

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)

In attendance Mr Mac Spence (Committee Clerk)

EVIDENCE FROM:

MR R. HACQUOIL, Contd
(Former President, Public Services Committee)

on

Friday, 4th February 2005

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Reviewed 15/03/05 Committee Clerk

MR HACQUOIL: I have been asked to the Committee whether I would be prepared to testify again. I had said that I would agree to it depending on the questions, because, as I indicated when I first testified, I was flying blind because you had all my papers. I had nothing and I still have nothing. So, although I offered to testify again, it was really going to be on the basis that I had been able to prepare something, but I am prepared to do whatever I can to help.

MR SHEPHEARD: I formed the view -- please correct me if I am wrong, Mr Hacquoil -- that there were one or two issues arising out of the draft press release that my colleague, Mr Blackstone, was questioning Mr Muir about that you would be able perhaps to explain to us in more detail.

MR HACQUOIL: Well, I can try. I must say I had completely forgotten that there had been a draft press release prepared.

MR SHEPHEARD: Is it right that that document was a draft?

MR HACQUOIL: Yes, it was. The way it came about ... when I testified I couldn't remember, for example, on what date we got the advice from the Solicitor General, but I think that what triggered her advice was that draft press release, but I would need to ... I need to have access to documents in order to confirm that.

MR SHEPHEARD: I think the Committee is now satisfied from documents in its possession that confirm that those were the circumstances in which that document came to be prepared and issued. Mr Blackstone, do you have anything?

MR BLACKSTONE: I would just like to comment on this. Deputy Hacquoil -- I am sorry, Mr Hacquoil -- that question is not set out to trap you. The following day or later in the same day, we had evidence from Deputy Scott Warren, which indicated that the decision had been taken at an earlier meeting. We did not know that beforehand, at the time when I was questioning you.

MR HACQUOIL: Right. I didn't recall, and I still don't recall, whether, after what you called the "*beauty parade*", we had made a firm decision. As far as I was concerned, we had arrived at a tentative decision and a final decision, of course, as we know and respected the Solicitor General's advice that it would be wise to defer. I mean, this was, I suppose, one of the problems in Jersey. In my experience in Canada, we had a legal officer or officers attached to the

department and they were involved all the way along in preparation of significant documents. But I am not suggesting that we should have had a legal officer within PSD, although there are lots of times when such advice is needed, of course.

MR SHEPHEARD: Speaking from my own experience, Mr Hacquoil, that is certainly the case in the United Kingdom. Indeed, before I came to Jersey, I was one of those lawyers.

MR HACQUOIL: All right, yes. On the other hand, I must say we value very highly the advice that we get from the Solicitor General and her officers and they were always very helpful. But none of us on the Committee ever dreamt that there might be a question that we would have to defer any final decision; and there is no decision, I would say, until the Committee, until I have signed the minute from the Committee. Now, I would need to double check that -- again, I haven't had any advice on that -- but that is what I would say, that the final decision is when the minute is signed by me, by the President.

MR SHEPHEARD: I don't know if there is any other avenue that my colleagues or I wish to explore.

MR GARRETT: Can I just ... there is a critical point which has emerged, and bear with me. A lot of people have given evidence, and I just want to sort of make sure that I have absolute clarity on this point. There has been discussion or evidence presented to us from representatives of Halcrow that, at the time that the tenders were opened, they brought with them three brown envelopes containing copies of all documents that they had received or generated during the tendering process. At any stage, did you ever see these three brown envelopes?

MR HACQUOIL: I wouldn't have. I mean, no, I was expressly given the instruction that no politician -- and that included me -- was to be involved in the tender opening.

MR GARRETT: You weren't involved in that? There was nobody there?

MR HACQUOIL: Nobody there.

MR GARRETT: And nobody ever mentioned to you that they had received documents from Halcrow?

MR HACQUOIL: No.

MR SHEPHEARD: Fine. In the event that we are wrong in our recall of the evidence as to

when Halcrow brought the envelopes with them, if they brought the envelopes with them to the “*beauty parade*”, did you see them at that stage?

MR HACQUOIL: No, I didn't see ... I don't recall seeing any envelopes at all, but at the “*beauty parade*” we already had the tender. What we had was the binder.

MR SHEPHEARD: You had the tenders.

MR HACQUOIL: Right.

MR SHEPHEARD: We accept that you had the tenders. You had the tenders that had been submitted by the tenderers. That is quite clear. That is abundantly clear. You also had Halcrow's evaluation of them.

MR HACQUOIL: Yes. Yes, that's right.

MR SHEPHEARD: The brown envelopes ... the evidence from Halcrow is that the brown envelopes contained the documents that Halcrow had obtained from Public Services or from the States generally and had sent ... and from other sources and that they had then sent out to the tenderers for the tenderers to base their bids on. Now, am I right in this? Is it your evidence that you never saw any sort of collective bundle of those documents?

