise to whom the grant for vodka production has been made and under what terms?

Answer

Not at this stage, as this is commercial in confidence until the work is actually carried out. The grant is not for vodka production, but for research into the feasibility of artisanal production, in accordance with the specified terms and conditions applicable under the Rural Initiative Scheme ref:

<http://www.gov.je/BENEFITS/GRANTS/INDUSTRYGRANTS/Pages/RuralInitiativeScheme.aspx>

Question

2. Would he state how many grants have been made under the Rural Initiative Scheme since 2006 and advise—

- a. for what purpose the grants were made?
- b. what were the recipients names?
- c. what was the value of each grant?

Answer

Please see the following table in response to a, b & c.

Year	Company Or Individual	Purpose of Grant	Type	Final Amount Claimed
2006	St Lawrence Growers	Flame Weeder	E	£3,000.00
2006	R Titterington	St Aubins Scallop Farm	E	£21,000.00
2006	R Stevenson	Country Butchers	E	£7,437.50
2006	Amal-Grow	Ethylene System	E	£8,822.50
2006	Somerleigh Farm Ltd	Harvesting Equipment	E	£7,500.00
2006	C Gould	Ranching of King Scallops	E	£9,856.48
2006	Jersey Milk Marketing Board	Valorex Project	R	£4,000.00
2006	Fauvic Nurseries	Tomato Packaging	R	£4,269.00
2006	Woodside Farm	Beef promotion activities	E	£5,338.95
2006	Woodside Farm	Bulb Drying	E	£2,120.00
2006	Woodside Farm	Refrigeration Equipment	E	£8,552.33
2006	Woodside Farm	Flower Allocation	E	£7,500.00
2006	Le Marinel Farm	Quails	R	£469.94
2006	Le Marinel Farm	Vacuum Packing	E	£6,286.25
2006	Le Mare Vineyards	Wine and Cider Development	I	£131,795.56
2006	Classic Herd Ltd	Cheese & Butchery	E	£5,147.25
2006	Pure Adventure Jersey	Indian Forest Activity Centre	R + E	£4,162.50
2006	Grant Feltham	Edible Seaweed	R	£225.00
2006	Le Marinel Farm	Brooder Grow off pens	E	£733.21
2006	Jersey Horticulture	Blooming Direct	R	£5,880.32
2006	Jersey Horticulture	Blooming Direct	E	£29,759.35
Total				£273,856.14
2007	Mrs N Huelin	Fun 4 Dogs	E	£2,052.25
2007	Anneville Farm	Plant Hygiene	E	£10,147.08

2007	Channel Island Bio-diesel Ltd	Production of Bio-diesel	R	£2,290.50
2007	Channel Island Bio-diesel Ltd	Production of Bio-diesel	E	£1,000.00
2007	Belles Fleurs Nursery	Potting Machine	E	£3,563.50
2007	Woodside Farm	Daffodil Bulb Packaging	E	£6,469.77
2007	Pure Adventure Centre	Pure Adventure Centre	E	£50,000.00
2007	Woodside Farm	Daffodil Sales	E	£3,900.00
2007	Woodside Farm	Pneumatic Seed Drill	E	£4,000.00
Total				£83,423.10
2008	Fauvic Nurseries	Export of Jersey Produce	E	£6,728.88
2008	Classic Herd Ltd	Ice Cream & Yoghurt Production	E	£4,647.35
2008	Woodside Farm	Leek Harvester	E	£15,075.00
2008	Vers Les Monts Organic Farm	Organic Chickens	E	£2,053.34
2008	Mr & Mrs Shipley	Shipley Sheep	E	£4,530.61
2008	La Mare Vineyards	Black Butter Biscuits	E	£21,250.00
2008	Jersey Dairy	Jersey Ice Cream	I	£38,967.00
2008	JFU	Chelsea Flower Show	I	£5,760.25
2008	RJA & HS	World Jersey Cheese Awards	I	£20,000.00
2008	Brooklands Farm	Me and The Farmer	E	£11,297.14
2008	Jersey Island Genetics Ltd	Export of Cattle Embryos	R (I)	£935.38
2008	JR Horticulture	Young Plant Packing Line	E	£9,018.50
2008	Woodside Farm	Daffodil Bulb Sterilization	I	£48,750.00
2008	Brooklands Farm	Me and The Farmer Phase 2	E	£6,150.01
2008	Freedom Farms	Freedom Farms Phase 1	E	£50,000.00
Total				£245,163.46
2009	Woodside Farm	Bulb Drying Facilities	I	£46,138.19
2009	Woodside Farm	Cooling unit and Cold Store	E	£50,000.00
2009	Jersey Fisherman's Ass	Sponsorship of Jersey Fish Festival	I	£9,989.99
2009	Jon Emmanuel	New mobile hen houses	E	£42,467.60

2009	Master Farms	Electronically guided organic weeder	E	£18,621.00
2009	Jersey Fisherman's Ass	Scallop dredging trials	R	£1,058.28
2009	Southern Rock Fisheries	Scallop Processing	E	£32,351.99
2009	Recovery Management Services	Research into quality soups from 2 nd grade vegetables	R	£8,000.00
2009	Lodge Farm Ltd	Slurry additive to boost nutrient availability in slurry	R + EF	£350.08
2009	Brooklands Farm	Pie & Pasty press for local pork business	E	£3,185.14
2009	Andre Militis	Jersey Honeybee Development	R	£3,753.49
2009	Brian Adair	Relocation of an organic plant raising facility	E	£5,751.10
2009	Brooklands Farm	Cold store, oven and preparation equipment	E	£7,153.62
Total				£228,820.48
2010	J Le Maistre Tree Surgery Ltd	Mobile tracked wood chipper	E	£23,499.93
2010	Individual	New mobile hen house	E	£23,162.50
Total				£46,662.43

I = Research, E = Enterprise & I = Industry – wide

Question

d. whether recipients had benefited from other grant schemes administered by the Department or former Agriculture and Fisheries Department and, if so, how many, for what purpose and to what value since 2000?

Answer

Of the above, the following have also benefited from previous grant schemes

Marketing Support Scheme 2003			
Name	Amount of Grant	Product	Project
Jersey Milk	£30,000	Jersey ice cream	Market research, product launch and general marketing

Jersey Milk	£15,000	Dairying	Market research, re-branding of Jersey Milk
Woodside Produce Ltd	£4,300	Jersey Royals	Joint promotions with UK supermarket
Woodside Produce Ltd	£6,270	Daffodils	Market research into new markets
Jersey Island Genetics	£5,000	Jersey semen and embryos	Promoting Jersey Island cattle genetics
Jersey Farmers Union	£7,000	Locally grown produce	Bulk buying scheme re branded packaging
Classic Herd Ltd	£4,950	Dairying	Feasibility study - production/sale of soft cheeses
Farm Fresh Organics	£1,745	Organic locally grown produce	POS materials, labelling and equipment

Diversification Support Scheme 2005/2006

Applicant	Grants 2005	Grants 2006	Project
Woodside Farms Ltd	2,000.00		Netted Swede
Woodside Farms Ltd	4,178.73		Upgrade Onion/Daffodil Storage
Woodside Farms Ltd	774.93		Processing Leeks
Woodside Farms Ltd	4,282.00		Internet Site for Flower Sales
Woodside Farms Ltd	1,722.15		Free Range Geese and Turkeys
Woodside Farms Ltd	7,344.72		Jersey Beef
Le Marinel Farm		5,767.00	Le Marinel Farm Products

Fauvic Nurseries	875.00		Marketing of Jersey Produce to UK Farm Shops
------------------	--------	--	--

Fauvic Nurseries	985.88		National Cordyline Collection
Fauvic Nurseries	1,611.68		Website to publicise Farm Shop
Fauvic Nurseries	448.30		Seaweed Processing

Classic Herd Ltd	7,954.90		Meat Butchery
Classic Herd Ltd	20,000.00		Soft Cheese - Fresh and Ripened
Brooklands Farm	377.69	1,622.31	Studying Curing and Brining Pork
Brooklands Farm		13,087.50	Brooklands Butchery Room
La Mare Vineyards	7,122.66		Black Butter and Fudge
La Mare Vineyards	16,849.50		Jersey Cream Liqueur
Jersey Fisherman's Association Ltd		350.00	Line Caught Jersey Wild Fish /
Grass Roots Organic	1,010.57		Modular Organic plant raising to service local growers

Question

e. whether funds must be matched pound for pound by recipients and, if so, how is this monitored and would the draw off of spend be expected to be equal?

Answer

The following table from the current RIS application form shows the maximum level of funding available. Funds will not normally be allocated if the proposed project has received funding from other government schemes.

RIS Grant Categories	Funding	Total Project Spend
Research	Up to 50% (maximum grant £10,000).	Minimum of £1,500.
Energy Efficiency	Up to 50% (maximum grant £50,000). The energy audit is also eligible for funding.	Minimum of £3,000. Following the receipt of an energy audit. There is no minimum spend for the energy audit.
Enterprise	Up to 50% (maximum grant £50,000). <i>Cooperative grant applications may strengthen your case for funding.</i>	Minimum of £3,000.
Industry-Wide	Variable depending on project.	Each application will be assessed on its own merits.

Applicants must provide a minimum of 20% of the overall investment from their own resources, for example: cash reserves, sale of assets, or investment from members/shareholders.

The total public sector contribution is limited to 50%, except in exceptional circumstances when an Industry-Wide application is made; if other public funds are obtained to support the costs of a project these will be taken into account when considered the RIS application and may be off-set against any award made.

RIS grant awards are based on agreed business plans, which indicate the level of expected profitability over a 3 year period after receiving grant monies. Grants can only be drawn-down once the expenditure has been incurred, therefore the spend profile should be in equal proportions between the States and the business.

The projects are monitored by officers to observe the business in operation and the outcomes of the award.

Question

f. have any of the recipients had funding from the former Agriculture and Fisheries Department for research into areas currently being granted aid under the Rural Initiative Scheme, and, if so, which?

Answer

Not to our knowledge.

Question

g. whether the Minister read the 2004 reports financed by the former Agriculture and Fisheries Department and Jersey Potato Marketing Board investigating the potential for vodka production in the Island and, if so, given the negative conclusions of those reports, why did he approve this grant?

Answer

The conclusions of the Jersey Potato Marketing Board were not negative and contrary to the above appear to be positive e.g.

Executive summary, The Stage 1 feasibility study for the production of alcohol from the Jersey Royal Potato, August 2003 states;

Page 7, "There is therefore no reason why this should not become an important new industry within Jersey over the next few years"

Executive summary, Vodka Project Final Report, August 2004;

Page 4 "It is anticipated that the business will turn cash positive within 3-4 years of launch and will later be seeking to expand aggressively into other geographic markets".

Page 5 "...it is apparent that the range of branded super premium products that are enshrined within the plan, are likely to find favour in many areas of the target market place."

Page 8 "All of these opportunities seem to be viable, due to the good levels of profitability that are predicted to be in place over that timescale".

The current vodka project is on an entirely different scale to the earlier proposal and involves the offer of a £11,225 for trials and market research for the production of artisanal vodka under the Rural Initiative Scheme. Following a successful trial, production of premium vodka would start in April and continue until July each year.

1.3 THE DEPUTY OF ST. JOHN OF THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING PROBLEMS AT THE SATELLITE WASTE PLANT AT BONNE NUIT:

Question

Following ongoing odour problems at the satellite waste plant at Bonne Nuit and the reduction in the quality of the bathing water to below acceptable bathing quality standards on a number of days during the summer season, will the Minister acknowledge the guarantee made by his predecessor at a St. John Parish Assembly when the plant was built, that, should the satellite prove problematic, efforts would be made to connect the area to the mains system via an additional standby waste pipe line along Les Charrieres de Bonne Nuit and, if so, will he indicate when the work will be undertaken?

Answer

I would firstly like to state that the package treatment plant at Bonne Nuit is and has been producing a very high quality effluent. Even when we have had problems the system retains the effluent and we tanker back to Bellozanne to guarantee environmental protection in this sensitive area of the north coast. Before discharge into the sea to the north of the breakwater the effluent undergoes additional ultra violet treatment (similar to Bellozanne) to kill off bacteria and disinfect the effluent and so, protect the aquatic environment. This is an environmentally friendly means of disinfection. Weekly samples are taken by the regulator to monitor performance and the results are available if requested.

With regard to odour from the plant I would concur that this is an unpleasant issue which is exacerbated in the warmer summer months. This does cause odour nuisance to residents and visitors to the area and I would like to apologise to those people affected.

Odour is a difficult problem and my department have tried a variety of low cost solutions to eradicate the smells and we acknowledge that these solutions have not been fully successful to date. Therefore, we have committed to install a substantial odour control package plant to finally eradicate this nuisance.

With the current pressures on budgets and capital the replacement of Bonne Nuit Package Treatment plant with a pumping station, unfortunately, is not a high priority. Other work including the high priority Philips Street Shaft which would prevent flooding in St Helier is currently not funded. Therefore until a new source of capital funding is found we will not be changing the Package plant for a pumping station in the foreseeable future.

1.4 THE DEPUTY OF ST. JOHN OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING SCHEDULED FERRY SAILINGS AND THE SERVICE LEVEL AGREEMENT WITH CONDOR:

Question

Do Jersey Harbours maintain any records of late arrivals and departures of scheduled ferry sailings and, if so, on how many occasions in 2010 have any of the Condor ferries been delayed and would

the Minister outline the reasons for the delays (i.e. weather, engine problem) in respect of the following –

- (a) longer than 30 minutes;
- (b) longer than 1 hour;
- (c) for longer than 2 hours;
- (d) for longer than 3 hours;
- (e) for longer periods?

When passengers are delayed what compensation is available to them?

When was the first Service Level Agreement put into place, how many times has it been renewed to date and what is the current date of expiry?

Will the Minister be reviewing any new Service Level Agreement and in doing so put the United Kingdom (UK) and St. Malo shipping routes out to tender?

If the shipping routes are not to go out to tender, will the Minister undertake to negotiate with Condor to increase the number of direct rotations to the UK?

Answer

Jersey Harbours maintains records of all sailing times and, in addition, Condor are also expected to provide performance data on a quarterly basis. The following breakdown has been provided by Condor covering over 1,100 ship visits during the 8 months to August. 84% of sailings were within 30 minutes of scheduled time. Only 1% (16 sailings) were delayed for over 2 hours or cancelled.

Summary Vessel Performance v Schedule: January to August 2010

Vessel Calls By Destination

Punctuality	Poole	Weym'th	St Malo	Portsm'th	Total	%
< 30 Minutes	34	220	359	333	945	84%
30-60 Minutes	33	24	13	29	99	9%
1-2 Hours	26	9	5	27	66	6%
2-3 Hours	1	2	1	1	4	0.3%
> 3 Hours	0	0	1	2	3	0.2%
Cancelled	0	2	0	7	9	0.8%
Total	93	255	378	398	1,124	100%

Delays are analysed under 6 headings as follows:

% Reason for All Delays > 30 Minutes

Delay Reason	Poole	Weym'th	St Malo	Portsm'th	Total
Technical	21%	39%	31%	8%	21%
Catch Up*	44%	10%	21%	17%	25%
Weather	5%	10%	0%	18%	10%
Car Deck load	9%	15%	5%	22%	15%
Port / Berth Congestion	15%	17%	38%	7%	15%
Other	5%	8%	5%	29%	14%

* 'Catch up' refers to delayed start time for the vessel from a previous route.

Question –

When passengers are delayed what compensation is available to them?

Answer:

Compensation is explained in Condor's Frequently Asked Questions (FAQs) document, which is available on-line at www.condorferries.co.uk/Faqs . The detail is quoted as follows:

Do I get compensation if my sailing is delayed or cancelled?

In the event of delays or cancellations caused by adverse weather conditions, we do not offer any compensation. Customers should refer to their travel insurance policy for any claim entitlements. Customers can obtain a delayed travel declaration form at port on the day of travel, or apply in writing to the Condor Ferries' Customer Services at the address below.

In the event of technical problems with a service, Condor Ferries offers compensation for delays in departure in excess of 4 hours which are solely within the control of the Company and not compounded by other factors such as port tidal closures, port congestion or weather. Customers who experience a delay in excess of 4 hours are entitled to claim in writing to the Condor Ferries' Customer Service address below for the following amounts: 50% refund of the value of their ticket for the crossing affected plus £6.50 per person for provision of food and beverages.

Question

When was the first Service Level Agreement put into place, how many times has it been renewed to date and what is the current date of expiry?

Answer:

The first service level agreement with Condor was signed on 16 July 2001 and covered the period 1 January 2002 to 31 December 2006. It covered routes to and from the UK only.

A new agreement, specifically for the St Malo route, was made on 1 August 2007 and was valid until 31 December 2008.

As a result of changes in the legislation a new permit was issued on 5 June 2008. This replaced both the existing agreement for the St Malo route and the expired agreement for the northern routes. This permit is valid until 31 December 2013.

Question

Will the Minister be reviewing any new Service Level Agreement and in doing so put the United Kingdom (UK) and St. Malo shipping routes out to tender?

Answer:

The Minister will review the existing policy, the permit and the associated conditions. This will be in conjunction with Guernsey and as a direct response to the recent Pan-CI consultation on ferry regulation ('Competition, Licensing and Regulation in the Car and Passenger Ferry Market' published on 10 June 2010).

This consultation ran for twelve weeks and closed on 2 September. The associated survey attracted three hundred and seventy two (372) responses which are now being collated and analysed. Additionally, there were eleven formal written corporate responses and a further eight from individuals.

Until that analysis is complete and the Minister has discussed matters with his counterparts in Guernsey, no decision can be made about whether or not a tender for routes would be appropriate.

Question

If the shipping routes are not to go out to tender, will the Minister undertake to negotiate with Condor to increase the number of direct rotations to the UK?

Answer:

Given that no decision has been taken as to whether a tender process would be desirable, this question cannot yet be answered.

However, the following background information may be of interest: Between May and the end of September there is a direct service from Poole to St Malo via Jersey, and back. Since May this year, Condor have operated a total of 91 direct high speed craft sailings from Jersey to the UK or UK to Jersey.

Additionally, the Commodore Clipper operates a direct service northbound overnight, six days a week and year round.

In winter generally, it should be noted that there is no shortage of capacity on the UK routes. It is also a geographical fact that Jersey is further south than Guernsey. So, it is not surprising to find that most winter services involve a stop in Guernsey.

**1.5 SENATOR J.L. PERCHARD OF H.M. ATTORNEY GENERAL REGARDING
LEGAL COSTS IN RESPECT OF FAMILY X:**

Question

Would H.M. Attorney General advise which legal firms have been involved in representing and advising Family X and the individual members of Family X and the Crown in respect of this case and how much each legal firm have been paid from 1st January 2008 to date?

Answer

H.M. Attorney General is not responsible for the appointment or payment of legal firms in public law cases and keeps no records about the level of remuneration paid. This information is held by the Deputy Judicial Greffier who is responsible for the payment out of public funds of lawyers in public law children’s cases. In order to assist members the Deputy Judicial Greffier has advised as follows:

The case concerned public law children proceedings instituted by the Minister for Health and Social Services in respect of children of Family X and subsequent judicial review and appeal proceedings.

At the commencement of the proceedings and pursuant to Article 72 of the Children (Jersey) Law 2002, the Royal Court appointed (1) an independent (social worker) guardian for the eldest children of the family; (2) another independent (social worker) guardian in respect of the youngest children; (3) an advocate from the firm of Hanson Renouf to represent the eldest children; and (4) an advocate from Appleby to represent the youngest children. The social worker guardians were supplied by the NSPCC.

An advocate from Bedell Cristin and an advocate from Viberts were appointed by the Bâtonnier under the legal aid scheme to represent the father of some of the children of Family X and the mother of all the children respectively.

The total expenditure from public funds on the case amounted to £606,606.80. This figure includes all lawyers’ fees, all costs of the Guardians and all costs of expert reports ordered by the Court etc.

Payments made to Hanson Renouf include costs of experts’ reports and assistance from English counsel.

Each of the law firms and the NSPCC received payments in the bands set out below:-

Amount £	Law Firm – NSPCC
0 – 50K	Appleby and Bedell Cristin
50 – 100K	NSPCC and Viberts
100 – 200K	- -
200 – 300K	- -
300 – 400K	Hanson Renouf

Payment to the Court appointed lawyers acting for the children (Appleby and Hanson Renouf) was made on a different basis to the payment made to the lawyers appointed by the Bâtonnier under the legal aid scheme to act for the parents (Bedell Cristin and Viberts).

In the latter case payment was made on the basis that the case represented an unduly onerous legal aid obligation for the appointed legal aid lawyers. The amounts paid to Bedell Cristin and Viberts reflect the fact that (a) the first 60 hours of work was not remunerated; (b) payment was made at the Court approved rate for legal aid appeals in criminal cases, and (c) payment was made for two-thirds of time spent on the case having discounted the first 60 hours unremunerated work.

The hourly rates specified by the Court during the years 2008 and 2010 in relation to legal aid appeals in criminal cases equate to hourly rates ranging from £132.50 to £141.00 for an advocate who is salaried and hourly rates ranging from £165 to £175 for an advocate who is a partner.

Following a decision of the Royal Court in the case of B –v- J [2008] JRC102 payment to the Court appointed lawyers for the children was to be made on the indemnity basis. On the indemnity basis all costs are recoverable except those unreasonably incurred or unreasonable in amount and any doubt as to reasonableness is resolved in favour of the receiving party - in this case the lawyer.

Following negotiations between the Deputy Judicial Greffier and the lawyers acting for the children payments were made at an hourly rate below the rate that would have been applicable for award of costs on an indemnity basis¹. During the relevant period the hourly rate on an indemnity basis for a salaried advocate, barrister or solicitor would have been £300 or more and the hourly rate for an advocate who was a partner between £375 and £400. The agreed hourly rates were reduced to £265 for a salaried advocate, barrister or solicitor and £336 for a partner. In addition a deduction of 10% of the time claimed was made prior to payment of the fee note.

In the recent judgment of the Deputy Bailiff in the case In Re B (Separate representation of minors in public law children cases) 2010 JRC150 (17th August 2010) the Royal Court has ruled that for all future cases the costs of the court appointed lawyers shall be assessed on the standard (rather than the indemnity) basis. On the standard basis any doubt as to reasonableness is resolved in favour of the paying party e.g. public funds. The Deputy Bailiff also recommended that until such time as appropriate hourly rates could be negotiated with the Treasury the rates should be the same as the legal aid rate for appeals in criminal cases.

