

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 ROY LE HÉRISSEIER

on

Monday, 31st January 2005

(Digital Transcription by Marten Walsh Cherer Limited,
Midway House, 27/29 Cursitor St., London, EC4A 1LT.
Telephone: 020 7405 5010. Fax: 020 7405 5026)

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MR SHEPHEARD: Deputy Le Hérissier, good morning to you.

DEPUTY LE HÉRISSEIER: Yes, good morning.

MR SHEPHEARD: Thank you very much for coming to give evidence to the Committee. As you may know, we are receiving evidence from witnesses on oath, and I will therefore proceed to administer the oath to you.

DEPUTY LE HÉRISSEIER: Okay.

The witness was sworn

MR SHEPHEARD: Thank you. Deputy Le Hérissier, the Committee is concerned, I think, mainly with questions that you raised in the States in the year 2001. It is my colleagues, Mr Blackstone and Mr Garrett, who will be asking you most of the questions.

DEPUTY LE HÉRISSEIER: Okay.

MR SHEPHEARD: So I will hand you over straightaway to Mr Blackstone.

MR BLACKSTONE: Good morning.

DEPUTY LE HÉRISSEIER: Good morning.

MR BLACKSTONE: I think in fact you have volunteered that you would like to come and see us because you have a number of matters you would like to raise with us.

DEPUTY LE HÉRISSEIER: Yes, yes.

MR BLACKSTONE: You were not directly involved in the Public Services Committee.

DEPUTY LE HÉRISSEIER: No, never.

MR BLACKSTONE: Or in any other way with Jersey Bus ----

DEPUTY LE HÉRISSEIER: No, no.

MR BLACKSTONE: ---- but I think you have raised questions in the States on several occasions.

DEPUTY LE HÉRISSEIER: Yes.

MR BLACKSTONE: If you didn't get satisfactory answers at the time, we might be able to help you, but we are more interested in the answers that you did obtain and they may be able to help us.

DEPUTY LE HÉRISSEIER: Okay.

MR BLACKSTONE: So can I put the ball in your court, please?

DEPUTY LE HÉRISSIER: Well, I'm not an expert, as some other witnesses have been, on the who said what to who and when line of questioning, to be quite fair. I was more interested in the whole issue of why the strategy wasn't working and why various things weren't coming together. In fact, I looked over various papers and I looked ... I was thinking about the whole thing and, quite frankly, I came to the opinion that a psychologist might have been better sorting this out than a specialist in transport contracts. I just got the impression that the whole thing went off the rails at a fairly early stage; and obviously you will be better qualified than me to say when it did go off the rails and how it went off the rails. But, can I, Mr Blackstone, give some historical background?

MR BLACKSTONE: Please.

DEPUTY LE HÉRISSIER: I mean, I came into this because, I suppose, in the vernacular, I was a bit of an anorak. I've got this big collection of slides and I despaired when Mr Lewis got rid of his double deckers and brought his big trundling Fords in and so forth. So I had a rather sad entry into this episode, but I think Jersey Bus was experiencing nothing that was unusual, in that there was a decline of public transport over many years.

There had been a few reports. There had been that very famous Heubeck Report, which I think in the sixties had tried to deal with this situation. He was a very famous manager of Ulster Bus who went on to sort of really make something, or was making something, of that organisation. Then I noticed, looking through the newspapers -- and this is history -- there was a Mr Humphries came in and he started saying "You know, we're going to need public subsidies. We can deliver the goods. We can bring you a good bus service, but are going to need public subsidies" and that is where the refrain seemed to appear throughout most of the ... on and off throughout most of the 1990s. There was no doubt that the situation with the buses and transport in general got more acute as the tourist industry went into decline, because the cross-subsidisation that appeared to have kept the bus company going, partly through its little coach service and partly through obviously the summer itself, that was obviously in decline. The school bus service, it appeared, seemed to rescue the situation, but then it got embroiled in the bigger picture about its costings and so forth and so on. But it seemed to have rescued the

situation for a while.

