

STATES OF JERSEY

COMMITTEE OF INQUIRY INTO TENDER PROCESS AND AWARD OF BUS SERVICE CONTRACT

BLAMPIED ROOM, STATES BUILDING

Committee: Mr Huw Shephard (President)
 Mr Christopher Blackstone (Member)
 Mr Trevor Garrett (Member)
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 -
In attendance Mr Mac Spence (Committee Clerk)

EVIDENCE FROM:

SENATOR P. LE CLAIRE
(Former Member, Environment and Public Services Committee)

on

Thursday, 3rd February 2005

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MR SHEPHEARD: Good afternoon, Senator. I think you may be well aware that we are receiving evidence on oath and I will proceed to administer the oath to you.

The witness was sworn

MR SHEPHEARD: Thank you. Senator Le Claire, I think you are aware of the terms of reference of the Committee of Inquiry which is looking into the bus tendering process that led to Connex becoming the operator of the public bus service in Jersey. The Committee's concerns revolve around various decisions of the Public Services Committee of the States of Jersey. I understand that you were a Member of that Committee for part of the time that the Committee is interested in, in the year 2000; is that right?

SENATOR LE CLAIRE: That is correct, Sir, yes.

MR SHEPHEARD: When did you become a Member of that Committee?

SENATOR LE CLAIRE: My time with the Committee was from 14th December 1999 up until 12th September 2000. At that time, those discussions that were taking place with the Committee obviously led to the various ongoing dominos that subsequently fell from those meetings.

MR SHEPHEARD: Yes. Again, I think I am right in saying that the Committee fell on 12th September 2000, which was the first States' meeting after the summer recess because the Committee was no longer quorate; is that right? Enough Members had resigned to make it unworkable?

SENATOR LE CLAIRE: Yes. What had happened was there was considerable disquiet amongst Committee Members. Funnily enough, I had voiced my concern about resigning to Deputy Duhamel some weeks earlier in protest of the proceedings and the manner in which the proceedings were happening. I was persuaded by Deputy Duhamel to stay with the Committee and subsequently found, quite strangely, that he and I were the only ones that stayed when everybody else but the President resigned one after another and, when the Committee was reconstituted, neither he nor I were invited back on to the Committee, I think, because of the stance we took during the negotiations that led to so much dissatisfaction on behalf of the Committee Members.

MR SHEPHEARD: These negotiations were negotiations about the Hoppa bus or about provision of

a service level agreement to Jersey Bus?

SENATOR LE CLAIRE: Well, in joining the Committee, being specific in answering, there were a whole raft of issues relating to bus services, including competitive tendering, service level agreements, Hoppa buses, disabled transport and the amendments to the Jersey bus law. It was pretty much an ongoing topic by the time I had become a member and, reading the minutes that were supplied to me to appraise myself of the position, there had been, in the recent history prior to me joining, issues relating around the HIE subsidies -- Deputy Maltwood had raised these along with Deputy Dubras, I think, at the end of 1998, something like that -- and then, in particular, there was something to do with the ... well, the difficulty with the bus service attaining its fees. As I understand it, what had happened was that the bus service had asked to raise their fees across the board from 3.3% to 3.9%. This was to cover an increase in their operating costs of about 7%.

The Committee had met under its previous constitution, which included at the time Deputy Rondel, playing what seemed to be a bit of a hard ball tactic with the bus company. From reading the minutes, Deputy Rondel was dissatisfied with the fact that the bus company had arrived late at a meeting the previous day or something and he wanted the licence to be issued only for 12 months and he wanted it set at the same rate.

The Committee then received or sought advice from the Solicitor General, and that advice from the Solicitor General was passed on to us as Committee Members, and I have since that time and since being notified to attend by summons, reappraised myself of those minutes. I am sure that you have got them anyway, but I have got a refreshed memory from reviewing those minutes and I have copied down the advice that was given at that time.

MR SHEPHEARD: Well, we don't want to trespass into areas of advice given by the Law Officers because that is subject to legal professional privilege and we are in open session at the moment.

SENATOR LE CLAIRE: Yes.

MR SHEPHEARD: You joined the Committee in December 1999. That was the Committee that was presided over by the then Deputy Crowcroft. Is that right?

