

# STATES OF JERSEY

## OFFICIAL REPORT

TUESDAY, 19th MARCH 2013

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[9:30]

**The Roll was called and the Assistant Greffier of the States led the Assembly in Prayer.**

## **QUESTIONS**

### **1. Written Questions**

#### **1.1. SENATOR A. BRECKON TO THE MINISTER FOR ECONOMIC DEVELOPMENT REGARDING THE EMPLOYMENT OF PUBLIC RELATIONS CONSULTANTS DURING 2011 AND 2012:**

##### **Question**

Would the Minister advise members if Public Relations Consultants were employed by the department during 2011 and 2012 and, if so, identify -

- (i) who they were and why they were used; and,
- (ii) how much they were paid in 2011 and 2012?

##### **Answer**

- (i) Economic Development delivers a significant number of products and services across a diverse number of sectors to support the local economy stimulate economic growth and create job opportunities.

Jersey Tourism's marketing and PR campaigns are designed to attract visitors to the Island through a combination of communications which include TV, press, digital and social media which are used in all source markets including the UK, France and Germany where local public relations companies are contracted to handle media coverage and organise visits for appropriate journalists. Contracting with Public Relations agencies in the target markets is critical to maximising the investment made in marketing Jersey as a destination. The benefits include, for example, working with local journalists within the target markets to make sure Jersey is properly and effectively represented. The value created is measured by the additional media coverage and interest generated in all of our existing source market as well as opening up new ones. In the 2011 and 2012 the total spend to tourism PR agencies, based outside Jersey, totalled £280,041.

Locate Jersey operates in targeted overseas markets, in conjunction with partner agencies such as Jersey Finance, Digital Jersey and the Jersey Financial Services Commission to raise awareness of the Island and the business opportunities it can provide.

Developing Jersey's international profile, international networks and local partnership is critical to the success of Economic Development and the local economy. In Europe alone there is over 800 development agencies each trying to attract new investment. For Jersey to compete in this highly competitive market using PR and Press Management professionals is a key to generating new foreign investment in Jersey. The advice received has included developing literature, marketing, research, and communication strategies in the target markets.

In addition to these source market based agencies for tourism, inward investment and international trade, Economic Development has also used professional agencies to make sure the local business community is fully aware of the programmes and support available. The advice received has included developing new brands such as Jersey Business Ltd and



Digital Jersey, literature development, advice on social media, digital communications, event management and market research.

- (ii) The total amount paid to PR Consultants in Jersey for 2011 and 2012 is detailed in the table below:

<b>Supplier</b>	<b>2011</b>	<b>2012</b>	<b>Total</b>
Orchid Communications	£19,475	£23,546	£43,021
Copy Collective/Marcom	£8,750	£13,885	£22,635
		<b>Total</b>	<b>£65,656</b>

All Public Relation agencies have been selected via competitive tendering in line with States Financial Directions, and have signed service levels agreement in accordance with Financial Directions. These agreements are reviewed on a regular basis.

## **1.2 DEPUTY J.A. MARTIN OF ST. HELIER TO THE MINISTER FOR HOUSING REGARDING THE GENERATION OF 150 TWO BEDROOM RENTAL HOMES ON THE SUMMERLAND AND AMBULANCE STATION SITES:**

### **Question**

Given that in his written comments to P.92/2012 ('Police Station Relocation: review of decision' (P.92/2012) the Minister for Housing stated that the 'Summerland and Ambulance site could generate some 150 two bedroom rental homes', would he advise -

- (a) from where the budget is coming for these units?
- (b) who will develop the site (the States, a housing trust or another)?
- (c) what assurances, if any, have been given that, should the site be sold, all development on the site will be category 'A' homes for social rental?

Now that Green Street has been selected as the preferred site for the new Police Headquarters, can the Minister give an indication as to when these social rental homes will be delivered?

### **Answer**

These two sites could indeed generate at least 150 social rented homes, as detailed in the Minister for Planning & Environment's annual report on Residential Land Availability.

- (a) Funding for these sites is included in the borrowing arrangements, as described in R15/2013, the Full Business Case which supports my Report and Proposition for the Reform of Social Housing.

The Business Case recognised that the new Housing Company requires external finance in order to meet its objectives. The States of Jersey may, for major investments such as social

housing, which have long term benefits, decide to borrow in order to finance the project. The States of Jersey are presently exploring a range of options.

The Treasury Department have estimated that borrowing of up to £200m over a 20 year period is proposed to be made available to the Housing Company at a fixed interest rate of 5% per annum.

- (b) The Housing Department – proposed to be a wholly States-owned Housing Company at that time – will develop these sites.
- (c) The sites will not be sold, but retained by the proposed new wholly States-owned Housing Company for affordable housing.

The release of these sites for development is not within my remit. However, it is my understanding that the Summerland site will be released in 2016 – making it possible for new homes to be delivered in 2018/2019. I understand that the Ambulance site will be released in 2017, with new homes being delivered in 2019/2020.

### **1.3 DEPUTY J.A. MARTIN TO THE MINISTER FOR TREASURY AND RESOURCES REGARDING THE AVAILABLE BUDGET FOR THE DEVELOPMENT OF 150 CATEGORY ‘A’ RESIDENTIAL UNITS ON THE SUMMERLAND SITE:**

#### **Question**

Can the Minister advise whether there is an existing budget or an identified funding source for the development of 150 category ‘A’ residential units on the Summerland site and, if not, would he explain how the units could be built on the site, as stated by the Minister for Housing in his written comments on P.92/2013 (‘Police Station Relocation: review of decision’ (P.92/2012))?

#### **Answer**

The funding for these sites is included in the borrowing arrangements, as described in R15/2013, the Full Business Case which supports the Report and Proposition for the Reform of Social Housing.

The Business Case recognised that the new Housing Company requires new sources of finance beyond the traditional capital programme in order to meet its objectives.

The States of Jersey may, for major investments such as social housing, which have long term benefits, decide to borrow in order to finance the project.

The Treasury is presently exploring a range of financing options. These include the use of infrastructure investment and external borrowing against the rental income stream.

It is proposed that the Housing Department, in its future form as a wholly States-owned Housing Company, will develop these sites.

It is planned that the sites will not be sold, but retained by the proposed new wholly States-owned Housing Company for affordable housing.

If for any reason the Housing Company did not develop the sites, they could be developed by another social housing provider as Category A housing and financed through equity, commercial borrowing or a combination of both.

#### **1.4 THE CONNÉTABLE OF ST. LAWRENCE TO THE CHAIRMAN OF THE PRIVILEGES AND PROCEDURES COMMITTEE REGARDING THE USE OF MEMBERS FACILITIES IN THE STATES BUILDING TO PROMOTE ANY OF THE REFERENDUM OPTIONS :**

##### **Question**

How is the Committee ensuring that Members' facilities in the States building are not and will not be used by individual politicians or pressure groups to promote any of Options A, B or C of the referendum?

##### **Answer**

PPC agreed a set of rules regarding the use of Members' facilities which it presented to the States, and which were appended to R.112/2007. These set out conditions of use all members are expected to comply with them. The facilities in the States Building are provided at public expense for all States members and are made available to assist members to undertake their political duties. It is, therefore, essential that they are not used for other purposes or in a way that interferes with the ability of all members to use the facilities for their intended purpose. PPC would not expect that members would use the meeting rooms or States' members' facilities for the holding of meetings for lobby groups supporting one or other of the Reform Options in the Referendum, nor should members use the photocopying facilities for this purpose.

If the inadvertent misuse of the members' facilities should occur, and this is brought to the attention of the Ushers or the Greffier and his staff, appropriate advice is given. For the avoidance of doubt, the conditions of use of the Members' Facilities are appended for members' guidance.

Appendix

#### **CONDITIONS OF USE FOR MEMBERS' AREAS AND FACILITIES WITHIN THE STATES BUILDING**

##### **1. Introduction**

The facilities in the States Building that are provided at public expense for all States members are made available to assist members undertake their political duties. It is, therefore, essential that they are not used for other purposes or in a way that interferes with the ability of all members to use the facilities for their intended purpose.

##### **2 General**

Subject to the exceptions set out below, the facilities must only be used for purposes directly related to members' individual political duties. They must not be used at any time for meetings of outside organisations such as interest groups, charities or political lobbying groups/parties where it would be inappropriate for public money to be used to support the activities.

Members must ensure that all exterior doors into the States Building are securely closed after entering or leaving the building. Under no circumstances must any exterior door be left open to allow access. Members who introduce constituents or other visitors into the building must make appropriate arrangements to meet them at the external door and then escort them back to the door to ensure that they leave the building and that the doors are secure. Members are responsible for any guests that they allow into the building and must take care to ensure that no guests enter other parts of the building alone.

##### **3. Small interview rooms**

The 2 small interview rooms are provided for members to hold meetings with a small number of colleagues, constituents or other members of the public. The meeting rooms have a capacity of between 6 to 8 people and this capacity must not be exceeded at any time. Members should take care in relation to their own security, particularly out of hours, when meeting constituents or members of the public in these rooms.

4. Members' Communication Room and Locker Room

These 2 rooms that contain computers and other equipment and members' lockers are exclusively for use by States members. No-one else is permitted to enter the facilities or use them at any time, even if accompanied by a member. The facilities are provided for shared use by all members and members must not therefore purport to have exclusive use of a desk or workstation in this area. Lockers are available to members who wish to leave papers and other personal belongings in the members' area. Members are expected to keep the facilities tidy and should ensure that they are left in a clean and orderly state when leaving the room.

5. Large 'Lunch' Room

This room is normally for the exclusive use of States members and will occasionally be booked for meetings of members when no other large enough room is available. In these circumstances members will be notified that the room is to be used for a meeting so that those wishing to access the Communications Room are aware. No use will be allowed of the meeting room that in any way prevents or inhibits free access to and from the Communications Room for members.

No meetings involving persons who are not members of the States must be held in the "Lunch" Room without the prior consent of PPC (this can be sought through the intermediary of the States Greffe). Approval may be given for meetings related to a voluntary or charitable purpose, but permission will not be given for the room to be used for any political lobbying/party purpose. In addition, before giving approval, PPC will need to be satisfied that appropriate arrangements for access and security have been put in place and that the meeting will not in any way prevent use of other facilities by members. If the presence of an usher is considered necessary to ensure adequate security a charge may be levied.

6. 'Quiet' common room

This room containing comfortable chairs is for the exclusive use of members although members may introduce a small number of constituents or other members of the public for informal meetings. The normal rules on use of the facilities solely for purposes associated with a member's States duties apply. As the room is available equally to all members at all times the 2 interview rooms will normally be more appropriate to use for meetings with constituents, etc. Members may allow a small number of family members or close friends to remain in the room if, for example, they are waiting for a member who is working in the Communications Room.

7. Photocopier and other equipment

In accordance with the general principles of usage, the photocopier and other equipment must only be used for purposes directly related to members' States duties. The photocopier is provided to assist members with small quantities of printing and copying and is not designed for very large volumes of copying. Members who have a genuine need for large numbers of photocopies (for example background documents to distribute during a debate) should contact the States Greffe so that appropriate arrangements can be made. The photocopier must never be used for copying election material for a member himself or herself or for any other candidate.

**1.5 DEPUTY G.C.L. BAUDAINS OF ST. CLEMENT TO THE MINISTER FOR HOME AFFAIRS REGARDING THE CREATION OF LEGISLATION ADDRESSING 'DEATH BY CARELESS DRIVING':**

**Question**

Would the Minister advise when he will be giving his recommendations to the Minister for Transport and Technical Services regarding the creation of legislation addressing 'death by careless driving', so that the latter may bring draft legislation to the States for debate?

**Answer**

I have recently established a working party to examine the current penalties for a variety of motoring offences. The working party comprises representatives from the Law Officers' Department, the Courts, the States of Jersey Police, the Honorary Police, the Home Affairs Department and the Transport and Technical Services Department. At our first meeting we discussed the introduction of a new offence of causing death by careless driving and were in agreement that there is a current lacuna within legislation and that this offence should be introduced in Jersey with penalties aligning with those for this type of offence in the UK.

The offence in the UK carries a maximum penalty of an unlimited fine and five years' imprisonment with mandatory disqualification in the absence of any special reason of 1 year.

The working party's work on penalties is continuing and a further meeting will be necessary in order to finalise the work on that. It is likely that the recommendation to the Minister for Transport and Technical Services in relation to a new offence of 'causing death by careless driving' will await the recommendations on the wider issues.

**1.6 DEPUTY G.P. SOUTHERN OF ST. HELIER TO THE MINISTER FOR HOUSING REGARDING CHANGES TO THE ELIGIBILITY RULES FOR STATES HOUSING AND RENTAL PAYMENTS:**

**Question**

Will the Minister explain why the Housing Transformation Programme proposals have not addressed the advice from Professor Whitehead regarding Social Housing on pages 44 -45 of her Report that the "*current eligibility criteria are very constraining*" such that "*the waiting list is ... restricted to match the vacancies*" and that to meet the unmet need for "*those in long term housing need, the appropriate size of the sector would be 20% or 25% (higher)*"?

In particular will he advise why

- (a) no changes to eligibility rules for States housing have been proposed, and
- (b) the overall growth of the social housing sector proposed amounts only to 2% (84 additional properties) over 20 years?

Will he confirm that the additional rental income produced from those in receipt of Income Support (IS) will be as indicated on page 52 and will he produce similar figures for the additional rental income for those not in receipt of IS?

Will the Minister agree to circulate to States and private tenants a calculator to enable tenants to understand what the Minister's proposals will mean to their rental payments in the short (1 year), medium (5 year) and long term (10 year)?

**Answer**

The proposals set out have been put forward with the aim of addressing the advice given in Professor Whitehead's Review of Social Housing in Jersey.

I feel that her comments still stand and that the waiting list is restrictive in its current state and agree the sector needs to grow to meet the real demand for social housing in the Island.

However,

- (a) Widening the qualifying criteria for social housing is something I am determined to do. I could widen it today, by Ministerial Decision, but I believe it would be dishonest to do that now, when demand is already far outweighing the supply of affordable homes.

I have included in my proposals the establishment of a Strategic Housing Unit which will see the delivery of an island-wide housing strategy. I will expect that strategy to properly investigate the criteria for social housing and make recommendations for how it should be widened – and indeed how supply can be increased to reflect and deal with the increased demand.

The Strategic Housing Unit will be responsible for the management and further development of the Affordable Housing Gateway and associated criteria, having the ability to widen the qualifying criteria but also to champion the delivery of additional affordable homes to meet that increased demand.

- (b) My proposals aim to deliver far more benefits than an increase in the social housing stock of only 1.8% over the 30 year period. They will also see the existing stock brought up to Decent Homes Standard within a 10 year period, will see an additional 300 affordable homes delivered and provide the Housing Trusts with the ability to deliver an additional 203 social rented homes. They will also create a new housing company, one which is more commercially agile and flexible to respond quickly to the changing housing needs of the Island.

The business case allows for all sites currently in States ownership and designated for social housing to be developed. However, the new company can and will deliver further social housing for viable schemes if further sites are identified and borrowing is made available. I am delighted that the Treasury & Resources Minister has indicated that this will be the case.

The penultimate column in the table on page 52 of the Report & Proposition shows, in real terms, the modelled additional rental income from the proposed rent policy compared with the existing rent policy, which is constrained to the levels set within the Income Support regulations. This additional rental income is from all tenants regardless of whether they are in receipt of Income Support. The amount of this additional rent expected to be paid by Income Support is shown in the final column.

As I have made clear in my proposals, existing social housing tenants will not be affected by the proposed rents policy whilst they remain in their existing homes and will only see annual inflation based increases, as has been the case in most years to date.

Tenants moving within the stock will move to the 90% of market rental for their new property. The level of this new rental will vary significantly depending upon the individual property and its current rental.

On average only 7% of the social housing stock become vacant in any one year, so it will take many years for the policy to be fully implemented. Tenants move for a variety of reasons, with some

moving to larger accommodation as their family grows, whilst the majority move to smaller accommodation as their family reduces in size.

It is, therefore, not possible to create a calculator which will serve all tenants adequately or even give an approximation of the likely effect, given the many variables identified above and individual circumstances.

It is important to remember that under my proposals, all tenants on Income Support will be fully protected from the proposed rents policy. In addition, in future, all tenants will be offered homes that will meet the decent homes standard and will be more economical to run. Crucially, all tenants will be fully aware of the cost of the rental payments before they accept their new property.

**1.7 DEPUTY G.P. SOUTHERN TO THE MINISTER FOR SOCIAL SECURITY REGARDING THE RELEASE TO MEMBERS OF THE WILCOX REPORT AND OTHER RESEARCH DOCUMENTATION INTO THE SOCIAL ASPECT OF THE HOUSING TRANSFORMATION PROGRAMME:**

**Question**

Following the lodging of P.33/2013 and the presentation of R.15/2013, will the Minister release to members the Wilcox Report and other research documentation into the social impact of the Housing Transformation Programme previously withheld under exemption 3.2 (a)(xiv) - policy in development?

Given the intention of the Minister for Housing to maintain the payment in real terms of the housing component of Income Support (IS) (currently £26.1 million in 2013), will he give a detailed breakdown of the £67 million paid out in weekly benefit to IS claimants in 2011 in terms of adult, single parent, child, household, and rental (and other) components, giving a further breakdown of the rental component into States, Trust and private sector landlords?

Will he also demonstrate for members how the figures contained on page 52 of P.33/2013 showing a low cost for additional rent to be paid by IS can be related to the figures given in P.33 of overall change of rents from 69% (currently) to 90% of private sector rent levels?

Will the Minister provide for members a similar chart for incomes, given under 5.14 of P.33 (page 54) for those not in receipt of IS, for those who are receiving IS

**Answer**

As noted at paragraph 2.27 of P.33, the Housing Department “...appointed experienced and respected advisers to assist in the development of policy proposals including financial advisers Sector Treasury Services Ltd, legal advisers Trowers and Hamlins LLP and governance and regulation advisers Cambridge University Technical Services Ltd.”

Professor Wilcox produced one draft report on behalf of Sector Treasury Services Ltd. This report was never finalised. Professor Wilcox’s draft report relates to proposals that do not form part of the current proposition and it is based on information that is now out of date, in particular the 2001 Census.

I can confirm that I intend to publish a report on possible changes to private sector rental support in parallel with the proposed HTP changes, and subject to the agreement of the Minister for Housing, Sector Treasury Services Limited’s draft report, which includes a discussion of some options in

respect of support for private sector rentals, can be made available at that time to any States Member that requests it.

Contrary to the wording of the question, the Minister for Housing does not make any payments in respect of the housing component of income support. Since 2008, the Housing Department has made an annual return from its rental income to the States Treasury. There is no specific link between the value of this annual return and the allocation of funds to the Social Security Department in respect of Income Support.

The Income Support report for 2011 (R.126/2012) provides a wide range of information on income support components. For example, table 20 on page 19 provides an analysis of the £24.4 million identified as the cost of accommodation components across the full range of tenure types.

The net expenditure of £66.9 million on Income Support weekly payments in 2011 can be allocated to components and tenure types as follows:

Component	States Housing	Trust	Private/Other	Total
Adult	£9,935,000	£2,024,000	£9,751,000	£21,710,000
Single Parent	£1,014,000	£256,000	£543,000	£1,813,000
Child	£3,650,000	£929,000	£1,749,000	£6,328,000
Household	£4,192,000	£831,000	£2,662,000	£7,685,000
Rental	£13,719,000	£3,101,000	£7,605,000	£24,425,000
Other	£2,267,000	£381,000	£2,331,000	£4,979,000
Total	£34,777,000	£7,522,000	£24,641,000	£66,940,000

The Housing Department has undertaken the calculations contained in P.33, including the table on page 52. The additional cost shown in that table relates to the change of policy proposed by the HTP. i.e. the move from capping rents at current “fair rent” levels to capping at 90% of market rental. The costs in that table are quoted excluding inflation and, for example, cannot be compared directly with the table on page 45, which includes the impact of inflation. The figures on page 45 also include the additional income that will be generated from the completion of additional rental units. It should be noted that the proposed policy is to only implement the fair rent level following a change of tenancy. This minimises the increased cost of Income Support in the early years of the HTP.

The table on page 54 of P.33 provides some information on the household income of Housing Department tenants who are not receiving income support. The information in this table has been collated from a range of data sources available to the two departments and it only provides a general and approximate indication of the range of income levels.

Detailed information on income available to income support households is available in the 2011 Income Support report. The table below shows the distribution of the level of total annual income from all sources for Housing Department tenants who are in receipt of Income Support, as at 31st



December 2011. Total income levels include Income Support payments but do not include income from savings and investments.

Income in bands	No of IS households in States rental accommodation
Up to £10k	27
£10k-£15k	795
£15k-£20k	758
£20k-£25k	652
£25k-£30k	385
£30k-£35k	255
£35k-£40k	89
£40k-£45k	32
£45k plus	20
Grand Total	3,013

The information in this table is taken directly from Income Support records and is not directly comparable with the information provided in the table on page 54.

**1.8 DEPUTY G.P. SOUTHERN TO THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING THE TRANSFER OF STAFF FROM CONNEX TO CT PLUS:**

**Question**

Further to his statement on 5th March 2013 that “*CT Plus, now operating as Liberty Bus offered employment on the same key terms to all Connex staff who were eligible to transfer including in relation to pensions, holiday entitlement, health care, basic working hours, continuity of service entitlement.*”, does the Minister consider that his use of the words “key terms” is misleading, in that the relevant clause of the Connex contract (18.3) has the words “on the same terms and conditions” and is therefore absolute and not open to the interpretation he has placed on it?

Does he believe that the five terms he refers to are all of the “terms and conditions” required in a bus workers contract which have to be the “same”, or are there others?

Will he list for members all the terms and conditions which are in the CT Plus and previous Connex contracts to demonstrate their differences, if any?

Does the Minister consider that he has failed to ensure that bus service tenders were accepted and judged under the terms of article 18.3 of the Connex contract?

**Answer**

I would refer members to my statement of 5th March 2013 and to my response to Q7152.

As I have said on a number of occasions, there was no obligation to "deliver the transfer of all staff "on the same terms and conditions"".

I would again refer members to the full text of clause 18.3 as set out in my response to Q7152.

I do not consider that there is anything misleading about my use of the words "key terms".

The recent transfer of bus service staff took place in accordance with the requirements of clause 18.3. If Deputy Southern is of the view that this is not the case then I would be grateful if he would provide me with full written details of the ways in which he believes we have failed to comply with these requirements.

**1.9 DEPUTY M.R. HIGGINS OF ST. HELIER TO THE MINISTER FOR HEALTH AND SOCIAL SERVICES REGARDING BLOOD SCREENING OF RESIDENTS NEAR TO THE BELLOZANNE FACILITY:****Question**

Further to the Minister's responses to a written question on 19th February 2013 and to written and oral questions on 5th March 2013, would the Minister set out all the information the Department possesses regarding blood screening of residents close to the Bellozanne facility and, if not, why not?

**Answer**

HSSD has provided all the information that it holds on file in relation to the screening of residents close to Bellozanne. This information was provided in the answers to question 7429 and 7494.

The screening undertaken in 2006 and 2007 was at the instigation of the then Minister for Health, and as such was not managed by HSSD's Public Health Department as would be the norm for public health screening. As a result, detailed records of the screening process are not available other than blood test result for the 3 residents who chose to participate. These results show no anomalies.

**1.10 DEPUTY M.R. HIGGINS TO THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES REGARDING THE HEALTH SCREENING OF EMPLOYEES AT THE BELLOZANNE FACILITY:****Question**

Will the Minister set out for members in detail all health screening of Transport and Technical Services employees who have worked at the Bellozanne facility together with frequency of testing, types of testing and anonymised results?

**Answer**

In answering this question we are assuming the term Bellozanne facility relates to the Energy from Waste Plant.

The first records of employees at the Bellozanne Energy from Waste Plant undergoing any occupational health surveillance was in 1991. It is understood this was at the suggestion of the current Chief Medical Officer of Health. Subsequently the Department was advised on the biological monitoring by the Occupational Health service provider to the States of Jersey at the time (BMI Health Services and then Capita), with all results being reviewed by a UK Health and Safety Executive approved Occupational physician.

A sampling regime was set up to monitor staff that worked in the EFW plant, maintenance staff who might occasionally work there, or staff that transported incinerator top or bottom ash. The sampling concentrated on the heavy metals lead and cadmium, and the biological sampling carried out was on a voluntary basis and continued until 2006.

The Department followed the requirements of the UK "*Control of Lead at Work Regulations 1998 (updated in 2002) Approved Code of Practice*". This provided an appropriate protocol for sampling and indicated the actions to be taken by the employer if certain action levels were reached.

The Control of Lead at Work Regulations sets a number of conditions for the employer including an action level of 50  $\mu$  gms/deciliter of blood as the level at which an employer has to check that their safety controls to prevent lead exposure are working. And also an action level of 60  $\mu$  gms/deciliter where the employee must be withdrawn from working where lead exposure is occurring.

The sampling indicated that none of the action levels set out in the Approved Code of practice had been reached. – Ref Graph and data for lead

Alongside lead, Cadmium was also sampled for and the reference point used to determine high exposures were the average levels determined by the World Health Organization as an international average blood level for a smoker.

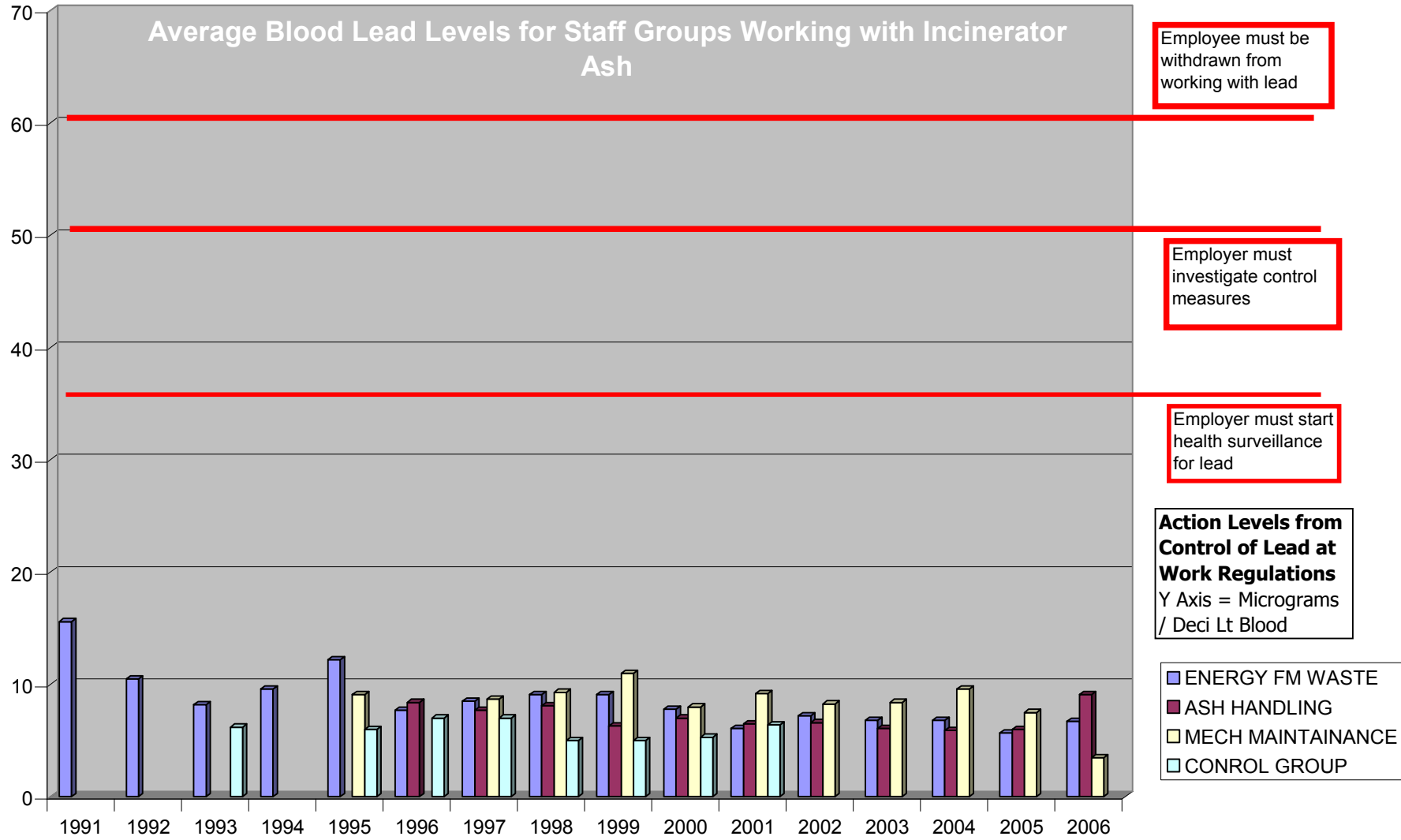
The levels for Cadmium were within the average levels expected within the international population as a whole, 0-3.0  $\mu$  gms/lit of blood for non-smokers and up to 6.0  $\mu$  gms/ litre for a smoker.

There were no results that indicated that exposure was any higher than could be expected of an average smoker.

After 2006 the biological sampling regime was stopped as the results were low enough that under the Control of Lead at Work requirements the employer was no longer required to carry out any biological monitoring. At the same time the sampling for Cadmium was halted as levels were not indicating any issues. These decisions were taken in conjunction with the Occupational Health physician at the time.

From approximately 1999 to the present day other forms of occupational health surveillance are being carried out and continue to be carried out based on occupational health risk assessments of the work staff undertake. Groups therefore receive regular appointments for checks such as hearing, lung function, and skin checks, depending on where they work. Information on these results is held by the Occupational health Service provider, AXA.

**Graph – 1 - Biological Sampling - Blood Lead Averages Per Sample Group**



**Table 1 - Biological Sampling - Anonymous Blood Lead Data - Micrograms / Deci Ltr**

**Energy from Waste Plant Staff - Ranked**

	91	92	93	94	95	96	97	98	99	2000	2001	2002	2003	2004	2005	2006
1	27	19	14	14	21	12	15	15	15	17	19	13	15	7	10	14
2	23	17	13	8	17	11	13	13	13	12	10	13	7	6	7	6
3	16	10	10	7	15	10	12	12	12	12	9	11	7	5	5	5
4	14	9	9		15	10	11	9	9	12	9	10	7	5	5	5
5	13	8	9		14	10	10	7	7	10	7	9	6	5	5	5
6	13	6	9		14	9	9	7	7	10	6	9	5	5	5	5
7	13	5	8		12	8	8	5	5	10	6	7	5	5	5	5
8	12		8		12	8	7	5	5	9	6	7	5	5	5	5
9	10		8		12	8	7			7	5	6	5	5	5	5
10			8		11	8	7			7	5	5	5	5		
11			7		10	7	7			7	5	5				
12			5		10	6	7			6	5	5				
13			5		9	6	7			6	5	5				
14			5		6	6	6			6	5	5				
15			5		5	6	6			6	5	5				
16						5	5			5	5	5				
17						5				5	5	5				

<b>18</b>						5				5	5	5				
<b>19</b>										5	5					
<b>20</b>										5	5					
<b>21</b>										5						
<b>22</b>										5						
<b>Total</b>	<b>141</b>	<b>74</b>	<b>123</b>	<b>29</b>	<b>183</b>	<b>140</b>	<b>137</b>	<b>73</b>	<b>73</b>	<b>172</b>	<b>132</b>	<b>130</b>	<b>67</b>	<b>53</b>	<b>52</b>	<b>55</b>
<b>Av</b>	<b>15.6</b>	<b>10.5</b>	<b>8.2</b>	<b>9.6</b>	<b>12.2</b>	<b>7.7</b>	<b>8.5</b>	<b>9.1</b>	<b>9.1</b>	<b>7.8</b>	<b>6</b>	<b>7.22</b>	<b>6.7</b>	<b>5.3</b>	<b>5.7</b>	<b>6.7</b>

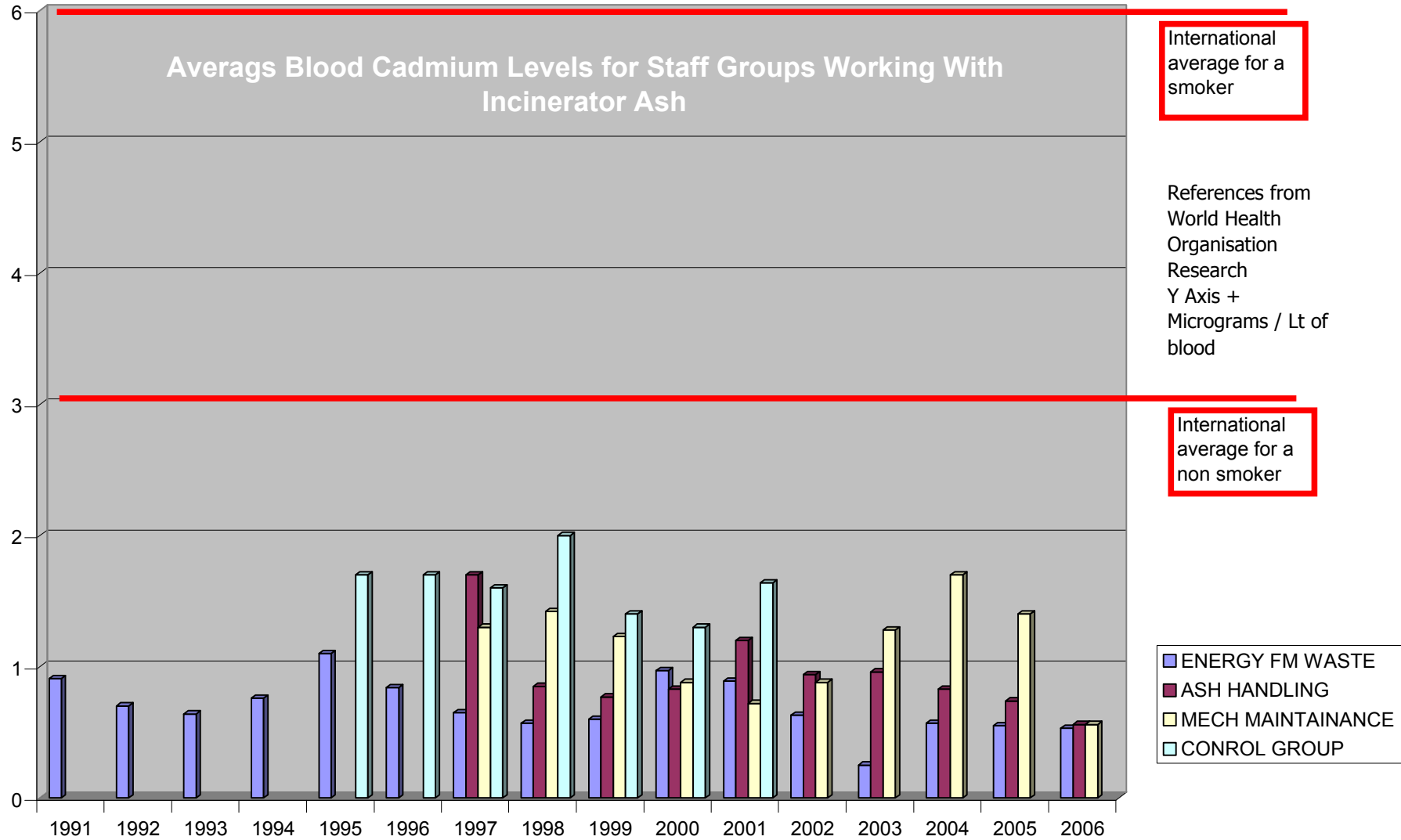
**Table 2 - Biological Sampling - Anonymous Blood Lead Data - Micrograms / Deci Ltr**

**Non Energy from Waste Plant Staff - Ranked**





**Graph – 1 - Biological Sampling - Blood Cadmium Averages Per Sample Group**



**Table 1 - Biological Sampling - Anonymous Blood Cadmium Data - Micrograms / Ltr**

**Energy from Waste Plant Staff - Ranked**

	91	92	93	94	95	96	97	98	99	2000	2001	2002	2003	2004	2005	2006
1	1.5	1.6	1.6	1.3	1.9	1.8	1	0.9	1.2	1.6	1.2	1.6	1.2	1.1		0.7
2	1.3	0.7	1	0.5	1.4	1.7	0.9	0.6	0.9	1.2	1.1	1.5	1.1	0.6		0.6
3	0.9	0.6	0.8	0.5	1.3	1.3	0.8	0.6	0.6	1.2	1.1	0.9	0.8	0.5		0.5
4	0.9	0.5	0.7		1.3	1.2	0.8	0.5	0.5	1.2	1	0.9	0.8	0.5		0.5
5	0.8	0.5	0.5		1.3	0.8	0.8	0.5	0.5	1.1	0.9	0.9	0.7	0.5		0.5
6	0.8	0.5	0.5		1.2	0.8	0.7	0.5	0.5	1	0.9	0.9	0.7	0.5		0.5
7	0.7	0.5	0.5		1	0.8	0.7	0.5	0.5	1	0.9	0.8	0.7	0.5		0.5
8	0.7		0.5		1	0.8	0.6	0.5	0.5	1	0.9	0.8	0.7	0.5		0.5
9	0.6		0.5		0.9	0.8	0.6		0.5	1	0.9	0.8	0.6	0.5		0.5
10			0.5		0.9	0.7	0.6		0.5	1	0.8	0.7	0.6	0.5		
11			0.5		0.9	0.7	0.5		0.5	0.9	0.8	0.7	0.6			
12			0.5		0.9	0.6	0.5		0.5	0.9	0.8	0.7	0.5			
13			0.5		0.9	0.6	0.5			0.9	0.7	0.7	0.5			
14			0.5		0.8	0.6	0.5			0.9	0.7	0.6	0			
15			0.5		0.8	0.5	0.5			0.9		0.5	0			
16						0.5	0.5			0.9		0.5	0			
17						0.5				0.9		0.5				
18						0.5				0.8		0.5				
19										0.8						
20										0.8						
21										0.7						
22										0.7						
<b>Total</b>	8.2	4.9	9.6	2.3	16.5	15.2	10.5	4.6	7.2	21.4	12.7	14.5	9.5	5.7		4.8
<b>Av</b>	0.9	0.7	0.6	0.7	1.1	0.84	0.65	0.57	0.6	0.97	0.9	0.8	0.73	0.57		0.53

**Table 2 - Biological Sampling - Anonymous Blood Cadmium Data - Micrograms / Ltr**

**Non Energy from Waste Plant Staff – Ranked**





**1.11 DEPUTY M.R. HIGGINS OF ST. HELIER TO THE MINISTER FOR HOME AFFAIRS REGARDING THE PROCESSING OF COMPLAINTS AGAINST THE STATES OF JERSEY POLICE:**

**Question**

Will the Minister advise members what action, if any, his Department takes when complaints are made to it regarding misconduct or wrongdoing by members of the States of Jersey Police and what it does to ensure that complaints are investigated in an effective and timely fashion?