MR HACQUOIL: We saw draft tender documents at some stage before they went out, as I recall.

MR SHEPHEARD: But those would be things like the conditions of contract and draft contracts and things of that kind, I would imagine.

MR HACQUOIL: Yes.

MR SHEPHEARD: You didn't see ... the reason that this is critical is that it is a point that you may have been aware of. Jersey Bus received a letter from the Transport and General Workers' Union dated 6th February. On 12th February, they sent that letter by fax to Halcrow's. That same day Halcrow's sent that letter out by email and fax to the tenderers. They sent a copy to the Department by ordinary post, but that seems never to have arrived.

MR HACQUOIL: Right.

MR SHEPHEARD: The result of that was that no one in the Department knew until later ----

MR HACQUOIL: That's right.

MR SHEPHEARD: ---- that there was a claim from the Union for this £72 per week shift allowance. Now, Halcrow's evidence is that this was in one or more ... copies of this document were in the brown envelopes that they say that they left at Public Services. Now, you have never seen anything like that?

MR HACQUOIL: No, and I can vouch absolutely that the first we knew of the shift allowance and the £72 was in May after it was signed. I think then you can find documents or emails to this effect, that Alan Muir emailed me on 24th May. I know from talking to him that was a complete surprise to him. I have the greatest respect for his knowledge and integrity and I have absolutely no reason to question that. I am absolutely convinced of it. So I would say, you know, if you're seeking to pin responsibility for everything that happened, I accept full responsibility and I am fully accountable for everything that happened from the time I took over as President. Nobody else is responsible.

MR SHEPHEARD: I think what is concerning us in relation to these brown envelopes is that we have had some evidence that these brown envelopes were deposited at Public Services. There is precious little evidence, if any, to indicate that they were actually received by anyone in Public Services or looked at by anyone in Public Services. The Committee obviously has to consider what conclusions it is to draw from that. We are far more concerned with whether those brown envelopes were -- using the word in its widest possible sense -- "*received*".

MR HACQUOIL: Right, yes, I appreciate that.

MR SHEPHEARD: I don't think, Mr Hacquoil, that the Committee considers that there is any other particular issue that we need your assistance with, but if there are any points that you would like to draw to our attention, please feel free to do so.

MR HACQUOIL: Yes. I hadn't expected to be recalled today, so you caught me by surprise and I don't have any of the papers, of course, that I have given to you. One of the things that I would like to mention is that, for example, on the £72 shift allowance, I had spoken confidentially to Mick Kavanagh, the T&G convenor, and at no time did I ever hear from Mick Kavanagh that there was such a thing. This is why I was ... it is fair to say that I was beside myself on 24th May when I heard that and I think I testified to that effect. But I had wondered

whether you might not have considered bringing forward to this Committee to testify, you know, the other members of the Steering Group, as they are people like the Vice President of F&E at the time, who was a member of our Steering Group, Derek Maltwood; my own Vice President, present President Senator Ozouf, who was also a member; and I think there was one other that perhaps you have. The other person who could provide evidence of the sometimes strong meetings we had with Jersey Bus is the Solicitor General herself, because I think she was in on some meetings that I wasn't necessarily involved in. But, again, they could all provide further evidence on this.

MR SHEPHEARD: We are grateful to you for that indication, Mr Hacquoil, because, speaking for myself, I had formed no clear picture of who had been involved in what as far as the Steering Group was concerned. One of the difficulties that we have had has been that there don't appear to have been separate minutes of Steering Group meetings. Of course, these hearings, these public hearings, were scheduled for this fortnight. The Inquiry continues and it is an area that we will want to discuss amongst ourselves and decide whether we want to take further evidence in the way that you have suggested.

MR HACQUOIL: Yes. I mean, for example, I suppose it might be suggested why as President did I pursue the tendering exercise. It is quite clear to me. We had a decision of the States, the Bus Strategy decision in July, which made it quite clear what the way forward should be, and that included tendering.

MR SHEPHEARD: Yes. I don't think the Committee would quibble with you in that.

MR HACQUOIL: Yes, right, okay.

MR SHEPHEARD: Thank you very much for now, Mr Hacquoil.

MR HACQUOIL: If I have any further points when I get my papers back, I will send you a note, if I may?

MR SHEPHEARD: Yes, of course.

MR HACQUOIL: Yes. Thank you.

MR SPENCE: I will expedite those.

MR SHEPHEARD: The Committee now has no business to conduct until approximately 3.30

this afternoon.

MR SPENCE: Three-thirty, Sir, yes.

MR SHEPHEARD: We are adjourned until 3.30.