SENATOR LE CLAIRE: That is correct, yes.

MR SHEPHEARD: And how did you find the experience of serving on the Committee?

SENATOR LE CLAIRE: Um, I was delighted to be asked to go on by Deputy Crowcroft because there were a number of issues, in particular in relation to pedestrian facilities and better improvement for pedestrian facilities, the town park, etc and residents parking, a number of those issues that I had shown a great deal of interest in before I had become a politician and in my earlier years or my earlier months rather as a Deputy. I was delighted to have been asked on by the President and I found the experience quite interesting.

In the beginning, I was appointed to look after the issues in relation to the Transport Board. I was appointed the Member in charge of the Transport Board and I looked at the issues of taxis and I also looked at the issues of pedestrian facilities, specifically in and around Havre des Pas and Colomberie, and I was also appointed as the Member in charge of the Island's trees through the Tree Council. Other issues were generally shared amongst different Committee Members and different sub-groups were set up consequently. I found it quite ----

MR SHEPHEARD: Who looked after buses at that time?

SENATOR LE CLAIRE: Well, from my understanding when I was appointed and we were dishing out the responsibilities, from my understanding, I thought the transport -- I think the exact appointment was, if I can just find my notes -- the transport Industry Board, I understood those issues to be within my realm of responsibility, but it did seem that the President was very eager to include himself in any sub-division of the Committee it seemed at the time and, consequently and subsequently, he formed himself into various sub-Committees. There was a Bus User's Forum group that was initially set up with Deputy Celia Scott Warren, chaired by the President and various other sub-Committees that were formed, but it seemed to me that my responsibilities under that title would have given me the obvious responsibility of buses, so I took an interest from the start. **(Pause)**

MR SHEPHEARD: At that stage, what was your impression of the negotiations or the position that had been reached in negotiation with Jersey Bus?

SENATOR LE CLAIRE: Um, the position was that when Jersey Bus raised its fees, we looked at seeing which ways legally we could challenge that raising of fees. The stance from the

beginning, it seemed, and prior to me even arriving, was one of tension between the States in general, focused through perhaps Policy and Resources and F&E through to the Officers of the Committee and through to the President who was leading the Committee. I did have and without question do have the feeling that the issue of Jersey Bus and the bus service was not so much to do with the bus services but was more to do with the fact that there was a union and a single bus company to take on. There was at the time the experiment of the Hoppa bus service and Pioneer were still running around, so there were other options, but it did seem, to be quite frank, that the attitude towards Jersey Bus from the States' perspective was not favourable.

Indeed, the advice we received pointed out that, although Jersey Bus was entitled to raise its fares, we could change the contract at any time. I believe that there was an error in relation to issuing the contract. It might have been an administrative error, but we actually, in issuing the new contract, when subsequently Jersey Bus agreed to drop their fares back to the original prices, we instructed them that, or we were told that, if they weren't to do that, we could bring out an injunction against them. So it was very much from the start gloves off. **(Pause)**

MR SHEPHEARD: Now, you mentioned the Hoppa bus. There had been one Hoppa bus route run, I think, in 1999. I think Jersey Bus ran that; is that right?

SENATOR LE CLAIRE: Jersey Bus was running a Hoppa bus, I believe, at that time. It was funded through a joint initiative from Centre Ville, who provided the initial experiment and it was proving to be at the time extremely popular with members of the public. My mother in fact was a user of that service and found it extraordinarily valuable. It was something that, I think, we wanted to extend and we were actively looking to extend and continue.

The difficulty in all of it was that it seemed from the beginning that we didn't have the money to meet the ongoing and increased services, including the two schools that had been brought on. There was the new girls' college, Haute Vallée School and a lot of it revolved around, a lot of the pressure revolved around, the fact that it didn't seem that we were able to balance our books at the Public Services Committee because we couldn't get any negotiation with the Finance and Economics Committee over money. In fact, we actually took an amendment to the Budget, I believe -- I can't remember exactly what it was for, but it was for

some more money -- and we weren't successful. So we were struggling to make ends meet and, in that instance and in that issue, I would say that the Committee and the President were effectively backed into a bit of a corner from the beginning because of the changes to the level of money needed to supply the services and the level of money that had been agreed previously.

