



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Wednesday, 18th April 2018

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Present:

Richard J. McMahon, Esq., Deputy Bailiff and Deputy Presiding Officer

Law Officers

R. M. Titterington, Q.C. (H.M. Comptroller)

People's Deputies

St Peter Port South

Deputies P. T. R. Ferbrache, J. Kuttelwascher, D. A. Tindall,
B. L. Brehaut, R. H. Tooley

St Peter Port North

Deputies J. A. B. Gollop, C. N. K. Parkinson, L. C. Queripel, M. K. Le Clerc,
M. P. Leadbeater, J. I. Mooney

St Sampson

Deputies L. S. Trott, P. R. Le Pelley, J. S. Merrett,
T. J. Stephens, C. P. Meerveld

The Vale

Deputies M. J. Fallaize, N. R. Inder, M. M. Lowe, L. B. Queripel,
J. C. S. F. Smithies, S. T. Hansmann Rouxel

The Castel

Deputies R. Graham L.V.O, M. B. E, C. J. Green, B. J. E. Paint,
M. H. Dorey, J. P. Le Tocq

The West

Deputies A. H. Brouard, A. C. Dudley-Owen, E. A. Yerby,
D. de G. de Lisle, S. L. Langlois

The South-East

Deputies H. J. R. Soulsby, H. L. de Sausmarez, P. J. Roffey,
R. G. Prow, V. S. Oliver

Representatives of the Island of Alderney

Alderney Representatives L. E. Jean and S. D. G. McKinley, O. B. E.

The Clerk to the States of Deliberation

J. Torode, Esq. (H.M. Greffier) (morning); S. M. D. Ross, Esq. (H.M. Deputy Greffier) (afternoon)

Absent at the Evocation

Miss M. M. E. Pullum, Q.C. (H.M. Procureur);
Deputy G. A. St Pier, (*relevé à 10h 27*)

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States of Deliberation

*The States met at 9.30 a.m. in the presence of
His Excellency Vice-Admiral Sir Ian Corder, K.B.E., C.B.
Lieutenant-Governor and Commander-in-Chief of the Bailiwick of Guernsey*

[THE DEPUTY BAILIFF *in the Chair*]

PRAYERS

The Greffier

EVOCATION

CONVOCATION

The Greffier: Billet d'État XI. To the Members of the States of the Island of Guernsey, I hereby give notice that a meeting of the States of Deliberation will be held at The Royal Court House on Wednesday, 18th April 2018 at 9.30 a.m. to consider the items listed in this Billet d'État which have been submitted for debate.

IN MEMORIAM

**Tribute to former Lieutenant-Governor and Commander-in-Chief
of Guernsey and its Dependencies,
Air Chief Marshal Sir Peter de Lacey Le Cheminant GBE, KCB, DFC & Bar, KStJ**

5 **The Deputy Bailiff:** Well, Members of the States, it is with sadness that we commence our proceedings today by honouring the memory of Air Chief Marshal Sir Peter de Lacey Le Cheminant, Knight Grand Cross of the Most Excellent Order of the British Empire, Knight Commander of the Most Honourable Order of the Bath, upon whom had been conferred the Distinguished Flying Cross and Bar, Knight of the Sovereign Order of St John of Jerusalem, who
10 died at home on 8th April.

Peter Le Cheminant was born on 17th June 1920 at the Alexandra Nursing Home, St Martin's. The son of Keith Le Cheminant, described in the birth register as a military student and who later achieved the rank of Lieutenant Colonel and Blanche Ethelred Wake Clarke.

15 He attended Elizabeth College from 1929–1938 where he was in the First Eleven Hockey Team. He also represented the school in shooting. He retained this latter interest throughout his life and was a keen Bisley marksman.

20 Having completed his education in Guernsey he attended the Royal Air Force College Cramwell. Thereafter Peter held flying posts in France, the United Kingdom, North Africa, Malta, Sicily and Italy. In those last three locations during 1943 and 1944 he commanded No. 223 Squadron.

He was awarded the Distinguished Flying Cross in 1943, the citation for which said, and I quote:

Acting Squadron Leader Peter de Lacey Le Cheminant No. 114 Squadron has completed numerous operational sorties against the enemy, both over occupied France and Tunisia. He has taken part in low level attacks against road communications and airfields, always pressing home his attack with coolness and determination, regardless of the dangers and difficulties encountered. Since taking over the command of a squadron his courage and devotion to duty have been an inspiration to all air crews.

Immediately after the War he was appointed as Staff and Staff College Instructor. Peter then served in the Far East from 1949-1953 in command of No. 209 Squadron.

25 For his service in the Korean War he was awarded in 1951 a Bar to his DFC. On that occasion the citation stated, and I quote:

Wing Commander Le Cheminant was appointed to command a flying boat squadron in 1949. Since September 1950 the squadron has been operating regularly in the Korean Campaign, carrying out anti-submarine and anti-shipping sorties in Korean waters in the worst possible weather. By his leadership and example he has maintained the morale and efficiency of his squadron at a very high level and has himself flown over 22 sorties and has invariably taken the most difficult sorties himself.

Peter was on the Joint Planning Staff from 1953-1955, following which he spent two years as Wing Commander flying in Kuala Lumpur. He successfully completed a course at the Joint Services Staff College in 1958 and for the next three years he was Deputy Director of Air Staff Plans.

30 From 1961-1963 Peter was in command of RAF Geilenkirchen in West Germany. This was followed by three years as Director of Air Staff Briefing and two years as Senior Air Staff Officer HQ Far East Air Force.

In 1967 he was appointed as Chief of Staff and the following year became Commandant of the Joint Warfare Establishment Ministry of Defence, later becoming the Assistant Chief of Air Staff Policy at the Ministry of Defence, one of the most important RAF posts at the MoD.

35 His policy posts dragged him into the political arena in an era of cost cutting and British military retrenchments.

In 1972 he was appointed as the United Kingdom's Member on the Permanent Military Deputies Group Central Treaty Organisation in Ankara. For three years commencing in 1974 Sir Peter, as he was by then, was Vice Chief of Defence Staff, he was promoted to the Rank of Air Chief Marshall in 1976 and was Deputy Commander in Chief Allied Forces Central Europe.

40 He retired from his stellar career in the Royal Air Force in August 1979 but maintained his deep affection and loyalty to it. However, retirement was short lived, for in the following year Sir Peter was appointed as Lieutenant-Governor and Commander-in-Chief of Guernsey and its Dependencies. He is thought to have been the only native Guernseyman to have served as the Sovereign's Personal Representative in the Bailiwick other than a Bailiff.

45 He was a distinguished and rightly popular Lieutenant-Governor and thoroughly enjoyed his five-year term.

Sir Peter will have opened a number of buildings during his term of office, in particular not far from here is a plaque commemorating the opening by him in October 1982 of the extension to this building, which for 25 years housed the Court Ordinaire but then became offices and meeting rooms when the 2005 extension was opened.

Sir Peter was a prolific and successful writer, he gained a reputation as an essayist and won several prizes in service sponsored competitions, as well as two gold medals from the Royal United Services Institute for essays on military subjects, and he was elected as a Fellow of the Institute in 2001.

55 He continued writing in his retirement. He wrote two books under the *nom de plume* of Desmond Walker, one entitled *Bedlam in the Bailiwicks* and the other *Task Force Channel Islands*. In 2001 using his own name he wrote *The Royal Air Force: a Personal Experience*. His last work published in 2005 was *Ridiculous Rhymes*.

60 In 1940 Peter married Sylvia Van Bodegom, who died in 1998. In 2007, Sir Peter married Norma Gardiner MVO. Sir Peter is survived by Lady Le Cheminant and his two daughters and his son from his first marriage, Andree, Joanna and Peter to all of whom we extend our sincere condolences.

**Tribute to former States' Member,
Deputy Michael John Marshall**

65 **The Deputy Bailiff:** A fortnight ago we were also saddened to learn of the death a week previously in London of former States' Member, Michael John Marshall.

Michael was born on 14th October 1928. He was educated at Elizabeth College and spent the War years with the College in exile.

70 He later wrote a book called *The Small Army* recounting the experiences of the school and its pupils during their wartime exile in Derbyshire. From the tribute paid to him at his funeral last week by his brother, it is apparent that Michael was an adventurous soul.

After obtaining a degree in Modern History from Oxford University he began a potentially promising career in the law but gave it up to assist his parents in running the Manor Hotel, which they owned. Nevertheless he maintained a lifelong interest in the law and wrote a number of pamphlets about aspects of it, including one on the Clameur de Haro, a distinctly Guernsey form of relief available under the customary law.

75 Michael joined the States of Deliberation at the general election in 1964 as the Deputy for the Forest. To put the States at that time into some context, Conseiller Sir John Lisle was *inter alia* a member of the Board of Administration, a committee Michael joined in 1966, and fellow members included Conseiller Raymond Falla and Deputy Charles Frossard. Despite being still relatively young, Michael had to resign from the States towards the end of his third term in July 1972 owing to ill health.

85 In an era of many States' Committees he sat on few but he served as a member of Elizabeth College Board of Directors and spent virtually his whole States' career on the joint Guernsey-Alderney Advisory Council as well as being a member for five years of the important Board of Administration, where he was succeeded by future Bailiff, the then Deputy Graham Dorey.

His keen interest in and his encyclopaedic knowledge of local history was reflected in his appointment in 1970 to the States' Committee set up to consider an official history of the Germany Occupation and which resulted in the production of Charles Cruickshank's book. He campaigned against the destruction of the Citadel at Fort George when the Fort was developed for housing, and was one of the signatories to the Requête which led to the National Trust of Guernsey (Incorporation) Law, 1967.

95 Michael became the Procureur of the Poor for the Forest Parish in January 1976. He then served as a Constable for two years from January 1977 when he stood for the Douzaine in 1983 he was not elected.

He was a devout Roman Catholic, being a member of the congregation of St Joseph's Church, and his strong faith sustained him throughout his life.

100 Michael wrote a number of short books: one called *Sark*; another *Hitler Invaded Sark*; and *Herm: its mysteries and its charm*, all suggesting an enduring fascination with the smaller Islands of this Bailiwick.

He leaves two daughters, Frances Jane and Lise, children and grandchildren, to all of whom we extend our sincere condolences.

Members of the States, will you now please join me in rising to honour the memory of Sir Peter de Lacey Le Cheminant GBE, KCB, DFC & Bar, KStJ, and of Michael John Marshall.

105 *Members stood in silence.*

The Deputy Bailiff: Thank you, Members of the States.

COMMUNICATIONS BY THE PRESIDING OFFICER

Memorial to commemorate Royal Guernsey Light Infantry

110 **The Deputy Bailiff:** Before we turn to the two Committee general update statements, I would just like to comment briefly on two events from the weekend.

On Sunday morning, commemorating the 100th anniversary of the participation of the Royal Guernsey Light Infantry in the Battle of the Lys, a fine granite memorial placed in the Sunken Garden was unveiled and dedicated. I am sure you will all agree that it is a most fitting tribute in
115 the heart of St Peter Port marking the courage and the willingness of the men of the RGLI to serve in fighting for the freedoms we enjoy today. Writing in his dispatches field Marshall Hague described the gallant service of the RGLI in this battle during which significant casualties were suffered.

On behalf of this Assembly, I would like to thank the Royal Guernsey Light Infantry Charitable
120 Trust for all its endeavours to fulfil its objectives of having memorials in Masnieres in France, and now here, and to encourage everyone to find time to visit our new memorial to pay their respects and reflect on the immense sacrifices made by so many a century ago.

21st Commonwealth Games

125 **The Deputy Bailiff:** Sunday also marked the Closing Ceremony of the 21st Commonwealth Games on the Gold Coast in Australia.

I am confident that this Assembly would wish to record our thanks for the way in which our athletes and accompanying officials and supporters have represented the Bailiwick so well over the course of those games.

It may have been another Games without Guernsey featuring on the medal table, and some
130 may have been slightly disappointed, but everyone will have done the best they possibly could on the day, and for their dedication and effort including the leadership of *Chef De Mission* former Deputy Garry Collins, we should quite properly applaud each and every one of them.

Rubbing shoulders with world-class performers ought to be an incentive to repeat the experience in the 2022 Games in Birmingham, and everyone involved can play their part in
135 inspiring other upcoming athletes to build towards that goal. It is, as we all know, the highest level international sporting event in which the Bailiwick competes as Guernsey.

We are of course in the fortunate position of hosting the 2021 Island Games, which may well provide the perfect springboard for our sporting heroes to aspire thereafter towards participation in Birmingham. That journey starts straight away.

140 However, before our attention turns to 2021 and 2022, to the whole of Team Guernsey this Assembly is proud of all you have done at the Commonwealth Games this month.

Members: Hear, hear.

STATEMENTS

**Committee for Education, Sport & Culture –
General Update by the President**

The Deputy Bailiff: Deputy Fallaize, as President of the Committee *for* Education, Sport & Culture, you are going to provide a general update to the Assembly.

Deputy Fallaize: I am, thank you, sir.

I do so 10 weeks ago to the day since the Committee was elected. The Committee inherited a vacancy in the key role of Director of Education. This role has been reviewed and revised and the recruitment process will begin next week with a view to making an appointment in the next few weeks. At the same time the Committee will recruit to the new role of Executive Head Teacher of Secondary Schools, who will lead first the transition from four schools to one school operating in two colleges and ultimately the school itself. These two appointments are of critical importance to the Committee's extensive agenda of reform.

Work is progressing well to identify the two optimum sites for the 11-18 colleges. It is possible that the Committee will be able to determine those sites relatively soon and if so a single full transition model for pupils could be developed sooner than originally anticipated. Clearly this would be desirable because it would provide maximum certainty. If not, and in line with what was reported to the States during the January debate, at the very least the Committee will ensure that pupils do not leave Year 5 without parents knowing their catchment secondary school 13 or 14 months in advance.

As soon as the Executive Head Teacher is appointed, work will accelerate on planning the future provision of the two 11-18 colleges and during the transition years before they open – as well as determining the staff structure and making designate appointments. The Committee is working closely with secondary head teachers to ensure that the closure of the existing four schools and the opening of one school in two colleges is a collaborative process and that high priority is afforded to the education and welfare of students who are, or will be, at secondary schools during the transition phase.

The Committee is also committed to engaging with students about their needs in the new structure – and from next week we will be visiting secondary schools specifically to hear from students.

The Committee has submitted a proposal to the Policy & Resources Committee to invest in essential and urgent works at La Mare de Carteret Schools. It may or may not be one of the sites of the two new 11-18 colleges, but either way students and teachers will continue to work in the current schools for a while longer and the Committee wants to provide them with a visibly improved learning and working environment before the start of the next academic year in September. If the works are approved by P&R next week I will immediately write to the School Committee and after that announce more details about the works.

Soon after its election the Committee directed officers to carry out a full review of provision in primary education. What I mean by that is essentially how much capacity is needed for the foreseeable future and where it should be located. This was necessary in part to allow the Committee to provide greater certainty in relation to the future of La Mare de Carteret Primary School and I hope this review will be completed soon.