¹ In the related judicial review proceedings in which Hanson Renouf were involved payment was made at the lower legal aid rate.

1.6 SENATOR J.L. PERCHARD OF THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING THE LEASE ARRANGEMENTS FOR LIBERATION STATION:

Question

Will the Minister advise whether Liberation Station is leased and, if so, will he advise –

- (a) the length of the lease to which the Transport and Technical Services Department are committed?
- (b) The 2010 rental liability?
- (c) Whether the Department has agreed any rent increases in future years and, if so, will he provide details?

- (d) Whether there is the possibility of any future overage payments or miscellaneous costs payable to the lessor?

Answer

I can confirm that Liberation Station is leased from the Waterfront Enterprise Board (WEB) by the Public through Property Holdings, and can respond to the Senator's specific points as follows:

- (a) The current lease commenced on 30th September 2007 and is for a period of 9 years, terminating 29th September 2016.
- (b) The 2010 rental liability is £100,000.
- (c) The lease agreement provides for a 3 year rent review cycle, the last "Market Rent" review was 30th September 2009 and the agreed rate is set until 30th September 2012.
- (d) No, none other than those set out in the lease agreement which is on a fully insuring and repairing basis.

1.7. TO THE MINISTER FOR ECONOMIC DEVELOPMENT BY SENATOR J.L. PERCHARD REGARDING THE LEASE ARRANGEMENTS FOR LIBERATION STATION:

Question

Will the Minister advise whether the Jersey Tourism building in Liberation Place is leased and, if so, will he advise –

- (a) the length of the lease the Economic Development Department is committed to?
- (b) The 2010 rental liability?
- (c) Whether the Department has agreed any rent increases in future years and if so will he provide details?
- (d) Whether there is the possibility of any future overage payments or miscellaneous costs payable to the lessor?

Answer

I can confirm that the Jersey Tourism Office at Liberty Wharf is leased from "Islands Developments Limited" by the Public through Property Holdings, and can respond to your specific points as follows:

- (a) The current lease commenced on 1st July 2007 and is for a period of 21 years, terminating 30th June 2028.
- (b) The 2010 rental liability is £109,300
- (c) The lease agreement provides for a JRPI rent review this year and once again in 2013, with three yearly "Market Rent" reviews thereafter.
- (d) No, none other than those set out in the lease agreement which is on a fully insuring and repairing basis

1.8 DEPUTY R.G. LE HERISSIER OF ST. SAVOUR OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING SUCCESSION PLANNING FOR THE HOSPITAL MANAGER'S POST:

Question

What procedures, if any, are in place for a successor to be appointed upon the termination of the Interim Hospital Manager's contract?

Answer

This is an important role within the Health and Social Services Department and there is a need to ensure that appropriate cover and an updated job description are in place. The replacement options for the interim Hospital Director are currently being considered and these include extending the current arrangements, appointing on a fixed term contract or recruiting permanently. It is expected that the preferred option will be agreed by the end of September, following consultation with the Appointments Commission.

1.9 DEPUTY R.G. LE HÉRISSIER OF ST. SAVIOUR OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING MANAGEMENT CHANGES FOLLOWING THE APPOINTMENT OF A DIRECTOR OF COMMUNITY AND SOCIAL SERVICES:

Question

What consequential management changes, if any, have occurred following the appointment of a Director of Community and Social Services?

Answer

The Director of Community and Social Services has been in post since 23rd August 2010. In the short period since his arrival, he has spent the majority of his time meeting key colleagues and visiting health and social care establishments and voluntary organisations.

Having undertaken this initial programme of visits he is now engaging with Senior Managers to review their roles and responsibilities with a view to recommending on new structural arrangements for the Community and Social Services area. This work will feed into the overall Health and Social Services management improvement plan which will be finalised and published in early December in accordance with the Deputy's proposition P.13/2010 which was unanimously approved in May of this year.

1.10 DEPUTY T.M. PITMAN OF ST. HELIER OF THE CHIEF MINISTER REGARDING THE PUBLICATION OF THE NAPIER REPORT:

Question

Given that the Napier Report, that the Chief Minister hoped could be completed in six weeks, is now many months overdue and mindful that the Wiltshire Report was also more than a year overdue, cost the taxpayer a seven figure sum, yet did not result in any disciplinary proceedings, will the Chief Minister now clarify the following –

- (a) when will the Napier Report be published and be made available to Members?

- (b) upon publication will the Chief Minister ensure that States Members receive a copy in advance of the media?
- (c) will the Napier Report be published in full and not in a 'redacted' form?
- (d) how many draft versions of the Napier Report have been written in arriving at the final version?
- (e) has the final version been altered in any way as a result of input from those individuals receiving so-called 'Scott letters'?
- (f) has the Deputy of St. Martin been kept fully informed, involved and made aware of all material and developments at all stages of Mr. Napier's investigation, as was agreed when the process was set in place; and if not, why not

Answer

- a) Mr Napier advised me last week that the final report would be with me today, but so far I have not yet seen it. Until such time as I have received and considered it I cannot give a definite date for its publication.
- b) When the report is ready for publication, I will ensure Members receive a copy before the media.
- c) I hope to be in a position to publish the full report but until I am able to complete a thorough review of the final report I cannot give that assurance as it is only fair and reasonable that anyone named in the report having given evidence, but not directly involved in the suspension process, is given appropriate protection from any adverse publicity.
- d) I do not know how many draft versions have been produced as I have not received any draft copies of the report but I understand that a draft was produced and sent to all of those people who were involved in the suspension process where Mr Napier had comment to make on their participation.
- e) I do not know if Mr Napier has made any alterations as a result of the feedback he has received from those to whom he circulated a draft copy.
- f) The Deputy of St Martin and I have been in correspondence at various stages of the review and he has been kept aware of progress and developments.

1.11 THE DEPUTY OF ST. MARTIN OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE HUMAN RIGHTS COMPLIANCE OF THE 'DRAFT INCOME TAX (AMENDMENT NO. 35) (JERSEY) LAW 200-':

Question

Given that during the meeting on 20th July 2010 when debating P.68/2010 'Draft Income Tax (Amendment No 35) (Jersey) Law 200-' the Minister did not inform Members why the proposed Law was Convention compliant and what Article(s) were relevant, but the Assistant Minister promised to make that information known, will the Minister now provide the answer?

Answer

Advice is received by Ministers from the Law Officers' Department on whether draft laws are compatible with the European Convention on Human Rights. Ministers make statements of compatibility based on this advice.

In this case, the Draft Income Tax (Amendment No 35) (Jersey) Law 200- was considered Convention compliant because it applied the existing Income Tax Law (which already applied to partnerships) to the new partnership laws. The Law Officers' Department advised that the new partnership laws were Convention compliant.

1.12 DEPUTY T.M. PITMAN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE SHIP2ME AND ME:MO INITIATIVES AT JERSEY POST:

Question

Will the Minister, as the representative shareholder, advise how much it cost Jersey Post to set up the Ship2Me and me:mo initiatives, outline their respective running costs and profits to September 2010 and advise whether the two initiatives are viewed as a success and whether they will be run in the future?

Answer

I require Jersey Post's Board of Directors, along with all States owned companies, to provide efficient, effective and affordable services to islanders, whilst providing an appropriate financial return to the States as shareholder.

The Board is responsible for running the company and meeting these objectives and is held to account for doing so. It is not appropriate to publish detailed analyses of the company's operations.

1.13 DEPUTY T.M. PITMAN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE REMUNERATION OF THE CEO, HR AND FINANCE DIRECTORS OF JESEY POST:

Question

Will the Minister advise, as representative of the Shareholder, whether the remuneration of the CEO, HR and Finance Directors of Jersey Post are in excess of their counterparts in the U.S. postal service, one of the largest postal services in the world?

Answer

Remuneration of executive directors is a matter for the company's Remuneration Committee.

The company's Remuneration Committee sets the framework for the remuneration of the Company's Executive Directors. The Committee comprises at least three independent non-Executive. The Committee produces an annual report of the Company's remuneration policy and practices which will form part of the Company's annual report.

1.14 DEPUTY T.M. PITMAN OF ST. HELIER OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING RESTRICTING ACCESS TO THE ALBERT QUAY AREA:

Question

Given that in his answer to a written question on 19th July 2010 he described the potential costs of making the Albert Quay area a 'restricted access' area - preventing boy racers and the playing of loud music whilst still permitting recognised port users and those who simply wish to fish from the quay to be 'excessive' would the Minister outline those costs and undertake to investigate how many ports around the world manage to enforce restricted access areas?

Answer

As in ports around the world, there are already four permanent restricted access areas at the port of St Helier at the Elizabeth Terminal, Albert Terminal, New North Quay and La Collette Tanker Berth. These areas are defined and managed in line with the International Ship and Port Facility Security Code (ISPS). The maintenance of these zones is part of the core business of running a commercial port.

As stated in the answer to the written question in July and in further discussions with residents over the summer, the decision to restrict general public access to an area of the harbour is not something that should be taken lightly and would not normally be considered unless for health and safety or security reasons. The public are generally welcome in all other areas of the harbour and legitimate users of the Albert Pier include the RNLI, ambulance service, visiting yachtsmen, small businesses, the passenger terminal, private parking and fishermen.

If it was decided to enforce the southern part of the Albert Pier as a restricted zone, it would be necessary to install gates at all access points to the Pier and in order to allow legitimate users to enter the area, the gates would have to be manned. The costs associated with this would likely be in the region of £70,000 to construct one gate and manning costs dependent on the times the area would be closed. Every hour the gates are manned would cost approximately £6,250 per annum. These costs are for one gate only and do not include barriers to the north to close the footpaths or the tunnel to the south.

Although we have great sympathy with the residents and will continue to work with them to provide cost effective measures where possible, the appropriate way to resolve the current problems would be to increase police involvement to control the noise issue and discussions will continue to this end.

1.15 DEPUTY T.M. PITMAN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE PRIVATISATION OF THE POSTAL SERVICE:

Question

Is it the Minister's intention to ultimately pursue the privatisation of the postal service?

Answer

There are currently no plans to privatise Jersey Post.

1.16 DEPUTY S. PITMAN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING JERSEY POST'S REDUNDANCY POLICY:

Question

Will the Minister, as the shareholder representative, advise what the criteria was to access Jersey Post's redundancy package and whether the package was changed from a first offer of two weeks pay per year served plus 20%, to a second offer of two weeks pay per year served and no additional 20%?

Answer

This is a commercial matter for the Board of Jersey Post and not a matter for the shareholder.

I expect all States owned companies to be responsible and fair employers. I have not reviewed the detail of any redundancy packages, nor is it appropriate that I do so. The detail of any redundancy is a matter for the company, individual employees and their representatives.

1.17 DEPUTY S. PITMAN OF ST. HELIER OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE APPOINTMENT OF AN ADVISOR AT JERSEY POST:

Question

Will the Minister, as the shareholder representative, clarify whether one individual was recently being paid more than £14,000 per month by Jersey Post to act as an 'advisor' and if so, what precisely was the individual's role; how was he appointed; what financial benefit/increased profits did his input generate; and what was the total sum the individual received over the period of his contract?

Answer

I require Jersey Post's Board of Directors, along with all States owned companies, to provide efficient, effective and affordable services to islanders, whilst providing an appropriate financial return to the States as shareholder. It is not appropriate for the shareholder to be involved in individual commercial contracts, nor is it appropriate that these are publicly reported.

Remuneration of executive directors is overseen the company's Remuneration Committee. The Committee produces an annual report of the Company's remuneration policy and practices which will form part of the Company's annual report that it is put to the shareholder for approval at the AGM.

The Board is responsible for entering into commercial contracts for services and advice as appropriate. These contracts and the advice and services provided under them are commercially confidential. It is not appropriate for the shareholder to be involved in individual contracts; this is a matter for the Board.

1.18 THE DEPUTY OF ST. MARY OF THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING BLOOD SCREENING PROGRAMMES:

Question

What screening programmes, if any, are currently carried out by the department and is UAT (Unlinked Anonymous Testing) of blood samples, which allows for information to be gathered about the prevalence of HIV, one of the screening programmes?

If it is not, can the Minister explain what the benefits are of UAT and why it is not currently undertaken?

Answer

Breast and cervical cancer screening programmes are well-established in Jersey. Other screening programmes in Jersey include:

- chlamydia screening
- antenatal screening
- new born babies' screening
- diabetes screening.

Unlinked Anonymous Testing for HIV (the human immunodeficiency virus) has not been introduced in Jersey. This system has been well established in the UK since the early 1990s and has provided invaluable information about the extent of HIV infection in the population that has yet to be clinically diagnosed. The process involves 'unlinking' remnants of blood samples taken for other purposes from their identities, and testing anonymous batches to measure what proportion have HIV infection. Individuals cannot be identified after the 'unlinking'. The proportion of unlinked samples shown to be HIV infected is then compared with the known proportion of clinically diagnosed HIV in the particular community.

The UK programme has shown that for every two people with HIV infection in the UK who know their diagnosis, there is one more HIV infected person whose infection has not yet been clinically diagnosed. This data has been of tremendous importance in the UK in helping increase the uptake of voluntary, confidential 'named' testing for the virus. The extent of undiagnosed HIV infection in Jersey is likely to be just as high as the proportions observed in the UK.

However, over the years there has been major progress in knowledge about HIV. Rather than introduce a new UAT programme now in Jersey (which would have required a prolonged study), we have decided there will be more benefit in following the new UK approach which is to further improve the rate of HIV diagnosis through **normalisation** of HIV testing.

- The big change since the early years is that HIV is a treatable disease with a good outlook if diagnosed early.
- A quarter of people diagnosed annually in the UK are diagnosed too late for effective treatment.
- Late diagnoses accounts for about a third of HIV deaths.
- Many of those diagnosed late had had contact with healthcare professionals in the preceding year, so it's likely that opportunities to offer testing for HIV had been missed.
- Improved detection will help reduce onward transmission.

Recent UK national guidance recommends different approaches to offering HIV testing, depending on the likely prevalence of undiagnosed HIV in the community. Jersey is very likely to be a low

prevalence area. For a community like ours, the new guidance is that HIV testing should be on the same footing as any other investigation offered routinely to patients who either have symptoms, or possible risk factors that indicate it is appropriate.

The threshold for suggesting an HIV test to patients should be exactly the same as for any other test that assists a doctor in reaching a diagnosis. It has long been the case that there is no need for specialist pre-test counselling.

Our previous plans to introduce UAT in Jersey were mainly to pave the way to increase voluntary testing as above. The debate has now moved on. All doctors in Jersey have now been provided with advice and guidance about the new approach to normalising HIV testing from our Consultant Microbiologist / Consultant in Communicable Diseases.

1.19 THE DEPUTY OF ST. MARY OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE DIFFERENCE IN THE C.S.R. CUTS TARGET IN RESPECT OF DEPARTMENTS' NET AND GROSS EXPENDITURE:

Question

Can the Minister explain the difference in the C.S.R. cuts targets of 2%, 3% and 5% applying to departments' net expenditure and gross expenditure?

Can the Minister confirm that the information by department in the Annex to the Annual Business Plan is a comprehensive list of all the income, however generated, which then goes towards offsetting a given department's gross expenditure?

Answer

The C.S.R. targets totalling 10% will reduce the net expenditure of the States. The £50 million target was initially based on 10% of the 2010 gross expenditure budget excluding Social Security, given that the latter department's expenditure is almost all Supplementation (which is being considered as part of the Fiscal strategy) and Income Support. However, Social Security will now contribute to achieving the overall target.

Departments were specifically requested to come forward with proposals to reduce their gross budgets by 10% so that increased income/revenue could be considered over and above savings and provide some political choice in which proposals to support.

I can confirm that the information given in the Annex to the Business Plan lists all departmental income. There are other income sources such as States Income (including taxation, impots, Stamp Duty and the Island Rate) which is not attributable to individual departments as well as special funds and bequests which have their own rules regarding income and expenditure.

1.20 THE DEPUTY OF ST. MARY OF THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING TOURISM EXPENDITURE FOR 'PLANNING AND RESEARCH':

Question

Given that in the budget for Tourism an expenditure line for “Planning and research” has hovered around £1 million over the last 7 years, peaking at £2 million in 2007 and £1.4 million in 2008, would the Minister explain exactly where this money was spent in those two years?

Answer

The budget (as presented in the EDD Annual Business Plan) for the Planning & Research area of Jersey Tourism may vary from year to year depending on the studies to be undertaken.

In presenting the accounts for Jersey Tourism in the Jersey Tourism annual reports the figures also include some spending from more corporate areas that do not fall into any other particular activity centre. Some of these can be one off costs such as the Island rebranding in 2007 and varying amounts for route marketing which support the development of new air routes mixed with the annual grants to the Jersey Conference Bureau and Bureau de Jersey.

Appendix to Question 5611 (Question 20)

	2008 Actual	2007 Actual
	£000	£000
Corporate		
Strategy and Policy	1,224	1,794
Research and Planning	186	253
Communication		
Advertising and Media	1,845	2,247
Distribution	191	214
Marketing Services	431	551
Product Development	906	989
Market Development		
Public Relations	562	549
Trade Relations	977	386
Consumer and Media Relations	675	885
Visitor Services	324	282
Net Revenue Expenditure	£7,322	£8,150

Note: The above figures include direct salaries and an allocation of Economic Development Department (EDD) overheads

Key Financial Results

Total net revenue expenditure for 2008 decreased by £838,000 (-10%) when compared with 2007.

Part of the decrease can be attributed to the move to UK GAAP, where the cost of 2009 Tourism brochure has been carried forward into 2009 and effectively reduced expenditure by £268,861 in addition during 2007 there was one off expenditure in relocation and Island Branding.

Corporate expenditure decreased by £637,000 (-31%)

The decrease in Corporate Strategy and Policy expenditure was mainly due to one-off costs in 2007 including the relocation to the new Tourism Building at Liberation Place (£675,000) and Island Branding (£120,000) Corporate Research and Planning expenditure decreased by £67,000 due to the Visitor Exit Survey in 2007, which is only conducted once every few years.

Communication expenditure decreased by £628,000 (-16%)

During 2007 Communications Advertising included Trade Relations (£660,000). However, in 2008 due to its importance it is reported separately under Market Development (see below). In line with UK GAAP the cost of 2009 Tourism brochures has been carried forward to 2009, effectively reducing expenditure by £263,861. Taking these factors to one side, Communications Expenditure increased by £235,000.

The increased spend related to £210,000 for additional advertising in response to the Historic Child Abuse Enquiry (HCAE), for which it received budget. The Tourism Development Fund paid £250,000 for HCAE Advertising costs which are reported separately in the Tourism Development Fund Annual Report.

Market Development expenditure increased by £437,000 (+21%)

The increase is mainly due to the change in reporting Trade Relations under Marketing Development for 2008 (see above).

Business Unit	Section	Actual 2007	Actual 2008	Difference
NTC000 –Corporate Strategy – General	Strategy and Policy	136,072.88	84,448.82	-51,624.06
NTC001 –Jersey Conference Bureau	Strategy and Policy	240,045.21	230,203.00	-9,842.21
NTC005 –Corporate Strategy – Committees	Strategy and Policy	43,531.37	0.00	-43,531.37
NTC010 –Ice Rink	Strategy and Policy	3,984.59	15,286.56	11,301.97
NTC015 –Bureau de Jersey	Strategy and Policy	50,000.00	50,000.00	0.00
NTC020 –Island Branding	Strategy and Policy	119,989.86	217.00	-119,772.86
NTC030 –Tourism Strategy Development	Strategy and Policy	6,820.58	0.00	-6,820.58
NTC040 –New Business Opportunities	Strategy and Policy	93,492.94	77,240.29	-16,252.65
NTC055 –Town Centre Manager	Strategy and Policy		9,956.03	9,956.03
NTC050 –Airline Marketing	Strategy and Policy	250,776.83	3,571.91	-247,204.92
NTC051 –Route Development	Strategy and Policy	457,653.00	726,390.27	268,737.27
NTC100 –Relocation – Liberation Place	Strategy and Policy	325,009.74	0.00	-325,009.74

NTC101 –Relocation – Jubilee Wharf	Strategy and Policy	50,334.53	10,931.78	-39,402.75
Overheads		16,136.36	15,549.24	-587.12
Total for Strategy and Policy		1,793,847.89	1,223,794.90	-570,052.99
NTM610 – T & M – General Research and Strategy	Research and Planning	253,119.07	186,409.36	
Total for Research and Planning		253,119.07	186,409.36	-66,709.71

1.21 THE DEPUTY OF ST. MARY OF THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE 6 MAJOR C.S.R. REVIEWS:

Question

For each of the 6 major C.S.R. reviews can the Minister advise –

- (a) are there both commissioners and advisers?
- (b) what are their respective roles?
- (c) when were they appointed?
- (d) who are they, what was the selection process, and how much are they being paid?
- (e) what is the timeline to which they are working, including draft reports, discussions with the reviewed department, second drafts, etc, and up to final reports?

Answer

Of the 6 major reviews identified under C.S.R., 5 are now underway. The Social Security review will be undertaken alongside the main Income Support review later this year.

(a)+(b) Independent Reviewers have been appointed to chair, and participate in, the Steering Groups of the 5 reviews underway. I advertised for people to come forward who wished to contribute to the C.S.R. and I am delighted that 7 people are now involved with 5 chairing their respective Steering Groups. Professional advisers have also been appointed for 4 of the reviews to deliver detailed terms of reference specific to each review.

(c)+(d) The Independent Reviewers were appointed in late May/June. The details of the professional advisers are as follows:

Major Review	Who Is Doing It	Commenced	Cost
Education Sport and Culture	Tribal	July 2010	£29,850
Home Affairs & Court & Case Costs	Tribal / TQMI	June 2010	£79,600
Terms & Conditions	Tribal	June 2010	£48,755

In addition to these costs, there is a standard £180 day rate for expenses. Each project was tendered for separately.

- (e) The advisers' reports have been, or are being, finalised and presented to the relevant Steering Group. Those groups are now drafting their own reports with their findings to be discussed at political boards set up on 21st September. These outcomes will be discussed in relation to the C.S.R. Part 2 process looking at savings in 2012 and 2013.