MR SHEPHEARD: When the second Hoppa bus service was mooted, it was decided at some point that the contract for that should be given to Pioneer Coaches.

SENATOR LE CLAIRE: I believe -- well, I don't believe, I know what happened. The Committee was divided in its views and the President was trying at the time to deliver a better service. Deputy Duhamel and myself were more inclined to support the understanding of the position that the Jersey Bus people had put across when the award was going to Pioneer.

To get a flavour of what we were told and what we were experiencing was that oil prices in the beginning had risen; tourism was flat or decreased significantly; the bus company itself's costs had been driven up and the ridership was down so there were subsidies etc; the routes that Pioneer were going to operate were going to cut into the profitability of the Jersey Motor Transport Company to such a degree that it might jeopardise some of the routes and it just seemed a ludicrous thing to do to award a contract to a company to come into competition with a company that had suffered something in the region of a drop of 50% of its profits due to those market circumstances. To further jeopardise their profitable routes just seemed ludicrous and to extend an experiment to a company, at the time it just seemed utter madness.

MR SHEPHEARD: It seems to me, you see, Senator, that, as Jersey Bus had originally operated the Hoppa service and had gained the experience of doing that, it would have been ... I hesitate to say logical, but certainly it would have been entirely understandable if the contract for the second Hoppa bus (if I can use that term) had gone to Jersey Bus as well, but it didn't. Are you able to tell us why not?

SENATOR LE CLAIRE: Quite strangely, it is funny really how the civil service works. It was really put to us that, with the cloverleaf type of operation that Pioneer Buses were operating, we were able to garner more information in relation to profitability of routes if we were to award the company Pioneer the contract, which could feed into the understanding of how the overall

services could work. There were issues at the time about introducing bus services from the Weighbridge to the Jersey College for Girls and people were concerned about the school bus costs and it was pretty much a mess, but it did seem that the awarding of this contract, which was going to further threaten the existing larger network of bus services, had been done to irrational motives, to try and determine what kind of feedback you get from people if you put on an experimental service. It just seemed at the time to me that we were threatening the main bus service for some additional information and we didn't seem to have much regard for the main bus service whilst awarding that.

MR SHEPHEARD: We know, because it has already been dealt with in evidence before us, that I think very much at the last minute the contract with Pioneer was cancelled. Now, that is what led to the Committee falling on 12th September 2000. Is there anything you can tell us about those events, please?

SENATOR LE CLAIRE: Well, on 4th August, we met at Public Services to discuss -- this is a flavour of what was going on -- to discuss a meeting that had taken place the night before. The night before -- these bus negotiations had been ongoing and quite a lot of time and effort was going into these -- a meeting took place to discuss the issues of the night before with Senator Le Sueur as the mediator, the Chief Executive Officer (Clive Swinnerton), the Director of Operations (Mr John Richardson), Mr Lewis senior and Mr Chris Lewis (the Managing Director of the bus company) and Mr Kavanagh and another gentleman from the -- Mr Puse (sic), I think his name was, from the Transport and General Workers' Union. The Officers attended and they participated in the above meeting, the one I mentioned.

My notes say "*Despite expecting a full Committee meeting without representation from other parties*", so that was it really. It seemed that the President was calling meetings and negotiating with the company, with the Officers, with the union and not the Committee Members. The reason that he gave for there not being a Committee meeting, although he said he expected it to be one, was that he was unable to make it so, which I found a bit daft. You would have thought he knew my mobile phone was switched on, I was giving up time from my visiting son on holiday to be available to solve any problems and help to move these things forward,

because obviously there were strenuous negotiations going on, and he didn't appear to have made any effort really to contact me to go to that meeting. I just found it ridiculous because I had attended every single other meeting.

So the negotiations went on and, by the time we came back the next day, the position was that we were questioning what he was doing and which other negotiations he had been taking part in. I think I asked him, you know, "What are you doing and who are you meeting? Why aren't you calling Committee meetings? Who else are you talking to?"