**Answer**

I am not sure as to what is meant in the question by the term 'his Department'.

The role of the States of Jersey Police in relation to complaints against officers of the States of Jersey Police below the rank of Deputy Chief Officer is set out in the Police (Complaints and Discipline) (Jersey) Law 1999 and the Police (Complaints and Discipline Procedure) (Jersey) Order 2000. These are too detailed to set out in a written answer and I simply refer to them.

Where the Minister, the Assistant Minister or a member of staff at the central Home Affairs Department at 11 Royal Square becomes aware of a complaint against a police officer below the rank of Deputy Chief Officer, they will normally forward the complaint to the Deputy Chief Officer or to the Police Complaints Authority, so that it can be dealt with in accordance with the said Law and Order.

The Minister has no role in relation to individual complaints and individual disciplinary hearings.

However, under the terms of Article 16 of the Police (Complaints and Discipline) (Jersey) Law 1999, the Minister has a duty in carrying out his or her duty with respect to the maintenance of an adequate and efficient Force, to keep himself or herself informed as to the working of the Part of that Law which relates to the States of Jersey Police Force.

The Minister takes the view that that duty does not extend to the conduct of individual investigations and disciplinary proceedings, but does extend to a general oversight of the system.

In pursuance of that general oversight, the Minister approved a review by an expert in this area of the current law and procedures, the outcome of which he is still awaiting.

Where a complaint relates to the Chief Officer of Police, or Deputy Chief Officer of Police, it is not dealt with under the said Law or Order, but remains the responsibility of the Minister who determines the manner in which the complaint is dealt with. The precise method used in relation to this is determined by the Minister on an individual case basis.

**1.12 DEPUTY M.R. HIGGINS OF ST. HELIER TO THE CHIEF MINISTER REGARDING THE FAILURE OF THE DATA PROTECTION COMMISSIONER TO TAKE ACTION REGARDING ALLEGED DATA PROTECTION BREACHES:**

**Question**

Will the Chief Minister advise members who they should contact regarding any failure of the Data Protection Commissioner to take action with regard to complaints made to that Office about alleged data protection breaches?

## **Answer**

The complaints procedure is a public document and can be found on the Data Protection Commissioner's web site. Below is a link to the relevant page;

<http://www.dataprotection.gov.je/cms/HowtoComplain/>

### **1.13 DEPUTY G.P. SOUTHERN OF ST HELIER TO THE MINISTER FOR HOUSING REGARDING THE BUSINESS CASE FOR THE HOUSING TRANSFORMATION PROGRAMME:**

#### **Question**

Will the Minister state on what basis the case is made for the Housing Transformation Programme in the Full Business Case in R.15/2013 in terms of

- (a) population/migration growth for the next 10, 20 and 30 years; and,
- (b) inflation over the same period?

How does the Minister justify such a radical change, in order to increase the social housing stock by only 1.8% (84 dwellings) over 30 years?

Does the Minister consider that the fundamental flaw in the financing of social housing for the last 2 decades has been the transfer of Housing rental revenues to the Treasury and, if so, why has he failed to address this?

Will the Minister explain how the annual payment of £26 million in real terms from the new Housing Authority to the Treasury is to be maintained?

Will he advise members what effect this continued payment has on the viability of the business case proposed in terms of the need to set the "fair rent" level at 90% of market levels and the need for continued sales of housing stock to fund future housing provision?

#### **Answer**

The Full Business Case is modelled on the following basis:-

- (a) All sites currently in States ownership and designated for social housing will be developed. The new company can and will deliver additional social housing for viable schemes if further sites are identified and borrowing is made available.
- (b) Inflation is modelled within the Full Business Case at both 2.5% and 3.5%. Sensitivity analysis has been performed to show the robustness of the business case at these levels.

My proposals aim to deliver far more benefits than an increase in the social housing stock of only 1.8% over the 30 year period. They will also see the existing stock brought up to Decent Homes Standard within a 10 year period, will see an additional 300 affordable homes delivered and provide the Housing Trusts with the ability to deliver an additional 203 social rented homes. They will also create a new housing company, one which is more commercially agile and flexible to respond quickly to the changing housing needs of the Island.



The under financing of the Housing Department has long been recognised, leading to a maintenance backlog described in the Green Paper and current Report and Proposition. My proposals will deal with this without the need to raise taxes or reduce the budget allocation for other States Departments.

Maintaining the £26 million return in real terms is set out in the Full Business Case, made possible by the return to 90% fair rent levels on re-lets.

This ongoing return to the Treasury is completely viable with the business case using the return to 90% fair rent levels on re-lets. If this return was not made, a deficit would be created elsewhere which could only be dealt with by a rise in taxes or reduction in the budget allocation for other States Departments.

The Full Business Case requires only 15 sales per year. Some realignment of the stock is required and this is a normal part of good asset management. It will also offer opportunities to increase affordable home ownership in the Island. The sale of one unit may offer the potential for two new units, more suited to the requirements of those on the Affordable Housing Gateway, to be delivered. This is an opportunity not to be missed.

## **2. Oral Questions**

### **2.1 Deputy T.M. Pitman of St. Helier of the Solicitor General regarding the appointment of the Dean of Jersey:**

Will the Solicitor General inform the Assembly what procedures are followed in the event of a vacancy in the office of Dean of Jersey and who is responsible for making any appointments to the post?

#### **Mr. H. Sharp Q.C., H.M. Solicitor General:**

The office of Dean is a Crown appointment and the Dean is appointed by Letters Patent by Her Majesty or her successors. In the event of a vacancy in the office of Dean, historically the Ecclesiastical Court appoints an Acting Dean pending appointment of a new Dean by the Crown.

#### **2.1.1 Deputy T.M. Pitman:**

I thank the Attorney General for his answer because I have been trying to get my head round this. As I understand it, the Dean gets his power, if you like, from 5 sources: the Queen with her Letters Patent, the Bishop of Winchester, through the Canons of the Church of England in Jersey and through Jersey law and through Jersey custom. So is the Attorney General saying that ultimately it is the Crown who is the Dean's boss, I suppose, ultimate responsibility, and if that is the case, will any appointment be guaranteed to be within our Article 14 of the E.C.H.R. (European Convention on Human Rights)?

#### **The Solicitor General:**

I cannot improve on my previous answer. It is the Crown and the Crown alone who appoints the Dean.

#### **2.1.2 Deputy R.G. Le Hérissier of St. Saviour:**

I wonder if the Solicitor General could confirm that the Acting Dean takes on all the powers and all the responsibilities of the Dean when the Dean is unavailable to so exercise them?

#### **The Solicitor General:**

Yes, that is my understanding.

**2.1.3 Deputy M. Tadier of St. Brelade:**

Is the Crown aware of the suspension of the Dean?

**The Solicitor General:**

I am afraid I simply do not know the answer to that question.

**2.1.4 Connétable A.S. Crowcroft of St. Helier:**

I do not know if the Solicitor General can answer this question but my view is that there is no vacancy in the office of the Dean of Jersey. Would the Solicitor General confirm that the suspension is a neutral act and should be treated as such?

**The Solicitor General:**

As a matter of law, the Dean today is still the Dean.

**2.1.5 Senator P.M. Bailhache:**

The Solicitor General may have answered the question which I was going to put but just to be clear about this, would the Solicitor General agree that it is not correct to say that the Dean has been suspended and that the position is merely that some functions have been withdrawn by the Bishop in the context of the withdrawal of his commission?

**The Solicitor General:**

Yes, I agree.

**2.1.6 Connétable P.J. Rondel of St. John:**

Could the Solicitor General, if he can, inform the House whether or not the Bailiff and the Chief Minister were consulted with the suspension of the Dean?

**The Solicitor General:**

As I hope I have just indicated, I do not regard the Dean as having been suspended. As to what consultation took place, I am afraid I am not privy to the detail of any such consultation.

[9:45]

**2.1.7 Deputy M.R. Higgins of St. Helier:**

Could the Solicitor General tell us whether his department will be advising all the parties in this mess?

**The Deputy Bailiff:**

Did you say “all the parties”?

**Deputy M.R. Higgins:**

Parties assisting. There was a radio report, for example, today which I know we are not supposed to refer to the radio and what they may say but they are saying that lawyers are involved. I am just wondering if the Law Officers are assisting in the process of trying to resolve the conflict between the Bishop and the Crown and everybody else who is involved in it?

**The Solicitor General:**

It is not normal policy to comment on whether or not the Law Officers’ Department are advising a particular party and I do not intend to break with that tradition.

**2.1.8 Deputy R.G. Le Hérisier:**

Could the Solicitor General confirm whether the Archbishop of Canterbury is appointed by the Crown and if that is the case, what is the role of the Archbishop of Canterbury who is in turn the boss, so to speak, of the Archbishop of Winchester? What is his role in this affair?

**The Solicitor General:**

I am afraid I can only give a limited answer which is this, that it is the Crown by Letters Patent that appoints the Dean and that remains the position, whatever views may be expressed by other people.

**2.1.9 The Connétable of St. John:**

Will this issue have an impact on the constitution for Jersey, given that the Dean, like yourself, Sir, is a Member of this Chamber?

**The Solicitor General:**

Sorry, I am not quite sure I understand what the constitutional impact is said to be.

**The Connétable of St. John:**

As a Member of this Chamber, the Dean is not, I presume, suspended from attending this Chamber unless he is off-Island, but it is a concern that somebody from outside can, for want of a better word, suspend the Dean and therefore it must impact on the constitution of this Island.

**The Solicitor General:**

Yes, I am sorry if I have not been clear before. My view is that the Dean is not suspended.

**2.1.10 Senator S.C. Ferguson:**

Could we say that the Bishop has perhaps acted *ultra vires*, given that he appears not to understand the relationship between Jersey and the Crown?

**The Solicitor General:**

I am now being asked to offer my view in respect of the process, which is ongoing, and I decline to do so.

**Senator I.J. Gorst:**

Sir, I wonder if I could raise a point of order with yourself in regard to a question that has been raised by the Connétable of St. John. I wonder, in light of the answers provided by the Solicitor General, whether you could confirm your understanding as President of the Assembly with regard to the Dean's role within this Assembly and his current ability to sit or not?

**The Deputy Bailiff:**

The Dean holds appointment by Letters Patent from Her Majesty the Queen. It is open to the Lord Bishop of Winchester to withdraw his commission from the Very Reverend Bob Key but it is not open to him to suspend him as Dean. Accordingly, as far as the President of this Assembly is concerned, it is open to the Dean to attend the Assembly and this would remain so unless the Letters Patent are withdrawn, which would only happen after due process in accordance with the law. Whether the Dean chooses to come to the States in the present circumstances is, of course, entirely a matter for him.

**2.1.11 Senator F. du H. Le Gresley:**

I would like to ask the Solicitor General on whose recommendation does the Crown appoint the Dean?

**The Solicitor General:**

I am sorry; I am simply not familiar with the process by which the Crown appoints the Dean.

**2.1.12 Deputy T.M. Pitman:**

Can I ask, have you ever considered becoming Attorney General again? Your answer was the most helpful of all so thank you for that. [Laughter] Could I ask finally, do I understand this correctly, that although the Crown appoints the Dean, they are not involved in his selection so it is more of a rubberstamp and I do not mean that in a disrespectful way. Is that correct?

**The Solicitor General:**

I am not privy to the detail of the process by which a Dean is appointed but what I can say is that the Crown is responsible for that appointment and therefore the Crown's decision is not a rubberstamp.

**2.2 Deputy R.G. Le Hérissier of the Minister for Treasury and Resources regarding reducing the cost of the Parish sponsored property development in Trinity.**

Could the Minister explain whether the grant of a loan and possible stamp duty removal for the recently initiated Parish-sponsored property development in Trinity will reduce the cost of first-time buyer homes and if so, how?

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

The investment of £6 million from the Infrastructure Fund has provided the money needed in the short term for the Parish to bring forward their affordable housing scheme. The provision of 25 first-time buyer homes in the Parish of Trinity is unlikely to affect the overall market for first-time buyer homes. These homes are affordable because they are being sold on a shared equity basis. No assumption should be made about the removal of stamp duty which is administered by the Judicial Greffe as an independent non-executive department. While the Minister for Treasury and Resources may make recommendations to the Greffier to consider, the Greffier is not bound to accept them. The Judicial Greffier has the power under Article 6 of the Stamp Duties Law to reduce or remit the duty payable where he considers it just to do so. This authority is delegated in the Register of Deeds.

**2.2.1 Deputy R.G. Le Hérissier:**

Could the rapporteur define what he means by "affordable homes" and, like other people, is he not surprised that given this excellent initiative I should say, and given that the land was apparently given free, it does seem rather odd that the overall prices do not seem to deviate from those that are seen as unaffordable by first-time buyers?

**Deputy E.J. Noel:**

To answer the good Deputy's question directly, what I consider affordable are these homes. They are effectively being sold to first-time buyers at a price range between £300,000 to £340,000 so I deem that in this instance to be affordable.

**2.2.2 Deputy M. Tadier:**

Does the Assistant Minister recognise that a missed opportunity has occurred here because, given that the land was free, what should have happened is that affordable homes should have been sold without the profit motive and that they are not currently affordable in terms of the seller because the seller is getting all of his money, some of it being subsidised by the States of Jersey?

**Deputy E.J. Noel:**

Firstly, there is no subsidy by the States of Jersey. The loan from the Infrastructure Fund has been done on an arm's length basis over a short period of time to cover the build costs. The homes are affordable. They are being sold for between £300,000 to £340,000. The fact that the Parish was given the land has meant that they have been able to sell them at that price. All the Parish is doing is keeping an equity stake in the value of the land for us that at some future time may or may not be realised.

### **2.2.3 Deputy G.P. Southern of St. Helier:**

Would the Assistant Minister define for Members his definition of "affordable" since these houses are being sold at 10 times the average wage on the Island?

#### **Deputy E.J. Noel:**

I have already explained. I believe that these homes, at a little over £300,000, are affordable. Whether that is 10 times the average wage, you have to take into account the whole of the household income, in which case it would probably be something like 5 to 6 times.

### **2.2.4 Senator L.J. Farnham:**

Could the Assistant Minister confirm that similar financial facilities would be available to other Parishes should they wish to follow the good example of Trinity?

#### **Deputy E.J. Noel:**

Yes, indeed I can.

### **2.2.5 Deputy R.G. Le Hérissier:**

On the lines of Senator Farnham's question, would the Assistant Minister confirm that his department has a consistent policy in terms of making homes affordable for the population in general instead of a series of *ad hoc* initiatives that are announced almost on the hoof?

#### **Deputy E.J. Noel:**

Policies have to adapt with the economic environment at the time. Treasury is committed to helping the Parishes and other social housing providers to provide affordable homes, be they social rented, be they first-time buyer outright, be they first-time buyer through a shared equity scheme. We are there to help the Minister for Housing and the Parishes to provide homes for Islanders.

## **2.3 Deputy G.P. Southern of the Chief Minister regarding apprenticeship schemes for young people.**

Does the Chief Minister consider that, with only 15 apprentices aged 16 to 22, the States as an employer is doing all it can to address the unemployment amongst young people? What extent will Advance to Work or Trackers placements play a role in improving this situation and does he believe that these schemes are adequate substitutes for full apprenticeships?

#### **Senator I.J. Gorst (The Chief Minister):**

There are currently 15 apprentices under the age of 22 employed by the States under the old Jersey Apprenticeship Scheme. This is now being replaced by the Trackers Apprenticeship Programme, which was introduced in December of last year. It is an updated more flexible scheme that gives each apprentice access to a personal mentor and puts a focus on training and quality work. All new apprentices starting with the States from this September onwards will be taken on under the new scheme. Where appropriate, all States departments will be encouraged to participate in Trackers. For example, funding has been identified for 85 apprentice healthcare assistants within the Medium-Term Financial Plan. Advance to Work is an employment scheme. It does not aim to be a

substitute for apprenticeships. Rather it is a scheme that provides both training and work experience to help out-of-work young people to secure employment.

### **2.3.1 Deputy G.P. Southern:**

Will the Chief Minister explain to Members how long Trackers apprenticeships last and who funds them? Does a Tracker apprentice need an employer because my understanding is that if they have signed up for Trackers, they do not need an employer?

### **Senator I.J. Gorst:**

Obviously Trackers is an apprenticeship scheme which is under the auspices of the Skills Executive and co-ordinated across the 3 departments of Economic Development, Social Security and Education. I do not have all the details in front of me but I am aware that they are available and I can provide the link for the Member so that he can understand that they work in partnership.

### **2.3.2 The Connétable of St. Helier:**

Is the Chief Minister aware that the Parish of St. Helier has an apprenticeship scheme and currently has several apprentices working in gardens, stone masonry, decorating and the like and would he agree to pass on my thanks to his officers who have been assisting the Parish in maintaining that scheme?

### **Senator I.J. Gorst:**

I am absolutely delighted to hear that and I wish the Parish's apprentices the very best. There are currently 58 Tracker apprenticeships in paid employment within the private sector and it is my understanding that that actually deals with the current capacity of those people who have previously wanted to be taken on as apprentices but we must encourage more and I think that is the thrust of the Deputy's question. I agree with him and I was having a very interesting conversation only last night with the Ambassador for Latvia to the Court of St. James and discussing the way that they deal with apprenticeships in Latvia and the guild process that they have in place, something that perhaps we could also replicate here.

### **2.3.3 Deputy J.A. Martin of St. Helier:**

The Chief Minister may not have the figure but given that the States of Jersey are one of the largest employers in the Island, could he find out the percentage of who we employ on an apprenticeship and trainee scheme against the private sector, which I fully understand at the moment we are hammering, saying they must take on locals and they must train up locals. Is the Chief Minister confident and would he produce the figures to show that we are matching the private sector because we should be leading by example?

[10:00]

### **Senator I.J. Gorst:**

I am not confident that we are matching the private sector and I believe that we can do far better. There has been a transition from the old scheme to the new scheme. As I said, there are only 15 currently under the old scheme, none in States employment under the new scheme, but as we arrive at September and in the period running up to that, then people are being asked to ensure that they are creating spaces and looking to see where they can create apprenticeships right across the States sector because it is not good enough.

### **2.3.4 Deputy T.A. Vallois of St. Saviour:**

The Chief Minister just mentioned the Skills Executive and its co-ordination. Would it be possible for him to explain who is ultimately accountable for the delivery of these schemes?

**Senator I.J. Gorst:**

I am surprised we have got to the problems of ministerial government quite so early in today's session but there we are. That is a very good question. Those 3 departments work together. They chair the Skills Executive on a rotating basis throughout the 3-year term of office and therefore each department, in effect, takes responsibility for chairing that department. One could say they are therefore accountable, but currently the Education Department provides the officer support and general resource, and therefore I think we can say that the Education Department is currently ultimately accountable but, as you will see from the way I am answering the question, it is not exactly clear.

**2.3.5 Deputy G.P. Southern:**

I am almost left speechless for once but I will find some words, I am sure.

**The Deputy Bailiff:**

You usually do. [Laughter]

**Deputy G.P. Southern:**

Will the Chief Minister confirm that at the moment only T.T.S. (Transport and Technical Services) is employing apprenticeships in the entire 6,000 strong workforce and will he indicate to Members how Trackers apprenticeships will be funded, how much does the employer receive and how much does the apprentice receive in terms of a wage?

**Senator I.J. Gorst:**

Unfortunately, I do not have all those details with me this morning. I think the Deputy might be right with regard to States departments but as the Connétable of St. Helier said, he as well in the Parish has got apprenticeships there. As I said, I am quite happy to provide the link for the Member so that he can see the detail of the Tracker scheme and how the funding is made available.

**2.3.6 Deputy G.P. Southern:**

Will the Chief Minister, rather than provide a link, provide an answer because I have already got one answer that has been privately circulated to me from the previous question I asked on this subject and I do want this in the public domain. Rather than just me knowing things, I think the public should know.

**Senator I.J. Gorst:**

I think you will agree with me that Standing Orders say that where something is already in the public domain, the Member generally has the duty to look for it but quite rightly, I am happy to provide the link for all Members.

**2.4 Deputy J.A. Martin of the Minister for Housing regarding the development of 150 two-bedroom units on the Summerland and Ambulance site.**

How did the Minister determine that some 150 2-bedroom units could be built on the Summerland and Ambulance site, as stated in his comments on P.92/2012 Police Station Relocation: review of decision, and on what were these calculations based?

**Deputy A.K.F. Green of St. Helier (The Minister for Housing):**

The simple answer is that I did not calculate it. I relied on expert advice from the Planning Department and that advice is to be found in the Supplementary Planning Guidance document, page 9, that was issued by the Minister for Planning and Environment to help the Assembly. The guidance document said that the preliminary block plans have indicated for a development providing up to 150 2-bedroom units of accommodation.

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

Does the Minister not think when he is issuing comments in the name of the Minister for Housing that he should absolutely make sure that they are aspirational? They are not his comments and they could mislead the House - bullet point 3 - and then comments does not say what he has just said. I asked where he got the comments from and why he produced them.

#### **Deputy A.K.F. Green:**

I have just given the answer to the Member. I got the comments from the Supplementary Planning Guidance and people would not expect me, as Minister for Housing, to be the expert on planning. That is why we have a Planning Department. That is why we have architects. That is why we have planners and the Minister will go to the best source of advice, and that is what I did.

#### **2.4.2 Deputy J.H. Young of St. Brelade:**

Would the Minister advise the Assembly whether he was advised of what density of development that scale of units involves and whether he is satisfied that that is a satisfactory density for that site?

#### **Deputy A.K.F. Green:**

I was not advised on the density. However, I do know that various other schemes have been looked at which could yield 170 units but at the moment the advice I am getting is 150. I am always looking for opportunities to increase density while not impacting on the quality of life but we are very much at the beginning stage. I took the conservative view of 150 being the minimum number that that site could yield.

#### **2.4.3 The Connétable of St. Helier:**

Does the Minister agree with me that generous allowance must be made in the planning for these sites for such things as open space, parking, pedestrian and cycle routes, bus stops and bus shelters and community facilities?

#### **Deputy A.K.F. Green:**

I think it is yes, yes, yes, yes, yes.

#### **2.4.4 Deputy G.P. Southern:**

The Minister says that we are in the early stage of this. It was in his full business case for the Housing Transformation Plan. I note on appendix B there are no costings and no numbers at all attached to the indicators in appendix B for the Summerland site.

#### **Deputy A.K.F. Green:**

Members will know that the Summerland site will not be available for a number of years yet. The Summerland site depends on the building of a new police station, which we debated at the last Assembly, which has to go now through the planning process and then out to tender and then be built. There is ample time to be planning what it is going to cost and what will go on that site. What I will say to Deputy Southern though is that if the Housing Transformation Programme is accepted by this Assembly, it will put my department in a position where on a site by site basis, independent of States financing, providing the rents pay the mortgage, we will be able to borrow any sum of money that stacks up in the business case, so site by site we will do that. This is a fantastic, exciting opportunity to really do something about the shortage of housing in this Island.

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

I do not know why we are here because the Housing Transformation Plan has not been passed by this Assembly and all these comments and everything else that the Minister for Housing and Treasury are saying should at least come to this House and maybe it will get passed. The Minister



said he relies on expert advice. The experts who are managing this land are Property Holdings. Property Holdings' comments say there is no budget, no plans and they do not know what is going on there, so how can the Minister for Housing, I still say, and I need to find out which department misled the House because it is either Housing backed up by Treasury, but somebody misled this House in a very, very important debate and I need to find out who it is. Now, is the Minister for Housing sticking to his comments that he made on 5th March about P.92/2012?

**Deputy A.K.F. Green:**

Yes, I am sticking to my comments because the site exists. We can get at least 150 units on there. I have explained how we will finance it. I have also explained that we are probably 5 or 6 years off doing that and with the comment about the Housing Transformation Programme, can I remind the Deputy, P.53/2012, we will be debating this fairly soon.

**2.5 Deputy J.H. Young of the Minister for Planning and Environment regarding the call in of a planning application previously approved by the Planning Applications Panel.**

Will the Minister provide the Assembly with an explanation for his decision to call in to a ministerial meeting on 8th March 2013 a planning application which had been previously approved by the Planning Applications Panel on 24th January 2013, thereby overriding the panel's decision?

**Deputy R.C. Duhamel of St. Saviour (The Minister for Planning and Environment):**

Both the Minister for Planning and Environment and the Planning Applications Panel work to written protocols which are intended to guide the decision making route for any given application. These guidelines have been developed over time with the input of States Members. One of these guidelines states that: "Where the panel wishes to overturn a recommendation of the Planning Department, the matter will be referred to the Minister for review." At that point, the Minister may either (a) make no comment and the intended decision is thereby ratified by the panel; (b) give advice to the panel for reconsideration of the item by the panel; or (c) call in the application for his own determination. In the example referred to by the Deputy, the panel was of a mind to approve an application in the green zone for 4 dwellings contrary to the recommendation of the department. As the Minister with political responsibility for the execution of the Island Plan policy, I considered that this application required my review. I am in the process of doing so and will issue a decision in due course.

**2.5.1 Deputy J.H. Young:**

Would the Minister also confirm that this particular matter involved a replacement of a redundant and worn out agricultural building, which his department had disallowed over many decades for employment use, and that the department submission was that this should be put back into employment use? Will he confirm that that was the nature of the issue in this matter?

**Deputy R.C. Duhamel:**

Quite evidently because the site does include the replacement of an unused agricultural shed in poor condition. Some of those considerations were obviously looked at. I think it is unfair for the Deputy to ask me to explain anything further when we have a live application.

**2.5.2 Senator L.J. Farnham:**

Purely out of interest, I wonder if the Minister could share with the Assembly on how many occasions he has followed this course of action to call in an application for himself to consider? Hopefully it is not many.

**Deputy R.C. Duhamel:**

I do not have the exact figure at my fingertips but it is relatively rare for the Minister to follow this process. That said, the protocol is very, very clear, that if the applications panel are straying from the Island Plan in a serious way, then, as the Minister responsible overall for decisions taken on planning issues, I do have the power to call the item in.

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

I raised the issue of the agricultural building because the Minister obviously brought in the issue of green zone. My question will concern procedure. Does he not consider that the protocol that he has explained to the Assembly effectively provides a veto of decisions of the planning panel and undermines the role of the panel and its working together in providing consistency?

### **Deputy R.C. Duhamel:**

No, absolutely not, and that is why I took time to read out fairly slowly the protocol. It is very, very clear and I do not intend to re-read it again but I am happy to give Deputy Young a further copy and an advice session of what the protocol implies. It is not a veto. The power resides with the Minister. The power is delegated either to the officers or to the Planning Applications Panel in certain circumstances. If those certain circumstances arise whereby the panel or the officers are making decisions that are outside of the Island Plan, then quite clearly it is the Minister's neck on the chopping block and I have to be responsible.

### **2.6 Deputy G.C.L. Baudains of St. Clement of the Chief Minister regarding departmental restructuring.**

Given that 3 months have passed since the Chief Minister in response to my question regarding departmental restructuring on 11th December 2012 agreed to issue a paper updating Members on the issue, could he advise not only what is being done and how advanced the work is but also who is involved in doing it?

### **Senator I.J. Gorst (The Chief Minister):**

Yes, since I gave a briefing to States Members in autumn, an extensive engagement programme regarding reform has been undertaken involving some 2,500 States employees. As I said in December, we are focusing on service redesign, workforce modernisation and cultural change. The Council of Ministers is due to receive that progress report next week which will highlight the achievements to date and identify the future deliverables focusing on the next 18 months while also looking at the longer term. I will then arrange for a briefing for States Members shortly after Easter to outline these deliverables.

[10:15]

### **2.6.1 Deputy G.C.L. Baudains:**

I am grateful to the Chief Minister but I do not believe he advised me who was involved in doing this work because, as he will be aware, I have concerns that the people doing the work may not be the people that are going to give us the type of change that we possibly need. Could he also, while he is on his feet, advise whether, in fact, the restructuring will be starting from a clean sheet or is it merely a re-juggling of existing resources?

### **Senator I.J. Gorst:**

There are a number of strands of work. As I have said in this Assembly previously, Atos were used to undertake a customer mapping exercise, which I think the Deputy might think of as a clean sheet of paper but it actually seeks to understand the interactions currently with the public and therefore develop systems which are going to deal with those interactions more effectively and efficiently and is a very good piece of work which shows that there can be significant improvements, and

some would say, that was clear previously. There can be significant improvements in cost and the customer service experience by changing to a more electronic means of serving customers.

### **2.6.2 Deputy T.A. Vallois:**

The Chief Minister, in his first answer, mentioned the service redesign and cultural change. Does he agree that the corporate approach of I.S. which is Information Services, Human Resources and Property Holdings is fundamental to the service redesign and the cultural change to the States of Jersey and that without the help of a central corporate approach, departments will not be able to deliver?

### **Senator I.J. Gorst:**

Yes, I do, and as I have said to the Deputy on previous occasions, it is a number of years since those particular areas were centralised and I think it is fair to say that they have not worked in the way that we would like to have seen them work in the past. Because of the way that the government is structured and the legal structure round individual departments being able to act autonomously without the requirement for them legally to work with the central function, then I think that is where we have seen some dysfunctionality so we need to address that issue while at the same time working in a co-ordinated approach across departments but those central functions are absolutely critical.

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

In view of the Chief Minister's answer, would he say that the fault is arising from culture or from leadership?

### **Senator I.J. Gorst:**

I am sometimes perceived, I believe, as a little bit of a "softie", perhaps even a Liberal. **[Members: Oh!]** That is because I personally believe that culture is important and getting culture right in an organisation means that then you can go on to deliver more effectively and more efficiently and change structure. People can feel pride in where they work and the jobs that they are doing so I think that we have got a large challenge, particularly around culture to start with, and then once we start to get that right, we will see delivery improve and change as well.

### **2.6.4 Deputy G.C.L. Baudains:**

I will not engage in the Australian joke about culture. I am afraid that I am getting the message from the Chief Minister that we are looking at small detail and moving the chairs around on a ship that is not fit for purpose. Could the Chief Minister agree or otherwise that he is going to look first of all at what services the government should be providing and follow that by deciding how best to deliver them rather than just reshuffling what we presently have?

### **Senator I.J. Gorst:**

If only life were quite that straightforward. As I said, culture is very important. We need to promote and change the culture that we currently have but be in no doubt, work is already ongoing in some departments to show how they can do things differently and so Members will see that when I give my briefing at Easter and I think I can say publicly that Social Security are really at the forefront of changing the way they are delivering services and they should be congratulated for that. Members may be aware that the Minister for Economic Development spoke about departments. That will ultimately lead to us looking to see whether okay we have got a function happening in department one, the same function happening in department 2 and the same function happening in department 3. If we improve all those 3 functions, we ultimately get to the point where we can say we just need one.

## **2.7 Deputy M.R. Higgins of the Minister for Transport and Technical Services regarding the transferral of staff to CTPlus.**

Will the Minister advise whether the agreement with CT Plus stated that there were to be no changes to staff terms and conditions for one year? If so, will he confirm that this did not happen and explain why and outline the reasons why the company's compliance with this agreement was not enforced?

### **Deputy K.C. Lewis of St. Saviour (The Minister for Transport and Technical Services):**

As set out in my response to written questions 7151 and 7152 lodged by Deputy Southern, CT Plus tendered on the basis that if their tender was accepted, and I quote: "We will not change any of the terms and conditions that we have been made aware of in the first tender documents for the first 9 months of the contract." This was dependent upon proper information about staff terms and conditions being provided. T.T.S. was reliant on the full co-operation of Connex and the union in this regard. Unfortunately, much of the required information was not forthcoming. Please see my response to questions 7102 and 7268. Substantial concerns regarding working practices subsequently came to light when CT Plus met with staff in September and October 2012.

### **2.7.1 Deputy M.R. Higgins:**

Will the Minister confirm that that was stated expressly, that providing all the information was given to them, and will he release that part of the contract to Members?

### **Deputy K.C. Lewis:**

Any part of the contract that is not commercially confidential I am more than happy to release that.

### **2.7.2 Deputy T.M. Pitman:**

As it has become apparent to most people that CT Plus are not able to fulfil their obligation in supplying a reliable bus service, angry customers, demoralised staff, schedules that ignore local traffic conditions, does the Minister have a backup plan in the event of complete failure?

### **Deputy K.C. Lewis:**

No, I do not accept that whatsoever. There were obviously many problems to start with. We anticipated several weeks of bedding in. It has been over 2 months, which is regrettable, and I apologise for that, but everything is coming to normality now and members of the public are more than welcome to contact Liberty Bus with suggestions. There are going to be more Parish meetings too for members of the public to discuss their requirements to put everything right.

### **2.7.3 Deputy T.M. Pitman:**

Is it not correct that the company have 100 days to get this to the level of a reliable efficient bus service that we had before and if that is right, how many days has the company got left?

### **Deputy K.C. Lewis:**

I think the company has got it right now and they are running very efficiently and I would congratulate both the company and the drivers for the sterling service they provided during the recent snowstorms. They were absolutely excellent. **[Approbation]**

### **Deputy T.M. Pitman:**

The answer to the question, how many days left of this 100 days, or am I being misled?

### **Deputy K.C. Lewis:**

I will get back to the Deputy on that.

#### **2.7.4 Deputy G.P. Southern:**

Which failure will the Minister lay claim to? Did he fail to transfer staff from Connex on the same terms and conditions according to paragraph 18.3 of the Connex contract or did he fail to ensure that bids were made in the full light of information about terms and conditions on a level playing field? Which failure does he claim to have succeeded in?

#### **Deputy K.C. Lewis:**

I have not succeeded in either. I refer to 18.3, which is quite explicit. The tender process was fair, above board and very exacting. It was not just my decision. There was a panel of experts and a panel of politicians that went through all the tenders.

#### **2.7.5 Deputy G.P. Southern:**

Did the bidders in the tender for the new bus contract know what the current terms and conditions of their future employees were when they bid?

#### **Deputy K.C. Lewis:**

Like CT Plus, they knew what the current situation was except for the informal arrangements which were not written down.

