STATES OF JERSEY

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

BLAMPIED ROOM, STATES BUILDING

Committee: Mr Huw Shepheard (President)

Mr Trevor Garrett (Member)

In attendance Mr Mac Spence (Committee Clerk)

EVIDENCE FROM:

MR MICHAEL COLLIER (Environment & Public Services Department)

on

Tuesday, 26th April 2005

Proceedings held in private under Article 36 I (2) of the States of Jersey Law 1966, as amended

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Reviewed 09/05/05 Committee Clerk

MR SHEPHEARD: Good morning. The Committee of Inquiry is sitting in private session this

morning to receive evidence from Mr Michael Collier. Mr Collier, we are very grateful to you for coming. I have to explain to you that the Committee is receiving evidence on oath, so I am going to start by swearing you in.

Mr Collier was sworn

MR SHEPHEARD: Thank you, Mr Collier. Mr Collier, we know that you worked for Public Services (the Environment and Public Services as it is now) and that you were working for them during the period that we are interested in, which is basically from 1999 up until the middle of 2003 really, I suppose. Now, before we get down to looking at what may or may not have happened in relation to the Committee's terms of reference, I just want to ask you one or two questions about your experience generally.

MR COLLIER: Sorry to interrupt you, but the period that we are talking about and the list of the sort of question areas that you wanted to ask about, most of it I was not involved in at all.

MR SHEPHEARD: Fine, right. Well, if you just say so when we ask you the questions.

MR COLLIER: All right, fair enough, yeah.

MR SHEPHEARD: Then we can move on and pass on to something else. That is not a real problem. How long have you worked for Public Services?

MR COLLIER: I started October 2nd, 2000.

MR SHEPHEARD: What had you been doing before that?

MR COLLIER: I was working as a project manager for a contract flooring refurbishment firm.

(Pause)

MR SHEPHEARD: And your career, has that been in managing contracts and project management and that sort of thing?

MR COLLIER: No, I think it would probably be helpful if I describe where I am coming from. I spent 20 years as an air traffic controller in the UK, ending up in supervisory grades. I then had my own business over here importing what you could probably call beneficial insects for the horticultural industry, like bumble bees for pollinating tomatoes and peppers and such-like.

MR SHEPHEARD: Yes.

MR COLLIER: And then I went on to this project manager's job.

MR SHEPHEARD: And then you joined Public Services in 2000.

MR COLLIER: Yes.

MR SHEPHEARD: Was that specifically to be the co-ordinator of school transport?

MR COLLIER: Correct, yes. (**Pause**)

MR SHEPHEARD: Now, when did you first get involved with the mainstream public bus service?

MR COLLIER: I was based down at Sand Street, under the auspices of the Parking Control Manager, doing school buses. I moved up to South Hill to take on responsibilities with respect to the public bus service on 16th September 2002.

MR SHEPHEARD: So had you had any involvement at all with the public bus service or the tendering process before that date?

MR COLLIER: Not the tendering process at all, no. The first time I met anybody from Connex, I think, was May 7th 2002, when I was introduced to Tania Morisson, who was the Managing Director of Connex UK, and Dennis Ord. I was introduced to them as the person who would be responsible for administering the contract. (Pause) However, I wasn't fully engaged until the middle of September because there was the school bus tender which I was responsible for sorting out. That then meant a lot of negotiation with Tantivy over the number of buses in respect of that tender, the routes that would be run and so on and then inevitably, when term starts, which I think that year was September 4th, there is usually a fortnight's worth of bedding down problems and what-have-you, so I didn't actually move up to South Hill until the 16th.

MR SHEPHEARD: The award of the school bus contract in 2002, did that involve a change to the previous operation?

MR COLLIER: Only in so far as Jersey Bus, it was the Jersey Bus contract that came up for renewal, which was 20 vehicles originally, and that was actually ... of the tenders that were received none were considered by the Committee to be acceptable and, therefore, negotiations then took place with Tantivy to try and arrange something that was suitable between the Committee and Tantivy to run the entire contract.

MR SHEPHEARD: So the position that has been since 2002 is that it is a Tantivy contract.

MR COLLIER: Correct, yes.

MR SHEPHEARD: And not a Jersey Bus contract.

MR COLLIER: That is right.

MR SHEPHEARD: Right. I will stop my questioning at this point and hand over to my colleague,

Mr Garrett.

MR GARRETT: I will open up with an interesting question for you, appreciating the circumstances in which you come to us. I noticed when I was doing my research that on occasions people were sending emails at seven o'clock in the morning, 7.30 in the morning, through the day to 5.30, six o'clock, seven o'clock or whatever. How many hours per week did you spend? When you had been appointed and had responsibility for the public transport system, how many hours per week were you spending in the office?

MR COLLIER: It did build quite a lot, I have to say. I have always considered myself to be on call from seven o'clock for the school buses, because things do go pear shaped. Tantivy would sometimes phone me and school children would sometimes phone me on my mobile phone, saying: "Help, it's not arrived" and this sort of thing. So I did consider myself to be on call from then. But it wasn't every week that something went pear shaped obviously, but it did happen. I often didn't leave work until six, sometimes half six -- it depends what the meetings were -- and I was occasionally coming in on an afternoon at weekends until I was told by the Chief Officer that I wasn't to be coming in at weekends. I was just purely trying to tidy up the week before before the next week started.

MR GARRETT: So 50 hours a week/60 hours a week?

MR COLLIER: Probably more like 45, I would say, between 45 and 50.

MR GARRETT: Right, okay. And who were you reporting to? From the time you were appointed ... no, let's go back. When you were doing the school buses, who did you report to?

MR COLLIER: I reported to the Manager, Parking Control.

MR GARRETT: Right, and who did he report to?

MR COLLIER: It is a she actually, Mrs Calvert.

MR GARRETT: Right.

MR COLLIER: She reported to the Director of Traffic and Transportation, which was Alan Muir.

MR GARRETT: Right. And then when you took on the job at South Hill, who were you reporting to?

MR COLLIER: I was reporting to David St. George, who was the Senior Traffic Engineer. He then reports to Alan Muir.

MR GARRETT: Right, okay. And in all this time, who was responsible for your welfare?

MR COLLIER: My line managers, I would imagine.

MR GARRETT: You would imagine. You didn't have a clear welfare structure where somebody was definitely looking after you and making sure that your health and welfare were okay?

MR COLLIER: I think it is fair to say that I did make known my workload. The Chief Officer did say to me that I was to stop coming in at weekends, so obviously there was a certain amount of being looked after.

MR GARRETT: The only problem with that is that the work that you were coming in at weekends for still has to be done.

MR COLLIER: Well, surely, yes, yes.

MR GARRETT: And either you get a bigger pile on your desk or you work more hours during the day. Okay, right. In the absence of somebody like Alan Muir through sickness, leave or whatever, if issues cropped up in relation to the public bus service, did you deputise work? Were you empowered to make decisions?

MR COLLIER: I would normally confirm anything that was contentious, if you like, with John Richardson, who was the Chief Officer at the time of Public Services.

MR GARRETT: But you could attend meetings in the first instance in your own right?

MR COLLIER: Yes.

MR GARRETT: I know you were outside of the process really at the time, but who do you believe was actually responsible for progressing the Bus Strategy?

MR COLLIER: I think you are asking for an opinion. I really don't know. It's not something, honestly, that I was involved in.

MR GARRETT: Right, okay. Looking at another one of my pet subjects really, which is in relation to internal communication within the office structure, within your environment, did you

- have any kind of formal arrangement where you would meet with your line manager or managers, going up the tree, on a daily basis or weekly basis? Was there any kind of formal structure whereby at regular intervals there would be an exchange of views and a check on the progress of various issues?
- MR COLLIER: Well, my immediate line manager, Dave St. George, was always accessible, as was Alan Muir if I could ever catch him in his office. There is a weekly meeting of the whole of the section, the traffic engineers, the roads engineers and all the rest of it. There is a meeting of about maybe 16, 17, 18 people on a weekly basis.
- MR GARRETT: During this time, would buses have consumed a great deal of that meeting?

 Bearing in mind the traffic engineers and people employed dealing with road design and so forth, how did the subjects sort of get distributed? I mean, was there an emphasis on buses at this time or?
- MR COLLIER: Not in particular. The whole point of that meeting was to actually bring up what we were involved in personally, what issues we were involved in, so that there could, if you like, be a mix and match between various disciplines. That is how it was brought up. It was things like the installation of bus shelters, the moving of bus stops and all this sort of thing.
- MR GARRETT: Right, okay. Again, going on to responsibility, if you did a piece of work when you moved up there, who was actually responsible for making sure that it was to a satisfactory standard and all the rest of it?
- MR COLLIER: Generally speaking, Alan Muir.
- MR GARRETT: Right, okay. And would you think that probably Alan Muir was actually responsible for generally running the project and making sure there was no sort of wasteful duplication of effort between yourself and anybody else? I mean, do you think he actually had responsibility for it?
- MR COLLIER: As Director of Traffic and Transportation, that must have been part of his responsibilities, yes.
- MR GARRETT: Okay, right. Do you know why the school bus service was excluded from the tendering process?

MR COLLIER: Not at all, no, no.

MR GARRETT: Do you know of any discussion on the issue of whether ----

MR COLLIER: No, there was no discussion that I was party to at all, no.