During the process, we even were telling the Jersey Bus people that the service might go out for tender and issuing that kind of notice and, at the end of that meeting, I remember in particular that we agreed the very next day or the very next meeting to meet with a Norwegian or Scandinavian company, FFR, and they came in. They gave us a full Committee presentation on how they could come in and run bus services. They were active in Norway. They were involved in shipping. They were involved in Hertz rental car and long term bus transportation, so negotiations with the bus companies were ongoing whilst we were receiving presentations from foreign companies about how they could come in and provide a service, or how they would like to come in and provide a service if it was to be opened up for tender in the future. I believe ... well, you would have to ask the President how that meeting came about.

The same sort of question marks hung in my head about how the interests from Pioneer came about, to be honest. It did seem at the time that the President was calling meetings and sub-dividing us up into various groups to get forward with the decisions that he wanted to see decided upon, to be quite frank. It seemed like there was ... I don't know if I should use the word "*manipulate*" or "*manipulation*", but I would say that it was ... I have sat on a number of Committees now of the States, quite a few, and none of them have operated in this way. That is why I was really ready to resign prior to everybody else jumping ship. I thought the manner in which the Committee was being run and the way that the issues were being decided upon, it didn't seem proper, to be honest. **(Pause)**

The fact that the Committee fell was because the Members that resigned didn't like the fact that we had withdrawn the contract issued to Pioneer, as I remember, but I think, if you were

to examine the minutes of 4th August, you would see a clear -- 4th August 2000 -- you would see a clear picture of the fact that the negotiations were going on. In the words of the minutes, “*negotiations*” were occurring without the full Committee and one wonders how many other negotiations went on without the full Committee. I don’t know if there were any, but we seemed to be pulling a train that was rapidly derailing back onto the tracks and, as soon as we had done that, a couple of Members didn’t like the fact that we had pulled the contract from Pioneer, a reversal of our decision making. Pioneer was instructed that this was going to be the case and, as I remember, the Committee was told subsequently that the Pioneer Bus Company was going to be looking at legal action, but the Pioneer Bus Company eventually disappeared off the face of the map and there are obviously issues there around ... I can’t remember any settlements, whether there were any settlements or agreements, but there were legal issues there about taking it away from them once it had been given.

It was a bit of madness, to be honest, a summer of madness, it seemed. I remember Deputy Lyndon Farnham was not impressed, as was the Battle of Flowers President in the height of the summer. I don’t know, I really don’t, how that all came about, but I do know that we made a decision and, within a matter of days, the Committee had fallen.

MR SHEPHEARD: Have you served on Public Services since that, Senator?

SENATOR LE CLAIRE: No. I did actually participate in some further negotiations with Jersey Bus prior to the Bus Strategy taking place, where Deputy Crespel, Senator Le Sueur, Deputy Dorey and myself attended at the Pomme D’Or Hotel to help try and sort out a further problem that occurred, and I have some recollection of that.

MR SHEPHEARD: Now, that we have heard evidence about. It followed the making by the then Committee of what has been termed a final offer to Jersey Bus which Jersey Bus did not accept. Deputy Dorey, in evidence before us, alluded to the meeting that you have just referred to and told us that, following that meeting and before the debate in the States which ... I think I am right in saying, that that meeting was on a Saturday, was it not, and the debate in the States was the following Tuesday or Wednesday?

SENATOR LE CLAIRE: Yes, the meeting was on a Saturday morning and, during the debate on

the following Tuesday, there was talk about a meeting. We had been labelled as the “*Weighbridge Four*”, which upset me, because it seemed to be some kind of parallel to the “*Birmingham Four*” at the time and sort of didn’t sit well with me. We were accused. Specifically in the debate I was accused or we were accused of being naïve by Deputy Layzell. He accused us of being discourteous to the Committee, the Public Services Committee, for having met. He accused us of being discourteous to the States for having met and he espoused the virtue of collective responsibility and hoped that it would soon be ushered in to alleviate the Island from any such activity.

MR SHEPHEARD: I don’t see that that follows. You were not a Member of Public Services and neither was Deputy Crespel.

SENATOR LE CLAIRE: Hmm.

MR SHEPHEARD: Neither was Senator Le Sueur at the time.

SENATOR LE CLAIRE: No.

MR SHEPHEARD: I don’t think Deputy Dorey was either?