The arrangement with Education Scotland to inspect schools will be terminated at the end of the current academic year. The Committee is in discussion with potential replacement inspectors, including the Welsh Inspectorate, the Independent Schools Inspectorate and Ofsted. Last week it canvassed the views of head teachers in the secondary sector and tomorrow – if we can get out of this place in time – it will do the same of head teachers in the primary sector. The Committee's objective is to appoint an inspectorate which is credible, rigorous and commands the confidence of the community and professionals.

Next week some Members of the Committee will meet with the three providers who it is hoped will in time merge to become University College Guernsey – that is to say, the College of FE, the Institute for Health & Social Care Studies and the GTA University Centre. This is best done as a collaborative process and the Committee will invite the providers in the first instance to work together themselves to advise on how best to integrate to deliver the efficiencies and improvements possible while protecting all that is good about each of the providers at present.

In approving what was then known as the Alternative Model and then electing the new Committee the States made it clear that they expected significant transformation not only in the secondary sector but also in the administration of education in Guernsey. The Committee and its new Chief Secretary are united in their determination to restructure and reform the Education Office. Indeed this work is already well under way. For example, some roles which have been, or soon will be, vacated will not be replaced; communications have been brought in line with practices across the rest of the States and are now being led by the States' corporate communications team, and shortly the Chief Secretary and I will submit further proposals to improve the support provided to the Committee so it can deliver the ambitious policy agenda agreed by the States. Officers are working hard during a time of significant change and I wish to thank them for their considerable commitment.

The Committee is working with P&R and the grant-aided colleges on a new funding arrangement for the colleges. In recent weeks substantial progress has been made; the Committee has agreed an outline funding model and is optimistic that in the near future an agreement will be concluded which is acceptable to all parties and which of course does not permit selection by ability from 2019.

The Committee will shortly commence a programme of half-day visits to all schools, these will not be the sort of royal visits I was used to in my first stint on the Committee. They will become much more frequent – the aim is to visit each school annually – and be much more focused on discussing facilities development and most of all standards and performance, and allowing considerably more time for discussion with school leaders.

On Monday the Committee will visit Sark and discuss with the new Education Committee there ways in which Guernsey can support Sark, particularly in the secondary sector, as it seeks to respond to a challenging review carried out by the Reach2 Academy Trust.

On Wednesday the Committee will visit Alderney. To its great credit the previous Committee directed considerable support to St Anne's School. The new Committee has assured the Head Teacher and Alderney Representatives of its commitment to maintain and where possible enhance support of education in Alderney and this is a message we will repeat when we are in Alderney on Wednesday of next week.

Work is progressing well on preparations to host the 2021 Island Games – and there is very good news to come on this subject later today. The Committee has established a good working relationship with the recently-appointed Chairman of the Sports Commission and is working with the Commission to develop new sources of funding. Development of a 'plan for sport' – the sports strategy – has been expedited. A consultation document will be issued soon – and the officers have been asked to prepare a policy letter for submission by the end of this year.

Good progress is also being made on plans to invest around £2.6 million over the next five years in Castle Cornet. Many of the Island's other heritage sites are beginning to suffer from a period of under-investment, but the Committee acknowledges that the States cannot afford to make piecemeal investment and therefore has directed officers to revive work on a heritage strategy. The Committee has commissioned a team of dedicated volunteers, including but not limited to the Arts Commission, to expedite the development of an arts strategy.

Last week of course Beau Séjour did a splendid job of hosting the local premiere of the Guernsey film – the Guernsey Literary & Potato Peel Pie Society – and I congratulate and thank all the many people, both inside and outside the States, including the Members of the previous Committee, who made this possible.

At the last States' meeting I made a Statement about the Committee's budget position. All I will say today is to repeat that there will be no quick fixes. Every effort is being made to contain expenditure where doing so is not detrimental to services, but the Committee inherited an anticipated overspend of £3.8 million this year and the only solution to prevent this becoming a permanent problem is the wholesale transformation of education which is now well under way but will take a number of years to complete.

Thank you, sir.

The Deputy Bailiff: We now move to questions on any matter within the mandate of the Committee.

Deputy Inder.

Deputy Inder: Sir, Deputy Fallaize, through you, sir, thank you very much for your update.

Deputy Fallaize, with reference to the La Mare remedial works, Members will be aware that there were substantial issues with the huts at the back of the building, when I was there: there was mould, there were black spots, general deterioration and dilapidation and I think one of the last acts, and I never found out what actually happened then, there was actually a spore test. Can the President assure Members that for the teachers and the students that work within that environment, the works will be completed. You mentioned the remedial work – does that form part of your remedial work that you mentioned at the beginning of your update?

Thank you, sir.

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Yes it does, sir.

I think that is the simplest way of answering that question. That is included in the programme of works. The full programme, if it is approved by P&R next week, will be released next week after we have written to the School Committee to advise them of the plans. It is a not inconsiderable sum of money, but given that the school is bound to remain in operation for some time irrespective of the sites designed for the two 11-18 colleges, we cannot continue to provide education in the current environment to those students and indeed the teachers who are working there. So what we are seeking is visible improvement in the teaching and learning environment and the problems that Deputy Inder has highlighted are very high on that priority list.

The Deputy Bailiff: Deputy Lester Queripel.

Deputy Lester Queripel: Sir, in response to the question I asked the President during a recent States' debate he informed me that his Committee had no intention of pursuing the issue of reducing the length of school holidays. However, he did say that if there is a case for children to spend more hours at school it would be better to extend the school day itself rather than reduce the length of school holidays.

Sir, can the President tell me whether or not he and his Committee have had an opportunity to discuss the issue of extending the length of the school day and if they have can he tell me the outcome of that discussion, please?

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

I must tell Deputy Queripel that that is not the very highest priority of the Committee at the moment. I can tell him that the Committee is still not minded to propose changes, or make changes, to school holidays in the way he suggested last month, but remains more open minded in relation to the length of the school day, particularly in the secondary sector. But these kinds of

295 decisions will need to await the appointment of the Executive Head Teacher and other senior
leaders in that new structure, not least of all because if we are serious about devolving
responsibility to schools – and we are – we have to empower school leaders to, at the very least,
be very heavily involved in working with the Committee in making these decisions, if not making
the decisions themselves.

300 **The Deputy Bailiff:** Deputy Oliver.

Deputy Oliver: Thank you, sir.

Thank you for Deputy Fallaize's speech.

305 I just want to expand a little bit on the two school models and the actual two schools, he said
that it would be relatively soon. Can he give a more accurate date when this might actually
happen, or month it might happen? It is just I have got a lot of parishioners actually asking when
they are going to know what two schools is actually about.

Thank you.

310 **The Deputy Bailiff:** Deputy Fallaize.

Deputy Fallaize: Yes. I said it is possible that it could be relatively soon.

315 I think that the issue that is causing the greatest uncertainty is that at the moment there are
students in Year 5 in primary schools who do not know where their catchment secondary school
will be. Now that issue actually can be dealt with in isolation from the selection of the two sites
which ultimately will be used for the 11-18 schools. If we cannot decide in pretty short order
which would be the two optimum sites, we will ensure that there is certainty about the destination
for Year 5 and probably Year 4 students when they move into secondary school.

320 I am afraid I cannot give the States an exact date on which we will be able to make a decision
about the two optimum sites. We know it is urgent, it is of the highest priority for the Committee,
it is discussed and progressed at each meeting of the Committee and we will make the decision as
soon as possible, but obviously it has to be on the basis of sound information.

The Deputy Bailiff: Deputy Tindall.

325 **Deputy Tindall:** Thank you, sir.

330 I was very pleased to hear that there will be a consultation on the sport strategy, but can the
President confirm that this will include how the Committees *for* Health & Social Care, Economic
Development and Environment & Infrastructure who all have an element relating to sport in their
mandate can work together more collaboratively to achieve the best for the Bailiwick?

The Deputy Bailiff: Deputy Fallaize.

335 **Deputy Fallaize:** Well, I do not think the consultation document will necessarily make any
mention of that, because I think what we need to ascertain in the consultation document is what
is the community's, particularly the sporting community's, objectives for sport. Then it is up to the
States to decide how we can best deliver those objectives. Clearly delivering them is going to
require very close collaboration, indeed closer collaboration between the Committees which
Deputy Tindall has mentioned, and later this year once the results of the consultation have come
340 back the Committee will be seeking to work quite closely with those other Committees in the
development of what we are calling a plan for sport that is essentially the sports strategy which
was directed by the States I think last year.

The Deputy Bailiff: Deputy Leadbeater.

Deputy Leadbeater: Thank you, sir.

Just going back to the remedial works on La Mare de Carteret School. I know two years ago we spent £180,000 and put a new roof on that was not needed, and would have been best spent on the porta cabins replacing those or doing something with those. Could the President assure me that the money is going to be well spent and going to be targeted to the areas that it is needed?

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Well, there was a different Committee in office of course two years ago, of which I think Deputy Leadbeater was a Member. But I can assure him that the process that has been followed here is that the head teachers of the schools have been asked what could be done to make the learning and working environment visibly better, so the whole programme has been very much shaped by the people who are leading those schools and who are working in them on a daily basis. I think the observation he makes about where expenditure might have been more usefully spent previously is correct, it will be spent in the areas of highest priority now.

There was previously money allocated to be spent on urgent remedial works at La Mare de Carteret and for reasons which I cannot fully establish, not all of it was spent. So in many respects we are not talking here about new money we are talking about money which was previously identified. We want to get it spent because it is right to invest it in the students and the teachers who are in those schools at the moment.

The Deputy Bailiff: Deputy Ferbrache.

Deputy Ferbrache: Sir, I commend Deputy Fallaize for his succinct and helpful statement he just read. But I am concerned as a result of the answer he gave to Deputy Oliver's question. People of Guernsey are not concerned with as soon as reasonably possible when sorting out problems, they want a definite answer. Now presumably Deputy Fallaize and his Committee, because the honeymoon period is just about over for that Committee, can tell us when as soon as reasonably possible could be, better than the answer he has given before. For example, surely by the end of this year the public of the Bailiwick will know which two schools we are talking about, what the cost is going to be, and when the system is going to be implemented.

If not can Deputy Fallaize accept that will be a failure on behalf of himself and his Committee?

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Yes, thank you.

It is always difficult to know which words to use when talking about time lines. If I gave the impression that it might extend beyond the end of this calendar year that was not my intention because clearly it would be, it is not acceptable for it to go on beyond then. It is not acceptable for it to go on that long, but I cannot stand here and give an assurance that it will be next week or even next month, but it certainly will be within the sort of time frame that Deputy Ferbrache is talking about.

The Deputy Bailiff: Deputy Dudley-Owen.

Deputy Dudley-Owen: Thank you, sir, and thank you to Deputy Fallaize for the very interesting update.

The comments that were made about Education Scotland are actually quite interesting, and I really felt that there was an inference that the Education Scotland inspection regime was neither credible nor rigorous. I personally feel that is a bit of a metaphorical slap in the face for schools such a La Mare de Carteret Primary which were noted as outstanding and sector-leading

underneath this inspection regime. Would Deputy Fallaize therefore please clarify why Education Scotland will no longer be required as the schools inspection service in Guernsey?

Thank you.

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

Well, there was no such inference in my comments and the reason that Education Scotland will no longer be carrying out inspections is at least in part because Education Scotland have given notice of their intention not to renew their agreement. That is partly because the Scottish Government is requiring them to carry out much more work in Scotland in view of the significantly underperforming and deteriorating standard of education in that country.

The Deputy Bailiff: Alderney Representative Jean.

Alderney Representative Jean: Thank you, sir.

I would like to thank Deputy Fallaize for his very interesting statement as well.

The concern I would like to raise in Alderney after the loss of the 11-plus, there is still concern in Alderney that the students remain on there to 16 and also that there is some talk about them being somewhat disadvantaged, in that if the 11-plus was still in place – and that was one of the reasons why I took the stance I did back then – they still feel somewhat disadvantaged by that and would not be able to access the Ladies' College or the colleges until much later on. That is a difficult situation, and it is in a way an anomaly that they have to continue on through. I wonder if you could shed any light whether you perhaps intend to look at that in another way now. Very interesting what you have said about Scotland. That is most interesting.

Thank you very much.

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Well, Alderney Representative Jean makes a good point and highlights the way in which the removal of selection at 11 affected Alderney in a way that it did not affect students in Guernsey. There were other effects on the students in Guernsey but in Alderney there was this quite unique effect.

I think the difficulty is I think, respectfully, if he was to talk to the head teacher at St Anne's School, he would be provided with the view that if students in Alderney, particularly those of higher aptitude are given a route into Guernsey secondary schools at the age of 11 then the effect on St Anne's School is potentially quite serious, and there in any event would be no easy way of doing it post the 11-plus.

The Committee is absolutely committed to ensuring that provision at St Anne's School is as strong as it possibly can be. When the Executive Head Teacher is appointed he or she will have a very clear and emphatic mandate from the Committee to work in collaboration with St Anne's School to ensure that our two new 11-18 colleges can offer the kind of level of support to St Anne's to ensure that the recent improvement is sustained. But of course the Committee will be happy to discuss this in more detail when it visits Alderney this time next week.

The Deputy Bailiff: Deputy Hansmann Rouxel.

Deputy Hansmann Rouxel: Thank you, sir.

I welcome the President's mention of an arts strategy and that that will progress.

Similar to Deputy Tindall's question about the sports strategy I would seek assurances from the President that that would also encompass various Committees across the States as arts has impact

across most of our lives and that the President would be using the expertise within the States and the community to implement that strategy.

450 **The Deputy Bailiff:** Deputy Fallaize.

455 **Deputy Fallaize:** Yes, the development of the art strategy will follow a similar process to the development of a sport strategy although I think it is fair to say that in the development itself the voluntary sector is more involved in the arts strategy than in the sports strategy, simply because the Committee is served by officers who are able to put together a sports strategy and have always maintained that resource but that is not quite the same in the arts sector. So the Arts Commission and a group of volunteers outside the Arts Commission are working together initially to engage with the community on an arts strategy. Clearly as with the sports strategy the presentation of the strategy itself, probably to the States, will necessitate the Committee working with other Committees and other stakeholders in the community and that we will do.

460 But essentially the process followed for the development of the sports strategy and the arts strategy will be the same. We have expedited both strategies and we will finalise them as soon as we can.

465 **The Deputy Bailiff:** Deputy de Lisle.

Deputy de Lisle: Thank you, sir.

470 The President mentioned uncertainty which is a concern of course within the business community. Can the President give further information on his primary school review? Is this not going to likely trigger further uncertainty with respect to education?

The Deputy Bailiff: Deputy Fallaize.

475 **Deputy Fallaize:** Well, sir, I do not think ... it depends what the results of the review are. Clearly there is the outstanding issue of La Mare de Carteret Primary School. If the Committee submits a proposal to the Policy & Resources Committee to redevelop that school, the first thing that the Policy & Resources Committee is going to say is, 'Can you please tell us what the shape of primary provision looks like in the foreseeable future?' In other words, 'do we need the capacity that you are proposing where you are proposing it?' We want to try and forestall those kind of conversations by doing the preparatory work first so that whatever proposals we come up with in terms of capital development in the primary sector are supported by evidence. The review is simply trying to understand how much capacity will be needed in the foreseeable future and where it is best located, which will then drive decisions about capital investment.