MR GARRETT: Right.

MR COLLIER: I was merely asked to prepare a tender for the school bus contract that was finishing in the July of 2002.

MR GARRETT: I understand that the current Committee has indicated that they want to revise the Bus Strategy. Do you know why that is? Have they identified some deficiencies in it?

MR COLLIER: Not as far as I know. I mean, I can only imagine that it is a document that, by now, will probably need updating.

MR GARRETT: Right, okay. Sorry, going back to the bus project, you have in an earlier life been responsible for project management. Do you know whether any kind of project management system was used? I think the States favours, is it, Prince2 or something like that.

MR COLLIER: I am sorry, but I wouldn't have the faintest idea.

MR GARRETT: You do not know, okay. Did you have any contact with Halcrow at all?

MR COLLIER: I'm not sure the first time I met Roger Childs of Halcrow, but it was certainly in that sort of period after I met Connex on 7th May. It would be between May and July, but I'm not honestly not sure when.

MR GARRETT: But that was after the contract had been awarded to Connex?

MR COLLIER: Surely, yes.

MR GARRETT: Okay.

MR COLLIER: Can I just go back on that one second? Roger Childs of Halcrow did come to see me, I think it was, the December before the public bus contract, but the only reason that he came to see me was to find out how the school bus system actually worked and how the contracts were at that time divided.

MR GARRETT: Right. But there was no discussion at that stage about trying to incorporate the school bus service into the public bus service?

MR COLLIER: No. He merely wanted to know how the whole thing worked and what exactly I

did in relation to the school buses.

MR GARRETT: Right. Sorry, when did you start work with Public Services?

MR COLLIER: October 2000.

MR GARRETT: 2000. There was a risk workshop in July 2001 which focused on bus transport issues. Did you participate in that at all?

MR COLLIER: No.

MR GARRETT: No. Right, one of our terms of reference really is to explore the preservation of the terms and conditions and the issues surrounding the preservation of the terms and conditions of employment of the Jersey Bus staff when they transferred to Connex. When you took over responsibility in May 2002 ----

MR COLLIER: No, I ----

MR GARRETT: Sorry, in September 2002. Did anybody say to you: "Make sure this has actually been done", because there was a political will that the terms and conditions of employment that applied to Jersey Bus staff would be transferred to any new operator? Did anybody say to you: "Oh, amongst your responsibilities, you know, you have got to make sure this actually is achieved"?

MR COLLIER: No. I think my thoughts on that would be that, if there was any particular problem, then the union would have shouted about it pretty quickly. It wasn't part of my remit to be an interface between Connex and the union.

MR GARRETT: I don't say that. I just want to know whether anybody said: "Make sure it has been achieved", because it was a political diktat and I just question whether or not it is satisfactory for a political diktat to be just left in the air without somebody actually saying: "Make sure that happens."

MR COLLIER: I received no specific instructions.

MR GARRETT: Right, okay. I just want to check with you, do you have any knowledge at all of what happened during the tendering process?

MR COLLIER: None whatsoever no, no more than you have from reading back through files.

MR GARRETT: Right, and when did you gain that knowledge through reading back through

files?

MR COLLIER: I don't think my feet touched the ground until probably the February following the September of 2002, so we are talking about early spring/late winter of 2003 before I had any sort of chance to go back and look at the files and things.

MR GARRETT: Right. From your reading of documents -- it sort of becomes critical later on -- you will have been aware of one of the provisions of the condition of contract document. The paragraph number totally escapes me for the second, but anyway I have duplicated it and I have actually broken it down into four subsections and printed off a copy for you. "The Contractor shall inform himself, including documentation" and so forth. You were aware of that condition?

MR COLLIER: Yes.

MR GARRETT: Okay. If you just hold on to that for the time being, I know that you made reference to it in one of the reports, so this was just to sort of confirm with you. (**Pause**) Right, again, going on, just for clarity, were you involved at any stage in the selection process?

MR COLLIER: Not at all, no.

MR GARRETT: Did you attend the meeting at all? You didn't attend the meeting, no, okay. One of the issues that came up during our interviews was a comment from Roger Childs, who, when he was questioned about levels of knowledge, about the pay claim, he indicated that when he attended Public Services (and I think it was about the time of the selection process), he deposited three envelopes containing a copy of every document that had been generated or received by Halcrow during the tendering process. Do you have any knowledge of what happened to those envelopes?

MR COLLIER: I have no recollection of that actually happening at all.

MR GARRETT: And nobody has discussed it at all?

MR COLLIER: No.

MR SHEPHEARD: Can I jump in here? When you took up your duties in September, what documents were you provided with?

MR COLLIER: There was a large amount of files, obviously, which Mr Muir had been dealing with. That was the information that I had to work on. I had a copy of the draft contract and

things like that.

MR SHEPHEARD: But no brown envelopes?

MR COLLIER: Not as far as I am aware, no, no.

MR SHEPHEARD: Right.

MR GARRETT: Okay, you mentioned the contract just now. Again, within our terms of reference, we have been asked to look at changes which were made to the contract. Are you aware of what changes were made between the original tender document, which forms the basis of the contract, and that which was signed ultimately by Connex?

MR COLLIER: No. The only involvement that I had in any way, shape or form with the final contract was to sort out the ... I can't remember the actual name of it. It was the Bus Users' Charter, the Connex Users' Charter that they were going to incorporate into the document. It was my responsibility to get that sorted out and finalised.

MR GARRETT: So who was responsible for actually pinning down the contract within Public Services?

MR COLLIER: I don't think it was anybody in Public Services. I know there was a certain amount of correspondence between Mr Muir and the Law Officers, but I don't think anything was done without the Law Officers being involved.

MR GARRETT: Right, to your knowledge and bearing in mind that you took on this responsibility, did you end up with a copy of the final contract that Connex had signed? You said before that you had a copy of the draft contract.

MR COLLIER: Yes, I have a copy of the final document.

MR GARRETT: A final copy. And nobody drew your attention to any substantial changes that had been made to that document?

MR COLLIER: No, I'm not actually aware of there being any substantial changes to it.

MR GARRETT: Right, okay. Moving forwards but remaining with the contract issue, subsequent to Connex being appointed and their contract being signed, have there been any other changes to the contract at all through negotiation or by whatever means?

MR COLLIER: Since the original signing?

MR GARRETT: Since the original signing.

MR COLLIER: Yes, there have been amendments which have had to be incorporated concerning dog fares and this sort of thing. There was a slight amendment to the payment schedule by one day. Instead of it being a Sunday, it was to be a Monday because that suited obviously accounting procedures a little better as far as Connex were concerned. They were minor issues, minor issues.

MR GARRETT: So dog fares?

MR COLLIER: Yes.

MR GARRETT: And the payment schedule?

MR COLLIER: Yes. There were one or two others, but I can't recall them at the moment, but they are literally of a minor nature.

MR GARRETT: Would you describe them simply as sort of tidying up exercises. I mean, moving the payment schedule date from a Sunday to a Monday is not of any great consequence.

MR COLLIER: No, it is neither here nor there, no.

MR GARRETT: Right. I remember reading about dog fares. That was achieved through negotiation and discussion.

MR COLLIER: Yes. There wasn't a fantastic amount of discussion involved in it. If it seemed reasonable, then I was quite happy to accept any particular change in that respect, but they were only minor changes.

MR GARRETT: Okay.

MR COLLIER: And I would send a letter. They would write to me formally, I would write a letter back formally and then copies of both letters would go into the contract.

MR GARRETT: Right. Do you maintain in your office a central file or a single file on the contract to show the evolution of the contract or is it in with all the other papers relating to Connex?

MR COLLIER: I keep a lot of files, obviously. Um, could you be a little bit more specific?

MR GARRETT: Well, I just wondered if you have on your shelf a file marked "Contract" and you have the original contract that Connex signed as sort of document 1, so to speak, and then all

correspondence relating to changes and subsequent editions of the contract.

MR COLLIER: I have that as a hanging file.

MR GARRETT: As a single file?

MR COLLIER: Yes.

MR GARRETT: Okay, thank you. I don't know if you have a copy of the correspondence, but, on 9th July 2002, there was an email from Roger Childs where he suggested that somebody should be appointed as the Public Transport Manager. Was that you ultimately? Was that the title that you gained or a derivative of that?

MR COLLIER: I think that is probably a fair comment, yes.

MR GARRETT: Right. In that note, he also suggested that certain records should be kept. Do you know if that kind of record has been created?

MR COLLIER: Could you remind me what exactly it is that you are talking about?

MR GARRETT: There was a procedure in relation to the way in which changes should be dealt with. Some could be dealt with at your level; some could be dealt with at departmental level or slightly higher up; and some would clearly have to go into the political arena, but a record would have to be maintained of every change that was suggested, whether it was re-routeing of route 7 or whatever.

MR COLLIER: Sure, yes.

MR GARRETT: Has that actually been maintained?

MR COLLIER: In a form, yes. What I have is a folder with all the Committee Acts and Minutes relevant to changes that would have to go through Committee.

MR GARRETT: Right.

MR COLLIER: So it's in that sort of format. The Greffier has a copy of the original licences, plus, I believe, the ones that were cancelled at some stage.

MR GARRETT: Okay.

MR COLLIER: But any other sort of changes like that in fares and so on, they are part of Committee Minutes and Committee Acts which I keep as a separate folder.