The Council of Ministers will publish details of its conclusion at the same time as the budget is lodged on 26th October 2010.

2. Oral Questions

2.1 Senator S.C. Ferguson of the Chief Minister regarding the establishment of suggestion schemes:

Given that the Annual Business Plan 2010 required all departments to set up suggestion schemes, will the Chief Minister explain what actions, if any, have been taken to implement this requirement?

Senator T.A. Le Sueur (The Chief Minister):

A number of suggestion schemes have been set up within departments. For example, Health and Social Services have set up a suggestion scheme to encourage staff to raise suggestions about how to do things differently, as well as efficiency ideas for the Comprehensive Spending Review. About 70 suggestions have been received so far. Transport and Technical Services have encouraged staff to come forward with suggestions and shared them with their Savings Review Group. They have published a newsletter which includes all the ideas and a preliminary response about the way to take each one forward. The States of Jersey Police currently have an intranet-based suggestions board and suggestion boxes. They estimate that 50 suggestions have been received in the last year. In addition, there are other subjects for discussion forums. The Fire and Rescue Service has a practitioner's forum which meets quarterly to consider proposals for improving service delivery. Planning and Environment have had "Ask Andy" sessions where the Comprehensive Spending Review has been discussed and sessions where the C.S.R. (Comprehensive Spending Review) was the main topic. Additionally, the Chief Officer has sent

various emails and messages inviting conversations and suggestions. Social Security has set up a C.S.R. suggestions mailbox and has had a range of suggestions for service and staff savings. Finally, the C.S.R. team have set up a direct email link from the C.S.R. intranet site for staff to email suggestions and these are being evaluated.

2.1.1 Senator S.C. Ferguson:

Is there any facility for these to be anonymous suggestions, as they would normally be, and is there any facility for awarding rewards for good suggestions that are taken on board in any of these departments? Although these are not all schemes, we seem to have missed a number of departments like Education and so forth. When will the Ministers ... I have 3 questions there, I am sorry. Monetary rewards and when the proper scheme will be operational throughout the States.

Senator T.A. Le Sueur:

Firstly, they can be anonymised through the intranet emails links. As far as rewards are concerned, there is no reason to preclude rewards but they are not specifically put out as an incentive to provoke requests. As far as other departments are concerned in bringing it all together, there will be different ways of doing these things, some of which may suit one department more than another. We can learn from the process that we have had so far and see what is the best way of doing this on a uniform, co-ordinated basis for the future.

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

From the extensive list and use of suggestion boxes supplied by the Minister, can I ask whether he has replaced consultation - full and meaningful consultation - with employee representatives over the C.S.R. with a series of suggestion boxes and invites for suggestions?

Senator T.A. Le Sueur:

No, Sir.

2.2 Senator F. du H. Le Gresley of the Minister for Housing regarding access to the Rent Control Tribunal:

Further to my raising the matter of high rents charged in the private sector during the debate on 20th July 2010 on P.77/2010, and my subsequent exchange of emails with the Minister concerning the inability of many private sector tenants to use the Rent Control Tribunal due to restrictive clauses in their leases, could he advise what action, if any, he proposes to take to remedy this situation?

Deputy S. Power of St. Brelade (The Minister for Housing):

I do acknowledge an exchange of emails between myself and the Senator at the end of July. There are some issues with a small number of landlords in the private rental sector, however I would point out to the Assembly that the Dwelling Houses (Rent Control) (Jersey) Law, which practises best tenancy agreement, has the important 6 points to underwrite the agreement between the landlord and the tenant and these are: a cap on rent increases to no more than the retail price index; a cap on the level of deposit to no more than the rental payment period; that no rent be payable if the premises are unfit for purpose or unfit; that premiums cannot be levied legally including as to services, including the sell-on of utility charges and as to notice periods, giving 6 months' notice in writing to longstanding tenants. However, as the Senator will know from his current career and his previous career, we do not live in an ideal world. We do not live in an ideal world and there are a number of small problems out there.

2.2.1 Senator F. du H. Le Gresley:

The Minister has referred to cap on rents, no more than R.P.I. (Retail Price Index). Could I ask him if he is concerned that average rents in the private sector increased by 24.6 per cent during the 3-year period January 2007 to December 2009 while rents in the public sector increased by 8.7 per cent, and during that same period the R.P.I. only increased by 7.44 per cent? If he is concerned, what does he propose to do to help private tenants who, on this evidence, are being exploited by landlords?

Deputy S. Power:

I am aware that the Senator is quoting an accumulative figure over 3 years, some of it in the boom times before we went into recession. However I will say this to the Senator, there are a lot of factors out in the private rental sector, including the unqualified sector that are fuelling increases which may relate to his question, and I would say that there is a direct correlation between the lack of affordable housing on the Island and the provision for social rented housing in the Island which will have to be increased. I do, however, acknowledge the Senator's question and I do acknowledge that there is a problem which may have to be dealt with, but it can only be dealt with over a longer period of time.

2.2.2 Deputy G.P. Southern:

Will the Minister please kindly answer the question, what action, if any, does he propose to take to improve the situation? He acknowledges the problem, there is a problem. What action does he intend to take to improve the situation and by when?

Deputy S. Power:

The Minister for Housing does not do miracles but I would answer his question by saying the following. The inflationary portion of part of the private rental housing sector is caused by demand exceeding supply. That can only be addressed by us increasing... or this Assembly, through the Minister for Housing or the Minister for Planning and Environment and the Minister for Treasury and Resources, improving the provision of affordable housing and increasing the provision for social rented housing. I cannot give Deputy Southern a timescale at the moment as to when that is likely to happen because the draft Island Plan is a draft. We are all making submissions on the draft Island Plan next month and I will be very forcefully expressing my views as to how we need to increase the provision for affordable housing, social rented housing and, indeed, my Assistant Minister is leading on this.

2.2.3 Deputy G.P. Southern:

The Minister has very kindly pointed out there is a problem, that he has a clause in the relevant regulations to deal with it and yet it is not being dealt with and he acknowledges that. When, if at all, will he act to tighten-up this particular regulation on which he already has powers and if not, why not?

Deputy S. Power:

Deputy Southern will be well aware, as most Members of the Assembly are aware, that the increase in rents in part of the rental sector is an area outside the (a) to (h) sector and those are the very people we need to protect that the law does not protect. So the answer to the Deputy's question is that they will be protected in a number of ways next year when the Residential Tenancy (Jersey) Law comes back from the Privy Council and is rolled-out under a new regulation to what is now the unqualified sector. So I will try and do something about it. I am as unhappy about it as are many people in this Assembly, but at the moment I do not have the legal power to enforce.

2.2.4 Deputy M. Tadier of St. Brelade:

This may already be in the pipeline, so excuse the question if that is the case, but concerning specifically the case of 'unfit for purpose' accommodation in either sector, would the Minister be supportive of having an inspection system prior to being able to rent a property out so that one does

not have to go through the process after a property becomes discovered to be unsatisfactory for dwelling?

Deputy S. Power:

That is a difficult one to answer in a minute or 2. There are premises out there, particularly in the (a) to (h) sector and in the unqualified sector, that are unfit for purpose and would not meet modern decent home living standards. I recently moved a lady from an unfit for purpose (a) to (h) into one of our units. The problem is a lot of people do not complain. There is such a demand. The demand is so much greater over the supply situation that people will take units that are not fit for purpose. I have also had meetings with the Minister for Planning and Environment with regard to being able to retrospectively change units of accommodation under planning law that we know to be not fit for purpose, and that is something that the Minister for Planning and Environment is considering, but there are units of accommodation out on this Island - both in the qualified sector and in the unqualified sector - that in my opinion are not fit for purpose.

2.2.5 Deputy M. Tadier:

If I can add then, I think it is exactly because people do not complain because they do not necessarily have the choice, that is a reason why we should have inspections. Does the Minister agree that the same principle should apply, for example, to those that might apply to hotels, guest houses, but you cannot rent a room out until it has been inspected until you have a licence to let that room or to let that property out so that we know it is fit for purpose?

Deputy S. Power:

I apologise to the Deputy. We do inspections in both the (a) to (h) sector and in the unqualified sector. We recently have prosecuted some people for having premises and units of accommodation that were unfit for purpose. We do have an inspector out there that does about 20 to 25 hours a week. It is up to the Minister for Planning and Environment then to change the standard of accommodation that we report, but I am unhappy. We do inspect and the ones that we find to be unfit we do what we can to them.

2.2.6 Senator S.C. Ferguson:

I have noticed a considerable number of properties to let in estate agents' windows and in the *J.E.P.* (*Jersey Evening Post*). What recent work has been done by the department looking at the rental market?

Deputy S. Power:

The Minister for Housing has certain powers but he does not have the powers to interfere in the market to set rent controls or to set, say for instance, the valuation of a premises. That was withdrawn from the Minister by the Assembly some years ago. There is a very buoyant rental market out there both in the qualified sector and in the unqualified sector and people have bought to rent, people have converted to rent, and as to whether it is a good thing or a bad thing I do not have the information to hand, so my answer to the Senator is it is something I am aware of. I have not had sufficient data come to the department that says that it is a problem more than a market condition, but on studying the rest of the rental market at the moment, I hope to have a better idea as to what is going on in the next 3 months.

Senator S.C. Ferguson:

So what the Minister is saying presumably is that you have not got a piece of work, the evidence, on the state of the rental market really to be able to talk in an informed manner on the overall rental market?

Deputy S. Power:

Yes, that is correct.

2.2.7 Deputy D.J. De Sousa of St. Helier:

The Minister mentioned in a previous supplementary question about affordable housing and the lack of. Does the Minister not consider that the Island is a small Island, 9 miles by 5 miles, we cannot continuously build? Does he not consider that the buy-to-let market is part of the issue and the fact that most properties, i.e. Castle Quay, when they are being started they go off-Island and people can purchase from elsewhere and charge extortionate rents?

[15:00]

Deputy S. Power:

The Minister is addressing 2 issues there - those are people from outside the Island who purchase and the buy-to-let market. My understanding at the moment on affordable housing which is the first part of the Deputy's question, on the first scheme we did on Home-Buy the eligibility in gateway was between £40,000 and £60,000, which gave a mean figure of £250,000 on which to get a mortgage, and that is why the success and delivery of La Providence was successful. We would like to have more of that but we would also like to widen the gateway. Instead of it being just available to a couple with 2.4 children, it would be available to couples without children and to various variations in the eligibility. Unfortunately, as I said earlier, we do not live in an ideal world. I have absolutely no information on Castle Quay. I am not in a position to understand the marketing of that development. I have answered this question previously when it came up on the Spectrum development where I was asked whether there were landlords from outside the Island who were buying. I believe there is a limited number of that on the Island, but my information is that it is not disproportionate to the local activity in the local market place.

2.2.8 Senator F. du H. Le Gresley:

I would just like to ask the Minister if he appreciates the concern that I am trying to express about this excessive rise in private sector rent during the 3-year period. The figures which I have quoted earlier have been confirmed by the Statistics Office and also that the recent *Jersey House Price Index* second quarter report confirms that rents have risen by a further 3 per cent in the first 6 months of this calendar year, so I really feel that the Minister needs to address these issues and I am not quite satisfied with his response today.

The Deputy Bailiff:

Is there a question? You must ask a question.

Senator F. du H. Le Gresley:

Would he respond to those comments, thank you?

Deputy S. Power:

I am very happy to respond to Senator Le Gresley. He quotes accumulative inflationary rent increase of 24 per cent in the private sector and 8 per cent in the public sector. The difference is about 16 per cent. I will give the Senator an undertaking and I will instruct the Population Office, who is responsible for this area, to have a look at it. I remind Members that the Population Office is part of the Chief Minister's office but the Minister for Housing is still responsible for housing law. I thank the Senator for his question.

The Deputy Bailiff:

Very well. Members are unusually blessed today. Back in the Assembly for the first time for several months and also with 3 Law Officers present, not only the Solicitor General but up in the gallery the Attorney General of Jersey and the Attorney General of Guernsey. As a guest you might want to welcome Guernsey's A.G. **[Approbation]** We now come to question 3 which the Deputy of St. Mary will ask of the Minister for Treasury and Resources.

2.3 Deputy D.J.A. Wimberley of St. Mary of the Minister for Treasury and Resources regarding the 6 in-depth reviews of the biggest spending areas and departments:

Given that the Minister announced that 6 in-depth reviews would be carried out of the biggest spending areas and departments of government as part of the process of achieving 3 per cent and 5 per cent savings in years 2 and 3 of the C.S.R., can he advise who is carrying out these reviews, exactly when they started work and when they are expected to finish?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

Members may want to refer to written question 21, which also addresses the subject of the Deputy's question. I can advise that professional advisers have been appointed to carry 4 of the 6 major reviews, Health and Social Services are just about to issue a brief to consultants and the Social Security Review will be encompassed within the review already announced by the Minister for Social Security into income support. Of the 4 reviews underway, Tribal have carried out the Education Sport and Culture review and are undertaking the Terms and Conditions review. Tribal in partnership with TQMI have carried out the Home Affairs, Court and Case Cost review; the former started in July, the remainder in June. All the reports have been or are being finalised and presented to the relevant steering groups. The groups are now drafting their own reports with findings and these will be discussed at the political boards on 21st September. These outcomes will be discussed in relation to part 2 of the C.S.R. process looking at savings in 2012 and 2013 of which the conclusions will be announced in advance of the budget at the end of October.

2.3.1 The Deputy of St. Mary:

I thank the Minister for his reply. Doing the review of Jersey Post, there is a commissioned efficiency review of Jersey Post commissioned by the J.C.R.A. (Jersey Competition Regulatory Authority) who are much admired by the Minister and his colleagues. That review had 4½ months from the start ... Sorry, it was a tendering document but the J.C.R.A. allowed 4½ months from the start of the project to the delivery of the finished report and that included discussions with Jersey Post, who are being reviewed, and with the J.C.R.A. and interim reports. The Minister has just told us that Health and Social Services are just about to issue a brief. They have no reviewer and they are expected to present a report that goes to a political board by 21st September. Education, Sport and Culture, 2½ months to review a body that surely is more complex than Jersey Post which requires 4½ months and so it goes. My question is, how can these shotgun, really fast reviews have any real credibility?

Senator P.F.C. Ozouf:

I do understand the Deputy's concerns but what I would say to him is that the key question that Ministers are asking and wanting to inform the Assembly on in advance of the budget debate later on this year is whether or not departments are capable of realigning and reorganising their services to take a 10 per cent cut in terms of their funding. Those are the purposes of the reviews. I am not saying for one moment that there is not going to be a great deal of work that is going to be required in terms of implementing the decision in principle to reduce States spending by 10 per cent for different departments. That is why these reviews which are ... I have not been briefed on all of the reviews but a great deal of extremely good work has been done by the departments themselves with the assistance of the independent consultants and the independent reviewers and from everything that I can see so far there are some really good ideas in terms of budget reductions and how to deliver them.

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

The Minister mentioned Tribal and TQMI. For the benefit of all the Members, would he explain who they are and what experience they have?

Senator P.F.C. Ozouf:

Both entities... Tribal perhaps will be better known to Members because they have carried out similar efficiency reviews for the States of Guernsey and were central in the States of Guernsey decision to make a number of efficiency savings at the end of last year. If the Deputy wants more information on those 2 firms, I am happy to circulate some information about them but they are leading consulting agencies in terms of assisting governments, assisting organisations such as the States of Jersey in terms of driving efficiencies.

2.3.3 Deputy G.P. Southern:

When he circulates the information, could he also outline the terms of reference given to Tribal and TQMI?

Senator P.F.C. Ozouf:

I think the terms of reference have been circulated, but I am happy to re-circulate them.

2.3.4 Deputy M. Tadier:

The Minister may be aware that there seems to be some disagreement within the Council of Ministers as to which Ministries are leaner than others. With that in mind, will the Minister explain what would happen if, in fact, a particular department is found to be completely lean, that there is no fat or not the fat that was hoped for, will the 3 per cent and 5 per cent cuts still be going ahead?

Senator P.F.C. Ozouf:

If I may just correct the context. The Treasury announced previously earlier this year that unchecked the Island faced a total deficit of £100 million. That was as a result of the global downturn affecting our income, decisions on spending and putting on to the table all the necessary contingency amounts that the States have and we need to find a solution to that. We are going to be proposing changes inevitably in terms of taxation, but the decision on taxation is going to be guided by how much we can target in terms of savings. So as far as unity on the Council of Ministers is concerned, I have to speak as I find, and I find the Council more united in a determination to drive efficiencies within the whole of the public sector and to present to States Members as detailed reports as we can in terms of efficiencies and projects to completely deliver the most services in the most efficient manner. Inevitably, there are going to be some discussions about which departments can take more and which departments can take less and that is the whole work that is going to be going on in the next few weeks as we work through now the second stage of the Comprehensive Spending Review.

2.3.5 Deputy M. Tadier:

Does the Minister acknowledge that inefficiencies can be both financial as well as operational, so a system can be inefficient because too much money is being spent or wasted but a system can also be inefficient because not enough funding or not the correct funding and the correct facilities or staffing is being given, and therefore that also is an inefficiency in the system which will necessarily have social and possibly financial implications?

Senator P.F.C. Ozouf:

If the Deputy is talking about efficiency in terms of departments not having the right resources, the right I.T. (Information Technology) systems, the right structures in order to perform their work, then I would agree with him and that is why one of the repeated refrains that I am going to be saying in the Business Plan debate is that the restructuring costs, the restructuring one-off amounts of money which Members have targeted in order not to make some difficult decisions in the Business Plan, must be kept intact because I recognise that if we are going to save money in delivering services not only are we going to have to make some restructuring arrangements that are going to require an upfront cost, the departments are also going to have to have access to money for, for

example, new I.T. systems which are going to make them more efficient and going to deliver their services - and I hope better services for the public.

2.3.6 Deputy G.P. Southern:

In the light of his answer to question 19 today, can the Minister explain to Members why Social Security was largely exempt from making these drastic cuts and yet now seems to be subject to this sort of analysis and suggestions that it does make major cuts?

The Deputy Bailiff:

I do not think, Deputy, that supplementary relates to the subject matter of the question but as the Minister raised the question in his own answer I will direct him to answer it.

Senator P.F.C. Ozouf:

I think the Deputy wanted to ask about the question as it relates to the major review of Social Security. First of all, I would say that drastic cuts are exactly what the U.K. (United Kingdom) Government is having to do because the U.K. Government has done what Deputy Southern wishes to do, which is not to match income and expenditure every year and to start borrowing and to start going down that slippery slope. If we adhere to his view of the world we will be having to have drastic cuts. In relation to Social Security, there is going to be a discussion with Social Security about the whole of their budget; £66 million of their budget, £99 million for income support, £66 million for supplementation. We need to look at the cost that the States incurs in terms of putting money into the social security system and we did not put a 10 per cent cut across the whole of their budget recognising that supplementation almost was in perhaps the tax F.S.R. (Fiscal Strategy Review) project itself. That is something I know the Deputy agrees with looking at the issue of the cap and certainly, as we go forward, we are looking at how we can reduce that supplementation amount of money as appropriate with the forms and there are constructive discussions going on with Social Security.

2.3.7 The Deputy of St. Mary:

We have learnt now that these reviews - these wonderful reviews of the 6 major areas - are not going to give Ministers suggestions of cuts, they are not going to have worked out cuts. We are going to find out whether the departments are capable of taking the cuts. Would the Minister care to comment on the timescale on which this whole process seems to be evolving, and I am just wondering to put it to him whether it is not really all a little bit rushed?

Senator P.F.C. Ozouf:

I appreciate the issue of time but this Assembly has to make some really difficult decisions about the balance between tax and spending. If you simply say we are going to take 18 months to review and to make decisions about whether or not we can target savings, then that is not going to help our public finances in bringing them back to balance. There are going to be proposals, I am reasonably confident, out of the second stage of the C.S.R which are going to be specific ideas, more than ideas, proposals, in order to reduce money and there are going to be ... All departments have come forward virtually without exception with aspects of efficiencies and cuts that they can deliver and I hope they will be able to deliver some of those things earlier than 2012 and 2013. Inevitably, there are going to be other departments, particularly perhaps in Education and Health, that are going to take more time in order to work through but the Assembly must agree what the target is with the best information it has and then give all the encouragement we can for those departments and implement those savings over a reasonable period of time.

2.4. Deputy P.V.F. Le Claire of St. Helier of the Minister for Treasury and Resources regarding the cost of advertising with the *J.E.P.* and the *Jersey Gazette* to States departments:

How much money was spent advertising with the *J.E.P.* over the last 12 months and the *Jersey Gazette* by States departments?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

Can I ask Deputy Noel to be rapporteur please.

Deputy E.J. Noel of St. Lawrence (Assistant Minister for Treasury and Resources - rapporteur):

We can confirm that including design costs the total amount spent advertising with the *Jersey Evening Post* and placing notices in the *Jersey Gazette* over the period from 1st July 2009 through to 30th June 2010 was in the sum of £333,988. This can be broken down as follows: *Jersey Gazette*, £66,684; planning notifications, £51,364; recruitment advertising, £140,137; and run of paper and miscellaneous costs of £95,803.

[15:15]

2.4.1 Deputy M.R. Higgins:

I would just like to know how much the States recover from some of the advertising, because various bodies that have to publish in the *Gazette* are billed for it. I just wonder how much is clawed-back. Was that a gross figure?

Deputy E.J. Noel:

I will get that information and pass it on to the Deputy.

2.4.2 Deputy P.J. Rondel of St. John:

I note over £100,000 advertising job vacancies, *et cetera*. Given the size of some of these vacancies, would it not be prudent to start reducing the size? Because if people get a vacancy sheet, when I was in business we used to use small little adverts, we did not need half a page or quarter of a page, or a tenth of a page, to advertise a job. Given in this time, when there is a lack of jobs, we should be able to reduce that budget considerably by reducing the size of the adverts. Can the Minister or Assistant Minister give us the way forward that his department is going to act, please?

Deputy E.J. Noel:

Indeed, the department is already acting in the manner that the Deputy for St. John says. Advert sizes have been reduced and we foresee that for the coming year the £140,000 spent on recruitment advertising will be substantially reduced, through a reduction in the number of posts being advertised, through a reduction of the size of the adverts being placed, and indeed, the department will be looking at using alternative methods, including new technology in terms of Facebook and Twitter and things like those medias. I now have the answer to Deputy Higgins' question, and the figures quoted are indeed net.