485 This is a review which presumably the previous Committee undertook when it was making its plans in the primary sector. There is nothing radical or revolutionary about this review.

Deputy de Lisle: Can I ask a supplementary on that, sir?

490 **The Bailiff:** No, you cannot, Deputy de Lisle, we do not have supplementaries on statements. Deputy Gollop.

495 **Deputy Gollop:** Having been pleased with the answers about the remedial work for the La Mare de Carteret School, I risk asking the President to perhaps go diving off the deep end as to whether the new Committee have any plans to remedy and improve the currently slightly derelict facility of the swimming pool at the Grammar School, because it does seem to me a waste that the pool is no longer being used either by scholars or the community and that surely a least for the next few years the pool could be improved and put back into use.

500 **The Deputy Bailiff:** Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

Looking at the condition of that facility when I was there a few days ago I think probably it would require more than remedial works, as Deputy Gollop described them. The Committee is certainly not going to make any decision about reinstating a swimming pool at the Grammar School before the decision is made about which two sites will be used for the 11-18 colleges.

The Deputy Bailiff: Deputy Green.

510 **Deputy Green:** Sir, thank you.

I am interested in the financial position of this Committee and Deputy Fallaize quite rightly referred to the £3.8 million predicted overspend for this year, and then he talked about the wholesale transformation of education services, which is certainly an interest for the Scrutiny Management Committee. He said that that was well under way but it will inevitably take a number of years to complete. I just wonder how Deputy Fallaize can reconcile the position in the shorter term? How is that £3.8 million predicted overspend going to be addressed? Will it be addressed by tactical short term budgetary retrenchment or will it actually in reality be that P&R will have to bail them out? Perhaps Deputy Fallaize can address that.

520 **The Deputy Bailiff:** Deputy Fallaize.

Deputy Fallaize: Well there are some opportunities for what Deputy Green calls tactical savings and those opportunities will be taken. But what the Committee is not going to do is sort of have a slash and burn approach axing public services left right and centre when he will recall the States made a Resolution on debating the budget recently, or the end of last year, that recognised that there would very likely be a considerable expenditure over the allocated budget and has given the Policy & Resources Committee very considerable delegated authority to address that.

But in the general sense the answer to Deputy Green's question is yes, there are some tactical efficiencies, there are some opportunities for savings which will be taken, the Committee will not duck out of those, but there is nothing like £3.8 million per year without wholesale long-term transformation, and it would be better to put our time and effort into ensuring that that transformation is secured rather than making short-term tactical savings which would save frankly a very small proportion of the £3.8 million and probably detract from the longer piece of work which will deliver the savings necessary.

The Deputy Bailiff: Can I have an indication as to how many Members want to ask questions of the President of the Education, Sport & Culture Committee?

I will exercise my discretion to extend it beyond 20 minutes on that basis.

540 Deputy Trott.

Deputy Trott: Thank you, sir.

Sir, I would like to ask the President if significant sums are expended on La Mare de Carteret repairs however essential they may be, and it is not subsequently selected as one of the sites for future development would Deputy Fallaize agree with me that there is a strong and I would argue understandable chance that our community will regard such expenditure as both wasteful and typical of some aspects of States' planning, both in the short, medium and long term?

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Well, I suspect opinion will be divided, some people will think that, and some people will welcome that there will have been long overdue and urgent investment which will benefit the students and teachers at those schools.

The relationship I think Deputy Trott slightly mischaracterises between the existing facilities there are the possibility of that site being used for a new school. Because whether or not that site is used for one of the two new colleges the existing school is going to remain in use for some time. It was under the previous Committee's plans, it would under any Committee's plans during this transition phase. I am afraid the condition of some elements of the La Mare de Carteret schools is simply unacceptable in which to be providing (Several Members: Hear, hear.) education, and that is why we need to make the urgent investment, but it will of course be a well-managed budget, it will be priority expenditure, and I look forward to the Policy & Resources Committee giving it its due consideration next week and hopefully approving the works.

The Deputy Bailiff: Deputy Inder.

Deputy Inder: Thank you, sir.

Just one final question, much has been made about the secondary education, but part of the pitch for the two school model was of course the post-16 and within that was the delegated authority. When is the Committee planning to hand effectively the College of FE to a board of governors?

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Well, the work that is already underway with the three post-16 providers. I do not mean the Sixth Form Centre, but the providers who in the end will hopefully form University College Guernsey, includes looking at ways in which we can devolve more responsibility with some urgency pending the revisions to the Education Law which will be necessary to move to full devolution.

There has been what has become known as a shadow board of governors in place, I think now for about four years, and their impatience and frustration is understandable. This should never have persisted this long, either they should have been set up and authority should have been devolved or they should never have been set up in the first place, but we have inherited what we have inherited. We are determined to devolve responsibility and governance and leadership as soon as we can. There are some interim steps which we can make. It may be that full devolution has to wait for the Education Law, but we are also intending to expedite the drafting of a new Education Law. So I hope that it will all reconcile sooner rather than later. Certainly by the end of this term.

The Deputy Bailiff: Deputy Leadbeater.

Deputy Leadbeater: Thank you, sir.

Sir, can the President of Education, Sport & Culture confirm to me that he will continue to support the special schools Le Rondin, Le Murier and Les Voies, and also examine the transition out of education into adult life and work with Health & Social Care for those children going into adult disability services and work with business and companies when children are going into employment and work with the College of Education when they are transitioning there, because there are serious problems at the moment.

Thank you, sir.

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Yes, I can assure Deputy Leadbeater and others that the special schools will play an essential role in the planning and ultimately the delivery that lies ahead in relation to the two 11-18 colleges. We have met with the head teacher of Le Murier School and provided those assurances and started conversations about how provision there can be planned and integrated with the two 11-18 colleges or happily sit alongside the two 11-18 colleges. Clearly there needs to be work between the various Committees engaged in the transition from childhood to adulthood. I think that has been a long-standing concern of very many parents of children with special needs who are progressing towards adulthood. It will not be solved by one Committee alone. Our Committee stands ready to work with other Committees to ensure that provision is as good as we can possibly afford.

The Deputy Bailiff: Deputy Lester Queripel.

Deputy Lester Queripel: Sir, can the President give me an assurance that his Committee will give sufficient focus to everything else under their mandate, sport, art, culture, heritage, etc. as well as education?

Thank you.

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Yes, and I think the Statement I made indicated that the grass is not growing under the Committee's feet in relation to sport and culture. Some new work has started in those areas and some work which was inherited has been expedited, including the most important work which the Committee is under States' Resolution to deliver.

So I can certainly give Deputy Lester Queripel that assurance. He knows that we discussed this before the Committee was elected: any time he wishes to meet with me or any other Member of the Committee to discuss in more detail what is happening in those other areas of the Committee's mandate which he is concerned about, then our door is open and we would be pleased to talk to him.

The Deputy Bailiff: Deputy Brehaut.

Deputy Brehaut: Sir, thank you.

If I can ask a very specific question with regard to *Guernésiais* as to whether any Member of the Committee has met with any of those individuals involved in promoting the language and what awareness there is around the Committee table with regard to promoting the language, particularly within primary schools, for example?

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Yes, I have met with Jan Marquis, who is an enthusiast in this area and whose expertise and interest we need to harness. Several Members of the Committee met an academic in indigenous languages a few days ago and will have a further such meeting in June. I have asked officers to ensure that after that meeting the Committee is in a position to determine what its objectives are in relation to the language and then to put forward any proposals which would be necessary to achieve those objectives which may require funding, possibly the reallocation of funding, possibly additional funding, but in this area quite a lot of progress can be made with relatively small amounts of funding. Certainly the Committee is keen to progress its work in this area and hopes to make substantial progress in that respect in the next few months.

The Deputy Bailiff: No-one else is rising.

Deputy St Pier, good morning, would you wish to be *relevéd* at this point?

Deputy St Pier: Yes please, sir.

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The Deputy Bailiff: Very well.

**States' Trading Supervisory Board –
General Update by the President**

The Deputy Bailiff: We now turn to Deputy Parkinson as the President of the States' Trading Supervisory Board to provide his Board's update.

Deputy Parkinson.

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Deputy Parkinson: Thank you, sir.

The States' Trading Supervisory Board was established under the changes to the structure of government in 2016, and was given the task of overseeing a very diverse, and most likely unique portfolio: an airline, two airports, utility companies, waste management, dairy production, commercial harbours, marine leisure facilities, a lottery, property management, and ownership of fuel supply ships.

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Some are fully formed commercial companies in their own right, operating at arm's length from the States for a number of years. Others were previously under the auspices of various Departments – and going back even further sat under different political Boards. As such, they still had different management and governance arrangements, and to some extent very different cultures and commercial outlooks.

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Therefore one of the very first tasks for the new STSB board, when it was formed in late 2016, was to agree a clear vision for all these disparate operations. We also had to decide the appropriate governance and leadership arrangements for each of the various assets, to enable them to deliver on the agreed vision.

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That vision – in line with the purpose of establishing the STSB – is that the States' Trading Assets shall be a consistently well-managed, efficient group of companies that deliver a significant return in the best long-term interest of Islanders. However, we are also very clear that acting commercially does not mean always maximising financial return.

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That in part reflects the essential nature of the services they provide to Islanders, which is one reason they are still in States' ownership. It also reflects a challenge they all face from being in public ownership. The States may have determined they should behave commercially, but the public generally have higher expectations of publicly owned operations than they would of private companies.

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Such expectations are if anything amplified in a small community such as Guernsey. That is something that we as a Board and each of the trading assets are acutely aware of.

In terms of establishing governance and management structures, long-standing arrangements were already in place for Guernsey Electricity, Guernsey Post, the 'Aurigny Group', and the holding company for the fuel ships, JamesCo. These roles are performed by distinct, standalone boards of directors for each incorporated asset, supported by experienced senior management teams.

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STSB's job is not to replace or duplicate those functions, but to provide oversight as the shareholder. That is now done through quarterly meetings between representatives of STSB, and the Chairman and senior directors of each company. These meetings are an opportunity to review financial performance, progress against key performance indicators, performance against shareholder objectives and their business plan, and the core business risks.

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Our mandate is different with respect to the unincorporated trading assets. For Guernsey and Alderney Airports, Guernsey Dairy, Guernsey Harbours, Guernsey Water, the lottery, Property Services, and States' Works, we have more direct responsibility for their efficient management and operation. However, that does not mean that the STSB is responsible for the day-to-day running

700 of all these vastly different businesses. Our role is to focus on providing long-term strategic direction, and ensuring that they are able to deliver on that.

We therefore established separate 'company boards' for most of them – in many ways mirroring the corporate governance arrangements of the incorporated entities. Instead of the traditional non-executive director role, additional commercial expertise and independent
705 perspective has been provided by co-opting senior managers from other trading assets, or someone from within the States of Guernsey with relevant experience, to sit on each board.

They are either now working to a long-term business plan, or developing such a plan, which sets their strategic direction and establishes their key performance indicators. These are agreed by the individual company boards, for endorsement by, and regular reporting to, the STSB.

710 Inevitably, this has been a period of transition for all of the trading assets. As well as adapting to the new STSB model, they all face significant challenges, often due to external factors. The challenge for the Board is to ensure that when we hand on to the next STSB, they are in a better position than when we started. In that respect, I am pleased to say we have made a very positive start.

715 In terms of financial contribution to the States, in the past 18 months the trading assets collectively have returned £38 million to the Treasury. This has been achieved through a combination of ordinary and special dividends, and the refinancing of infrastructure projects previously funded through the Capital Reserve. That total of £38 million also includes a first year contribution of £5 million to the Medium Term Financial Plan target of £30 million over five years.

720 This contribution towards the delivery of public services and long term savings targets is clearly important. However as I stressed earlier, it is not all about maximising profits. Significant progress is also being made in other important areas.

One such area is the need for transformation. A prime example is States' Works, for which the ongoing pressure on public sector spending represents a key challenge. Given that around 90% of
725 its revenues are from contracts with other States' Committees, future profitability will only be possible through improved efficiency. That in itself will deliver wider benefits to the public purse. It is therefore the focus for the current management, and a new Target Operating Model is being developed to identify how best take the organisation forward.

730 Another major transformation programme is the implementation of the waste strategy, which will deliver on a key policy priority set by the P&R Plan.

We have also seen some excellent new initiatives in improving customer service. One example is the hidden disability lanyard scheme introduced at Guernsey Airport, which recognises that some travellers require extra support. That can be anything from help reading signs or screens, listening for announcements, or extra time to get through security. Airport and airline staff are
735 now trained to look out for the specially designed lanyards and offer discreet assistance where required.

Guernsey Harbours is also investing £500,000 to replace various legacy IT systems and manual processes with a new, integrated port management system for both leisure and commercial port users. This should not only provide a better service for customers, it is another good example of
740 transformation in practice.

A number of major infrastructure projects are also underway – not least the construction of the new waste facilities at Longue Hogue.

Coupled with this, Guernsey Water is making major improvements to the sewer network in the north of the Island, and last year also took the difficult but correct decision to close down its
745 Longue Hogue water treatment works and recommission the former works at Juas Quarry. That decision will result in significant long term operational savings.

Guernsey Dairy has similarly made significant strides in improving its commercial focus, particularly given the challenges that it faces in operating with dated equipment and premises. That situation was underlined in 2016 when its previously good hygiene rating was downgraded.
750 Significant investment in the fabric of the building was required, as a result of which I am pleased to say the Dairy has since regained a four star rating.

On the property front, Funky Pigeon's move to the former post office headquarters at Guelles Road last year was a major boost for the Island. The agreement of a long term lease was possible because the STSB took a broader view of the benefits it could bring, beyond a simple rental agreement with an otherwise disused building.

As a result, the Island retained a major player in the greetings card market, which might otherwise have relocated, and that secured jobs not just at one company but in the wider sector as a whole. Of even greater significance is the vital contribution that the bulk mail business to Guernsey Post's profitability and viability, which this deal will help safeguard.

This touches on another aspect of the STSB mandate, which has been a priority for the current Board. That is the need for better management of the States' extensive property assets, for which a comprehensive estates plan has now been developed and we will be bringing proposals to the Assembly in the very near future to progress this.

As well as focusing on the trading assets, STSB's mandate also requires us to work closely with other States' Committees across a number of policy areas. That includes Environment & Infrastructure, with whom we have brought forward four joint policy letters on waste; and Economic Development, who we are assisting in identifying sites for light industry, and have advised on matters of air connectivity for both Guernsey and Alderney.

The Deputy Bailiff: Deputy Parkinson, your 10 minutes are just up, I am afraid.

Deputy Parkinson: Do you want me to stop?

The Deputy Bailiff: I do, yes, because the Rules say that it cannot exceed 10 minutes.

Deputy Parkinson: You extended question time, sir.

The Deputy Bailiff: Potentially, yes.

Questions to Deputy Parkinson now then on any matter within the mandate of the Committee.
Deputy Green.

Deputy Green: Sir, thank you.

My question to Deputy Parkinson, given the ongoing concerns about the financial and operational performance of Aurigny and the inherent risks associated with the airline being in public ownership, does Deputy Parkinson agree with me that now would be a good time for there to be an independent management review of Aurigny's levels of efficiency or otherwise.