MR GARRETT: Are you empowered to make certain decisions in your own right?

- MR COLLIER: It is very limited. Obviously fare levels have to go through the Committee. Any significant routeing changes have to go through the Committee. But, as part of their licence, Connex are entitled to amend schedule times by up to 10 minutes, as long as obviously they give particular notice to the public.
- MR GARRETT: Right. Just focusing on the contract issue, has anybody ever conducted an audit to determine whether or not Connex is actually delivering a service which is compatible with the contract that they signed?
- MR COLLIER: We have had an independent firm from the UK who monitor and assess bus operations for quite a number of firms, bus companies and operators. They did a fairly rapid but comprehensive audit last October and they have recently done another one.

MR GARRETT: Was a report forthcoming on that?

MR COLLIER: There was on the first one, but I don't think we have got the second one back yet.

MR GARRETT: Okay. What type of methodologies did they use? Was it sort of mystery travellers and those kinds of things?

MR COLLIER: Yes, that sort of thing, yes.

- MR GARRETT: I just wondered whether or not there was scope for any more in-depth study to actually look at what Connex was contracted to provide and literally tick off every box to say, yes, they are delivering on this, they have achieved that and so forth.
- MR COLLIER: A certain amount of that would be up to me, but there hasn't been, if you like, a specific instance set up where that had to be done, you know, as a snapshot, if you like. (**Pause**)

 I would add that the whole sort of thing is overseen by senior officers anyway. If it was felt that Connex were lacking on something, then that would be investigated.
- MR GARRETT: Excuse my cynicism, and it comes from my background, but I have got to say that sometimes if you don't look you will never know. You know, if you rely on what Connex tell you ----

MR COLLIER: No, I hear what you are saying.

MR GARRETT: They will always say: "We are doing a wonderful job", but they are being paid a large sum of money and maybe somebody needs to look to make sure they are delivering on

what they should be delivering on.

MR COLLIER: I mean, I do this in an informal sense anyway, because I do travel quite often by bus, so I get an inkling of what is going on. I do often stand down at the Weighbridge and watch what is going on, such as time permits.

MR SHEPHEARD: Is there no danger of you being recognised by Connex staff?

MR COLLIER: I think it is fair to say they all know me quite well, yes.

MR GARRETT: There is actually a provision in the conditions of contract, in section 10, which says: "The States will from time to time monitor the provision of the service operated under the contract." Who within the Department has that responsibility?

MR COLLIER: Sorry, would you just say that again, please?

MR GARRETT: Section 10, I think it is, of the conditions of contract states: "The States will from time to time monitor the provision of the service operated under the contract." Who has that responsibility?

MR COLLIER: I would say largely me, but I don't think there is any sort of formal sense that I have to do it on a particular date or anything like that. It is purely as the thing rolls.

MR GARRETT: And how are those exercises conducted? I mean, have such exercises actually been conducted?

MR COLLIER: Not in a formal sense, I don't think, no. If I found anything which I was concerned about or felt that they weren't doing, then I would obviously bring that up with Connex and then I would notify senior officers.

MR GARRETT: It is interesting, and I just raise this in passing, that we had a fairly interesting discussion with Philippe Julhes, where he was of the view that this provision actually superseded the requirement to have Connex inspectors out on the road. He was of the view that it is solely the responsibility of the States to ensure that the service is being delivered. I just highlight that.

MR COLLIER: Sure. No, I take issue with that and I have taken issue with them over that in the past.

MR GARRETT: Is it simply a case of there being not enough hours in the day that prevents you from actually doing this kind of work?

MR COLLIER: I think it is fair to say that I could do a better job given more hours in the day.

(Pause)

MR GARRETT: Have you ever actually had a discussion with Alan Muir about the scope of your work and the priorities and so forth, because if this is in a contract, okay, and the States are looking to Connex to comply with the contract and at the same time the States are, by default possibly, not actually complying with its side of the deal, life could be a bit difficult. Have you had conversations with Alan Muir to ----

MR COLLIER: It has been discussed at meetings with senior management. (**Pause**) I think you will need to understand, in relation to that, that there has been a general States' embargo on manpower employment.

MR GARRETT: I appreciate that.

MR COLLIER: And also the Public Services' budget has been reducing by 1% per annum.

MR GARRETT: The issue really is on, you know, determining the priorities.

MR COLLIER: Sure.

MR GARRETT: And I would have thought, if there is a contractual obligation for the States to actually monitor the delivery of a service by one means or another, I would have thought that there is a good case for actually achieving that. The problem is, of course, not knowing what other duties would have to be sort of pushed further down the list of priorities.

MR COLLIER: Sure.

MR GARRETT: But I would have thought the contractual obligation is fairly high on the list of priorities. (**Pause**) So, just picking up on something you said, it is your understanding that Connex were required to employ inspectors and that those inspectors shouldn't spend their entire lives at the Weighbridge. They should be out on the road making sure ----

MR COLLIER: That is my understanding, yes. (**Pause**)

MR GARRETT: Has that actually happened? Has Connex actually got to grips with that now?

MR COLLIER: They have sent their inspectors out on occasions, yes.

MR GARRETT: Sorry, I don't want to be pedantic, but you use some interesting language. The word "occasions", do I take it from that that you think the occasions are inadequate?

MR COLLIER: In my opinion, yes.

MR GARRETT: How often would you say they send somebody out?

MR COLLIER: Um, I wouldn't say it happened as often as I would like. (**Pause**)

MR GARRETT: Have you raised that with the management of Connex?

MR COLLIER: Yes, I have, yes.

MR GARRETT: And what was their reaction?

MR COLLIER: Their reaction was, as you original said in the start of your question, that they saw that it was our responsibility and not theirs.

MR GARRETT: And where is that debate currently? Are you still ...

MR COLLIER: It is still a bone of contention.

MR GARRETT: It is still a bone of contention?

MR COLLIER: Hmm hmm.

MR GARRETT: Do you know if the rôle of inspectors is actually listed anywhere in the documentation that was supplied to Connex?

MR COLLIER: I can't recall off-hand, no.

MR GARRETT: I can't recall whether or not it is in the contract. I didn't know if you were aware of that. (**Pause**) Complaints is a bit of a problem area, complaints from the public. What arrangements have been put in place to deal with complaints, if Connex receive complaints?

MR COLLIER: If they receive a written complaint, then they are obliged to reply to that particular complaint within, I think it is, 14 days, off the top of my head. They will also supply me with a copy of the complaint letter and their reply and, if I feel it is necessary, I will also add another letter to the complainant and copy that to Connex. Verbal complaints are dealt with at the Weighbridge. The staff have a form to fill out, which is then passed up to the management of Connex, who will then inform me of the complaint.

MR GARRETT: Okay, and what number of complaints do you actually get, say, per month?

MR COLLIER: Well, actually very few considering the size of the operation. The number of complaints is very, very small. I think it works out at .04% of journeys travelled that we get a complaint.

MR GARRETT: That results in a complaint.

MR COLLIER: Yes. While we are on that particular topic, if you don't mind, the people who have been doing the monitoring for us, last September and very recently, have said that, in their opinion, the operation here is amongst the top 10% in the UK that they look at.

MR GARRETT: Do you ever receive complaints? I mean directly in Public Services.

MR COLLIER: Yes, I do, yes.

MR GARRETT: And is there a reversal of that process?

MR COLLIER: Yes, absolutely. I either forward it direct to them if it is an operational matter which I can't comment on. If it is something that I can comment on, then I reply back to the complainant and I will copy that to Connex to put anything on if they wish to do so.

MR GARRETT: What is the main area of concern, of complaints?

MR COLLIER: Um, it is tremendously variable. I think you may have seen there is a log of exceptions to the service which attracts penalty points. Most complaints are in relation to things like that, i.e. a bus is late or a bus has run a couple of minutes early and they have missed it, things like that. Occasionally driver rudeness. We do have a small percentage of drivers who really are not as well versed in customer relations as I would like.

MR GARRETT: Has Connex put in place some training for their drivers?

MR COLLIER: It has been put to me that they have tried to do so and that has been obstructed by the TGWU because they have already had their training under Jersey Bus. (Pause) But I will add, as part of the two surveys that we have had done, the comment from the mystery travellers (if you want that as a term) has been that the interaction of drivers with the public is perfectly satisfactory.

MR GARRETT: Right. Moving on, and I appreciate that you may not know all the answers to some of these questions because of the dates on which things happened and the dates on which you took up service, Connex made a number of claims in relation to funding really, one of which was in relation to the provision of relief services. Can you just tell us briefly of your understanding of the grounds on which Connex sought additional funding for operating the relief service?

MR COLLIER: I think a lot of this has to do with the change over between Connex UK and Connex Brittany during the course of the setting up of the contract.

MR GARRETT: Right.

MR COLLIER: Would you just give me the general drift of your question again?

MR GARRETT: Yes. I'm just trying to establish your understanding of the grounds on which Connex sought additional funding?