But there was no doubt, in my view, Jersey Bus seemed very interested in carrying on. I thought there was some good ideas put forward. The Bus Users' Consultation Group arose, which was at that point in time handled by a States Member, so perhaps it wasn't as independent as it was to become in its current incarnation. But I thought there were some quite good ideas put forward by Jersey Bus, for example, a service level agreement, but there is no doubt that the public would need that linked up to a refurbishment of the fleet. The fleet was looking very, very tired. It was this old fleet largely of Fords. They were very inaccessible for elderly people and others. There wasn't, for example, on the 15, there wasn't proper luggage storage and so forth and so on.

The Weighbridge itself was looking very hang dog. Even when shelters were put in, it was like being in a canyon at times, a wind canyon. There were little customer service niggles like the fact that the driver turned up.... If the bus left at 9.15, he turned up at 9.15 and the doors were opened and people were, until then, left sort of in the wind and rain canyon, for example. All these things indicated to me that a revolution in customer care was needed, and if you travelled, I suppose, after deregulation in the UK, there were some good things happening with bus services. You know, bus drivers looked smart. There were ways of getting information to people at bus stops and at bus stations and so forth that were being developed, and I know they were talked about here, but, for various reasons, they didn't get off the ground.

What struck me was could we have, so to speak, got together with Jersey Bus and negotiated a deal where we could have kept them as the operator, but we could have made sure that the money that was being put into them largely through this old senior citizens ... sorry, the senior citizens' subsidy and the cross subsidy that was coming in very large terms at this point from schools, that this could be used as an incentive to improve the service.

Now, there appeared to be a willingness on both sides that for some reason, which I have never got to the bottom of and perhaps you will, it clearly broke down. Trust, as another speaker has said, broke down. I thought one way out of it was to appoint an independent ... either to appoint an independent third party, or, if the current management of Jersey Bus were to take,...

who were very passionate about this and one always like to see passionate people, but if they could have taken a back seat and a third party manager could have come in ... I know there was an attempt at one point to bring a PR person in to sort of front some aspects of the negotiations, but I am not sure that that ever really worked because of the basic breakdown or whatever was happening -- and for a lot of us it was very hard to know precisely what was happening -- there were these sort of skirmishes that occurred in public and so forth and so on. But it appeared there had been a basic breakdown of trust and, from what I could see, very imperfectly putting the pieces together, that had occurred with, I think, the then Deputy Crowcroft's Committee and the management of Jersey Bus. I don't think it was ... That was the feeling I got.

So we were going into contract negotiations obviously with both parties fairly fed up with each other and it was very unlikely, unless sort of a guardian angel could have somehow sort of come down and sorted all this out, it was very unlikely we were going to get calm negotiations. In fact we never did, of course. We got a war of attrition, in a sense, occurring. I always also got the impression as the contract was being negotiated that the ground was always shifting. We in the States received a Bus Strategy which was a very slim document and it struck me that that in itself was evidence that something needed to be cobbled together rather quickly.

We received, as you know, rather late in the day, the amendments to the Motor Traffic Law and, again, I'm not sure everybody quite understood that law in any case. I'm not sure the Members did. They just assumed "Well, if this is a necessary part in putting the strategy in place, you know, we'll put it through. It wasn't a major revamp of the law, but it did -- and, of course, we were to rue the day -- it did deal with things like the definition of an omnibus and a charabanc and all that. Little did we know that what we thought was settled was not settled.

So that is the ... then there was the rôle of the Union and they were clearly affected by all the uncertainty and what they obviously saw as a badly handled change and it has to be said, when you're handling a major change like that and you are moving away from what has been a very, very settled situation, there is obviously going to be turmoil. I mean, that is just part of life. You have just got to accept that that is going to happen.

MR BLACKSTONE: Can I just stop you there and go back on what you have said already, one

or two things.

DEPUTY LE HÉRISSIER: Okay.

MR BLACKSTONE: And then we'll continue.

DEPUTY LE HÉRISSIER: Yes.

MR BLACKSTONE: You did say the fleet was looking very tired and the Weighbridge was just a bit hang dog and all the rest. Would this possibly relate to the fact that, from late 1999, Jersey Bus was only on a one year licence, which made it very difficult to renew equipment?

DEPUTY LE HÉRISSIER: Well, I don't intimately know obviously intimately the situation, but, no, I think it had developed before then.