2.4.3 Deputy M. Tadier:

I hope that the Assistant Minister will not be making the adverts too small, otherwise it will probably defeat the object, that we are trying to get people's attention. Can I just ask a point of information: what is "run of paper"? That last point that was made, that is not familiar to me.

Deputy E.J. Noel:

It was not a phrase that was familiar to me, until I found out what it was. A run of paper is anything that appears outside of the classified section.

2.4.4 Deputy M. Tadier:

I do not suppose the Minister would have handy the breakdown of how much of advertising costs Scrutiny spend versus other business, other departments? If not, would he be able to provide that?

Deputy E.J. Noel:

Deputy Tadier is correct. I do not have that information, but I am willing to provide it.

2.5 Connétable A.S. Crowcroft of St. Helier of the Minister for Treasury and Resources regarding Health and Safety compliance in the States property portfolio:

Would the Minister advise how much is spent by the Property Holdings Department in order to achieve health and safety compliance in the States property portfolio, whether he considers this amount to be justified, and if he has full confidence in the operation of this department?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

Deputy Le Fondré has full delegation for property matters and will answer the question.

Deputy J.A.N. Le Fondré of St. Lawrence (Assistant Minister for Treasury and Resources - rapporteur):

In 2010 Jersey Property Holdings has budgeted to spend just under £1.2 million on health and safety compliance inspections and testing of potentially hazardous equipment and systems. That is about 30 pence per square foot, just to put it into context. As Members, I am sure will appreciate, as the owners of property on behalf of the public, we are required to comply with the Health and Safety at Work (Jersey) Law to ensure we maintain a safe environment for the staff and visitors. That work can include things like risk assessment, statutory inspections and equipment testing. Those are all prescribed in the current legislation or approved codes of practice. Those requirements are mandatory, and they form the basis of certain contracts which we have been in the process of, or have been, re-tendering. Any related health and safety works that then come out of those inspections are then prioritised within the funds that we hold for reactive maintenance. Just to give Members a guide, in the last 18 months we have improved the States' compliance with statutory regulations from 60 per cent in the middle of last year, which we considered to be unacceptable, up to about 80 per cent at the moment and are aiming to reach 90 per cent. So essentially, J.P.H.'s (Jersey Property Holdings) current approach is fully supported by the Health and Safety Directorate, and I do consider the current expenditure by Jersey Property Holdings to be fully justified.

2.5.1 The Deputy of St. John:

Given that one point something million is spent on this regulatory authority, would the Assistant Minister confirm that this also covers the condition of our roads, given we have so many potholes and the like, and therefore health and safety issues, which I presume must come under his department indirectly, and also paths within parks and the like, are also covered where uneven surfaces may be, and therefore will he confirm that they cover all these areas, please?

Deputy J.A.N. Le Fondré:

No, it does not. It is the property portfolio, it is not roads, it is not footpaths, and it is not drains.

2.5.2 Deputy D.J. De Sousa:

Following on from that, does this figure cover vacant properties that are owned by the States, or just those that are used?

Deputy J.A.N. Le Fondré:

The short answer is, I think, it depends. Vacant properties are vacant for certain reasons. They could be in transition. So it could be a property that is earmarked for disposal, for example, Jersey College for Girls, we are not doing very much on it. If it is a property that has been vacated by one department that needs some work done on it before it goes into the hands of another department for operational use, then yes, potentially, it does. It depends on the circumstances.

2.5.3 Deputy P.V.F. Le Claire:

It was an interesting answer that the Assistant Minister gave us in relation to the first question, especially as he dwelled upon the fact that the obligation to keep these properties safe was mandatory. I would like to ask, pressing him on that area, what is he doing with St. James', as that scaffolding has been erected to stop masonry falling on people for several years now?

Deputy J.A.N. Le Fondré:

That is quite a good example, because the scaffolding is erected to mitigate the risk of masonry falling on to the public. We do not have the funds to do a full and permanent solution, so the risk assessment is that the work that has been done is sufficient to meet our statutory obligations as they presently stand. That is the option that is fundable and is acceptable in the current circumstances.

2.5.4 Deputy P.V.F. Le Claire:

May I press him further? As that is £18,000 a year or more for the scaffolding, is it satisfactory that the States of Jersey would penalise people in the private sector to undertake those kinds of "fix and tape" jobs when we get away with it for year after year? Should that not be tackled by his department, as it is a mandatory obligation? Is it satisfactory?

Deputy J.A.N. Le Fondré:

As I said, in fact, I think I answered the point last time this was raised. The risk assessment is to make sure that it is safe for public use; the measures put in place are acceptable. If we had between £750,000 and £1 million sloshing around, I am sure we would all be delighted to put the building into a fit state. That does not mean it is dangerous to use at present. Bearing in mind, as I think I referred to last time around, the various levels of condition that we consider are the statutory health and safety requirements, and then obviously, after that, the next priority is making sure that buildings are fit for operational use. The choice we had at that time was between fixing a leaking school roof, which means that your children are dry, or for example, making sure a boiler is working, again perhaps in a school, so that in winter they are warm, versus spending £750,000 on something which we do not have the money to do at the moment. Those are the priorities, unfortunately, we are faced with.

2.5.5 The Deputy of St. John:

Given the answer I received about roads and the like and footpaths, given a property, and its curtilage is still all property, therefore, does the Minister not think he is a bit flippant in his reply in not wanting to hold the departments concerned, whether it is public service or whoever is running those particular properties, to account, as we heard from Deputy Le Claire, over the St. James' church? I think it is remiss on the part of his department, and will he agree that he is being remiss in not making sure that if you are carrying out reports and inspections, that the work in the report is carried out?

The Deputy Bailiff:

I am going to disallow that question. The Assistant Minister is only able to answer matters for which he has responsibility and he does not have responsibility for that.

Deputy M. Tadier:

Yes, my question is slightly too decadent so I will leave it go, and maybe ask it in private.

The Deputy Bailiff:

Connétable, I apologise that I did not get back to you for supplementary answer. As a result, you can have at least 2, if not 3, supplementaries.

2.5.6 The Connétable of St. Helier:

I will have 2, thank you. **[Laughter]** The Assistant Minister did not answer the last part of my question, which was, of course, originally directed at the Minister about his Assistant Minister. So it is clearly difficult for the Assistant Minister to say whether he has full confidence in the operation of the department. Can I quote, 20th April, the Minister for Treasury and Resources said: “There are clearly issues that the Assistant Minister who is responsible for property identified this morning, which we need to work with Ministerial colleagues to deliver on property matters. Clearly everything is not working at the speed at which we would want.” Hardly a ringing endorsement of the Assistant Minister, is it?

Deputy J.A.N. Le Fondré:

I will leave the Minister to deliver that one. All I can answer is about the question as it was writ, and I believe the question is, does he have full confidence in the operation of this department? On the basis that the right of reply is important, I will try and answer for the department. The senior team at Jersey Property Holdings has well over 60 years property experience. I am only going to focus on 2 individuals, but I thought this might come up, so I did some digging. In his previous role, the Director of Jersey Property Holdings delivered, at the time, the largest outsourcing facilities management in Europe. It was £1.3 billion, it delivered savings of over £150 million. In the 5 years in the post he delivered hundreds of millions of pounds of disposals and many millions of pounds of annual savings. He was also a member of the C.B.I. (Confederation of British Industry) Property Policy Board, membership of which is by invitation only, and that is for the entire U.K. So from my view, that was a group with some very experienced individuals. The Assistant Director for Strategic Planning and Estate Management has a wealth of private sector experience, with his previous role being one of the largest private sector development and property companies in the U.K. and his experience covered all parts of the spectrum, including strategy, management, acquisitions, disposals, and including a number of significant projects. In summary, in my view, they are not stupid individuals, they have not had a temperament transplant when they crossed the water to come here. They are exceptionally motivated to achieve change in how we do things and to bring the States into the 21st century. In my view, the States are exceptionally well served by the team it has in place, especially given the difficulties we encounter. I hope that answers the question. If there is any doubt, yes, I do have full confidence in the management team.

2.5.7 The Connétable of St. Helier:

Just a final supplementary relating to St. James’. There is a planning application notice fluttering in the breeze outside the vicarage. Could the Assistant Minister explain why, given the uncertainty with regard to that property, Property Holdings Department is currently investing in a refurbishment of the vicarage?

Deputy J.A.N. Le Fondré:

I will have to get some more details on that one. I was aware there were some health and safety issues that were done at St. James’. Whether it was in the church or at the vicarage, I will have to come back to you on that one.

2.6 Deputy G.P. Southern of the Minister for Treasury and Resources regarding the introduction of the zero component of the Zero/Ten policy for non-finance companies:

Will the Minister explain the logic behind the introduction of the zero component of the Zero/Ten tax policy for non-finance companies; give the latest estimates of how much revenue will be lost through zero-rating non-local companies in 2010; state what measures are under consideration to recoup this revenue; and provide a list of non-finance, non-local companies trading on the Island whose turnover is greater than the G.S.T. (Goods and Services Tax) threshold of £300,000 per annum?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

As the Deputy will be aware, these issues have been discussed in this Assembly many times, but I will do my best to summarise. As the Deputy will recall, Zero/Ten was introduced to replace the previous regime, some aspects of which were found to be harmful as they were only available to non-residents. To ensure Jersey's new regime was not harmful, the same tax treatment had to be given to Jersey residents as non-residents. It is important to ensure that Jersey can continue to provide a tax neutral environment, as of course many finance centres do, and so can continue to compete in the international financial sector. To be able to provide a tax-neutral environment to international investors, using a zero rate, the same rate had to apply to Jersey-owned companies. The zero rate also had to be our general rate, and so had to apply to most companies. The best estimate that we have for loss in tax revenue from zero-rating non-Jersey, non-finance companies was, as has been many times repeated, in the region of £15 million to £20 million. The expected loss from Zero/Ten was addressed with G.S.T., I.T.I.S. (Income Tax Instalment System), 20 means 20, and boosting economic growth.

[15:30]

Proposals to address the loss from non-finance companies are under consideration, as set out in the business tax consultation document. It would, however, be wrong to make any announcement on that issue while we are engaged in consultation and, of course, before the E.U. (European Union) Code of Conduct Group has completed its assessment of Zero/Ten, which is now underway. Financial information on specific taxpayers is confidential and cannot be disclosed by the Taxes Office.

2.6.1 Deputy G.P. Southern:

Surely there is a list in whoever deals with G.S.T. compliance of those companies paying G.S.T. because they are over the £300,000. What confidentiality is achieved, or is necessary, in terms of revealing how many companies, and what companies, are on the Island trading tax-free?

Senator P.F.C. Ozouf:

I am more than happy to ask the Comptroller for data on the number of companies, *et cetera*, but any naming of companies that the Deputy asks me to do, I am afraid, is not possible. I never discuss any names of companies with the Taxes Office. That is information that is subject to confidentiality, of which there is an oath of confidentiality which is sworn in the court next door.

2.6.2 Deputy G.P. Southern:

Could I ask whether the imposition of the zero rate is a result of the zero rate which used to apply to exempt companies or to many I.B.C.s (international business companies)?

Senator P.F.C. Ozouf:

I am not sure that I understand the question. If the zero rate is the result of the zero rate which was a part of I.B.C.s? Well, clearly, Jersey offered a zero rate in terms of its previous corporate tax regime in order to preserve tax neutrality. That is fundamental to what Jersey does in terms of being an international financial centre. With the absence of double tax treaties around the world, we achieve tax neutrality through a zero rate. This is something which is well understood, and I am surprised the Deputy does not understand it. But if he would like a tutorial on it, I am happy to have him in the Treasury to do it.

2.6.3 Deputy G.P. Southern:

The Minister is often offering to give me a tutorial on this, that and the other. Another point of a little confusion that I may be suffering from: certainly, in the back of my head I had a figure of between £7 million and £10 million lost from zero-rating for non-finance, non-local companies. I am quite surprised to hear him saying twice that figure, £15million to £20 million now, when the total loss from non-finance companies originally estimated was only £30 million to apply to all non-finance companies?

Senator P.F.C. Ozouf:

The Deputy and I have exchanged words in the Assembly before about the importance of not rewriting history. I do not think there is anything new in what I have said today in relation to the losses in terms of non-foreign-owned corporations operating in Jersey that previously had a tax rate of 20 per cent or less, and we all are concerned in trying to find a solution to recovering some of that tax. There have been the Blampied proposals which unfortunately were not favoured, which the Deputy agrees with. After the code of conduct assessment process has been completed I will continue the work knowing what the code of conduct has to say about our tax regime. I will work to continue to find a way of recovering some of that lost revenue.

2.6.4 Deputy M. Tadier:

The Minister will be aware that the finance industry, like any business in general, needs certainty in its operations. Would the Minister acknowledge that, far from providing certainty, Zero/Ten and its future at the moment is unknown and it is in that sense precarious? Would it not be better to bring forward as soon as possible, first of all to scrap Zero/Ten, rescind that and to bring in a sensible and a stable taxation, which is acceptable both to locals, to businesses, and to the E.U., so that businesses on the Island can have something which is going to be workable for the foreseeable future?

Senator P.F.C. Ozouf:

Deputy Tadier is also in the tutorial group. He needs to understand, I think, the reasons why international finance... how it works and what Jersey's place in terms of international finance is. If he is suggesting that a change in tax, and lifting everything to a standard rate of tax in Jersey is the solution to give certainty to Jersey's prosperous future, then I am afraid he really does need to go and do his research. In terms of stability and certainty, what I can say is there is absolute clarity in relation to that. Jersey provides tax neutrality to users of financial services or the underlying users of financial services, and we will continue to do so whether or not there are any changes in relation to Zero/Ten. Zero/Ten was the right tax regime for Jersey. It has been the bedrock of the continued development of our finance centre, and I am confident that it still remains appropriate and is in accordance with the code of conduct and is code compliant. But we will see what the assessment brings in relation to that.

2.6.5 Deputy M. Tadier:

I will be very happy to go for a tutorial with Deputy Southern, but the tutorial certainly will not be given by Senator Ozouf with his questionable credentials in economics. I will simply ask the Minister, was there ever anything in writing from the E.U. to say that Zero/Ten was going to be compliant, and if that is the case, can he furnish it to Members of the States and to the public? Because this is constantly what we are hearing, and if not, will he acknowledge that in fact Zero/Ten has been built on sand? We were advised in the past that it was not sustainable and this has come back to bite us, and it will affect the finance industry, and it will be because of the Minister and his advisers.

Senator P.F.C. Ozouf:

I do not think anything that I say in this Assembly is going to shift Deputy Tadier's position. I have to say, from everything I have ever seen in relation to Zero/Ten and the reasons why we changed it, it was the right decision. He is wrong, I would say, in suggesting that Zero/Ten was not the appropriate move for corporate tax. I remain of the strong view that Zero/Ten can still be and should still be a feature of our tax system. However, we welcome the code of conduct assessment in relation to Zero/Ten, and we are not alone in the issue of Zero/Ten as Guernsey and the Isle of Man also adopted similar Zero/Ten. So clearly, if he thinks that we are wrong, then he is also saying the Isle of Man and Guernsey were wrong too.

2.6.6 Deputy M.R. Higgins:

I think some Members may be a bit confused by some of this. The Minister implied that international business companies and exempt companies paid no tax at all. In fact they paid a flat fee of a few hundred pounds for each company and in aggregation they gave us money. The actual Zero/Ten tax rate has meant that many non-resident companies that previously paid tax are not paying tax at the present time, and therefore there is a loss to the Island. Would he not confirm that is the case?

Senator P.F.C. Ozouf:

All of these issues have been ventilated, discussed and debated in this Assembly on numerous occasions over a very long period of time. Any suggestion ... Some of those questions that are being made, in my view, attempt almost to rewrite some history. It is absolutely clear that the move to Zero/Ten cost the Jersey exchequer in the region of £100 million and we needed to put in place arrangements to do that. There was no choice but to do that. If we had not changed out tax regime when we did, a few years ago, then we would not have had the growth and continued presence of financial services in Jersey. Any changes that we make on corporate tax, if we do find a way of taxing those foreign-owned corporations that have activities in Jersey, then we will do so.

2.6.7 Deputy M.R. Higgins:

The Minister did not really answer the question. I asked him about, for example, exempt and international business companies, and whether they did pay tax previously. He implied that they did not.

The Deputy Bailiff:

The Deputy is making a statement rather than asking a question. Deputy Southern, final supplementary.

2.6.8 Deputy G.P. Southern:

Will the Minister for Treasury and Resources agree to ask the Director of G.S.T. for the number of companies which are trading on the Island with a turnover of greater than £300,000?

Senator P.F.C. Ozouf:

I certainly can, but I am not sure how it is going to help the Deputy in seeking the information he has, but I am certainly happy to ask the question.

2.7 Deputy T.M. Pitman of St. Helier of the Minister for Economic Development regarding 'wild cat' industrial action by Condor staff at the Harbour:

Having spoken to the Minister, I did feel that perhaps I should withdraw the question, but in fairness to the company I think I should go ahead. Would the Minister clarify whether so-called 'wild cat' industrial action was taken by Condor staff at the harbour at the beginning of September 2010, and if so, what were the reasons given for this?

Senator A.J.H. Maclean (The Minister for Economic Development):

I can confirm that there was no industrial action taken by Condor staff at the harbour at the beginning of September 2010. In fact, I am advised that in the history of the company, Condor's staff have never taken any industrial action.

2.7.1 Deputy T.M. Pitman:

I thank the Minister for his answer. While one always wishes to take contacts from staff and members of the public in good faith, I am happy with that answer, that the information I received was the result of crossed-wires. Nevertheless, could I ask the Minister if he can confirm that

harbour staff did in fact stop work at the beginning of September due to a health and safety dispute, which may have led to this confusion?

Senator A.J.H. Maclean:

No, harbour staff did not cease work, although the stevedores did, under the standard operating procedures at the harbour. They stopped for about 15 minutes, the issue was quickly resolved. It was no more than an operational matter.

2.8 The Deputy of St. John of the Minister for Economic Development regarding the targeting of public funding:

What merit, if any, is there in allocating taxpayers' money, in the form of large grants, into large companies and enterprises that employ 90 per cent of staff from off-Island who are paid near minimum wage and thereby pay little tax, and what action, if any, is the Minister taking to ensure that public funding is targeted effectively?

Senator A.J.H. Maclean (The Minister for Economic Development):

My department is tasked to deliver sustainable economic growth that will underpin the future of a more diversified Jersey economy. Given the constraints on access to finance via traditional routes such as the banks, it is important that the States provide, where appropriate, alternative funding channels that will encourage investment. As Members would expect, applicants for grant funding have to withstand a rigorous approval process. Recent States internal audits recognise that the evidence-based approach that various parts of the department use in evaluating grant applications represent a transparent and effective means of considering each case against the individual merits. So yes, at the moment I do support the process that is underway and currently in place.

2.8.1 The Deputy of St. John:

Given that it is raining for everybody in all industries on this Island, and given that large conglomerates are claiming area payments in excess of £300,000 to one grower, or £225,000 plus given to a society to deal with breeding of animals, or a grower over a 4-year period having in excess of £180,000 in grants: all these people - all these conglomerates - have large sums of money tied-up in property and the like, many millions of pounds. They are property rich, and yet the taxpayer of this Island ... will the Minister look at why the taxpayers of this Island have to maintain grants to people and companies of these natures, when everybody else has to tighten their belts? It is time that these grants were reduced. Will the Minister look into this, please?

Senator A.J.H. Maclean:

I understand entirely where the Deputy is coming from with regard to this. It is absolutely right that we continue to look for value for money for all grant funding, public money that is put into grants to support local businesses in this way. What we are seeking to do, clearly, is to encourage investment in the business sector, and in many cases, grants will deliver that result. In the case of the agricultural industry, we have seen something in the region of £30 million invested in recent years. That, if anything, is an example of where grants in the agricultural industry have shown a positive response. Clearly, the industry is turning a corner. It is a difficult economic climate, and I would hope that the Deputy, more so than anyone, would not wish to take away the opportunity for the industry to become more self-sufficient as we continue to remove and reduce grants in the future. Over the last few years, grants to agricultural industry have reduced by nearly £2 million and that will continue as we move forward.

2.8.2 Deputy M.R. Higgins:

In the Minister's answer he mentioned the reason for the large use of the grants as being the fact that funding cannot be obtained from the banks. At previous times I have asked questions of the

Minister asking why the banks are not lending, or how much money the banks are lending, and so on, and the Minister indicated that he was having regular talks with the banks. Can he give us an indication of the talks that he has had recently with the Jersey Bankers Association, and also, would he undertake to provide figures for the level of bank lending so we can monitor how much money they are putting into the economy?

Senator A.J.H. Maclean:

I have ongoing discussions with bankers on a fairly regular basis and, clearly, access to funding is a matter of concern within the business community in the Island, and I have to say, not just within the Island, this is an issue that Members will appreciate is relevant to the U.K. and many other places around the world.

[15:45]

It is essential that we do all we can to facilitate funding for businesses, to ensure that we get extra and valuable investment where banks are not, in the current climate, prepared to provide such funding. They are, if you like, more conservative in their funding requirements and lending requirements. But in terms of providing some figures to the Deputy, I will see if we can provide figures which can be circulated with regard to levels of funding, this year versus last from a comparative perspective, if that is helpful.

2.8.3 The Deputy of St. John:

Given the Minister mentioned some £30 million had been given in grants to this group of businesses in recent years, and given that the horticultural and agricultural industry in 2007 only paid £3.7 million in tax returns to this Island - I could not get the figures for 2008 or 2009, but I have an email from the Comptroller of Income Tax saying it would be a similar figure, year on year - can it be right that we should be pouring so much money into this area? Can it be right that, in trying to uphold an industry which do a fair amount of damage, will the Minister agree that the Island could be kept green and clean by not having a lot of these grants, and allowing more horse society people taking over land and keeping the Island green? Will he agree that he needs to look at this with some urgency and not necessarily have big tractors, hundreds of them, brought into this Island annually at great cost to the taxpayer, and we are getting, in real terms, no return?