MR COLLIER: Yes. It was the understanding of the current management that they were required to run the schedule of services which is included in the contract. However, as far as our side, PSD, is concerned, and Halcrow, they were given opportunities both verbally and in writing to go and observe the number of reliefs that were run. I would say that I do have a certain amount of sympathy with Connex on the amount of reliefs run, because, even if you were a dyed in the wool bus man and you were standing down at the Weighbridge, you would not necessarily have known which buses were reliefs. School buses coming in from the west in particular, you know, vehicles coming in from the west, they travel up Conway Street, drop all their passengers almost without exception in Library Place and then they don't appear at the Weighbridge. So if you were standing at the Weighbridge, you wouldn't have seen that particular service.

MR GARRETT: I know you might consider it hypothetical, but, in an ideal world, if you were going out to tender, do you think it would have been beneficial for the States to actually have understood more about what the bus service was before going out to tender?

MR COLLIER: Now, you are asking me opinions again.

MR GARRETT: Yes, but I am trying to ----

MR COLLIER: That was the point, I believe, of taking on a transport consultant in the first place, to cover that sort of problem.

MR GARRETT: Right. Despite your sympathy with the situation, we, again, reflect on that document that I have printed off. Firstly, there was a requirement in the contract or the tender document requiring Connex, or indeed all tenderers, to provide sufficient passenger capacity to cope with foreseeable additional demand. Then there is that provision in there.

MR COLLIER: Sure. No, in strictly business terms, the position of Public Services and the

States on that matter is absolute as far as I am concerned, notwithstanding the sympathy that I do have for being able to observe the whole of the matter.

MR GARRETT: Okay. Connex were given that opportunity. Have they ever said to you in any discussions that you have with them that they actually completed an exercise?

MR COLLIER: I understand that representatives from a London company -- London United maybe, I can't remember the name of the company -- did come across to have a look on behalf of Connex. I understand they paid them a consultant's fee for doing so.

MR GARRETT: And that was before Connex put in the tender?

MR COLLIER: I believe so, yes.

MR GARRETT: And, despite that, Connex would have you believe that they have no real idea as to what the relief services amounted to?

MR COLLIER: I gathered that they allowed for a certain amount in their tender for doing so, but I think it would have been quite remarkable if they had been able to spot exactly what was going on in its entirety with regard to relief services.

MR GARRETT: And presumably the relationship with Jersey Bus was such that Jersey Bus would not have shared that information?

MR COLLIER: I think that is a matter of record.

MR GARRETT: And that requirement to provide relief services or adequate capacity was included in the contract? There is no scope for manoeuvring there.

MR COLLIER: I don't think there is any argument, no, in the contract.

MR GARRETT: Moving on, Connex also put in a claim in relation to the shift allowance.

MR COLLIER: Hmm hmm.

MR GARRETT: When did you become aware of the settlement of that pay claim?

MR COLLIER: Some time in July 2002, I believe. That is when I started getting more involved with what actually was going on in the public bus side of things, once the school bus tender was finished, as I say.

MR GARRETT: And how did you become aware of it?

MR COLLIER: By conversations between Alan Muir and Dennis Ord of Connex.

- MR GARRETT: Can you describe those a little, those kinds of conversations? What was the sort of tone? What was the sort of nature of their discussion?
- MR COLLIER: Um, that it was a complete surprise and really how this was going to be accommodated. (Pause) It is quite an unusual device, shall we say? I understand now where it comes from was the loss of the school bus contracts, but at the time when the agreement was made neither the union nor Jersey Bus had any idea who would be getting the school bus contracts in the July. It seems something of a pointless exercise to have done at the time. (Pause) We were expecting a bid from Connex for that particular school bus contract. Unfortunately it arrived a day late and couldn't be considered. (Pause) From an operational point of view, it would obviously make sense for the public bus operator to run a certain amount of school work because that could have been interwoven nicely with shifts, bus usage and all the rest of it.
- MR GARRETT: In any of the discussions that you were a party to or overheard or whatever, did anybody consider going back to explore the origins of that wage agreement?
- MR COLLIER: Only in so far as I wanted to phone Roger Childs about what had happened. At that time, he wasn't available and, in his stead, I phoned Roger Macklin and spoke to him about it. I asked him at the time of the ... I can't think of the word I am looking for now, but the discussions that were had to elaborate the bids, shall we say, after they were in. I said to him: "Look, was this spoken about", and the answer I got back was "No, we only ever spoke about the cost of living increase. This is what the States asked the tenderers to put into their bids." (Pause)
- MR GARRETT: Sorry, when did you have this discussion with Roger Macklin? Was it sort of July-ish 2002?
- MR COLLIER: Yes, it must have been well after the event, yes. In fact, I don't think I met Roger Macklin until probably August.
- MR GARRETT: So, sorry, the discussion you had with him about this wage claim, was that after you had met him, or was it just a telephone conversation?
- MR COLLIER: That was after I had met him the first time, otherwise I wouldn't have known

who to phone.

MR GARRETT: So, sorry, would that have been after August, you are saying, September time 2002?

MR COLLIER: Probably around August time, but I have got no record of when I actually did it.

I only actually have the memory of doing it, so ...

MR GARRETT: And, just for clarity, what you are saying is that Roger Macklin advised you that they did not explore the shift allowance issue in any of the clarification discussions that they had with tenderers?

MR COLLIER: That was the question I asked them and the answer was "No".

MR GARRETT: Did he indicate that the tenderers would have been aware of this pay claim?

MR COLLIER: No. No, I asked him a straightforward question and I got a very straight answer back.

MR GARRETT: And the issue was dealt with instantly over the phone. Roger Macklin didn't say to you: "Hold on a second, I will go and check my records"?

MR COLLIER: No.

MR GARRETT: Nobody within the Department went back through the documentation to try and find out the origins of this thing?

MR COLLIER: I can't comment on that. I wouldn't know.

MR GARRETT: Right. The attitude of Dennis Ord, Dennis Ord was still in charge at that stage.

MR COLLIER: Yes, he was, yes.

MR GARRETT: And what was he saying? Was he saying that they didn't know about this at all?

MR COLLIER: Yes. I think at the time, although it is an opinion, but he was talking about the settlement not the claim. That is subsequently, when you look back on that. But, certainly, as far as he was concerned, it was a surprise. They weren't expecting a £72 a week agreement.

MR GARRETT: But did he ever indicate that they were aware of the existence of the claim?

MR COLLIER: No.

MR GARRETT: And possibly expected it to be settled at a lower level?

MR COLLIER: No, all the talk then was about the agreement.

MR GARRETT: Right. It is a subtle play on words, isn't it, really, to talk about agreements as opposed to claims?

MR COLLIER: No, there is a very distinct difference. Surely a claim is a claim and an agreement is actually what you have fixed?

MR GARRETT: However, if you focus on the word "agreement", it sets it at May 2002, whereas it is clear that they were aware of the claim in February 2002.

MR COLLIER: Yes, I accept that from obviously discussions that have gone on, but at the time we hadn't any idea of what had gone on. All we knew about was the agreement, which was the result of a phone call between Alan Muir and Mick Kavanagh of the TGWU.

MR GARRETT: From your reading of documents when you took over, you are aware of this agreement dating from August 2001, whereby the States gave an undertaking to the union regarding the preservation of the terms and condition of employment.

MR COLLIER: Sure.

MR GARRETT: Are you aware of anything, any condition being imposed by the States, formally or informally, which would limit the scope of any wage negotiations?

MR COLLIER: Not at all, no.

MR GARRETT: No.

MR COLLIER: But I would like to make a comment on that one, that I think it is the case in France and in other countries in the world where, once a tender process starts, then no change can be made to the conditions of service and pay structures until the new company, whatever it happens to be, can enter into negotiation over it. (**Pause**) In subsequent conversations with senior management in Connex, I understand that they were reluctant even to put in for the 5%, but they did so because they were told to do so by the States. (**Pause**)

MR GARRETT: Again, from your research, do you accept that, on the 12th or possibly the 13th -- I don't know when Connex actually picked it up -- they actually received a copy of what I think was known as *Bulletin 2* that had been sent out by Neil Davies of Halcrow and, included within that package, was a copy of the Transport and General Workers Union letter of 6th February setting out details of the pay claim?

MR COLLIER: Yes, I don't think there was any doubt about that.

MR GARRETT: Right. And have you seen the Connex tender document at all?

MR COLLIER: Yes, I have.

MR GARRETT: And, included in that, is a phrase -- I think it is paragraph 2.2 under "Staff Issues" -- "Included in our costs is the assumption that the wage claim in respect of Jersey Bus staff will be met in full. We would be prepared to discuss a reduction in the staff costs directly applicable to present staff should the claim be settled at a lower level." You have seen that?

MR COLLIER: Yes, I have seen that, yes.

MR GARRETT: You don't regard that in any way as unambiguous?

MR COLLIER: I do think there are two ways of looking at it, yes.

MR GARRETT: Right.

MR SHEPHEARD: Could you explain?

MR COLLIER: The tender was produced before they had this piece of paper from the TGWU, right, and I suspect that they didn't change their tender in the light of what was received because, knowing how hierarchical Connex is in terms of money, most of it seems to be controlled from Paris. Even in the current operation we have, the operational side of things is controlled from Connex Brittany, but the predominant financial side of it, the overall side of it, is actually controlled from Paris rather than from Brittany, as I understand it. They would have been faced at that time with do we have to send this back to Paris and then get it back again or do we send it as it is. I think there are two ways of looking at what they have written. They could just be referring to the 4½ or 5% that they were instructed to apply for or include and then any less than that, say it was 4% that it was agreed at, then obviously they would be able to talk about the 1%, but I don't think it is 100% in black and white. I see where you are coming from, but I do think there is another way of looking at it.