#### **2.7.6 Deputy S.G. Luce of St. Martin:**

I know he has almost answered my question, but I just wanted to ask the Minister if he would convey my thanks and I am sure the thanks of many Members of the Assembly for the efforts of all the staff of CT Plus in keeping the buses working during the snow last week. **[Approbation]**

#### **Deputy K.C. Lewis:**

I thank the Deputy of St. Martin for his kind remarks and I will see that that is transmitted to CT Plus and its staff.

#### **2.7.7 Deputy M.R. Higgins:**

It is still to do with the contract. Did CT Plus have to provide a bond to cover the cost of the purchase of the buses as all other tenderers had to or is the States acting as a guarantee for these buses for CT Plus?

#### **Deputy K.C. Lewis:**

I believe they do have a bond in place and everything was done finance-wise through Jersey companies.

#### **2.7.8 Deputy M.R. Higgins:**

If I could ask the Minister to confirm that to Members, that they do have a bond and that we are not guaranteeing their buses?

#### **Deputy K.C. Lewis:**

I will check that out but, as far as I am aware, they have their own bond set up and, as I say, everything was financed through Jersey companies.

### **2.8 Deputy K.L. Moore of St. Peter of the Minister for Treasury and Resources regarding the identification of further funding to acquire additional housing sites in the next 2 years.**

Given the current economic situation and the shortage of affordable housing, would the Minister be prepared to identify further funding to acquire additional sites that could be brought forward in the next 2 years?

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

The Council of Ministers has set as a high priority to bring forward sites in both public and private ownership that are capable of delivering affordable housing in the next 2 years. As previously explained, the Treasury, Jersey Property Holdings and Housing are committed to bring forward all possible States-owned sites. In support of this, the Treasury is presently exploring a range of financial options. These include the use of the investment funds for infrastructure projects such as the shared equity scheme and Trinity, or external borrowing against the rental income streams. In addition, the Treasury will also consider providing assistance to social rental providers and to the Parishes. Further, the States capital programme is approved on an annual basis. One option, when we consider the capital programme for 2014 and 2015, is to take into account the possible acquisition of further sites for affordable housing development. Sites identified for affordable housing will also be acquired and developed by other social housing providers through the release of equity, commercial borrowing or a combination of both. Money invested in social housing is a good fiscal stimulus and with the added benefit of housing Islanders in better homes, thus creating a win-win situation. Significant funding is already available, both through the capital programme and the £27 million voted by this Assembly last year. A priority of Treasury is to ensure that this money is going to be spent.

**2.8.1 The Deputy of St. Peter:**

I thank the rapporteur for his answer, which sounds very encouraging, although I am concerned about the timeline and whether the rapporteur feels that some of these homes are able to be delivered within the 2-year timeframe that was connected to my question.

**Deputy E.J. Noel:**

I agree that on the States-owned sites, it is going to be difficult to provide a significant number of affordable housing and social rented housing which is why, along with Treasury, Housing and the Minister for Planning and Environment and indeed the rest of the Council of Ministers, we are looking to the possibility of identifying sites that are not currently in public ownership.

[10:30]

**2.8.2 Deputy R.G. Le Hérissier:**

When I asked about the Trinity development, almost by a slight of hand the Assistant Minister said the effective price as opposed to the real price. I wonder could he outline, if that was indeed the effective price for other first-time buyers, we would be able to deal with the issue a lot better than estates appearing with all sorts of different *ad hoc* financing arrangements?

**Deputy E.J. Noel:**

To solve our housing problems, we need a range of solutions. We need more social rented housing. We need more affordable first-time buyer homes and to do that, I do believe that we need shared equity schemes. The Trinity scheme is an excellent example of how a true shared equity scheme can work and we are encouraging other Parishes to come forward with such schemes.

**2.8.3 Deputy R.G. Le Hérissier:**

Could the Assistant Minister confirm that the entry price for that particular scheme should be the norm for other schemes otherwise we are asking ridiculous sums of money of people?

**Deputy E.J. Noel:**

At the end of the day, the entry price has to be affordable. The Trinity scheme that they are providing is a very good scheme of a very high quality product. There is scope to bring that entry price down on other sites.

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

In the quest for affordable homes on privately owned sites, would the rapporteur advise the Assembly whether he has achieved a definition of affordable housing with the Minister for Planning and Environment that would enable us to progress with the zoning and identification of suitable private sites and if so, in his very comprehensive plan that he just explained to us, is there going to be money to acquire them?

#### **Deputy E.J. Noel:**

In terms of the first part of the question, that is work in progress between the Council of Ministers, the Minister for Planning and Environment and Treasury concerning what is going to be a definitive definition for affordable. With regard to potentially new sites, then yes, the Treasury will do our utmost to provide the funding so we can move forward and start building affordable homes for Islanders.

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

The rapporteur mentions funding and so on. In his written answer, there is talk of £200 million being borrowed on behalf of the new housing organisation. We have already heard of something over £400 million that would be required for a new hospital. That is £600 million. Are we not getting ourselves in rather deep in view of the general economic situation?

#### **Deputy E.J. Noel:**

Social rented housing can be self-financing. There is, I believe, the Rowntree model that is used to provide that and if P.53/2012 is passed by this Assembly, then that is one of the funding options available to what would be a wholly-owned States housing company. That £200 million mentioned will be funded from the revenue streams generated by those properties built. As regards the hospital, I think it is a bit out of the remit now. We have to first complete the feasibility study of where the new hospital will be and to bottom out the actual funds cost of it.

#### **The Deputy Bailiff:**

We are not going to go into the hospital on affordable housing. I am sorry, Senator, I have been much too slack with Members coming in with 2 questions instead of one on supplementary questions and that is now stopping.

#### **2.8.6 Deputy R.G. Le Hérisier:**

Does the Assistant Minister accept that he is in danger of missing one of the “Ts”, the targeted, temporary and timely, on the fiscal stimulus package? When would he say that this fiscal stimulus is no longer timely? Does he give himself a window on that?

#### **Deputy E.J. Noel:**

I believe that this fiscal stimulus that we are in the process of rolling out in terms of providing social housing is indeed compliant with the 3 “Ts” because unfortunately our current economic climate is here to stay for a number of years, I believe, and therefore the timely aspect of providing social housing is over the next 2 to 3 years and therefore I think that comes in within the definition.

#### **2.9 Connétable M.P.S. Le Troquer of St. Martin of the Minister for Transport and Technical Services regarding the use of domestic type wheelie bins at sites of special interest.**

Would the Minister advise Members why domestic type wheelie bins have been positioned at sites of special interest such as those recently installed along St. Catherine’s Promenade? What alternatives, if any, were available and does he consider that the style and location of such bins enhances the natural beauty of our coastline?

**Deputy K.C. Lewis (The Minister for Transport and Technical Services):**

For the last 2 years, the department had a planned replacement programme of all its old Octopus 50-litre bins around the coastal and beach areas. These bins have been replaced with the new multi-purpose 120-litre wheelie bins which are specifically designed to work in conjunction with the mechanical lifting equipment of the new compactor vehicles. They not only provide greater capacity but incorporate a mechanism to restrict the aperture to avoid rubbish blowing away or being pulled out by seagulls and are fixed units which no longer need to be chained to railings. With regard to alternatives and locations, although there are numerous shapes, sizes and colours of bins, the department requires a uniformly typed bin that is practical and suitable for the amount of rubbish that our coastal and beach areas generate. We have only had one other complaint regarding this and I believe it is the same person that has complained to the Constable, but the benefits of these types of bins are as follows. Health and safety, they reduce the potential risk of back injuries. They have a greater capacity than the previous bins which sometimes overflowed with the amount of rubbish produced in the area and they do not have to be chained to the railings as previous bins were in order to stop vandals throwing them into the sea. I myself have passed Havre des Pas on one occasion to retrieve a bin that some scallywag has thrown into the sea and they think it is great fun but it is very expensive and obviously a danger to shipping. However, I have spoken to my department about this and I am more than happy to look at this again if the Constable is unhappy but I do have regular contact with most of the Constables so anything the Constable is not happy with, please call me.

**2.9.1 The Connétable of St. Martin:**

I thank the Minister for that. I also thank the media for taking ... it was quite a small item but when I started going round, it is around the Island. It might not be a big thing but it is to people who have donated benches in memory of people and also to the visitors that go to the area. Is the Minister able to advise the Assembly of the cost of the new bins and the associated costs with the installing of the metal pillars into the granite?

**Deputy K.C. Lewis:**

I do not have that information but those bins can be relocated elsewhere.

**2.9.2 The Connétable of St. John:**

Can I say, Minister, in the event that you have to relocate some of those bins, I am sure we have got some areas in St. John which may not be quite in such a public view that could do with bins to collect some of the waste.

**Deputy K.C. Lewis:**

I am more than happy to look into that.

**2.9.3 Deputy J.H. Young:**

Would the Minister agree there may be an opportunity for creative art on these bins in order to be able to improve their appearance?

**Deputy K.C. Lewis:**

I am more than happy to look into that also. I am not sure of the Deputy's artistic talents but I would welcome it.

**2.10 Connétable J.M. Refault of St. Peter of the Minister for Transport and Technical Services regarding residential parking spaces and the annual parking income which could be derived where Residential Permits not in place.**



Would the Minister advise Members of all the roads his department administers in the Parish of St. Helier that have residents' parking areas, the number of residential parking spaces on each road, and what would be the annual parking income from these spaces if residential parking permits were not in place?

**Deputy K.C. Lewis (The Minister for Transport and Technical Services):**

The Parish of St. Helier's resident parking zones or R.P.Z.s take 2 forms. The first type are those that are dedicated to the use of residents 24 hours a day and the second type are those which can only be used by residents overnight between the hours of 5.00 p.m. and 9.00 a.m., reverting to general paycard use during the working day. The number of R.P.Z. spaces on States main roads are as follows: Stopford Road, 5 evening only and 23 all day spaces; St. Mark's Road, 12 evening and 28 all day spaces; Victoria Street, 6 evening and 3 all day; Val Plaisant, 2 evening spaces; Gloucester Street, 6 evening only; Devonshire Place, 5 evening and 5 all day spaces; Canon Street, 6 evening and 14 all day; Kensington Place, 8 evening and 14 all day spaces. The total of these provides 50 evening places and 77 dedicated all day residents' parking spaces. The annual income for the 77 all day spaces, should they be charged at one unit per hour at paycard rates, is estimated to be between the range of £72,000 and £90,000, depending on occupancy levels. R.P.Z.s, including Parish and States roads, the total number of R.P.Z. spaces are 423 with 173 paycard spaces that become R.P.Z.s overnight.

**2.10.1 The Connétable of St. Peter:**

The very complex answer the Minister gave to an oral question I would ask if he would mind circulating that so that we could absorb that somewhat better. My main question is does the Minister intend to do something about redressing loss of income to the States?

**Deputy K.C. Lewis:**

Yes, I am more than happy to circulate that to Members and loss of income is something we are looking into.

**2.10.2 Deputy R.G. Le Hérissier:**

Could the Minister confirm that among that detailed procedure he outlined, will he be simplifying it by organising a lottery based on postcodes?

**Deputy K.C. Lewis:**

I thank Deputy Le Hérissier for raising this question. I thought 1st April came early when I saw this story, that people will be told where to park and how much to pay, which is not the case. It was an idea that was formulated about 5 years ago to encourage people coming from the West to park in Pier Road and people coming from the East to park on the eastside of town. No one will be told where to park and how much to pay. I am not sure where the story came from, but it is complete nonsense. Given the parameters of the Roads Regulations and Car Park Regulations, people may park wherever they wish. I will not be dictating anything of the sort. I work for the people of Jersey and not the other way around.

**2.10.3 Deputy J.A. Martin:**

I thought it was a very good idea, especially with some people of St. Peter, and they pay double to anyone else because the clue is in the question. This is residents' parking in town and we do not have anywhere to park and the Minister for Transport and Technical Services does need to come up with some good ways. The Constable of St. Peter, does the Minister not agree, to decide that the residents in town have already lost another 200 spaces last week and his vote did not help, should not be penalised, and we should be looking at those out-of-towners bringing their big 4-wheelers in and trying to park all day.

**Deputy K.C. Lewis:**

I am delighted that the Deputy is aware that most cars have 4 wheels. **[Laughter]** I think the Deputy meant 4 by 4s. Not everyone has a 4 by 4. It is pretty scattered across the Island. We are looking at other parking arrangements. My officers are constantly looking at ways to accommodate people. The bus service obviously has been mentioned. We are trying to beef that up but we have also got Snow Hill, which incidentally I got accused of having a second speech the other day, was I was told by this Assembly an amendment to the Sustainable Transport Policy and the Island Plan to bring forward plans for Snow Hill and that is what I have done. The request was to bring it back by 2012 and I was 2 months late, which I apologise for, but there it is. We are looking at every space we can.

**The Deputy Bailiff:**

May I say to Members that the question is about residents' parking areas. We are not talking about car parks generally if that is any help.

**2.10.4 The Connétable of St. John:**

Who gets the income from the residents' parking? Who maintains the roads when there is damage done caused through leaking oil from engines when it breaks up the asphalt? **[Aside]**

**Deputy K.C. Lewis:**

Obviously if it is a States road, the States pay for it. If it is a Parish road, the Parish pays for it. The income from the residents' parking zone goes to the Parish of St. Helier, which I believe pays for their own parking wardens which they have patrolling the R.P.Z.s.

[10:45]

**2.10.5 Deputy G.P. Southern:**

Would the Minister confirm that prior to the introduction of residential parking by his department, the parking spaces were disc parking and therefore generated no income?

**Deputy K.C. Lewis:**

To a great extent, I believe that is correct.

**2.10.6 The Connétable of St. Martin:**

I think some of it has been covered but could the Minister just confirm that the actual parking control officers do not police any of the parking areas in the administration of the road, just repair of the road surface? All the money that comes in goes to the Parish and the parking control officers do not police residents' parking zones.

**Deputy K.C. Lewis:**

That is correct.

**2.10.7 The Connétable of St. Helier:**

Is the Minister aware of any greenfields in the Parish of St. Peter which the Constable might be persuaded to try to get approval for under the radar, as it were, to assist St. Helier with its parking problems?

**Deputy K.C. Lewis:**

I am aware that the good Constable of St. Peter has a large car park with an airport attached but other than that, I am not aware of any other greenfields.

**2.10.8 Deputy J.A. Hilton of St. Helier:**

Does the Minister not agree with me that if we are to encourage people to move into St. Helier and live in St. Helier that the question of affordable parking and easy access to parking is one that should be given the utmost consideration? Most people who live outside of St. Helier have got easy access to parking outside of their homes if indeed they have not got yellow lines outside them and it is only fair for St. Helier residents that they are treated in the same way.

**Deputy K.C. Lewis:**

To a great extent, I would agree. Not only that, I have a very large yellow line outside of my own house which is in St. Saviour but we have to design this in. Obviously the Minister for Housing is aware of this and likewise the Minister for Planning and Environment to provide adequate space when new houses are built. We cannot just provide on street car parking everywhere because we have obviously got a very old town, everything is retrofitted, and we cannot build new spaces without knocking old ones down but we provide as much as we can.

**2.10.9 The Connétable of St. Peter:**

Somewhat tongue in cheek: does the Minister intend to provide roads in the rural Parishes which will allow free parking and leave monies to come back to the rural Parishes?

**The Deputy Bailiff:**

Very well, he has answered the question for you, Minister. [Laughter]

**2.11 Deputy R.G. Le Hérissier of the Solicitor General regarding the appointment and day to day management of the Dean of Jersey.**

Would Her Majesty's Solicitor General explain how the appointment and management of day-to-day performance in regard to the Dean is divided as between the Crown and the Bishop of Winchester?

**The Solicitor General:**

As I have already indicated in answering an earlier question, the office of Dean is a Crown appointment. So far as I am aware, the Crown has no role in the management of the day-to-day performance of the Dean. The Bishop of Winchester grants the Dean of Jersey a Commission which provides the Dean with additional powers. Clearly, the Bishop will have an interest as to how those powers are exercised but I am not able to assist as to the extent to which, if at all, the Bishop of Winchester has any involvement in the day to day activities of the Dean.

**2.11.1 Deputy R.G. Le Hérissier:**

Although the Solicitor General cannot comment on the Bishop's role, would he not accept that in an area, for example safeguarding policy, that the Bishop does indeed have a role aside of the conformity with the general policies and the laws of the States in that area?

**The Deputy Bailiff:**

I am not sure, Deputy, that this is a matter for which it can really be said that the Solicitor General has responsibility. Would you like to rethink your question?

**Deputy R.G. Le Hérissier:**

I only ask it in the sense that in carrying out his research as to what the Crown's role is, he must have, by definition, come up with areas that the Crown is not responsible for as well as areas for which it is responsible.

**The Deputy Bailiff:**

There are quite a number of areas for which the Crown is not responsible.

**The Solicitor General:**

Can I answer it in this way? It seems that I am being asked to address an issue which is directly relevant to the ongoing process and therefore I decline to answer the question.

**2.11.2 Deputy T.M. Pitman:**

I appreciate that there is some disagreement on whether the Dean is suspended or just had some of his role, his powers, withdrawn. Could the Solicitor General just advise is there a time limit on how long this process can go on? When we have had suspensions, which I know are quite different, with the Chief of Police, obviously it went on for years. Is there a time limit when this must be resolved and is the final say on that down to the Crown as the ultimate power?

**The Solicitor General:**

I must confess I have not looked at this particular point but, off the top of my head, I do not believe there is any statutory time limit.

**2.11.3 Deputy M. Tadier:**

Would the Solicitor General confirm who is accountable or perhaps who the Dean is answerable to for his day-to-day behaviour?

**The Solicitor General:**

Yes, certainly. The Canons provide a process whereby the Ecclesiastical Court will sit and hear any complaint that is made about the Dean.

**2.11.4 Deputy M. Tadier:**

I understand that while it is not possible to sue the Crown or the Queen, would it be possible to sue the Dean, given that he is appointed by the Crown?

**The Deputy Bailiff:**

For what, Deputy?

**Deputy M. Tadier:**

It is a hypothetical question, Sir.

**The Deputy Bailiff:**

There is something in Standing Orders about not asking hypothetical questions.

**2.11.5 The Connétable of St. John:**

Given the Dean being a Member of this Chamber but also sits on the Parish Rates Committee in St. Helier and the like, and as a States Member, although not elected, if a States Member gets suspended or does not appear in this Chamber for a period of time, do they lose their seat? Does this cover the Dean if this inquiry goes on, shall we say, in excess of 9 months or 12 months, that he automatically loses his seat, because this is a constitutional thing if he does?

**The Solicitor General:**

Again, I have not considered the point but off the top of my head, I do not believe that to be the position.

**2.11.6 Deputy J.H. Young:**

I think, if I heard the answer right, the Dean is accountable to the Ecclesiastical Court. Could the Solicitor General tell us who are the members of that to which the Dean is accountable?

**The Solicitor General:**

In the event of the Dean being the subject of a complaint, the President of the Court who is, of course, usually the Dean, would be somebody else. At present, I believe it is the Deputy Bailiff but it is possible, as I understand it, to appoint a different President.

**2.11.7 Deputy M. Tadier:**

Is it possible to take legal action against the church in Jersey if somebody feels that they have been a victim of abuse in the church and if so, who would the legal action be taken against?

**The Solicitor General:**

That is a very broad question. I would welcome clarification. There are 2 possibilities. One is a perceived lack of investigation into reported abuse and the second perhaps is permitting abuse to continue in circumstances which were known to a member of the church. Could I please seek clarification as to which it is?

**Deputy M. Tadier:**

It could be either but I think both of those could be the basis for a legal action but let us say perhaps, for the sake of brevity, the one where a duty of care was not provided and perhaps the correct reporting mechanisms were not used.

**The Solicitor General:**

Again, this is right off the top of my head. It is not obvious to me that the mere fact of a lack of reporting gives rise to any duty of care which might again give rise to a legal action. If I understand it in this case, the advice was to go and see the police, there was a report to the police and there was a police investigation so I am not quite sure I follow the question at the moment.

**2.11.8 Deputy M.R. Higgins:**

Could the Solicitor General tell us when the Ecclesiastical Court last met and how often it has met or is it an anachronism that has not been used for decades?

**The Solicitor General:**

I understand it is a functioning court but I do not have the precise details that the Deputy seeks off the top of my head.

**2.11.9 Deputy R.G. Le Hérissier:**

I wonder if the Solicitor General could tell us if there is a relationship between the Ecclesiastical Court and the Crown and whether the decision of the Crown ultimately trumps anything that is decided by the Ecclesiastical Court?

**The Solicitor General:**

Clearly, as I said earlier, the office of Dean is a Crown appointment and therefore ultimately the power vests in the Crown but one would imagine that any finding of the Ecclesiastical Court would be highly relevant to how the Crown chose to discharge its powers.

**2.12 Deputy J.H. Young of the Minister for Planning and Environment regarding re-opening the Planning Inquiry for Plémont Holiday Village.**

Will the Minister advise the Assembly whether he has decided to reopen the Planning Inquiry for Plémont Holiday Village in response to the submission he has received, and if not, advise when he intends to reply to this submission and detail his intentions regarding the Planning Obligation Agreement while he considers his decision on this submission?

**Deputy R.C. Duhamel (The Minister for Planning and Environment):**

I have previously advised the Deputy and the Assembly that I would be seeking legal advice in respect of the submission received and would be answering it when I had considered this advice. The legal advice was received on Friday. Consideration took place on Monday. A letter of reply has been issued late yesterday and that is as far as I can say. Discussions regarding the proposed maintenance of the landscaped areas are still ongoing and I will advise Members when the Planning Obligation Agreement has been concluded.

**2.12.1 Deputy J.H. Young:**

Could the Minister clarify for the Assembly whether he intends to sign the Planning Obligation Agreement he referred to before the Council for the Protection of Jersey's Heritage receive his reply to the issues that they have raised?

**Deputy R.C. Duhamel:**

I believe the stamp was placed on the letter yesterday. I am not aware of how long the letter will take to be delivered. I would hope and expect that the letter reply should be received by the submitter before I finalise any other obligation agreements. That is a normal courtesy and that is the way I intend to proceed.

**2.12.2 Deputy J.H. Young:**

I thank the Minister for that. The Planning Obligation Agreement to which he just referred in his previous answer, he said that that would include a transfer of land from private ownership to the States. Could he advise whether the Assembly will be receiving a Standing Order transaction under Standing Order 168 prior to that planning agreement being signed?

**Deputy R.C. Duhamel:**

I will need to be advised of that but at the moment the negotiations for the Planning Obligation Agreement have not yet been concluded. Despite my answer last time thinking that it would be a matter of a few days before these issues were concluded, it might be a matter of a slightly longer period of time.

**2.13 Deputy G.P. Southern of the Minister for Housing regarding the assumptions within the summary financial projection of £240 million for the proposed new Housing Company for rental incomes in years 1 to 5.**

In the light of the 2011 total rental income of £36.1 million, will the Minister explain to Members what assumptions have gone into the summary financial projection of £240 million for the housing company for rental income in years one to 5 and which of these factors apply across the 30-year plan to produce growth in rental income of up to 4.8 per cent annually?

**Deputy A.K.F. Green (The Minister for Housing):**

Rental income in 2012 totalled £38.4 million and is forecast to be £40.2 million in 2013. The business model, which begins in 2014, with a forecast rental income of £41.4 million rising to £55.6 million in 2018, that is year 5 of our plan. What these rental figures do not show is the significant number of new units which will be added to social housing stock during this period. I am absolutely delighted that an additional 523 new units are expected to be completed and let during this period. I expect to see the demolition of 156 worn out units at Le Squez and La Collette and sales of 95 affordable units of accommodation leaving a net increase of social rented stock of 272 units by 2018. The assumptions that have gone into the summary financial projects apply across the 30-year Business Plan and are: current tenancies will be subject to an annual inflation linked rent increase to get up to 90 per cent of market. New tenancies will be let at 90 per cent of market level. Inflation assumptions are taken from the States Jersey Statistics Unit projections and properties are re-let at a rate of 7 per cent per annum. To address the inherent uncertainty using

long-term assumptions, a sensitivity analysis has been performed to evaluate the robustness of the new company's business model. This is well documented in the business case, section 5.7, pages 72 to 86.

[11:00]

**2.13.1 Deputy G.P. Southern:**

Is one of the assumptions that rental income will be raised by inflation plus 0.75 per cent?

**Deputy A.K.F. Green:**

Yes.

**2.13.2 Senator A. Breckon:**

On the same theme, could I ask the Minister if the proposed increases of the retail price index plus three-quarters of a percent, could I ask him where they sit with the States anti-inflation policy which is 2.5 per cent?

**Deputy A.K.F. Green:**

What is not understood here is we have a gap between the rent required in order to invest in renovations and to invest in new properties. The position I want to get my organisation, my new company, into is one where it provides homes. Those needing support to access those homes should come from Social Security. That support comes from there. Anybody receiving the rent supplement from Social Security will notice no difference. Some people will think that is moving money around but it is very important that Housing runs the business of housing, Social Security runs the business of support and that is the whole basis how I am working and that is fundamentally why we failed in the past.

**2.13.3 Deputy M.R. Higgins:**

Could the Minister just tell me, in the past, many States rental homes have had their heating provided as part of the rent? With the move to electricity and people now paying this separately, does that mean that their rents have gone down?

**Deputy A.K.F. Green:**

It means their rents have not gone up as much as they may have done but it is an important point because by insulating homes properly, by making them wind and watertight, by putting appropriate heating in over which tenants have proper control, then they are not encouraged ... if you have no - how do I put it - if you have no incentive to save on energy, then you are just going to control the heating in the building by opening and closing the windows. If you have incentive to save because you are paying for it, then I suggest that people are careful, but with that comes an obligation from the landlord and that is to ensure that we have well insulated buildings. I have got one example at Pomme d'Or Farm where they told me that in the recent cold snap, they were spending £50 a week less on supplementary heating because of the insulation.

**2.13.4 Senator S.C. Ferguson:**

The Assistant Minister for Treasury and Resources says that social housing should be self-financing. Now, the capital cost of financing, according to the Minister's written answer, was 5 per cent so this means that rents must be at least 5 per cent of the capital cost so would the Minister like to confirm or not whether that is the case?

**Deputy A.K.F. Green:**

What I can confirm is that if we had the right rent policy and interestingly enough the U.K. (United Kingdom) Government issued a similar document yesterday saying that if you have the right rent

policy, then you can invest in maintaining your homes and building new. It is not rocket science. Most of us, when we bought our own homes, bought a home that we could not afford to pay cash for and we made sure that we had a regular income in order to have a mortgage. The business case over 25 years for each site stacks up if the rent is at 90 per cent. We have got to get real in terms of as I say, Housing is about housing, Social Security is about supporting those people who need support to pay for that housing.

**2.13.5 Deputy J.A. Martin:**

I would not follow the U.K. They have got the highest young men between 35 and 45 on the streets at the moment but if that is the way we want to go, why not. My question is 90 per cent behind market rents, can the Minister inform how much Social Security will be behind market rents, not for the existing tenants, for the new entries that he keeps saying that people already on benefits will not notice. Those jumping in, he says in his written answer they will be made very aware of what they have got to pay before they are allowed to move in. How much will be the support given by Social Security?

**The Deputy Bailiff:**

That is not within the Minister's remit, Deputy.

**Deputy J.A. Martin:**

He brought that twice up ... supplementaries normally work in something that they bring into the argument. He brought the argument of Social Security into 2 of his supplementaries so I am just stretching it a bit like he did.

**The Deputy Bailiff:**

I think, in fairness to the Minister, he said Housing was housing which is obviously his and social security is Social Security which is obviously a matter for the Minister. Minister, are you able to answer that?

**Deputy A.K.F. Green:**

I am not able to answer fully other than to say first of all I would like to pick up on the comment about the greatest number of homeless in London. Obviously, that is a matter for the U.K. Government, not a matter for us. What I do know is that I want to widen the criteria and that is something to be looked at later on in the answer I gave to Deputy Southern because I share his aspirations. I want to widen the criteria for people who have access to housing but to do so at the moment would be dishonest when there is a shortage of supply. What I do know is that with regard to Social Security, obviously the Minister for Social Security is aware of what is required, the responsibility I am putting on his department, and I am very grateful that he has worked with me on it.

**2.13.6 Deputy M. Tadier:**

The Minister spoke about incentives a moment ago. Will he confirm that he still has long waiting lists for social housing for people who desperately need housing and cannot afford it in the private sector and that if he is using tenants to pay for this project going forward, he has no incentive to get rid of people in housing who can afford to live in the private sector and by putting rents up to 90 per cent, he is stopping people who could be in housing who need those houses to be used and it is just a cash cow for his department?

**Deputy A.K.F. Green:**

No, it is not a cash cow for my department but it is an interesting point the Deputy makes because there is one other area that I feel that we have failed in in the past or at least not given enough



attention to. For families whose circumstances improve, and I think we would all say that when people come to social housing because they need it, if their circumstances improve because they work hard and get better jobs, then we would want to celebrate that. But at the end of that time, when perhaps the family have grown up and the parents have got good jobs, they can no longer, under current systems, get a mortgage and we need to be creative. They cannot get the mortgage because they cannot afford to pay it back in the 20 or 25 years; they would be too old. We need to get creative around shared equity schemes, around other schemes, to encourage these people to move on. We want to reward people that work hard and encourage them with incentives and not beat them up because they have done well.

**The Deputy Bailiff:**

I am sorry; we are not going to go into shared equity schemes. The question is about rental income and Senator Breckon is on the list next.

**2.13.7 Senator A. Breckon:**

Does the Minister believe it is appropriate for existing and future tenants to pay for the lack of investment in the past by the States in refurbishing and maintaining properties?

**Deputy A.K.F. Green:**

Somebody has got to pay for it so we have got to get real, have we not? We have got to get real. We want a new hospital and we have agreed to have the Medium-Term Financial Plan and we have agreed to have balanced budgets. So where is the money going to come from? Are we not going to have the new hospital? Are we not going to have liquid waste strategy? Are we not going to have [Aside] ... no, it is the real world, Deputy. Are we not going to have other things like Les Quennevais School? We have got to live in the real world. This will work, this is self-financing and, just as importantly, will improve the quality of the accommodation for my tenants and tenants to come.

**2.13.8 Deputy M.R. Higgins:**

I wanted to follow up on the earlier answer of the Minister. He mentioned about people commenting on the improved heating and so on. Is the Minister aware that some people are not heating their homes because they cannot afford to under the new arrangement with electric heating? If so, does he have any proposal to assist them?

**Deputy A.K.F. Green:**

I am not aware of that but I do have plans to ensure that every home is properly insulated and has adequate heating systems.

**2.13.9 Deputy G.P. Southern:**

Will the Minister get real and pay attention to the words of Professor Whitehead where she remarks that having a commitment to make a return of £23 million per annum to the Treasury must be addressed? Has the Minister addressed that in his Housing Transformation Plan and what is the impact of now £27 million returned to the Treasury ongoing? What effect does that have on his Housing Transformation Plan and the rents involved there?

**Deputy A.K.F. Green:**

I am not going to repeat what I said before but what I will say is I have got real. I live in the real world. There is a corporate responsibility as well as a housing responsibility and I have addressed the problem because it will no longer increase. It will just be maintained at its current level.

**2.14 Deputy J.A. Martin of the Minister for Treasury and Resources regarding**

## **the development of the units of accommodation at the Summerland site.**

Will the Minister advise whether all the units of accommodation to be created at the Summerland site will be category A social rental? Will they be developed by a housing trust, the States of Jersey Development Company or a private developer and will he identify what budget, if any, is available for this?

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

It is currently proposed that all properties will be category A housing available for social rented tenants. The current plan is that the site will be developed by the Housing Department. Its proposed future form is a wholly States-owned housing company. The Housing Department's business case recognises that the new housing company requires new sources of finance beyond the traditional capital programme in order to meet its objectives and as I have already said in the Assembly today, the Treasury is presently exploring a range of financing options. These include the use of infrastructure investment or external borrowing against the rental income stream. If, for whatever reason, the housing company did not develop this site, then the site could be developed by another social housing provider as category A housing and financed through equity, commercial borrowing or a combination of both.

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

A supplementary, and I think the Assistant Minister has answered. Can he tell me what has changed from 1st March in an email from Property Holdings Chief Executive which states: "At present, the site and source of budget has yet to be determined and alternatively the site could be sold to the market." Now, what has changed in 19 days?

#### **Deputy E.J. Noel:**

Nothing has changed. The email that the Deputy is quoting from, the market actually refers to other social housing providers.

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

I will ask in the above it does mention "other housing". The market he is talking about is the open market in that question. It is not ... we already covered that, and all States Members received this. I still think somebody is stretching the truth who is going to develop in 2020 the Summerland site and where the money is coming from with both fingers crossed and hoping by then somebody would have sorted it out and it will not be this Minister for Treasury and Resources.

#### **The Deputy Bailiff:**

I do not understand that to be a question, Deputy.

#### **Deputy E.J. Noel:**

If I may comment on that non-question. I am happy to give the Deputy assurances and the rest of the Assembly that the Summerland and the ambulance site will only be developed for housing that is for social rented. That is an undertaking I am willing to give to the Deputy.

### **2.15 Deputy M.R. Higgins of the Minister for Home Affairs regarding Data Protection Breaches by Police Officers.**

Will the Minister comment on the Police Complaints Authority Report regarding data protection breaches by police officers and advise whether police officers are treated like ordinary members of the public who break the Data Protection (Jersey) Law 2005 and if not, why not?

#### **Senator B.I. Le Marquand (The Minister for Home Affairs):**

The security and integrity of police data is of high importance. Police officers and police staff are in an extremely privileged position in having access to sensitive and personal information held on the police national computer and local databases on a daily basis. Officers and staff who access computer systems for a non-authorised purpose are liable to be prosecuted for criminal offences of unauthorised access, that is computer misuse, under Article 2 of the Computer Misuse (Jersey) Law 1995 or for obtaining, disclosing or procuring the disclosure of data for non-authorised purposes which is Article 55 of the Data Protection (Jersey) Law 2005.

[11:15]

Staff may also face misconduct proceedings for failure to meet the appropriate standards. All data protection breaches are viewed seriously and no distinction is made between the behaviour of police officers, police staff and members of the public. Since the introduction of the Data Protection (Jersey) Law 2005, the States of Jersey Police have identified a number of data protection breaches all of which have been investigated and files submitted to the Law Officers' Department and the Jersey Police Complaints Authority and 2 officers have subsequently been found guilty in the Magistrates Court and subsequently disciplined and 2 further officers and one member of civilian staff have been dealt with by misconduct procedures and 3 further cases, which are mentioned in the 2012 report, are currently being considered by the Law Officers' Department so these matters are taken very seriously.

**2.15.1 Deputy M.R. Higgins:**

Would the Minister be surprised, therefore, to hear that in 3 cases of data protection breaches, one officer was dismissed, one was given a stern speaking to and the third had to buy cakes for his colleagues. Now, would the Minister think that that is acceptable and a consistent policy and would members of the public be treated in the same way?

**Senator B.I. Le Marquand:**

I am afraid I did not pick the third thing.

**Deputy M.R. Higgins:**

The third was that he had to buy cakes for his colleagues.

**Senator B.I. Le Marquand:**

I think that is pretty unlikely, but the fact is that there will be variations of seriousness in relation to such matters and those decisions are made by the Law Officers' Department as to whether it is appropriate that there be criminal process or not and indeed decisions are then made as to whether there should be disciplinary process or not. You will never have a one scenario fits all approach to such matters because they can be from something which is extremely serious which can lead to criminal prosecution and dismissal on the one hand or something that was very technical on the other.

**2.15.2 Deputy T.M. Pitman:**

Is the Minister aware that there are a number of officers who are complaining that the Data Protection Commission are not acknowledging them and their request for data information which they should be entitled to within I think it is 40 days? Is the Minister aware of those complaints?

**Senator B.I. Le Marquand:**

I am aware of officers who are seeking data but not from the Data Protection Commission. I am aware that there are issues in relation to officers who have been seeking data from the police force in relation to matters and that those requests have proven to be quite complex and required high level advice. I do not know if those are the cases that are being referred to.

**2.15.3 Deputy T.M. Pitman:**

Could the Minister then clarify are requests from police officers subject to a time limit or can they go on indefinitely or what is the situation?

**Senator B.I. Le Marquand:**

I take it that this is requests for data or information. Obviously, each request will have to be dealt with on its own merits and in accordance with whatever the nature of the particular matter is. As I say, these matters are sometimes very complex and require high level advice to determine what is appropriate in terms of what can be revealed or should not be revealed in relation to matters. I do not personally get involved in individual cases but I am aware of the existence of such matters.