SENATOR LE CLAIRE: No.

MR SPENCE: No, Sir.

SENATOR LE CLAIRE: What it was was the brow-beating attitude of the States Members at the time of us, having tried to do what I considered to be, and I made the statement in the Bus Strategy debate, the duty of any States Member, especially as a Senator, who has the responsibility for all sectors of the Island in every parish, in trying to make sure the bus service runs for the people who need to get to work and the people who need to get to their planes. We met. I gave up my Saturday morning. I went the extra mile.

At the time, the President of the Policy and Resources Committee, Senator Pierre Horsfall, had said that he had advised Deputy Crowcroft to go that extra mile in the negotiations and it was perplexing to him to see that, on Monday, everything seemed to be fine and dandy and, by Friday, everything had fallen apart and he still didn’t really seem to have a grasp as to what had gone wrong. We met in the cellar of the Pomme D’Or Hotel, not trying to appease any union, not trying to appease any bus company.

What we were trying to do was to get the ... I have brought an article to remind me of the time when you have got pressure, but I am not sure if that is the right or relevant one, but the experience at the time was that we were pushing the bus company towards the Public Services Committee. The Public Services Committee were standing with its feet nailed to the floor.

I telephoned the Vice President and asked him to call me -- I gave him Mr Kavanagh's telephone number, because I was trying to call the President on my mobile -- to get down to sit round the table with the company to try and resolve the issue. The Vice President subsequently told me that he had phoned and been unable to get in touch with me. He commented that it was unusual that I had given him Mr Kavanagh's mobile number, but the only reason I had done that was because I was on the phone trying to get through to the President, who I did contact.

I actually went -- I think I was on my bike -- on my bike to his house and I said "Look, Simon, I have got the company there now and practically word for word we have got an agreement whereby they will throw open their books to this mutually independent consultant with a confidentiality aspect, where you can look into everything, even down to", as I remember Deputy Crespel saying, "even down to the managing director's lunch expenses." I said "Just come down. Let's get this over with. You know, let's get this done for the better of the Island." He declined to come, which I found a bit strange because the President of the Policy and Resources Committee had told him to go the extra mile and it wasn't even a mile from his house to the Pomme D'Or, as the crow flies probably, but he didn't want to come. He said he had made a mistake before in getting into negotiations without his Officers and his Committee Members and he wasn't going to do it again, and it just seemed that he was determined to push ahead with the Bus Strategy, which had this provision for competitive tendering.

It just seemed that the whole competitive tendering thing was ... it seemed like we were being dishonest with the company from the beginning, because we said there might be a competitive tender, and yet at the same time we knew that that was going to be the case with the Hoppa bus and then we said "Right, okay ..." You know, the Committee went on to say "Right, we will give you the contract and we will go three to five years", and at that time the bus company said "Okay, fair enough, if there is going to be a competitive tender after that time."

You know, the bus company was trying to bring in 10 new buses, something like 10 new buses, from the Isle of Man, you know, Dennis Dart buses. They were trying to invest in the company and trying to invest in Jersey's Sustainable Transport Policy, but there is nobody in their right mind who is going to give somebody money from the bank to get 10 new buses if you have only got a year's contract. So this was one of the issues. They wanted new bus services, which the company was providing. They wanted new buses, which the company was willing to provide. But, at the same time, they were undercutting them by jeopardising their financially stable routes, which just seemed ludicrous.

I remember coming away from that meeting and subsequently in the States getting the usual brow beating. I was younger then. I am not that old now, but I could tell now that perhaps being a season in politics that the brow beating that was coming from other States Members on the issue was part of the political process, but I do believe that we were maligned. I believe that Deputy Crespel and myself and Deputy Dorey and Senator Le Sueur were maligned in our efforts to try and get the thing back on track. We gave up our Saturday morning. You know, I gave up my time with my son and I went that extra mile and we weren't Members of the Committee. You know, we are not employees of the bus company. We are just looking out for the better interests of the Island.

It was just, you know, "We're not listening. "We're going ahead. We're going to get this competitive tender and that's it." It was just stubborn, hard ball politics that they were playing, and it did seem that they were playing it without a full understanding of the situation. They were, in particular, berating all of the values of, you know, what you could get from a Sustainable Transport Policy and I said "Look, a Sustainable Transport Policy is fine and the Strategy is fine, but if you have got no buses, then what are you talking about?"