MR GARRETT: Well, the wage claim document was a single document. I mean, it was just a paragraph (a) and a paragraph (b) or (1) and (2), whatever it was, but it was a single document and it was headed up -- I can't remember the precise words, but it was headed up -- that it was the Transport and General Workers Union pay claim in respect of bus drivers and support staff.

So, by my understanding, my interpretation of that, that is the wage claim. So if somebody writes: "Included in our cost is the assumption that the wage claim for the present Jersey Bus staff will be met in full", there isn't a sort of rider put in. There isn't a sort of qualifying statement.

MR COLLIER: Strictly in business terms then it says what it says.

MR GARRETT: Right.

MR COLLIER: Yes.

MR GARRETT: So, on the basis of your understanding of the situation, do you accept that Connex were fully aware of the requirement to inform themselves as per the contract?

MR COLLIER: Yes.

MR GARRETT: They were notified of the full extent of the wage claim, including the shift allowance.

MR COLLIER: Yes.

MR GARRETT: On the 12th or 13th. They submitted their tender on the 18th and they apparently, according to that paragraph, indicated that they would include the cost of the entire wage claim, if you take that literally.

MR COLLIER: If you take it literally, yes, that is right, yes.

MR GARRETT: Okay, right. Moving on, having dealt with that, we now get on to probably the most critical aspect, and that is the accuracy of some of the reports. (**Pause**) I have got a copy of a report which I just want to confirm that you were the sort of author, that you had actually drafted it. I notice on the bottom there is a reference down there, which says "MC".

MR COLLIER: Yes.

MR GARRETT: Is that your reference? Would that have been your paper?

MR COLLIER: It is my reference, yes, but do bear in mind that nothing I write is ever sent out without going through senior officers first.

MR GARRETT: I appreciate that.

MR COLLIER: And also, yes, that particular one would not have gone except through senior officers, yes.

MR GARRETT: Okay.

MR COLLIER: And that particular one, I was asked by the President of the day to produce a warts and all report.

MR GARRETT: Right. Between the time that it left your word processor and the time that it reached that final stage for presentation to the Committee or whatever, would it have been altered or amended or updated at all? Would other people have contributed? Would other people have changed the terminology that you would have used?

MR COLLIER: There are some sentences in there which are not mine, shall we say, because I wouldn't have known about them in the first place.

MR GARRETT: Right. Would you still have a copy of the original document that you produced on your system?

MR COLLIER: I don't know is the answer to that. I can check.

MR GARRETT: Can you?

MR COLLIER: Hmm hmm.

MR GARRETT: Please. If you have a copy, obviously we would welcome it.

MR SPENCE: Can we, just for the record, have the heading and/or date of that?

MR COLLIER: It is item No. B6 of Public Services Sub-Committee Report dated 17th March '03.

MR SPENCE: Much obliged.

MR GARRETT: Right. Now, if we look under the heading "Résumé of Obstacles Faced", paragraph 1, there is focus on the construction of maintenance facilities at La Collette. Then it goes on: "Negotiations with Jersey Bus for the temporary use of their Weighbridge facilities proved fruitless. Temporary engineering facilities were arranged at the Public Services Department Bellozanne workshop. Connex were slow to provide engineering assistance of their own and significant assistance was provided by the Department." Can you just explain the background to the phrase "Negotiations with Jersey Bus for the temporary use of their Weighbridge facilities proved fruitless"?

MR COLLIER: Not really because it is not mine.

MR GARRETT: Right.

MR COLLIER: That was probably inserted by Mr Muir when he got the first draft of the copy, but, I mean, yes, obviously it has been discussed. I don't know the details of it at all, but there seemed to be some difficulty with negotiations the whole time with Jersey Bus.

MR SHEPHEARD: Mr Collier, there is something that is puzzling me. I wonder if you can help me with it. You had been for about two years, hadn't you, looking after the school bus contracts?

MR COLLIER: Yes.

MR SHEPHEARD: And that had involved you in negotiating, discussing and keeping in contact with Jersey Bus and Tantivy.

MR COLLIER: Hmm hmm.

MR SHEPHEARD: How did you find them to deal with?

MR COLLIER: Perfectly straightforward. (**Pause**) I had a better relationship with the Tantivy people than I did with Jersey Bus, but that is purely an interaction of characters, shall I say. (**Pause**)

MR SHEPHEARD: When you came into the main public bus service arena, were you able to form any view of the relationships that the rest of the Department had with Jersey Bus?

MR COLLIER: There you are again asking for an opinion. If there is one comment I will make is, contrary to what has been said in some testimony I have looked at before, Alan Muir has actually been carrying a candle for Jersey Bus. He was actually not agin Jersey Bus at all. In all the conversations I had had with him about Jersey Bus, he had been perfectly straightforward. I think that is probably as much as I can say.

MR SHEPHEARD: You have just commented. You weren't involved in any negotiations with Jersey Bus over things that were happening at the Weighbridge when Connex were starting up, or were you?

MR COLLIER: Sorry, would you say that again, please?

MR SHEPHEARD: Yes. When Connex were starting up in September 2002 and Jersey Bus were not operating from a particular date which I don't know recall -- I think it is the 29th.

MR COLLIER: Yes.

MR SHEPHEARD: We have heard evidence that there were attempts made by Connex to negotiate

the hire of buses or discuss workshop facilities or having a clear start from the Weighbridge with no Jersey Buses there when Connex started work. Now, were you involved in any of those discussions at all?

MR COLLIER: No, I wasn't involved in the discussions, no.

MR SHEPHEARD: Were you involved in sorting out any operational difficulties that might have arisen at that time?

MR COLLIER: Yes.

MR SHEPHEARD: Can you tell us what happened, please?

MR COLLIER: Connex were certainly a few vehicles short because of a dispute between Dennis, the chassis manufacturer, and Salvador Caetano, the body builder. The last, I think it was, five or six buses didn't quite make it in on time, although I believe, with the number of mid-life buses, they were very few short. I was asked if it was possible to run some of the man-and-a-dog services with minibuses charabanc plated, the answer to which of course was "Yes". They stated to me that they had attempted to hire vehicles. Well, I said: "Why haven't you hired vehicles off somebody else?" and they told me that it wasn't possible.

MR SHEPHEARD: Right. (Pause) That is the extent of your involvement in that?

MR COLLIER: Indeed, yes.

MR GARRETT: Again, can I just refer to paragraph 2 in the actual document: "Negotiations with Jersey Bus for the sale of up to a dozen of their newer vehicles foundered late when Jersey Bus insisted on a premium of close to 200% of the value of the buses. The situation required urgent lease of and importation of vehicles to cover the delay", and so forth.

MR COLLIER: Hmm hmm.

MR GARRETT: What evidence do you have to justify the claim that Jersey Bus insisted on a premium of close to 200% on the market rate of the buses?

MR COLLIER: I was told that the required price for the vehicles that Connex were interested in was £45,000. Now, the market value, from research I did in the UK for buses at that time, those buses would have been worth somewhere between 19 and £23,000.

MR GARRETT: And you were told that the price that Jersey Bus wanted ... you were given that

information by Connex?

MR COLLIER: Yes.

MR GARRETT: Right. I'm not an accountant and we don't have an accountant with us, but I would have said that that is a 100% mark-up and not a 200% mark-up.

MR COLLIER: Yes, that is probably an error there.

MR GARRETT: Paragraph 5 in that document: "Jersey Bus agreed as part of their March 2002 wage negotiations with Transport and General Workers Union that a shift allowance of £72 per week was to be introduced payable from September 1st. These negotiations were not completed with Jersey Bus and the Transport and General Workers Union until after Jersey Bus were informed that they were not the successful operator. This caused great difficulty for Connex since there had been no expectation of any payment of this size, approximately £250,000, to allow for as part of the tender calculations." Bearing in mind that the material had been circulated to Halcrow on 12th February, in fact sent to all tenderers, specifically the full details of the Transport and General Workers Union claim, including the claim in respect of the shift allowance, how can that statement be justified?

MR COLLIER: We were not ... as a Department we were not aware of the claim.

MR GARRETT: But what you are saying in this, in the way in which I read it, was that Connex had no knowledge of it.

MR COLLIER: That was the impression that we had always been given. Again, I think there is always this confusion between claim and agreement.

MR GARRETT: Yeah. As I said, I think it is a play on words. I think if they had said: "We had no knowledge of the claim", that would have been a different situation. But, before writing that comment, again, I need to clarify it with you. I know you spoke before about the conversation you had with Roger Macklin, but, before you wrote that report, did you go back to the Transport and General Workers Union? Did you go back to Halcrow? Did you research around the files or did you simply accept the impression that was conveyed to you from Connex?

MR COLLIER: No, I don't think it was an impression that just came from Connex. This was the knowledge within the Department at the time.

MR SHEPHEARD: Would I be putting words into your mouth if I suggested that this was the received wisdom?

MR COLLIER: As far as I was concerned, yes, I think that is probably a fair comment.

MR GARRETT: When you put that document in ... sorry, just to confirm, you actually wrote that section as it appears?

MR COLLIER: Yes, I think most of the language is mine, yes.