**2.15.4 Deputy M.R. Higgins:**

I must admit I am aware of correspondence to the Minister and his department where no action has been taken of former police officers seeking information and not getting it. Also in that correspondence were copies of correspondence or comments about the Data Protection Commission not acting as well, which is one of the reasons for my written question to the Chief Minister. I think that the Minister for Home Affairs needs to get closer to what is going on. There are an awful lot of problems in the police force at the present time and especially about the misuse, for example, I think it is Article 31 of the Terrorism Law, which is being used even against police officers to get data from their own force when they feel they are being wronged so there are certainly I think it is 2 cases where I think this Article has been misused. Will the Minister look into it?

**The Deputy Bailiff:**

That does not arise out of the Data Protection Law does it, Deputy?

**Deputy M.R. Higgins:**

It is certainly the same type of thing. They have been complaining to the Minister that these things have been used and he has not answered the question so will the Minister look into it and report back to the States?

**Senator B.I. Le Marquand:**

Correspondence has been shared with me. I have had approaches directly from individuals trying to get me to intervene in relation to certain matters. Now what I have done in such cases is I have asked my Chief Executive at Home Affairs to get involved and to work on that in conjunction with the States of Jersey Police. I do not think I should be allowing myself to be drawn into the details of individual cases in the way suggested.

**2.15.5 Deputy M.R. Higgins:**

If the Minister is saying his office is saying go back to the police and the police are the ones who are not answering the questions, surely the Minister has a responsibility to intervene and make sure that some action is taken?

**Senator B.I. Le Marquand:**

I have a responsibility to ensure that there is a proper process in relation to matters and I have chosen to do that in relation to certain cases by not getting personally involved in relation to them but by getting my second Chief Officer to get involved to ensure that they are being dealt with properly.

**2.16 Deputy T.M. Pitman of the Solicitor General regarding allegations of fraud against lawyers.**

Given that in other walks of life attempting to extract monies by submitting invoices/claims for work not carried out by individuals could be classed as attempted fraud, can allegations of fraud be brought by the public against lawyers or is the only available recourse via a disciplinary hearing with the Law Society?

**The Solicitor General:**

The deliberate submission of a false invoice in order to dishonestly obtain monies that are in fact not due is, in my view, an attempted fraud. The criminal law applies to lawyers just as much as anyone else.

**Deputy T.M. Pitman:**

That was an excellent answer and I must thank the Solicitor General for it.

**3. Questions to Ministers Without Notice - The Minister for Economic Development**

**3.1 Deputy G.C.L. Baudains:**

Would the Minister confirm that the fuel companies have agreed to continue a supply of super unleaded petrol to those who need it and would he agree to issue a statement so that the public are made aware of how and where they can obtain this fuel, given that already some garages have ceased supply?

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

Yes, first of all, the fuel companies held a briefing for States Members which was very helpful in bringing this matter some clarity to it to Members. I am led to believe that the companies have indeed agreed to a limited supply of super unleaded to be continued. I believe that suitable fuel has been located and transportation put in place and that the supply should commence by April at the latest. Now, there are supplies in-Island prior to that so there should not be any shortfall. As far as a statement is concerned, I think it is probably more appropriate that this is publicised when indeed it is in place, which as I expect is going to be April. Whether a statement is appropriate I will make the decision nearer the time.

**3.2 Deputy M.R. Higgins:**

Is the Minister aware of the fact that it is currently taking 6 days to clear both local and U.K. cheques when in the past it used to take 3 days and in the case of local cheques, we used to have a 2-day service? It used to be local clearing. Does the Minister think that at a time when many companies are struggling from a cash flow perspective that the banks should reintroduce local clearing rather than using clients' money for 6 days instead of just 2?

**The Deputy Bailiff:**

I am sorry, we have just become inquorate. Can I invite Members who are listening to these questions and answers being given in the coffee room to return to the Chamber as soon as possible?

**Senator A.J.H. Maclean:**

The Deputy raises a question about the clearance of cheques that I was not aware about. However, I am happy to look into the matter and revert to him with the facts of the position and indeed if anything can or should be done as a result.

**3.3 Deputy T.M. Pitman:**

On the subject of things disappearing, could the Minister inform the Assembly whether there is any news of anything materialising for our money in the fantasy film world?

**Senator A.J.H. Maclean:**

I am not entirely sure I know what the Deputy is referring to but if he is referring to the fact that the Economic Development Department continues opportunities to generate on-Island employment and economic activity by supporting a film, then the position has not changed from the previous statements that have been made on that subject. We understand that matters are progressing and I am certainly hopeful that towards the latter half of the year, the production company has indicated that matters should start to commence and I hope that will be the case. I expect it to be.

### **3.4 Deputy G.C.L. Baudains:**

Further to his previous answer relating to fuel, I wonder if the Minister could ensure that the message going out to the public does not fall between 2 stools if the Minister does not think the fuel companies are going to issue a statement by Thursday because I think it is an important matter. There are people who have cars that cannot run on the other fuel and they do need to have information.

### **Senator A.J.H. Maclean:**

Yes, the Deputy raises an important point. I am very happy to ensure that once the solution is finally in place, I am led to believe that there is going to be one which is clearly encouraging for the albeit minority of people that this affects, that that is indeed properly transmitted and I am sure it will be. For Members' interest, it is about 4 per cent of the fuel market that are affected by super unleaded. It is, however, an important area and therefore I appreciate the Deputy's question.

### **3.5 The Connétable of St. John:**

Given the poor showing of the Rugby Club [**Members: Oh!**] is the Minister happy that the public funds were well spent and will he be reviewing the add-on payments year on year for the next several years?

### **Senator A.J.H. Maclean:**

I hope the Connétable is saying that he indeed himself supports the Jersey Rugby Club and indeed Jersey in their endeavours to be as successful as possible. [**Approbation**] I am sure that was what he was meaning. [**Laughter**] We are all very hopeful that the club will indeed be successful in the championship. Performances lately have been greatly improved and we all wish them well. As far as the performance from a sponsorship point of view is concerned, I am delighted with the results we have had. The numbers of people arriving in Jersey to watch Jersey Rugby Club and indeed their teams has exceeded our expectations to date. Not only have the numbers been larger than expected, they have stayed for longer and brought with them family members, wives and so on. So far we are led to believe it is a great success and we will be, of course, analysing it properly very shortly.

### **3.6 Deputy J.M. Maçon of St. Saviour:**

Can the Minister explain why he thinks it exceptional that this Assembly has to wait so long for the new licensing law and when it is going to be delivered to this Assembly?

### **Senator A.J.H. Maclean:**

I do not think it is acceptable at all. As far as when it will come forward, this is a complex issue because unfortunately and I have said this many times before, although the legislation falls under Economic Development, there are other departments involved and there are a number of complex issues that need to be agreed upon. We are almost at a stage, I am pleased to say, to be able to issue a White Paper. I hope that that will be published within the next couple of months and then we can go forward from there.

#### **3.6.1 Deputy J.M. Maçon:**

Can I ask a supplementary? Can the Minister explain what he means by “hopes it will be lodged”? Will he not give greater priorities to make sure that the White Paper is going out within the next couple of months?

**Senator A.J.H. Maclean:**

I said “hope” because it has been so long now. We have had to go through so many iterations and issues in this regard. I do expect it to be within the next few months that we get the White Paper out, and I will make it a priority. It has been a priority for some time.

**3.7 Deputy M.R. Higgins:**

Could the Minister tell us why the Financial Services Ombudsman Scheme has not been brought to the House yet, because Guernsey some time ago was supposed to be ready to bring it in alone? I know it is the view of the department that they wanted to work with Guernsey. So what is the hold-up? What is delaying?

**Senator A.J.H. Maclean:**

We are working closely with Guernsey on this. As it happened, we were slightly delayed because of the elections in Guernsey last year. We have now made good progress. I understand the proposition is going to be discussed internally by the relevant department in Guernsey in a matter of weeks. The intention, I understand, is that the matter will be laid before the States of Guernsey in April. We are still on target for the introduction of Financial Services Ombudsman in January or certainly the very early part of 2014.

[11:30]

The intention is, as the Deputy rightly points out, that it should be a pan-Channel Island Financial Services Ombudsman

**3.7.1 Deputy M.R. Higgins:**

Supplementary. If Guernsey are going to table their legislation or discuss it with their departments in April, will the Minister also do a briefing for the States Members because if that is what they are discussing with their departments, it is more than likely what the final thing will be here once we have our law drafting sorted? So would he brief Members on what the proposals are?

**Senator A.J.H. Maclean:**

Sorry; the Deputy misunderstood, or I was perhaps not clear enough. The department is discussing the principle. A lot of the legislative work has already been undertaken here in terms of preparation. It has been done in discussion with Guernsey officers, so they are simply approving the principle. It then goes to the States for them to agree. There is a matter of some detail that needs to be worked out yet. When that has been sorted then of course a suitable presentation to Members of the States of Jersey and others more widely will be introduced and offered.

**3.8 Connétable J. Gallichan of St. Mary**

Bearing in mind there has been quite a lot of talk about demonstrating Jersey as a value for money destination for tourists, can the Minister advise me whether there has ever been a sort of Jersey Card produced by the authorities giving travel concessions, entry concessions, *et cetera*, much on the lines that you see in major destinations across the world? If not, why not?

**Senator A.J.H. Maclean:**

There was in fact a product, the Connétable may be interested to know, called Jersey Card many years ago that sought to do that. It was seeking to enhance and utilise technology at the time. Sadly it was not successful. There have been a number of other passes and discount offerings in

Island which are offered to tourists when they visit, and indeed tour operators and others do also promotional issues. The Connétable is right; we have to be more creative in a competitive market and indeed the industry does work very hard in order to deliver such initiatives and we work with them to help facilitate.

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

Could the Minister tell us what organisation he has in place to help him and the Island for long-term strategic thinking and planning for Economic Policy? Does he, for example, have a think tank of independent experts in place that he can draw upon?

### **Senator A.J.H. Maclean:**

That process was undertaken last year and it led to the Economic Growth and Diversification Strategy. That went through an extensive consultation process and it was approved ultimately as the Deputy will know by the States of Jersey. We have established Jersey Business with a group, or a board I should say, of independent entrepreneurs. Again, that particular organisation is there to come forward with strategy to help the S.M.E.s (Small and Medium Enterprises) in the Island and indeed looking at things like access to funding and products. And indeed barriers that exist for the business community in Jersey, one of the biggest problems we have, are barriers in this Island - perhaps regulatory and other barriers that make it difficult and more expensive for businesses to operate and succeed. This is critical if we are going to not only sustain our economy but help to grow it in the future. We have to overcome that and be more accommodating.

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

The Minister did not mention the finance industry and the thinking for there. Could he just elaborate a bit? Is it Jersey Finance that does our thinking and promotion or do we have any external experts to guide us through the minefield?

### **Senator A.J.H. Maclean:**

Yes, indeed we have. We have invested considerably in recent times. Members should be reassured that an organisation of the standing of McKinsey and Company have been contracted to provide an oversight of the financial services industry and to look at the strategic position, the threats and opportunities that currently exist. That particular review is just concluding now and will be available shortly. That is a critical piece of work. We have also had Capital Economics looking at the value of the Island, in particular to the U.K. economy. In these challenging times that is a very important piece of work as well which is reaching completion. J.F.L. (Jersey Finance Limited) has fronted and co-ordinated both these pieces of work together with discussions that have been ongoing with industry. I should add that the regulators themselves have also been looking at the regulatory challenges within independent review that has been undertaken through the J.F.C. (Jersey Finance Corporation).

### **The Deputy Bailiff:**

Very well. If there are no further questions we come now to the second question period for the Chief Minister.

## **4. Questions to Ministers Without Notice - The Chief Minister**

### **4.1 The Connétable of St. John:**

Last week, red alerts on Tuesday, after many attempts to try and contact the Civil Emergency Officer only to find he was stuck off-Island and after many more calls to the Chief Minister's Department, all to no avail by my staff and others, I called the Chief Minister at his home and left a message on his answer phone because there was no reply yet again. As yet I have not received a



reply from the Chief Minister, although I left a message for him to call me back with some urgency. Could the Minister tell us who the Deputy Emergency Planning Officer is in the absence of the Emergency Officer, and give us a contact number please?

**Senator I.J. Gorst (The Chief Minister):**

I am surprised that the Connétable does not think I should have an answering machine on my personal home line, but there we are. I think he will confirm that within minutes of leaving a message on my personal home machine he was phoned by the Acting Chief Executive of the States to deal with his issue. That is absolutely right. This was an operational matter and the Parish Hall was contacted in that way as I expect he would have expected nothing less from leaving that message. The Connétable does raise an important point about the Deputy Emergency Planning Officer, and there is not one in place at this point. What we need to consider in light of what happened and in light of other emergencies that have taken place throughout the course of the last 15 months, is whether that particular office needs further resource. Having said that, of course, these were conditions that we have only experienced since some 30 years ago, so we must not jump to conclusions with regard to a 30-year event. But if I could, and I know the Connétable of Trinity is going to say this, I should like to thank everyone involved, States and Parish, for a magnificent response to that snow storm. **[Approbation]**

**4.1.1 The Connétable of St. John:**

Could I ask who the Deputy C.E.O. (Chief Executive Officer) of the States is? When I leave a personal message on his answer phone about a civil emergency I expect the Chief Minister who can pass it on to his staff could have returned the call to the Constable of St. John.

**Senator I.J. Gorst:**

I said the Acting Chief Executive Officer and that was the Chief Officer of Home Affairs. I do not quite agree with the Connétable of St. John. On operational matters I think that it is far better for the person who is responsible for those operational matters to deal with them, not for a politician to muddy the waters and then me subsequently have to phone someone else, who then has to phone him back. It was a far quicker and preferable response that the Connétable received. Despite his question this morning, I should like to thank him and his Parish for the sterling work that they did in providing support to their Parishioners. I think that the work that they did shows the value of the Parish to our community, and we tamper with it at our peril. **[Approbation]**

**4.2 Deputy T.M. Pitman:**

I hope I will get a quicker answer than that. We have spoken a lot about the tribulations of the Dean this morning, but more importantly will the Chief Minister join with me in expressing regret on behalf of the Island for the appalling travesty of justice inflicted upon the young woman deported from the Island as a direct consequence of nobody in authority responding to her cries for help regarding sexual abuse?

**Senator I.J. Gorst:**

I am sure that the Deputy and other Members are fully aware of the statement that I issued last week with regard to the sadness that I, and I believe this Assembly feels, with regard to what happened to an individual that was living in our community. I would like to correct one element of the ... perhaps I will limit myself to one. One element of the question of the Deputy, and that is with regard to the use of the word “deportation”. The individual was bound over, yes, to leave Jersey, but that is not deportation and, as I understand it, that binding over was at the request of the lawyer that was representing the individual and they made that application or request to the Magistrate at the time.

**The Deputy Bailiff:**

If I may just assist Members from the Chair, a binding-over order to leave the Island of that kind can only be made with consent.

**4.3 Senator S.C. Ferguson:**

Given that Guernsey and the Isle of Man have apparently signed up to the U.K. equivalent of F.A.T.C.A. (Foreign Account Tax Compliance Act), will the Chief Minister explain where we are with regard to this?

**Senator I.J. Gorst:**

I intend to make a statement in the Assembly on this matter tomorrow and I ask that the Senator wait until that point.

**4.4 Deputy J.H. Young:**

Does the Chief Minister agree that the publication of annual performance indicators and performance report is an important requirement of management of the public sector? Could he please tell us what has happened to the policy of the previous Chief Minister in publishing those reports, the last one being 2010? If he accepts that, will he make arrangements to publish the 2 missing years please?

**Senator I.J. Gorst:**

Whilst I accept that the publication of performance reports is important, I am personally of the view that perhaps we have focused on publishing reports around performance, rather than dealing with performance management and performance issues right across the States workforce. Therefore since coming into office I have given direction that that actually is the piece of work that should be concentrated on. We can produce all the reports in the world, but it is activity on the ground and managing performance which is important. But I can certainly see whether any sort of report was collated and whether it is in a publishable format, and if not if it could easily be introduced into that format.

**4.4.1 Deputy J.H. Young:**

Can I ask the Chief Minister just to advise whether or not he does consider that performance reports at least provide some diagnostic information towards identifying where there are problems and make comparisons with other jurisdictions? Does he not accept that at least in that purpose they have an important role?

**Senator I.J. Gorst:**

Indeed they do. But perhaps if I play the opposing position, it seems to me that most performance reports are a pat on the back saying how jolly well we are doing, and not reflecting the reality on the ground.

**4.5 The Deputy of St. Peter:**

February was considered to be the month for focusing on housing and I hope the Chief Minister will be able to give us a progress report, please.

**Senator I.J. Gorst:**

Yes, indeed it was, and March retains that focus on housing as well. Members are aware that the Minister for Housing has lodged his Housing Transformation Programme and that is a forward-looking exciting development when it comes to social housing. Ministers are working with the Minister for Planning and Environment. We have considered housing at the last 2 Council of Ministers' meetings and we expect a further report to come to our meeting this month and we hope

shortly to be able to make more public comment with regard to the H3 policy and where we believe that is or is not in reality and the need for short-term rezoning for the construction of affordable and social housing.

#### **4.6 Deputy S. Pinel of St. Clement:**

Would the Chief Minister please advise Members as to the progress of establishing a London office to represent Jersey?

#### **Senator I.J. Gorst:**

I am aware that I cannot ask my Assistant Minister to act as rapporteur for a question such as that, that he is far better placed to answer than myself. Having said that of course, I can confirm that job descriptions and appropriate job needs are being drafted and will be considered by myself and by the Assistant Minister I hope in early course. That is the most difficult part of establishing the office because in the short term we can use serviced offices while more appropriate longer term provision is provided for. But getting in place the right person is the priority of the work at this moment in time and is the most important part of establishing the office.

[11:45]

#### **4.7 Deputy R.G. Le Hérissier:**

Given the imminence of the tourist season and the excellent results with a few blips of the Minister for Social Security's programme of bringing about a cultural change to move people into hitherto shunned occupations, could the Chief Minister say whether he is having any luck? Are there any legal impediments to withdrawing the massive amount of unused licences there which still are the elephant in the immigration room?

#### **Senator I.J. Gorst:**

I do not think that the Deputy's description of elephants in rooms is accurate. The Migration Advisory Group has been removing non-qualified licences as they could when licences came up for renewal in a very appropriate manner and they rightly have been and are from time to time challenged by those organisations. The new law, as the Deputy knows, will enable that group to consider all licences and that will be a piece of work that they will have to do when that new law is introduced. I can calm the Deputy's concerns in that regard.

#### **4.8 Deputy M.R. Higgins:**

Is the Chief Minister as concerned as I am when the Island is under intense scrutiny, especially in terms of the finance industry, that the Jersey Financial Services Commission currently only has one supervisory director, the Director of Banking. There is not one for funds, there is not one for trust and administration and I believe there is no one looking after the anti-money laundering. Is he not concerned that the actual staffing of the commission is so under resourced or understaffed at this present time?

#### **Senator I.J. Gorst:**

That is not my understanding of the situation. However, once again the Deputy is referring to an operational matter and I do not have the detail with me with regard to actual people on the ground. But I am quite prepared to ask that question of the commission. But it certainly is not my understanding that that is how it is.

#### **The Deputy Bailiff:**

If there are no other questions of the Chief Minister, then that brings that question time to an end. There is nothing under J. Statements of Matters of Official Responsibility and the Chairman of the Comité des Connétables will make the statement.

## STATEMENT ON A MATTER OF OFFICIAL RESPONSIBILITY

### 5. Chairman of the Comité des Connétables will make a statement regarding those who helped during recent blizzard conditions in the Island

#### 5.1 Connétable J.L.S. Gallichan of Trinity (Chairman, Comité des Connétables):

On behalf of all the Connétables I would like to take this opportunity to thank all those across the Island, who gave of their time to help join the bitterest conditions we experienced last week. The strengths of the Parish system were once again put to the test and the Parish Halls provided a point of contact dealing with many calls and inquiries. We were able to assist and advise Parishioners who were experiencing hardship, whether that was due to road condition, fallen trees, loss of services or the inability to obtain essential medicines and supplies. Parish staff and honorary officers worked alongside the Transport and Technical Services, the States Police, the fire and the ambulance services to ensure the safety and wellbeing of all Parishioners. We must also thank the contractors, the tree surgeons and especially the J.E.C. (Jersey Electricity Company) who worked, I think, in exceptional conditions to try and respond properly to calls for assistance; and the media for ensuring that up-to-date information was available to all. Thanks must also go to the many other Islanders who volunteered with 4 by 4s, tractors, chainsaws, who have just helped their neighbours. There are too many to mention by name without leaving someone out, but I trust the Members of the Assembly will endorse our sincere thanks to all those who worked tirelessly to ensure the Island could return to normal as soon as possible. **[Approbation]**

#### The Deputy Bailiff:

The Member is available for questions if anyone wishes to ask any.

#### 5.1.1 Senator I.J. Gorst:

Would the Connétable agree with the sentiments that I issued earlier that the parochial response in particular proves the considerable worth that our community gains from the Parish system, and they are to be congratulated with the way that they responded to this particular difficulty? We therefore tamper with that system at our peril. **[Approbation]**

#### The Connétable of Trinity:

I am not going to get involved into whether we tamper it, but all I would say to the Chief Minister is that the local knowledge that is held in the Parish Halls is invaluable in times of necessity like this, and it once again proves that the office staff and the Honorary Police are the people who know their own Parishes. I can only speak for mine, but I know every Connétable will say exactly the same for the administration of their own Parish. They are the people who know where the problems are. They know the names of the roads and it is most helpful when you get someone who can answer these questions quickly and if possible put some sort of assistance to these people. I thank the Chief Minister for his concerns, but I can assure him the Parish system is not dead yet.

#### 5.1.2 Senator S.C. Ferguson:

Yes, I add my voice of congratulations, even though I never saw a gritter down St. Brelade's Bay, but that is another story. Would the Connétable not agree that it would perhaps be useful if some of the mobile telephone numbers of vital staff at T.T.S. were included in a bad weather plan so that there was an ease of contacting people and making communication more efficient?

#### The Connétable of Trinity:

I think the T.T.S. did a fantastic job. **[Approbation]** I think what the Senator fails to realise is that most of the Connétables were looking after their byroads. The main roads were handled by the T.T.S. In some cases some of the Parishes did help to clear those. But I think everyone is amazed

who comes to this Island to see how many roads there are in Jersey. The byroads system in this Island is really ... in my Parish alone I have 26 miles of byroads. To try and clear those where you have any field that had nothing of protection from the easterly wind which was exceptional, they were just filled up with snow. I will be quite honest with you; I think I have a couple which are still filled up with snow, and it could be there all week. But the main thing is, the main thing the Connétables did in their Parishes was to make sure that inhabitants who were blocked in by the snow had access to get back to normal life. That is what we did. I think we did it well. Whether we have more mobile numbers, I know, that is possible it could help; but on the other hand, there is only so much you can do in these times. There were so many calls for people to go out it had to be handled on a case by case basis, and that is what we could do. Maybe the Minister for Transport and Technical Services may freely be giving his mobile number, I am sure they would not be too keen on that.

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

Supplementary question. There was a comment made by one of the colleagues of the President of the Comité des Connétables that it would have been helpful if he had had the mobile numbers of vital people at T.T.S. in order to facilitate clearing of main roads. I merely ask and suggest that it might be a good idea if there was a mobile phone directory for the convenience of the Connétables.

### **The Connétable of Trinity:**

Yes, I am sure that is a very good idea and maybe the Minister for Transport and Technical Services could have an emergency number that we could call on. But I am sure they were very, very busy over the last week.

### **5.1.4 Senator L.J. Farnham:**

I was only going to add my admiration for the people that worked round the clock, but I ask the Constable if he is not very pleased we do not have super-constituencies because they take much longer to clean up. **[Laughter]**

### **The Connétable of Trinity:**

This statement was never meant to be anything to do with politics.

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

I would like to add my thanks and congratulations. I think tremendous work was done by all concerned, particularly the honorary officers and community. But I would like to ask the Constable, obviously there is a difference between emergency works and long-term clearing up. We have heard on reports of the tremendous damages to trees and branches all over the Island and we have heard about the real problems of resources which organisations like Men of the Trees and others are faced with. Would he be having discussions in the Comité des Connétables and with the Minister for Treasury and Resources to see if there are any additional sources of emergency funding that can be used to get a programme going so that these trees and so on do not just lay there unattended?

### **The Connétable of Trinity:**

I think the responsibility is really to the householder and to the property owner to look after these trees. Not everything can be passed on to the Island or to the Parish. I know St. Brelade and the main problems with the trees that were falling are the evergreen oaks and also the conifers which because of the weight of the snow caused many boughs to break. In an emergency like this one has to just get the priorities right. You cannot just clear the Island. There is no difference in a great storm. These trees obviously will need work on and a lot of house owners have asked that question. It is their responsibility and whether the Minister for Treasury would be kind enough to

offer them compensation to cut these trees up I very much doubt. At the end of the day you have to prioritise where the damage is most urgent which needs to be looked after firstly and then the others can take a little bit of time. But at the end of the day, all those people - and I say the contractors were handling out ... to go and cut trees in those conditions I can assure you is bad enough on a nice day, but with this north-easterly wind of force 8 or 9 to try and clear roads which really in all reality would not be clear anyway because of the snow that was falling, it was more sensible to be out there on Wednesday when the wind had dropped, which is also much safer for any one of those contractors working under those conditions. But the Minister for Treasury and Resources is not here; maybe he is having trouble with snow as well at this moment.

#### **5.1.6 Deputy J.M. Macon:**

Would the Chairman of the Comité des Connétables join with me for once in thanking the immediate co-operation during this whole event and all those people who perhaps are not necessarily initially linked in with the Parishes who did a lot of voluntary work caring for their neighbours and going out?

#### **The Connétable of Trinity:**

I totally agree with the Deputy. I did in my statement thank the media. I must say the radio, and I think I should also give some praise to Education; I think they made a great decision by closing the school for 3 days. Anyone who - and this may be in the south of the Island - does not realise how bad it was in the northern areas of the Parishes, there was extreme snow, extreme danger to go on the road, and I think what was good about it, they made decisions early in the morning so there was no one having to go out. I know sometimes you get criticised for making early decisions, but I think in this case Education got it right. As one saw on the Thursday, it was even chaos going on that day, so you can imagine what it would have been like on the Monday, Tuesday or the Wednesday of that week. It did give time for people to find their way through and the media was essential. I say I take my hat off to those who ventured into work at 6.00 a.m. to transmit all the news to everyone in the Island and we thank them; they are a vital part of our community now and it is essential that we have this radio to give us the information for all the Islanders and I know it is appreciated by, especially, the older generations. I concur with everything you said, Deputy.

#### **5.1.7 Deputy K.C. Lewis:**

I fully endorse everything the Constable has said. They were exceptional, exceptional circumstances that arose. I went to the T.T.S. South Hill and walking home, a tree fell in front of me. I stopped the traffic and they said: "Why have you stopped me?" and as I turned around, 2 more trees fell down. They were exceptional circumstances. I would just like to reiterate my thanks to Transport and Technical Services. The gritting teams that were out all night long and into the early hours of the morning, they worked in shifts around the clock and the tree clearing teams. As has been said, it is a matter for landowners but we have to be pragmatic. As I say, they were exceptional circumstances. Also, thanks to Liberty Bus. I know the Constable of St. John was very pleased to have cleared a road, turned around and saw a bus coming behind him. Also to the 4 by 4 drivers, I would like to extend my thanks or does the Constable not agree? **[Laughter]**

#### **The Deputy Bailiff:**

Well done, you saved yourself for the bus.

#### **The Connétable of Trinity:**

I do agree but I think I did omit to also praise the airport staff for clearing the runways. I cannot imagine how you come to clear a runway when you have got a north-easterly force 9 keeping on going. It must be thankless as you just go up the runway and it is full again. I know there were a lot of people who were delayed. I think even they were amazed when they came to the Island and

saw how bad it was and then they appreciated maybe that it was right. Can I just say, I think many times the weather forecaster got it exactly right. It was an A warning and it did come exactly as it was forecast and I thank everyone for airing their thanks and we appreciate everyone in the Island who did turn out in these extreme conditions and hopefully it is every 30 years. It will not be me giving the next statement next time. **[Laughter]**

**The Deputy Bailiff:**

Very well. That means we now come on to Public Business. The first item is the ...

[12:00]

**Senator I.J. Gorst:**

Sir, before we do, could I just extend an answer I gave to Deputy Young about the planning and performance review. One was produced for 2011 and is available on the governmental website, which he may wish to peruse.

**PUBLIC BUSINESS**

**6. Green Initiative Fund: establishment (P.12/2013)**

**The Deputy Bailiff:**

Thank you. We come now to Public Business. P.12, the Green Initiative Fund: establishment lodged by Deputy Southern. I ask the Greffier to read the proposition.

**The Greffier of the States:**

The States are asked to decide whether they are of the opinion - (a) to request the Minister for Treasury and Resources to bring forward for approval no later than September 2013, proposals for the establishment of a new special fund in accordance with the provisions of Article 3(3)(a) of the Public Finances (Jersey) Law 2005, to be known as the "Green Initiative Fund", with the Fund to be utilised, in consultation with the Ministers for Planning and Environment and Transport and Technical Services, to support a programme of initiatives to stimulate the economy through the development of environmentally sustainable projects, some of which would be in place by the first quarter of 2014, with these projects to include, but not be limited to - Home Energy Saving; Solar Heating; Power from the Sun (Photovoltaics); Ground and Air Source Heating; Wind Power; Waste Water Recycling; Biomass and Biofuel; Wave and Tidal Power; Combined Heat and Power (CHP); Sustainable Transport, (b) to request the Minister for Treasury and Resources to identify the most appropriate manner to provide an initial sum of up to £30 million for the new Fund, with this funding being additional to the sums voted by the States in the Medium-Term Financial Plan 2013 to 2015 and, in this regard, to request the Minister to consider, but not be limited to, the following options - (i) the transfer of interest from the Strategic Reserve Fund; (ii) a bond issue; (iii) borrowing by the States; with the funds being credited initially to the consolidated fund and thereafter transferred to the new special fund to meet the requirements of the Public Finances (Jersey) Law 2005.

**6.1 Deputy G.P. Southern:**

I am grateful to the Greffier for reading out at some length the detail of the proposition because that is where I want to start. That is where everybody ought to start with a proposition; those are the words. The words are not, as indicated by the comments from Treasury and Resources, to increase expenditure by £30 million. They are not to use the capital from the Rainy Day Fund, they talk about spending the interest from the Rainy Day Fund and that is perfectly possible. The words are: "To request the Minister for Treasury and Resources to identify the most appropriate manner to provide an initial sum of up to £30 million." Now, as Members look down that list of things you

might be able to do, they might understand why I have picked the top end at £30 million. Some of those down the list are quite substantial projects, and when we get around to them, and interestingly on Channel Television last night I was observing the Minister for Planning and Environment saying we could be independent, we could be self-sustaining from green power and energy within the next 10 years if we chose to be. At the time, I was reading his comment on my proposition where it says: "And this is completely premature." So I wonder which face we will get from the Minister for Planning and Environment today. Will it be the optimistic: "We could be self-sustaining within 10 years", or: "Oh, no cannot go here, this is premature." What are we going to get today I wonder? But again, I return to: "An initial sum of up to £30 million." Now, it does not say: "Find £30 million." It says: "Investigate to identify in an appropriate manner up to £30 million." If the Minister for Treasury and Resources came back to the House in September with a scheme which delivered, say, £8 million or £10 million to be delivered in the following ways, with the following structure, to organise it and decide where the money should go and under what conditions, then that would be fine. That is up to £30 million. It could be, and probably would be, initially less. Perfectly acceptable. So this does not say: "Take £30 million and throw it away." It says: "Work out a scheme by which, at last, this Island can actually do what it says it is going to do", which is to reduce emissions of greenhouse gases in a serious manner. When I was thinking about this last night, I thought: "Hang on. Let us have look. Why would people object to this proposition when it says this proposition has 2 main objectives, to provide additional stimulus funding to kick start the economy." Does the economy still need some addition stimulus? Yes, it does. We have heard from the Assistant Minister for Treasury and Resources today that he sees the window of fiscal stimulus as at least the next 2 to 3 years. We are still in the recession. So it is entirely appropriate that we should still be finding ways to provide additional stimulus for the economy. This is a very good way of doing so as I will point out later. Secondly, it says: "To develop sustainable projects to the long term economic and environmental benefit of the Island." At last. Now, as I will point out in a minute, we have made a start on that. We have the opportunity to expand it and that is what this proposition is about. In terms of fiscal stimulus, I quote from the Minister for Treasury and Resources when he said: "Together these latest findings by the I.M.F. (International Monetary Fund), combined with the latest information on the performance of the global and local economies tell us that in Jersey, (now listen, this is the Minister for Treasury and Resources) there is a real opportunity to maximise the impact of fiscal stimulus on economic activity and local employment at a time when it is most needed." That is October 2012, not long ago: "... fiscal stimulus absolutely appropriate." This is one way to deliver that. Then later on, the Minister for Treasury and Resources clearly accepted that, given the circumstances, consideration should be given to borrowing to fund stimulus when he said, and it is his words, not mine, the Minister for Treasury and Resources who unfortunately cannot be here today, but his words: "If there are projects that can be brought forward but which do not have a funding source that is similarly flexible, then consideration will be given - not may be given, will be given - as to how they can be funded and if necessary whether external or internal borrowing may be appropriate." That is the Minister for Treasury and Resources. If there are projects which can be brought forward, and I suggest this is one, then consideration will be given to how they can be funded, if necessary external or internal borrowing. That is how important these sorts of initiatives are in the view of the Minister for Treasury and Resources. I look forward to hearing what the Assistant Minister has to say in his response to this particular project. Now, in terms of fiscal stimulus, what have we got here and what could be achieved? What we have got in place is the Energy Efficiency Scheme, which is already running and aimed at either the elderly or those least well off in our society and it gives grants to insulate people's homes: energy saving initiatives. They say of this scheme, which could be expanded under what I am proposing, in their report for 2010, the benefits of the economy are thus: "As well as improving the lives of vulnerable people and making significant environmental and social improvements, the E.E.S. (Energy Efficiency Service) is contributing significantly to the



local economy. It is now working with 15 approved local contractors and their numerous sub-contractors to deliver energy efficiency improvement work, investing in the local economy through its support of the heating and plumbing, electrical, roofing, insulation, carpentry and surveying trades.” As a way of getting stimulus into the economy, this is a good way. As a direct result of the work that the E.E.S. has generated, we have observed the up-skilling and diversification of local businesses, which are now in a stronger position to provide energy efficiency services to Islanders. For example, we have seen 2 new entrants to the cavity wall insulation business locally. Already, that scheme is making a difference. It is providing employment in an area which will save money in the long run and preserve the environment in the long run. They then talk about the way ahead. The next step for the eco-active Energy Efficiency Service says: “Whilst it is clear that a grant scheme to improve energy efficiency should be applied to the low income households as a first step, (and we have done that with around £1.5 million worth of improvements delivered), there is a point at which that sector is effectively exhausted, with a smaller maintenance programme required to help those entering the scheme’s eligibility criteria.” If the scheme is extended to include the “able to pay” sector, even wider economic benefits can be achieved. Now, here is the opportunity. What I am proposing here is a fund which would be available to lend to the sector which is able to repay those better off households, not to diminish but to lend to interest free, low interest to make sure that all sectors in our community are able to make their homes more energy efficient and to encourage uptake of those insulation measures, that are already being delivered to some, to all. It says here: “Entering this sector is the next challenge and will ultimately require the States of Jersey to approve the reallocation of the majority of the original funding.” Here is the opportunity, reallocation, a new fund, one of whose aims ought to be expanding the Energy Efficiency Service to a new market, providing employment and doing environmentally sound work in the long run. Who would want to vote against that? Unfortunately in my report I say: “this commitment to expanding the E.E.S. has come up against the C.S.R. (Comprehensive Spending Review) cuts. The reality is reductions in budget for E.E.S. of £54,000 in 2011 and £63,000 in 2013.” So the budget is being cut back rather than expanded, which I believe it should be. The Minister for Planning and Environment, in his Action Statement 3, in his plans for taking things forward goes on to say: “One of the requirements for an increased number of installers and energy auditors, in order to respond to the potential increased rollout of these measures. Preliminary assessments have indicated that there is the potential to create up to 70 employment opportunities, sustained for the next 2 decades to undertake the energy audits and efficiency installations outlined.” Up to 70 employment opportunities over the next 2 decades, so short term/ long term, if we grasp this opportunity, we are looking well ahead. If we just take one other area, the possibility of expanding in homes micro-renewables in the domestic sector, and look at solar thermal heating and photovoltaic systems, we have already got a buy-in scheme running from J.E.C., which enables people to feed into the grid, and this is an area which could be expanded very easily. Again, I would suspect, with some sort of loan scheme rather than a grant, we do not want to be giving money away, but lending from the fund, the repayment back, for such things as photovoltaics. Reducing, again, the energy load on the J.E.C.