MR BLACKSTONE: Hmm hmm.

DEPUTY LE HÉRISSIER: But no doubt as the sort of problems with tourism and so forth started dawning on the management, I would imagine they started deferring decisions and they started making more short term ones. I mean, that is just my imagination. You know, that is just my own speculation.

MR BLACKSTONE: You said there was a feeling by the Public Services Committee against Jersey Bus. Would you like to elaborate on that and be a bit more specific?

DEPUTY LE HÉRISSIER: Well, I have to say, a lot of it is little bits of anecdotal information which somehow we have to sort of put together. I just got the feeling that the parties, having occasionally been present and hearing each party sort of explain their views of the other party, that they had basically given up with each other in terms of, you know, there being a true basis of understanding. That is the impression I got. There was a lot of irritation with each other. There were a lot of accusations about, well, who said what to who and at what time and so forth.

MR BLACKSTONE: You mentioned also the appointment of a third party. Are you aware that FourSight Consultants and Mr John Griffiths were appointed some time in early 2001 to negotiate a service level agreement and a fair rate of return?

DEPUTY LE HÉRISSIER: Yes, yes, yes.

MR BLACKSTONE: Did you ever meet Mr Griffiths or have any discussions with him?

DEPUTY LE HÉRISSIER: No, no.

MR BLACKSTONE: Because one of the questions you raised on 17th September 2001 does relate specifically to that. It says, or the reply given to you by the President of PSC says “*Jersey Bus sought a subsidy based on a 15% mark-up*” and “*The basis of the subsidy proposed by Public Services was a mark-up of 5.3%.*” This Mr Griffiths was working specifically on that rate of return and he produced schedules with somewhat rather higher figures, but he couldn’t say where this 5.3 % came from. We have been unable to determine that yet. It seems a very low figure.

DEPUTY LE HÉRISSIER: Yes. Well, I mean, obviously I’m not an expert on bus operating economics, but that’s what I was told and I always got the impression that ... as you know, one of the issues that had run right through this was, was enough information being shown by each party to the other. Now, there were parts of information, for various reasons, that couldn’t be shown because of commercial confidentiality. I asked that question, I suppose, because I was informed that the assumptions on which he was working might not necessarily be the right assumptions, so I wanted to test the waters.

MR BLACKSTONE: Yes. Were you aware of his qualifications in the field of transportation or indeed of accounting?

DEPUTY LE HÉRISSIER: No, no.

MR BLACKSTONE: No. I think they were somewhat lacking.

DEPUTY LE HÉRISSIER: Yes, yes.

MR BLACKSTONE: I have been given, or the Committee has been given, the accounts of Jersey Bus from 1997 through to 2000.

DEPUTY LE HÉRISSIER: Hmm hmm.

MR BLACKSTONE: And with the help of further management accounts provided by Jersey Bus I have been able to work out that they were making a return which declined from about 11% in 1987 down to about 5% in 2000. That is a return on costs, which, to me, does not seem unreasonable in any way. In fact, it is rather low when you consider that the tenderers submitted tenders varying from 8.8% to 23% mark-up.

DEPUTY LE HÉRISSIER: Yes.

MR BLACKSTONE: I am sorry to interrupt you, would you like to continue?

DEPUTY LE HÉRISSIER: Not at all. Well, just sort of carrying on the narrative so to speak, as I said, to the ordinary States Member what was going on was quite bewildering other than the fact that it was obviously very antagonistic and it wasn't really the basis upon which to move smoothly to an agreement. What became more and more obvious is that the taxpayer one way or the other was going to have to pick up a bill because it also became obvious that if we didn't go with Jersey Bus, who could obviously, on the basis of their historic knowledge and so forth and so on, they could obviously launch, I would have thought, a cheaper service than the other competitors, we were going to be into trouble. But, in a way, I think the Members, in a sense -- well, I certainly did, but I can't speak for the other Members -- but the feeling was a plague on both your buses or a plague on both your houses, because, you know, this was all getting to be ultimately fairly childish.