Deputy Dorey brought an amendment to the Bus Strategy, which I seconded, to try and put the decision of tendering over a longer period of three years, and his amendment covered the whole process so that it would give a breathing space for the services to settle down and for Jersey Bus and everybody else to be able to tender on an equal footing with full open books and everything else. It just didn't seem acceptable: "No, we've got to go forwards, got to go

forwards, got to go forwards.” There was a blind rush to get something in and, by doing so, they were jeopardising bus services for the winter period. I voted and seconded those amendments by Deputy Dorey. I said they were very sensible amendments to give a space of breathing time. In 2003 they would come in for a competitive tender. They were voted out by the States and subsequently I went on to debate the Bus Strategy and I voted against it because of all those reasons. I think there were six of us that voted against the Bus Strategy.

MR SHEPHEARD: Senator, we know, because we have heard it in evidence, that there may well have been two Bus Strategies. There was one that was flying around at the tail end of 2000 and the early part of 2001, which involved the Public Services Committee in entering into a service level agreement with Jersey Bus which would run for between three and five years and, at the end of that period, then there might be competitive tendering or there might not.

SENATOR LE CLAIRE: Hmm.

MR SHEPHEARD: And there was a different strategy, which was the one put to the States in proposition P104 of 2001, which was the subject of the debate that you have just been telling us about. Now, are we right in thinking that there were two strategies, or what happened? Do you know? I would have assumed that ----

SENATOR LE CLAIRE: There was a draft Bus Strategy. There were service level agreements from the beginning as far back as I could see, from my early beginning, even looking into the minutes before I was a Member of the Committee. A service level agreement was always the mantra -- “service level agreement, service level agreement. It doesn’t matter if we haven’t got a service, as long as we get a service level agreement, that’s all that matters.” The mantra was, you know, perhaps “We need to get competitive tendering, we need to get ...” It was just an unbelievable desire to open up Diamond’s accounts and to inspect them and all of these things that seemed just to be, you know, how to concentrate on the issues. A strategy, as I said in my speech in the States, a strategy is something that is a living, breathing thing that works your way towards an objective. What is the objective in having a strategy and no bus service because we have got one?

So whether or not there was a strategy or whether or not there were two strategies, there

might have even have been three, it really didn't seem ... I mean, in one of the speeches, the President, Simon Crowcroft, said "We have a Transport Policy. What we need is a Bus Strategy and that Strategy must include a Hoppa bus." You know, where did that fit in? The issue about if the company, if the Jersey Motor Transport Company had breached its licence we could bring an injunction because they weren't operating towards the conditions of their licence. I mean, do those conditions still exist today? There are people operating without the conditions of their licences or agreements or things. It doesn't seem there was a level playing field there and, from the little I know of it, at the moment it doesn't seem as if there is one now.

One thing is for certain. It didn't seem to be considering the actual people in the Island that needed the buses and it didn't seem to be considering the bus drivers or their families that much at the time. As a Senator, although I was criticised for being involved, I had regard for those two issues.

I am sorry I can't be particularly correct in whether or not there was a strategy or whether or not there were two strategies. You know, one could say that time clouds the mind, but at the time everybody's minds were clouded, so I don't think time has got any thing to do with it. I think it was just a lack of vision, a lack of clarity, a lack of focus and a lack of what I would call a fair and reasonable stance on behalf of the States towards implementing a service.

I thought at the time that none of this would ever come out, so I was quite surprised when I voted against Deputy Le Hérisier's Hoppa bus service. I said "Oh I don't think we will learn anything from this because it will never come back and those days are gone", thinking it was all done and dusted and then I remember in the Bus Strategy saying "Oh God, I wish I had voted for that Committee of Inquiry because, you know, perhaps it is important". Deputy Le Hérisier made the point during his presentation that sometimes when government policies go badly wrong, it does take years for them to initiate Committees of Inquiry to make us learn lessons from where the policies have gone wrong. The decisions made at the time that I was a Member and the decisions that were made by the States during the Bus Strategy and leading up to the Bus Strategy, in my mind, set us on the wrong direction and it was fraught with potholes from the beginning. It seemed like the direction they were heading us in was not going to deliver the

objective and one wonders now.