[12:15]

Summing up, just briefly, the report on this particular section says: “Proven technologies are available, and high-quality well-installed systems can deliver annual cost savings through avoided energy costs once the equipment is installed.” This particular market has come a long way in the last 5, 3, last year and the cost of these installations are becoming increasingly effective. So there are just 2 areas where we ought to and should be going. That could be done for the low end of up to £30 million and this proposition says, the Minister for Treasury and Resources: “Go away and work with Planning and Environment and T.T.S. to come up with a scheme which is capable of

funding and delivering these sorts of initiatives. Of course, it could be argued that all you have to do is use the Innovation Fund, which is already there, under the auspices of the Minister for Economic Development. But I believe the time has come to ring fence funding for green initiatives in particular, and not having them competing with other initiatives. I think it is important, because we have done a lot of talking about saving energy, about generating green energy; we have not done a lot yet to put that into practice. We have seen lots of words and it is the thing that always works, somebody saying: "Put the funding into this area and make sure that instead of following the rest of the world, where we could be, we ought to be, leading the world." In terms of the funding, and I will not go into how long it took to get some figures out of Treasury and Resources, but nonetheless, we did get them in the end, and of the 3 mechanisms that I suggest, and it does not have to be those 3 mechanisms, we are talking about an opportunity cost of something like £2.3 million a year if we take the funding straight from the Strategic Reserve. We are talking about the possibility of between £1.9 and £3.7 million for a bond issue but I would be careful about a bond issue. A bond issue, I think, we should only use where you have got a guaranteed return coming back. So I would be very careful around the bond issue. The Housing Transformation Programme should be looking at bonds and they may well already be looking at bonds, but I do not think in this case a bond issue is what is required. Or it could come from another source. I do not mind but I think the time is ripe for us to take this initiative and I believe that it is possible in the next 9 months to come up with a scheme with all the I's dotted, the T's crossed, which says we can deliver this amount of funding to do these things in the following way and here is the monitoring and here is the mechanism by which we will do that. This does not say: "Take £30 million and throw it away", it says: "Come back to us in 9 months' time with a scheme that can deliver some funding to green initiatives." That is what this proposal does; nothing more, nothing less and I maintain the proposition.

#### **The Deputy Bailiff:**

Is the proposition seconded? [**Seconded**] Does any Member wish to speak? Deputy Duhamel?

#### **6.1.1 Deputy R.C. Duhamel:**

I thought I would come in early and give people something to think about over lunch. I think Deputy Southern is on to something here and certainly when I made my comments in the comments paper about the project being premature; my major concerns are the financial issues in terms of setting up the fund, whether it is bond issues or interest from the Strategic Fund or by borrowing. That is my major concern. I am also not particularly keen, although some might suggest that I should be, on the idea of continually only funding schemes by way of government grant. I think there are more innovative ways of dealing with ring-fenced funds in a way that we can apply perhaps a commercial element to the way we run schemes run by the States. Certainly I would like to see some of those more innovative ways of funding looked at. I think it is probably fair to kind of give Members an indication of what such an innovative funding arrangement might be. There is a company at the moment; an internet company called Groupon and what they do is a bit like collectively lighting a fire. What is stated by this particular company is that if there are pieces of equipment that a society or community wishes to purchase, the key idea is that if enough orders can be placed by those persons wishing to partake of the technology, then large group discounts can be acquired from the equipment manufacturers. Sometimes to the extent of 50 and 60 per cent discounts, which certainly should be considered as something to be aiming for. How do we achieve these things? It is only achieved by a little bit of organisation, which I feel could be undertaken by a number of departments within the States in order to collate the orders until we get to a particular level at which those large group discounts would apply. So certainly I think that that in itself would provide savings in terms of the equipment that would be purchased way, way in excess of the monies that could be injected by a hard-pressed Minister for Treasury and Resources or indeed

from the Treasury and Resources coffers. Although it does give an element of latitude by suggesting that the Minister be asked to consider, but not limited to, the following options and the 3 that we mentioned earlier stated there, I think we really need to go a little bit further. We also have, which was really the idea behind my suggestion that this particular proposal was somewhat premature, we have a new energy paper that is about to be formally agreed as strategic policy for the States, part and parcel of which will need to be some type of funding structure in order to encourage the large scale take up of the environmental technologies which will regenerate our towns and houses and enable us to live more within our means in a sustainable fashion, which is one of the stated aims of this House and Assembly. If we look at the overall monies that could be spent, I do not think that although £30 million is a large sum, and is certainly larger than the sum that has been proposed by the Minister for Economic Development for his Innovation Fund, I do not think the £30 million is big enough. Certainly, if you consider some of the actions of the Scottish Parliament in coming forward with their Saltire Prize in order to encourage the take up of renewables in their local waters, these sums certainly will not be big enough. If we approach it from a different point of view, there are some 40,000-odd houses, and I would have thought that an energy package encompassing all of the things that are suggested in the list, would amount to a minimum of some £10,000 perhaps. Perhaps even more, even with a group discount structure as I indicated earlier. That would indicate to me that the order of the work that needs to be funded is not of the order of £30 million for one year, it is more like £400 million, perhaps even bigger. So that requires us to be a little bit more innovative, I feel, in where we get the monies from and how we stimulate the economy to encourage our tradesmen to retrain so that they can install these energy saving devices. Broadly, I am, as my remit as the Minister for Planning and Environment would indicate, hugely supportive of the concept of the States doing something in order to encourage the faster take up of these technologies and certainly I think that I could support (a), but at this point in time, I think I would ask the proposer to go for a vote that splits the 2 items into 2 parts to enable me to vote for (a) and for those who might agree with me that perhaps there is a bit more work that needs to be undertaken for (b) to allow that flexibility for the Minister for Treasury and Resources to come forward with even more innovative ways of raising monies, which do not necessarily raid one pot and rob Peter to pay Paul. If indeed the proposer could do that, I think he might have an extra vote at least for part (a).

#### **The Deputy Bailiff:**

Can I just say from the Chair that I do not, myself, see that a separate vote on (a) and (b) is possible to make sense of the proposition because if (a) were not passed and (b) were passed, one has money credited to a fund that does not do anything. So it seems to me that it has got to be taken together. Does any other Member wish to speak? Yes, the Assistant Minister.

#### **6.1.2 Deputy E.J. Noel:**

Although I recognise the sentiments behind the proposition, I shall not be giving it my support and I ask Members to do likewise. As an Assembly, we approved the Medium-Term Financial Plan in November. Members will recall from the debate just how finely balanced the States' finances are over the next 3 years. The Council of Ministers and Treasury officers spent many months discussing priorities with States Members, departments and interested parties, all to ensure that spending was brought within an available financial envelope. The M.T.F.P. (Medium-Term Financial Plan) was lodged 4 months before being debated, but only one month after the plan coming into effect, Deputy Southern has lodged a proposition seeking to increase expenditure by up to a further £30 million. This proposition should have been brought as an amendment to the M.T.F.P. and considered at that time along with other spending pressures. Nevertheless, I wish to draw Members' attention to the comments presented in the name of the Council of Ministers in which I have set out the financial implications of approving this project, and I wish to touch on

some of the key points raised. The Deputy suggests that the interest from the Strategic Reserve could be used to meet the requirements of this fund and gave an indication of the opportunity cost that would arise from the loss of investment returns. I can confirm that based on the average financial performance of the reserve since 2010, the opportunity cost of lost interest alone on a £30 million fund would be approximately £2.3 million per year. There are also to be considered costs of administrating any new fund. Although difficult to make comparisons until a more detailed on the nature of the funding is known, I will attempt to provide my initial thoughts in relation to these costs. I have been advised that the accounting and reporting of the fund can be absorbed within the current Treasury budget. Any fund of this magnitude would need a strong governance procedure. It is expected that the fund of this nature would operate a mixture of grants, loans and investments and that a committee would need to be established to assess the projects. This would most likely have a constitution made up of States officers and external advisers, both assumed to be of a technical and financial nature. It would be hoped that the external members of the committee would be voluntary, however it is reasonable to assume that some members will require remuneration. Based on current daily rates, one can expect this to be anywhere between £240 to at least £650 per expert. In addition to the committee, it would also be prudent to assume, due to the nature of the fund, that some third party technical consultancy work would be required prior to the committee making a decision about a project.

[12:30]

In order to support such a committee initial thoughts are that it would be realistic to assume that in addition to the current staffing levels, at least 2 full-time equivalents would be required. This, alone, potentially is of an additional cost of £150,000 per annum; any administering costs which would need to be funded by a mixture of internal and third party sources. Although difficult to predict accurately, it is prudent to assume based on experience, that at least one full-time equivalent would be required, again costing approximately £60,000 per annum. Together there would be third party collection agency fees, again estimated between £15,000 to 30,000 per annum. It is prudent therefore to assume that the operational overheads of such a fund would be of the magnitude of between 5 to 15 per cent of the capital amount which in monetary terms is £1.5 million to £4.5 million per annum. Added to this, the loss of investment income and that the 2 opportunity costs of such a scheme could be anything between £3.8 to 6.8 million. Members will soon debate the establishment of the Jersey Innovation Fund which will initially have some £5 million of seed capital and a further £5 million to be identified. The establishment of this fund will require the same level of financial controls and will in effect replicate those requirements as set up by an agreed initiative fund. The Innovation Fund will support a wide range of activities from direct business support to strategic infrastructure investments in private, public and in the third sectors. I can see no reason why applicants with green initiatives cannot approach the Innovation Fund and I submit that this would be a far more cost-effective approach aimed at achieving growth for the Island and employment for Islanders as well as having a positive environmental impact. I hope that I have set out the key operational costs as the fund suggested by Deputy Southern and have shown that there is an alternative through the Innovation Fund that this can be established to create an effective, energy-efficient service and I urge Members to oppose this proposition.

### **6.1.3 Senator A. Breckon:**

When I first saw this proposition I thought: “What an excellent idea” and I say that for a number of reasons. We already have a Home Energy Scheme, so the idea of this is to move it up a gear or 2 or 3 or 4, even, and I think what it would do if approved, is to create and maintain many jobs because many small contractors would be involved and I do not believe we would need to get involved in too much detail, but I think we would need to include conditions about local labour and maybe taking on trainees. It is exactly the sort of thing, I believe, that we should be doing with some sort

of economic stimulus and, if supporting the proposition, I believe it could have lots of lasting, long-term benefits, but again when I looked at it I thought: “Well, it is Deputy Southern’s proposition” but there again is that a reason in itself for opposing it? and I do not think it is, and I would ask fellow Members to set that aside and vote on the merits of the proposition. It is disappointing that Ministers have come to this with a “cannot do” approach: “Well, very nice, but let us put up the barriers” and it is a shame really that negative attitude exists because I think members of the public need some signs that the States - that is us - are creating - we have heard about the prejudices this morning and obviously there is still things to do there - but it is the old cry: “Something needs to be done” and the question is: “Who is going to do it?” and this is one piece of the jigsaw that I think could do that. Just, I will finish with this, if this was a fiscal stimulus package then I think if it came from the Minister for Treasury and Resources, then there would be a great backslapping exercise saying: “How wonderful; this is exactly what we need to do” and I remember when we put the bends in Victoria Avenue we spent about £5 million on doing that and I am not really sure that was the right sort of fiscal stimulus. Every time I drive along there I think: “I am not sure; it is more difficult to drive along there now and I am not sure exactly what the benefits are.” We have moved a couple of car parks, but we spent an awful of money, and a lot of that plant and equipment came in from the U.K. So, I think as well there was a news release which Members may not have seen and it has just gone out today and it is from the Housing Department. It is about the homes in the fields behind St. Saviour’s Parish Hall and in there it actually says: “Fiscal Policy Panel recommended that we should accelerate fiscal support for the economy through increased short-term capital expenditure this year” and I think this proposition ticks all those boxes and perhaps - I know the Assistant Minister for Treasury and Resources has spoken - but if somebody else, another Minister, would like to stand up and say why it does not, so let us start from the other side and if people are saying that we should not vote for this then they should stand up, respectively, and say why; what the negativity is instead of issuing papers at the last minute that are to discredit it because this money would be money that was in the local economy. There are many small contractors who would do this; they could use the work; they could employ extra people. It “keeps the wheels turning” and that is the sort of message that people out there want to get from this House. You have training schemes, but you can only train people for so long and there has to be jobs at the end of it, and this is the sort of thing, and I know the Constable of Grouville was looking at wave and tidal power. I am not sure where that is; perhaps he could tell the House. There are things that money could be allocated to that, and that now has got tremendous potential. I mean we can even sell electricity back to the French; there are possibilities there. We have got the tidal ranges around the Island. Where is that and could he or somebody perhaps tell us? So for those reasons I will be supporting that and I would ask other Members to really consider how they vote on this because the scheme has merits. We can fiddle about with the money and that could be changed, but what it is asking for is the development of the policy and I think it is a signal that we should send out from this House to the people, and I hope Members will reconsider their position and vote on the merits of the proposition.

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

The Deputy lists a number of areas, some of which are eminently sensible, and which are in fact mainly insulation. When we get on to the cost of solar power and photovoltaics, the cost is falling; the market is at work. It does not need government grants and frankly if a development needs a government grant to be adopted then it will never be economic and should be avoided. Senator Breckon has just mentioned wave and tidal power. Well, that is not going to be ready for 10 to 15 years or so, the Journal of the Institution of Electrical Engineers said a couple of weeks ago, and the Deputy has also betrayed his scientific training because some of his basic assumptions are flawed and some of the projects he quotes are “pie in the sky”, but you will be glad to hear I will not go into detail, otherwise we would be here all day. We do have a programme of increased

house building. We have been discussing it at length during question time. Well, we just for a start need better building techniques. Anyone who has watched *Grand Designs* will know what I mean. The Minister did mention Groupon. That particular company has had significant problems so we need to be a little careful there. We have a project to assist the less well-off with insulation costs. I have no problem there, but frankly it is better to reduce the tax burden so that the taxpayers can deal with their green aspirations themselves instead of being forced into it by government. I cannot support this proposition.

#### **6.1.5 Connétable D.J. Murphy of Grouville:**

I was not going to speak, but in view of the fact that people have expressed the interest in tidal power, I will bring you slightly up to date on it without hopefully giving away anything which could harm our chances. The Tidal Power Group Commission have been working for 3 or 4 years on this and we have had to overcome some pretty heavy, not opposition, but difficulties in getting to where we are now, and that is basically the seabed itself, and I am delighted to say that we would hope to have, through the offices of Senator Bailhache who is carrying forward the negotiations on our behalf, something in place in the near 6-months to a year future. But these things do not just happen overnight, I am afraid; they are very long-term. You are dealing with government departments; you are dealing with situations which we have not perhaps dealt with before. So that is a fair amount of time away. Also with regard to tidal power, the actual machinery that you are going to put on the seabed, or the machinery you are going to use, has not been perfected. We are advised by Dr. Meriwether, who was over in Jersey a couple of weeks ago, and unfortunately we did not get invited to the presentation, but I managed to take up an hour of her time later on and she tells me that as far as machinery is concerned, the actual turbines, she advised us to wait at least 3 years. There are many tests going on at the moment in the north of Scotland which will throw up and throw out the machines which are not going to be any good to us, so we have to wait at least 3 years. There is no point in going into this and throwing money at it and saying: "Right, okay, this is the one we want." It is not, because in 3 years' time it could be out of date; it could be finished. We are right at the forefront of new technology here and there are companies - we heard yesterday, 2 companies who are in this business - who have gone under. When I say "gone under", I mean gone under financially [**Laughter**] and we have to be terribly careful, so it is not something we can just go in and throw money at and get done. We just cannot do that. We have to be very careful. We move forward carefully, cautiously and we do it properly. So, I cannot really support this proposition, I am afraid.

#### **LUNCHEON ADJOURNMENT PROPOSED**

##### **The Deputy Bailiff:**

Before we come to the adjournment, can I just announce to Members there has been circulated P.39, the Referendum on States Reform Minimum Turnout Threshold lodged by Deputy Maçon. Very well, the adjournment is proposed. The States now stand adjourned until 2.15 p.m.

#### **LUNCHEON ADJOURNMENT**

[14:15]

##### **The Deputy Bailiff:**

The debate resumes on P12.

##### **Deputy G.P. Southern:**

Sir, before we restart the debate, can I just inform Members that I will be seeking leave to withdraw part (b) of the proposition? I think it still holds that we have a fund, but I am not indicating that it should be £30 million so that people do not get frightened nor how it should be raised.

**The Deputy Bailiff:**

Do you wish to withdraw part (b) of the proposition?

**Deputy G.P. Southern:**

Yes, Sir.

**The Deputy Bailiff:**

Do Members agree that part (b) of the proposition can be withdrawn? All Members in favour of allowing the proposition to be implemented in that way, kindly show. Those against. Very well, part (b) is withdrawn. Does any Member wish to speak?

**6.1.6 Deputy M.R. Higgins:**

Just very briefly, in fact I personally did not think that Deputy Southern needed to withdraw part (b) but I would just like to say that one of the problems we have in this House is we are often accused of negativity, especially on this side of the floor. We are always being accused of being negative of government policy or Council of Ministers policy, but this is the other way around at this particular time, because what we have is it is almost as if because we have not thought of it, we should oppose it. This is what it is becoming over here because we all know that our economy is not in a good shape. The Assistant Treasury Minister has confirmed that we are going to be probably in the doldrums for another 2 or 3 years. We know we have record levels of unemployment, and we need to find ways of stimulating the economy, so why can we not go ahead with what Deputy Southern is saying and look at the possibilities, because all he is asking is ... he says he requests the Council of Ministers to come up with the proposals for the establishment of a fund? In part (b), he says identification of the most appropriate manner of coming up with funds, and then he is suggesting an initial sum of £30 million. There is no prescription associated with it. What he is saying is, there are ways that we can stimulate the economy in other ways than the ways being put forward currently by members of the Council of Ministers. We are being told that the Housing Transformation Policy is one way that we can stimulate the economy. Building a new police station, even if it is in the wrong site, is a way of stimulating the economy, so the point is why should we not look at green matters? I have an open mind. I believe we should be considering all measures to try and get this economy moving again and getting people back to work. Therefore, what I would just say to Members very briefly is do not dismiss it out of hand. He is asking for them to come forward with proposals for the establishment of a fund, identify funding methods, and perhaps they can do a bit of work and some of these measures can be brought forward rather quickly, ones that are more appropriate to the situation at the moment, and we should delay on the others. There is no prescription here and nothing that anybody should feel, so I hope Members will support Deputy Southern's proposition.

**6.1.7 Deputy J.H. Young:**

I will be brief. I am delighted that Deputy Southern has agreed to withdraw part (b). I think part (b) was problematic because I think it put us into a straightjacket if you like, and it put us at a risk of making implementation decisions before we have the agreement to the new energy policy. I think he has really done the House and the Island a great service bringing forward this initiative under part (a), and I think we have there the opportunity to shape this and take it forward to come up with initiatives both that benefit the environment and the economy, the economy in the short term and the environment in the longer term. I would like to say a couple of things about my hopes for what that piece of work brings. Firstly, I would like to see some exploration of green taxis and polluter-pays methods being included within the funding, because I listened to what Senator Ferguson said this morning and I agree that just government grant funding everything is not the way forward. I think as we look to the long term - I think the energy policy is for 2040 or 2050 -

we have to start to think about other creative opportunities, and it is right that we encourage environmentally favourable practice through the pricing mechanism in some way because otherwise I cannot see any of these initiatives ever happening. On the question, I also picked up what the Assistant Minister for Treasury and Resources said this morning, (maybe I misheard him) something about how we could never have a fund because it is in the M.T.F.P., and therefore we are in a straightjacket and therefore we cannot look at these things. I had a quick look at Article 3 of the Public Finances Law and Article 3 seems to allow us, on the proposition of a Minister, to create funds for the State and set the rules for those funds. I think we should not at this stage shut our mind to that being done if we can find a way forward. The other thing I would like to very much think is that the work that is going to be done, if this is approved and I hope it is, paragraph (a), dovetails very nicely with the work on the strategic energy report, so we can have the 2 integrated in a way. So I think, having said that, I really do hope that Ministers will support the remaining proposition despite the fact that it was not, as it were, 'invented' in the Council of Ministers, and I know I am being critical but I think we should be working within a consensus framework. What I certainly learnt in this House is that it is very disappointing that we seem to end up in this situation where, as Deputy Higgins has said, things that are not invented within that framework, are somehow not right, and must be automatically discarded. I think this is a fresh initiative. It has a lot of plus points in it and I support it very much with the remaining paragraph (a). Thank you.

#### **6.1.8 The Connétable of St. John:**

It was not my intention to speak until the proposer withdrew part (b) and I am fully supportive of part (a). Given my time in business, I recall working on properties with hot springs and they were coming from shallow boreholes. I believe that in certain parts of the Island where we have the old volcanic rock in the east of the Island, there is merit to digging deep boreholes and having the geothermal that possibly could drive turbines. Therefore, I am fully supportive of exploring anything that we can use renewable energy in this particular way. Therefore, I am supportive. Now that we have not tied down anybody's hands, this is a good way forward.

#### **6.1.9 Deputy J.M. Maçon:**

I join in with those who have praised Deputy Southern for bringing this. However, I am always concerned when we are looking at a policy, whether it is in addition or a new one, when we do not have a guaranteed underlying funding source, and that is another reason why I did not support the Sustainable Transport Policy because there is absolutely no point introducing a law or a policy if we do not have the appropriate funding to do that, and of course I will ask Deputy Southern to reply to that. The biggest issue there is something like the Public Records Law. We brought it in. We do not have the correct amount of funding for it and now we cannot properly have the Freedom of Information Law. If we are going to do things, we should do them properly. On the other hand, it is incredibly difficult for a Back-Bencher to be able to do that type of work, and I do not think it would be reasonable to expect a Back-Bencher to be able to do that. I do think that whoever does need the proper support of the proper civil servants to be able to do that at the time. Therefore, when I am looking at this particular proposal, I do say that with that in mind. Therefore, I am seeing this in the sense of this perhaps is more exploratory work, which the Minister needs to go and look at and possibly bring something back and then we can decide. But, as I say, there is very little point in this Assembly going out to the public to say: "We want to support this policy", and then not be able to deliver, because we do not have the funds to be able to do it. That is my major concern in possibly supporting this particular initiative and I just want to raise that point. I am sure Deputy Southern will address, it because I would like to support this, but for the reasons I have explained, I am hesitant at this particular moment in time. Thank you.

#### **6.1.10 Senator A.J.H. Maclean:**



Deputy Southern has pulled a bit of a blinder here in some respect. It is hard not to support the principle behind what he is proposing. What concerns me is that we are seeking the Minister for Treasury and Resources to prepare a proposal. This is not just having a look at it. This is putting a proposal together. This means finding funding. This means putting all the detail behind it. That is not necessarily a bad thing. I just think it is bad government to do it on the hoof as we are standing here. We have had a period of time to look at this proposition as laid out, and now we are being asked to support something of which (very similar to Deputy Macon's comments) we do not know what it is likely to cost or what it is likely to look like. I think a better option for Deputy Southern to consider would be perhaps to withdraw the whole proposition and ask, in all seriousness, for us to come back within a shorter time scale with some proposals that may well be workable. I am not sure. There are examples in the U.K. of various green funds for far smaller sums to support Green Initiatives. Indeed, the Environment Department has funding - I think it is £1 million a year over a period of time - for its energy efficiency funding and other sources of good environmental and Green Initiatives, so there is money already there. It is a question here. Are we duplicating or are we not? What are we seeking to achieve? It is almost a shot in the dark, and I just do not think it is good government to stand here on the hoof and make a decision to send Treasury rushing off, making all sorts of assessments about something of which there is no particular detail at this particular point. I would suggest or ask the Deputy if he would withdraw this or indeed if not, if Members would reject it. I will be very happy to look at this and bring something back in due course over the next couple of months. We have mentioned before, and I think this is probably a more appropriate location, the Innovation Fund, which I hasten to remind Members, has not been approved yet. It is going through Scrutiny. Scrutiny are looking at it. They have some concerns. We are going to be working with them hopefully to address some of those when their report shortly comes out. Deputy Southern suggested the Innovation Fund was already in the Economic Development Minister's pocket. I am afraid it is not. It is some way from being in my pocket, as it were, or available for stimulating the economy but it does demonstrate how complicated it can be to establish a fund, whether it be an Innovation Fund or a fund for a Green Initiative as the Deputy suggests. Either way, it is not particularly straightforward. I would suggest it is more sensible to get the Innovation Fund up and running, if we can achieve that, where I might remind Members that we originally asked for £10 million. We have had, as the Assistant Minister for Treasury and Resources pointed out, agreement for £5 million initially. The remaining £5 million is yet to be identified by Treasury because of all the government issues that surround a fund of this nature and how it is going to work. It is a considerable amount of work and, in summary, I do not think it is particularly good government to make this decision on the hoof right now, so I would encourage Members to reject it if the Deputy will not withdraw.

#### **6.1.11 The Deputy of St. Peter:**

While I agree with the environmental aspects of this, which are laudable, I would like to ask Deputy Southern if he could elaborate a little, as I see that one of his aims is stated as being to stimulate the economy. I am not aware of many businesses locally that are able to provide the services that are outlined here in the proposition, and I would like to ask the Deputy how he intends to find those businesses and support them in stimulating our economy.

#### **6.1.12 The Connétable of St. Helier:**

I should probably start with an apology to Deputy Southern for not supporting his similar amendment to the Medium-Term Financial Plan. He has been criticised today for not using that vehicle for getting more money into environmental initiatives, but indeed he tried in his amendment to the plan, which was defeated by quite a lot of States Members including myself. I think if I could have that part of my life again, I would have supported him. No one yet in their speeches has

mentioned climate change. I know we do have a resident climate change denier in the Assembly but I think most of us ...

[14:30]

**Senator S.C. Ferguson:**

Can I just ... **[Laughter]**

**The Deputy Bailiff:**

If the cap fits, I think is the ... **[Laughter]**

**Senator S.C. Ferguson:**

Absolutely, Sir, but if he would like to stop being quite so old-fashioned, he is out of date.

**The Connétable of St. Helier:**

Yes, as I was saying, we have not had any discussion today of climate change, and it is one of those incredibly pressing issues, which none of us can be unaware of. Of course, we have a lot of pressing issues at home. We have a finely balanced financial situation, to quote the Assistant Minister for Treasury and Resources, but do we not also have a finely balanced environmental situation? Are Members aware of how perilously close the world is moving towards a position where it will not be able to get back things that we take for granted like clean air and clean water? I think Deputy Southern is possibly an unlikely replacement for the Deputy of St. Mary in many respects. He is not nearly as tall and his speeches are not quite as long, but he has taken up the cudgels for the environment in a very useful way in this proposition, and that is why I was glad to second it and I hope that in so doing I will in some way atone for my misjudgment last year in not supporting his amendment to the Medium-Term Financial Plan. We do have a very serious global situation. As I say, all Members are aware of it. Many of our constituents are probably concerned that Jersey is lagging behind many other places in the world when it comes to Green Initiatives. I forget which speaker it was but someone said we could be leading the world in Green Initiatives. I used to think that when I was a young, fresh-faced Deputy. I must say that a number of things have happened. A number of decisions taken by this Assembly have knocked a lot of that optimism out of me, not least the recent decision about Plémont, but I could mention the citing of the incinerator and even my good friend the Connétable of Trinity is supporting the digging up of a perfectly good agricultural field for housing. We do not have a good track record on environmental matters. We do not have regular reports from an environmental adviser. We are not covered in glory and I suggest to Members that this is a very good way of starting the process of getting a good amount of money set aside by the Minister for Treasury and Resources for Green Initiatives. Let us not worry today about how much money it will cost to provide that and how many civil servants will be required to organise it. Let us agree that in principle it will be a good idea to have funding for Green Initiatives. I do not think there is any harm in asking the Minister for Treasury and Resources to go away and do this piece of work. There is another matter that I have been pursuing for some years. I keep coming up against the invitation of the Minister for Treasury and Resources to engage with him in finding solutions. I am afraid that does not happen. Deputy Southern will be waiting for a long time if he has to go away and do this work, so I say now that the proposition has lost the prescriptive part (b) in terms of the financing, let us agree it. Let us accept that this Island does have catching up to do in the area of Green Initiatives and I hope Members will support the Deputy.

**6.1.13 Senator P.F. Routier:**

I do not think any Member can deny the fact that the list of objectives that is being proposed is something we should and could all sign up to. I think it is something that we should be

considering. What I am very pleased to have heard is Deputy Maçon's sound, commonsense comment about policy without funding. It is a real concern for me. This is something we are just signing up to and there is absolutely no funding for it. I would just point out to Members that although Deputy Southern is withdrawing part (b), as it is being prescriptive about the amount of money, and there are concerns about that, part (a) still has some prescription in there, which I am still concerned about, and that is that some of the projects, towards the end of the main paragraph, would be in place by the first quarter of 2014. Because there is no funding allocated for this, there is no new money. We have all spent months and months bringing forward the Medium-Term Financial Plan. We need to recognise that. We have set ourselves an envelope of money that we will be spending, and all I can see is that it will be new money that is being requested here. I find it difficult to sign up to spending on this fresh initiative. I can think of many fresh initiatives that I would love to bring to this House, but the thing is we would have to raise the taxes. Deputy Southern says: "Bring them. Bring them." Yes, that is right, spend, spend, spend. That is the issue. We have to be careful about our spending policies. **[Interruption]** Exactly.

**The Deputy Bailiff:**

Deputy, we only have one person speaking at a time.

**Senator P.F. Routier:**

My concern is that, as Deputy Maçon very clearly said, this is policy without funding, and to support something like that, I do not think it does us any favours at all. It does not do the public any favours and it is not really the way we should be proceeding. Although it is very seductive to support part (a), I really do not think that we can do that. I urge Members to reject it.

**6.1.14 Deputy M. Tadier:**

I think what we have heard here is some strong support from key stakeholders in the Assembly. Let us remind ourselves that the Minister for Environment himself is supporting part (a). He is supporting the underlying policy that is there. We have heard from members of the Environment Scrutiny Panel, who also support this initiative. That is because it is a good thing to do. It makes sense. Part (a) is what we want to be doing as a State. It makes sense both economically and environmentally and it will bring long-term savings, so when we ask where is the funding going to come, we should be looking at where the savings are going to come by introducing this throughout the Island both in terms of revenue for small businesses and also in terms of heating bills and so on for those very real Islanders who are struggling. Do we really believe that electricity prices are going to come down and that petrol prices are going to come down? They are only going to go one way and that is up, and if we want to make sure of course that our wages keep up with that, then that is fine, but as a Government, we cannot ensure that so we must be taking any steps that we can to alleviate and combat the other issues that are within our control. I ask: where is the joined-up government here? We have a Minister for Environment who is willing to support this. Do these things not get discussed at ministerial level? He should be the one leading on environmental issues and quite rightly he is supporting this, so I ask the other Ministers, where is your support for this Minister? I also say that Deputy Southern cannot win, because if he comes to the State and says: "I want all this money" and the policy has not been laid out, quite rightly he will be told to go away: "What do you want the money for? We need a paper on this", and he is not in a position to provide that paper. I think it is quite right that we establish the policy. We establish the fine detail first. I say to Deputy Maçon - he has raised quite rightly other issues about policy formation - but we have to make sure the policy is put in place; the Minister for Treasury and Resources and other Ministers go away, come back to us, and then we fund it because it is the right thing to do. We should not be squabbling over things that are ultimately the correct thing to do for our Island. I will leave it there.

It seems like we have been looking for excuses not to support this, and I think we should be supporting this. It is a very modest ask and Deputy Southern has already dropped part (b).

**6.1.15 Senator F. du H. Le Gresley:**

I am concerned that we have on the nod almost agreed to drop part (b). Earlier this morning, Sir, you have made a ruling that part (a) and part (b) have to stand together, and I make that point because what the Deputy is now asking us to do is to establish a new special fund in accordance with the provisions of Article 3(3)(a) of the Public Finances (Jersey) Law 2005, and in the comments from the Council of Ministers, we say the subject matter does not remotely fall within the criteria within the law to seek additional funding. I am asking whether we need a ruling from the Solicitor General as to whether we can debate part (a) without part (b) because of the fact that the Council of Ministers is saying that the proposition does not remotely fall within the criteria within the law.

**The Deputy Bailiff:**

Senator, the terms of Article 3 of the Public Finances Law indicate that the States may, on a proposition lodged by the Minister, which is the Minister for Treasury and Resources, establish special funds for specific purposes, and this proposition requests the Minister to come back to the States with proposals for the establishment of a new special fund, so it is perfectly possible for the law to be complied with. **[Approbation]** The reason for saying that part (a) and part (b) have to be taken together was that if they were taken separately, one might have a position where without having any request for the establishment of a special fund, a large sum of money, or potentially a large sum of money, would be appropriated to a fund for no purpose and that was why the 2 paragraphs have to be taken together. Do you wish to continue with your speech?

**Senator F. du H. Le Gresley:**

Sir, I just wanted your ruling on that. Thank you.

**6.1.16 Deputy T.M. Pitman:**

I hope I will not bore you or anyone else. I really just want to echo the Connétable of St. Helier's and Deputy Tadier's speeches. It is not unusual for me to agree with Deputy Tadier. It is probably a bit more unusual for me to agree with the Constable. I think they made very cogent points. I just feel sorry for Deputy Southern because he must have realised by now that he normally finds objections to what he brings simply because he is too red, and now he still cannot win when he is too green. What colour does the poor Deputy have to become? **[Aside]** Blue sky, thank you. **[Laughter]** As we have seen, the bit that is left, his request, what is the problem with that? One thing the Deputy can never be faulted for is trying to see the bigger picture, and here quite clearly, he is trying to make Government see the bigger picture, which all of us do, apart from perhaps one Member, who I will not name because I know she will get up and have a go at me if I do. Once I see our version of the big picture of the environment. What is so difficult about this? The Minister's hands are not being tied. I think Deputy Tadier really hit the nail on the head when he said the Minister, who ultimately should be leading the way if we have such a thing as joined-up thinking, and the Council of Ministers is saying support it, the relevant Scrutiny Chairman is saying support it, so are not those the type of people we should listen to? The Deputy has withdrawn part (b) so I think we really should listen to the Connétable of St. Helier, Deputy Tadier, and the relevant Minister in Scrutiny, and give the Deputy your support. He is trying to do something that does see the big picture, and that ultimately can lead to savings and long-term gains in so many ways, not just financially but in quality of life, so give the Deputy some encouragement. He keeps coming back and he keeps coming back with good propositions. It is about time we put aside who the Deputy was, I would suggest, and support it on its merit, and I certainly will be doing so. Thank you.

### **6.1.17 Senator I.J. Gorst:**

I do not indeed... Sometimes in this Assembly, one feels that one has been here before and is treading old ground. Famously, Sir, the Tourism Development Fund was set up and everyone seemed to think that the States had approved £10 million to go into that fund but they had not, and therefore it did not go in, and it is only thanks to Senator Le Gresley and the current Minister that we are now seeing that fund funded to any useful level.

