

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:

DEPUTY JERRY DOREY
(Former Member Public Services Committee)

on

Monday, 31st January 2005

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MR SHEPHEARD: Deputy Dorey, good morning.

DEPUTY DOREY: Good morning. I was beginning to wonder if I'd come on the wrong day.

MR SHEPHEARD: Sorry to have detained you a little past the time that we asked you to come, but it's one of the almost inevitable consequences of receiving evidence on oath that we cannot predict exactly how long the process is going to take in relation to any one witness. Unfortunately, sometimes things overrun a little bit. Deputy Dorey, you may be aware that the Committee is receiving evidence on oath and I will, therefore, proceed to administer the oath to you.

DEPUTY DOREY: Is this a religious oath or an affirmation?

MR SHEPHEARD: If you wish to affirm, you may.

DEPUTY DOREY: I will affirm.

The witness was affirmed

MR SHEPHEARD: Deputy Dorey, the questions will be primarily from my two colleagues, Mr Blackstone and Mr Garrett, although I will chip in with any questions that I think are appropriate or, if at a convenient moment that I have some questions to put to you, I will do so. I will hand you over to Mr Blackstone.

MR BLACKSTONE: Good morning, Mr Dorey. I believe your prime involvement was in connection with the meeting held in July 2001, which I think can be fairly described as a "final offer meeting" between Jersey Bus and PSC.

DEPUTY DOREY: Um, it wasn't ... PSC were not involved at that meeting. If I could just add that I have only the haziest of memories of that meeting. I do remember that it was a Saturday morning. Deputy Crespel, Senator Le Claire (who may have been Deputy Le Claire at the time, I don't know), Senator Le Sueur, myself ----

MR BLACKSTONE: I will read the notes of the meeting in a moment because I think they are important.

DEPUTY DOREY: ---- went down to the Weighbridge in the hope of meeting not only Jersey Bus and the union representatives but also a representative from the Committee. It was my understanding that, despite numerous appeals, the President of the Committee at the time refused to attend, which was ironic, given that the attendance of several of us at that meeting, including

myself, was mainly motivated by the idea that the Committee was being totally intransigent and refusing to talk to people, which may or may not have been a true perception, but it was certainly true that morning. **(Pause)**

MR BLACKSTONE: I understand that Deputy Crowcroft was asked to attend by more than one person. He was even called on personally at his residence.

DEPUTY DOREY: He had been asked before the meeting and he was phoned several times during the course of the morning and at all times he refused to attend.

MR BLACKSTONE: Is it true that, at this time, the situation between Jersey Bus and the Public Services Committee had become critical?

DEPUTY DOREY: Um, there seemed to be complete deadlock. It was a refusal to meet and discuss. As I say, it is very difficult to judge the truth of that situation because that was our perception from outside. It is really very difficult to judge the truth when you are only getting one side prepared to talk even to yourself.

MR BLACKSTONE: Hmm hmm. It would appear that Deputy Crowcroft's refusal to attend this important meeting indicated that he did not wish his Committee to reach agreement with Jersey Bus, which would include the three to five year agreement promised them at the time of the previous year's Hoppa fiasco.

DEPUTY DOREY: I really don't know what his motivation in refusing to attend the meeting was. In my experience, jaw jaw is always better than war, war and I can't see what he could have possibly lost by attending and listening to views and exchanging views. I can't see the risk. I do know that those of us outside politicians who attended that morning got our knuckles severely rapped by the President and the Vice President of the Committee. Apparently, we had forfeited our right to speak in any subsequent debate by attending that meeting, which was totally ludicrous.

MR BLACKSTONE: It appears a very genuine effort to reach agreement in a difficult situation and I would like to read the notes of the meeting. In fact, this is a letter to all States Members signed by the group -- Senator Le Sueur, Senator Le Claire, Deputy Dorey, Deputy Crespel, Jersey Bus and TGWU -- "*Dear States Member, the meeting was held on Saturday 28th July*

2001 between Senator Le Sueur, Senator Le Claire, Deputy Dorey, Deputy Crespel, members of the TGWU and the management of Jersey Bus in order to clarify the situation relating to PSC's final offer to Jersey Bus and the TGWU, the President of PSC having refused to attend the meeting.

"It appeared to all present that the differences between the sides were minimal and was certainly not such as to justify PSC's refusal to discuss matters further. It was also noted that Jersey Bus had not rejected PSC's offer, but had simply sought to clarify what was felt to be obscure and ambiguous wording in order that all sides should be quite clear as to what was being agreed. On this basis, the group spent several hours working through the final offer in detail to clarify the wording where necessary.