I am very glad there is a Committee of Inquiry now, because I'm not only concerned about what was going on then, but, having been very busy on other issues recently, I am starting to become concerned about what I am hearing during this level of investigation as to what is happening now, and that does start to give me concern about what we did then because look at what is happening now, especially when I recall the initial stages of the awarding of the contract, with people waiting in the rain for buses and being told "Sorry, you have to get the next one" and then the next one comes and they said "Sorry, you have to get the next one" and then the next one coming and they can't even get on that, not to mention, of course, the costs, the costs we are incurring now. You know, that was all set in the foundations of the days that I was a Committee Member and it was a domino process, as I said in the beginning. You line the dominos up and you push the first domino over and it has just gone in that direction. Everything, it seems to me at the time, was pushed in the wrong way, in the wrong direction.

I think there are some people to do some answering and I think that the States really need to re-examine. To be honest with you, what I feel now is the current licence, the issue needs to be for States Members, who must look at your findings after you have presented them and to level the same set of criteria now upon the existing company or the existing companies that was levelled at the time towards Jersey Bus and, in my view, at the time it was excessive and unreasonable. **(Pause)** Maybe we don't need to level unreasonable or excessive scrutiny on the current service, but, you know, what kind of scrutiny are we levelling on them, if any at all?

MR SHEPHEARD: Mr Blackstone, do you have anything?

MR BLACKSTONE: This FFR business, the Scandinavian bus service, they were invited by the President, you say, to come in and do a presentation?

SENATOR LE CLAIRE: From my understanding, the President had met with a representative of the company. The company had a Jersey limited company and we were told at a Committee meeting that, although nothing was going to go out to tender and we were going to go ahead with Jersey Bus, it wouldn't hurt to look at the operations of this guy that wanted to come in and do a presentation on his company that was operating out of Norway, I believe. There was one from

Finland recently. I do have the details, if you can bear with me.

MR SHEPHEARD: I think we have details of that in the papers that we have received, Senator. I don't think we need trouble you with that.

SENATOR LE CLAIRE: It did seem, from my recollection, the President had initiated the meeting and also -- and this is what I said before -- you know, you would have to ask Constable Crowcroft now what meetings were initiated by him and with whom. I know that during the Bus Strategy debate I pointed out the fact that it was surprising that on the Tuesday we were debating the Bus strategy and, on the Thursday, we had Southern Vectis coming in from Southampton, as a non-union organisation, to make a bid for or put a presentation across prior to it, you know. I asked in the States on the Tuesday whether or not there is going to be a decision and yet on the Thursday we have got another bus company coming in. It seemed like the ... I know the expert they employed eventually started to look at a lot of bus services in the United Kingdom and Europe, but where we were headed at that time there was a desire to get an alternative to the company we had. It wasn't like they were trying to get the company we had to provide a better service. It just seemed that they were just determined to get a different company.

MR BLACKSTONE: This all happened, of course, about a year after you left the Committee.

SENATOR LE CLAIRE: The meeting with FFR took place whilst I was a Committee Member.

MR BLACKSTONE: No, I was talking about the Bus Strategy and Southern Vectis.

SENATOR LE CLAIRE: Yes, yes, 2001 the Bus Strategy took place and I ended my time on the Committee in September 2000. The Bus Strategy, I believe, was ...

MR SHEPHEARD: Mr Garrett?

MR GARRETT: There is one area I want to explore. In response to an earlier question, you indicated your concern for the bus drivers and their families and you also made reference to a non-union company coming in, which was Southern Vectis. Can you clarify a point for me? Were you at that time a member of the union?

SENATOR LE CLAIRE: I was, yes, the Transport and General Workers' Union.

MR GARRETT: Were your colleagues on the Committee aware of your membership?

SENATOR LE CLAIRE: I believe they may have been. I don't know.

MR GARRETT: Do you think that could in any way have influenced your views on what was happening at that time?