MR GARRETT: Right, okay. When you put that comment together, did anybody, did Alan Muir say to you: "There is a very important issue here. Have you checked? Have you been back to the union? Have you confirmed with Halcrow that we are not being led astray here?"

MR COLLIER: Well, as I said, I had phoned Roger Macklin.

MR GARRETT: You had phoned Roger Macklin.

MR COLLIER: Yes. But I didn't check with the TGWU.

MR GARRETT: No, but did Alan Muir check with you that you had actually done some research to validate what had been written here?

MR COLLIER: I'm not aware of that, no.

MR GARRETT: Right. (**Pause**) Now, paragraph 6: "Jersey Bus passed no information of any sort, operational or staff records, to Connex. This is unheard of in transport operations, where at least drivers' disciplinary records are always transferred, as required by EU regulations." Can you explain the background to that statement?

MR COLLIER: That was information given to me by Mr Julhes.

MR GARRETT: Again, did you actually check with Mike Cotillard to validate what Mr Julhes had told you?

MR COLLIER: I have to say no, I didn't.

MR GARRETT: Can I say that, when we were taking evidence from another witness, our attention was drawn to a letter from Mike Cotillard to Dennis Ord, dated 27th June 2002, which includes the following comment: "Thank you for your email dated 21st June regarding the information you require. I enclose all relevant information with regard to our employees. With the exception of Maria Crowley and Margaret Reid, all staff have residential status." So clearly

there had been some exchange of information.

MR COLLIER: Yes, but obviously I wasn't aware of that letter. (**Pause**)

MR GARRETT: A hypothetical question, but, with the benefit of hindsight, do you wish you had checked on what Mr Julhes actually told you on that issue?

MR COLLIER: In the light of that, of what you said with regard to the letter, then obviously, yes.

MR GARRETT: Okay. Now, paragraph 8 of the report: "Jersey Bus did not comply with instructions to make sure that the vehicles had vacated the Weighbridge site during the early hours of 29th September. The new Connex workforce were obliged to move vehicles off the stands to the rear of the site, where they remained for three weeks, making operations difficult." Were you actually down there on the night of the changeover?

MR COLLIER: No. I was actually phoned by one of the inspectors in the morning, asking could they move them.

MR GARRETT: Did you actually go down there and see the vehicles yourself?

MR COLLIER: Not until later on, no, but, I mean, by the time they had got there they had been moved and they were parked in the holding area at the back, there being nowhere else to put them. (Pause)

MR GARRETT: Are you 100% sure in your own mind, satisfied in your own mind, that what was described to you was an accurate reflection of the situation at the Weighbridge?

MR COLLIER: I have no reason to think otherwise.

MR GARRETT: Right. And can you just describe how it was described to you?

MR COLLIER: It was put to me that the late vehicles -- obviously, on a Saturday night there are some late vehicles which run and then come back into the Weighbridge -- had been left on stands.

MR GARRETT: It was only the late vehicles? It wasn't the entire fleet?

MR COLLIER: Oh no. No, no, no.

MR GARRETT: Right.

MR COLLIER: No, no, but there were several stands obstructed by buses that had just been left.

MR GARRETT: So most of the fleet was already out of the way at the back of the Weighbridge

somewhere?

MR COLLIER: So far as I am led to believe, yes, but even that didn't comply with what was asked of Jersey Bus.

MR GARRETT: What had they been asked to do, completely vacate?

MR COLLIER: Yes, because the whole of that holding area at the back of the Weighbridge is actually used for buses that can't be fitted on to the stands. It's a small area with not many stands. You have to have the holding area at the back.

MR GARRETT: And was that just simply a logistical difficulty that they faced, that there was nowhere else to put the buses?

MR COLLIER: I have got no idea. As far as I am aware, they were asked quite a few weeks before to make sure that the Weighbridge was vacated, but the last bus of Jersey Bus buses did not leave that area until something like three weeks afterwards.

MR GARRETT: Did anybody at Public Services provide any support to Jersey Bus in trying to find an alternative site?

MR COLLIER: I don't think I'd know about that.

MR GARRETT: I was struck by the fact that Public Services provided incredible engineering support for Connex in preparing their buses and, focusing on the relationship between Jersey Bus and the Department and possibly at a higher level, at a political level, I question whether or not anybody was prepared to provide the same level of support to Jersey Bus, to help them out of any difficulties they faced.

MR COLLIER: That would be beyond my sort of remit, I am afraid. I would like to point out that, at that time of year, there is an enormous car park at the Living Legend. However, that is just my own personal comment on that. I had no input into that side of things at all.

MR GARRETT: Okay. Anyway, just for clarity, most of the fleet was parked at the back end of the Weighbridge, which is used for or which should be available for ----

MR COLLIER: Well, it won't be most of the fleet. I mean, they had quite a lot of buses. They had about 60 buses all in all and I think there is only room at the back there for 14.

MR GARRETT: Fourteen?

MR COLLIER: Something like that. It is that sort of number anyway.

MR GARRETT: So they had managed to lose most of their fleet somewhere?

MR COLLIER: It sounds like it, yes.

MR GARRETT: Right. Can I now focus on a report, another report? (**Pause**)

MR COLLIER: Hmm hmm. (**Document handed to witness**)

MR GARRETT: Is that your document?

MR COLLIER: I probably did the draft for it, yes.

MR GARRETT: Again, are you able to pick out any substantial changes from your original draft?

MR COLLIER: Well, it is a long time ago.

MR GARRETT: Anything obvious? (**Pause**)

MR COLLIER: Is there anything in particular that you ----

MR GARRETT: Well, if there is something obvious there, it may be beneficial, again, as with the previous document, if you could trawl your word processor and just see if you could produce the original document that you produced. So if you can, for Mac's purposes, just give the details.

MR COLLIER: Yes, okay. Is that the actual reference there? (**The witness conferred with Mrs Anderson**) Yes, it is dated 24th March '03, an Environmental and Public Services Committee Report entitled "Bus Strategy: Contract with Connex (Jersey) Limited".

MR SPENCE: That is fine, thank you very much.

MR GARRETT: Sorry, can I just borrow the document back? I have written something here which now doesn't make sense.

MR COLLIER: Yes, Sure. (Document handed to Mr Garrett) (Pause)

MR GARRETT: Right, now it makes sense. Thank you. (**Document handed to witness**) If I could just focus on **that** paragraph **there**, there is a comment in there, which says: "This is not a correct interpretation as far as PSD Officers and Halcrow, the States' transport consultants, are concerned." This is in relation to the claim in respect of relief services. Can you just tell us what work you did to formulate that or to reach that conclusion?

MR COLLIER: Having read the tender documents and the contract, I don't think there was any argument about it.

MR GARRETT: Right, okay. If we can move on to the section marked "Shift Allowance Payments" on page 2, in paragraph 1 of that section you stated: "This was an agreement made by Jersey Bus beyond the notified Transport and General Workers Union wage claim." Again, can you explain the background to that statement? What work did you do to reach that conclusion? You said in respect of the first one that you checked on the contracts, the tender documents and so forth. What work did you do to reach that conclusion?

MR COLLIER: There is a document in Connex's possession, a copy of the agreement they were sent, which has a TGWU date stamp on of 21st May. (**Pause**)

MR GARRETT: But, again, I go back. You didn't go back and trawl through all the documents to see the origins of that agreement; in other words, when did it become a claim; who was told about it; were Connex notified of it? Did you look through their tender documents to see what provision they made in relation to pay and so forth?

MR COLLIER: Yes, I had gone through the tenders. I phoned the TGWU and asked about the letter, which by then we knew was 12th February, concerning the claim.

MR GARRETT: Right. So you know that the claim was there. Did you check that Connex had been told about this?

MR COLLIER: I don't recall, frankly.

MR GARRETT: Right. Did you seek any kind of legal advice before making that statement?

MR COLLIER: I didn't seek any, but, I mean, that would have been the prerogative of senior officers. If that was to stand, then it was their prerogative to see if it was requiring legal advice.

MR GARRETT: The point is that this was the start of a process which led to the payment of £186,000.

MR COLLIER: Hmm hmm.

MR GARRETT: And it is a fairly important decision.

MR COLLIER: Hmm hmm.

MR GARRETT: In relation to the relief services, clearly, on the basis of what you have just told us, you did some research, you checked through documents and so forth and concluded that it was without foundation. On the payment in respect or the claim in respect of the shift allowance,

I have to put it to you do you think you were as diligent as you possibly should have been in exploring the background to it?

MR COLLIER: Yes, but I think you need to understand that this sort of payment here is well above the sort of level that I was operating at. As far as I am concerned, that was senior officers' problem.

MR GARRETT: Right.

MR COLLIER: It wasn't for me to make the judgment as such.

MR GARRETT: Sorry, backtracking, did somebody else tell you what the outcome was and then tell you to write it? Is that what you are telling me?

MR COLLIER: I'm not sure I understand what you are getting at.

MR GARRETT: Well, was there a discussion before you wrote that document setting out the position of the Department, i.e., yes, this claim, Connex had no knowledge of this, so it should be paid? Was there a discussion before you wrote that paper? Did somebody decide on the outcome?

MR COLLIER: I don't think I can answer that. I feel that is unlikely.

MR GARRETT: So that is your conclusion. So in fact you are planting the seeds in the minds of senior officers.

MR COLLIER: I don't think that is necessarily the case either. Whatever my thoughts were on this, everybody else had the documentation and the knowledge that I had.