"Most of the PSC's document has been reproduced unchanged. The group hope (a) that the resultant draft represents an agreement which no reasonable person would reject out of hand, and (b) that even at this late stage PSC will be willing to meet in order to clear up any remaining differences. Members of the group will certainly make themselves available for a meeting at any time. In order to demonstrate good faith, the revised document is being circulated to all States Members and the Island's media. We believe it represents a reasonable and fair way forward towards a service level agreement and secure provision of bus services for the Island." Do you feel that there was anything offensive in that?

DEPUTY DOREY: I certainly didn't think so. Our attitude in attending that meeting was to try to be helpful to act as honest brokers. We felt that those of us who attended had no particular axe to grind. We had no position to defend. We had been very little involved with the buses in the past. We didn't have a history such as, for example, without wishing to disparage him, somebody like Deputy Le Hérissier might be said to have in terms of buses, a known stance. So we thought our intervention could only possibly be helpful.

We came along to a situation where it appeared on the face of it that the Committee had adopted a completely rigid position, refusing to have meetings or discuss matters with either Jersey Bus or the Unions and the latest development in that had been to essentially hold a gun to the company's head by giving them an offer which they were not allowed to query -- in fact, they weren't going to be given time to query -- they simply had to accept it. It seemed a wholly

unreasonable position for politicians to adopt.

MR BLACKSTONE: Can you remember off-hand the basic differences between the two parties?

DEPUTY DOREY: I can't. It's some time ago, but certainly what went into that statement that there was very little difference between the two sides and that what the group had attempted to do that morning was simply to clarify the wording is, in my memory of things, accurate. There were no huge, substantial differences, but there was ambiguous wording in the offer that had been made by Public Services. I seem to remember that the group decided that, because I was good with words, I should be heavily involved in actually clarifying the wording, but I can't remember the detail of the wording I did clarify.

MR BLACKSTONE: Were you aware that one of the items that Public Services were holding out on was that Jersey Bus should disclose the accounts of all companies within the Diamond Group?

DEPUTY DOREY: I was aware that that had been a bone of contention between the two sides for some considerable time. There were arguable different views on that. How far you would extend the principle of requiring disclosure of all accounts within a group of companies when it is actually only one company that you are dealing with I don't know. I tended at the time to adopt the line that if you are dealing with a single company, then the disclosure of the accounts of that company is quite reasonable, but to go beyond that requires some very clear argument, which didn't seem to be made beyond PSC saying "We want it".

MR BLACKSTONE: Hmm hmm. Were you aware that PSC was relying very heavily on the advice given by a consultant at that time?

DEPUTY DOREY: I knew that consultants had been involved. I didn't know how heavily PSC were relying on any advice from any source. The abiding impression at the time was that PSC were playing things very close to their chest and not only refusing to discuss things openly with the company, but generally keeping their position secret in terms of other outside agencies, politicians and the media.

MR BLACKSTONE: Are you still of the opinion that the resulting draft represents "an

agreement which no reasonable person would reject out of hand”?

DEPUTY DOREY: I certainly wouldn't have said that at the time had I not wholly believed it.

MR BLACKSTONE: Did Deputy Crowcroft's Committee proceed to reject this proposed agreement?

DEPUTY DOREY: Er, they rejected all the work we had done on principle. I don't believe they even studied the agreement. They were offended that we had got involved at all. As I say, I believe it was the Vice President of the Committee at the time who said that we had forfeited our right to speak in any subsequent debate by meeting with the company and the unions. I think they were attempting to paint a picture where we were in some way acting for the company or acting for the unions. That certainly wasn't true. We were acting for the community, if you like, in trying to seek consensus.

MR BLACKSTONE: Would you say that the Committee was biased, possibly unreasonably biased, against Jersey Bus?

DEPUTY DOREY: That was certainly the abiding impression I received, yes. I had that impression generally in the weeks beforehand, as I remember it. Certainly the President's outright refusal to even meet people only confirmed that view.

MR BLACKSTONE: Did you bring to the States a Proposition B104/2001 to defer the competitive tendering process until late 2003 at the earliest?

DEPUTY DOREY: I did, yes. To be honest with you, I can't remember the rationale behind that now. I haven't ... It's a long time since I've seen that proposition.

MR BLACKSTONE: But at the time of the Hoppa Bus ... sorry?

MR SHEPHEARD: Was that in fact an amendment to the Bus Strategy?

DEPUTY DOREY: I really don't recall. I'm sorry, but I've brought quite a number of propositions in my time as a States Member and I just don't recall the detail of that one.

MR SHEPHEARD: I think my colleague, Mr Garrett, may have one or two questions on that subject.

MR BLACKSTONE: I hope I'm not leading you in this question, but there was in 2000 the Hoppa bus dispute.

DEPUTY DOREY: There was.

MR BLACKSTONE: You may remember.

DEPUTY DOREY: Yes.