SENATOR LE CLAIRE: I think that there could be a perception that it could have influenced my views, but I have been a Member of the Committee -- sorry a member of the Transport and General Workers' Union -- since I was a States' employee down at the harbour and at no time do I engage in ... my membership has lapsed for quite a while now and it may have been that it may have lapsed then, to be honest with you. I don't know. You would have to look at the records of the Transport and General Workers' Union to see. I know that I haven't been paying dues, so it is possible that I might have had a lapsed membership. But what you are getting at is do you feel, or is there a perception or is it true, that my membership of the union prior to or during that time had an effect on me being pro-union? The oath of a Senator far outweighs any oath of allegiance to a union. The oath of Senator, which is what I was undertaking, was to provide care and consideration to the Island's bus service and the people of Jersey, whether they were union or non-union.

MR GARRETT: Do you think, with the benefit of hindsight, you should have made it clear to your political colleagues that you were a member of the union and that there was the potential for some kind of conflict of interest there?

SENATOR LE CLAIRE: With the benefit of hindsight and looking at it now, perhaps there may have been unquestionably, if I hadn't made it known, but I think I had made it known. I mean, it was obviously from anybody's perspective politically that, having been seconded by the leader of the Transport and General Workers' Union for the position of Senator and, you know, having received that endorsement, the Transport and General Workers' Union considered me to be a political candidate that had a social conscience. If I am in bed with the unions, which is that point that you seem to be driving at, I should have told the States Members. I don't consider myself to be in bed with the unions. I don't consider myself to have been in bed with the unions or with the company and, therefore, hypothetically, should I have made it known of my membership if my membership was current? I don't believe it would have had, to be honest with you, I don't think it would have had an effect.

MR GARRETT: I wasn't aware that Mr Kavanagh had signed your proposition or your proposal as a States Member, but that begs the question were you at any stage during this era approached by Mr Kavanagh or indeed any other representative of the union and were these issues discussed with you by a representative of the union?

SENATOR LE CLAIRE: Well, I discussed these issues not only with politicians but also union members and Mr Kavanagh and members of the bus company, but it seems that the line you are driving at is that perhaps I might have more concern for the unions or some concern for the unions that I shouldn't have. As far as I am aware, the unions are still in place now with Connex, but, you know, I am not contesting whether or not a company should have had the unions on board. I don't understand exactly what you are driving at.

MR SHEPHEARD: Senator, I think the line of questioning that Mr Garrett is pursuing is quite simply this, that there may be in some quarters a perception that your involvement in the matters that you have described to us has in some way been coloured by your union membership. Now, it is not for this Committee to make any findings in relation to that, but what is of importance to us is that we should be able to weigh all the evidence that we have as fairly and accurately as we can. It is largely a matter of trying to understand what other people's perceptions were/are/may be rather than anything else. We are certainly not implying any adverse comment of any kind.

SENATOR LE CLAIRE: I would make the point that I was a Member of the Health and Social Services Committee as well and there are a number of people that work for that Committee and the Public Services Committee that are union members. I wasn't negotiating on behalf of the Transport and General Workers' Union -- nor would I ever do so -- to gain a favourable position for the union over the services of the Island and the benefits to the ordinary people of the Island. You know, perhaps there may be some issues as to whether or not politicians should have endorsement or should be members of unions, but, you know, should they be directors as well of companies and should they be ----

MR SHEPHEARD: Well, I think, Senator, that certainly in the United Kingdom Parliament matters of this kind are dealt with in the Register of Members' Interests. Now, it is a matter for the States as to what they require of their own members and far from us to make any comment on

the matter at all. It is purely a matter for the States.

SENATOR LE CLAIRE: I would like your analysis of my comments to be such that you would appreciate my integrity of not being pro one faction or another in these matters. I was just trying and continue to try and continue to try to deliver value for money for the taxpayer to the benefit of everybody, including the States obviously and the people that use the bus service.

MR SHEPHEARD: I don't think the Committee are for one moment questioning your motives, Senator. Senator, thank you very much for coming in this afternoon. It has been very useful for us to hear some indication of the way things were working in 2002 and they are matters which we will give appropriate weight to in due course. Thank you. There being no further business for the Committee this afternoon, we will adjourn until 9.30 tomorrow morning.

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