Senator A.J.H. Maclean:

I think the Deputy misunderstood what I said. I did not say we had £30 million of grants. What I said to him was that the grants that we have facilitated in recent times have delivered £30 million of private sector investment into the agricultural industry. That, I said, is a good example of where grants have helped, not only to give confidence to the agricultural industry, but also encouraged investment. The agricultural industry, as I have said, is turning a corner. I think, like a child that is learning to walk, do we take away its support at this precise moment? No. I do not think the Deputy would do such a thing to a child and I do not think it is right that we should. We are in a position where we are moving now to independence for the agricultural industry, where we are removing grants over a period. We have consistently done so and will continue to do so, but it has to be a phased approach.

2.8.4 The Deputy of St. John:

Given the Minister's reply, would the Minister look closely at what is happening in New Zealand, where, in fact, grants were removed some years ago and the agricultural and horticultural industry is on a high, unlike other parts of the world, and particularly in Europe where they are heavily grant-aided and they are having difficulties. Would the Minister and his team look at that with some urgency please?

Senator A.J.H. Maclean:

Yes indeed, and I can confirm to the Deputy that we do indeed look at what other parts of the world are doing in this regard. It is important to have such information when considering how we deal with grants. Because, as I have said several times already this afternoon, we have already reduced grants considerably, by almost £2 million; there is a further £1 million reduction due over the next few years. He is absolutely right to be concerned, but it is being attended to, and I hope that he can rest a bit more assured, based on the comments that I have made.

The Deputy Bailiff:

You were not proposing a site visit, were you? [Laughter]

2.8.5 The Deputy of St. John:

It would be a good idea. But could I just ask if the Minister could declare an interest, being that, because, out of what has been said, I am given to understand that he would probably receive money indirectly from the E.U. for agricultural purposes on some of his property. Thank you.

The Deputy Bailiff:

There is no interest to declare, because we do not receive money from the E.U.

The Deputy of St. John:

On a point of order, Sir, the Minister did inform me that he got money from the E.U. for land he has off-Island.

The Deputy Bailiff:

The Minister personally? I understood the question was from the ... Minister, would you like to answer the question? Do you have land off-Island for which you receive money?

Senator A.J.H. Maclean:

Yes, Sir, which is declared within the Members' interests. I do not see the relevance of it to the point that the Deputy is trying to allude to.

2.9 Deputy F.J. Hill of St. Martin of the Chief Minister regarding an extension of the U.K. ratification of the United Nations Convention on the Rights of the Child:

Will the Chief Minister advise what action, if any, has been taken to seek an extension of the U.K. ratification of the United Nations Convention on the Rights of the Child in line with amendment 7 to the 2009 States Strategic Plan?

Senator T.A. Le Sueur (The Chief Minister):

The position remains the same, as I stated in my previous reply on the subject to Deputy Le Claire earlier this year. A detailed assessment is being carried out - the object is compliance with the United Nations Convention on the Rights of the Child - to identify the extent to which we are already compliant, the further legislative and practical measures that would be necessary, and their resource implications. It will then be possible to develop an implementation plan with funding proposals to enable Jersey to progress towards compliance. Only then will it be possible to request an extension of ratification.

2.9.1 The Deputy of St. Martin:

With respect to the Chief Minister, that seems to be the answer one gets every time, that tomorrow is always all right. In the comments in response to Deputy Le Claire's amendment last year, one of the reasons for ratification was given: "International reputation"; 192 countries have ratified, Jersey is one of the few who have not. Does the Chief Minister not think it is not showing the Island in good light, that we should be continually dragging our feet about ratifying this very important convention?

Senator T.A. Le Sueur:

While, clearly, it would be better for our international reputation were that to be the case, I do not see that the Island is suffering significant reputational damage by not doing this at the present time. I think, on the other hand, it shows that, in doing it thoroughly, we are aware of the obligations under that agreement, and we will not put our name to something until we know we can comply with it.

2.9.2 The Deputy of St. Martin

I was going to ask the Chief Minister, could he give Members some indication when he feels he will be in a position to seek this ratification?

Senator T.A. Le Sueur:

No, I am afraid I could not. The majority of this work is done by parties outside of my authority, including the Law Officers' Department. I know that the ramifications are quite considerable, and I cannot speak for the other pressures on those departments at this time. The matter is in hand but clearly, so are a number of other pressures, and with the limited resources we have, those have to be balanced.

2.9.3 Deputy T.M. Pitman:

I think the Deputy has stolen my thunder with his last supplementary. However, one of the reasons given for why this government should not support my proposals to deal with serious youth crime, i.e. the naming of serious young offenders, was that it would delay Jersey's ratifying of this convention. With what the Chief Minister has already told us, could he not at least give us some sort of window of opportunity? Surely, a year, 18 months; surely that is possible? Otherwise, does the Minister not agree that it looks as if the government is not serious about ratifying this convention?

Senator T.A. Le Sueur:

No, the Government is perfectly serious about this. The matter is being considered both by an officer working group and by the children's policy group. I am reluctant to give a timescale which I cannot at this stage justify, and until I am more certain of the timescale involved, all I will say is, it is not yet available.

2.9.4 Deputy M. Tadier:

It is a shame that we do not have the same appetite to ratify human rights conventions that we do for T.I.E.A.s (Tax Information Exchange Agreements), then we would probably be in a very different situation. I would ask the Chief Minister, with that in mind, does he agree that we do need to up our game when it comes to human rights, in particular, ratifying the various conventions? Would he agree that it would be beneficial to the Island to make Jersey a shining example on human rights, and to create for Jersey a centre of excellence for human rights school, which would obviously entail needing to ratify one or 2 conventions?

Senator T.A. Le Sueur:

I think it is pretty misleading to try to compare the ratification of something like the Convention on the Rights of the Child with T.I.E.A.s. A T.I.E.A. is a very specific matter which can be dealt with on a standard international basis. Changing our legislation to make all our legislation compliant and enable us to meet the convention obligations would mean changes to significant, major primary laws on the Island. That is not something which we can do overnight. Should Jersey be a centre of excellence? It would be nice to be a centre of excellence in everything, but one has to be realistic. We are a small Island with limited resources and we have to adjust our policies accordingly, so that we can meet those obligations. In short, we need to cut our coat to suit our cloth.

2.9.5 Deputy M. Tadier:

Obviously, I did not mean to mislead. What I was comparing is not necessarily T.I.E.A.s and human rights *per se*, but the appetite which we have for passing these agreements very quickly and not for passing human rights. So I would simply ask again, does the Minister agree that we do need to up our game when it comes to human rights, especially in the light of the discrimination legislation, which it seems is going to be put back? Should we be upping our game, because it is important for our international jurisdiction, and the eyes of the world are looking at Jersey?

Senator T.A. Le Sueur:

As I might have implied, were we able to comply with this very quickly in a tentative timescale, then certainly, we would. The fact is that because of the complications of the requirements for this particular convention, it is not possible to deal with it in the same sort of timescale as a T.I.E.A. T.I.E.A.s are relatively simple and straightforward matters to deal with, so it is not a question of greater appetite, it is a matter of greater complexity.

2.9.6 Senator S.C. Ferguson:

The United Nations Committee dealing with the rights of the child: can the Chief Minister tell us what countries are on this committee? Is this the same as the Human Rights Committee, to which I understand such countries as Sudan and Iran are on the committee?

Senator T.A. Le Sueur:

The simple answer is that I am afraid I do not know which countries are members of that committee. If the Senator wishes to know, I shall endeavour to find out and advise Members in due course.

2.9.7 The Deputy of St. Martin:

Just a final word. Just for Senator Ferguson's information, there are 192 who have ratified, so obviously, those 2 countries that she was mentioning may well be those who are not also in line, along with Jersey. The Chief Minister mentioned that policy groups, and I think he said, Law Officer groups, were working on it. Is it possible for the Chief Minister to give me and other Members details of those groups, so that I may be able to make direct contact with those groups in intention or anticipation, maybe, of getting them to get on with the procedure?

Senator T.A. Le Sueur:

Certainly, if the Deputy wants to contact the children's policy group, I am sure that the members of that group would be happy to receive a communication from him. As far as the officer working group is concerned, if he wants to make contact with that officer working group through my department, I am happy to convey that message to them. I do not know who chairs that particular working group.

2.10 Deputy G.P. Southern of the Minister for Treasury and Resources regarding the impact of budget spending cuts on the vulnerable:

Does the Minister consider that annual business plan spending cuts could lead to widening inequality, as highlighted within the recent I.L.O.-I.M.F. (International Labour Organisation - International Monetary Fund) report *The Challenges of Growth, Employment and Social Inclusion*? When will he announce the proposed 10 per cent C.S.R. measures? What analysis has been undertaken to assess the impact of these proposals on households across the income bands, and what measures, if any, will be put in place to protect the most vulnerable?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

I do not consider - and indeed I very much hope not - that budget cuts will lead to widening inequality in Jersey. By adopting the approach set out by the Council I expect to achieve savings

without a detrimental impact on key frontline services and those which the less well off are particularly dependent on. By adopting an approach where we only raise taxes where necessary to maintain spending on, and invest in, key services in a manner that promotes economic growth, we will ensure that our overall approach to dealing with the deficit maximises the opportunity for all Islanders so that they can share in the future prosperity. The 10 per cent C.S.R. proposals will be announced, as I said earlier, at the same time as the budget, in late October. The Council is about to commence a series of workshops to consider the proposals which have been submitted by departments, and part of the considerations will of course be the impact each proposal has on, particularly, low income families. Prior to the Council's deliberations, it is of course, impossible to suggest whether any measures are necessary, but impact on the most vulnerable in our society will, of course, be minimised throughout the C.S.R. process.

[16:00]

2.10.1 Deputy G.P. Southern:

Is the Minister aware of research in the U.K., which suggests that their equivalent budget cuts over there act to the detriment of the 10 per cent least well off between 7 and 10 times greater than on the 10 -per cent who are most well off.

Senator P.F.C. Ozouf:

I must confess that, despite best endeavours, I could not find the I.L.O.-I.M.F. report that the Deputy refers to; perhaps, if he could pass a copy of it to me. I know that he has drawn from information that he has had from unions, particularly, and particularly I understand the T.U.C. (Trades Union Congress), in the past. I cannot comment on whether or not the U.K. Government coalition proposals affect the least well off. What I do know is the U.K. has got all sorts of financial problems, it is having to make drastic cuts in terms of public spending in order to deal with its debts; that is just the kind of thing that the Deputy wants to invite this Assembly to do in supporting P.113. That is not the path that we want to go down, these are modest changes in the round to our spending which must be made and I am confident we can make without impacting low income families and widening inequality.

2.10.2 Deputy G.P. Southern:

Once again, the Minister puts words in my mouth rather than answers the question. Is he aware that the I.M.F., no less, are co-authors of this report and it is widely available on the internet and that what they suggest is that making cuts now must still pose a risk to economic recovery worldwide? Does he have any evidence to suggest that Jersey is into recovery and therefore it is safe to proceed with cuts rather than fiscal stimulus which, as far as I am aware, we were paying into the economy up until last month?

Senator P.F.C. Ozouf:

I feel in this debate that I am firmly in the middle between, on the one side, Deputy Southern, who is saying that we should not be making cuts because he is worried about economic recovery and, on the other side, at the Corporate Affairs Scrutiny Panel, that he is proposing earlier cuts, raising cuts to £80 million over the next 3 years. I think the Council of Ministers has a middle path in relation to this; certainly, we are suggesting that while budget cuts have to be made they should be phased in over a 3-year period and, certainly, over the next 3 years, I fully expect the economy to return to growth and for confidence, which is already building in some of our industries, to strengthen, and so it is appropriate that we can make these cuts. I would also say that other countries with much higher levels of spending per G.D.P. (Gross Domestic Product) are going to be much more effective than Jersey is in relation to its smaller percentage of state spending as part of the overall economy. We are not in that situation and I am confident that we are not going to have anything like the difficulties that, for example, the U.K. has got.

2.10.3 Deputy G.P. Southern:

Refreshing to hear the Minister suggest that public spending in Jersey, lower as it is than the rest of the O.E.C.D. (Organisation for Economic Co-operation and Development), and probably worldwide but, interestingly, he failed to answer one of the questions that I asked there which was what hard evidence has he got that we are into recovery and it is safe to proceed with such wide-ranging and dramatic cuts?

Senator P.F.C. Ozouf:

The evidence is the quarterly Business Tendency Survey which report documents senior chief executives across the economy and their aspirations and their hopes in terms of their business orders and their contract books for the next period of time. Where we have seen, while there were certainly areas of the economy which continued to be in difficulty, and that is why fiscal stimulus was important, certainly in terms of financial services, there are awakenings of new business arriving into the Island because of the successful promotion that we carried out in Jersey and, indeed, in various other parts of the world, and the excellent reports we have had in relation to our standards, *et cetera*.

2.10.4 The Deputy of St. Mary:

The Strategic Plan has got a commitment of all of us to improve and promote social equality. I just want to ask the Minister how he thinks that cutting the social wage, which is what these cuts will do, promotes social equality and was the impact on different income bands part of the terms of reference of all those 6 reviews?

Senator P.F.C. Ozouf:

Forgive me. I did not hear: "Cutting the ..." what, sorry? I did not hear the Deputy.

The Deputy of St. Mary:

Was the question of how the cuts would impact on different income bands part of the terms of reference of all the 6 major reviews?

Senator P.F.C. Ozouf:

No, it is not and the Deputy is, I am afraid, almost forecasting what the proposals of the Council of Ministers at the end of the Comprehensive Spending Review are going to be. We are working with departments and we are going to be going through the analysis of where it is appropriate to propose cuts in spending. The Council of Ministers is committed to promoting social mobility, it is committed to promoting equality, looking after those vulnerable members of our society. We will, of course, have that as an important consideration in any of the answers that we give, but he is speculating as to what the cuts are going to be before they are announced.

2.10.5 Deputy G.P. Southern:

Has the Minister commissioned any research into what impact the cuts in the provision of frontline services will have, across the income bands, whatsoever?

Senator P.F.C. Ozouf:

I think that we could be spending hundreds of thousands of pounds on reports by academics and others telling us what we already know. This is a small Island, we have a very good understanding of what the impacts of different budget cuts are and, indeed, if the Deputy wants any external validation then I would encourage him to read the Corporate Affairs Scrutiny Panel report on the impact of the cuts that are proposed in this business plan which accompanied their C.S.R. report.

2.10.6 Deputy G.P. Southern:

Will the Minister thereby agree to read Appendix 2 of that report by Dr. Susan Harkness which does such comparisons across the income bands?

Senator P.F.C. Ozouf:

I have read it and, indeed, that would give the Deputy the answer that he wishes, that that is evidence that I would expect gives the Deputy some confidence in making the difficult decisions we have in the Business Plan that it does not affect low-income families and that it does not cause difficulty in terms of social equality. I see him remonstrating, but there is nothing that I am going to say that is ever going to agree, I think, with Deputy Southern. This Assembly needs to make decisions in order to reduce the deficit. He has ruled out tax increases, apart from the very rich, and he does not want to make any cuts at all. This is unrealistic.

The Deputy Bailiff:

Very well. Deputy Higgins, I saw your light but, unfortunately, after the final supplementary question from Deputy Southern, and so we are going to come on to question 11 which the Deputy of St. John will ask of the Minister for Economic Development.

2.11 The Deputy of St. John of the Minister for Economic Development regarding Condor's winter sailings to St. Malo:

Will the Minister advise whether Condor's winter sailing to St. Malo on Fridays will be during the daytime rather than late afternoon or early evening, and do the terms of the Service Level Agreement, the S.L.A., require Condor to consult with the public on timetable changes? Will delays on this route be addressed and does he intend reviewing the S.L.A. or putting the French and U.K. routes out to tender?

Senator A.J.H. Maclean (The Minister for Economic Development):

I understand that Condor now intends to review its plans to remove the 18.00 winter sailing to St. Malo. As such, the 18.00 sailing will now remain in its schedule up to December of this year while this review is undertaken and further customer feedback is sought. As part of their permit to operate, service level standards require Condor to carry out regular passenger surveys and to have effective procedures in place for complaints. However, they are not explicitly required to consult the public on timetable changes. This is something that may need to be looked at as part of our review of the current sea transport policy. The Deputy may be aware that a consultation has just closed on the ferry market and, indeed, this particular point is one that will be considered as part of that review as, indeed, will the other question, one part of his question with regard to tendering of the route in the future and conditions for the service standards.

2.11.1 The Deputy of St. John:

Given all the Condor paperwork, which I have in front of me - and it gives all the ups for the company ... but it mentions within the facts and figures none of the downtime or none of the problems they have had over the last 12 months. Will the Minister, within any agreement or any review that goes on, make sure and look at the procedures that were put in place 10, 12 years ago when the first Service Level Agreement was put in place to make sure that the travelling public are well protected, do have a course for redress, whether it is through delays, through fire or whatever it may be, as happened earlier this year with one of the Condor ferries. Will he make sure that those items come back to this House prior to being debated with Condor in any S.L.A.?

Senator A.J.H. Maclean:

I understand the concerns of the Deputy of St. John in this regard and that was one of the purposes why we have undertaken this consultation jointly with Guernsey. Of course, the sea ferry route - the sea ferry market - involves Guernsey as much as it does ourselves, between the U.K. and France. All these issues are issues that are going to be contained within the review that is undertaken as a result of the consultation. I certainly hope that the Deputy himself replied to the consultation because, clearly, he has some strong views on the matter, all of which would be useful

for consideration as we form the future policy for when the current licence permit that Condor has expires at the end of 2013. That is why we are looking at these issues now so that they can be addressed and appropriate policy put in place for the future.

2.11.2 Deputy J.B. Fox of St. Helier:

I was interested in your reply about Condor providing a survey with their customers. I know you provide one as the Minister but I am unaware of Condor's one and, as a regular traveller, I would have thought that I would have known about it, as such. Could you expand further on it, please?

Senator A.J.H. Maclean:

Yes, indeed. In fact, since Macquarie took over Condor, it has worked hard to try and improve quality of service. As such, it is continually surveying sections of its customers and I think it is probably demonstrated quite well by the response that has come about from its proposed schedule change. It has now decided to put off, as I have mentioned a moment ago, the schedule change; it is going to review that situation, which is going to include further consultation with customers - a survey of customers - so I think the company is demonstrating that it is listening to its customer base and, hopefully, going to react to what the customers want. Clearly, it will never be able to, like any business, satisfy all customers but it will do its best to listen carefully and provide the level of service that will meet the requirements of the majority.

2.11.3 Deputy J.B. Fox:

Is it in the Minister's gift to ask, in this particular case Condor, to spread its surveys a little further that it might reach more of its customers, which it might find useful at the end of the day in gathering knowledge?

Senator A.J.H. Maclean:

I am sure it is as much in the interests of Condor or, more to the point, in the interests of Condor, to ensure that it satisfies its customers; the customers are the lifeblood of its business or, indeed, for that matter, any business. I am sure that the Deputy will be relieved to know that I am happy to pass on his comments and ensure he and others are included in the survey; as a regular passenger, his input is always most welcome.

2.11.4 Deputy T.M. Pitman:

I just wondered if the Minister could advise whether Condor is doing any research into improving the quality of engines?

Senator A.J.H. Maclean:

I am not sure that question deserves a response. We are well aware that Condor has had difficulties from an operational point of view during the course of the last few months, it is working hard to resolve those issues and I am sure they will succeed.

2.11.5 The Deputy of St. John:

Given that the previous time Jersey and Guernsey got together to put in place a tender process on the northern routes, the entire thing finished up a total fiasco, and I sat as the vice-president of the board of the day, it was a total ... **[Laughter]** but I can assure you it was not from the Jersey end. Both Islands came to an agreement that the tender process had been won by P&O Shipping, the tender was handed out, only to be withdrawn because the Guernsey contingent changed their members of their board within 7 days and we finished up with, as I say, a total fiasco and Condor had the route.

[16:15]

Will the Minister please make sure, and confirm here today, that any agreement come to with Guernsey to do with the shipping routes north and south, that the agreement made on the day is not

changed within 7 days, so it needs to be belt and braces, watertight; anything you do with Guernsey to do with shipping is suspect. Will the Minister give us that assurance, please?

Senator A.J.H. Maclean:

Unlike the good Deputy, I do not intend to preside over a fiasco. I certainly do not also share his views with regard to our relationships with Guernsey. I have very constructive meetings and dialogue with my opposite number in Guernsey, it has already led to some very positive co-operation between the 2 Islands. I prefer to focus on looking forward; although I note what happened historically, I am aware of what the Deputy has just referred to, I think we need to look forwards. We will be much better, Jersey and Guernsey, by working together in many areas, than we are working against each other and I feel certain that, with the current politicians on both Islands, it will be nothing other than positive for the benefit of residents of Jersey and Guernsey. I am sure that, moving forwards with policy for the sea routes, we will get a positive outcome which does not necessarily predispose that there is going to be a tender; that is only one of a number of potential outcomes that will need to be discussed between the Islands, having considered the result of the consultation.

The Deputy of St. John:

Sir, can I have a supplementary on that? It is to follow up what was said, Sir.

The Deputy Bailiff:

That was the final supplementary, Deputy. Deputy, will you please sit down while I am talking to you? The position is that that was the final supplementary, we have 3 further questions in under half an hour. The next question, the Deputy of St. Martin will ask a question of the Chief Minister.

2.12 The Deputy of St. Martin of the Chief Minister regarding a review of Article 26(1) of the Court of Appeal (Jersey) Law 1961:

Given that in answer to an oral question on 28th April 2009, the Chief Minister stated that Article 26.1 of the Court of Appeal (Jersey) Law 1961 was different from the U.K.'s equivalent law, and that he was asking the Law Officers' Department to review the issue and offer advice in due course, will he give an update on what action, if any, has been taken?