MR BLACKSTONE: And, as a result of that dispute, an agreement was made between PSC and Jersey Bus that Jersey Bus would be given a three to five year licence and that this would be confirmed by an initial memorandum of agreement in September 2000 and a full service level agreement for the three to five years by March 2001 and that no tendering process could be commenced during that period. The fact that your proposition proposed to defer the tendering process until late 2003 would appear to tie in with that undertaking given to Jersey Bus. Am I correct in that assumption?

DEPUTY DOREY: I have the vaguest of memories of this, but that sounds likely. I would have expected, if that was the rationale, for the report to have made that point. **(Pause)**

MR BLACKSTONE: Anyway, the minutes of the Public Services Committee of 31st July 2001 state that "*The Committee agreed that it would not want to continue negotiations with Jersey Bus and decided to resist the amendment brought by Deputy Dorey.*" I have just reminded you of the undertaking given to Jersey Bus in 2000 as a result of the Hoppa agreement and that within a year they should then forego all further negotiations and commence to tender appears to go directly against that agreement. Do you consider this action to be honest or honourable?

DEPUTY DOREY: I believe that where the Committee has made an undertaking it should have very good reasons, openly divulged, for breaking that undertaking. I know conditions change in politics -- a week is a long time in politics -- and the appropriate action to take may well change over a period of time, but you have to be absolutely open about how it has changed. There were ... sorry, I'm being repetitive here, but my abiding impression of that time was of a situation where it was extraordinarily difficult to get the Committee to actually say what was going on or what their position was.

MR BLACKSTONE: Hmm hmm. Did you make enquiries of any particular Committee Member in this connection if, as you say, they were secretive?

DEPUTY DOREY: Um, I'm sure I would have spoken on a casual basis to Committee

Members. I have to say I didn't have the best of relationships with the Membership of that Committee, from memory. I really don't know. You are asking me a question which I can only really respond to by speculation. I would expect that, given that the Committee had made it clear that it was unwilling to talk to people, I would have seen it as pretty much a waste of time to try to question them.

MR BLACKSTONE: As far as the Committee of Inquiry is aware, your direct involvement with this Public Services Committee, Jersey Bus, Halcrow, the tendering process and everything else is limited to this final offer meeting which we have discussed at some length.

DEPUTY DOREY: Yes. As I said, I felt it was appropriate for those of us who attended that meeting to attend because by and large -- I think it was particularly true of myself -- we had no position to defend because we hadn't been involved previously.

MR BLACKSTONE: And there is nothing else you wish to tell the Committee about any of the matters that are included in its terms of reference?

DEPUTY DOREY: I don't think so. The only thing that I would finish on would be to stress that a lot of what I have said to the Committee falls into the sphere of speculation. My memories of the details of that time, the details even of that meeting, are vague.

MR BLACKSTONE: Thank you very much.

MR GARRETT: Can I just pick up on a response that you gave to a question asked by my colleague, where you described the Committee as adopting a rigid position? Was it the Committee or were there individuals who were more rigid than others?

DEPUTY DOREY: Um, listening to Members of the Committee in the States talking, I had the impression of a Committee that had decided to sort of form a circle of wagons and defend, so a united Committee, but essentially on the basis that Jersey Bus were wholly wrong and they must, you know, defend the public against this company. I didn't understand the rationale, but I had the impression of a Committee whose attitude was uniform throughout the Committee.

MR GARRETT: Just again picking up on a question asked by my colleague, the amendment that you lodged on 17th July, as I understand it, was intended to allow all sides to retreat with honour from what appears to be entrenched positions and also to give the Committee a clear

timetable for constructive negotiations and action, which seemed like a reasonable position to adopt at that time. What was the reaction of the States to your proposition?

DEPUTY DOREY: Um, I ...

MR GARRETT: You didn't win the day?

DEPUTY DOREY: I certainly didn't win the day. I am sorry, if I had known that this particular amendment was going to be discussed, I would have looked it out of the Greffe and tried to refresh my memory. I can't help you. I believe that, generally speaking, a majority of States Members had bought the line that the company was in some way being unco-operative. I don't personally believe that was true, having met individuals, individual players, if you like. I certainly wasn't acting on behalf of the company, but I found my discussions with representatives of the company to be perfectly commonsensical and they were prepared to talk. I felt a sense of frustration that there appeared to be a clash of personalities dictating what ought to be a rational, political decision.

MR GARRETT: I understand it went down 15 to 35.

DEPUTY DOREY: Right.

MR GARRETT: Would you describe that as a fairly heavy defeat?

DEPUTY DOREY: I've had much heavier than that. I've had 1 to 52. No, I think, by and large, it would be fair to say that a 15:35 vote is indicative of a States' debate where significant numbers of people have taken on board the arguments and quite often, to be honest, a vote like that can suggest at least that other people would have supported one but felt that they had to toe the party line. This may be unfair, but I have frequently experienced it after debates like that, people coming up to me afterwards and saying "Well, I would have like to have voted for you, but really we have got to look after this Committee or whatever." It will be disappointing, but 15:35 is by no means an overwhelming defeat, especially for a private member.