[14:45]

We have seen the Public Records Law where this Assembly thought it is a jolly good thing to have a Public Records Law in principle, so we will develop the law but we will not put any money with it because our commitment simply goes to a request and it being a jolly good idea. Some Members, of course, have said that they would quite happily see green taxes. That is a debate that this Assembly needs to have, but it would, and should be had in the context of this fund and where the money would be used. We cannot separate out quite so easily, as the Deputy would like us to, the desired policy outcomes with the cost of implementing that policy. We have done it frequently and all too often in the past, and some of that is why Members of this Assembly feel frustration sometimes with the States because they vote for good ideas and good policies but they never quite get round to supplying the funding to deliver on them, and that simply leads to frustration, not only in this Assembly, but frustration in our community because then we are never delivering on what we are suggesting. I am slightly amused on a personal level; one of the things that this fund is going to provide for is solar heating. I would like to have solar panels on my home but I do not think I can because Planning do not allow it, but that is another matter **[Laughter]**; the same department, I think, which seems to be supporting this proposal. We already have an Energy Efficiency Fund which can be used in different way from that which it is currently being put to. That money can be used in a way that the Deputy wishes. He needs to talk with the Minister for Planning and Environment. The Minister for Planning and Environment has got some very interesting ways in which he wishes to change that fund. I believe the Minister for Planning and Environment is currently empowered to do so. If Members wish him to reallocate more of his budget into that fund then that is a legitimate request that they can make. But I really would ask that Members do not today make this decision to simply try and divorce a good idea from what it is going to cost to implement, because reality is not like that. Therefore, because (b) has now been removed, I ask that Members do not support (a).

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

If we open the roof and put a solar panel in here I think we could probably provide energy for the whole Island, the hot air that I have just heard in the last 5 minutes coming out. Because what we are now not doing, we are not telling them how to do it, how much it is going to be or whatever, even though that could have been £1, but it is. I am sorry, we had the lovely speech this morning from the Assistant Minister for Treasury and Resources going down to how much it is going to cost for the officer, the paper clip, everything else and how much interest you are going to lose. Of course it is never going to be a scheme that makes money, is it? This is what it is all about, a bit of green scheme. Sorry, Sir, I will go through the Chair, but there have been nudges here, you get up and say that. We have just heard from the Chief Minister, there will be someone coming up the rear for the cavalry charge any second now because this is Deputy Southern. He has brought it down to: "Look, if you do not vote for this today, go away and have a look at how it can be done" they will ignore it again. It can be done. The Minister for Planning and Environment is behind me, and he literally is behind me, but he is behind this and he is supporting it. Who do you trust? Absolutely got to be done and even Senator Le Gresley, I mean what was explained this morning through the Chair was you cannot have one with the other, not that you cannot take one away. Deputy Southern, over the lunchtime, after you had been very upset by the Minister for Housing,

came back and decided what he could do and how he could get this through. There you go. Is it really the fact that Deputy Southern has come up with a very good idea? He has given leverage now. He is not telling you where, when or what from and we are all saying support him. This beggar's belief. I absolutely support Deputy Southern. I think we have had the argument and I think we should let him sum up and go to the vote.

**The Deputy Bailiff:**

Does any other Member wish to speak? Then I call on Deputy Southern to reply.

**6.1.19 Deputy G.P. Southern:**

We may as well sum up and go to the vote. I think perhaps Senator Breckon hit the nail on the head when he suggested that this the opposition that gathers to anything I bring but it applies to many Back-Benchers who have good ideas and bring it. I brought it originally with the full package and pay for it using one of these mechanisms and let it be this sort of size, so then we can really make progress with it. I am told: "We do not like that." When I take it away now I am told I am producing policy without the mechanisms to pay for it. You cannot win it seems. There is always an argument. What we are meeting, time and time and time again I think, and it is often an accusation that is thrown at me, that I am a no can-do Member, become a can-do Member and when I bring something that is about can-do, let us get on with some Green Initiatives because we have been sitting on our bottoms for the last 10 years at least, and just waiting for the problems to go away, when I do I am accused of just bringing policy that is unfunded. When I listened to the Assistant Minister this morning I was reminded of Simon and Garfunkel, there must be 50 ways to say no, because I think that is what his officers are instructed to do: "We have this proposition from a Back-Bencher, come and find me 50 ways as to why I should not do it" and I think that seems to be the mentality. Then he went into tremendous depth about putting the frighteners on a potential up to £30 million that would have between 5 per cent and 15 per cent administration costs. It was going to cost millions of pounds to do and yet that same argument does not apply to the Innovation Fund under the Minister for Economic Development. Okay, he has got £5 million maybe £10 million in his Innovation Fund, is that going to cost between 5 per cent and 15 per cent? Why can we afford that, between £500,000 and £1.5 million to administer that particular fund? But we cannot have a Green Fund, despite the fact, as the Constable of St. Helier rightly pointed out, we are living with climate change and global warming and greenhouse gases that we are committed, we have policy already. We are committed to reduce greenhouse gases left, right and centre and we have targets to do it. This is a means by which we might be able to achieve some of those targets. Why can we not simply request the Minister for Treasury and Resources to spend his time and his officers' time coming up with a scheme with funding to bring back, to be accepted or rejected by this House, in a number of months down the road? Why can we not do that? Do we have no power in this Assembly to request Ministers to do anything? It would appear, according to Ministers, we do not. Sit there, stay shtum and we will get on with it. We will have an Innovation Fund and we might use it for green stuff occasionally. That will do, will it not? No, it will not. We have avoided the green issues for far, far too long. We must make some progress on this. I thank Members who supported this trimmed-down proposal now, and I am sure that the Minister for Planning and Environment will be looking seriously at his rules around solar panels, if we do get this fund up and running, to make sure that more houses can take solar panels in order to bring down yet further our energy consumption across the Island. Finally, it seems to me, I heard from the Chief Minister and he, again, was a no can-do Chief Minister. He was just coming up with objections to what are sound ideas. As Senator Routier said: "Who could object to the objectives of this particular proposition?" I remind Members, before calling for the vote, this proposition has 2 main objectives and at the beginning I said: "Who could object to them?" They are both correct. They are both right. It is about time we started doing something about it (a) to provide additional

stimulus funding to kick-start the economy, absolutely around the Chamber I am sure everybody will agree with that, this is one way to do it and (b) to develop sustainable projects to a long-term economic and environmental benefit on the Island. I believe we should support both those aims and we can do that by voting for this proposition. To the Deputy of St. Peter, she asked me a specific question, to which I can respond. In the Environment Department's documentation already it says: "The department is now working with 15 approved local contractors and their numerous sub-contractors to deliver energy efficiency improvement investing in the local economy through its support for heating, plumbing, electrical, roofing, insulation, carpentry and surveying trades." The reality is there are people out there who can do the work and his report, in terms of the energy policy, goes on to say: "We have potential to create up to 70 more employment opportunities sustainable for the next 2 decades." The workforce is there, it is waiting for the key, to go out and expand what we do already. In terms of administering the fund we already have one fund used for energy efficiency services to those who are the poorest in society, administered on a daily, weekly, monthly basis to provide funding for one particular aspect of it. What we are asking here is put a little more money in the pot in order that that can be expanded and then we could really take some strides. I urge Members to support this proposition and I call for the appel.

**The Deputy Bailiff:**

The appel is called for. I invite Members to return to their seats. The vote is on paragraph (a) of the proposition P.12 brought by Deputy Southern and I will ask the Greffier to open the voting.

<b>POUR: 19</b>		<b>CONTRE: 26</b>		<b>ABSTAIN: 0</b>
Senator A. Breckon		Senator P.F. Routier		
Connétable of St. Helier		Senator S.C. Ferguson		
Connétable of St. Lawrence		Senator A.J.H. Maclean		
Connétable of St. John		Senator B.I. Le Marquand		
Connétable of St. Brelade		Senator F. du H. Le Gresley		
Deputy R.C. Duhamel (S)		Senator I.J. Gorst		
Deputy R.G. Le Hérisier (S)		Senator L.J. Farnham		
Deputy J.A. Martin (H)		Senator P.M. Bailhache		
Deputy G.P. Southern (H)		Connétable of Trinity		
Deputy of Grouville		Connétable of Grouville		
Deputy J.A. Hilton (H)		Connétable of St. Clement		
Deputy S. Pitman (H)		Connétable of St. Peter		
Deputy M. Tadier (B)		Connétable of St. Mary		
Deputy T.M. Pitman (H)		Connétable of St. Ouen		
Deputy T.A. Vallois (S)		Connétable of St. Martin		
Deputy M.R. Higgins (H)		Connétable of St. Saviour		
Deputy J.H. Young (B)		Deputy of Trinity		
Deputy of St. Mary		Deputy E.J. Noel (L)		
Deputy R.G. Bryans (H)		Deputy A.K.F. Green (H)		
		Deputy J.M. Maçon (S)		
		Deputy G.C.L. Baudains (C)		
		Deputy of St. John		
		Deputy S.J. Pinel (C)		
		Deputy of St. Martin		
		Deputy of St. Peter		
		Deputy R.J. Rondel (H)		

**7. Minimum Wage: revised hourly rate from 1st April 2013 (P.25/2013)**

**The Deputy Bailiff:**

We now come to Minimum Wage: revised hourly rate from 1st April 2013, P.25, lodged by Deputy Southern and I ask the Greffier to read the proposition.

**The Greffier of the States:**

The States are asked to decide whether they are of opinion - to request the Minister for Social Security, having sought the views of the Employment Forum as required by Article 18(1) of the Employment (Jersey) Law 2003, to make an order fixing the minimum wage at £6.60 per hour from 1st April 2013 and, as this figure is different from the £6.53 rate recommended by the Forum, to report to the States as required by Article 18(4) of the Employment (Jersey) Law 2003.

**Senator L.J. Farnham:**

I call for the appel, please, Sir. [Laughter]

[15:00]

**The Deputy Bailiff:**

I was going to call on Deputy Southern to propose this proposition. I am sure there must be some reason for this departure and may I wonder whether the Minister for Social Security would like to proceed with the next item.

**Senator F. du H. Le Gresley:**

I cannot do that, Sir.

**The Deputy Bailiff:**

You cannot do it, right. Deputy Southern, the proposition has been read.

**7.1 Deputy G.P. Southern:**

The proposition has already been read and my comfort break could not wait any longer, Sir, I am afraid. It is a strange thing with my propositions and amendments. They wait around for months it seems to see one, and they are just like buses, along come 3 at the same time. This one is very straightforward. We are on to minimum wage and presumably the Minister, which we have heard what the Minister has in mind, is going to accept the suggestion from the Employment Forum to raise the minimum wage by a mere 5p, which is, in percentage terms, around 0.75 per cent. The reality of that situation is that in the private sector wage rises in the last year were running at 1.8 per cent. What we are doing, if we do that, is we are penalising those on the lowest wages in comparison to the rest of the workforce. We are saying to those on minimum wage: "We will not even give you R.P.I. (Retail Price Index), so your spending power is going down. We will not even keep you on a par with others in the private sector who have had 1.8 per cent on average last year. We will make you relatively worse off this year by restricting the amount that the minimum wage can go up." What my proposal does is to raise that by the average rise in the private sector, a mere 1.8 per cent, which is 12p on to the minimum wage. All that says is that retains your relative position compared to people in the private sector. It is simply protecting those on the minimum wage from falling further and further and further behind. To those who say: "Ah, yes, but that makes my industry uncompetitive" I say if you are dependent on minimum wage, then what you are doing is you are receiving a hidden subsidy because for every person on the minimum wage we are contributing a certain amount to supplementation, to top up your pension fund. We are certainly, in many cases, contributing through income support to make sure that you can live a reasonable life because your wages do not allow you to do that. To those who say: "Ah, yes, but my industry will go to the wall if that happens" I say that is a subsidy. It is a covert subsidy because we do not talk about supplementation and income support every day. We notice that the overall bill for income support has gone up from £90 million to over £100 million in the last year and it is going up



further. That is propping up the minimum wage. That is, effectively, what it is doing. No one can live on the minimum wage adequately, and in order to make sure people can survive we prop it up through income support. Members will have received, for example, a letter from the Jersey Farmers Union and I will just point to the final paragraph of that letter, which my attention was drawn to at lunchtime: "With the minimum wage at under £2.50 per hour in at least 10 European countries, including Poland and Hungary and Portugal, and Portugal reducing theirs by 3 per cent to £3, it is hardly surprising there is still a flow of workers flooding into Jersey to take up jobs that locals will not entertain at Jersey rates." The reality is, no, locals will not entertain working for the minimum wage in certain industries. Why? Because they know full well it is almost impossible to survive on them. A race to the bottom with certain European countries to reduce the minimum wage is not what we should be doing. We should be maintaining those sorts of standards. There is an economic argument about the level of the minimum wage which should be set. There is also a political argument about it. In the past I have pointed out, at the very least, what we ought to be doing is maintaining and defending the minimum wage. The level of the minimum wage, while clearly being an economic decision, is also one, I say, which is legitimately a political one. In establishing a minimum wage the States have quite properly committed themselves to the protection of our lowest paid employees. This protection must, at the very, very least, be maintained. The proposition before us today, without the amendment, allows that to be reduced, eroded and the condition of those on minimum wage worsened. The then Minister for Social Security appears to give this statement some support when he said in the past: "Part of the role of government is to put pressure on business to do the right thing." The right thing is to maintain the minimum wage in proportion to the average of those in the private sector. On a larger field one has to examine page 4 of the proposition, to examine what has been going on with the minimum wage over the past few years. In the last year the Retail Price Index, cumulatively over the past 5 years, has gone up by 13.4 per cent. The Average Earnings Index, because we have had a squeeze on, has gone up by 10.8 per cent and relative to the average the minimum wage has hovered around the same mark over the past 4 years: 39.2 per cent, 39.4 per cent, 39.5 per cent and 39.9 per cent, it is still around the 40 per cent mark. It has not moved. This year, if we leave it alone, it will go backwards. It will go to a lower mark than 39.9 per cent of the average. That is the reality. I believe we should not be doing this. I believe that if Members truly want to support those who earn the least in our community, what they should be doing is supporting my amendment in order to simply maintain the relative position of those who are the worst off. These people, do not forget, are very hard-working people, doing their best to survive with minimum wage jobs. They are not the skivers, they are not the slackers of this world, they are working hard. We are going to let their minimum wage fall further behind their colleagues. That is the reality of what we are attempting to do today but we could choose to protect them. When we look at where those minimum wage or low-paid staff are we find that low-paid staff and those on the minimum wage are to be found largely in hotels, restaurants and bars, in wholesale and retail trades, and in agriculture and fisheries. The argument is used often that all of these workers on the minimum wage are all imported workers and they are not here, they are on seasonal contracts. The reality, when we examine what the reality is, is that in the wholesale and retail trades the vast majority, 83 per cent of them, are on permanent contracts. They are people who live here permanently and work here permanently, are eligible for supplementation, eligible for income support. Hotels, restaurants and bars, again, the majority are not seasonal, they are permanent. They are on permanent contracts, 63 per cent on permanent contracts. Even in agriculture and fisheries, which uses the arguments always that they are just seasonal workers, 48 per cent, almost half, are on permanent contracts. They are here, they are our workers, they are our residents and we should be protecting them. It is not about seasonal workers only, it is about protecting the low-paid workers on this Island. I believe if Members really want to do something for those who are the lowest paid on the Island

they should at least maintain the relative value of the minimum wage, compared to the other workers in the sectors and support this amendment.

### **The Deputy Bailiff:**

Is the proposition seconded? [**Seconded**] Senator Routier.

#### **7.1.1 Senator P.F. Routier:**

When I was the Social Security President many years ago, I brought forward the employment legislation for debate in this Assembly. One of the main structures that was endorsed by the Assembly at the time, was the establishment of the Employment Forum to provide a well-rounded view from employees and employers regarding matters relating to employment legislation and, in particular, to avoid any political wrangling over the level of minimum wage for it to become a political football to try and avoid that possibility, a similar process which exists with the commission that has been established to make recommendations regarding to the States Members' remuneration. If I may just read out a quote from the Hansard of 16th January, a quote made by Deputy Southern. He was referring to the commission that has been established to make recommendations on Members' pay, he said: "It is an absolutely central issue, I think, that we do not go back on that commitment." He was referring to the Standing Order about the commission to look into Members' pay. The Deputy said: "For the very least reason that if I were a member of the commission making recommendations, unless I had done something very bold and very outrageous, I would not expect my findings to be turned down by this body on any occasion where I have made a reasonable recommendation." He went on to say: "I would not waste my time involving myself with that body if my findings were going to be turned over willy-nilly, left, right and centre by this Chamber. I would feel I was wasting my time." We have established the Forum to provide the Minister and Members with sound, well-reasoned recommendations and, as usual, they have done that. Using Deputy Southern's reasoning, the Forum has not done anything bold or outrageous. They have come forward with their usual well thought-out recommendations. This Assembly should not be put in a position of being accused of turning over a sound and reasonable recommendation. This willy-nilly proposition, using the words of the Deputy in the other circumstance, needs to be rejected for several reasons but, in particular, because, as the Deputy said in relation to the Remuneration Committee: "The Employment Forum would feel that they had been wasting their time." I urge Members to reject the proposition.

[15:15]

#### **7.1.2 Senator F. du H. Le Gresley:**

I published the proposed minimum wage rate on 30th November last year and it is due to increase in only 8 days' time. I am disappointed that for the third time since 2010 we are debating a proposition for a different minimum wage to that recommend by the Employment Forum. In 2010 the States agreed that the minimum wage should be equivalent to 45 per cent of average earnings within a 5 to 15-year period. My written comment circulated to Members quotes the Deputy's intentions in bringing that proposition, which was, to establish a political framework within which the Employment Forum can feel supported in judging the pace at which the minimum wage rate can be improved. It appears that the Deputy does not trust the Forum to judge an appropriate pace, despite being some 12 years away from the target date established by that proposition. On 2 previous occasions, the Deputy has proposed that the minimum wage should be higher than the Forum's recommendation: P.14/2010 and P.183/2011. Today we hear from the Deputy in his opening speech that the increase in the minimum wage must now be the same increase as the increase in earnings in the private sector in future. Therefore, we now know that this will be continually brought back to the States by the Deputy because he wants the minimum wage to go up by the average earnings index in the private sector every year. Today we hear that the Deputy's

intention again is to set a precedent to debate the minimum wage every year. I do not believe that this is a good way to go forward. In 2007, Deputy Southern proposed that the Employment Law should be changed so that the States must approve the minimum wage each year. Members voted overwhelmingly that they did not want this to be the case. Also in a previous States debate of a similar proposition from the Deputy, a number of Members stated that there is no issue at all with the work of the Forum, that it does an excellent job weighing the information and advice, reaching a unanimous decision and achieving a difficult balance. The Deputy's report presents no evidence as to why the Forum's judgment should be called into question, nor does it present any counterarguments to the economic evidence and consultation responses that were reported in the recommendation. Crucially, the report is misleading, in stating that the minimum wage has remained below 40 per cent of average earnings since 2009, a point that Deputy Southern made again in his opening speech.

**Deputy G.P. Southern:**

Sir, may I?

**Senator F. du H. Le Gresley:**

No, I am not giving way.

**Deputy G.P. Southern:**

You just accused me of misleading the House on a document that I have carefully researched and written. You have accused me of misleading the House. It must be deliberate.

**The Deputy Bailiff:**

Through the Chair, Deputy.

**Deputy G.P. Southern:**

I believe I have just been accused of misleading the House on a difference of interpretation between whether one should use the June figure of average earnings to compare with the April figure of a minimum wage setting. I believe that is a correct interpretation. I certainly am not misleading the House and I refute that absolutely. I believe the appropriate comparison is April to June of the same year, and that is what I have done.

**The Deputy Bailiff:**

You have the ability to respond, of course, at the close of the debate. Senator, were you alleging that the Deputy was deliberately misleading the Assembly?

**Senator F. du H. Le Gresley:**

It was the Deputy who made that suggestion that I was misleading. I certainly was not misleading the House and I will now go on to explain...

**The Deputy Bailiff:**

No, the suggestion was that you were saying he was deliberately misleading the Assembly. You are not suggesting that?

**Senator F. du H. Le Gresley:**

Not at all, no.

**The Deputy Bailiff:**

Then you will be able to answer at the close, Deputy.

**Senator F. du H. Le Gresley:**

I will now explain how we arrive and how the Employment Forum arrived at their figures. The Deputy bases his minimum wage average earnings figure of 39.9 on the mean weekly earnings figure that is released by the Statistics Unit 4 months after the minimum wage has increased in each year. Members can see from my comment the actual mean weekly earning figures that apply. At the proposed hourly rate of £6.53 the minimum wage would be equivalent to 40.2 per cent of mean weekly earnings. I would stress for the benefit of the Deputy that when the Employment Forum does their consultation and releases their recommendation the average earnings figure that they are using is the previous June as they have no idea what the figure will be in the following year, which is where Deputy Southern has it wrong. I am confident that we will start to achieve larger increases in the minimum wage relative to average earnings in the future subject, of course, to improvement in the economy. The Deputy in his report accepts that the minimum wage increases since 2005 have kept pace with increases in earnings. The increase that I am recommending to £6.53 per hour gives a total 25.6 per cent increase in the minimum wage since its introduction. The earnings increase over the same period is 25.7. Many employers in hospitality and agriculture have already set their prices and pay scales based upon my proposed minimum wage rate. Increasing employment costs, particularly at short notice, could undermine the competitiveness of minimum wage paying businesses. Further job losses are likely to increase the cost of back to work initiatives and income support. The Deputy has estimated that an additional 7 pence per hour increase in the minimum wage would save £185,000 in the cost of income support. At the end of 2011 1,865 income support claims included one or more working age adults in work. The estimated saving is based upon the assumption that all of these working claimants are minimum wage earners whose wages are being topped-up by income support. I would clarify that the Deputy's 12 pence per hour increase based on a 40-hour week is equivalent to £100 extra per annum and £100 times 1,865 is roughly equivalent to the figure the Deputy uses of £185,000. This greatly oversimplifies the reality of the situation and cannot be seen as a genuine potential saving. Income support entitlement is calculated on the basis of household income and does not differentiate between full-time work at the minimum wage and part-time at a higher rate. Working adults may qualify for income support not because their wages are low but because of their entitlement to certain components of benefits based upon, for example, the number and ages of children in the household, childcare arrangements, and possibly qualifications for impairment components. In the interests of both employers and employees I urge Members to reject this proposition and to support the recommendation of the independent Employment Forum.

### **7.1.3 Deputy M. Tadier:**

The same old arguments seem to get wheeled out over and over again. That is not to say they are not valid, it is just to say that they are well rehearsed. I knew for sure that the argument, of course, about States Members' remuneration would be used and used furiously, as it was, and I suspected it would be used by Senator Routier as well. I should have put a bet on, but I am not sure where I would have gone since Honest Nev has moved, I think. He has moved to St. Peter, has he not? I thought he had. We do not talk about our own pay because there is a Standing Order which says that we must not talk about our own pay. That is the reason. There is no Standing Order that says we must not talk about the minimum wage and that we cannot debate it. We do have a body which sets the minimum wage, but it is quite right that certain Members of this Assembly and certain members of the public may feel that the focus that is given by the Forum perhaps gives too much credence and too much weight to the effect and the emphasis in its report that businesses may suffer from it and not necessarily enough to the impact that it may have on the individuals who are trying to live in our very expensive Island on the minimum wage. The first thing to establish is it is quite right for us and quite right for any Back-Bencher or any Minister to bring an amendment to the minimum wage if they think it is not correct because we all have different interpretations of how the minimum wage affects the economy and affects our wider society. So let us scotch that one

straight away. If we do not like the proposition we do not have to vote for it, but let us not question its legitimacy. It is interesting, we were offered a 2 per cent pay increase by our body who looks at our pay. It is a shame that the minimum wage group who work for that wage do not have the same body because maybe they could have got a 2 per cent increase and they would have probably appreciated it a lot more than States Members would have, I suggest. Maybe we could have had a 0.75 per cent increase. Let us look at what this means in real terms. Let us forget about perhaps the highfalutin economics and the different interpretations of what that means. Deputy Southern is proposing an extra 7 pence to the poorest in our society, whether they be locals or not. At 40 hours a week, that represents £2.80. Of course, there will be deductions on that for social security, social security which the immigrant workers cannot claim anyway, certainly cannot get any income support, although I know income support is not necessarily contributory. But let us face it, they are working for minimum wage and getting nothing back from our society, but others who perhaps do not work can get that. £2.80, what does that mean? It means a litre of milk, I would suggest, and a loaf of bread. Deputy Southern in real terms is suggesting to give the hardest done by workers in our Island an extra pint of milk, and if you get it from Pound World you can perhaps save an extra 7 or 8 pence and I am sure we all know about that. You can buy a decent loaf of bread and you can go home and enjoy that in your portacabin, watch your television with your other 6 mates, and you can have some toast and you can have some hot milk before you go to bed. That is the reality of what we are talking about. I am definitely going to support this. In the absence of a living wage in Jersey, which I do commend Deputy Southern for bringing and I hope we can all support that, I think we need to put this in perspective. That is what it means. Is it going to break the bank? Does it mean that businesses all over the Island are going to fold, that farmers are not going to be able to employ people? I heard several people, including the Constable of Trinity on the radio a while back, saying that we need to get more locals to work in hospitality, that we need to get them to work in agriculture. Yes, not a bad idea. So I am going to give up my job temping in a trust company and I am going to go and work for £6.53 an hour. Yes, that sounds like a good deal to me, let us do that. Because the minimum wage is far too low. Where are these locals that are going to work for that wage? I do not think they are. I think we do need to grapple with this. The other question is when are we going to get to the 45 per cent of the mean wage that we set ourselves as a target. We talked earlier about making decisions and then not sticking to them. What are we doing here? We are saying it is because of the economic climate. We are never going to go to that 45 per cent because there is always that carve-out which says: "Provided that economic conditions, subject to economic conditions." Now is the time, and I think Deputy Southern has mentioned it before. Now is the perfect time to do that when inflation is low, when growth is low, we can afford to bring that wage towards the 45 per cent. It is not at a time when there is rampant inflation and rampant growth because it simply will not happen. Let us not fool ourselves into that. So we either go back and we completely rip-up the 45 per cent of the mean or we make some headway towards it, and that is what Deputy Southern is trying to do. He is trying to get this Assembly to say rather than going backwards towards that 45 per cent target, let us at least stay the course. We are not going any further towards it as we should be. We are simply stopping the rot for those most vulnerable. I think this is one where you have to vote with your heart and your head. I noticed Senator Le Gresley, when he was on the radio, I could tell by his speech that he thinks this, Deputy Southern's, is absolutely the right thing to do. He is not in a position ... [Laughter] I could tell that the journalist knew that and that is why he was talking about: "Is this one where your head has to rule your heart?" This is the right thing to do. It will not get passed, of course, but I certainly am going to be nailing my flag to the mast and helping the most vulnerable in our society while the new Pope is still fresh in our mind and those words are still fresh ringing in our minds.

#### **7.1.4 The Connétable of Trinity:**

I did say that, but unfortunately I do not think he put the question quite in context. It was someone who said because we have so many unemployed in the Island would it not be a good thing to stop immigration coming into the Island so they could do the jobs for farming in general, and I just said: "Yes, if the local people would be reliable then there would be a chance", but unfortunately we have to be thankful that people do come in and work in the farming industry.

[15:30]

I have heard a lot about the environment today. If it was not for the people who come from overseas to work on our farms and in our hotels and in the restaurants, I am afraid to say your Island would not look like it is today because I do not think there are ... I have heard of many people who have taken on local people to come and work on the farms and within 2 hours of being at the farm they have left, said: "This is too hard work for me to do." I think you have to be a bit fair to everyone. In the old days, years ago, we all had locals who did work on farms and it was part of the tradition. Things have changed. Obviously, if you have better wages in finance you will move to that if you can, but we have to review ourselves now. I fully support that we all want more wages, but at the end of the day could I just say to some of these people if you have 35 or 40 workers on your farm and you have to pay a minimum wage of 40 hours, and unfortunately if you look at the weather we have had recently, those farmers are having to pay wages with maybe no one going out to work. You have to take a balanced view. I am fully supportive of the Minister for Social Security. We have a forum. I see the farmers unit are quite happy to back that wage rise and I support that, but you have to also bring in mind that if in Europe the wage is half that can you tell me why they should not come and seek work here? They will. It was done years ago. The French used to come here and they worked. The Italians, they have all done it. I am afraid things have changed, it is a different workload on the farm now. They are massive farms. There are some big commitments on some of these farmers. To be a farmer now, you need to invest millions and millions of pounds in machinery, a big change to what we started out many years ago with just a little tractor and a digger. If you go around the Island, there are massive farms now and infrastructure. Just think of what they do for the Island anyway. I would say some farms have 1,000 vergées. They have to do all the branchage. Part of the law in Jersey it is the farmers that pay to do it, not the States. There are other benefits that also come out of this, but I will be supporting the Minister for Social Security because of the simple reason there is a panel that looked at the wage scale and they have come out with that. I am happy to support that and I believe the Farmers Union also agrees with that. I will be supporting the Minister, but unfortunately I will not be supporting Deputy Southern.

#### **7.1.5 Senator P.M. Bailhache:**

A year ago Deputy Southern brought a similar proposition and I suggested to him, through the Chair, that he was wasting the time of the Assembly and that it was a proposition that ought not to have been brought. I would make the same suggestion today. What is the point of having an Employment Forum if the recommendations are to be challenged on a routine basis year by year as a matter of course? I agree entirely with Senators Routier and Le Gresley in that respect. If you bring together a body of employers and employees and they meet, they consider all the evidence, they hear submissions from both sides, and they reach a conclusion, you need pretty strong evidence to overrule that recommendation. The Minister has accepted that there is no reason why he should not accept the recommendation. In fact, as a percentage of the average wage, the minimum wage is creeping slowly upwards. It is going in the right direction, so where is the Deputy's analysis of where the Forum has gone wrong and why the Minister's decision should be overruled? These are difficult economic times. Unemployment is rising inexorably. Employers are finding things extremely hard. There probably is an argument, in fact, for leaving the minimum wage exactly where it is so that more people are not placed at risk of being put out of work. All

these arguments, no doubt, were considered by the Employment Forum. They heard them all, they balanced them all, and they made a recommendation that the Minister has accepted. It is not the job of this Assembly, I suggest, to second guess the Forum unless there is really substantial evidence to show that the Forum has gone wrong. Of course, as Deputy Tadier says, Members have the right to bring a proposition of this kind as a matter of Standing Orders, but as a matter of responsibility they should not do so unless there is really strong evidence to show where the Forum has gone wrong. The report of Deputy Southern is, if I may say so, a flimsy document which contains absolutely no evidence of substance to show that the Forum has erred. I give notice to the Deputy that if he thinks that it is appropriate year on year to bring propositions of this kind he will drive others into the position where consideration will have to be given to bringing a proposition to empower the Minister, not the Assembly, to set the minimum wage on the basis of the recommendation of the Employment Forum. I shall vote against the proposition.

#### **7.1.6 Senator A.J.H. Maclean:**

There is not much to add following that speech. I will be brief. I just wanted to stand. This proposal from Deputy Southern is late and it is policy what you might describe as “on the hoof.” It is late because businesses have to plan and do plan frequently in advance. To introduce a change of this nature at this time in this economic climate is entirely wrong, and particularly when it is impacting, as it would do, on our industries such as agriculture, hospitality and retail, those that are probably more vulnerable than most and have seen quite an impact from unemployment and who absolutely need to be competitive. By seeking a move such as this, the one area of impact is the competitiveness. These industries compete on a global basis. They are export industries and as such they are competing against European economies that are seeing quite savage reductions in salaries and input costs. I was reminded that yesterday I had a conversation with the Ambassador from Latvia. It was quite sobering listening to him with the difficulties that Latvia have had. When he told me as part of the global prices they have had to reduce ... they took a decision within the public sector and they cut all public sector salaries by a minimum of 7 per cent up to a maximum of 30 per cent in one hit. That is a massive, massive amount of money that was taken out of the economy there, but it reflected the very serious economic climate that they found themselves in in Europe. Fortunately, Jersey is not quite in that position but nevertheless we cannot afford to be complacent. We certainly need to ensure that we maintain our competitiveness. As others have said already, we have a perfectly respectable body which has through evidence come to a conclusion that this particular proposal is right, and therefore I fully support the Minister for Social Security. He has laid out the argument. I have nothing further to add other than to encourage Members to reject this proposition, albeit well-meaning as it is. In this climate it is entirely wrong.

#### **7.1.7 Deputy M.R. Higgins:**

I just want to make a few comments. First of all, we need to be careful when we start looking at figures. Wage rises in the private sector do average 1.8 per cent but if I am not mistaken they do not take into account bonuses paid to staff, for example, in the finance sector, who are our largest employer. Many of those employees, even in these hard times, receive thousands of pounds in the form of bonuses. So do not just think everybody is getting nothing. Secondly, I am also appalled by our attitudes towards the lowest paid. We all know that middle Jersey is suffering in the Island at the present time and finding their incomes squeezed, so what is it like for the lowest paid in this Island? Now, I already know that many charities who are supplying food and fuel in the form of wood to people on low incomes are struggling to meet the demand for their services. What sort of an Island is that? In other words, people have to turn to charity because they cannot earn a decent wage to fend and meet the needs of their families. I think we should be ashamed at allowing wages so low. I also find it hypocritical that many employers claim they cannot afford to pay what is, to be perfectly honest, a paltry amount even with Deputy Southern’s amendment. Depending on the

industry, some are being subsidised by the States. Many, for example, are getting various investment grants or tax breaks on investments they are making. In the case of retailers, this is something that really does annoy me when I hear retailers bleating on about they cannot afford this and that. We know that I would say the majority of retailers are charging U.K. prices for goods that they are selling within the Island. I have gone on about this thing about charging V.A.T. (Value Added Tax). No, it is not V.A.T. that is going to the U.K. Government. They are not paying over the 20 per cent to the U.K. Government. They are pocketing the 20 per cent as extra margin on top of what their normal margins are, and then they are charging the 5 per cent. So I am sorry, these people should be more honest when they come into: "We cannot afford it." Let them be open, tell us what their margins are, show how they are suffering. Equally, we have certain landowners, wealthy farmers, who have had permission over the years to develop perhaps barns which they have sold for housing, or they have been allowed to have industrial buildings put on their sites, and then what do they do? We have examples at the present time of these particular owners of the industrial buildings turfing-out the people who are using those buildings for storage or for small business, which we should encourage, because they want to get planning permission to turn it into housing. We all know that because we have no property taxes they are going to get quite a bonus by doing that. That is going on at the present time in the Island and I think it is disgusting. So there is an awful lot of hypocrisy on the part of a number of the people who are criticising proposals such as this. I also feel, too, that the gap between the richest and poorest in this Island is widening and the recession is making it worse. I would say, Members, if you have a conscience, please support this because there are people really, really suffering and it is about time we recognised the suffering of ordinary people in this Island. As far as Senator Bailhache is concerned, I know he criticises Members for bringing back propositions but I know that he criticised people before he got into the States as part of his election campaign: "Oh, they keep on revisiting things." The first thing we had was Plémont and then we have had changes on the electoral reform, so I would say, Senator, please practise what you preach.

#### **7.1.8 Deputy S. Pinel:**

I think I shall be further accommodating Deputy Tadier's wager. Deputy Southern supports the advice of an independent board that recommended an increase in States Members' salaries, but does not support another independent board, the Employment Forum, on their recommendation for a level of minimum wage. We all aspire to higher minimum wages; however, there must be due consideration of all relevant factors. I believe that the Employment Forum is best positioned to accomplish this. The 5 pence increase recommended by the Forum ticks all the boxes. It provides an increase of £2 per week for the lowest paid in Jersey. The cautious approach minimises the risk of job losses and redundancies. The proposed rate is equivalent to 40.2 per cent of mean weekly earnings, which takes into account the States' decision in 2010 to increase the minimum wage to 45 per cent within 5 to 15 years. The Forum is also cognisant of international competitiveness, particularly for the hospitality and agricultural sectors which are the primary minimum wage payers, and it takes into account the uncertain economy. The States' economic adviser has expressed caution to the Forum that trends in the local economy continued to weaken in 2012. In the Jersey Advisory Conciliation Service's annual report for 2012 the director has commented: "Trading conditions for many businesses have been extremely difficult, leading to real concerns about security of employment. With the continuing economic uncertainty in the majority of organisations pay rises have been at a level below that of inflation; indeed, in many cases wages and salaries have been frozen or even reduced. This has led to a sharp increase in collective disputes. Much of our - J.A.C.S. (Jersey Advisory Conciliation Service) - collective dispute activity has focused on helping various parties to resolve difficulties which arose from the need to cut costs, a direct impact of the economic downturn." The strength of the evidence to support the Forum's proposed minimum wage is demonstrated by the fact that the Forum has achieved a



unanimous recommendation. This is quite an achievement for a group that includes representatives of both employers and trade unions. I would ask Members to respect and support the recommendations of the Employment Forum.