MR GARRETT: Right, but John Richardson or Alan Muir didn't convene a meeting to say: "There's a problem here. Connex have made this claim. What is our position on it?"

MR COLLIER: I wouldn't have been involved in that meeting in any event.

MR GARRETT: But you were writing the paper, so nobody conveyed to you the position of the Department on this?

MR COLLIER: Again, I think I find difficulty answering that. It is a long time ago.

MR GARRETT: Did you receive any documents from Halcrow at all, setting out their view on the legitimacy of that particular claim?

MR COLLIER: Yeah, actually there are some documents -- I think you must have them on record

-- during some meetings where I accompanied Roger Childs down to Connex to discuss these things, where he was to negotiate with them on it. In fact, I think I have got it here somewhere. Bear with me for just one second. (Pause) Yes, it's my personal notes of a meeting with Connex in the company of Roger Childs about base revenue, which we were trying to determine the exact legal format of. It says here -- and I used his words actually when I wrote this -- "In order to set the tone of the meeting, Roger Childs informed Connex that whilst no consideration could be given to payment for the relief services for tender comparison reasons, consideration could be given to ameliorating the Jersey Bus surprise shift allowance payment. This was gratefully received by Connex, who were asked to put forward a case for the States doing so and to include any productivity savings already agreed with the union."

MR GARRETT: Right. What date was that meeting?

MR COLLIER: 3rd December 2002.

MR GARRETT: Right, and what was the date of the report that we have just been talking about?

(Pause)

MR COLLIER: I am sorry, it is in **this** one, isn't it?

MR GARRETT: Yes.

MR COLLIER: It was 24th March '03.

MR GARRETT: So that is presumably where you got the idea which is expressed in that report.

MR COLLIER: Yes, now that I have recalled that, yes, that is pretty well certain where it comes from.

MR GARRETT: But, again, do you accept that details, full details, of the pay claim, including the shift allowance, were notified to Connex?

MR COLLIER: Well, in the light of what we know now, yes.

MR GARRETT: Do you accept that Connex included that paragraph that we have already discussed in their tender document, that they had taken full account of the wage claim?

MR COLLIER: Yes, there is no argument that that does appear in their tender document.

MR GARRETT: Focusing really on the information which is available now, would you accept that the declaration that this arrangement made by Jersey Bus beyond the notified Transport and

General Workers Union claim was inaccurate because it was all part of the same claim? (**Pause**)

MR COLLIER: Sorry, now I have found the right page, could you say that again?

MR GARRETT: This was an agreement made by Jersey Bus beyond the notified Transport and General Workers Union wage claim. It was all part of the same claim.

MR COLLIER: Yes. In the light of what you are saying now, that does seem to be a little inaccurate.

MR GARRETT: Again, returning to the text of paragraph one, can I just borrow that report again

-- I should have done two copies of this -- on page 2 there, under the heading "Shift Allowance",
the final two lines, it says: "This has meant that Connex has been forced to pay the unexpected
increase in order to be able to operate."

MR COLLIER: Hmm hmm.

MR GARRETT: Would you accept, bearing in mind everything that you know now, that the use of the word "unexpected" doesn't really reflect the truth of the matter?

MR COLLIER: In the light of what is known now, that is probably correct. Again, we are playing around with "claim" and "agreement", aren't we?

MR GARRETT: This is true.

MR COLLIER: Yes.

MR GARRETT: Paragraph 2 says: "This leaves a £187,370 outstanding commitment that has been incurred by Connex through no fault of Connex."

MR COLLIER: On the understanding of what I had at the time, I think that was fair comment.

(Pause)

MR GARRETT: However, with the benefit of knowledge now, would you accept that is really inconsistent with reality, "through no fault of Connex"? Connex were notified of it. If they didn't ----

MR COLLIER: Of the claim, yes.

MR GARRETT: They were notified of the claim. If they didn't include it in their tender, tough, because the provision of that paragraph that they must fully inform themselves, whatever, they didn't challenge it, they didn't question it and they never said in any of their presentations, from

what I understand: "We're not taking account of this wage claim." They never mentioned it. They never raised any questions with anybody from the Department. They never contacted Halcrow. So, under the provisions of that paragraph that was subdivided into four sections, one has to say that they accepted the information in full and never challenged it and, therefore, if they didn't include it, tough.

MR COLLIER: Well, obviously you can't argue with what's in black and white.

MR GARRETT: Indeed not.

MR COLLIER: In the light of what is now known.

MR GARRETT: Moving on to paragraph 3 -- if I can just sort of borrow that again -- there is a sort of footnote at the bottom end of paragraph 3 under that section, which says: "The Law Officers will be asked to investigate the agreement between Jersey Bus and the Transport and General Workers Union and provide an opinion on whether the parties acted improperly in the known circumstances." Do you know if such an inquiry was actually initiated?

MR COLLIER: I believe it was, yes.

MR GARRETT: Do you know the outcome of that?

MR COLLIER: No, that is above my level.

MR GARRETT: So would that have been Alan Muir who initiated that inquiry with the Law Officers? I mean, did you do it?

MR COLLIER: No, I didn't do it. I would imagine that it would be at President level.

MR GARRETT: Sorry, just picking up on the word, you used the term "*imagine*". Do you actually know for sure that somebody didn't put the question to the Law Officers on that issue?

MR COLLIER: Yes, I am sure it was.

MR GARRETT: Right.

MR SHEPHEARD: Can I pick this up, please?

MR COLLIER: Yeah, sure. (**Pause**)

MR SHEPHEARD: You may know, Mr Collier, that I am a lawyer, but I am not a Jersey lawyer.

However, who thought that it would be a good idea to put this to the Law Officers, do you know?

MR COLLIER: No, I don't. I mean, obviously there were meetings going on at a much higher level than myself over this sort of thing.

MR SHEPHEARD: Because the thing that strikes me is that we know that this went to the Law Officers, we know the question they were asked and we know what the reply was. The thing that strikes me is that the wrong questions were asked, but you weren't in any position to influence what questions were asked of the Law Officers?

MR COLLIER: Not at all, no.

MR GARRETT: Moving on to the summary at the foot of page 2, you used the following phrase: "Following discussion with Connex management, there may be an opportunity to reach a compromise, whereby Connex will accept the cost of the relief services and will incorporate them in the scheduled services if the States will accept the additional unforeseen costs resulting from the shift allowance payment." Can you explain the background to that? Where does the idea of a compromise come from? Was that your idea? Was that Halcrow?

MR COLLIER: I think that stems from that meeting which I have referred to.

MR GARRETT: With Halcrow. (**Pause**) Why go for a compromise? Why not simply say: "Prove it, prove that we are responsible"? I mean, the States was going to have to find £186,000. Why promote a compromise?

MR COLLIER: I don't think it was my job to do either.

MR GARRETT: Right. Was it ever your feeling that Connex might leave the Island?

MR COLLIER: I did ask them that.

MR GARRETT: And?

MR COLLIER: They categorically denied that they would do so.

MR GARRETT: But did anybody express the view outside of Connex, or did you pick up the feeling, that there was a mood in favour of paying Connex this money to avoid the possibility of that scenario coming into play?

MR COLLIER: Well, I don't think I ever came across that, no. (**Pause**)

MR GARRETT: If you say, and your report does make the point, that the first part of their claim, i.e., for the relief services, was without foundation, why was it then incorporated into a

compromise solution?

MR COLLIER: I think this is probably the attitude of Halcrow in discussion with senior officers.

It is not something that would be within my remit. (**Pause**)

MR GARRETT: Do you understand where I am coming from?

MR COLLIER: I see where you are coming from.

MR GARRETT: If you rule something out as being completely out of order, it shouldn't feature in any kind of compromise.

MR COLLIER: I see what you are saying. I see what you are saying.

MR GARRETT: Again, the term "unforeseen" appeared in that summary. Again, going back on what we have discussed earlier, Connex were fully aware of the wage claim. They put that provision in their tender document, saying "Full account has been taken of the wage claim."

There is that paragraph that I have subdivided into four there, that they must fully inform themselves and so forth. It wasn't unforeseen as far as they were concerned. They may have suggested that it was unforeseen, but, in reality, it was not unforeseen, was it?

MR COLLIER: No, I think that has to be accepted in the light of what we know now. (**Pause**)

The only comment that I would make is that it was such an unusual claim that, even just looking at it from a personal point of view, I would not have expected that to have been passed without some sort of negotiation or whatever.

MR GARRETT: Moving on in that report, under the heading "Recommendations", did you formulate those recommendations in the submission of your draft, or did you submit the draft, go and have a discussion with Alan Muir and then draw up the recommendations?

MR COLLIER: I wouldn't normally do recommendations, no.

MR GARRETT: Right. Did you do those recommendations?

MR COLLIER: Not that I am aware of. (Pause) It doesn't seem quite the way I would put it anyway. (Pause)

MR GARRETT: It is difficult to ask you questions on something that you may or may not actually have contributed to, but, anyway, we will go through it. Before reaching those conclusions, those recommendations, are you aware of any discussion, any consultation, with Halcrow?

MR COLLIER: I can't imagine that anything like that would have been done without consultation with Halcrow, but, as I say, it wouldn't be at my level that it was done. (**Pause**)

MR GARRETT: You are not aware of whether anybody undertook a thorough, detailed review of all the documents?