But, anyway, let us assume for the moment well, we move to the contract and, even then, there were a lot of questions about it even at that point. But I think the real revelation certainly and the disappointment certainly set in with me after the contract because we thought, "Okay, this is really tough, but somehow we have got to struggle through all this turmoil and all these different views of what the truth is and so forth and so on, but let's see if we can get to the contract and somehow peace will break out." Well, clearly it didn't. There were then all these funny little battles like who owned the timetable poles and so forth, and that, to me, was all symptomatic of the very bad feeling that was still around.

But the public, I think, they had a sense of optimism. They really felt "Now, we've struggled this far, you know, we're going to see a new bus service. The States seemed to have talked the hind leg off a donkey with this policy. At last, we're going to see a new bus service." Then, immediately we were hit, for example, by the relief situation, it was quite clear that Connex had under-estimated this and although, again, as I said, I wouldn't purport to be a transport contract specialist, it strikes me from my reading of the contract that they were bound to provide relief buses, but, because they, as you well know, had bought in these smaller buses, they obviously were ... presumably that required them to run more reliefs than they had

anticipated that the JMT had run, you know. Then that, I think, worried the public and, again, it indicated that things were not quite as clear as they should be. There seemed to be this sort of off contract argument: “Well, we’ll run the reliefs, but you have to pay us extra”. Whereas the contract seemed to say “No, that’s ... you know, reasonable reliefs based on so forth and so on have to be run as an integral part of your contract.”

Then there was obviously the matter that is belabouring you, the issue of the shift allowance and, as I said, I’m not an expert on who said what to whom. It certainly was, to States Members it was very, very surprising that what amounted to virtually a 20% increase should have been granted just as a contract was coming to an end. That was certainly a very surprising feature. But, as to the honesty of people in that particular episode, I really don’t know.

The other issue which always seemed ambiguous was what was the rôle of Connex in terms of coming up with new ideas? The public, and indeed States Members, had believed that, albeit in a very rocky fashion, the foundations had been laid for a good bus service. But that meant a different bus service. We always knew, and I think Jersey Bus acknowledged this, that that timetable was getting pretty ancient. You know, a lot of people like Mr Ginns who are very expert on this, could repeat it back to before the War and, you know, certain routes and whether Fred was driving the three-fifteen and so forth. It was all getting, you know, pretty long in the tooth. The Jersey Bus population had shifted and there had been attempts by Jersey Bus to deal with this, like there had been the commuter route out to Les Quennevais, but then there had been that last minute thing, as part of the 12 month thing, where the States provided emergency funding to carry a few routes over and, indeed, the Parish of Trinity also provided emergency funding to, I think, carry on with route 4. So it was all getting pretty bad at that stage. But then a timetable appeared, which I think was a fundamental mistake, where all these old routes which had been plastered over by the subsidy, were carried over to the Connex contract, which staggered me, including the route to Plémont, which is a holiday camp and admittedly not during the winter, but during the summer. I mean, that has to be ...

Now, I was partly to blame because I did push and indeed Jersey Bus had made an interim arrangement, to be fair to them. I had pushed for Victoria Village, for example, to stay,

but it hasn't, I am afraid, come through. Deputy Scott Warren had pushed for the Rue des Pres to stay and so forth. So we were all to blame as politicians pushing narrow interests. But, nevertheless, we ended up with these six routes -- I think it was six -- that should never have continued without the most thorough investigation. And then it became apparent we were locked into a very rigid way in which we could improve the timetable. You know, I thought it was all going to be fairly easy, it was all going to be flexible, so we got rid of the (to put it unkindly) the public hearings in the way we used to give out public transport operating licenses and so forth. I thought that was all become a lot simpler.

But I increasingly got the impression that, rather than Connex being proactive and coming forward with some really exciting timetabling ideas, we were lumped with the old timetable. In fact, we were lumped with a pretty old fashioned version of it. Whenever any thing knew was required, it appeared, we, the States, through the subsidy, had to sort of work out a separate arrangement and they had to be paid an add on sum to run that separate arrangement. My view was that, because the current timetable was crying out for reform, the savings should have been created, and could have been created, within that current timetable. But, no, we were then having to pay these extra monies apparently and then people were on our back, "Well, what about the Hoppa bus service" and it became very symbolic of our inability to sort of reform the system. "What about the Hoppa bus?" This went on and on.