[15:45]

#### **7.1.9 Connétable S.W. Pallett of St. Brelade:**

Just very quickly, I believe that Deputy Southern has every right to challenge this and put forward an alternative view, but again I cannot support this because I do not believe it is the right time to make changes or to increase it now. But there will be a time when it will be appropriate to change it and I think the Employment Forum must be able to realise when that is. Obviously, that will be when economic times are better, maybe when employment opportunities are vastly improved, when local companies are making better profits, they are increasingly more viable and increasingly more competitive. I believe at some stage we have to head towards the 45 per cent of the mean weekly wage but, like I said, now is not the right time. I did support this last year, last time Deputy Southern brought this, but since that time I have had an opportunity to speak to an awful lot of local employers and I think to bring this in or to have this extra increase now is not the right time. Therefore, I cannot support it but, as I said at the start, I think Deputy Southern has every right to bring propositions like this. We do need to test it and we do need to push the boundaries, but I am afraid this year, Deputy, I cannot support you but please bring it back again at some stage.

#### **The Deputy Bailiff:**

Does any other Member wish to speak? Then I call on Deputy Southern to reply.

#### **7.1.10 Deputy G.P. Southern:**

How wonderful it was again to hear Senator Routier lead off with something that was a completely false dichotomy by comparing the ruling given by the independent pay body to us so that we do not award ourselves pay rises, and the difference between that, which is absolute and a Standing Order, we do not challenge it, and the advice - because that is what it is, the recommendation - that comes from a body, the Employment Forum. The 2 operate on completely different terms and to suggest one is comparable with the other is absolute arrant nonsense, completely false dichotomy. If Members really want to do something about the low paid on this Island, they should not be volunteering to give their pay award to charities or not to accept it. They should be voting for a proposition like this which does improve the lot of the low paid on this Island. Senator Le Gresley talked about, yes, the lateness of this proposition. The lateness of this proposition is always late because the minimum wage proposition is brought on the back of an Order which you cannot amend, so it has to be a stand-alone which, thanks to Senator Routier, now has to stand alone for 4 weeks before it is discussed. So despite doing my best most years to do something when I see it is appropriate, that 4-week rule catches it every time and it always appears late at the last minute as an amendment. It could be done earlier but Senator Routier does not like Back-Bench propositions. He tries to stop them wherever he can. Despite whatever arguments we have about when we calculate the minimum wage by comparison with the mean weekly wage, I accept what the Minister has suggested but I point to the figures that he has, his figures on page 3. If Members would just look along the line, in 2009 the minimum wage stood at 40.5 per cent of the mean weekly wage. Now, thanks to the generosity of the decisions over the past few years and this one, which reduces the minimum wage by comparison, it stands at 40.2. So we have made absolutely no progress in raising the standard for those on the minimum wage. In fact, it has gone backwards. My objection to today's proposition is not that it does not award enough, it is that it has let the standard slip. We are letting those on the minimum wage slip further and further behind their colleagues who are on average wages. The Constable of Trinity says we have to be a bit fair to all - how much I agree - including those on the minimum wage. So a bit fair to all is 12 pence or £2.80

a week, not a lot. Now, it has been an interesting process hearing from Senator Bailhache now that he is on these particular benches and not up in that seat. It is wonderful to get one's documents ripped to pieces by such patronage. I do believe, I do understand I think, that I have been patronised by an expert this afternoon: a flimsy document with absolutely no evidence. What evidence do you want? Five pence compared to 12 pence. To maintain the minimum wage relative to the average wage is 12 pence, and yet this body recommends much less than that, less than half of that, 5 pence. That is the problem. He went on to say that this body looks at the evidence. It does not look at the evidence, it hears opinion and - surprise, surprise - employers are very well organised to give their opinion and they do very effectively. The workers are less well organised to give their opinion and they do not do it as effectively, so no wonder always, year in, year out, the award for minimum wage comes at the lowest possible end of any spectrum, no progress whatsoever. I give notice to the Senator over there that I will continue to bring propositions to amend the minimum wage where I believe it to be appropriate because I think that is what I am elected to do in this House. I am sorry if the Senator thinks that what we should do is then give all the power to the Minister. That is completely inappropriate. I shall be fighting that this Assembly maintains as much power as it can over what Ministers do. Senator Maclean talked about doing this at this time and also mentioned the comparison with Latvia because their economy has gone through the floor, obviously. Our economy is doing relatively well. The Minister for Treasury and Resources continues to tell us relative to the rest of the world we are doing well, and yet we have to have austerity that focuses very sharply on our minimum wage. That is the reality. He says we have to maintain our competitiveness. We have to maintain our competitiveness and I would suggest the end of that sentence should be maintain our competitiveness on the back of poorly paid workers, because that is what we are doing. Deputy Higgins managed to bring in the fact that our figures of average earnings and all our figures do not include bonuses paid in the finance sector. In 2011 the bonuses paid in the finance sector amounted to how much, do you think? Profits were about £800 million. How much were bonuses? £83 million was paid out. It does not appear in the figures. It does not appear in average earnings. So some people on the Island are doing very well thank you: £83 million worth of bonuses paid out. Then others said that it is not appropriate to try and maintain the position of those on the minimum wage at this stage. I say: why not? It is the very least we can do for those on a minimum wage. We should be able to draw a line and say: "We cannot give you an increase, we cannot make you relatively better off, but we can stop you being worse off than your colleagues elsewhere." I maintain the proposition and call for the appel.

#### **The Deputy Bailiff:**

The appel is called for. I invite Members to return to their seats. The vote is on Deputy Southern's proposition, P.25, relating to the minimum wage. I ask the Greffier to open the voting.

<b>POUR: 7</b>		<b>CONTRE: 34</b>		<b>ABSTAIN: 0</b>
Senator A. Breckon		Senator P.F. Routier		
Deputy J.A. Martin (H)		Senator S.C. Ferguson		
Deputy G.P. Southern (H)		Senator A.J.H. Maclean		
Deputy S. Pitman (H)		Senator B.I. Le Marquand		
Deputy M. Tadier (B)		Senator F. du H. Le Gresley		
Deputy T.M. Pitman (H)		Senator I.J. Gorst		
Deputy M.R. Higgins (H)		Senator L.J. Farnham		
		Senator P.M. Bailhache		
		Connétable of St. Helier		
		Connétable of Trinity		
		Connétable of Grouville		
		Connétable of St. Clement		
		Connétable of St. Peter		

		Connétable of St. Mary		
		Connétable of St. Ouen		
		Connétable of St. Brelade		
		Connétable of St. Martin		
		Connétable of St. Saviour		
		Deputy R.C. Duhamel (S)		
		Deputy R.G. Le Hérisssier (S)		
		Deputy J.A. Hilton (H)		
		Deputy J.A.N. Le Fondré (L)		
		Deputy of Trinity		
		Deputy E.J. Noel (L)		
		Deputy A.K.F. Green (H)		
		Deputy J.M. Maçon (S)		
		Deputy G.C.L. Baudains (C)		
		Deputy of St. John		
		Deputy J.H. Young (B)		
		Deputy S.J. Pinel (C)		
		Deputy of St. Mary		
		Deputy of St. Martin		
		Deputy R.G. Bryans (H)		
		Deputy of St. Peter		

## **8. Draft Employment (Minimum Wage) (Amendment No. 9) (Jersey) Regulations (P.13/2013)**

### **The Deputy Bailiff:**

We now come to P.13 - the Draft Employment (Minimum Wage) (Amendment No. 9) (Jersey) Regulations - lodged by the Minister for Social Security. I ask the Greffier to read the citation.

### **The Greffier of the States:**

Draft Employment (Minimum Wage) (Amendment No. 9) (Jersey) Regulations. The States, in pursuance of Articles 17, 18 and 104 of the Employment (Jersey) Law 2003, have made the following Regulations.

### **8.1 Senator F. du H. Le Gresley (The Minister for Social Security):**

This proposed amendment to the Minimum Wage Regulations reflects the recommendations of the Employment Forum which I accepted in November last year. As always, the Forum's recommendations were the result of a careful consultation process, including advice from the States' Economic Adviser. This proposition amends the Minimum Wage Regulations from 1st April in 2 ways. Firstly, it increases the maximum values that may be attributed to accommodation or accommodation with food where those benefits are provided to employees as part of their employment package. As in previous years, the increase is relative to the proposed increase in the minimum wage, which we now know will be 0.75 per cent. Secondly, it provides a new definition of a trainee so that a trainee rate may be paid to an employee for the first 2 years instead of one year while they are undertaking approved training in a new job. I accepted this recommendation because I believe that the availability of a training period of up to 2 years could encourage employers to create new trainee positions. The opportunity to undertake structured formal training with defined targets could also encourage employees, particularly young employees, to take up trainee positions. If this proposition is adopted, I will make an Order to apply a 0.75 per cent increase in the minimum wage, a trainee rate that would apply in the first year of training set at

75 per cent of the minimum wage, and a new trainee rate that would apply in the second year of training set at 87.5 per cent of the minimum wage. I propose the principles.

**The Deputy Bailiff:**

Are the principles seconded? **[Seconded]** Does any Member wish to speak on the principles? Deputy Young.

**8.1.1 Deputy J.H. Young:**

It is really a question. When I read this report, I particularly was puzzled by the Employment Forum's report, which is obviously attached as part of the proposition supporting the Regulations, and particularly Appendix 1 at the back on page 47, which gives us a table of earnings, minimum wages relative to median earnings by different countries. I noticed that Jersey's was shown there at 48.6, which puts us ahead of other countries. Now, obviously in the previous matter we discussed, we had our attention drawn to the target that was set in better economic conditions that we would have our minimum wage set at 45 per cent of average earnings. Could the Minister please give me an explanation of the difference between the median figures and the mean or could he undertake perhaps to circulate that later? Either way, I think it is an important point that I would like to understand, what our overall policy is in the longer term. The other thing I want him to cover as well is this issue of youth rates. I know this has been aired before, but I noticed that on pages 9 and 10 again of the Employment Forum report we have there reference to a young person's rate in Guernsey, in the Isle of Man they have young person's rate, and in the U.K. we have a young person's rate.

[16:00]

Now, I would like to hear from the Minister more on this because I accept what has been said, we have this training rate which is obviously designed in his proposals to encourage apprentices, but I want to be sure we are doing everything we can to help young people get a decent start in life by getting employment, particularly where the economy is poor in some sections and the jobs are not there. I would like to hear more from the Minister on those points, please.

**8.1.2 Senator P.F. Routier:**

I just wanted to pick up on what Deputy Young was just talking about with regard to the training rate. I certainly am very supportive of what is being proposed now, what has come forward from the Employment Forum with regard to extending it to 2 years. But as to what is being identified in talking about the youth rate, the training rate is a structured system of having training also not within the business, going to college and having additional training elsewhere. The Assembly originally debated the minimum wage rate that was an amendment which was brought by Deputy Southern to do away with the youth rate, and he was successful on that day so there was not a youth rate included. Deputy Young was quite right, many jurisdictions have a youth rate as a mechanism to get young people brought into the world of work. I am not saying it should be used as an encouragement for business, but certainly if somebody was to start out in the working world and was to have the opportunity to get into a firm and to start off, the businesses are more likely to employ somebody, a young person, rather than having somebody who has higher skills if they have to pay them the full rate. It is a disincentive for getting young people into work by not having a youth rate and I believe there should be a youth rate personally, but I know we have had this discussion over many years and the Employment Forum have looked at it and have gone against it. I would encourage the Minister to ask yet again, particularly in this climate. It should look again at having a youth rate. It does not matter what level the minimum wage is set generally, it is just that there is a differentiation between an adult and a young person. It is really just making that incentive for people to get into the economy.

### **8.1.3 Deputy G.P. Southern:**

I do wish people would stop bringing back for discussion this idea of a youth rate. It smacks of one thing: you have a minimum wage and for those people who happen to be only 16 or 17 you have a sub-minimum wage. You are supposed to survive on less than the minimum wage. It makes no sense whatsoever. The suggestion that then forms in some people's minds is that you should have a downward spiral so that we can have a sub-minimum wage and we will get more employers employing people at sub-minimum wages. It makes no sense whatsoever. Either you go into a job and it requires training, in which case you get the trainee rate - that is what it is there for - or you go into a job that requires no training, in which case a 16 year-old, a 17 year-old can do it just as well as a 30 year-old. It is about lifting something, getting something moved or whatever. There is no training required and you should be paid the rate for the job. That is the reality. The fact is that the Minister for Social Security conducted a large, in-depth survey of the impact of a youth rate and came to the conclusion absolutely wholeheartedly that we should not be going down that route. The trainee rate is entirely appropriate and fits the job for 16 and 17 year-olds. That is the reality, so can we please stop harking back to this youth rate, which as far as I am concerned and as far as Members should be aware is absolutely redundant.

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

Would it be possible to ask for clarification by the last speaker since it was I who raised it? Could we know what the rules are for somebody to fall within the trainee rate and what the numbers are?

### **The Bailiff:**

That sounds more like a question addressed to the Minister. Does any other Member wish to speak? Deputy Tadier.

### **8.1.4 Deputy M. Tadier:**

I remember a Blackadder episode when Edmond was captured and I think it was in the First World War one, and he was told that he would suffer a fate worse than death. He said: "If you try to escape" ... I will not do the German accent part because it would be offensive, not *per se* but just because my accent would be that bad: "If you try to escape, you will suffer an even worse fate" and then Blackadder comes back and says: "What, a fate even worse than a fate worse than death?" This is what we have with the minimum wage. We have a minimum wage, as said by the last speaker, and then we have a wage which is less than the minimum wage. I am uneasy about that anyway and I do also ask the criteria about the training. I would like the Minister to respond to that. Is it just the case because we know Jersey is a light touch when it comes to regulation and we generally let businesses do what they want? That is not a bad thing. I think that is a good thing to a certain extent, as long as the underlying principles and safeguards are maintained. When we talk about approved training, I would presume that the only argument I can think for justifying less than minimum wage is the fact that some kind of training is being given back and that would otherwise have to be paid for if one was to do that. So there is a *quid pro quo* and it is not simply extra cheap labour. It is simply that there is something being given back to the trainee. The question is does it mean that a senior citizen, for example, who has maybe never worked or a lady who has been a homemaker decides to go into work when she is 65, would she be able to qualify for the trainee rate or would the employer, rather, be able to qualify for the trainee rate? Where is the line? Because when you start a new job you are a trainee. When I worked for Jersey Telecom I went through a training period of 2 or 3 months, but you do that on the job. There was not a trainee rate. You get paid the rate and then they have a motivation to get you trained-up straight away. Is this just another form of subsidy to employers? Can it have perverse consequences? The question I would have for the Minister - if he is listening - is what analysis was done of the unintended or potential unintended consequences that could arise from a less than minimum wage?

**The Bailiff:**

There was a fair implication from Deputy Tadier's speech just a moment ago that there was too much buzz in the Assembly room and there is. I ask Members please to try and keep their whispers to each other at that level. Does any other Member wish to speak? Deputy Higgins.

**8.1.5 Deputy M.R. Higgins:**

I just want to clarify the training rate. Is there a process of inspection of employees who are getting a training rate to make sure they are getting proper training? Because it is one thing paying workers a lower rate while they are receiving some instruction as long as they are getting proper instruction. The truth of the matter is that many employers - I would not say many, a number of employers - may take advantage of that, employ people at a cheap rate and give next to no real or beneficial training. What is the criteria for them to earn or to allow employers to charge the training rate and what monitoring goes on?

**The Bailiff:**

Does any other Member wish to speak? I call on the Minister to reply.

**8.1.6 Senator F. du H. Le Gresley:**

I will explain in detail what is regarded as approved training and the processes that we are putting into place, but before I come to that I would like to deal first with Deputy Young's query concerning Appendix 1 of the Employment Forum's report, which appears on page 47 of the proposition. One thing Members will note immediately, it does say 2010, so this table is, of course, 2 years if not 3 years now out of date. Median as opposed to mean: the median wage is used as a standard to make minimum wage comparisons across jurisdictions rather than the mean wage, which is usually higher than the median when the same data is used. Currently, Jersey's median will be - the rate will go up now by 0.75 per cent - 50.2 per cent. That will be the new median rate for Jersey with the mean rate being 40.2. As I say, it is a method of comparison across jurisdictions. That is why we use the median from time to time. I hope that is clear.

**Deputy M. Tadier:**

Can I ask for clarification on that point? The Minister has indicated that the median wage was higher than the mean, but in Jersey surely I would have thought that the median would be lower than the mean. Is that not correct? Because we are not yet at 45 per cent of the mean wage, but the figures show 48 per cent of the median wage.

**Senator F. du H. Le Gresley:**

I do not work in the Statistics Office and I rely on what the Statistics Office tell me. They tell me that the median weekly earnings rate, as a result of the increase in the minimum wage rate by 0.75 per cent, will be 50.2 per cent, being the level of median weekly earnings, and that the mean rate will be 40.2 per cent. I cannot challenge myself the advice of the Statistics Office.

**Deputy M. Tadier:**

That is fine. I understand that. I was making the point that the median wage in Jersey is lower than the mean and obviously that is why relatively they are the other way round. Thank you for the clarification.

**Deputy J.H. Young:**

Can I clarify? I am sorry, my brain is a little bit slower than Deputy Tadier's.

**The Bailiff:**

This is going to be your third speech, Deputy.

**Deputy J.H. Young:**

Well, I will sit down. [Laughter]

**Senator F. du H. Le Gresley:**

I will continue, thank you. The next question that was raised by a number of Members was the issue around the youth rate. Senator Routier was quite keen that we should look at this again, and Deputy Southern put the other argument and said we should not go there. But we did ask the Employment Forum last year to consult and they did do a comprehensive consultation. The findings were that there was no indication that having a youth rate would encourage the employment of young people. There was no indication from employers one way or the other that that would change. That is why they recommended that we have a second year available for a trainee rate, so that is the new thing that we are introducing with these Regulations is that there will be a second year where the trainee rate can apply. I think that moves me on to the explanation that a number of Members have requested as to what is approved training so that an employer can pay the trainee rate. The answer to that question is that training will be approved training only if it is formal training that has been agreed in writing by both parties before employment starts. It would have a defined structure, objectives that relate to the performance of the employee in their particular job, and training outcomes would be assessed and documented. Formal training might include internal or external training, certified or non-certified training, and training that is provided on the job or off the job. The employers will know if their training meets the requirements. J.A.C.S. will continue to advise employers. A guide to the revised trainee rate has been prepared, which includes detailed guidance on what constitutes approved training. It includes a model written training agreement, which can be included as part of an employee’s terms and conditions of employment. The question was asked whether a new employee, not necessarily a young employee, could be paid the trainee rate and the answer is yes, it could, provided that during the period of training they were actually doing training and not just being paid a lower rate because it suited the employer. It has to be approved training which is set out in an agreement. So far as the actual supervision or compliance, that is done, as it is with all minimum wage requirements, by officers of the compliance section at the Social Security Department, who have the power to go in and inspect the records of employers to make sure that people are being paid the correct rates. I hope that I have sufficiently answered Members’ questions and I maintain the principles.

[16:15]

**The Bailiff:**

The principles are proposed. All Members in favour of adopting the principles kindly show?

**The Deputy of St. Peter:**

The appel, please.

**The Bailiff:**

The appel is called for. I invite Members to return to their seats. The vote is on whether to adopt the principles of the Draft Employment (Minimum Wage) (Amendment No. 9) (Jersey) Regulations. I ask the Greffier to open the voting.

<b>POUR: 42</b>		<b>CONTRE: 2</b>		<b>ABSTAIN: 0</b>
Senator P.F. Routier		Deputy J.A. Martin (H)		
Senator S.C. Ferguson		Deputy G.P. Southern (H)		
Senator A.J.H. Maclean				
Senator B.I. Le Marquand				
Senator F. du H. Le Gresley				

Senator I.J. Gorst				
Senator L.J. Farnham				
Senator P.M. Bailhache				
Connétable of St. Helier				
Connétable of Trinity				
Connétable of Grouville				
Connétable of St. Clement				
Connétable of St. Lawrence				
Connétable of St. Mary				
Connétable of St. John				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				
Deputy R.C. Duhamel (S)				
Deputy R.G. Le Hérissier (S)				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy S. Pitman (H)				
Deputy K.C. Lewis (S)				
Deputy M. Tadier (B)				
Deputy T.M. Pitman (H)				
Deputy E.J. Noel (L)				
Deputy T.A. Vallois (S)				
Deputy M.R. Higgins (H)				
Deputy A.K.F. Green (H)				
Deputy J.M. Maçon (S)				
Deputy G.C.L. Baudains (C)				
Deputy of St. John				
Deputy J.H. Young (B)				
Deputy S.J. Pinel (C)				
Deputy of St. Mary				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				
Deputy R.J. Rondel (H)				

**The Bailiff:**

The Deputy of St. Peter, does your panel wish to scrutinise these Regulations?

**The Deputy of St. Peter (Chairman, Health, Social Security and Housing Scrutiny Panel):**

No, thank you, Sir.

**The Bailiff:**



Minister, do you wish to propose them *en bloc*?

**Senator F. Du H. Le Gresley:**

Yes, with your permission.

**The Bailiff:**

Are you going to speak to them?

**8.2 Senator F. Du H. Le Gresley:**

Just very briefly. The Regulations are amended to revise the definition of a trainee and approved training, which we already discussed and to increase the maximum values that may be attributed where accommodation or accommodation and food are provided to an employee. For a minimum wage earner, a maximum value of £71.47 per week where accommodation is provided or £95.29 where accommodation and food is provided. For a trainee a maximum of £53.60 per week where accommodation is provided or £71.47 where accommodation and food is provided. I propose the Regulations.

**The Bailiff:**

Seconded? **[Seconded]** Does any Member wish to speak on the Regulations? All Members in favour of adopting the Regulations, kindly show? Those against? The Regulations are adopted. Do you propose them in the Third Reading, Minister?

**Senator F. Du H. Le Gresley:**

Yes, Sir. Could I ask for the appel?

**The Bailiff:**

Seconded? **[Seconded]** The appel is called for. I invite Members to return to their seats, the vote is whether to adopt these Regulations in the Third Reading and I ask the Greffier to open the voting

<b>POUR: 41</b>		<b>CONTRE: 2</b>		<b>ABSTAIN: 0</b>
Senator P.F. Routier		Deputy G.C.L. Baudains (C)		
Senator P.F.C. Ozouf		Deputy of St. John		
Senator A. Breckon				
Senator S.C. Ferguson				
Senator A.J.H. Maclean				
Senator B.I. Le Marquand				
Senator F. du H. Le Gresley				
Senator I.J. Gorst				
Senator L.J. Farnham				
Senator P.M. Bailhache				
Connétable of St. Helier				
Connétable of Trinity				
Connétable of Grouville				
Connétable of St. Clement				
Connétable of St. Peter				
Connétable of St. Lawrence				
Connétable of St. Mary				
Connétable of St. John				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				

Deputy R.C. Duhamel (S)				
Deputy R.G. Le Hérisier (S)				
Deputy J.A. Martin (H)				
Deputy G.P. Southern (H)				
Deputy of St. Ouen				
Deputy of Grouville				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy S.S.P.A. Power (B)				
Deputy S. Pitman (H)				
Deputy K.C. Lewis (S)				
Deputy M. Tadier (B)				
Deputy T.M. Pitman (H)				
Deputy E.J. Noel (L)				
Deputy T.A. Vallois (S)				
Deputy M.R. Higgins (H)				
Deputy A.K.F. Green (H)				
Deputy J.M. Maçon (S)				

## **9. Draft Social Security (Amendment of Law No. 5) (Jersey) Regulations 201- (P.15/2013)**

### **The Bailiff:**

We now come to the Draft Social Security (Amendment of Law No. 5) (Jersey) Regulations - P.15 - lodged by the Minister for Social Security and I ask the Greffier to read the citation.

### **The Greffier of the States:**

The States, in pursuance of Articles 50 and 51 of the Social Security (Jersey) Law 1974, have made the following Regulations.

### **The Bailiff:**

Minister, do you propose the principles?

### **Senator P.F. Routier:**

As the recipient of a pension do I need to declare an interest?

### **The Bailiff:**

I think it is an interest that is shared with many other people.

### **Senator B.I. Le Marquand:**

Should we declare it, Sir?

### **The Bailiff:**

You may certainly declare it.

### **Senator B.I. Le Marquand:**

I declare my wife's then, Sir.

### **Senator F. Du H. Le Gresley:**

Are we still announcing interests?

### **The Bailiff:**

Do any other Members wish to declare an interest? Deputy Le Hérisier, Deputy Young, the Constable of St. Martin, Constable of St. Lawrence, Senator Bailhache, Senator Ferguson, the Constable of St. John. It does seem to be shared by numbers of people. The Connétable of St. Saviour. Probably more outside this Assembly. Very well. Minister, I am very pleased to acknowledge yours as well. It will be on Hansard.

**Deputy M. Tadier:**

Do we still have a quorum after that?

**9.1 Senator F. Du H. Le Gresley (The Minister for Social Security):**

Before I start I wish Members to know that the handout that was circulated has come from myself with 3 tables on it and some notes on the back, in case Members wonder where it has come from. On 1st December last year States Members overwhelmingly approved proposition P.97 to provide an additional 1.4 per cent increase to the current old age pension rate on top of the 1.5 per cent increase set in October 2012. At that time I informed the Assembly that I would return with Regulations as soon as possible. However, as I explained, a straightforward increase in the pension rate for one year would be a short-term solution that would have a long-term cost. In order both to protect pensioners and maintain the integrity of the Social Security Fund it was important to combine any immediate increase in the pension with a change to the method of uprating the old age pension. This change is now set out in these Regulations and it ensures that in any future years pensioners will receive an uprate at least in line with the increase in prices. At the same time over the long term pensioners will continue to share in the growth in the economy with pension levels tracking the long-term growth in the earnings index. Inevitably there is a cost to this additional protection, however the proposed method restricts these costs to the years in which the growth in prices exceed that in earnings and any subsequent years in which adjustments are being made to the value of the pension. Combining the immediate increase in the pension with a change to future uprates, the Regulations proposed today address 3 separate areas of the Social Security Law. First, the value of the weekly pension is increased to bring it in line with the 2.9 per cent growth in the R.P.I for pensioners in 2012. This is an additional £2.59 a week for a full rate single pension bringing it to a new level of £189.84. Secondly, pensioners will also receive a lump sum amount of £2.59 per week in respect of each week between the beginning of October 2012 and the date when the new pension rate is first paid. Lastly, in order to provide a guarantee to pensioners that future pension increases will always at least match the rise in the cost of living, the third change is to the method of annual uprating. I will like to explain the uprating method in a little more detail. At present the rate of old age pension is automatically increased in October in line with the increase in the earnings index, which is usually released in June. For many years this has served pensioners well and the current level of the Social Security pension reflects the prosperity experienced in Jersey in recent times. However, the economic downturn has led to a slowing down in the rate of growth of earnings which has been reflected in the value of the old age pension. The new method looks at both the increase in the R.P.I. experienced by pensioners during the year at the growth in average earnings to ensure that pensioners will always receive an increase that at least matches the growth in prices. In future the pension will rise in one of 3 ways. First, if the growth in the R.P.I. pensioner is higher than the growth in the earnings index the pension will be increased in line with the R.P.I. pensioner. Secondly, in years in which average earnings rise faster than prices the pension will increase by at least the midpoint between the 2. Thirdly, if the midpoint increase would leave the value of the pension below the long-term growth in earnings then the pension will be increased to match the long-term earnings growth. The handout that I have provided includes a copy of the graph from page 4 of my report and I would invite Members to perhaps have it in front of them. The one from my proposition report is Graph 1 on the sheet. This graph is a hypothetical example, it is not supposed to represent any particular period of time. Members will see that in

year 3 prices have risen faster than earnings and the pension is increased in line with the pensioner R.P.I. On the graph the circle represents the value of the pension that will be paid in year 3. As Members will see, this is above earnings index shown with a cross. In year 4 the increase in earnings is once again above the rise in prices and the value of the pension is increased by the midpoint between prices and earnings. This keeps the value of the pension above the long-term growth and earnings as you can see the circle for year 4 is above the cross but now closer to it. In year 5 earnings continue to rise faster than prices and the value of the pension is now back in line with the earnings index. The circle and the cross in year 5 are both at the same point. In this simple example, a hike in R.P.I. in one year has been reflected in the value of the pension that year and over the following 2 years the pension rises at a rate above the increase in R.P.I. in each of those years but a little below the increase in earnings until the pension rate is once again aligned to the earnings index. Over the long term earnings would tend to grow faster than prices and this method ensures that pensioners will continue to share in the future economic growth of the Island. The new operating methods will first be used in October 2013, i.e. this year. Before then pensioners will receive a lump sum amount which is referred to in the Regulations as the 2013 Old Age Pension Adjustment. The pension rate will be increased in line with the 2012 R.P.I. pensioner index. My department has worked very hard to identify a practical method of providing this mid-year adjustment. Current plans anticipate making the payment at the beginning of May which would create an adjustment for 31 weeks, giving a maximum payment to a single pensioner of £80.29. The actual amount received by each pensioner will depend on their normal pension rate. For example, a pensioner receiving a 50 per cent pension will get half of the back-payment, which will be £40.15, whereas a husband claiming a full rate pension for himself and his wife will receive £133.30. As explained in December the back-payments will be paid to every pensioner who is receiving a pension in the week that the back-payment is made. This will include some pensioners who have only just reached pension age. Following the back-payment, the rate of old age pension will be increased to £189.84 per week and that rate will remain in payment until the end of September of this year. All local pensioners who receive income support will receive the full value of these increases and their income support claims will be adjusted at the same time as the pension changes are made. All pensioners will receive a letter explaining the changes and advising them of the new rate. These Regulations give effect to the changes that I have just described and also those I explained to the States in December 2012. I hope that Members will support the principles of these Regulations.

#### **The Bailiff:**

Are the principles seconded? [**Seconded**] The debate on the principles is shortly going to be put out to Members, can I indicate in advance from the Chair that I would not wish to hear from Members on Deputy Southern's amendment while we are debating the principles because the time for debate on the amendment comes when the amendment comes to be debated and would not inhibit adopting the principles. So against that background can I invite Members who wish to speak?

#### **9.1.1 Deputy G.P. Southern:**

The Minister is to be congratulated for bringing this proposition. I am sure it took some working out, some considerable working out, in order to arrive at this position but I think it does solve the problem that we have from time to time, and we are certainly in the middle of now, and according to the Assistant Minister for Treasury and Resources we are likely to be in for the next 2 to 3 years, where average earnings are reduced and are below the R.P.I. This does guarantee to pensioners that the value of their pension will not subsequently be eroded because that is the key. Secondly, to be congratulated for presenting that in his speech so very clearly. I think for the first time - even though I have been working on it - I may have understood it and how it works. Yes, that was a

very effective presentation and I, of course, support the principles that underlie this particular change to the mechanism wholeheartedly.

[16:30]

**The Bailiff:**

Does any other Member wish to speak? I will call on the Minister to reply.

**9.1.2 Senator F. Du H. Le Gresley:**

I think I am blushing. **[Laughter]** I thank the Deputy for his compliments and I would attribute a lot of the praise should go to the officers in the department who have put in a lot of work and will have to do more work to instigate the back-payments. I thank the Deputy for those comments and I ask for the appel on the principles, if I may.

**The Bailiff:**

The appel is called for. I invite Members to return to their seats. The vote is on the principles of P.15 the Draft Social Security (Amendment of Law No. 5) (Jersey) Regulations and I ask the Greffier to open the voting.

<b>POUR: 28</b>		<b>CONTRE: 0</b>		<b>ABSTAIN: 1</b>
Senator P.F. Routier				Deputy G.C.L. Baudains (C)
Senator S.C. Ferguson				
Senator B.I. Le Marquand				
Senator F. du H. Le Gresley				
Senator I.J. Gorst				
Senator L.J. Farnham				
Connétable of St. Helier				
Connétable of St. Lawrence				
Connétable of St. Mary				
Connétable of St. Martin				
Connétable of St. Saviour				
Deputy R.C. Duhamel (S)				
Deputy R.G. Le Hérisier (S)				
Deputy G.P. Southern (H)				
Deputy S. Pitman (H)				
Deputy M. Tadier (B)				
Deputy E.J. Noel (L)				
Deputy T.A. Vallois (S)				
Deputy M.R. Higgins (H)				
Deputy A.K.F. Green (H)				
Deputy J.M. Maçon (S)				
Deputy J.H. Young (B)				
Deputy S.J. Pinel (C)				
Deputy of St. Mary				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				
Deputy R.J. Rondel (H)				

**The Bailiff:**

Deputy of St. Peter, do you wish to scrutinise?

**Deputy of St. Peter ((Chairman, Health, Social Security and Housing Scrutiny Panel):**

No, thank you, Sir.

**The Bailiff:**

Minister, do you wish to propose Regulations 1 to 5?

**9.2 Senator F. Du H. Le Gresley:**

Yes. Regulations 1 to 5 make some changes to the Social Security Law to allow the backdated payment to be made and to separate out the uprating of the old age pension from the uprating applied to other Social Security benefits. Regulation 1 identifies that these changes are changes to the Social Security Law. Regulation 2 allows for a new separate benefit level to be set up for the old age pension. At present the old age pension rate is the same rate that is used for other contributory benefits such as the incapacity benefits and maternity benefits. I think that should say the uprate rate. Regulation 3 allows for a new benefit to be set up in respect of the back-payment. This will be called the 2013 Old Age Pension Adjustment. Regulation 4 is very similar to Regulation 2 and allows for separate rates to be set up for old age pension and other contributory benefit rates. Regulation 5 confirms that there is no specific contribution condition associated with the 2013 old age pension adjustment. It is not necessary to have a contribution condition for the back-payment because the back payment is being calculated on the basis of the pensioner's ongoing pension entitlement. The pension entitlement is already calculated using the contribution record of the pensioner. I propose Regulations 1 to 5.

**The Bailiff:**

Seconded? **[Seconded]** Does any Member wish to speak on Regulations 1 to 5? All Members in favour of adopting those Regulations, kindly show? Those against? Those Regulations are adopted. We now come to Regulations 6 and 7. Do you wish to propose those?

**Senator F. Du H. Le Gresley:**

Together, yes.

**9.3 Draft Social Security (Amendment of Law No. 5) (Jersey) Regulations 201- (P.15/2013) - amendment (P.15/2013 Amd.)**

**The Bailiff:**

We have an amendment in the name of Deputy Southern. I ask the Greffier to read the amendment.

**The Greffier of the States:**

- (1) Page 14, Regulation 6 in the inserted Article 25A after paragraph (2) add the following paragraph: "(3) The amount prescribed under paragraph (2)(b) shall be the product of £6.32 multiplied by the number of weeks comprised in the period beginning with the day in October 2012 from which the last increase in the old age pension took effect and ending with the day before the day from which the standard rate specified in paragraph 2(1) of Part 1A of schedule 1 takes effect."
- (2) Pages 14-15, Regulation 7, in paragraph (2), in the inserted Part 1A of schedule 1: (a) in paragraph 2(4) for the amount "£189.84" substitute the amount "£193.57"; (b) in paragraph 2(6)(a) for the amount "275.1" substitute the amount "280.5."

**9.3.1 Deputy G.P. Southern:**

These amendments simply affect the amount that the pension will go up by if we adopt these amendments. I propose that the amount should be greater than that which we wish to see back in December on P.97 of 2012. Because if Members will turn to page 3 of my report they, like me, when I started studying this, will see that over a consistent period from June 2007 to June 2012 pensioners lost out year in and year out so that while the proposal from the Minister that was contained in P.97 back in December makes amends for the slippage in June 2012, this amendment

increases that to put in compensation for the year 2011 as well and redoes the calculation. Members can see why I should do that because if they look down the R.P.I. compared to the average earnings index they will notice that in 2008 there was a loss of 1.3 per cent in the purchasing power of the pension, there was a 0.1 per cent gain in 2009 but then continuing a 1.6 per cent loss in 2010, a 2 per cent loss in 2011 and then finally a 1.4 per cent loss in 2012. The net result of which is that even with the additional award that the Minister's proposition proposes, the pension has only risen by 14.5 per cent whereas R.P.I. over that period has gone up by 20 per cent, i.e. there is a 5.5 per cent loss in the earning power of everyone's pensions. I was tempted to put back the whole of that sum and say we shall protect our pensioners absolutely fully for this period. However, I chose not to do that. I have gone some way to increase by compensating for the loss that occurred in 2011 and in 2012, so that is the difference. The end result is that - if people will turn the page to my page 4 - in the table there they will see what the net result is, pension in 2011 was £184.45, the uprating of 1.5 per cent brought it up to £187.25 in 2012, the upgrade to 2.9 per cent, so the full R.P.I. for 2012 brings it up to £189.84 and then my amendment adds some just over £3.70 to that and brings it up to £193.57. If people accept my amendment then the pension from now on and the back pay will be £193.57, and extra £3.70 or thereabouts. If they do not wish to do that it will be left at £189.84. It is simply the size of the award that we want to put in to compensate pensioners going forward on the purchasing power of their pensions. So it is simply what size of step change do you wish to see now. You could leave it as just compensating for the missing bit of 2012 or you could join me and say: "This does not completely mean that your pension has lost power" but we could - and I believe we should protect pensioners - protect for the drop in 2011 as well. So this one says 2011 and 2012, here is the new figure. The Minister's says: "We are just compensating for 2012." I think given the size of that drop over the period, this is what we should do. Members, if they turn to the sheet given out by the Minister will examine the 3 graphs, the first one very clearly sets out what the mechanism is for compensating the pension, the second 2 graphs show that over a period of time the average earnings and the O.A.P. (Old Age Pension) index come together and show that if you accept in my particular amendment that coming together still takes place, it is not as if it is going to grow and grow and grow like topsy, but it sets a step change in and at some time later than the Minister's version the 2 graphs will converge again and come to the same figure. But having put in a step change now, that step change will be maintained. So it is a simple decision, by how much do you wish to compensate pensioners for their loss of earning power over the past 5 years. One figure or a slightly bigger figure? This is the chance for Members to protect their pensioners to the maximum if they wish.