The Deputy Bailiff: Deputy Parkinson.

Deputy Parkinson: Sir, both the STSB Board and the Aurigny Board would welcome a review of its efficiency, particularly if that was conducted under the auspices of the Scrutiny Committee, because then it would be seen to be independent of STSB and independent of Aurigny.

The Deputy Bailiff: Alderney Representative Jean.

Alderney Representative Jean: Whilst I appreciate the review would be good, it would be time consuming and I think that time is of the essence so I would ask that considering the Alderney situation and the level of money that Alderney has had laid against it, the £3.2 million, I understand that the management is extended away from the States' Trading Board but I would ask if the management accounts could be published and copies given to the Alderney States.

I believe it is only fair and right when we look at how the figures that were first quoted have grown and mushroomed and the things that have been said about Alderney itself that we should have a right to ask for that. Thank you, sir.

The Deputy Bailiff: Deputy Parkinson.

Deputy Parkinson: Aurigny, sir, will be one of several airlines that will be bidding for the PSA agreements on the Alderney routes, and it would be grossly unfair on Aurigny if it was the only horse in the race which had to disclose all of its financial information. What the other airlines in that process need to know is what the revenue on the routes currently is and the number of passengers, but the airlines concerned all have very different operating models flying very different types of aircraft and Aurigny's operating costs would not be relevant to them.

The Deputy Bailiff: Deputy Lester Queripel.

Deputy Lester Queripel: Sir, my colleagues and I are constantly being contacted by residents of Alderney who complain about the service provided to the Island by Aurigny.

Sir, can the President tell me why all of these reported problems cannot be resolved at meetings of the MOU Group, which I believe consists of the Alderney States, STSB and the management team from Aurigny?

The Deputy Bailiff: Deputy Parkinson.

Deputy Parkinson: Sir, Aurigny has been managing the transition from an old Trislander fleet to a Dornier fleet. That transition has been complicated by failures by the supplier of Dorniers to deliver planes on schedule, as a result of which older equipment has been kept in service for longer than was intended. Nevertheless, despite that, Aurigny's services to Alderney actually maintain standards which are entirely consistent with and compliant with the conditions in the MOU, and I am afraid that some of the alleged deficiencies in the Alderney services have just been exaggerated.

The Deputy Bailiff: Deputy de Lisle.

Deputy de Lisle: Thank you, sir.

The President has mentioned that STSB covers a very disparate group of operations and assets. He has also indicated and spoken of further necessary reforms and proposals, given the short period of time of the genesis of the STSB can such a range of companies be effectively overseen by a single Government Board?

The Deputy Bailiff: Deputy Parkinson.

Deputy Parkinson: Well, the answer is to devolve more of the operational decisions down to the management boards of the companies, so that STSB is simply taking the strategic overview and reviewing performance against KPIs and so on. Clearly it would not be possible for STSB to be closely involved in day-to-day management decisions in all of these assets.

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

I am not sure if mine is a question or I just want to engaged Deputy Parkinson in some discussion on this point, but it seems to me that one of the problems or *the* problem with Aurigny or if there is a problem the perception of a problem is largely down to States not having set out the strategic objectives for Aurigny. Now does he agree with that, or am I completely wrong? If he does agree with me then is his Board the correct Board and is it in a suitable position to come forward to the States with strategic objectives and directions for Aurigny in the near future?

The Deputy Bailiff: I think there are possibly two questions there in the end.
Deputy Parkinson.

Deputy Parkinson: Well, the strategic direction to Aurigny could be clearer and will be clarified as a result of discussions between Economic Development and Policy & Resources, but the fundamental problem is we are asking Aurigny to do a lot of very different things. Primarily the States acquired Aurigny to secure the Gatwick slots so number one Aurigny runs an Embraer jet and some 80 hours to Gatwick to provide the capacity that the Island requires on that route.

Secondly the States is effectively requiring Aurigny at the moment to provide air links to Alderney, a very different operating task requiring very different types of equipment.

Thirdly the wider strategic objective of using Aurigny as an economic enabler requires it to run a network of routes across the UK to regional airports using ATR equipment and the result is a very disparate fleet which would be impossible under any management structure to manage efficiently.

The Deputy Bailiff: Deputy Roffey

Deputy Roffey: Thank you, sir.

It has become clear over the last couple of years that P&R now expect a far greater return to the central exchequer from the States-owned trading entities than was the case hitherto. Does the President share my concern that could lead to us raising money in a more regressing way than the traditional way through taxation?

The Deputy Bailiff: Deputy Parkinson.

Deputy Parkinson: Well the Laws governing various of the utilities actually prevent us from making a profit from running the operation, for example under the Water Law STSB is not allowed to raise prices for the purposes of paying a dividend to P&R. We recognise, as I have said in my statement, that the objects of running these businesses are not exclusively to make profits, in fact primarily they are there to provide public services and a balance has to be struck, but clearly we want to see these businesses efficiently run, and we also accept that where the public pursue has provided capital to these businesses it may be entitled to a reasonable return on that capital.

The Deputy Bailiff: Deputy Trott.

Deputy Trott: Thank you, sir.

Deputy Parkinson will be aware that 40% of all Aurigny rotations serve Alderney, a community of materially less than 2,000 resident souls.

Is, however, Deputy Parkinson aware of any other community worldwide that enjoys such comparable loss-making air services?

The Deputy Bailiff: Deputy Parkinson.

Deputy Parkinson: Sir, I have not conducted the research to enable me to answer that question.

The Deputy Bailiff: Deputy Kuttelwascher.

Deputy Kuttelwascher: Thank you, sir.

In the last term Treasury & Resources Department conducted an efficiency review into Aurigny using a well-known local firm of accountants, and it came out very well, and I suspect if you were to repeat that review it will happen again. I would suggest that conducting such a review is a

waste of time and effort and I would suggest a review into the current operating model of Aurigny would be far more useful, and it bears some relation to what Deputy Fallaize says. We need a completely new target operating model for Aurigny because some of the services it provides could be provided without subsidy by the private sector.

Thank you.

The Deputy Bailiff: Deputy Parkinson, if you can work out what the question was.

Deputy Parkinson: Sir, I am struggling a little bit, sir.

The reality is that on virtually all of the routes that Aurigny serves there would be very little demand from the private sector to take over the route because they are inherently at best marginally profitable and in many cases break-even or loss-making routes. So the reality is if Guernsey wants to have good connectivity to a wide range of regional airports in the UK the likelihood is the only way we are going to provide it is if we do it for our own airline.

The Deputy Bailiff: Deputy Lester Queripel.

Deputy Lester Queripel: Sir, in response to my previous question the President said that problems highlighted by Alderney residents with the service provided by Aurigny had been exaggerated, yet they are very real to the residents of Alderney.

Sir, can the President tell me, do the Alderney States themselves raise these issues at meetings of the MOU and if they do what is his response to them when they do?

Thank you, sir.

The Deputy Bailiff: Deputy Parkinson.

Deputy Parkinson: Sir, well, the President of the Alderney States attends the meetings of the MOU Group and obviously, along with his staff on occasion, represents the views of Alderney to that Group, but the MOU is in effect a forerunner of what will become the Public Service Agreement for the future air services. When you contract with a public subsidy to provide services to a place like Alderney you have to specify what services the airline is required to deliver, and the MOU sets out that specification, you cannot manage the relationship unless you crystallise in black and white what it is the airline is expected to provide, and by and large with occasional regrettable lapses Aurigny meets the specification of the service provided required under the MOU.

The Deputy Bailiff: Deputy Gollop.

Deputy Gollop: Sir, according to the Alderney census 2016 there is a population of 2,035 in Alderney: an increase of 25.

But my question is bearing in mind Alderney appears now to have a slightly growing population and a need for a growing economy, how far has the STSB advanced in plans to improve and develop the Alderney Airport runway?

The Deputy Bailiff: Deputy Parkinson.

Deputy Parkinson: The project to rehabilitate and widen the Alderney runway is going through the States' capital approval processes, the SCIP process, and we expect to be able to clear all the various hurdles that that process has thrown up and eventually bring a recommendation to P&R, eventually to the States, for that work to commence.

The Deputy Bailiff: Deputy Merrett.

960 **Deputy Merrett:** Thank you, sir.

If the President agrees that a PSA could help resolve some of the issues regarding Aurigny's relationship with Alderney, will he be asking the President of the Committee *for* Economic Development to bring a policy paper regarding this to the States expeditiously?

965 **The Deputy Bailiff:** Deputy Parkinson.

Deputy Parkinson: Well, I can answer that in my capacity as President of the Committee *for* Economic Development, that the Committee intends to bring both an air transport licensing policy letter to the States and a policy letter on the PSAs as soon as it is able to do so.

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The Deputy Bailiff: Deputy Laurie Queripel.

Deputy Laurie Queripel: Thank you, sir.

975 Deputy Parkinson mentioned in his statement the movement of water treatment works from Longue Hougue Quarry to Juas Quarry. Can he explain why that decision was made, and if there were issues at Longue Hougue Quarry why millions of pounds were spent on the operation and why those issues were not known prior to spending those millions of pounds at Longue Hougue Quarry; and will that money be recoverable if those issues were not solvable?

Thank you, sir.

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The Deputy Bailiff: Deputy Parkinson.

Deputy Parkinson: I am afraid I do not have the full business case behind that decision to hand, but I can assure Deputy Queripel that the pumping equipment at Longue Hougue is not
985 entirely now redundant because it pumps water into the St Sampson's farming.

The Deputy Bailiff: Deputy Oliver.

Deputy Oliver: Sir, I have to confess I am not too sure if I am barking up the wrong tree here.
990 In the P&R Plan at last June it was said there was an amendment to do a full review on the air links and sea links, and I cannot actually remember if it was STSB or P&R that were due to carry out that, but I do remember Deputy Trott saying that this should be done by Christmas time. I was just wondering if it was STSB, if it is actually progressing?

995 **The Deputy Bailiff:** Deputy Parkinson.

Deputy Parkinson: Well, no it is not STSB, it is P&R, but I can also provide some information on that. The consultants to undertake that review I believe have now been appointed, possibly subject to final negotiations over price, and the review will be undertaken under the auspices of
1000 P&R and hopefully we will get the output of that review in the next two or three months

The Deputy Bailiff: Deputy Inder.

Deputy Inder: Thank you, sir.

1005 Thank you, Deputy Parkinson, for the update.

You mentioned in your update that down at the Harbours you are spending half a million pounds on a new IT upgrade. Will this new management programme include marina and berth management? You may not know that, so I accept that might be a bit of an unfair question, but in any event what efficiencies are likely to arise out of this half-a-million-pound investment or
1010 spend?

The Deputy Bailiff: Deputy Parkinson, are you able to assist Deputy Inder?

1015 **Deputy Parkinson:** No, not off hand but if Deputy Inder would like to put his question in writing, we will of course give him a complete answer.

The Deputy Bailiff: Deputy Lester Queripel.

1020 **Deputy Lester Queripel:** Sir, many Islanders have complained in recent years there are far too few prizes awarded to ticket holders in the Channel Islands Christmas Lottery. Last Christmas there were 13 prizes.

Many Islanders are of the view that if the top prize was capped at say half a million pounds, the amount of prize winners could be increased considerably and the total amount paid out could stay the same as it is now.

1025 Can the President tell me please if there are any plans to increase the amount of prizes paid out for future Christmas Lotteries?

The Deputy Bailiff: Deputy Parkinson.

1030 **Deputy Parkinson:** No, there are no such plans. In matters relating to the design of the lottery games, including the scratch cards, we are in the hands of the specialist company that both Jersey and Guernsey work with, and bear in mind the Christmas Lottery is a joint Channel Islands Lottery. Any decision on it would involve Jersey. The advice that we are receiving is that the very high first price value is attractive to people who buy tickets and we therefore sell more tickets and raise more money for charity.

The Deputy Bailiff: Deputy Hansmann Rouxel.

Deputy Hansmann Rouxel: Thank you, sir.

1040 Deputy Parkinson mentioned the accessibility of the Airport. I wondered, sir, if there has been any work done to look at the accessibility of the Harbour and in particular in relation to the inter-Island ferry which does not provide full accessibility due to our aged infrastructure?

The Deputy Bailiff: Deputy Parkinson.

1045 **Deputy Parkinson:** Yes, this has been mentioned before by Deputy Hansmann Rouxel. We are aware of the problems of accessibility to the passenger ferries, particularly at lower levels of tide at the Harbour. I have discovered that Manche Iles Express does in fact carry around with it equipment to help wheelchair users, but clearly there are limits to how many problems that can solve when we are talking about getting disabled people up and down several flights of often slippery wet stairs. The answer I give to her now is the same as I gave last time the question was raised, the Harbour infrastructure simply was not designed to make wheelchair access possible, but every time we have an opportunity to improve the Harbour infrastructure we will of course bear that in mind.

1055 **The Deputy Bailiff:** Thank you very much, Deputy Parkinson.

Questions for Oral Answer

STATES' TRADING SUPERVISORY BOARD

Wastewater Network Extension Programme

The Deputy Bailiff: We now move into Question Time proper and Deputy de Lisle has questions to pose the President of the States' Trading Supervisory Board.

Deputy de Lisle.

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Deputy de Lisle: Thank you, sir.

I welcome this opportunity. Yes, I have three questions with regard to the NEP programme.

First of all, despite main drain developments in the L'Eree and Route de Longfrie areas in the last few years, many if not most households in the West district remain on cesspit, including housing along major arteries such as the Forest Road. Given the cuts to the main drain programme and reprioritisation which may have affected plans for extension of the above mentioned schemes, and the introduction of others, what proposals are there for further connections in the next 10 years or so in the West district?

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The Deputy Bailiff: Deputy Parkinson.

Deputy Parkinson: Mr Deputy Bailiff, the States resolved in October 2015 that the Wastewater Network Extension Programme (NEP) be funded according to priority within a wider programme of investment in water and wastewater infrastructure. Therefore any expenditure previously planned for the NEP has been earmarked for higher priority matters such as sewer flooding of homes and businesses and the protection of bathing waters from sewer overflows. Work to achieve this is ongoing in St Sampson, where almost £3 million of investment has been made in the last two years. Further work is also planned in St Peter Port where investigations have commenced to assess options to address flash flooding.

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Guernsey Water's business plan includes further sewerage extension from 2022. This plan will be reviewed in 2020. When the NEP recommences projects will be prioritised at the time according to the criteria set out in the policy letter approved by the States. Therefore at this time it is not possible to say whether the West district will benefit in the next 10 years or so.

1085

Deputy de Lisle: Can I ask a supplementary on that, sir?

The Deputy Bailiff: Of course you can, Deputy de Lisle, supplementary.

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Deputy de Lisle: Many will not have realised that work on the NEP had been totally foregone for a period. I thought we were still continuing a reduced programme of works of £1 million a year rather than the £3 million a year that was ... So to clarify in this case that all works on the NEP have been suspended until a review in 2020.

1095

I am concerned about the intended extensions in the West, sir, as there are obvious advantages to getting as many people off cesspits as possible and onto the main drain. Does the NEP moratorium include extensions of schemes intended such as the planned L'Eree to Imperial Rocquaine Coast Road main drain extension and the Forest Road extension?