I actually think the Hoppa bus was a good service. It had a lot of the attributes of the Guernsey system, for example. It had a flat rate. It had a cheap, flat rate. It ran very regularly and so forth and so on, you know, on a very regular circuit. The cynics will tell you it carried the same people round and round town and it became a sort of travelling sort of social club for senior citizens, but I think it was more than that. But that is what we were told.

But I was really desperate for this timetable revamp, which is why I got involved, why I came back into the frame, because it never seemed to appear. It never seemed to appear. Then we started to ... and, again, obviously I don't know the sort of political sort of toings and froings here, but there was obviously enormous pressure which Public Services put on itself or which was put on Public Services by Finance and Economics to start cost cutting, you know, "This shift

allowance has taken us by surprise. The other costs have taken us by surprise. We haven't got the economies we thought we would get through the revamped timetable". Then we started to get all this pressure for cost cutting.

Now, that culminated in this disastrous exercise of December 2003, where we had a consultation on a new bus timetable. But, of course, it wasn't a new bus timetable. It would virtually have killed off the system, when you analysed what was being proposed. Obviously, in my view, panic had set in. Either F&E had pressured Public Services or Public Services had said, you know, "We're leaking money at a rapid rate of knots and we've got to do something about this." I was, quite frankly, very cynical about this exercise. Again, people rose up and, of course, unfortunately, what we got out of it was just the reappearance of the old timetable because people were so upset, I think, about this that what should have been the good result, in other words a revamped timetable ... because I can't remember all the proposals, but, I mean, there were things like cutting out virtually all the night buses, cutting a vast swathe of routes, including admittedly the sick, so to speak, but it would have killed off the system. It would have killed off the system because there were no innovative ideas there which would have regenerated the system, which would have brought traffic back and which would have linked up places not previously linked up, and I know they have done a little bit of that from time to time.

I should also add, of course, I think ... because there was the other interloper on the scene, Easylink. I think obviously by this time Easylink had appeared and I had asked some questions about that. Again, I wasn't clear as to what extent it was leaching away revenue which Connex had assumed they would get, even though they had no figures, as you know, because that was, again, another aspect of the breakdown. For various reasons, the historic JMT information, as you well know, was not made available to Connex. They say they were doing it in the dark, but it has to be remembered that they did inherit a lot of the JMT staff and they would have had a lot of anecdotal information, I would have thought, and so forth.

But this was, to me, December 2003 was the low point because it proved that we in a big way lost our way. We were panicking. We were trying to make cuts. I will read out part of an article from one these anorak journals which sad people like me read called *Buses* of, I think it is,

December -- I think it is December ... no, it is around Easter: "*Jersey gets a twin set*". This writer was analysing Easylink and obviously I will leave it. He is analysing Easylink and Connex and how they are impacting on each other and, in the conclusion, he says this: "*Without even going into the private versus public transport debate that Jersey always seems to brush under the carpet, the Government's highly conservative laissez faire attitude is in danger of costing it dearly. Very few residents use the bus service and the vast majority of them are worse off than five years ago. With fewer seats available*" -- and he discusses this, the small bus thing -- "*on vehicles that are supposed to represent an improvement in amenity*" -- and they certainly did for disabled people, to be fair, and the Bus Users' Group -- "*time will tell whether the whole mess can be sorted out once and for all*" -- well, obviously we haven't got there yet -- "*but it won't happen without a much higher level of Government involvement and, if it doesn't, Jersey will be left with an expensive and under used bus network fulfilling little more than a welfare rôle.*" I think those are sort of prescient words.

Sorry, just to sum up, I am one of those people who had very high hopes of what was going to happen. I obviously was very disappointed with all the politicking and all the antagonism. There were people of goodwill there, including Jersey Bus, including Connex. I think in a way, although I don't think ... I said I don't know a lot of the details, but obviously Connex have found themselves in the middle of a battle royal and it must have taken them some time to understand what was going on, if they managed to. But obviously, you know, we, the States, have to take a lot of responsibility for what went wrong. You know, "did we put up the right structure for this? Did we have leak proof contracts" and, as Mr Blackstone has intimated, "Did we have the right kinds of consultants?" Sadly, I think it has all soured.