MR COLLIER: I'm not sure I would have known about it if there had been. (**Pause**)

MR GARRETT: Moving on to the next report, which is the annual report on public bus transport which went to the States on 9th December 2003, my understanding of that document is that various people contributed to it.

MR COLLIER: Yes, that is right.

MR GARRETT: Did you write the summary on page 3? (**Pause**)

MR COLLIER: It is hard to tell. I mean, I would have provided some of the information, the figures that were there, but it was very much a joint effort. It had to be done in a very short space of time.

MR GARRETT: Again, would you be able to trawl through your word processor, just to see what there is on your word processor of early drafts of that document?

MR COLLIER: Yes, I can certainly do that. That is RC53, I think it is, presented to the States on 9th December 2003.

MR SPENCE: That is fine, thank you.

MR GARRETT: Can I just borrow the document back again?

MR COLLIER: Yes. (Same handed to Mr Garrett)

MR GARRETT: In paragraph 3 under that summary, it says or there is a reference to the wage settlement and specifically: "This resulted from a wage settlement reached between the Transport and General Workers Union and the previous operator after the contract was awarded to Connex." Again, I accept there is an issue about "agreement" versus "negotiation". Would you have written that section? (Pause)

MR COLLIER: It is hard to tell. I am sorry.

MR GARRETT: Right. (Pause) To avoid a situation where we might have to recall you when we do get a copy of the original, would you accept that there is an issue there about the accuracy of

that statement? It is not inaccurate, but it is not what I would term the whole truth and nothing but the truth in so far as, if you had known that Connex were advised of the claim on 12th February, were fully aware of it and made whatever decisions they made as to whether to include it or exclude it from their tender document, you wouldn't have written it in those terms.

MR COLLIER: Well, I don't know if I wrote it, but I understand what you are saying. I think, given the state of knowledge in the Department at the time, I don't see that it could have been written differently. (**Pause**)

MR GARRETT: Let us just go back. Would it be fair to say that a significant portion of your view was really formulated on the basis of information supplied by Philip Julhes and Halcrow (Roger Macklin) as opposed to an independent examination of all the documents, a sort of, you know, review of all the history? It was what people were telling you that formed the basis of that document, so if people were misleading you or if other people had not done their job correctly, it resulted in an inaccurate or misleading report.

MR COLLIER: I think that would be the case in any event, wouldn't it?

MR GARRETT: But you didn't actually sit down and say: "Hang on, Philip Julhes is telling me this, is that correct?" and go back through the documents that you were holding, go back and challenge Halcrow to actually produce all the documents, challenge them to come here with the documents and sit down in a room and actually thrash through the history?

MR COLLIER: I think, looking at it in hindsight, you can always say things like that in the heat of the moment, to use a hackneyed phrase.

MR GARRETT: But this is £186,000.

MR COLLIER: I appreciate the amount of money that is involved, yes.

MR GARRETT: Which, if Connex have their way, will be multiplied by seven, because they don't see this issue as being dead, which is a large sum of money for the Island to be paying out. So I hear what you say, but ----

MR COLLIER: There was nothing pointing me in a direction, or that was pointing anybody in the Department in the direction, that we would have thought it necessary to do so, I think.

MR GARRETT: I think somebody coming to you and asking for £186,000 would have certainly

prompted me to explore the background a little or actually look at the documentation, look at the contracts, look at the tender documents and say: "How has this situation arisen" before formulating a view on it.

MR COLLIER: Sure, but it is not my remit to make the decision on whether it is going to be paid or it isn't.

MR GARRETT: Whose remit do you think it was?

MR COLLIER: I mean, that sort of decision is made as a political decision.

MR GARRETT: But you seemed to be influencing that decision, if I may say, from the tone of the reports that you write.

MR COLLIER: I'm not the only one that contributed to these reports.

MR GARRETT: All right. (**Pause**) Let me move on. Paragraph 1.6, "Additional Costs and Other Impacts" on page 6 of that report, would you have written that paragraph or that section? (**Pause**)

MR COLLIER: I don't think it's all my language, no.

MR GARRETT: I am particularly interested in line 5, which says: "In May 2002, after Connex was appointed, the then Committee and Connex was made aware that Jersey Bus and its employees had negotiated an agreement whereby, from September 2002, one month before the transfer of operations, drivers would receive an additional shift allowance." Would you have written that?

MR COLLIER: It is possible. I don't think, with the state of knowledge that there was at the time, that would be an untoward statement.

MR GARRETT: But the fact is that it wasn't negotiated in May; it was signed off in May and it was negotiated in February.

MR COLLIER: Okay, but I think we are arguing semantics again on that.

MR GARRETT: No, we are arguing very precise points.

MR COLLIER: All right, well, I haven't ... "negotiate" is possibly an inappropriate word in that context now that we know what went on. I mean, we are looking at this with hindsight all the time. It is very easy to look at things in hindsight. (Pause)

MR GARRETT: I have got to ask, when you sat down to prepare this report and indeed the other reports, what research did you undertake? This is a key issue. Did you just sit down there and say: "Oh Philip Julhes has told me this and Halcrow have told me that"? Did you undertake any kind of independent research at all?

MR COLLIER: I was more concerned with this report in getting all the figures, frankly, because I was the only one that had all the statistics there. I know I did **these** tables. I did **that**. I did the research for the cost per passenger journey subsidy with other jurisdictions and this sort of thing. My main input to this was actually statistics.

MR GARRETT: Right, but in some of the other reports where you have made comments which tend to sort of favour or support a payment being made to Connex?

MR COLLIER: Not from my own knowledge or inclination.

MR GARRETT: And nobody said to you: "Go out and do it. You are not going to put this paper through without having it backed up"?

MR COLLIER: I didn't put the paper through.

MR GARRETT: Right, okay. Can I now move on to the questions which were posed by Senator Ted Vibert? Did you contribute to the formulation of the responses to those?

MR COLLIER: I can tell you exactly which questions I produced the things for. Again, all this was a joint effort. I mean, you can't get 18 questions in, which actually is a tremendous amount of work to accurately reply to. I produced the figures for question 6 on the amount of fees for Halcrow, because I was the one who had the records. Question 7, the answer is mine because, again, that is something that I would only have the records of.

MR GARRETT: Sorry, that is?

MR COLLIER: That is about the Harbour Shuttle.

MR GARRETT: Right, okay.

MR COLLIER: Right. (**Pause**) Again, some of the figures I would have produced, and certainly question 18 would have been mine.

MR GARRETT: And what does that one refer to?

MR COLLIER: School buses.

MR GARRETT: Did you contribute at all to any kind of discussion in the sort of refining of the answers or the formulating of what amounted to corporate answers?

MR COLLIER: No. What happens is that whatever I produce goes to the director concerned. It then goes to the management team meeting, where it is discussed. This is as far as I know the thing. It will then be discussed with the President of the day in a senior management meeting.

MR GARRETT: And you didn't participate in any of those?

MR COLLIER: No.

MR GARRETT: Okay. Are there any other reports that you produced that I haven't focused on today?

MR COLLIER: I mean, I have contributed to an awful lot, but, I mean ----

MR GARRETT: Specifically in relation to Connex and their claims in respect of the shift allowance or the relief services?

MR COLLIER: Not that I can recall sitting here, no.

MR GARRETT: No, okay. It is a slightly hypothetical question, and I am coming to the end of my questions, so bear with me, but if you were embarking on this kind of project again or if you were appointed tomorrow to do this kind of work, what would you do differently?

MR COLLIER: A totally hypothetical question. Um, I'm really not sure that I'm in a position or a grade to comment on that. I have done as I was bid.

MR GARRETT: Right, okay. Before I sort of come to the end of my session, do you want to draw our attention to anything which you think is relevant which you believe we should take into account or which you think we should explore further?

MR COLLIER: No. I think you have had a tremendous amount of paperwork thrown at you and an awful lot of testimony. There is one document which I don't think you have probably seen and somebody with the forensic mind that you have, you were much exercised about the meeting of 28th February.

MR GARRETT: Yes.

MR COLLIER: And there was a lot of questioning that you were doing about the seating of the buses, the numbers of seats on the buses. I think, if you read **that**, I will make no further

comment. (Document handed to Mr Garrett)

MR GARRETT: Thank you. Can I keep that?

MR COLLIER: Yes, you can keep that.

MR GARRETT: Now, very early on in this process, I asked about your welfare. I know Caroline is here. Is somebody caring for your welfare today?

MR COLLIER: Yes.

MR GARRETT: Is that Caroline?

MR COLLIER: Yes.

MR GARRETT: And how do you feel at the end of this process or the end of my part of the

process?

MR COLLIER: Actually, I think my blood pressure is probably quite high.

MR GARRETT: Right. Hopefully you will be able to relax a bit now. Over to you.

MR SHEPHEARD: Thank you. I think there might be one point more that I want to clear up in my own mind, unless I have covered it already. (**Pause**) No, I think we have covered everything that I wanted to cover. You are happy?

MR GARRETT: I am happy.

MR SHEPHEARD: Mr Collier, thank you very much for coming here and helping us this morning. I think we are very grateful that you have been able to make it and I am sure that we will find what you have told us today extremely valuable when completing our valuation, discerning what our findings are and writing our report. Thank you.

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