The Deputy Bailiff: Deputy Parkinson, are you able to assist?

1100 **Deputy Parkinson:** Sir, I was not in the States in October 2015 when the States voted to suspend the NEP programme, but that was the decision of the States, so Deputy de Lisle is correct that basically at the moment there is no network extension programme in operation, and that will not change until the plan is reviewed in 2020.

1105 **Deputy de Lisle:** A further supplementary, if I may.

The Deputy Bailiff: A further supplementary, Deputy de Lisle.

1110 **Deputy de Lisle:** Just a correction there, because the States did not suspend the NEP in August of 2015. The recommendation was just to note that future connection of Island properties to the future sewer will be achieved according to availability of funding within a prioritised programme of investment and is unlikely to exceed 90%. Now that is what we agreed to, but not suspension of the ...

1115 Does the President agree with me that in fact prioritisation has gone further than originally intended?

The Deputy Bailiff: Deputy Parkinson.

1120 **Deputy Parkinson:** Well no, I do not agree, because what the Resolutions mean is that the money that was previously available for the Network Extension Plan would be prioritised in accordance with the wider plan and that it has in fact been earmarked for higher priority matters.

1125 Connecting people who are currently on cesspits to the main sewer network is a nice-to-do thing but we face situations where homes are in some cases in danger of being flooded by sewage, businesses also, and where sewage can on occasions be pumped out into the sea through sewer overflows. So we need to get those situations under control before we can continue to connect up further homes to the network.

The Deputy Bailiff: No other supplementaries, so your second question, Deputy de Lisle.

1130 **Deputy de Lisle:** Thank you, sir.

Following surveys of the resolve of householders to take up connection to the public sewer given the cost of doing so, what proportion of households took up the offer when given the opportunity to connect to the main drain in recent years?

1135 **The Deputy Bailiff:** Deputy Parkinson.

1140 **Deputy Parkinson:** Although Guernsey Water provide a lateral pipe connection between the new main sewer and the customer's property boundaries the home owner is responsible for carrying out the private connection to this lateral pipe. This connection is estimated to cost householders around £4,000 to £6,000 depending on complexity and the remoteness of a property's existing drainage.

1145 Over the last eight years Guernsey Water has completed four major NEP projects to allow up to 304 properties to connect to a new main sewer at a cost to Guernsey Water of around £20,000 per property. The latest assessment is that 200 properties, or just over 66% of the households, made the connection.

Deputy de Lisle: Can I ask a supplementary on that, sir?

1150 **The Deputy Bailiff:** Yes, Deputy de Lisle, a supplementary.

Deputy de Lisle: Sir, three quarters of the households took the opportunity to make connection to the new main sewer; one third did not. Do we know the reason for not taking up the opportunity?

1155 **The Deputy Bailiff:** Deputy Parkinson.

Deputy Parkinson: Well no, we do not. That was a decision by the householders concerned, possibly based on financial considerations.

1160 **The Deputy Bailiff:** Further supplementary.

Deputy de Lisle: Can I ask a further supplementary on that?

1165 **The Deputy Bailiff:** Yes, Deputy de Lisle.

Deputy de Lisle: Can I ask what might be done to increase the take up?

The Deputy Bailiff: Deputy Parkinson.

1170 **Deputy Parkinson:** Well, the States could resolve to help householders fund the cost of connection, which as I have already said could be £4,000 to £6,000 per household in a typical case.

The Deputy Bailiff: Supplementary Deputy Gollop.

1175 **Deputy Gollop:** Floating about a bit here, sir, but in the situation Deputy de Lisle has asked about connectivity. For the owners of the properties that could be connected but choose not to, are they given loans, grants, financial assistance in any way, or is it just a case if they are elderly or relatively poor they just cannot take advantage of the offer the Committee is making to them?

1180 **The Deputy Bailiff:** Deputy Parkinson.

Deputy Parkinson: Sir, I am not aware of any financial assistance to the homeowner.

1185 **The Deputy Bailiff:** Deputy Dorey, supplementary.

Deputy Dorey: As I understand, is Deputy Parkinson aware that if somebody does not connect up they have to pay the full cost of the emptying as opposed to a subsidised rate which the rest of the population who do not have the opportunity to be connected to the main drain have to pay?

1190 **The Deputy Bailiff:** Deputy Parkinson.

Deputy Parkinson: Sir, I have no information on that, but if Deputy Dorey wants to put the question to us I will get the official answer for him.

1195 **The Deputy Bailiff:** No further supplementaries, so your third and final question, Deputy de Lisle, please.

1200 **Deputy de Lisle:** Thank you, sir.
People on cesspits, sir, continue to complain about having to pay twice for sewage services. Is consideration being given to a fairer single Island-wide wastewater charging system to eliminate double billing for those on cesspits, and if so when is this likely to be introduced?

The Deputy Bailiff: Deputy Parkinson.

1205 **Deputy Parkinson:** Sir, wastewater from cesspits is discharged into sewers at emptying points across the Island, so people on cesspits pay for sewerage operation upkeep and cesspit emptying. However, the States has resolved that cesspit owners only pay approximately one third of the full cost of cesspit emptying. This subsidy means that cesspit emptying and wastewater charges from properties requiring this service are insufficient to cover operating costs let alone capital
1210 investment. Therefore Island-wide water charges already contribute to the cost of cesspit emptying and other wastewater services. Guernsey Water is considering the implications of this for future charges as it does not follow the user pays principle previously endorsed by the States for wastewater charging.

1215 No decision has yet been made on when or whether change is needed. Moving to a single Island-wide wastewater charge is one option being explored, but this would be subject to customer engagement with both cesspit owners and those already connected to the main sewer.

Deputy de Lisle: Can I ask a supplementary on that, sir, please?

1220 **The Deputy Bailiff:** Supplementary, Deputy de Lisle.

Deputy de Lisle: As Island-wide charges do not contribute to the total cost of cesspit emptying, and given the fact that we are not to see any further NEP developments until a review in the early 2020's, that is the next States' term, is it not possible in the interim to prioritise and
1225 carry out the necessary engagement that the President speaks of, in a drive to implement a fairer single Island-wide wastewater charge in the near future?

The Deputy Bailiff: Deputy Parkinson.

1230 **Deputy Parkinson:** Sir, people who are on cesspits, which incidentally includes myself, sir, to declare an interest, (*Laughter*) receive in effect a massive public subsidy because they are only paying roughly one third of the cost of emptying their cesspits. I have already said the whole charging structure does need to be reviewed, and it will be reviewed, and people who are on cesspits and people who are on mains drains will be consulted in the course of doing that, but I
1235 cannot predict what the outcome of that review might be.

The Deputy Bailiff: Second supplementary, Deputy de Lisle.

Deputy de Lisle: Yes, sir, I thank the President for his assurances that this will be considered and that the necessary engagement will take place and perhaps a fairer system will come forward in the very near future, certainly before 2020.

Thank you, sir.

1245 **The Deputy Bailiff:** Is there a question there? No.

Deputy de Lisle: There is no further question, other than to thank – (*Laughter*) other than to thank the –

1250 **The Deputy Bailiff:** Thank you, Deputy de Lisle, that is enough, thank you.
Anyone else? No.

COMMITTEE FOR HOME AFFAIRS

Policies under the Population Management Regime

The Deputy Bailiff: On that basis we will turn to the second set of questions. These are to be posed to the President of the Committee *for* Home Affairs by Deputy Roffey. So Deputy Roffey first question please.

1255 **Deputy Roffey:** It is now more than one year since the States passed the following Resolution without dissent:

To direct the Committee for Home Affairs to bring a policy letter to the States at the earliest practical opportunity setting out its policy and proposed treatment, under the new population management regime, of children born in Alderney and/or Sark and those taken to those islands as minors and wishing to relocate to Guernsey to live and work or for the purposes of further education or training, together with a proposition giving members of the States the opportunity through debate to comment on that policy and proposed treatment. Such a report to include a full explanation of the background to, and the considerations taken into account when formulating, the policy and proposed treatment.

Given that it is now more than a year since receiving that clear direction could the President please update the Assembly on her Committee's progress in completing this important task?

1260 **The Deputy Bailiff:** Deputy Lowe, the President to reply.

Deputy Lowe: Thank you, sir.

Sir, I would like to thank Deputy Roffey for the opportunity to provide an update in this matter.

1265 The Population Management Office published an Alderney Residents Policy on commencement of the Population Management Law. This policy supports young people in Alderney looking to relocate for the purposes of education and employment. This includes students who are completing their secondary education in Guernsey and live with a host family in Guernsey under the term time host scheme. This is set out in the Population Management (Miscellaneous Provisions) Ordinance 2017.

1270 Whilst the policy provides opportunity for young people to relocate to Guernsey for work as well as training such persons do still need to hold an employment permit and it is recognised the policy needs further development. We are therefore currently developing and working on a piece of policy regarding treatment of Bailiwick children and minors under the Population Management Law as directed by the States which will cover both Sark and Alderney.

1275 **The Deputy Bailiff:** Supplementary question?

Deputy Roffey: Yes please, sir.

1280 **The Deputy Bailiff:** Deputy Roffey.

1285 **Deputy Roffey:** While I am pleased to hear that work is now ongoing, this is a fairly small, discreet and focused piece of work and it is now more than a year since the States asked for it to be brought back at the earliest practical opportunity. So can we be told when it is likely to come back? Are we talking about one month, three months, six months?

The Deputy Bailiff: Deputy Lowe.

Deputy Lowe: Thank you, sir.

1290 I cannot actually give you a timeline of exactly how long it will be Deputy Roffey because the consultation needs to take place with Alderney and indeed with Sark.

1295 You are absolutely right, it should not be a major piece of work and we will bring it back as soon as we possibly can. However, it was important that we got on with the Population Management Regime itself and clear the backlog which many of you and the businesses were asking us to get on with.

The Deputy Bailiff: Deputy Gollop, supplementary.

Deputy Gollop: Thank you.

1300 In supporting Deputy Roffey's questions and the answers in the meantime whilst the policy is under development will it be possible for the Home Affairs Committee to show perhaps greater leniency in allowing appropriate Alderney and Sark people to stay in Guernsey for longer if it is to their benefit, either educationally or in terms of employment?

1305 **The Deputy Bailiff:** Deputy Lowe.

Deputy Lowe: Thank you, sir.

As I explained under the Population Management Regime education is already covered under that. However, if any individual wishes to clarify or seek clarification of where they stand to be able to come and work in Guernsey please do contact the Population Management Office who will do their utmost to assist.

The Deputy Bailiff: Your second question, Deputy Roffey.

1315 **Deputy Roffey:** Thank you, sir.

Under the former Housing Control Law the States had a very long established policy of allowing very long term Open Market residents who needed to downsize due to age or incapacity to move into Local Market accommodation providing they first deregistered their property. Over the last year a number of Open Market residents in this category have asked me whether this policy has been replicated in any way under the new Population Control Regime. Please can the President explain exactly what her Committee's current policy is in this respect, and if there is none, when we can expect one to be formulated?

The Deputy Bailiff: Deputy Lowe to reply.

1325 **Deputy Lowe:** Thank you, sir.

Sir, this question would be for the Committee *for* Environment & Infrastructure to consider as responsibility for the Open Market Register as it was transferred to them, sir, from 3rd April 2017. There is no plan currently to reintroduce a like-for-like policy under the Population Management Law.

The Deputy Bailiff: Supplementary question Deputy Roffey.

1335 **Deputy Roffey:** Sir, while I appreciate the President's steer towards E&I it is surely only under her Committee's administration of the Population Control Regime that a concession could be made to this category of people. Does she accept that if there is no intention to bring in such a concession we are going to be faced with a large number of very long term Open Market residents becoming old, frail, incapacitated and having to remain in completely unacceptable accommodation simply because the options inside the Open Market are not there for them to move into even if they wish to?

The Deputy Bailiff: Deputy Lowe.

Deputy Lowe: Thank you, sir.

1345 I thank Deputy Roffey for that supplementary question.

Deputy Roffey may remember, although I think it was probably in the last States but certainly over the last few years there has been a great call for the Open Market to be produced, for smaller accommodation in the Open Market. That call came from the Open Market people themselves. So there was a policy that was put in place, if I remember rightly, to ensure that flats or smaller accommodation Open Market were built and in fact there were still many that are currently unoccupied in Guernsey in two- and three-bedroom small Open Market accommodation, so those who wish to downsize can still go into the Open Market in much smaller properties.

1355 However, there is not anything at the moment under the Population Management Regime, but again if an individual ... You say you have been contacted by many, we have not at the Population Management Office, but if they would like to go to the Population Management Office I am sure the staff can assist them and direct them in the way forward.

The Deputy Bailiff: Second supplementary, Deputy Roffey.

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Deputy Roffey: Thank you, sir.

Would the President not accept that many of the smaller units that have been created recently in the Open Market are absolutely top end of the range and completely unaffordable to many people in this category; whereas the policy of allowing deregistration in relation to MURA's and other large developments has meant that actually many of the smaller units that could have been used for this purpose have actually been removed from the register?

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The Deputy Bailiff: Deputy Lowe.

1370 **Deputy Lowe:** Thank you, sir.

I am not getting into the size of properties and the cost of properties. Suffice to say, as it happens, I did look on the website of some estate agents last night and two- and three-bedroom properties are starting from £700,000 and for the Open Market, that is actually a lot cheaper than some of the Local Market (**Several Members:** Hear, hear.) where our locals have to pay for that size of property.

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The Deputy Bailiff: Deputy Ferbrache.

1380 **Deputy Ferbrache:** Sir, whatever the rules and regulations and whose responsibility it is under the Committee system, can Deputy Lowe actually confirm that it is fair, equitable and decent to formulate a policy along the lines of the previous policy that was abandoned a year or so ago, and why on earth can't we in a matter of days have an announcement from whichever Committee it may be – it seems to me it should be her Committee – saying we are going to, on the basis of that common decency, re-establish that policy?

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The Deputy Bailiff: Deputy Lowe.

1390 **Deputy Lowe:** Sir, as I explained at the beginning of my answer to the first question, there is not anything at this present moment in time that the Population Management Office or indeed Home Affairs have got on their books to be getting on with. I am not saying we will not actually relook at it, but currently it is not on our radar to do.

The Deputy Bailiff: Deputy Gollop.

1395 **Deputy Gollop:** Sir, the supplementaries raise a Pandora's box of concerns, because my question then is: has Home Affairs considered the perhaps implications of Open Market people in the situation described by Deputy Roffey going about things in a different way and perhaps putting in an argument to be permanent residents as if they were licence holders?

1400 **The Deputy Bailiff:** Deputy Lowe.

Deputy Lowe: Sir, all I can do is say that we are listening to the questions that have been posed this morning and I will take that back to our Committee and to the Population Management and we will discuss it. But I am not going to send out false hopes here that we are actually going to be able to fast-track this and take this forward because it is not on our pecking order and in the actual Open Market itself we are responsible for the individuals, as in people, and the property is actually part of Environment & Infrastructure.

1410 **The Deputy Bailiff:** Deputy Brehaut supplementary.