MR BLACKSTONE: As you can imagine, over the last four months, we have had to do a huge amount of reading.

DEPUTY LE HÉRISSIER: Yes.

MR BLACKSTONE: And we have found quite a lot of facts which we are interested in. I very much appreciate the interest you have taken as a States Member in this, because it is not every States Member who is interested in buses.

DEPUTY LE HÉRISSIER: Yes.

MR BLACKSTONE: But as you were not directly involved, I really don't have any further questions to ask you. Thank you very much.

DEPUTY LE HÉRISSIER: Okay. Thank you.

MR GARRETT: You touched on the Strategy in your earlier comments. Looking at the Strategy, would you see it as an effective visionary document, or do you think it set short term objectives and really was weak and missed the point?

DEPUTY LE HÉRISSIER: Um, I think ... sorry, I forgot to bring one with me. I meant to bring it. But from my memory of it, and I quickly re-read it this morning, I think it was a very well meaning document, but it was written in very general and vague terms. A lot of the really difficult issues like "What should be in the nature of a subsidy for public transport" and all that were not wrestled with. We went ... it was said at the time. This warning was issued at the time, but I think people were so fed up that the thing was put through, you know, "we are opening ourselves to continual financial leakage with this." That was said at the time. I think it was ... I don't think it was short of the dream, but the trouble is that it was short much more of pinning down what would be the kind of financial issues in running a much more heavily subsidised public service than had been run hitherto.

MR GARRETT: Do you think that was symptomatic of poor research or was it simply the case that the project was rushed?

DEPUTY LE HÉRISSIER: I think it ... well, probably both. I think the project was rushed. We in the States have got a very bad reputation for not looking at policy options. We tend to sort of fairly early -- this is a favourite hobbyhorse of mine -- very early we tend to sort of happen upon one option and then we put our energies there and often end up pushing it forward. Even though at a later stage it proves to be the wrong one, at that point it is very difficult to start doing a U-turn or to start saying "Look, I think we've got this wrong. We've really got to go down a different route."

MR GARRETT: Exploring the Strategy further, do you think it was a broad document, or do you think it was fairly narrowly focused and really the main theme was to get rid of Jersey Bus?

DEPUTY LE HÉRISSIER: No, I would say probably both actually. By then, I sensed -- as I said I don't know the detail, but I sensed -- the disillusionment that each party had with the other was pretty high at that point. But I don't think it was inconceivable that Jersey Bus could have won the contract because, I mean, obviously delivery was everything and I would have wanted to have seen them pinned down very, very tightly on things like fleet renewal, customer service. I don't think they were short of ideas on those areas, but I think we would have had to have some very solid conditions in the contract to reassure us, you know, that we were going to get delivery in those areas.

MR GARRETT: I noticed that in 2002 -- July 2002, in fact, going on to August 2002 -- you were involved in a number of email exchanges in relation to the apparent slowness of Connex to meet with staff and to make sure that they were reassured in terms of their job security. Can you briefly explain the background to that?

DEPUTY LE HÉRISSIER: Well, it was obvious. We did have what appeared to the public to be this rather strange alliance between management and the union. That was fairly odd, but it was obvious that people were very, very concerned. The drivers had lived, or the staff as a whole had obviously lived, through this and they were bound to be very upset. I mean, it had been a very settled situation, I suppose, and, as you know, when people get very settled, change gets very difficult to handle.

I got the feeling, but it was purely a feeling, that, although people ... I don't know what people told Connex about the political situation here about the background, you know, the real background as opposed to the sort of coloured document, you know, the fancy documents, I don't know what they told them about the situation, but I just got the feeling that they hadn't grasped, you know, how serious it was. That was my feeling. I think I mean, there was bound to be a period of dodgy morale with staff. There is going to be when you are dealing with a strange situation like that. But I just felt they could have moved much quicker.

MR GARRETT: A little later you raised a complaint about passengers being left at the Weighbridge, in particular youngsters. Did you ever receive a satisfactory reply to that?