Senator T.A. Le Sueur (The Chief Minister):

Yes. I have not received formal advice on the detailed legal significance of the distinction between legislation in the United Kingdom and Jersey on the determination of appeals in criminal cases. I am advised that it is a complex matter and is still being considered as part of the substantial workload of the Law Officers' Department. I am able to inform the Deputy, however, that the statutory provision in the United Kingdom was not precisely as stated by him in his oral question in 2009. The fact that a conviction is unsatisfactory is no longer, and has not been since 1995, an express ground for appeal. Since 1995 there has been a single ground of appeal in the United Kingdom, namely, that an appeal is allowed if the conviction is unsafe. In Jersey, under the Court of Appeal (Jersey) Law 1961, an appeal will succeed and a conviction will be set aside if either, it is unreasonable, it cannot be supported by evidence, there has been a wrong decision on a matter of law or on any ground there was a miscarriage of justice. This is subject to the proviso that, if the court is satisfied that no substantial miscarriage of justice occurred, it may dismiss the appeal. It is not apparent to me that the cumulative effects of the grounds set out in the Jersey law are, in substance, very different from the United Kingdom position and I have seen no case to support the proposition that the English position which, in any event, was not as stated in the original question, is necessarily better than ours. I am not aware that the Jersey provision has been challenged in the courts as not being compliant with human rights. The Jersey Court of Appeal, as for all Jersey

courts, is obliged by Article 7 of our Human Rights Law to act in accordance with the Convention rights when deciding whether or not a conviction should be upheld.

2.12.1 The Deputy of St. Martin:

All I was going to say, I was going to compliment and thank the Chief Minister on a very full answer; I only wish other Ministers would take heed of the way in which to give an answer and I thank him and, no doubt, I will consider the answer in Hansard and may well come back with a supplementary, but I am grateful for such a full answer.

2.13 The Deputy of St. Mary of the Chief Minister regarding the provision of organisational charts of departments:

Will all Members be provided with organisational charts of departments together with the ability to see what the post-holders are doing and, if so, when?

Senator T.A. Le Sueur (The Chief Minister):

Earlier this year, I replied to a question from Deputy Le Claire of St. Helier on this particular subject. I advised then that, in each department's business plan for 2010, which is published on the States website ...

The Deputy Bailiff:

I am sorry, Chief Minister, I am going to have to interrupt you. We are currently inquorate. I invite Members to return to the Assembly room as quickly as possible in order that we can be quorate. Very well, Greffier, can we please call the roll?

The roll was called

The Deputy Bailiff:

Now, Chief Minister, I am afraid you will have to start your answer again.

Senator T.A. Le Sueur:

Yes, Sir. Thankfully, it is a short answer, anyway, but earlier this year I had replied to a question from Deputy Le Claire on this particular request. I advised then that in each department's business plan for 2010, which is published on the States website, gov.je, there is an organisational chart, a breakdown of staffing by division with a description of work done for each division. They also contain departmental budget and work programmes which set out performance indicators and targets. On that basis, the information is available in the public domain for any Member who wishes to find out.

The Deputy St. Mary:

Yes, Sir. Being an independent informant, I have not checked this personally myself but I have been told that, in fact, this information is not there in the form that the Chief Minister says, but I will check it myself and, no doubt, ask another question if it is not so.

Deputy P.V.F. Le Claire:

Sorry, Sir, may I ask a supplementary, please?

The Deputy Bailiff:

Yes, I am so sorry.

2.13.1 Deputy P.V.F. Le Claire:

The answer that the Chief Minister gave related to my question earlier this year and also to the fact that many questions by Ministers were encouraged to be similar from the Chief Minister in as much

as the context would be time-consuming and non-productive. Having had the time to look at these answers, I have had great difficulty in finding where it is that the Chief Minister is referring to these graphs and charts. Would it not be better for us all, and the public at large, to hold this Assembly to account and the Government to account? If one flow chart of hierarchical structure was available for everybody to see in one place, surely it cannot be that great a task and surely, out of the 6,700 employees that we have, we could get one of them to do that.

Senator T.A. Le Sueur:

I really do not think that, at a time when we are trying to save a significant amount of public money, we should be resorting to detailed activities of the sort suggested by the Deputy. If Members do not like what is on the website, there is a hard copy of the business plan available if they go and see the departments but, realistically, the information is available. The question from Deputy Le Claire I think was intended to be very helpful in that he was pointing us to ways in which, as Ministers, we might be able to find ways of saving money and, on that basis, I can reassure the Deputy that we are aware of the contents of the business plans and we are taking them into account in our plans for making the spending reductions that he is, I think, trying to facilitate.

2.14 Deputy T.M. Pitman of the Minister for Treasury and Resources regarding the terms of the voluntary redundancy package offer made to workers by Jersey Post:

Would the Minister, as a representative of the shareholder, clarify whether a second voluntary redundancy package offer was made to workers by Jersey Post, was it offering reduced terms and, if so, what was the justification for this?

Senator P.F.C. Ozouf (The Minister for Treasury and Resources):

Sir, I would ask Deputy Noel to be rapporteur for this question.

Deputy E.J. Noel (Assistant Minister for Treasury and Resources - rapporteur):

As stated in the written question in answer number 16, this is a commercial matter for the board of Jersey Post and is not a matter for the shareholder. I expect all States-owned companies to be responsible and fair employers. I have not reviewed in detail any of the redundancy packages, nor is it appropriate that I do so. The detail of any redundancy is a matter between the company, individual employees and their representatives.

2.14.1 Deputy T.M Pitman:

I thank the Assistant Minister for his response however, as a shareholder with responsibility, could I put it to him that for the first offer, 80 people were needed, only 59 people applied for an offer of 2 weeks' pay per year served plus 20 per cent. For the second offer, 90 people were needed and the offer was reduced to only 2 weeks' pay per year, no 20 per cent. Only around a dozen applied, but this is the crux of the matter: people with long service who applied were refused on the basis that they did not fit the criteria so, in effect, the more loyal you had been to Jersey Post, the less they valued you. Could the Minister comment on that and whether he is not concerned with the responsibility as shareholder?

Deputy E.J. Noel:

To repeat, the terms of a redundancy package, be it voluntary or compulsory, is between the employer, the employee and their representatives. It is not for this House to try and micro-manage our wholly-owned subsidiaries. I think we are in an area where we are starting to tarnish the credibility of this Assembly in the minds of the public. We should be setting policy and direction and not micro-managing.

2.14.2 Senator A. Breckon:

Is the Assistant Minister aware that costs of Jersey Post, such as redundancy, executive salary, directors' fees and the like, are of concern to the public when service cuts are being proposed and does he think that the Minister for Treasury and Resources and himself should be more accountable rather than giving glib answers?

Deputy E.J. Noel:

Jersey Post, like many other postal services around the world, is facing an ever-increasing changing world. Jersey Post is grasping the circumstances that it is faced with and, unfortunately, voluntary redundancy packages will be part of their solution.

2.14.3 Senator A. Breckon:

A question, if I may come back to this. Does the Assistant Minister for Treasury and Resources and the Minister for Treasury and Resources think, in light of that, they should be more accountable as to how public money, which is what it is, is spent rather than giving glib answers?

Deputy E.J. Noel:

The Treasury Department do hold the wholly-owned subsidiaries to account, they do hold regular meetings with those companies and so, yes, their feet are pushed towards the fire, but it is not our job to manage those businesses, it is the job of the management the directors of a business - to manage the business, not the Treasury and Resources Department.

2.14.4 Senator A. Breckon:

If I may come back. Does the Assistant Minister agree that he has some responsibility to the public as to how this money is spent rather than giving glib answers?

[16:30]

Deputy E.J. Noel:

I thought I had made it quite clear that that is exactly what we do: we have regular meetings with the subsidiaries and hold them to account, we do not micro-manage their businesses.

2.14.5 Deputy M.R. Higgins:

I would like to follow through on Senator Breckon's point about the concern. The public is very concerned about the future of Jersey Post and I think it would also be very concerned if it realised that the Chief Executive of Jersey Post earns £179,000 a year and has a turnover of £65 million whereas the head of the U.S. (United States) Postal Service earns £175,000 and has a £30 billion turnover. I think it would be most concerned about some of these figures and the way that this organisation is run. I believe that Ministers should take responsibility and make sure we have a properly-run service.

Deputy E.J. Noel:

No. I do not agree. The remuneration of the board of all the wholly-owned subsidiaries of the States of Jersey is subject to the Remuneration Board Committee. If I may delicately suggest, I believe that such questions in this question time, we have had 5 written questions today and one oral question about Jersey Post from members of a sub-panel of Scrutiny that are currently carrying out a review of Jersey Post ...

Deputy M.R. Higgins:

Can I interrupt? That is incorrect, I am not a member of the panel.

Deputy E.J. Noel:

No, you cannot interrupt. I would suggest that these types of questions should be undertaken in the formal Scrutiny process and not in this Chamber.

2.14.6 Deputy M. Tadier:

In that case, I will declare an interest because I am on that sub-panel; nonetheless, I think it is still valid that I be allowed to ask a question because these are separate roles. I would like to ask the Assistant Minister if he does acknowledge that it is misleading to talk of micro-management and the fact that we should not be intervening. Does he acknowledge that there is a nuance that the Assembly, on the one hand, is a government and it may or may not be correct for us to micro-manage but, as a shareholder and the Minister for Treasury and Resources and the States Members who are represented by that shareholder, is it quite valid for us to ask these questions and that should not be confused with micro-management. Will the Assistant Minister therefore take those disparaging remarks back when a States Member is doing their job that they should be doing?

Deputy E.J. Noel:

I can only repeat that we should be setting policy and direction and not micro-managing.

2.14.7 Senator S.C. Ferguson:

Does the Assistant Minister not think that, perhaps, he should take notice of the operations of the New Zealand Post Office, which went through the same angst some 10 or 15 years ago, and turned in a profit this year? Perhaps he should but does he not think that, perhaps, he should be discussing companies like that with the Jersey Post management rather than going through the ... does he not think that there is room for a solid discussion on these matters rather than Jersey Post going off in all sorts of different directions, like Ship2me and MeMo?

Deputy E.J. Noel:

I agree with Senator Ferguson. Jersey Post needs to grasp the circumstances that it is facing. Postal services around the world are in decline, some diversification of their core business will be required. In my own personal view - and it is a personal view - the MeMo and the Ship2me, as an accountant looking at their business plan, did not stack up, but that is a personal view.

2.14.8 Deputy T.M Pitman:

Deputy Higgins has now stolen my thunder from my figures, however, could the Assistant Minister not at least comment? I know there is precedent for this because, after all, we are happy to pay a gentleman more than Barack Obama to turn our Waterfront into something less attractive than Beirut, however, is it not a concern to him, as being responsible to the shareholders, that the C.E.O. (Chief Executive Officer) of Jersey Post earns more than his equivalent for the biggest postal service in the world?

Deputy E.J. Noel:

We require Jersey Post's board of directors, along with all the other States-owned companies, to provide efficient, effective and affordable services to Islanders while providing an appropriate return to the States as a shareholder. The remuneration of executive directors is a matter for that company and the other States-owned business companies' remuneration committees. The Jersey Post Remuneration Committee sets the framework for the remuneration of the company executive directors. The committee comprises of at least 3 independent non-executives, the committee produces an annual report of the company's remuneration policy and practices and that would form part of the company's annual report. We should not be meddling in these affairs.

3. Questions to Ministers Without Notice - The Minister for Housing

The Deputy Bailiff:

That brings to an end question on notice. We now come to questions without notice. The first question period concerns the Minister for Housing. Senator Le Gresley.

3.1 Senator F. du H. Le Gresley:

Would the Minister advise the Members what progress has been made with the tender process for a custodial scheme to safeguard rental deposits and when can we expect to see this scheme in place?

Deputy S. Power (The Minister for Housing):

The Assembly passed last year the Residential Tenancy Law and associated legislation, and then a subsequent proposition was passed in terms of a deposit protection programme. That is with law drafting at the moment, and I am not quoted a final timescale, but it is in the system. The Residential Tenancy Law has not come back from Privy Council and the Tenants' Protection Scheme is in the system. I will find out, because I am not sure exactly sure whether it is months or whether it is longer than that, but I will give the Senator an assurance that I will find out where it is in the legal system.

3.2 Deputy T.M Pitman:

Could the Minister advise the House, firstly, whether he was party to discussions within the Council of Ministers on possibly scrapping his Housing Department, whether he did or does support such a move and is he happy at the explanation subsequently issued on behalf of the Chief Minister?

Deputy S. Power:

I was not party to any discussion to scrap the Housing Department. The future of the Housing Department and moving it towards an association owned by the public has had the approval of the Council of Ministers, otherwise I would not be doing it, and that work will be carried out this autumn, and I hope to bring a report and proposition before the Assembly. As to the scrapping of other departments, or whatever the Deputy is referring to, there was a long Council of Ministers meeting last Thursday week, which concluded at about 10.30 p.m. that night and, at the very end of the meeting, there was a very cursory discussion on possible options for the future but it has not been discussed in any great detail.

3.3 Senator F. du H. Le Gresley:

I would just like to come back to the Minister on his reply, if I may. Could he confirm that the scheme to safeguard rental deposits will be introduced at the same time as the Residential Tenancy Law comes on the statute book?

Deputy S. Power:

My understanding is that the Residential Tenancy Law is overdue to come back from Privy Council, so that will come back to the States for a final reading when it comes back and my understanding, therefore, is that the Residential Tenancy Law will come in before the Deposit Protection Scheme, the Deposit Protection Scheme will come in after that.

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

Can the Minister tell Members whether he is satisfied that the flood-prevention measures that have been put in place by the Housing Department are adequate for flooding which has occurred recently at Grand Vaux?

Deputy S. Power:

I am happy to tell the Deputy and the Assembly that both myself, my Assistant Minister, and a number of officers from the Housing Department, visited Grand Vaux on the occasion and then visited Grand Vaux afterwards. We had, just the previous week, fitted specially-designed aluminium shuttering that runs to the front door. It is only one small part of Grand Vaux that is affected. There was flooding. The volume of water that came down during that extraordinary downpour is not typical; I believe it is a once-in-40-year occasion. We have also been in touch

with T.T.S. (Transport and Technical Services), we have examined the dimensions and the diameter of the main drains up there and we are now looking, with T.T.S., as to what else we can do. I believe I am correct in saying it is a 9-inch main which simply cannot cope with conditions that occurred on that afternoon. So the answer to the Deputy is we are doing the very best we can on Sutton Court, Cherry Orchard Court, the car park was flooded at Pine Court access but, other than that, there was not much more flooding.

3.5 Deputy D.J. De Sousa:

It is some time now since the Whitehead Report was presented to the States, the Minister was then the Assistant Minister. Can he inform the House where we are on any implementations that he is bringing forward from the Whitehead Report?

Deputy S. Power:

Yes. I am happy to answer this one from Deputy De Sousa. We are moving ahead. One of the recommendations in the Whitehead Report, and it is the only U.K. consultant report being commissioned by the Housing Department, they are moving now towards working towards association status and I have formed, with my Assistant Minister, a team which is about to be put in place to bring forward the association move. That team will be local, we do not propose to bring in any other people from outside the U.K., the expertise is in the Island. It will be chaired by myself and by Professor Whitehead's assistant, who is still with the University of Cambridge, and we hope to bring a report and proposition of some kind to the Assembly this autumn to discuss the future of the Housing Department as a housing association owned by the public.

3.6 Deputy G.P. Southern:

That is very rapid. The Minister has recently decided to freeze fair rents or, rather, the Minister for Social Security decided to freeze the rental components of income support at the fair rent level and, yet, private sector landlords are putting rents up, including the Housing Trust and housing associations, which are part of the social housing network. What action can the Minister take to ameliorate rent rises for income support recipients at this time of rising rents in the private sector?

Deputy S. Power:

The Minister for Housing has very little power. The Minister for Housing has no power to regulate the housing trusts; this was a flaw in the setting up of the trusts in 1992. Over 70 per cent of housing tenants are on income support and it is about 30 per cent of housing trusts that are on income support, so I cannot intervene and all I can say is that those housing trust tenants who are on income support, as the Deputy has said, the Social Security Department has frozen the rents in that area, so they will not be receiving an increase on income-support tenants. I wish I did have some further power to regulate the trusts, but I do not; nor do I have much influence over the private rental sector. However, if the department moves to an association status, there will be a regulatory authority over and above the association, the trusts and the private rental sector that I fully intend to write this autumn and bring to the Assembly next year, a regulatory authority for housing in Jersey.

3.6.1 Deputy G.P. Southern:

Once someone has moved into a trust property, is it the Minister for Housing's policy that that trust should then be responsible for housing that family, even when it becomes under-housed because it is having more children, and is it possible for people to move back into Housing property from trust property?

Deputy S. Power:

I think I understand the question. There is a constant ebb and flow of Housing Department tenants to trusts and *vice versa*; in actual fact, we tend to have people who swap and change all the time, it is called our transfer list, it is half of our waiting list of nearly 800. If somebody switches to a trust

property and back again and they are under-occupying a trust property, we are trying to deal with this all of the time.

[16:45]

I recently had a meeting with the 3 trust chairs and we are trying to resolve that problem right now. So the part-answer to the Deputy's question is, I am aware of the issue, I am aware of the under-occupation and we are trying to do something about it.

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

I would just like to follow on from Deputy Southern. I get concerned when I hear a Housing Association by any other name and not a Housing Trust and I get seriously concerned when I hear the Minister for Housing confirm there are no rules and regulations and he will be the Minister for Housing to change this. It was reported in PricewaterhouseCoopers before they went to Housing Trust that they must be regulated. Will the Minister tell this House before we have any other changes to all the other social housing that firstly he has taken an account of the amendment that the tenants must be balloted which was brought in about 2002 (and I brought it myself) and, secondly, that nothing moves until we have proper belt and braces regulation? Also will it be retrospective because I doubt that we can catch the people who have already made many, many millions selling off housing estates for £10?

Deputy S. Power:

I think there were 3 questions there. First, Deputy Martin asked me about the order on the move from a Housing Department to a Housing Association and should there be a regulatory authority before that. The final thing she asked me about was tenant validation which I do not fully understand. My proposal is this, that I will be bringing a report and proposition to the Assembly to move the Housing Department from its current status as a States department to an association. In short order - not at the same time but slightly afterwards - I am now working on a regulatory authority for all social rented housing which will regulate all social rented housing but that will be in very short order after that. I do not think there is anything that should worry Deputy Martin or the Assembly about moving the Housing Department to association status. It is a well-practised model in the U.K. that works very well, notwithstanding one particular example, and I give the Assembly an assurance that it is for the Assembly to decide. It is not for the Minister for Housing to decide; it is for the Assembly.

3.8 Deputy R.C. Duhamel of St. Saviour:

It is a declared strategic aim of the States and the Housing Department to increase the level of home ownership in the Island from its very low levels. In that respect, what is the Minister's highest percentage that he thinks could be attainable for percentage home ownership and one that he will be working towards?

Deputy S. Power:

I have already submitted some figures this summer to the Minister for Planning and Environment as to what we estimate the further increase in stock of social rented housing will be. That would include the Housing Department - or the Housing Association, if the Assembly approves - and the trusts. We have also submitted some figures to the Minister for Planning and Environment on what we do think can be the, what I would call Homebuy Mark 2 or Shared Equity Mark 2, and the Minister for Planning and Environment has those figures as well. In the public hearings that are coming up by the independent inspector in a month or 2, we will be alluding to those figures. But the specific figures, subject to final confirmation with the trusts, we estimate that we need about another 1,300 social rented housing units and the ballpark figure of 400 of affordable housing.

3.9 Deputy A.T. Dupre of St. Clement:

I was just wondering is the Rent Control Tribunal still in operation and if so how many referrals does it have during the course of a year?

Deputy S. Power:

The Rent Control Tribunal is still in existence. It is chaired by the former Chief Officer of Housing and the same person as the Chief Officer of Property Holdings. It has not met since 2006 because there have been no referrals to it.

3.10 Senator A. Breckon:

Does the Minister believe that it is appropriate for some essential housing maintenance to be funded from the recent fiscal stimulus fund and is it not more appropriate for this to be done by money set aside from rental income?

Deputy S. Power:

The Housing Department applied 13 times to Treasury for fiscal stimulus funding for short, medium and long term and won all 13 contracts. They were all approved by Treasury. I believe that it is appropriate to bring forward the refurbishment and maintenance of certain housing estates that have not had any money spent on them in 40 years. So the answer to Senator Breckon is, yes, I think it was justified.

3.11 Deputy M. Tadier:

Does the Minister acknowledge that in fact it is the speculation and profit elements of the houses which get sold which are contributing to the problem of affordable or unaffordable housing? How would the Minister, if he does agree with that, combat this speculative element?

Deputy S. Power:

Is Deputy Tadier referring to the speculative element of States tenants buying their own homes?

Deputy M. Tadier:

No, sorry, perhaps I can phrase it better. Obviously, one of the main reasons people cannot afford houses is because they are not sold at cost. If I phrase it another way: would the Minister be willing to bring forward a method whereby houses could be either built by the States or built by co-operatives and then sold at cost so that people can have houses to live in rather than to supply a market or to have cash cows?

Deputy S. Power:

A builder or a developer builds for a profit. We know, and my Assistant Minister is taking a lead on this, that we can build a 3-bedroom house for between £120,000 and £140,000 excluding the site. What we need to do is work on how we acquire those sites so we will be able to produce affordable housing. My Assistant Minister takes a very strong view on the fact that the Homebuy portion or the States debenture in these units should be built into the system and kept in the system for eternity. We are working on that and I can assure the Deputy we will be producing a position paper on that very shortly.

4. Questions to Ministers Without Notice - The Minister for Planning and Environment

The Deputy Bailiff:

I am afraid that brings an end to the question period for the Minister for Housing. We now come to questions for the Minister for Planning and Environment. Senator Le Gresley.

4.1 Senator F. du H. Le Gresley:

Would the Minister please explain why his planning officers have consistently recommended that development should be permitted in Field 621 on Route de Noirmont in clear contravention of established policy for the protection of an agricultural field which, on the specific recommendation of a former Environment and Public Services Committee and with the unanimous agreement of the House, was placed in the Green Zone thereby providing Field 621 with additional protection under policy C5 of the Island Plan?

Senator F.E. Cohen (The Minister for Planning and Environment):

I need to be a little cautious with this because the matter of 621 is not finally resolved but the basis is it is very simple. If I can remember the dates correctly, in 2004 the then committee decided that while 2 houses were not acceptable on this particular site, one house was. That was confirmed in writing to the then owner of the site and the site was sold on the basis of that letter. It was an unequivocal letter, it was a letter sent with the instruction of the committee and there simply is not any going back on that. We cannot operate a system of government where a States Committee gives a commitment on a certain matter and then simply withdraws the commitment. If the Senator is suggesting that no house should be built, there could potentially be an issue of compensation. Thank you.