Deputy Brehaut: Would the President of Home Affairs not agree with me that E&I own general housing policy; the issue here is one of population and a person's entitlement, which clearly sits with the Population Office?

1415 **The Deputy Bailiff:** Deputy Lowe.

Deputy Lowe: Yes, sir.

1420 **The Deputy Bailiff:** Well, no-one else is rising, so that concludes Question Time for this meeting.
We move on to the next portion of our business. Greffier.

Billet d'État XI

STATUTORY INSTRUMENTS LAID BEFORE THE STATES

**The Boarding Permit Fees Order, 2018;
Animal Welfare (Amendment of Schedule 2) Regulations, 2018;
Animal Welfare (Guernsey) Ordinance, 2012 (Commencement) Order, 2018;
The Misuse of Drugs (Modification) Order, 2018**

The Greffier: Statutory Instruments laid – The Boarding Permit Fees Order, 2018; Animal Welfare (Amendment of Schedule 2) Regulations, 2018; Animal Welfare (Guernsey) Ordinance, 2012 (Commencement) Order, 2018; The Misuse of Drugs (Modification) Order, 2018.

1425 **The Deputy Bailiff:** Thank you very much. We note that those are all laid at this meeting.

REQUÊTE

**I. Requête –
Reduction in Payment to the President of the
States' Assembly & Constitution Committee –
Debate commenced**

Article I

The States are asked to decide:

Whether, after consideration of the Requête titled "Reduction in Payment to the President of the States' Assembly & Constitution Committee" dated 21st February, 2017, they are of the opinion:

To delete " , President of the States' Assembly & Constitution Committee" wherever appearing in column 1 of the Tables appearing in section 2.1 of the Rules for Payments to States Members, Non-States Members and Former States Members.

The Greffier: Article I – Requête – Reduction in Payment to the President of the States' Assembly & Constitution Committee.

1430 **The Deputy Bailiff:** I invite Deputy Inder as the leading Requéant to open debate on this Proposition.
Deputy Inder.

Deputy Inder: Thank you, sir.
1435 Sir, are you asking me to start the speech?

The Deputy Bailiff: Yes, it is time to start, Deputy Inder. *(Laughter)*

Deputy Inder: Sorry, sir – sometimes we are asked, I understood, whether we wanted them
1440 read out or not, but – *(Interjections)*

Right, sir, when I was first elected at the end of 2016, I cannot say I was particularly aware of the levels of remuneration across the States. I was aware that the Head of Policy & Resources was paid the most, I think I knew the Principal Committees had a slightly lower allowance, and I think that I knew that there was possibly a level in between. But what I did know, irrespective of
1445 whatever Committees that we sat on, is that the ordinary Member drew the basic wage of what was then I believe £37,000. Now that is all the attention I paid to remuneration packages, if I had even given them any second thought at all.

As my feet got under the table I started understanding in greater depth the fiscal challenges to our working public and how the policies that we bring forward, many of which have a charge to the public attached to them are impacting on our citizens, and as I got used to the job I started taking a greater interest in the States' pay and what became apparent, apparent to me anyway, was the anomaly that is the office of the President of the States' Assembly & Constitution Committee, that to me, sir, and Members stood out a mile.
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I reviewed the January 2016 Billet where the review of the Members and Non-States' Members pay was agreed by the previous Assembly. In the previous year in 2015 the then Policy Council appointed an independent panel to review States' pay. Their recommendation at the time of the 2016 January debate was the office of the President of the States' Assembly & Constitution Committee would enjoy the same remuneration package as the Presidents of the Principal Committees.
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Deputy Allister Langlois: actually in his opening speech in that debate there was an acceptance that the independent review panel could not gauge how the new system of government this would operate under would affect workloads and the panel could not reach definitive conclusions. It was a general direction, most of which was finally accepted. The independent review panel was
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1465 just that, it was a review panel guessing its way through a brand new system that made some recommendations on States' pay. It was not the final arbiter, nothing that comes before this Assembly is. It was a review panel put together very quickly over the previous six months that gave a few caveated directions.

1470 Reading through the *Hansard* there was an amendment by the then Deputy Gillson and the now and currently Deputy Mary Lowe, who sensibly recognised that the office of the President of SACC did not warrant the Principal Committee wage and sought to reduce it from the heady heights of the Principal Committee salary. I think they were right. Okay, everyone disagreed with them then, but they were absolutely right at the time.

To quote Deputy Gillson at the time:

The level of activity, responsibility both budgetary and policy, at least in the public's eyes ...

And that is really important – he did not say that, that is my addition.

... for provision of service, are not in any way comparable and although it is not an unimportant role I think the activity and responsibility of the Chairman of SACC is not comparable with the President of a Principal Committee. Therefore, I think that having the same remuneration is not appropriate.

1475 There were a number of speeches. Some of them warned about interfering with the independent review panel's findings and then by amendment went on to interfere with independent review panel's findings, and I am sure we will hear repetition of those speeches today. We will be warned not to interfere with any forthcoming review, we will be told to trust in the process and we will be told not to tamper and let process take its due course. Well, currently
1480 there is no process.

Another quote from the Gillson/Lowe amendment was from Deputy Dorey in fact, he said:

Independent does not mean it is correct.

And he was right. He also went on to say:

... the responsibility of being President of SACC is different to being President of the Principal Committees and therefore I will vote for this amendment.

1485 And he was right again. He lost, but he was right at the time. The amendment was lost but the sensible voices of the Deputies that are still in the Assembly today – Queripels one and two in no particular order, Lowe, Brouard and Dorey – are still with us today.

This, sir, is an attempt to right the mistake made by the previous Assembly. Parity for the President of SACC by any measure in terms of value, time spent, responsibility and public exposure makes no moral, fiscal or rational sense at all. Frankly the office enjoying the same wage as any of the Principal Committees is an embarrassment.

1490 When Deputy Fallaize took the position as President of Education, Sport & Culture we heard through the media that he was standing down from SACC and via email to all States' Members, having no idea who might replace him, I informed everyone that I would be looking at laying this Requête. We had no idea who was going to take his position. Deputy Fallaize had not actually stood down yet, so no accusation of personality politics can be levied. The post was about to be
1495 vacant, no-one knew who was going to take the position. So we can scotch that nonsense for a start.

1500 In fact if it helps Members, when I proposed Deputy Gollop, seconded by Deputy Smithies, this Requête was in play. I was proposing someone else and was still prepared to drop his pay. It is unfortunate as I stand here that we do have a President in position but that is a problem with the system, not the intent of the Requête.

If it further helps Members, let's do some compare and contrast in terms of workloads and the disproportionate nature the position attracts. I asked a number of Rule 14 questions as to the attendance and the most pertinent one being how many times and for how many hours the

Committee sat in 2017. The Committee sat 15 times, the total hours it was in session was 45 hours. So brief division of the difference from the ordinary Member pay to the presidential pay is as follows. For every hour the Committee sat in session in 2017 the President of the Committee received on or around £266 per hour more than any other ordinary Member in the room. *(Interjection)* I am glad Deputy Fallaize thinks it was well worth it, I do not. *(Laughter)*

The President of SACC in 2017 received effectively £800 a day more than anyone, well I say a day, they only sat in the mornings. So all –

Deputy Fallaize: Point of correction.

Deputy Inder: Sorry, did you move past lunchtime?

The Deputy Bailiff: Point of correction, Deputy Fallaize.

Deputy Fallaize: On occasion it was the afternoon. *(Laughter)*

Deputy Inder: That is fine.

The Deputy Bailiff: Deputy Inder to continue.

Deputy Inder: Well, in any event for less than a half a day to the working people out there because the average was SACC sitting for about three and a half hours. I do not find it that amusing, public money was being expended to the tune of £800 a day for the office of the President more than anyone else in that room. It is an absolute nonsense.

I will turn to some contrasts. Those of you with heavy workloads and responsibilities and here I address mainly ordinary Members, the comparison in terms of your exposure, your own personal exposures and responsibilities –

The Deputy Bailiff: Deputy Inder I would simply remind you at this stage that you are addressing me, you are not addressing any other Member in the States, so can you try and modify your language –

Deputy Inder: I beg your pardon, sir, I beg your pardon.

So let's look at the Development & Planning Authority and just think about ordinary Members and their ordinary day. Very talented team we have on that Authority, Deputy Gollop, President, right in the firing line of every single controversial planning decision that passes through his hands. Every single one. Having sat through a number of open planning meetings with less than happy parishioners and voters making arguments either for or against whatever decision is before them – where is the comparison with SACC? To the ordinary Members of the DPA those on the ordinary rate along with their President how on earth can you compare the responsibility? There is no comparison at all. Everything that the DPA does is going to annoy someone. Everything that SACC does no-one really hears about.

What about States' Trading & Supervisory Board – and we have had the update today – the Island's largest land holding company with responsibility for a billion pounds worth of assets? How can there be any comparison of the responsibilities between STSB and SACC? Both of them and the President again on the ordinary rate. I mean, it is clearly nonsense.

Or our professional scrutineers for that matter. Look at the detailed work you have to pour over to produce your reports – sorry, prepare for their reviews – sorry, sir, through you sir – where is the comparison? The mounds of paper they have to review, surely we cannot compare the workload with that of SACC.

The TLA, I am not sure when they sit, but what I do know is that in the fluid transport market we have at the moment the Aurigny licensing of sea planes, helicopters, Alderney charters around

Guernsey, applications for various licences, inter-rivalry of the various operations trying to get one over on each other – there just is no comparison at all in terms of responsibility.

As someone who has been on an extremely busy Committee, a year on ESC I think it was – yes, I still bear the scars. No, I do not actually ... If I include the Sports Commission work, the events attended and the core work of education itself, can any ordinary Member of ESC honestly compare the responsibility, workload, the time in every meeting you must be having? It is not possible. The ones that the public do not see, all the Committee meetings that do not appear on the attendance records – that does not happen with SACC. ESC must be absolutely nailed at the moment. In fact I know it is true because, through you, sir, I saw a picture of Deputy Fallaize standing outside of the field in Rue du Tertre, un-ironed shirt, five o'clock shadow, he looked a bit like me actually, (*Laughter*) and he had only been there three months. (*Interjection*) Just slightly skinnier – well, a lot skinnier actually.

So it is not possible and if any Members try ... just do not tell me, please do not tell me that there is any comparison between the two Committees, there certainly is not.

I have been a Member of SACC for around a month and I do not want to take too much away from them because it quite clearly is an important Committee, but in the three or four weeks I have been a Member most of the emails have been about preparation for myself as a new Member, and I think we have had one email from a member of the public and three or four from Deputies directly. It does not seem like a busy Committee, when somebody has come out of ESC and his next baptism is probably going to be the referendum. It is less a baptism of fire, it is more like bathing in asses' milk, feet up on the Jacuzzi with a Cuban hanging out of his mouth. There is no comparison between this Committee and any of the existing authorities. None whatsoever.

So going back to the 2016 Members' pay review, Deputy Allister Langlois, when presenting the policy letter said there would be a mid-term review after the new system had bedded in. Well, we are past mid-term now and there is no indication at all that Policy & Resources have embarked on that process. I would not get your hopes up at all, if I can read from an email from Deputy Le Tocq, when we had the first exchanges when I mentioned the Requête, and Deputy Le Tocq wrote to us, if I can quote:

It seems to me therefore that the best time to do so is ...

He is talking about an independent review

... prior to the next election. This is likely to be in the autumn of next year (2019) by the time which 40 months of data will have been collated.

So potentially the review whenever it starts will not be delivered until the end of 2019 so that will leave approximately another £1,000 a month for the position another £18,000 if indeed the independent panel decides that the Presidential rate should be reduced to the ordinary rate.

So with Policy & Resources work related to Brexit, there is no criticism from me for that piece from Deputy Le Tocq. We do not need a review right now. With most of the Assembly having an IQ marginally above room temperature, we do not need another independent review; we can make a very easy decision here today.

Sir, Members of this Assembly, this is a perfectly crafted Requête, the amendment to it is actually a tacit acceptance that the Requête is sound, it actually recognises that there is a problem with the Presidential rate. An extra £12,000 a year for the position is unwarranted, it is unjustified, and it is just wrong. Do the right thing by the Assembly and the people. At some point in the future we are expecting a report on, I think it is poverty in work. (*Interjection*) Sorry, I beg your pardon. In work ... Sorry, I beg your pardon. We are expecting, sir – what was it? (*Interjections*) Through you – in-work poverty.

So please do not embarrass yourselves by wringing your hands about low and middle-income earners on one hand and creating fat cats in our own Assembly on another day. Just reduce the rate to the ordinary Member. It is unwarranted, it is unnecessary. Thank you, sir.

The Deputy Bailiff: Thank you very much, Deputy Inder.

Now, in accordance with Rule 28(3), the first person to whom I turn after the Requête has been laid is the President of the Policy & Resources Committee. In his absence, Vice-President Deputy
1605 Trott, do you have anything you wish to say on behalf of the Committee?

Deputy Trott: Well, sir, first of all I would like to thank you for reminding me 30 seconds ago that this duty would fall to me soon. For that I am grateful.

I think there are two things I could constructively say. The first is that the Policy & Resources
1610 Committee is in an advanced position with regard to appointing the new independent pay review board, and an impressive group with a slightly increased number is anticipated. I would make the point that this independent pay review panel provide their services *pro bono* so there will be no additional cost to the public purse as a consequence.

The only other comment I would like to make, sir, is that P&R did give this matter fairly
1615 extensive consideration and decided on balance that because it was unable to reach a consensus, P&R Members will be abstaining from this matter because of its responsibility with regard to the independent pay review process.

Thank you.

The Deputy Bailiff: Thank you very much.
1620

I understand that the Policy & Resources Committee consulted with the States' Assembly & Constitution Committee and therefore I turn to the President of that Committee, Deputy Roffey to see if he wishes to say anything.

Deputy Roffey: Sir, they did consult us, I understand the States' Assembly & Constitution
1625 Committee, but of course I absented myself from the meeting of the Committee when that consultation came through. However, I understand from my Vice-President that the Committee were happy to contribute as Members during the debate rather than actually say something on behalf of the Committee at this stage.

I know it is blindingly obvious, but I would like in accordance with the Rules to declare an
1630 interest in this particular matter. *(Laughter)*

The Bailiff: Deputy Langlois, do you wish to lay your amendment at this point?

Amendment

To delete the Proposition and substitute therefor:

1. *To note the resolution of the States, dated 26th January 2016¹, obliging the Policy & Resources Committee to set up an independent, mid-term review of the remuneration to be paid to States Members and Non-States Members not later than 1st May 2018.*

2. *To note that, in the view of the States, an intermediate band of remuneration should be established to reflect the responsibilities and workload of;*

a) the President of the States' Assembly & Constitution Committee,

b) the President of the Scrutiny Management Committee,

c) the President of the States Trading Supervisory Board,

d) the President of the Development & Planning Authority.

3. *To instruct the Policy & Resources Committee to make clear, in drafting the terms of reference for the review referred to in Proposition 1, that the States believes there should be an intermediate band of remuneration, between that for the Presidents of the six Principal Committees and that for Deputies.*
1635

Deputy Langlois: I would like to lay my amendment please, sir, and could it be read out by the Greffier.