#### **The Bailiff:**

Is the amendment seconded? **[Seconded]** Minister.

#### **9.3.2 Senator F. Du H. Le Gresley:**

I have to say unfortunately that having received compliments from Deputy Southern only a few minutes ago I am no longer going to get compliments but I have to say I am extremely disappointed that Deputy Southern has sought to make amendments to these Regulations. After all, it was his original proposition that led to the proposals that I set out today, to provide pensioners with an increase in the pension rate linked to the 2012 R.P.I. for pensioners. In the summing-up of that debate Deputy Southern said: "I think I expressed in my opening speech that I am entirely at one with the Minister for Social Security as to the way forward and thoroughly commend him and his officers for the work they are doing and the timescale in which they are doing it looks appropriate and entirely a good thing." So it is disappointing at the last minute that Deputy Southern now seeks to move the goalposts and propose a much higher increase for pensioners by looking at an increase in prices over more than one year. The amendment creates significant costs to the Social Security Fund which are not referred to in Deputy Southern's report. The weekly amount is increasing in

the amendment to £193.57. This represents an increase of £6.32 over the current pension level. The starting point for the pension index has also changed. This index determines the adjustments that need to be made to the pensioner rate in future years. The value proposed includes an additional 2 per cent rise in the pension rate, a total adjustment therefore of 3.4 per cent. Regulation 6 relates to the back payment. Instead of calculating a back payment based on £2.59 a week, Deputy Southern seeks a back payment of £6.32 per week. In respect of this back payment it is easy to see that the cost is more than double the original proposal at £2.94 million compared with my proposal at £1.21 million. However, Deputy Southern has failed to provide an estimate for the substantially higher cost that the amendment will have on the total cost of this proposal. Adjustments are likely to cost at £12 million more than those needed in the original proposal and depending on the economic situation over the next few years this figure could be even higher. Using the M.T.F.P assumptions, my officers have calculated that if the amendments are adopted the adjustments that will be needed to the pension over the next 3 to 4 years will be at least an additional £16.5 million compared to total adjustments of just under £4.5 million in the original proposal. There are a number of factors so we suggest that the true cost will be even higher than these initial estimates but in all cases the very high initial rate suggested by Deputy Southern creates much higher adjustments that will need to be paid over a much longer period than originally anticipated. In the handout that Deputy Southern also referred to are graph 2 and 3, they will be able to see the difference between the original proposal and the amendment. Graph 2 shows my proposals using the economic assumptions included in the M.T.F.P. to set the R.P.I. and earnings index for the next 3 years. The green area on chart 2 on the graph indicates the additional costs that will need to be met by the Social Security fund to meet the higher pension rate for this year and then gradually brought in line with the earnings index by 2015. This cost, the green area, is £2.04 million for the first 12 months and then a further £2.42 million over the following 2-year period.

[16:45]

By 2015 the pension rate is back in line with the earnings index and no further adjustments are needed. Chart 3 shows the same situation but with a pension rate set in line with Deputy Southern's amendment. The large increase in the pension rate creates a much larger cost and it takes many more years to bring the pension rate back in line with the earnings index. The cost of the red area on the graph is £19 million in comparison with my figure of £2.4 million. Furthermore, there will be additional cost going forward as the pension rate remains above the earnings index in the example beyond 2015. Deputy Southern wishes to provide additional compensation in respect of the 2011 R.P.I. as well as the 2012 index. During 2011 the rate of G.S.T. (Goods and Services Tax) was increased from 3 per cent to 5 per cent and this had a significant impact on the R.P.I. figures for that year. At that time various measures were put in place to support local residents with this extra cost. The value of the food cost bonus has been increased by just under £65 from £153.60 in 2010 to £218.36 last year. Adjustments were made to income support components to fully protect low income pensioners. Since then a cold weather bonus has also been introduced specifically aimed at lower income pensioners to assist with the cost of fuel over the winter. The estimate of £200 for the winter months that we have just experienced is a figure that we are currently confirming. The States have already taken several steps to support local pensioners with the adjustment in the rate of G.S.T. and I do not consider that it is necessarily to provide an additional increase in the rate of old age pension as further compensation. It should also be remembered that the old age pension is paid throughout the world whereas the impact of G.S.T. is only felt by local residents. It is also worth considering the total increases that are being proposed under this amendment. In September 2012 the old age pension was £184.45. This amendment would take the pension to £193.57. This is an increase of 4.9 per cent. Using the M.T.F.P. assumptions for 2013 this rate would increase in October 2013 to £200.15. Therefore from



September 2012 to October 2013, 13 months, the pension would have increased by £15.70 per week or 8.5 per cent. I find it difficult to justify an increase of this scale, particularly in the light of the very difficult situation faced by many working age families, including over 2,000 people who are currently unable to find work. Having quoted earlier from Deputy Southern, I will now read out something that I said in the December debate: “I fully appreciate the difficult position that many local pensioners find themselves in during this protracted recession. At the same time, as the Minister responsible for the Social Security Fund, I must ensure that any increase in the pension rate can be afforded by the current generation of workers who are meeting the costs of these pensions. Members are well aware of the pressures on the fund. We already know that we will need to increase contributions over the next few years as the number of pensioners’ increase, even with the pension being paid at the current rate. At the end of the day, Deputy Southern and I are both trying to achieve the same goal to protect pensioners without placing an undue burden on the current generation of workers.” That was a quote and the last part might mislead Members. I believe that my current proposal to assist pensioners by referring back to the 2012 R.P.I. as Deputy Southern himself suggested in December last year, is a reasonable position that balances the 3 areas that I need to consider. It does acknowledge the position of pensioners. It pays attention to the difficult times that are also being faced by the current generation of workers and it takes account of the negative impact of any increase in pension rate on the long-term viability of the Social Security fund. In my view this amendment pushes the balance too far in favour of the current generation of pensioners and places too great a burden on the current generation of workers. I believe that the original proposal provides a fair and balanced solution that acknowledges the position of pensioners but does not unfairly disadvantage the current generation of workers. I do not believe that this amendment can be justified. In particular, if more help is required in respect of local pensioners I would always prefer to provide this through targeted benefits, aimed specifically at Jersey resident pensioners. This substantial increase in the old age pension rate will be paid throughout the world but paid for by our local workforce. I urge Members to reject this amendment.

**The Bailiff:**

Does any other Member wish to speak? If not, I call on Deputy Southern to reply.

**9.3.3 Deputy G.P. Southern:**

Even quicker than normal. It is very straightforward. TStates Members are presented with a simple choice, to compensate to the maximum that we can for the 5.5 per cent drop that pensioners have received in the past 5 years in the drop in purchasing power of their pensions. If you look at that, that 5.5 per cent on a pension of £180 a week is of the order of £10 a week. A loss of purchasing power for pensioners of around £10 a week. No amount of compensation by upping the food bonus by £65 that hardly makes a dent in the £500 a year pensioners are effectively worse off over this time period, nor does putting something in the cold weather bonus put a serious dent in that £500. Yes, it is an expensive business trying to compensate people and making sure that the value of their pension is maintained. We have committed ourselves to doing that from now on in. Why can we not commit ourselves to providing a significant amount of compensation for the losses already incurred by present pensioners? The Minister describes his position as a reasonable one but talks about an unfair burden on workers. We can always set up one sector of society against another. This is about the pension, this is about how much Members want to protect those pensions and it is a straightforward proposition. There is no more complex work, there is a bigger bill. What the Minister failed to do was say ... and this bill, extra bill, compensating for 2011 as well as 2012 is such that it will put the pension fund into deficit. Sometime in the future we will have to raise contribution rates, that goes without saying. We know that, however this measure on its own does not seriously damage the pension fund, it is still sustainable, it is still healthy. In fact it is still growing at the moment. That is the reality. We can afford this. If we can afford this I believe we

should do this. I urge Members to vote for the higher rate to compensate current pensioners and future pensioners on the value of their pension. I call for the appel.

**The Bailiff:**

The appel is called for. The vote is on the amendment of Deputy Southern to the Social Security (Amendment of Law No. 5) Regulations. I invite Members to return to their seats and ask the Greffier to open the voting.

<b>POUR: 11</b>	<b>CONTRE: 25</b>	<b>ABSTAIN: 2</b>
Senator A. Breckon	Senator P.F. Routier	Connétable of St. Saviour
Connétable of St. Lawrence	Senator S.C. Ferguson	Deputy G.C.L. Baudains (C)
Connétable of St. Brelade	Senator A.J.H. Maclean	
Deputy G.P. Southern (H)	Senator F. du H. Le Gresley	
Deputy S. Pitman (H)	Senator I.J. Gorst	
Deputy M. Tadier (B)	Senator L.J. Farnham	
Deputy T.M. Pitman (H)	Senator P.M. Bailhache	
Deputy M.R. Higgins (H)	Connétable of St. Helier	
Deputy J.M. Maçon (S)	Connétable of Trinity	
Deputy of St. Mary	Connétable of St. Clement	
Deputy R.J. Rondel (H)	Connétable of St. Mary	
	Connétable of St. Ouen	
	Connétable of St. Martin	
	Deputy R.C. Duhamel (S)	
	Deputy J.A. Hilton (H)	
	Deputy J.A.N. Le Fondré (L)	
	Deputy of Trinity	
	Deputy E.J. Noel (L)	
	Deputy T.A. Vallois (S)	
	Deputy A.K.F. Green (H)	
	Deputy of St. John	
	Deputy S.J. Pinel (C)	
	Deputy of St. Martin	
	Deputy R.G. Bryans (H)	
	Deputy of St. Peter	

**The Bailiff:**

We now return to the debate on Regulations 6 and 7 as proposed by the Minister. Does any Member wish to speak? All Members in favour of adopting Regulations 6 and 7, kindly show? Those against? The Regulations are adopted. Do you propose Regulation 8, which is the coming into force Regulation, Minister?

**Senator F. Du H. Le Gresley:**

Yes, Sir.

**The Bailiff:**

Seconded? **[Seconded]** Does any Member wish to speak? Members in favour of adopting Regulation 8, kindly show? The appel is called for, the vote is on Regulation 8 of the Social Security (Amendment Law No. 5) (Jersey) Regulations. I invite Members to return to their seats and ask the Greffier to open the voting.

<b>POUR: 37</b>	<b>CONTRE: 0</b>	<b>ABSTAIN: 1</b>
Senator P.F. Routier		Deputy G.C.L. Baudains (C)

Senator A. Breckon				
Senator S.C. Ferguson				
Senator A.J.H. Maclean				
Senator F. du H. Le Gresley				
Senator I.J. Gorst				
Senator L.J. Farnham				
Senator P.M. Bailhache				
Connétable of St. Helier				
Connétable of Trinity				
Connétable of St. Clement				
Connétable of St. Lawrence				
Connétable of St. Mary				
Connétable of St. Ouen				
Connétable of St. Brelade				
Connétable of St. Martin				
Connétable of St. Saviour				
Deputy R.C. Duhamel (S)				
Deputy G.P. Southern (H)				
Deputy J.A. Hilton (H)				
Deputy J.A.N. Le Fondré (L)				
Deputy of Trinity				
Deputy S. Pitman (H)				
Deputy M. Tadier (B)				
Deputy T.M. Pitman (H)				
Deputy E.J. Noel (L)				
Deputy T.A. Vallois (S)				
Deputy M.R. Higgins (H)				
Deputy A.K.F. Green (H)				
Deputy J.M. Maçon (S)				
Deputy of St. John				
Deputy S.J. Pinel (C)				
Deputy of St. Mary				
Deputy of St. Martin				
Deputy R.G. Bryans (H)				
Deputy of St. Peter				
Deputy R.J. Rondel (H)				

**The Bailiff:**

Do you propose the Regulations in Third Reading, Minister?

**Senator F. Du H. Le Gresley:**

Yes. If I could just say a few words of thanks again to officers in the department. In order to make the adjusting payment officers will have to work over Easter to trial the system and also the weekend that we apply the uprates there will be extra staff required to work to deal with it so I would like to, on behalf of Members I am sure, thank officers for progressing these Regulations.

**[Approbation]**

**The Bailiff:**

Seconded? [Seconded] Does any Member wish to speak in Third Reading? All Members in favour of adopting the Regulations in Third Reading, kindly show? Those against? The Regulations are adopted.

**10. Beach House, Green Island, St. Clement: grant of a right to access through the sea wall (P.16/2013)**

**The Bailiff:**

We now come to P.16 - The Beach House, Green Island, St. Clement; grant of right to access through the sea wall - lodged by the Minister for Treasury and Resources and I ask the Greffier to read the proposition.

**The Greffier of the States:**

The States are asked to decide whether they are of opinion: (a) to agree that the public should grant a right of access through the sea wall as shown on Drawing No. 1 to the owners of The Beach House from Green Island slip; and (b) to authorise the Attorney General and the Greffier of the States to pass any contracts that might be necessary.

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

Thank you. The purpose of proposition is to seek Member's views as to whether the public should grant access rights through the granite wall at the top of the Green Island slip to the property known as The Beach House. States Members may consider that that is a trivial matter for this Assembly to consider. However, to those involved it is a matter of great importance and one which, as the Assistant Minister for Treasury and Resources, I feel duty bound to bring to this Assembly. Standing Order 168 for land and property matters to be dealt with under the Minister for Treasury and Resources under delegated authority. The inclusion of a provision in Standing Orders for States Members to raise queries or concerns regarding proposed transactions is, in my view, an important safeguard and must be respected. I consider that the current arrangement provides Members with an opportunity to raise concerns and receive full and considered responses. In this instance the Constable of St. Clement has voiced concerns regarding the proposed grant of access. I have met with the Constable, together with the officers from Property Holdings and T.T.S. to review the documentation and to see to allay his concerns. However, the Constable remains of the opinion that the proposed grant of rights is not an appropriate decision. In the absence of a mutually agreeable way forward, in the spirit of Standing Order 168 and in the interests of natural justice, I was compelled to bring this matter before the States for Members for their consideration. I consider that the proposal is in the wider interests of the public but naturally I will be guided by the wishes of this Assembly.

[17:00]

Members will see from the report and the attached chronology that the background surrounding this particular case is long and indeed quite complex. I do not intend to repeat the matters in detail but I wish to impress on Members from my perspective all of the statute approvals and other matters have been satisfactorily addressed. As the Assistant Minister with delegated responsibility for property matters, I can see no reason why this proposed grant of access cannot progress. The Constable is of a different view and, for balance, his objections are set out in Appendix 1 of the supporting papers. The issue for Members to consider is therefore whether a right of access to be granted to the owners of The Beach House for vehicles to exit and enter the property via the top end of the Green Island slip. Members have been provided with papers relating to this case which has been ongoing in a variety of forms since 1998. In the interests of maintaining the integrity of the States of Jersey this matter needs to be resolved once and for all. A site plan and images have been circulated last week and further images forwarded to Members yesterday to provide some clarity. The owners of the property are seeking to obtain a right of access on commercial terms from the public. In doing so they will create an opening in the granite wall with the access taken off the top of the slip. In considering whether a right of access may be granted I have taken into account a number of matters as set out in the report. First, Members will know that the foreshore is owned by

the Crown and held by the public by way of long lease. Her Majesty's Attorney General is willing to grant a consent subject to the public agreeing and confirming all statutory consents are in place. Property Holdings has done this. Secondly, I can confirm that commercial terms for the access has been agreed by both parties at £70,000. The Crown will receive 10 per cent of this as freeholder. A restrictive covenant will prevent the existing building area of The Beach House from being extended, converted or significantly altered without consent from the public. The terms have been subject to extensive negotiation and J.P.H. (Jersey Property Holdings) has engaged in an independent valuer to act on the public's behalf. All costs, both their own and the public's, are to be met by the owners of The Beach House. Let me be clear. The contract will include conditions to allay the concerns raised by the Constable, such as the repositioning of the 2 historic plaques. The sea defences will not be weakened as the new drive will, in effect, be an extension of the existing slip, just like any other slip around the Island. Thirdly, planning permission for the creation of the access was approved in the original consent for the building on The Beach House on 22nd October 2002. This planning permission was activated when the house was built. Fourthly, the concessionaire who operates the deck chair licence has confirmed that they are willing to relocate elsewhere on the slip. Fifthly, the Parish has expressed concerns that the Honorary Police will be required to police the slip, however the owners of The Beach House are fully aware that the risks lie with them and this would form part of the conditions of the contract with the public. So for the avoidance of doubt, the Parish will not be required to police the access as this has been accepted by the owners. My sixth point is that prior to the commencement of any works, the specification and drawings must be approved by T.T.S. As such T.T.S. engineers will need to be completely satisfied that the proposed access is feasible and does not propose a significant risk of flooding. Indeed there has already been a true breach of the sea wall, some 18 metres to the west of the proposed entrance. This breach is, in fact, one metre lower down, closer to the high water mark and has been there for at least 40 years, if not more. Our southern eastern coastline is dotted with accesses directly on to the seafront. This proposal is, from a sea defences aspect, far better than most. My seventh point relates to the health and safety matters. An expert health and safety report has been commissioned by the owners of The Beach House and is included in appendix 7. The report contends that the creation of the proposed access proposes no greater threat for users of the slip other than the current ability for cars to use the slip. Yesterday I forwarded Members additional images which shows visuals displays from 2 metres behind the boundary line. These clearly show that the maintenance of the pedestrian's safety has been correctly addressed. The Constable's concerns as outlined in the handout that has been distributed this afternoon are simply not warranted. As I have already mentioned, my final point is that the owners of The Beach House will be required to relocate the 2 historic plaques to another location of Property Holdings choosing at their expense. To conclude, the owners of The Beach House have approached the public with a proposal to create an access way to their property over land leased to the public by the Crown. All necessary statutory consents are in place. T.T.S. have confirmed that subject to approval of the engineering drawings the project is technically feasible and will not damage our sea defences. The contract will incorporate the necessary consents and safeguards to address the issues of concerns raised. A minor point but nevertheless important to the owners is that the public will benefit from the net receipt of £63,000 having allocated 10 per cent to the Crown. I recommend to Members that this proposition is accepted, that this long drawn out saga is brought to an equitable conclusion and that access rights are granted. I maintain the proposition.

**The Bailiff:**

Is the proposition seconded? **[Seconded]** Assistant Minister, I am struggling with the proposition at the moment because there is a reference to Drawing No. 1 and I cannot immediately identify that in the proposition, in the report. I am just wondering whether you can help me.

**Deputy E.J. Noel:**

I believe it is on page 16, appendix 3.

**The Bailiff:**

They want a right of access through the sea wall as shown in Appendix 3, that is drawing No. 1, is it?

**Deputy E.J. Noel:**

I believe that is correct.

**The Bailiff:**

Just so that you can help Members, where in the wall is that? It does not look right, if I may say so.

**Deputy E.J. Noel:**

Further images have been circulated to all Members and the entrance to the sea wall is clearly marked on these images.

**The Bailiff:**

Yes, I am trying to make sense of the proposition rather than the images that might have been circulated as pieces of paper separately. I am sorry if we have slipped up on this by not being able point this out to you in advance but the proposition does not seem to relate to the drawings.

**Senator I.J. Gorst:**

I am not sure that the Assistant Minister's officers are to hand. I suspect that perhaps the designation is hidden somewhere in the quality of the pictures in the proposition. I wonder if it might be possible, I appreciate that the Assistant Minister has opened the debate, for us to adjourn this particular debate until he is able confirm that either later this afternoon or tomorrow and start the debate on the next item?

**The Bailiff:**

Minister, I wonder if you would wish to seek the leave of the States to reduce the minimum lodging pursuant to Article 26, paragraph 8 of Standing Orders to amend the proposition simply by deleting the words "as shown on Drawing No. 1." That is making no significant change to the proposition. That would be a matter for Members if they are prepared to agree that you should do that.

**Senator L.J. Farnham:**

I think that is a practical solution and I am happy to propose that if need be.

**Deputy E.J. Noel:**

I am guided from yourself and if Members are willing to allow me to do that I would like to make that amendment, please.

**The Bailiff:**

Is that seconded? **[Seconded]** Do Members wish to speak on that proposal? Deputy Tadier.

**Deputy M. Tadier:**

Would you refresh my memory, this is something which allows an amendment to be made without any formal submission and documents circulated? Is that correct? Also, if that is the case, will it apply to a Back-Bencher in future when he or she brings a proposition and there is a flaw in it that risks that proposition getting rejected will I or someone else be allowed to amend it on the hoof with the same approval of the Assembly? If so, all good.

**The Bailiff:**

Very good questions, Deputy. **[Laughter]** Standing Order 26, paragraph 8: “The States may reduce the minimum lodging period in the case of a proposition to amend another proposition if they are of the opinion if adopted the amendment would not make any significant change.” In this instance the 2 objections I think raised by Deputy Tadier are first of all: “Is anything needed in writing?” The answer to me seems to be that this is a deletion and so the writing is already before Members and therefore it is perfectly acceptable to adopt it on that basis. If the amendment makes no significant change, the second point that Deputy Tadier makes is that what is sauce for the goose is sauce for the gander and therefore it must apply to Back-Benchers as well as to Ministers or Assistant Ministers and with that I entirely agree. So the States are asked now whether they are prepared to allow the Assistant Minister to amend the proposition by the deletion of the words “as shown on Drawing No. 1.” All Members in favour of adopting that proposition, kindly show? Those against? The proposition is adopted. Very well, the amended proposition is that language “as shown on Drawing No. 1” can be deleted from the proposition that is before Members and it is open for debate.

**Deputy J.A.N. Le Fondré:**

Sorry, I was trying to guess, is it possible to seek a point of clarification from the speaker now that we have got through the previous few minutes?

**The Bailiff:**

Before you speak if you wish to do so.

**Deputy J.A.N. Le Fondré:**

Before I speak. I presume that the consideration of £70,000 has been subject to a normal valuation and could the Minister indicate whether it is a range of values that have been obtained and what they were or is it just a single sum valuation?

**The Bailiff:**

Is it a range of values or a valuation?

**Deputy E.J. Noel:**

It was a valuation agreed by both parties. Both parties having taken independent valuations and it was an agreed amount that we deemed was equitable.

**The Bailiff:**

Deputy Le Fondré, are you going to speak? I think you started speaking and that was the ...

**Deputy J.A.N. Le Fondré:**

Sorry, I think I want to listen to the debate. I am minded to support it, I could not really see what the fuss was about, but I would like some clarification on the values as we go along on the basis that we are getting appropriate value for money.

**10.1.1 Senator F. Du H. Le Gresley:**

I had expected that the Constable of St. Clement had already put up his light but nevertheless I will go first. My piece of paper starts with the words - Shakespearean words I believe - much ado about nothing. I find it amazing that we are debating this proposition today when, as the Deputy said in his presentation, the first planning consent was given to the previous owners of this site back in March of 1998. I suggest that 15 years on is a long time for anybody to wait for permission to make an opening in a wall.

[17:15]

What is most interesting is that the original owners of the site - I call it the site because The Beach House of course is a relatively new building - agreed to pay consideration of £1,000 for the right of access, however in September 1998 the Public Services Committee decided they were not prepared to grant consent for the proposed opening and so followed a whole string of appeals, lawyers, letters, *et cetera*. So I draw Members' attention to the Board of Administrative Appeal Report of 2001. One of the board's findings was that the board considered that the complainants have every reason to be aggrieved by the actions of the States committees and departments that have been involved in this case which, in the board's view, has revealed a serious level of maladministration and lack of co-ordination between States bodies. That was in 2001 and I would suggest that 12 years later, we are still guilty of a level of maladministration and lack of co-ordination. The board also noted that if it had the power it would undoubtedly suggest that the Public Services Committee of the day should meet the complainants' legal costs in pursuing the complaint. The current owners of The Beach House received planning consent to demolish Rockview and create or erect a new dwelling in 2002 and a new vehicular access on 20th January 2003, despite continued objections from the Public Services Committee. Ten years on, all this time to wait to make a vehicular access. During that time the owners have incurred legal fees in excess of £30,000. I was minded to bring an amendment to this proposition to reduce the consideration that the owners of The Beach House should pay to the Crown to obtain consent to make the opening. A consideration of £70,000 plus costs, we hear today, appears to me nothing like the original figure of £1,000 that was to be paid by the previous owner. In my opinion the Parish have no legal right to prevent opening of the wall on the slipway to create the vehicular access. They only have a right to be consulted. In my opinion, and I do visit the area very regularly, the wall in question is arguably not part of the sea defences but more a boundary wall. As I do walk the stretch of beach between The Dicq and Green Island very frequently, I have counted 19 breaches of the sea wall between The Dicq and La Charriere Slipway, including a large vehicular access straight on to the beach. Members should approve this Ministerial Decision and let the owners of The Beach House create their vehicular access without further ado. This is a good example of why we need an Ombudsman for public services.

#### **10.1.2 Connétable L. Norman of St. Clement:**

I do apologise if I am more than 10 minutes but I do agree with Senator Le Gresley. The Parish has no legal right to stop such a breach of the sea defences. We accept that totally and that is why we are here today. But we do have a right to be consulted and it is a fact that the Parish were not consulted about the planning application for the breach of the sea wall. In fact, the chronology of events contained in the report attached to the proposition shows quite clearly that the application was made on one day and 3 days later, with no consultation with anybody whatsoever, even the Planning Committee, permission was granted. However, the Assistant Minister described in his speech and in the report attached to the proposition the situation this proposition relates to as long and complex. Yes, it has certainly been long but I do not think it is particularly complex. The Minister has made it quite clear that the property in question has no vehicle access. He wants us to knock a hole several metres wide in the sea defences to provide such an access. That is simple. But not only are we asked to compromise the integrity of the sea defences, we are also asked to compromise pedestrian safety. We are asked to sell the rights to create this breach of the sea wall for half of what it is worth and, at the end of the day, we are not even prepared to guarantee and will not guarantee and cannot guarantee that the property will have this vehicular access which we are going to pay £70,000 for. The saga is more bizarre than it is complex. I want to consider first the integrity of the sea wall. Now I note that the Minister relies on a report commissioned by the owners of The Beach House and carried out by a United Kingdom police officer who specialises in forensic collision investigation for reassurances that the breach will have no negative impact on sea defences. Now I acknowledge totally that the author of the report was previously employed as a civil engineer. However, his report concludes that the creation of the access and I quote: "Will not



impact on the aesthetics of the area” and, I quote again: “Construction will not breach the sea wall defences in any way” and this is despite the fact that it is proposed to create a 12 foot opening in the wall. That, to me, is a breach. Now, if I were the owner of The Beach House, I would certainly employ a consultant who would say what I needed him to say. I understand that. But if I were the Minister responsible for this proposition, I would want independent verification of the conclusions and I would want those from the engineers at Transport and Technical Services, and these are very obviously absent in the report. The report does state, and I quote again: “T.T.S. are satisfied that the proposed access is feasible [well, of course it is feasible] and does not pose a significant risk of flooding.” I repeat that last bit: “Does not pose a significant risk of flooding.” So it is admitting, and the Assistant Minister is admitting that breaching the sea wall does create some risk of flooding. So why do we want to create this risk? I have asked to see the T.T.S. study which leads to that conclusion, that there is not a significant risk of flooding but either the study does not exist or I have been denied access to it but no doubt the Minister for Transport and Technical Services will explain to us what has changed in the last 10 years or more so that he and his officers have changed their opinion from those of his successive predecessors. Every Transport and Technical Services Committee, Public Services Committee and Minister has been opposed to creating this breach since the idea was first mooted in 1998. In 2002 the Public Services Committee said they were extremely concerned that an opening in the sea wall at this location would allow water to flood into Rockview, the former name of the property, and neighbouring properties in storm conditions. Those concerns have been repeated and repeated by Transport and Technical Services and previously Public Services every time the matter has been raised with them and storm conditions, of course, do occur. I have had distributed a photocopy of a photograph which appeared in the *Evening Post* some weeks ago, and I am grateful to the *Jersey Evening Post* for permission to reproduce it. I ask Members just to glance at that and see the wooden steps in the photograph, which is approximately where the proposed breach in the wall is going to be and those steps were washed away in a storm last year. They were washed away. They have now been replaced but they were washed away at that time. There is significant potential for flooding in that area, particularly if a hole is made in that wall. So as I said, why do we want to take that risk? According to the Assistant Minister we want to do this for £70,000 less the £7,000 we have got to pay to the Crown. Now that is bizarre as well because an independent valuer, appointed by the Minister’s department, reckoned the value of The Beach House would increase by £140,000 if this breach was allowed. So why is the taxpayer being asked to subsidise this development? The report attached to the proposition is silent and the Minister himself was silent on this particular issue. The Assistant Minister, and indeed the report again attached to the proposition, and the report commissioned by the owners of The Beach House, mentions a breach in the sea wall a few metres to the west of the slipway. This is not a breach but a recognised access point designed into the sea wall, not 40 years ago, but some 200 years ago and is known by locals as Le Coche. This was to allow beach access by fisherman and if Members want to go and have a look at it they will see when set back from the line of the sea wall, it is itself surrounded almost wholly by other walls. I would suggest it was chosen to be there as it was a point in the sea wall where the tide, with the protection of the slipway, reaches least. Those Victorians knew a thing or 2 about sea defences and they had not even heard of climate change and rising sea levels, which makes me think what responsible Government would agree to a reduction in sea defences when sea levels are rising. This is even more bizarreness. Having said all that, I turn now to the even more important subject of pedestrian safety. Green Island is traditionally a local’s beach, a family beach where children are encouraged to walk up the slipway to visit the ice cream kiosk at the top and the safety of these children who use it must be of paramount importance. In 2002, the then President of the Public Services Committee told the Review Board that looked into this matter and I quote: “The Committee’s view was that vehicles would exit from the proposed entrance at right angles to the slipway with virtually no visibility of persons on the slipway. Although the Committee accepted

there was vehicular traffic on the slipway at present, this traffic was clearly visible to pedestrians. The presence of vehicles on the slipway presented a certain danger but it would be extremely foolish of the Committee to allow an additional danger to be created, especially as the pedestrian route from the western side of the slipway to the car park was well used. If the new access were created, pedestrians would walk straight into the paths of vehicles exiting from it.” So we are being asked to create an additional danger to pedestrians, and especially children pedestrians, for the sum of £70,000. As someone once said, you could not make it up. But have the potential risks to pedestrians increased or decreased at Green Island over the past 10 years? Well, they have not decreased, that is for sure. As the Assistant Minister mentioned, in recent years a beach concession has been created. That is seen clearly on the photograph I supplied to Members and it is currently situated on the slipway exactly where the breach is to be created if we are irresponsible enough to allow the breach to be created. So this concession unit will have to move.

**Senator L.J. Farnham:**

Sir, I wonder if the Constable would just give way. I think he may have got it slightly wrong on his drawing and the location of the trailer. I just think he should ... it is not exactly ...

**The Bailiff:**

Do you wish to give way, Connétable?

**The Connétable of St. Clement:**

I am quite happy to give way to the Senator, Sir.

**Senator L.J. Farnham:**

I do not think the trailer on the picture he has distributed is in the position of the proposed breach. I think it is slightly to the right. The gap would be slightly to the right, not the trailer.

**The Connétable of St. Clement:**

That is quite an extraordinary intervention. What I have provided to Members and the Senator is a photograph, not a drawing, a photograph of the concession unit which is where it is and there has been no air brushing here whatsoever.

**Senator L.J. Farnham:**

The Constable did say it was in the position of where the proposed breach would be. It is not, and it is on wheels. I want him to acknowledge that it is not as he said. It is not where the proposed breach would be.

**The Connétable of St. Clement:**

If that were the case, of course, then there would be no need for it to move. But it is. If the breach is created, it will need to be moved. That is certainly what the Assistant Minister said and what I know to be the truth. So assuming I am right, and the Assistant Minister is right, and it will have to move, the Economic Development Department who administer the slipway say it cannot go further up the slipway as this will reduce access making it difficult for emergency services to gain access to the beach.

[17:30]

The Economic Development Department also say that lower down the slipway would not be acceptable due to the tidal conditions. I ask Members to look at the plan on the second page of the handout. There we see the Minister wants to move the unit a little further down the slipway, against the advice of Economic Development, but in such a position that it blocks the access to the steps leading from the western side of the beach, marked ‘A’ on the plan, and will absolutely make

sure that the pedestrian view of vehicles leaving the driveway through the new breach is totally obscured. Now I was grateful to the Assistant Minister for sending us these photographs yesterday, showing the visibility splays for the proposed breach. But there, there was some clever airbrushing because I did not see the concession unit shown where the Assistant Minister now wants to put it. I did not see any cars parked on there. There are always cars parked on the western side of the slipway. So the visibility splays are absolutely useless. To allow this would be absolute madness. Talking about parking, I have mentioned the word “bizarre” once or twice in this speech and here is another example. That side of the slipway, the western side of the slipway on which this development is proposed, is designated a 12 in 24-hour parking area. This proposition will not change that. It will be perfectly proper and legal for a vehicle to park, blocking the proposed driveway. Indeed, it is stated in the Minister’s report and he said it in his speech. The owners accept that access is at their own risk and will not be policed by any public, statutory or other body and cannot be guaranteed. The Minister is telling us if anyone parks their car blocking the new driveway to The Beach House, the owners, having spent tens and tens of thousands of pounds on creating the access will not complain and the police will have no authority to keep the access clear to enable them to get in or get out. I mean, this is absolutely bizarre, unbelievable and, as I said, you simply could not make it up. There are many properties in Jersey that do not have on-site parking facilities. There are several properties in the Green Island area that do not have on-site parking facilities. But there are very few properties without parking facilities that have a large public car park adjacent to their home and another one about 200 yards away at La Mare. Now if this property is such a special case that it must, and like all these other properties have its own parking area, why is the Assistant Minister not trying to persuade the Minister for Transport and Technical Services to lease or sell them a couple of dedicated spaces in Green Island Car Park? Would that not be a simpler, safer, less expensive and more pragmatic solution? So, in summary, we know from the information that has been placed in front of us that creating a breach will increase the risk of flooding. Perhaps not significantly but the Assistant Minister admits in his report that there will be an increased risk of flooding. We know that creating the breach will increase the risk to pedestrians using the slipway. It must do. Traffic coming out from a hidden driveway with no visibility as to what is coming must create an increased risk to pedestrians. We are told the owners of the property will not complain if their new driveway is permanently blocked. I find that very difficult to accept but that is what the Minister has told us in writing and in his speech. We know that there is an easier solution to the parking issue; lease or sell them some spaces in Green Island Car Park. We know we are being asked to sell the rights to breach the sea wall at half the recommended value by a professional valuer. The fact the planning permission of this breach was granted within 3 days of the application being made without any consultation is bizarre but really not terribly relevant. What is important and relevant is the integrity of our sea defences and the safety of all people, young and old, using Green Island beach. The sea defences in this area were constructed about 200 years ago before rising sea levels was an issue. Much influence of their construction would have been from local residents. They knew the tides, and how strong and high they can be. It will be careless in the extreme to abandon the wisdom of ages that has served us all so well. I ask the States to reject the proposition and propose the adjournment. **[Laughter]**

**The Bailiff:**

The adjournment is proposed. The States stand adjourned until 9.30 a.m. tomorrow.

**ADJOURNMENT**

[17:35]