4.2 Deputy P.V.F. Le Claire:

In written questions today I asked the Minister to tell us how much extra open space was proposed in the new North of Town Masterplan. In reading the answers I am not surprised - but Members might be - that there is a 100 per cent increase in residential accommodation and only a 1 vergée increase, or a 10 per cent increase, in open space. There is also reference to the fact that additional housing development and other sites identify more accommodation. Would the Minister please provide for Members a comparison in as many jurisdictions as he is able of room size and amenities in other locations compared to the proposed Island Plan so that we can determine whether or not these changes in this revised North of Town Masterplan are going to be sustainable?

Senator F.E. Cohen:

I thank the Deputy for that most interesting question and I think the piece of work he suggested is well worthwhile carrying out, and I will undertake to provide this information to Members but it will take a little time. In relation to the increases in quantum of residential development proposed in the North of Town Masterplan revision, this is as a result of the inclusion of the gas company site. The units proposed on the site are indeed spacious with high amenity levels and they would make excellent residences for all. Thank you.

4.3 Deputy T.M. Pitman:

Having met with a number of small business owners - very concerned business owners - in the area, could the Minister advise what consideration has been given or what, if any, consultation was undertaken with such stakeholders in relation to the recently announced plans to develop a third supermarket and multi-story car park at the old Ann Street Brewery site?

Senator F.E. Cohen:

That is not my proposal. That is a proposal which is, as far as I am aware, not as yet a planning application from the owner of the site. I am afraid I am not able to comment further as it is a privately-owned site. Thank you.

4.4 Deputy D.J. De Sousa:

I wonder if the Minister could inform the Assembly if there is a regulation maximum height that buildings can go to. As you look at the Waterfront in the Esplanade Quarter, you can see there is an encroaching increase layer by layer; each one seems to be getting higher. Can the Minister answer on density, please?

Senator F.E. Cohen:

This is not a question of density; it is a question of quality. Taller buildings can be excellent and can compliment our urban landscape and indeed I would point the Deputy to 44 Esplanade which is a Naish Waddington scheme one floor higher than the surrounding buildings. It is indeed an excellent scheme of which I and the architects are particularly proud. There is no particular height although if you speak to Sir Michael Hopkins his view is that the general prevailing height for St. Helier should be 4 to 5 stories - no more - but there are exceptions and indeed the supplementary planning guidance in relation to the Waterfront did suggest a site for a particularly tall building. So it is site-specific but generally 4 or 5 stories, possibly 6, but the most important is the quality of design and I have introduced a policy that whatever the height there will now on commercial buildings be no additional M. and E. (Mechanical and Electrical) plant on the roofs. Thank you.

4.5 Senator A. Breckon:

I wonder if the Minister for Planning and Environment could comment on properties built on the coast or on the coastline. What exactly is the policy, are there any protected areas and are all applications considered on their merit?

Senator F.E. Cohen:

Any property owner is entitled to make an application for buildings on their property but as far as coastal locations are concerned generally the presumption is that there will only be a building if there is an existing building and in most cases, but not all cases, we seek a reduction in size for the new building. But, of course, there is the issue of design and there have been some particularly wonderful new coastal schemes approved over the last few years and one or 2 of those are not significant reductions in size but none that I am aware of are an increase in size. Thank you.

4.6 Deputy J.A. Hilton:

Going back to the question of Field 621 on the Route de Noirmont, I believe the advice given at the time in the letter that the Minister referred to was that any development on that site should be “limited and appropriate” to the historic nature of the site. If the Minister does agree to development - and I do not believe he should but if he does - will he assure the House that he will stick to the letter of the advice given in 2004 to the developer of “limited and appropriate” to the historic nature of the site?

Senator F.E. Cohen:

I am not sure the term “historic” was used and I think that it is rather unfair to seek to blame me for difficulties of Field 621. The reality of Field 621, as I have explained previously, is that an unequivocal commitment was given in 2004 and there is no going back. I have as yet not determined any particular house on that site. I will view any application for a dwelling on that site in the context of the site, in the context of the surrounding areas and I will seek to balance the issues as best as I am able. But I am sure that I certainly will not satisfy all parties in terms of their aspirations for the particular site.

[17:00]

4.6.1 Deputy J.A. Hilton:

Can I just come back in response to that because the Minister says in one part of his answer that he is bound by the agreement that was given in 2004 but the advice given to the developer in 2004 was “limited and appropriate”, so I ask again if the Minister considers that if there should be development on that site that he does keep to that advice that was given.

Senator F.E. Cohen:

It was not advice; it was a commitment. The commitment was that one house would be acceptable. I have given repeated assurances that I will do my best to ensure that whatever is eventually

constructed on the site is the most appropriate for the site. I will seek to limit the development on the site as much as is appropriate; I cannot do any more. I am afraid that I did not give the commitment in 2004.

4.7 Deputy A.E. Jeune of St. Brelade:

Could the Minister please advise what progress has been made by his department in respect of getting a report from U.K. planning persons to introduce possibly a permitted development rule? Thank you.

Senator F.E. Cohen:

I am grateful for the question. We are in the process of appointing a U.K. planning expert to look at all our processes to try and streamline our processes and to take a view on whether we need to do what we are doing and if we do need to do what we are doing, whether we can do it cheaper or for less money and, most specifically, whether we can significantly extend the exemptions to development. I have often repeated the figure that in Southampton there are approximately 300,000 people and they deal with 2,500 planning applications a year. We are approximately 90,000 people and we also deal with 2,500 planning applications a year. There is something wrong there and I seek to reduce the number of small applications that are required to go through the planning process. Thank you.

The Deputy Bailiff:

Deputy Higgins, there was a flash of red lights a moment ago, were you one of them? I think you might have been. Then I call on you.

4.8 Deputy M.R. Higgins:

Just changing the subject slightly, would the Minister with his environmental hat respond? Guernsey have banned dredging for environmental reasons, does the Minister think that dredging should be banned in Jersey waters for the same reasons?

Senator F.E. Cohen:

This is a matter that the House's request is dealt with by the Assistant Minister Deputy Duhamel as a separate matter and I will seek to obtain the Assistant Minister's view on dredging and to distribute that to the House after this session. Thank you.

4.9 The Deputy of St. John:

I refer to the Kosangas site in St. John which has an explosion zone of some 300 to 400 metres around it. Is the Minister still minded to prevent any building of domestic buildings within that zone and also will he inform us of his views on any additional commercial enterprises being allowed within that explosion zone, as I have concerned residents in the area?

Senator F.E. Cohen:

As usual, the Deputy comes up with some interesting questions, particularly in St. John. In this case he has come up with a question that I have never considered before and rather than answer it inaccurately I will consider the matter carefully and provide a written answer in the next couple of days which will be distributed to Members. Thank you.

4.10 Senator F. du H. Le Gresley:

I am sorry that I am pressing the Minister about Field 621, but could I just ask the Minister to explain why third party appeal rights do not arise where planning permission is granted in the context of a statutory appeal process and whether his department has taken legal advice on this matter?

Senator F.E. Cohen:

I would rather not get drawn too much into this area. It is a legal matter for which I am not qualified to answer but as I understand it because of the nature of appeal there is no statutory third party appeal rights in relation to the reserve matters. Thank you.

4.11 Deputy J.A. Hilton:

A question about planning and development in coastal locations and it was my understanding that 4 or 5 years ago where development in the zone of outstanding character - which presumably would encompass all coastal locations - the general rule of thumb was that I believe people would be allowed a maximum of 10 per cent of the existing footprint. There have been several developments in the past where we have had extensions which have been substantially bigger than the original house standing there. Is the Minister able to say whether that 10 per cent rule still applies?

Senator F.E. Cohen:

The 10 per cent rule never formally applied and, no, it certainly does not apply presently. The position is that I will view every application on its merits and indeed the most important issue in relation to coastal development, and in fact all other development, is the quality of design. I do not believe that if we stuck rigidly to a 10 per cent rule, for example, that we would have had the good fortune to be able to approve a Quinlan Terry scheme at Flicquet only last week which will, I hope, be one of the finest houses delivered in the Island since the 19th century. There are opportunities to deliver wonderful houses on the coastal zone. We have to be extremely careful they should only be where there are existing buildings and we should seek wherever possible to limit the size. But it is a question of design, and design and size are related. Thank you.

The Deputy Bailiff:

Deputy Le Claire. You have 35 seconds for your question and the answer.

4.12 Deputy P.V.F. Le Claire:

France give 57 pence per kilowatt; England give 40 pence per kilowatt in feed-in tariffs to people who install renewal energy technology like solar panels; Jersey gives 7 pence. Is that stopping Jersey producing solar technology as we would like them?

Senator F.E. Cohen:

We should do all we can to encourage micro-energy solutions of all types and I believe that the Energy Grant Scheme should be extended in order to encourage all Islanders to reduce the Island's carbon output. Thank you.

5. Urgent Oral Question

The Deputy Bailiff:

Very well. That brings our questions to Ministers without notice to an end. We now come to the urgent oral question which the Bailiff approved under Standing Order 15 and which Deputy Trevor Pitman will ask of the Chief Minister.

5.1 Deputy T.M. Pitman of the Chief Minister regarding discussions about reducing the number of departments and outsourcing/privatising essential areas:

I appreciate this question was lodged before the rather hurried press release. Would the Chief Minister advise whether discussions have taken place among Ministers to reduce the number of departments and outsource and privatise many essential areas including taxation and, if so, will he advise why these proposals were not made available to States Members in order that the Annual Business Plan could be debated meaningfully?

Senator T.A. Le Sueur (The Chief Minister):

Through the comprehensive spending review the Council of Ministers have put in place a structured, thorough and realistic process to meet the structural deficit. This process will achieve £50 million worth of savings over the next 3 years and forms the basis of the 2011 Business Plan. It is clear that there is a strong desire from some quarters to increase the level of savings over this period, perhaps by as much as £30 million. While there is little information to support how this should be delivered, it is clear if that were to be agreed a radical review of the plans already in place will be required. So as a way of preparing for the possibility of a requirement for additional savings the Council of Ministers held an informal meeting in order to undertake some blue-sky thinking about possible scenarios for the future. This informal meeting was based around a discussion document which was designed to facilitate discussion and debate about how to meet an even greater reduction in public sector expenditure while still maintaining a level of service acceptable to the public. As is now public knowledge this discussion document included within it a wide range of possible future scenarios, including reducing the number of departments and the possibility of alternative methods of service provision. However, no decisions whatsoever have been made and the Council of Ministers has not given any formal consideration to these matters. The Council remains fully committed to delivering its agreed strategy of achieving £50 million savings by the end of 2013.

5.1.1 Deputy T.M. Pitman:

Does the Chief Minister not concede that whatever the explanation from within his department now attempting to justify the discussion of these measures, the very fact that one of his own Ministers allegedly was concerned enough to leak the document can only damage already strained industrial relations and what action does he plan to take to try and put employees' minds at rest?

Senator T.A. Le Sueur:

While clearly the article in the *Jersey Evening Post* was not helpful, we took immediate steps to contact employees in order to put their minds at rest. I do appreciate the concerns that our staff will have over this sort of matter and indeed that is why we did that reassurance as soon as possible. But I would point out that the discussions we have been having with staff have been going on over many months now and this press comment was, to my mind, inappropriate.

5.1.2 Deputy P.V.F. Le Claire:

I finally find out what it was that was upsetting the Chief Minister and all the other Ministers: it was the *Jersey Evening Post* article on this subject. I did ask the question in an email to all Members but I did not get the answer. Can I therefore ask why is it impossible for Ministers and their departments to spend time telling me exactly how many people they have when Ministers can go off and do some blue-sky thinking which is not time-wasting, sitting until 10.30 p.m. at night and do this kind of an exercise? May he also, please - seeing as the media seem to have a copy - circulate to the rest of us the paper that was used for this blue-sky thinking?

Senator T.A. Le Sueur:

If Ministers choose to spend time over and above the call of duty, that is up to Ministers, but I think to require staff to do unnecessary work at extra costs is not something I want to encourage. As far as circulating documents are concerned, when we come to a situation of having a meaningful agreed policy then that certainly will be circulated. But I see no point in circulating a discussion document which was no more than that when it contained a variety of hypothetical ideas, many of which sadly may be misinterpreted and regarded as definite policy.

5.1.3 Deputy P.V.F. Le Claire:

May I press the Chief Minister? Is this the paper not in the hands of the media and is this not the paper that so deeply upset the Council of Ministers? If this is in the hands of the media and it has been reported to the Island, is it not wise or is it not fair to circulate that paper to States Members?

Senator T.A. Le Sueur:

The Council of Ministers is not upset by the content of the document. Certainly, speaking for myself, I am upset that a misleading impression has been given that this document is far more significant than the actual document is which is merely a discussion paper.

Deputy P.V.F. Le Claire:

How can we satisfy ourselves that that is the case without the document?

The Deputy Bailiff:

I come to Deputy Higgins.

5.1.4 Deputy M.R. Higgins:

At the beginning of the C.S.R. process we were told that the C.S.R. process was going to consider everything; basically nothing was going to be ruled out. Now we are being told they have not even considered some of these things previously. Is the Chief Minister saying that the Minister for Treasury and Resources has misled us; that it was not as comprehensive as we were led to believe and therefore there must have been information previously that must have been discussed on these issues?

Senator T.A. Le Sueur:

The comprehensive spending review was part of a process designed to address a deficit of £100 million by a combination of 3 measures: one was to reduce public spending, one was to increase taxation and the third was to improve the economic performance of the Island. That was planned, and has been planned, for many months and part of it was a savings plan of £50 million. That plan is being developed and is part of the Annual Business Plan process and that is documented in the Annual Business Plan.

5.1.5 Deputy M.R. Higgins:

Can I have a supplementary on that? Again, we are being told that it was those 3 areas. We have also been told repeatedly we were going to be thinking out of the box; it was going to be blue-sky thinking; we were going to think the unthinkable: "Let us review everything." It appears that that was not the case. Does he not agree?

Senator T.A. Le Sueur:

I am not quite sure what the Deputy is getting at. It is up to Ministers to come forward with policy proposals for the States to decide upon and either accept or reject. That blue-sky thinking has commenced by Ministers and it is not in a state yet for putting forward as a policy proposal.

5.1.6 Deputy G.P. Southern:

Given that potentially £80 million worth of cuts leads to wholesale closing down of departments and privatisation of an entire tranche of services, does the Minister not accept that £50 million worth of cuts will be enacting major frontline service cuts and when will he bring those service cuts to the House?

Senator T.A. Le Sueur:

While I do not entirely follow the Deputy's confusion about the £80 million requiring wholesale closure, I do agree that £50 million will be a challenging process for all of us to deliver but is something which we must deliver and that is something which Ministers will be considering in the next couple of weeks. The outcome of the reviews have been going on over the last few months in order that we can come to the House with measured and reasonable proposals for the delivery of £50 million savings over the next 3 years in a way which is deliverable and achievable with the co-operation of all concerned.

[17:15]

5.1.7 Deputy G.P. Southern:

Can I just seek clarification? The Chief Minister is absolutely stating that we will have to debate 2 per cent cuts before we even see what 10 per cents might mean.

Senator T.A. Le Sueur:

I am saying we have a Business Plan which gives a 3-year programme and sets out the timetable for doing that, including the delivery of cuts of about £10 million to £12 million in 2011 and greater cuts in 2012 and 2013. We will be having that debate in the rest of the week and I am sure the Deputy will have time at that stage to indicate whether or not he is satisfied with proposals being put forward.

5.1.8 Deputy A.T. Dupre:

Does the Chief Minister not think that he should really try and find out who leaked this information to the *J.E.P.*? Thank you.

Senator T.A. Le Sueur:

That may be of interest to myself, but I am more interested in debating the right policy for the future and ensuring that the proper decisions are made on a proper basis.

5.1.9 The Deputy of St. Mary:

The Chief Minister just used a very good phrase there: make the proper decisions on a proper basis and that is the whole problem, is it not? As Deputy Higgins suggested, when there is blue-sky thinking it gets in the paper and all the pigeons fly up into the loft and everyone gets uptight about it. This is the sort of fundamental thing that at the briefing in June the Chief Minister himself told us it would take 5 years to do the job properly: to look at services in the round, take the public with you, take the workers with you and end up with some restructuring that really makes sense and it is just all falling apart. I just want the Chief Minister to comment on that. The timescale is completely impossible.

Senator T.A. Le Sueur:

Yes, well, on the contrary the timescale is completely essential. What I was saying in June was that the total changes will take more than 3 years to implement but we have to implement over the next 3 years, savings which will deliver to us at least £50 million in order to resolve the issue which is facing all of us of dealing with a £100 million deficit in the most practical way.

5.1.10 The Deputy of St. Mary:

Can I ask a supplementary? Does the Chief Minister not agree that if it takes 4½ months for the J.C.R.A. to get consultants to review the efficiency of Jersey Post which, in comparison to E.S.C. (Education, Sport and Culture) or to Health and Social Services, is a small and simple organisation in comparison, can the Chief Minister really say that 2½ months is enough to do a proper review of major government departments?

Senator T.A. Le Sueur:

What I am saying and keep trying to say is that we are obliged to deliver by 2013 balanced budgets which will require us to find a combination of savings measures, taxation cuts and economic measures which will total a reduction or a balance for the £100 million deficit. If we had the luxury of time to spare it would no doubt be better to do it over a 5-year period but we do not have that luxury. We have an obligation to deliver it and deliver it now.

The Deputy Bailiff:

A final supplementary, Deputy Trevor Pitman?

Deputy T.M. Pitman:

As a gesture of goodwill on our first day back, I am happy to pass it up to anyone else who wants it.

The Deputy Bailiff:

The Deputy of St. Mary was just about to ...

5.1.11 The Deputy of St. Mary:

Is the Chief Minister contemplating getting things wrong and getting it wrong quickly?

Senator T.A. Le Sueur:

A decision was made by Members of this House and I hope that they will make the right decision to deliver a Business Plan which will be for the benefit of the Island as a whole for many years to come.

STATEMENTS ON A MATTER OF OFFICIAL RESPONSIBILITY

The Deputy Bailiff:

There is nothing under J. Under K there is a statement to be made by the Minister for Transport and Technical Services.

6. Statement by the Minister for Transport and Technical Services regarding town flooding

6.1 Connétable M.K. Jackson of St. Brelade (The Minister for Transport and Technical Services):

Members will be aware of the severe flooding incident that occurred on 26th August 2010 which caused flooding to a number of areas around the Island and in particular the West Centre area of St. Helier. The reasons why the flooding was particularly severe in this area have now been identified as being a result of the lack of the capacity in the combined foul sewers in the West Centre/Beresford Street area of town during the heavy rainfall events such as occurred on that day and therefore a subsequent risk of flooding. It was intended that this lack of capacity would be addressed as part of the St. Helier surface water link and cavern project that was completed in the late 1990s by the construction of a 20 metre shaft at West Centre that would in turn connect to the cavern facility under Fort Regent. This connection would have provided an outlet for excess flows in the area and along with the cavern and other sewer upgrade schemes carried out in St. Helier over the last 10 years would have provided St. Helier with protection against flooding for rainfall events up to one in 10 years. However, due to difficulties at the time of reaching agreement with landowners at West Centre, who will be aware of the situation, and concerns of the final cost of the project, the construction of this shaft was never carried out. As a result, the current level of protection against flooding for St. Helier, particularly in the West Centre of St. Helier, is somewhat less than one in 10 years. Since the completion of the remainder of the cavern project in 1998 an alternative location for a connection shaft has been identified in the Phillips Street/Providence Street area that addresses the disruption and land ownership issues associated with West Centre while still providing the connection facility to the cavern that will reduce surcharging of the sewers in this part of St. Helier. This option now has more appeal since the demolition of the Ann Court housing site as the construction of a shaft on this site would further minimise disruption to the surrounding area during the construction phase and significantly reduce the risk to surrounding properties as a result of the shaft subsiding, as alternative shaft-sinking and tunnel-driving methods could be used. If the future risk of flooding to properties in West Centre during heavy rainfall events is to be minimised and the design flood protection level of one in 10 years provided by the cavern is to be achieved, then capital monies will be required so that the final part of the St. Helier surface water link and cavern project can be completed. In summary, it is only when the

surcharging in the combined foul sewers in the West Centre area during heavy rainfall events is addressed by making the connection to the surface water link tunnel and the cavern at Phillips Street/Providence Street that the design flood protection for the town provided by the tunnel and cavern complex can be realised, and the combined sewer overflow spills to the surface water system minimised. I regret the inconvenience caused to residents and businesses in the area and thank all the Transport and Technical Services staff, emergency staff personnel, and Honorary Police for their tremendous service during this difficult period. Thank you.

6.1.1 Deputy P.V.F. Le Claire:

Having witnessed floods in the media in the United States and other places where sewerage combines with the floodwaters and concerns about health are aired, what risk, if any, occurred during this period with combinations of sewerage among this water and what steps are given to keep people away from that water because certainly within the *Jersey Evening Post* there were pictures of people wading through it?

The Connétable of St. Brelade:

Clearly, with the amount of rainfall at the time which was about an inch in 3 hours which is quite unprecedented, there was enormous dilution involved but my department is concerned this situation does not get repeated and hence the work as outlined in my statement is being considered.

6.1.2 Deputy M.R. Higgins:

As the Minister is talking about the effect of flooding and the heavy rainfall, can he confirm if the new incinerator was damaged through heavy rain ingress into the building caused by the roof of the building not being finished and there has been internal damage? Can he confirm or deny that that was the case?

The Connétable of St. Brelade:

I am not aware of that but I certainly know that during the visit I was on down there I saw rain coming into the refuse pit which is not of great concern. I am not aware of that but certainly will investigate and advise the Deputy if that were to be the case.

6.1.3 The Deputy of St. John:

Historically, I am aware that plans, *et cetera*, for extending the North of Town sewerage system were in place. Can the Minister confirm that those plans have been updated, are kept updated regularly and whether or not money has been requested on a capital vote for these works and, if not, is he putting in an application for a capital vote on extending the North of Town sewerage system?

The Connétable of St. Brelade:

Yes, we have current plans which, after discussions this morning, would take a very short time to update. Yes, I can confirm that the department is seeking capital for the project.