The Deputy Bailiff: Thank you very much. Greffier.

The Greffier read the amendment.

1640 **The Deputy Bailiff:** Deputy Langlois then.

Deputy Langlois: Thank you, sir.

1645 This opening speech on the amendment is going to be short, as the primary aim of our amendment is to avoid the States spending time having a debate that inevitably will be repeated with more evidence in front of us later this year.

Aligned with that aim is a desire to avoid pre-empting the forthcoming debate by making a decision on the remuneration for one office completely out of context.

1650 The pay levels awarded to States' Members are always going to be contentious in some quarters and the established arm's length approach addresses many concerns about self-interest. If we start chipping away at the basic principle of an independent review we risk undermining it.

1655 In about two weeks the Policy & Resources Committee will be establishing an independent panel to consult and then to make recommendations on States' Members and Non-States' Members remuneration. Later this year we will be debating the panel's report attached to a policy letter. Some might argue we should not even debate the panel's recommendations just accept them. However, all previous States have found the temptation irresistible, as Deputy Inder has noted.

The secondary aim of the amendment through Proposition 2 is to give the States the opportunity to express a collective opinion on amongst other things the current binary divide between the remuneration for the presidents of operational and of policy committees.

1660 As the new structure of government has been established for almost two years I would be surprised if a single Member of this Assembly does not have an opinion on those matters.

I believe it is important that the Propositions do not attempt to bind the independent panel in any way, hence the format of the Propositions, a point the 'Right to Comment' column in yesterday's *Guernsey's Press* appears to have missed.

1665 Proposition 2 can be thought of as an early contribution to the independent panel's consultation process. If any States' Member disagrees with the panel's recommendations when they are lodged later this year, there will be ample opportunity to bring amendments such as the one forming this Requête prior to the debate.

I therefore ask all States' Members to support this amendment to the Requête.

1670 Thank you.

The Deputy Bailiff: Deputy Tindall, do you formally second the amendment?

Deputy Tindall: I do, sir, and reserve my right to speak, please.

1675

The Deputy Bailiff: Thank you very much.
Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

1680 I do not have a long speech and I will use that *cliché* and say I was not intending to speak but Deputy Inder's opening speech brought me to my feet to make two points.

1685 The first, I was amazed to hear one of his arguments in particular because you cannot establish the contribution, or the value, or the worth of a States' Committee or a States' Member with reference purely to how many meetings (**Several Members:** Hear, hear.) they attend, or how often they meet. But that was the argument he made. In fact that really was the central argument that because the Committee does not meet very frequently therefore it is not as significant and the remuneration of the President should be downgraded.

The reason I was amazed that he made this point was because when I looked down the names of the signatories of the Requête the first four signatories hold one seat on a Principal Committee between them. The first three signatories do not hold any seats on any Principal Committee and the first three signatories hold only three Committee seats between them.

Now I am not criticising, and I am not the one arguing that their contribution, or their worth, can be determined with reference to how many meetings they attend or how many committees they sit on; but Deputy Inder is. In fact he told us when he opened debate on his Requête that ... well he painted a rather amusing but quite critical picture of his initial experiences on the States' Assembly & Constitution Committee. He obviously feels under-employed in service on that Committee, and that may very well be the case, but what he did not tell the States is how much remuneration the taxpayer is paying him to sit on only the States' Assembly & Constitution Committee which he is criticising as a minor Committee of very little worth.

So if one adds up the remuneration and I –

Deputy Inder: Point of correction, sir.

The Deputy Bailiff: Point of correction, Deputy Inder.

Deputy Inder: I expected this from Deputy Fallaize. What I did say at the beginning of my speech was that I knew that in spite of whatever committee we were on, the basic ordinary Member rate was £37,000. I know what he is doing here, but that is exactly what I said. I am quite aware that the ordinary Member rate as soon as you get into the States is £37,000 irrespective of, as I said on, whatever committee you sit on.

Thank you.

The Deputy Bailiff: Deputy Fallaize to continue.

Deputy Fallaize: Yes, I do not think that was a point of correction, sir, and when Deputy Inder says he expected this, I can promise him he was not going to get it until I heard his opening speech. *(Laughter)* I am only picking up the arguments which he made in laying his Requête.

Now the point is are these Members the first three Members who have signed this Requête, who only hold three Committee seats between them and no seat on a single Principal Committee, worth £120,000 a year of taxpayers' money? Because they are not attending very many meetings and in Deputy Inder's opinion, they are not holding seats on any committee which could be considered especially significant.

Now as I say, that is not my argument. In fact I have consistently represented to successive pay review panels the view that it would be in the best interests of States' Members for all Members to be paid one single flat rate,, which is the case I think in Jersey, apart from the Chief Minister. That is the view I have always represented to the pay review panel. So I am not arguing that you can judge the worth of States' Members by how many meetings they attend and how many committees they sit on. Deputy Inder is, and I do think it is a rather odd argument for him to be making given the profile of the signatories to his Requête.

He is laying his Requête clearly sincerely. He puts it forward as an attempt to save some taxpayers money in a way which he considers would be of no detriment, and would be fair and reasonable. I accept the sincerity of his argument. But I do think this debate is self-indulgence. **(A Member: Hear, hear.)** Even though it potentially saves some money I do think it is self-indulgent for States' Members to debate their own remuneration.

I also think that if this Requête is approved ... in fact just having this debate breaks quite an important precedent. I agree with Deputy Inder that the States should not be bound to accept the recommendations of an independent pay review panel. He says, I think he said, or implied, that it was a proper role of the States to set Members' remuneration. It is an uncomfortable issue to

debate always, but I agree with him, I think it is the role of the States to set Members' remuneration.

But the important principle as far as I can recall never previously broken is that one States' Assembly should set the remuneration for the officers filled in the next Assembly, so that there is a General Election in between the setting of the remuneration and the election of the Members who will receive that remuneration.

Now this Requête completely breaks that principle, and I do have a slight concern that if the Requête is approved there could be further attempts, because as Deputy Langlois has said, probably there are 40 different views about exactly how much remuneration should be attached to each office, and we could have a succession of requêtes – we could have a requête proposing that Members who do not sit on any Principal Committee should be paid a new lower basic rate. That is one requête we could have. We could have a requête which tries to have different levels of remuneration for the presidents of the other important though not Principal Committees, which he mentioned.

I think Deputy Inder would find that there are a large number of Members of the States who essentially agree with his argument (*Interjection*) and there is some argument in having some kind of intermediate rate for the presidents of some committees in between the basic rate and the rate for presidents of Principal Committees. But I do not think it is worth breaking the principle that States' Members once elected should not set their own remuneration. I think that is quite a dangerous precedent, and I do not think it will do this States, in the long run, any favours to start amending the rates of remuneration in the present States. Certainly when we get to the end of this States it will be the responsibility of this Assembly to set remuneration for the next States, but importantly the public will have had an opportunity if they are unhappy with any decisions, that decision or any other decision made by any States' Member during that term, the public would have had an opportunity to kick them out.

Here we have the States being invited to muck around with their own remuneration without a General Election intervening. I think that is a principle which should not be broken.

If, however, it is broken and any Member wishes to take Deputy Inder's arguments to their logical conclusion and seek to save more of the taxpayer's money and to value every Members contribution by how many committee meetings they attend and introduce a new lower basic rate of remuneration for Members who do not sit on any Principal Committees, I would happily sign it; I may even lead it.

The Deputy Bailiff: Deputy Fallaize, I am going to treat your contribution as a contribution to general debate because you certainly were not speaking with sole relevance to the amendment, but it is the amendment that is in play at the moment and we do not have to have the debate on the original Proposition if it is replaced with the three Propositions in the amendment.

I have not interrupted you to say where is the relevance to the –

Deputy Fallaize: Sorry, sir, I should have pointed out that I was intending to speak on the amendment and generally.

The Deputy Bailiff: I am not hugely attracted, although I cannot necessarily stop people speaking in general debate at this point, but it may well be that that is a debate that does not need to be had if the Propositions are substituted, (*Laughter*) so the Propositions are what matters not the speeches.

So if you want to confine your contribution to the amendment only, then that will be very welcome, the amendment can then be wound up and voted on and then we will see what Propositions you will be entering into general debate on.

Deputy Ferbrache.

1790 **Deputy Ferbrache:** Sir, I thought Deputy Fallaize started off very well but then tailed off very badly. (*Laughter and interjections*) The creditable part of his speech was he said you cannot establish the value of anybody by reference to the meetings or the value of any committee, and I of course accept that, because more wisdom could be spoken in one sentence than in 50 paragraphs.

1795 Now lots of people in this Assembly, sorry some people in this Assembly, make long speeches. Deputy Fallaize is one of them. Now often those speeches are erudite and sometimes they are rubbish, and it is for the Assembly to judge which is which in connection with each context.

But speaking in relation to the Langlois amendment, it fills me with dread because... Deputy Langlois and I generally have a joshing session before we come into this Assembly when I congratulate him in coming all the way in from the country parishes, is he not influenced by the bright lights, and he tells me that in relation to this amendment it is both eminently sensible and practical, and I say it is neither eminently sensible nor practical, and it is certainly unnecessary.

1800 Because why do we have to have review after review after review? Now Deputy Fallaize says well, of course, three of these people are not on Principal Committees. I am not on any committee, I am a committee-less person. It does not particularly bother me at the moment, but I still think because I read everything and I attend debates as I should do and I am interested in things, then I make as much of a contribution as other people. Now, you do not have to be on 56 committees and attend 48 presentations to make a ... because if you are a sensible, intelligent person, which people in this Assembly are, you can make an assessment pretty quickly on most things.

1810 I commend – and I did not know that she had actually seconded an amendment, but of course I know her prescience and I know her wit and I know her ability – that Deputy Lowe had had the foresight two years or whatever it was ago to realise that paying the President – and I mean nothing disparaging – of the ‘Rules Committee’. Everybody knows how I value the Rules Committee, and it is a different value to the one that is put on it by Deputy Inder. But we have to have a Rules Committee, I suppose. I suppose.

1815 We are two years into this Assembly, we are nearly halfway through the term of this Assembly, and we now know that there can be no justification for paying the President of that Committee, however good or bad he or she may be – and there is no criticism of any individual, whoever the President of SACC may be – the same as the President of Policy & Resources, well a Member of Policy & Resources, of the Education Committee, of the Health Committee, of all these great Committees, because the workload and the responsibility is different.

1820 And to say, ‘Oh well, we should leave it to an independent review when we fundamentally know half way through that it is a nonsense. It is an absolute nonsense to pay the President of the Rules Committee the same as the President of the Education Committee. I do not know if the President of the Education Committee – oh, he has already spoken, I forgot that – but I do not know if the President of the Health Committee is going to speak in due course, possibly not, and I do not care if they say it is of the same weight, because we have this position now whereby we can make the decision, and to just say well £1,000 a month, or whatever the figure is, is a mere bagatelle is an affront to the taxpayers of this Island. We are capable of making that decision. We know it is a nonsense, it should have been ...

1825 Reviews – I am not going to digress too much but of course in my capacity, in my profession as an advocate, I love it when I am acting for an employee and you go off to do an independent pay review. I hate it when I am acting for the employer and you go off to do a pay review, because you know what the result is going to be. This is the same here. There should be a review for the next States’ remuneration for the next Assembly, I fully accept that, but when we know something is as plain as a pikestaff, it is as big as my nose, it is a complete and absolute nonsense, we should stop it now.

1830 So vote against the amendment because it is just going to propagate and continue an unnecessary wasting of public money.

The Deputy Bailiff: Deputy Prow.

Deputy Prow: Thank you, Mr Deputy Bailiff.

I intend to speak just to the amendment.

I cannot vote for this amendment, and I am a signatory to the Requête.

I would just point out that speaking as a Deputy who sits on two Principal Committees I also sit on a P&R Brexit Committee, I also sit on the Population Management Review Panel. There is no way in my adding my name to that Requête am I saying that Deputies should be paid by the hours they put in on committee work.

This is quite simple, I would simply endorse the opening remarks of Deputy Inder, followed by the remarks of Deputy Ferbrache. The fact of the matter is the Presidents of the Principal Committees get paid £12,000 a year more. But the Presidents' line in section 2 of the amendment – the President of the States' Assembly & Constitution Committee, Scrutiny Management, States' Trading Supervisory Board, Development & Planning Authority and indeed the Transport Licensing Authority do not. The case has been ably put that, using Deputy Ferbrache's words, as plain as a pikestaff, the responsibility of the States' Assembly & Constitution Committee does not in way compare.

Whilst some Members might see attraction in Proposition 1 regarding the date of the review, they may see an attraction in 3. I would ask them not to do so.

The idea that the Requête is in any way interfering with the review's independence. The review presumably when it does happen, if it does happen, will independently review and report accordingly.

Thank you, sir.

The Deputy Bailiff: Deputy Parkinson.

Deputy Parkinson: Thank you, sir.

I am just going to speak on the amendment and I thought momentarily whether I needed to declare an interest, but of course the amendment actually only calls for changes in the next Assembly so I do not think I do need to declare such an interest.

But I have had the benefit of perhaps uniquely in this Assembly of being at various stages during the life of the Assembly a backbencher on no committees whatsoever, President of the STSB, and now President of a Principal Committee as well, and based on my experience of the differing workloads in these various roles I do think the proposed amendment has merit, and I thank Deputies Langlois and Tindall for bringing it forward.

Now, Members may say well, but the review committee can decide of its own accord to place an intermediate value, if you like, on the presidencies of certain committees that are not Principal Committees, and they could. I think, though, this issue having been raised for debate in this Assembly, if the Assembly was minded to vote against the amendment that might send a signal to the review panel that Members generally did not agree with the Proposition that there should be an intermediate pay band, and personally I believe that there should be, so I am going to support the amendment and I think it is a very sensible one, it is not a case of Members voting for their own pay because we are not changing the pay in this Assembly. We are just talking about changing the structure of the pay scale.

I think mistakes were made in the last pay review. I think the responsibilities of certain committee presidencies were overlooked or underestimated, and that needs to be corrected, and this is an opportunity for the Assembly to send a signal to the pay review panel to say could you please change this next time.

Thank you, sir.

The Deputy Bailiff: Deputy Gollop.

Deputy Gollop: Sir, I am minded actually to vote against this amendment, despite Deputy Parkinson I think clarifying elements of it.

Of course I am surprised in a sense the amendment is relevant to the Requête because it is not germane to instant decisions; it is for the future post review. It is for the next States. Of course it asks more questions than it answers because it creates, for example, these four groups SACC, Scrutiny, Trading Supervisory and Development & Planning, but no reference to the important work Deputy Yerby does with Overseas Aid/International Development, or Deputy Paint – I am a Member of his Transport Licensing Authority. Initially I think Members thought the Transport Licensing Authority would be an easy berth. In fact for many issues in the current eye, both within the transport sector and occasionally the legal sector, it has been a very busy Committee that has met almost weekly since the autumn.

I think the point I am making is this is a form of decision making and *quasi* panel on the hoof. It actually makes all the mistakes that we have criticised the past panels for in that it is presuming that the States has agreed to an intermediate rate when we have not.