MR GARRETT: Fine. At the end of the day, the Bus Strategy was adopted. With the benefit of hindsight, what is your view on the effectiveness of that document? Did you see it as a sort of visionary piece of work, or did you see it as a sort of short term mechanism really for getting rid of Jersey Bus?

DEPUTY DOREY: Um, I would incline more to the latter, the latter view, and I don't think it actually, that agreeing that document actually took us very far forward in terms of the Transport Strategy or even just a Bus Strategy. **(Pause)** My memory of it is that it contained no real detail, that it was motherhood and apple pie, but also that, to be making decisions on a Bus Strategy while pointedly ignoring the main provider of bus services, did not seem a rational position to adopt.

MR GARRETT: What was your reaction when Connex was appointed?

DEPUTY DOREY: I had no particular reaction. It had seemed obvious for some time that this Committee was determined not to re-engage Jersey Bus. They wanted to find an alternative, and any alternative would have done. So I wasn't in the least surprised. I felt at the time that perhaps, if an error had been made, then it needed time to display, you know, the disadvantages. It was no use simply just standing up and opposing Connex. In any case, I had no particular feelings about Connex, but I did feel that a decision had been made far more on the basis of personalities than on the basis of reason, and it had been made from an a priori position that Jersey Bus must not be engaged.

MR GARRETT: Did you first form that opinion in July 2001 when you became involved in that meeting with Jersey Bus or was it earlier than that?

DEPUTY DOREY: I can't tell you. All I can do is repeat that I had the impression, a number of us had had the impression, for some considerable time that this was a Committee which was completely against Jersey Bus, and the events leading up to that meeting at the end of July 2001 were simply symptomatic of the attitude that appeared to prevail. Now, I have to say that I could be completely wrong -- it is always possible -- but that was the very strong impression that we had at the time.

MR GARRETT: A hypothetical question, moving towards the end of my session, but if the States of Jersey were embarking on this kind of project again, what do you think should be done differently?

DEPUTY DOREY: Well, more than anything else, there should have been open discussion and a willingness to meet. As an example, I think it is public knowledge that the current

Environment and Public Services Committee has been through rather a difficult time recently negotiating with taxi drivers about the Broad Street improvements. At all times, we have been prepared to meet the taxi drivers' representatives. There would never come a point where we refused to meet them. I think any side involved in negotiating a situation which actually publicly announces that it refuses to meet people and it refuses to hear their point of view and it refuses to discuss them with them has forfeited the high ground.

MR GARRETT: Fine. The last question really from me. I have covered a fair amount of ground, but is there anything, any statement that you want to make to us, or indeed do you want to point us in the direction of any particular issue that you think we should investigate?

DEPUTY DOREY: Um, I think if I was in your position, I would be trying to find out what was actually in the Committee's mind at the time because it was a mystery to me and to several others. As I say, they seemed to have formed this defensive ring of wagons and I couldn't for the life of me understand what they were trying to defend the community against.

MR GARRETT: Thank you.

MR BLACKSTONE: Just one more question. We are talking about the period July 2001 ----

DEPUTY DOREY: Right.

MR BLACKSTONE: ---- which is also the time when the Bus Strategy was passed in the States which involved approval of the tendering process.

DEPUTY DOREY: Yes.

MR BLACKSTONE: Were you made aware at all that Public Services, either the Committee or the Department or both, were already negotiating nearly a year in advance with Halcrow to provide a system for bus tendering?

DEPUTY DOREY: Um, I believe I may have heard a mention of Halcrow, but I'm afraid my evidence on this would be unreliable. I can't remember the detail.

MR BLACKSTONE: But would you consider that surprising as they were still negotiating with Jersey Bus and a year beforehand they had entered into a contract with consultants for tendering?

DEPUTY DOREY: My memory, which may be unreliable, leads me to believe that the Committee was encouraging distrust on the company's side because the company had been given

the clear impression that whatever tendering process was adopted there would be found a way to make sure that they did not win the tender.

MR BLACKSTONE: Thank you. I have no further questions, Mr President.

MR SHEPHEARD: Deputy Dorey, thank you very much for coming here this morning. I find myself without any questions to ask you at this stage.

DEPUTY DOREY: Thank you.

MR SHEPHEARD: We are very grateful to you for giving us your evidence. Thank you.

DEPUTY DOREY: Thank you. I am sorry I am not more accurate, but it is a long time.

MR SHEPHEARD: Thank you.

(The Committee conferred)

MR SHEPHEARD: At the moment, checking our timetable, we find that we now have to adjourn until 11.30, when we will hear the next witness. Thank you.