6.1.4 The Deputy of St. Mary:

Can the Minister give us any indication of what the costs of the flooding to the community were maybe by some kind of notion of the insurance claims, particularly in the light of Deputy Le Claire's question about whether there might have been sewerage mixed in, albeit in dilution? Following on from that, will the necessary investment for sorting out this problem come out of the contingency fund or will it come out of the capital fund?

The Connétable of St. Brelade:

To answer the second part first, I would expect any capital required to come out of the capital fund. Sorry, could I just ask the Deputy to repeat the first part?

The Deputy of St. Mary:

I asked about whether there was any estimate or any intention indeed of estimating the cost of the flooding, as it is likely to recur.

The Connétable of St. Brelade:

Well, no, I cannot possibly give that at the moment because that will be a matter for insurance companies to collate and whether we will be advised of that in the fullness of time I do not know, but I am happy to pass it on if I do receive the information.

6.1.5 The Deputy of St. Mary:

May I ask a supplementary? Does the Minister in the light of saying that the necessary investment would have to come out of the capital fund, does he not agree that this shoots rather a hole in the world view of people who say that we can have £50 million cuts tomorrow and £80 million the day after that?

The Connétable of St. Brelade:

Well, indeed, it does but, quite frankly, there is not the money in the contingency fund either. It really is a juggling act where the funding comes from, but I have made this statement because I want Members to be aware of the rather dire situation in that part of town which has shown itself by the results of the rainfall in August.

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

Members will recall photographs in the *J.E.P.* earlier this year when residents at Tesson in the Tesson Mill area were flooded. When I addressed the issue with the Chief Officer of T.T.S. I was told that although they know how to resolve the problem, there are no capital funds available to undertake the work. I would like to know from the Minister why or how he prioritises the spending of capital funds in this instance. Is it because we are looking at private business, commercial enterprise, how does he distinguish between householders being flooded out and commercial business and will he please explain the prioritising matters that he deals with?

The Connétable of St. Brelade:

It is all a question of risk assessment and taking all the factors into account and weighing them up. I would be happy for the Constable to attend at the department and the officers can go through with her how they do it.

The Connétable of St. Lawrence:

Thank you, I will accept that invitation.

6.1.7 Deputy D.J. De Sousa:

Twice in the Minister's speech he mentioned one in 10 years and the risk of flooding. He intimated that it is somewhat less than one in 10 years in this area of town. What is the exact ratio?

The Connétable of St. Brelade:

I do not have that because it is an imprecise estimation but it is based on previous occurrences and, once again, I am happy to discuss that with the Deputy and quantify it a later date.

6.1.8 The Deputy of St. John:

Given stimulus funding can be found for a somewhat grandiose scheme on Victoria Avenue when really all we needed at that time was a resurfacing and a bit of drain work, had the Minister given serious thought to asking for stimulus money for this particular work?

The Connétable of St. Brelade:

Yes, indeed, we had but regrettably the type of work is such that the expertise to do it is not present on-Island so it will involve bringing in contractors to do the work from the U.K. so it would not have fitted within the economic stimulus requirement.

6.1.9 The Deputy of St. John:

If I could follow that up: given that contractors were brought in from the U.K. for doing the work on Victoria Avenue (yes, they were; you can nod your head) your argument does not hold water surely? [Laughter]

The Deputy Bailiff:

There are a number of procedural objections to that. [Laughter]

The Connétable of St. Brelade:

The Victoria Avenue project did not involve the importation of English contractors.

[17:30]

The Deputy Bailiff:

That is a substantive objection. Very well. The Deputy of St. Mary, it is the last question.

6.1.10 The Deputy of St. Mary:

In answering the Constable for St. Lawrence, the Minister suggested that there was a process of prioritisation. Could he explain how that can function without him knowing what the costs of the damage in that particular location of that flooding and costs of damage elsewhere are?

The Connétable of St. Brelade:

I cannot give a precise answer to a little bit of an imprecise question. No one will know what the costs of the damage will be until they are quantified by the insurance companies. I would be happy to know that and it certainly would influence my decision but I have suspicions the cost will be significant and I suspect that information will drive a prioritisation of this tunnel. In my own mind I have to say that it is highly prioritised.

The Deputy Bailiff:

That brings an end to the questions to Ministers without notice.

6.1.11 The Deputy of St. John:

I think there could be a point of order, if I may? The reply I had from the Minister in relation to the company that carried out the work on Victoria Avenue being an English company, given that the majority of the machines and the like all had English registration numbers at the start of the contract - and I see Senator Cohen nodding his head - therefore, is the company not registered in the U.K. rather than Jersey? If it is Jersey it was off-Island for many years and it has come back.

The Deputy Bailiff:

I am pleased to note that it is not a point of order. As there is no ruling required from the Chair on it, Minister if you wish to answer ...

The Connétable of St. Brelade:

I am happy to answer that. Yes, the work was carried by Jayen (Jersey) Limited. They bought a significant number of second-hand vehicles in the U.K. to do the job and they were re-registered when they came to the Island.

The Deputy Bailiff:

We may never know why Senator Cohen was nodding his head. [Laughter]

Deputy E.J. Noel:

I would just like to make a point of correction. The work was not carried out by Jayen (Jersey) Limited; it was carried out by Trant.

The Connétable of St. Brelade:

I apologise, that was my error.

ARRANGEMENT OF PUBLIC BUSINESS

The Deputy Bailiff:

There is one further matter which we need to deal with, although it is 5.30 p.m., because it concerns the hours of sitting this week and Members will want to know where they stand. Can I call on the Vice-Chairman of the Privileges and Procedures Committee?

7. Deputy C.H. Egré of St. Peter (Vice-Chairman, Privileges and Procedures Committee):

I think we all understand the enormity of the debate that starts tomorrow morning and on that basis, and against certain rumours that have gone around today, I would ask firstly that we get very early notification of any amendments that are to be withdrawn so we can get some idea of how to plan the rest of the week. Further to that, in good democratic tradition, it has been suggested to us that we either start early, work over lunch or finish late. We cannot do everything. I am minded this is going to be a long debate. I am also minded that because of it, Government still has to work and therefore there will be some lunchtime meetings that will have to continue. Therefore, I would suggest that we do not reduce the lunchtime period. I would also suggest that we set now the fact that we will sit until at least 6.30 p.m. on every day for the rest of this week. We would also review the situation as it progresses pre-lunch on each of our sitting days. That will give us some idea as to how the debate goes forward. We all know here that within this Assembly sometimes debates can go on and on and on and sometimes we can do work very, very quickly, so it is very difficult to define the time that it is going to take for us to get through. I would make the proposition that we now formally say we will be sitting up until 6.30 p.m. for the rest of this week and it will be reviewed pre-lunchtime of each working day.

The Deputy Bailiff:

Is that proposition seconded? **[Seconded]** Does any Member wish to speak on the basis we are not going to talk for very long, I hope, about whether to sit until 6.30 p.m.?

7.1 The Deputy of St. John:

I would like to put a counterproposition we start at 9.00 a.m. in the morning and we finish at 6.00 p.m.

The Deputy Bailiff:

I take it that is an amendment to the proposition. Is that seconded? **[Seconded]** That is seconded. The Deputy of St. Mary.

7.2 The Deputy of St. Mary:

Yes, I have had murmurs behind me saying that traffic at 9.00 a.m. is not a good time to start. 9.15 a.m. until 6.00 p.m., I am afraid, would not sort it but I do have another suggestion about how to make this debate easier and quicker. **[Interruption] [Laughter]**

The Deputy of St. Peter:

On the basis that I have said that the intention will be to review each lunchtime, I would maintain my proposition.

The Deputy Bailiff:

Yes. We cannot have different suggestions coming from all quarters of the Assembly. There have been 2 propositions put and that is quite enough in relation to the sitting for the rest of this week. We will take first the proposition of the Privileges and Procedures Committee and if it is passed then the Deputy of St. John's proposition will fall away. The appel is called for on the Privileges and Procedures Committee proposition that the States sit until 6.30 p.m. each day subject to a review pre-lunch each day. Will Members return to their seats if they are outside the Chamber otherwise I will ask the Greffier to open the voting?

POUR: 32		CONTRE: 8		ABSTAIN: 0
Senator T.A. Le Sueur		Connétable of St. Martin		
Senator P.F. Routier		Connétable of St. John		
Senator P.F.C. Ozouf		Connétable of St. Peter		
Senator B.E. Shenton		Deputy R.C. Duhamel (S)		
Senator F.E. Cohen		Deputy of St. John		
Senator A. Breckon		Deputy of St. Mary		
Senator S.C. Ferguson		Deputy M.R. Higgins (H)		
Senator A.J.D. Maclean		Deputy J.M. Maçon (S)		
Senator B.I. Le Marquand				
Senator F.du H. Le Gresley				
Connétable of Trinity				
Connétable of Grouville				
Connétable of St. Brelade				
Connétable of St. Saviour				
Connétable of St. Clement				
Connétable of St. Lawrence				
Deputy of St. Martin				
Deputy J.B. Fox (H)				
Deputy J.A. Martin (H)				
Deputy G.P. Southern (H)				
Deputy of St. Peter				
Deputy J.A. Hilton (H)				
Deputy P.V.F. Le Claire (H)				
Deputy of Trinity				
Deputy S.S.P.A. Power (B)				
Deputy A.E. Jeune (B)				
Deputy T.M. Pitman (H)				
Deputy A.T. Dupré (C)				
Deputy E.J. Noel (L)				
Deputy T.A. Vallois (S)				
Deputy A.K.F. Green (H)				
Deputy D.J. De Sousa (H)				

Senator A.J.H. Maclean:

Would that be we remain until 6.30 p.m. today or is it starting from tomorrow?

The Deputy Bailiff:

I understood the proposition to relate to the rest of the week.

Senator A.J.H. Maclean:

May I then suggest as Members are fresh, we have only had half a day today, I have a small appointment for the Jersey Financial Services Commission which needs to be in camera. It does seem to me that this time, if Members are prepared to accept this, might be a good time to take this particular item.

The Deputy Bailiff:

There is one other housekeeping matter, Senator, which perhaps we could come to before we reach yours and that is the proposition which has been circulated to Members from Deputy Southern.

8. Public Sector cuts and alternative taxation measures (P.113/2010) - proposal to bring forward debate before Annual Business Plan

8.1 Deputy G.P. Southern:

Yes, I am seeking leave to bring my proposition P.113 before the main debate on the Annual Business Plan. I believe that it is contained in Standing Orders. I request that and it has been in the past that a standalone proposition which is so different to a main proposition that it needs a standalone, it cannot be an amendment, has been debated first for the sake of good order of debate. It seems to me that in this case my P.113 contains such a different approach and such a wider approach to the Annual Business Plan that it would indeed be good order to deal with it first. It does not matter whether you are for or against the principles that I outline in P.113, the question is: is it better to deal with it and either accept parts of it or not before we deal with the Annual Business Plan? It seems to me that, for example, people will want, when they are thinking about voting for particular service cuts which are inevitably bound with taxation matters, to have the widest possible range of options in front of them. For example, there may be those who will be concerned about the voluntary redundancy plan which we still do not know about - nobody knows about - before we start making mass redundancies. There may be people in the House who are concerned about the fact that we do not have any T.U.P.E. (Transfer of Undertakings (Protection of Employment)) legislation and yet it is likely that £50 million of cuts will produce substantial privatisations and outsourcing and we need to have these sorts of issues covered. So, my proposition suggests that there is a delay to March of next year before we enact anything in order that we can be confident, for example, that we are not endangering recovery, that we give the opportunity to examine the widest possible options including: is it time to use the strategic reserve or the interest from it, is it time to consider borrowing? It does not matter whether you want to say yes or no, is it appropriate that we discuss that before we get down to the hatchet job of what amendments are we going to accept of the 15 to the Annual Business Plan? In particular, one that strikes me is that my proposition in (b) contains a statement about G.S.T. and it may well be that some people are particularly concerned about G.S.T. and the potential for raising that. If we could get the House's feel on that then it would be appropriate to do that before we go on to debate each of the individual cuts and whether you are for greater cuts or less cuts, we need to debate that in the widest possible view of all the possible alternatives. I think the right order to debate it is P.113 before we go on to P.99 because then we will have a timescale and we will have a steer already on where we are going with the Annual Business Plan. I would ask leave of the House in the interests of the logical order of debate to present P.113 before P.99. Certainly, the Chief Minister seemed to be considering it, he had not dismissed it out of hand, and I would like to hear from him before we ...

The Deputy Bailiff:

So you wish to make the proposition that P.113 is dealt with before P.99? Is that seconded? **[Seconded]** The Chief Minister.

8.1.1 Senator T.A. Le Sueur:

I indicated to the Deputy I would be happy to consider debating when we chose to hear his proposition. I am certainly not in favour of debating that before the Annual Business Plan. I think the decision before us is a very simple one: it is either yes or no, and we are not going to speak for long. But I would say that we have probably 2 major set pieces for debate in the year: that is the Business Plan and the Budget. Standing Orders say that those matters shall be taken as the first

item of business on that day and they have made that ruling, I think, for very good reasons. They are the fundamental keystone building blocks of States policy for the following year and that they therefore have significance and importance in their own right. I think if we pushed them down the Order Paper, whether for this proposition or any other proposition, we undermine their importance. I think for that reason, for a start, I would have to oppose the proposals of Deputy Southern. I also think that in fact what he is trying to do here is virtually a negation of the Annual Business Plan as it stands and I think if that is the way he feels about the Business Plan, he has a simple remedy at the end of the voting. So for various reasons - but mainly for those and for the sake of brevity - I oppose the suggestion that we debate that first and I maintain the idea in Standing Orders that the Business Plan should be the first major item for debate this week.

Deputy G.P. Southern:

Could I ask for a ruling from the Chair as to what would happen to the elements contained in P.113 were we to do it second rather than first?

The Deputy Bailiff:

Doing what to P.113?

Deputy G.P. Southern:

What would happen in terms of whether anything in P.113 would automatically fall if we passed the Business Plan as it stands; let us suggest the Chief Minister's Business Plan?

8.1.2 Senator P.F.C. Ozouf:

May I assist? Because a number of the proposals relate directly to work that the Treasury would be carrying out: (a)(i)(3) is a request for an investigation of part (e) of the Business Plan proposition is not binding on the Assembly in terms of a limit, (b) is clearly a standalone proposition and (c) is a standalone proposition. I see no reason for any of the issues in the Business Plan to be problematic if this proposition is taken after. The Council of Ministers has given a detailed comment on P.113. Members know exactly how to vote for the Business Plan, knowing what the Council's comments are in relation to P.113.

Deputy G.P. Southern:

Some Members may ask a question about (a)(i) which calls for a delay, would (a)(i) in particular ...

The Deputy Bailiff:

Deputy, it is quite clear to me that paragraphs (b) and (c) deal with the Budget raising part of the proposals and therefore do not fall if the Business Plan is taken first.

[17:45]

You have heard the Minister for Treasury and Resources say that (a)(i)(3) falls into the same general category and I would rule as a matter of order that that is correct. Deputy, as to the rest of your question, first of all, it is only a request to the Council of Ministers, if I can put it in those terms, so it would not prevent the debate taking place on that ground alone. Secondly, if it were to be debated and approved then the Business Plan which had been approved would be suspended in relation to the first 3 months if the Ministers accepted your request. So, in my ruling it does not prevent P.113 being debated thereafter even if the Business Plan is approved, assuming it is approved, with or without the amendments. Now does any other Member wish to speak? I hope we are not going to have a debate about this at length and it is really a question of taking a vote on Deputy Southern's proposition, I think. Do you wish to reply to the Chief Minister?

8.1.3 Deputy G.P. Southern:

Just briefly to say that this is not a simple negation. It is not an amendment which negates what is going on there. It addresses different principles, it addresses the slowing down, the amelioration of

what are punitive measures, which I believe are going to be damaging, rather than opposing everything *per se*. It is trying to find a constructive way forward rather than a negative way forward, quite the contrary to what the Chief Minister has said. I maintain the proposition.

The Deputy Bailiff:

Very well, do you call for the appel? The proposition is to take P.113 tomorrow before we debate the Business Plan P.99 with its amendments. I ask the Greffier therefore to open the voting with the assumption that all Members are present who wish to be present.

POUR: 9	CONTRE: 31	ABSTAIN: 0
Senator A. Breckon	Senator T.A. Le Sueur	
Senator F. du H. Le Gresley	Senator P.F. Routier	
Deputy J.A. Martin (H)	Senator P.F.C. Ozouf	
Deputy G.P. Southern (H)	Senator B.E. Shenton	
Deputy of St. Mary	Senator F.E. Cohen	
Deputy T.M. Pitman (H)	Senator S.C. Ferguson	
Deputy T.A. Vallois (S)	Senator A.J.D. Maclean	
Deputy M.R. Higgins (H)	Senator B.I. Le Marquand	
Deputy D.J. De Sousa (H)	Connétable of Trinity	
	Connétable of Grouville	
	Connétable of St. Brelade	
	Connétable of St. Martin	
	Connétable of St. John	
	Connétable of St. Saviour	
	Connétable of St. Clement	
	Connétable of St. Peter	
	Connétable of St. Lawrence	
	Deputy R.C. Duhamel (S)	
	Deputy of St. Martin	
	Deputy J.B. Fox (H)	
	Deputy of St. Peter	
	Deputy J.A. Hilton (H)	
	Deputy P.V.F. Le Claire (H)	
	Deputy of Trinity	
	Deputy S.S.P.A. Power (B)	
	Deputy of St. John	
	Deputy A.E. Jeune (B)	
	Deputy A.T. Dupré (C)	
	Deputy E.J. Noel (L)	
	Deputy A.K.F. Green (H)	
	Deputy J.M. Maçon (S)	

If all Members have had the opportunity of voting then I will ask the Greffier to close the voting. I can announce that the proposition has been defeated: 9 votes in favour and 31 votes against.

The Greffier of the States:

The Members voting pour: Senators Breckon and Le Gresley and Deputies Martin, Southern, St. Mary, T. Pitman, Vallois, Higgins and De Sousa. [INSERT VOTE TABLE]

The Deputy Bailiff:

Now the Minister for Economic Development will ...

Senator P.F.C. Ozouf:

Some of us were waiting with bated breath to hear the Deputy of St. Mary’s proposals for shortening of the debate in relation to the Business Plan. Did he have anything seriously in order to suggest because obviously my calculations are that there were going to be days of debate if we go

through even with the withdrawals of the amendment. If there was a sensible suggestion maybe it is something that we could have heard.

The Deputy of St. Mary:

I am very happy to make a sensible suggestion, if I may. I did circulate this in an email, I think, the idea that, for instance, just to take one example, the Tourism amendments. There are 2 amendments I think from Deputy Southern, 2 from myself and one or maybe 2 from Senator Shenton and it would be sensible to group those in one debate so that we do not say: "The principles underlying support for tourism ..." 6 times. It is just daft. Or even have to remember and jump back to the one before and say: "Well I remind you of what I said ..." so I think if we took the 6 and then simply voted on each one, that would make sense. There are other issues: Jersey Finance. There are, I think, 4 or 5 amendments for cutting or raising Jersey Finance's budget. Let us group them all and then when the debate is finished and the different proposals have wrapped up 1, 2, 3, 4 in order, then you vote on the different amendments, presumably in order of severity. I think that it is the usual order, is it not, you take the most extreme first?

The Deputy Bailiff:

Deputy, I think that is a question of order and I am able, I think, to rule on it straight away. Standing Orders require that propositions be taken, debated and voted on in order, as it were, as they come before the Assembly. It is not possible to debate more than one proposition at the same time whether that is the primary proposition or an amendment that goes with it. But if I may say so from the Chair, the Chair has considerable sympathy with your view that it is unnecessary for Members to say the same thing 5 times on each amendment and I am sure that all Members will want to take that very much into account during the debates which are to come. So taking your example of the 5 Tourism amendments, one would hope that if Members say what they wish to say about the Tourism policy when the first amendment is being proposed, it will not be necessary to repeat it again because their position will have already been made plain. Indeed, if they were to repeat it again I dare say it will reach the stage of losing votes rather than getting them.

Deputy P.V.F. Le Claire:

Could I also add to and endorse what you have said, a suggestion to help us make sure that we deal with business as swiftly as possible, and that is from 10 years of experience and having been mistakenly of the view that speaking longer got me more votes, I am now of the opinion that speaking shorter gets me more votes and also exercising self-discipline.

PUBLIC BUSINESS

9. Jersey Financial Services Commission: appointment of Commissioner (P.116/2010)

The Deputy Bailiff:

Are Members prepared to indulge the Minister for Economic Development in dealing with P.116 the appointment of a Commissioner to the Financial Services Commission now?

Senator B.E. Shenton:

Because I am regulated by the J.F.S.C. (Jersey Financial Services Commission) I do not tend to take part in these debates.

The Deputy Bailiff:

Thank you, that declaration of interest is noted. Greffier, would you please call P.116?

The Greffier of the States:

The States are asked to decide whether they are of opinion in pursuance of Article 3 of the Financial Services Commission (Jersey) Law 1998, to appoint Mr. Markus H. Ruetimann as a

Commissioner of the Jersey Financial Services Commission with effect from the day after the States debate for a period of 3 years.

The Deputy Bailiff:

This is a debate which we are to have in camera. Very well, I kindly ask the public and members of the press to leave us be for a moment or 2.

[Debate proceeded in camera]

The Deputy Bailiff:

There is no sign of the BBC returning but nonetheless we are now out of camera. Would all Members therefore in favour of the proposition kindly show? Those against? Then I can announce the proposition for the appointment of Mr. Markus Ruetimann has been adopted *nem con* on a standing vote.

The Deputy Bailiff:

There are 2 other matters which I raise for the attention of Members briefly. The first is I should announce that P.125 the Draft Health Insurance Fund (Miscellaneous Provisions) (Jersey) Law 201- has been lodged by the Minister for Social Security. The second matter is very much a matter of *mea culpa* for the Chair. I should certainly have remembered - particularly as I live in Grouville - that the Connétable of Grouville has been re-elected on 27th July and I would like to offer him congratulations on behalf of all Members. **[Approbation]** The adjournment is proposed and accordingly the States stand adjourned until 9.30 a.m. tomorrow morning.

ADJOURNMENT

[17:57]