DEPUTY LE HÉRISSIER: Not really. I did get a reply from a gentleman. Oddly enough, that is

one of the things that I looked up. It was to do, I think, with the No. 1 bus, the 11.15 pm on the No. 1 bus. What struck me is, I mean, there were things in the reply, oddly enough -- I mean, I would have forgotten it had I not looked at it -- but what struck me about the reply was that the writer said that there were various parties being held in town for young people and the bus service couldn't cope. You know, it was bringing younger people into town on intermittent and irregular Saturdays and the bus service couldn't cope and they could look at things like Mum's taxi or two hour walks home and I thought that was unbelievable. I thought, you know, "Here is one of your few markets". Late night buses are very important. Parents often don't like kids ... or don't give money to children to go on taxis, for example, and we all know the problems -- you know better than I -- with those taxi queues and so forth late at night. Surely this is where the service should shine through. No, it wasn't good. It was very poor.

MR GARRETT: Did you get the feeling that the person who was responsible for compiling the reply to you had actually not given or had not actually researched the issue, had not possibly visited the Weighbridge to see the extent of the problem and was just fobbing you off?

DEPUTY LE HÉRISSIER: I got that impression. I mean, in a way, the person was covered because he or she said obviously that they had a teenager, as I remember and they had experienced these issues and that they had walked home two miles one night. I don't think that was a very reassuring thing, but, yes, that was the feeling I got, yes.

MR GARRETT: I have come pretty well to the end of my questions, but a hypothetical question for you. If the States was embarking on this project again, what do you think they should do differently?

DEPUTY LE HÉRISSIER: I suppose we could all resign and just start again, if you follow my logic. Um, I think ... I have no problem with the competitive tender, but I would have ... clearly the key to the whole thing was the breakdown in the relationship between Public Services and Jersey Bus. I would have tried to have put in people there who, apropos Mr Blackstone's earlier comment, who knew how to handle contracts. I would have tried to have given ... I would have tried to tell Jersey Bus "Please put people in there who haven't got ... who don't have to save face if this thing goes down the drain so to speak. Please try and bring in a third party to handle

negotiations so we can take some of the heat out of the situation because clearly it is starting to get quite bad.”

As for Public Services, I would have tried to look at more models of how to handle public transport. I don't know whether they looked at them, I really don't know, but I would have tried to have looked at more models and I would have tried to have developed a contract that was much more motivational of the operator. We were really left carrying the can, as we are now, carrying the can on that contract.

MR GARRETT: Picking up on your comments, bearing in mind the history, do you think that by the time the tendering process was being progressed, did a level playing field exist? Was Jersey Bus on that level playing field?

DEPUTY LE HÉRISSIER: Again, Mr Garrett, to be quite honest, I don't know, but my assumption is no. I think by then the bad feelings had really set in. I mean, I obviously am not privy to the thinking of the Public Services people at that time. What they wanted Jersey Bus to bring to the table, by definition, they couldn't ask them to bring ... they couldn't say, I don't know, “I know, we want you to bring different people to the table.” You can't tell that to people on the other side obviously. But I get the feeling that things had got fairly bad at that stage and it was going to be very difficult to rescue it.

MR GARRETT: Thank you.

MR SHEPHEARD: A couple of things from me, I think, Deputy Le Hérisier. You referred in your evidence to the payment that Jersey Bus received in relation to carriage of pensioners and HIE card holders as a subsidy. Now, we have already heard evidence that certainly it may have begun as a lump sum payment to Jersey Bus, but, by 1993 at the absolute latest, Jersey Bus was actually being paid for actual journeys undertaken by individuals because the ticketing information was available to Public Services and to Employment and Social Security. So would you accept that it couldn't properly be characterised as a subsidy under those circumstances? They were being paid for performing a service to people. The people getting the subsidy were the pensioners and HIE card holders.

DEPUTY LE HÉRISSIER: Yes, I think, Mr Shepheard, in the technical sense you are right, but,

as that article indicated, I think, had we not through the subsidy to the pensioners, encouraged them to use the service, it would have been in dire straits. That certainly would be my view.

MR SHEPHEARD: Yes. That is all I wanted to clarify. Well, thank you very much, Deputy Le Hérissier, for coming. It has been quite informative. Thank you.