When I stood for the Presidency of SACC and did not succeed, Deputy Roffey did, I entirely agreed with everything he said that with the benefit of hindsight; perhaps there should have been a different banding.

Incidentally the Development & Planning Authority, which is part of the old Environment Department's responsibility, at one time was called the Island Development Committee, it is more or less the same mandate and was an A committee, and if I get a chance in the main debate I will go into many more issues of this nature.

But sticking to the amendment, I vote against the amendment because although I am unlikely to be in the position in the next States, or whatever, it could be seen that I am supporting a Committee that I am currently President of, but also on the wider question that far from being a far-sighted sensible measure by the States, it is actually picking on the work Deputy Inder and the group have done and just effectively on the hoof instructing a panel to come up with some new ideas, when actually perhaps I have got a certain sympathy with what Deputy Fallaize said and voted last time that all Members should be paid the same.

So I think I will vote against this amendment.

The Deputy Bailiff: Deputy Oliver.

Deputy Oliver: Thank you, sir.

I will not be voting for this amendment on the basis that I just do not understand it.

So basically we have said okay, if we agree to this amendment we are going to have a mid-view review, and yet there is still probably going to be a review just before the end anyway to see.

So we are effectively going to vote for two reviews. It seems that this States has changed from the last States from strategies to reviews.

The most important review that I thought would have already started was actually regarding the sea and airport transport links and that has not started, which is just so disappointing. I can just see this review dragging on and on and when there is going to be another independent review anyway, which has already been set up, so I just think it is a waste of money and time.

The Deputy Bailiff: Deputy Inder, do you want to exercise your right to speak on the amendment at this point?

Deputy Inder: Yes I do, sir, just on the actual amendment.

The Deputy Bailiff: Deputy Inder.

Deputy Inder: Thank you, sir.

1945 Through you, sir, Deputy Langlois, in his opening speech claims the remuneration will come back at the end of the year, I think that is correct, but I think Deputy Le Tocq in the email exchange has said that we will not get anything back until the end of 2019. So I have got to re-emphasise what I said in my original speech there is potentially another £18,000 spent. It is not coming back at the end of the year based on information I have got at the moment, and Deputy
1950 Trott said, through you, sir, again, Deputy Trott said they are going through the process of setting it up, but there is no indication when it will come back to the Assembly. So that I believe is incorrect unless Deputy Trott would like to interject and tell me when the panel might be set up and would be able to report back to the Assembly.

1955 **Deputy Trott:** Thank you for giving way.

The answer to that question, sir, is that there is a States' Resolution that we are reminded of in noting, if we note Proposition 1 in the amendment, that it must be not later than 1st May. The reason it has not been actioned yet is because the Policy & Resources Committee wanted to see the outcome of this debate. *(Laughter)*

1960 The more substantive question though is that the panel will be allowed to take as long as they need but their Propositions, their recommendations will need to be back in front of this Assembly in good order before the next election, because that will help inform candidates I am sure in June 2020.

1965 **Deputy Inder:** I thank Deputy Trott for that clarification. So effectively it may start on 1st May but I think Deputy Le Tocq's initial indication after 40 months we will not see this back until the autumn of 2019.

Deputy Langlois also claimed not to want to bind the independent review panel, but his amendment does that. It binds the independent review panel. What I actually expected strangely
1970 enough, sir, was an amendment like this but with a date on it. At the end of the election between Deputies Gollop and Roffey for the position of States' Assembly & Constitution Committee there was a discussion and I am happy again for someone, for either of them, to interject but we did ask the question about what they thought about the current salary, and I got the impression both of the candidates sort of indicated that the difference between the ordinary and presidential rate
1975 could be divided by four, which would have included, I thought, the TLA, but what we have got here is a division of well, possibly with ... I am not entirely sure, but I would have expected the Transport & Licensing Authority to have been included on that myself. That is what I would have expected.

1980 So when Deputy Langlois claims we should not be interfering, that is exactly what he is doing by taking out the Transport & Licensing Authority.

What underpins this is the actual – I cannot talk about the amendment, sorry I cannot talk about the Requête again, but I would ask you to reject this because this is going to get us no further down the road, when simply all we need to do is reduce the stand-out problem we have with the office of the presidential salary at the moment. It is just too much money by an order of
1985 £1,000 per month.

Deputy Leadbeater: Sir, can I invoke Rule 26(1), please.

The Deputy Bailiff: Rule 26(1). Those Members who are entitled to speak on the amendment,
1990 who intend to speak on the amendment, will they please stand in their places.

Deputy Leadbeater, is it your wish still to request that debate on the amendment be closed?

Deputy Leadbeater: Please, sir.

1995 **The Deputy Bailiff:** All right.

We move to a vote. Those in favour; those against.

Members voted Contre.

The Deputy Bailiff: I declare the motion lost. But nobody else wishes to speak now! *(Laughter)*
Deputy Tindall.

Deputy Tindall: Thank you, sir.

When I first read the Requête before us today I was somewhat dismayed that it was felt necessary to lodge such a Proposition. My initial reaction was just to vote against it, solely because it directs an independent panel and that in respect of one narrow element of their remit. So when Deputy Langlois asked me to second the amendment I agreed because it redressed the three concerns I had: the timing of the Requête, the challenge to the independence of the review and the subject matter. For all of it really.

This amendment is not a tacit acceptance of anything within the Requête, and certainly not the principle articulated by Deputy Fallaize insofar as that we should not direct a change in a role held by a current incumbent.

Before I explain the issues I want to set out the reason why I am going into the detail about all these elements relating to the amendment. I do this because recently when discussing concerns that some electoral candidates vote differently to their manifesto pledges once elected, I was asked to explain in my speeches how I had reached the conclusion in any particular debate. Basically why I vote the way I vote. So with that in mind and of course because I am seconding this amendment I want to explain all the issues I have with the Requête and why this amendment replaces the single Proposition it contains.

Firstly, sir, I will deal with the timing. The 2016 Resolution gave the obligation to P&R to set up an independent mid-term review of the remuneration of both States and Non-States' Members. That review starts imminently, and I encourage everyone who has a view to let the panel know about it, just as I and others did last time round. For my part I am going to take a keen interest in the terms of reference, not just if this amendment is successful but because I took a particular dislike to them last time.

However, unlike the requérants I was content to wait a short time longer and leave it for the independent panel to come up with their recommendations. The timing, sir, makes me wonder if the requérants are submitting this Proposition to allay the fears of some members of the public who still believe that we do little between States' meetings, and more particularly the fear of what people will think of the short agenda. I do hope the laying of requêtes do not in any way seek to perpetuate this myth, as I can assure those listening that we are working our socks off all the time.

Sir, in November last year I said I would lay a requête, but before I did I decided I should try and find a workable alternative. Whilst I have made some progress in this regard I certainly would not have laid a requête when that alternative, as it is in this case, was only a few weeks away.

Sir, that leads me to my second point. The challenge to the independence of the review. Deputy Inder says it binds, this amendment binds the independent review. It does not. It binds P&R and no more.

Personally I do not wish to challenge the independent decision making because I believe we must not, even for this one role, be directing the outcome. A democracy should have an independent body which akin to the Independent Parliamentary Standards Authority created by the UK Parliamentary Standards Act 2009 can make provision relating to salaries and allowances for members of parliament. We must not direct an independent review panel in any way other than by the terms of reference. If we start dictating changes to our pay where will it stop? Deputy Inder said that just because it is independent it is correct. That is not the point, people err, as they did with the terms of reference in my opinion last year.

Deputy Inder: Point of correction, sir.

The Deputy Bailiff: Deputy Inder, point of correction.

Deputy Inder: I did not say that. I was making reference to what Deputy Dorey said in the previous debate in reference to just because it is an independent review does not mean it is correct. Those were his words, not mine.

Thank you. But he was right.

The Deputy Bailiff: Deputy Tindall to continue.

Deputy Tindall: I thank him for correcting me, it was of course a quote he was using. However, we should not remove that independence of the review panel because as Deputy Fallaize pointed out this challenge to the pay of anyone in the current Assembly, it is just wrong, and again where would it stop?

Sir, this leads me to the final point, which is why the Requête is dealing only with the salary of the Presidency of the States' Assembly & Constitution Committee. Gosh, it is almost as long as the title to the Guernsey movie! My goodness, we are having lengthy times! Not only is this Requête submitted at such a strange time, it also seems peculiar to pick on just one role in the States' Assembly.

We have heard a lot from some of those requérants about their criticism of our structure of government recently, yet, sir, they only wish to change the salary of one role. Should we assume by that that they are satisfied with the pay of the rest of us, or that they are satisfied that an independent review can agree those salaries. Maybe they are satisfied with the salaries of Deputies who have the highest responsibilities – I am not giving way – or indeed the remuneration received by those who are not on any committee.

But what about the presidencies of the other three committees mentioned in the amendment? I certainly feel strongly that the salaries of those should also be reconsidered as Deputy Parkinson also made that point.

Despite the fact that Deputy Inder did make some arguments about the role of those committees set out in the amendment I would cover this also. The amendment put forward the possibility of a middle tier, a group of four Deputies, who could earn more than most of us but not as much as the Presidents of the Principal Committees and Members of P&R. The roles chosen reflect the view that responsibilities and workload of the presidencies of two committees are less than envisaged when the initial salaries were put forward and for two these are greater. I should start with saying that the Presidency of the Transport Licensing Authority is not included and that is because I have experience of that Authority and I cannot agree that this should be included in this group of four, as it is a quasi-judicial committee.

Some say these four in the amendment are operation rather than dealing with policy –

Deputy Leadbeater: Point of correction, sir.

The Deputy Bailiff: Point of correction Deputy Leadbeater.

Deputy Leadbeater: Deputy Tindall said that TLA are not included because they are a quasi-judicial authority, but sir, so is the DPA and they are included, so I just thought I would correct Deputy Tindall there, sir.

The Deputy Bailiff: Deputy Tindall to continue.

Deputy Tindall: Thank you.

As a member of the Development & Planning Authority I have to say, sir, I am extremely surprised at that intervention, especially considering the Transport & Licencing Authority is altogether quasi-judicial with no policy making functions and the Development & Planning Authority is very definitely policy making. It has the Island Development Plan and I have to say, I go on to mention it again in this speech but I will make it now, it is something that this Assembly

2100 has failed to appreciate on numerous occasions the role of the Development & Planning Authority. In many things. So I am a little bit ... I hope that my colleague Deputy Leadbeater raised that interjection simply to allow me to stress that point.

2105 So, some say these four are operational rather than dealing with policy. I disagree, as they all deal with policy, albeit to a greater or lesser extent and some directly and some indirectly. Having seen the work done over the last two years, I am more than satisfied that the two Presidencies of SACC and Scrutiny do not have the same workload and responsibilities as that of the Presidents of the Principal Committees but I also see that the Presidents of the States' Trading & Supervisory Board and the Development & Planning Authority have a greater role than first envisaged.

2110 As well as a reduction in the salary of SACC, which was clearly described by Deputy Inder, the salary of the President of the Scrutiny Management Committee is included in this amendment for consideration. Given the highly important responsibility of scrutinising government I had hoped to see a substantial workload for the Scrutiny Management Committee, however, without the extra funding that was available upon request and the importance I believe should have been given to the review of legislation I feel that a reduction in salary is proportionate and should be reviewed.

2115 But ultimately it is up to the independent review to decide as I am not on that Committee although of course I am a member of the Legislation Review Panel.

We have heard this morning of the extent of STSB's mandate in a detailed update given by Deputy Parkinson and of course I have no knowledge personally of that Committee. However, as Vice-President of the Development & Planning Authority I have first-hand knowledge of what is required of the President of the Authority.

2120

I should also add at this point we have not mentioned the President of the Overseas Aid & Development Committee, which of course could well be included in the review.

2125 So back to DPA, as a new committee the mandate of Development & Planning Authority covers a wide range of policy and operational matters, which I briefly touched on, but interrelate with all committees in one way or another although as I say unfortunately this is still not fully understood by some in this Assembly. As one who knows the workload and responsibilities I recommend an increase in the salary.

2130 So for these reasons I would like my fellow States' Members to agree that the terms of reference should include the review, that there should be an intermediate band of remuneration. I also wish the Assembly to agree that ultimately it is for the independent panel to be the ones who decide on our salaries.

2135 Just taking into account the lack of appreciation I have seen so far of the DPA, and I say it again for emphasis, I do not consider we are the best judges of what should be the remuneration of our colleagues without that knowledge of what they do. I therefore put my faith in the independent panel to investigate and understand all roles, and trust in them to award the pay according to the mandates and the work done.

Sir, I ask my fellow States' Members to support the amendment.

The Deputy Bailiff: Deputy Roffey.

2140

Deputy Roffey: Thank you, sir.

2145 I thought long and hard about whether to speak in this debate and initially was mindful not to but decided that would really be cowardice in a way. We are being invited through this Requête to discuss our own pay and my pay is at the centre, and I do not want to back away from that, I want to talk about the issues.

I hope in doing so nobody will think that I am a person who is particularly motivated by States' pay. I can tell Members when I came into the States in 1982 burning to contribute to the deliberations of the States of Deliberation, pay for very good reasons was much lower and not an incentive for doing that; likewise when I carried out the role now carried out by Deputy Yerby which as now was unremunerated.

2150

But to some extent the genie is out of the bottle because as Deputy Inder has said I already made my view clear on this to some extent during the Q&A for the election of President of SACC. I do not believe that the – I will not say me – the President of SACC should be paid the same amount as the President of Health, Education or any of the other Principal Committees. Not because they attend fewer committee meetings, if that was the criteria then the ordinary members of committees should be paid exactly the same as their presidents because they attend the same number of committee meetings. I think the presidential allowances are there for the other things that presidents do which is to drive the agenda of a committee in between committee meetings and to give it the impetus to go forward. But even with that criteria my role, or the role of whoever is sitting in this seat, is far smaller than that of Health, Education, Social Security, E&I, Home or anybody else. So I believe if I was designing with a blank sheet of paper today a pay structure I would not give the President of SACC the same amount as the President of the Principal Committees. I think I made that clear during that Q&A.

Actually, now I am in danger of blowing my own trumpet, I would not also give the President of SACC the same zero uplift whatsoever because they do have some presidential duties and as I said then I believe that personally there was a cash neutral way of actually having a far fairer system which would be to have the four committees mentioned in this amendment getting roughly half the presidential uplift of the main committees. And when this new review body is set up and no doubt they will consult widely and no doubt they will ask States' Members what they think should be the pay going forward, that is the argument that I will be putting forward to them.

How we get from here to there, whether you want to slash and burn my pay today, I really think I ought to stay out of that argument. But I do agree with the amendment to the extent that I think it is heading towards the right destination because I do believe, I agree with Deputy Parkinson, I think it is obscene that the President of the States' Trading Assets Body gets no extra responsibility allowance, they clearly have a significant extra responsibility. Likewise with the DPA, I have been on the IPC in the past I know what a difficult job it is – I am going to be cautious about where I go now because now I am talking about whether or not Scrutiny's pay should be the same as it is now. So maybe I will stop there.

All I am saying is I think the destination where Deputy Langlois is trying to get in my honest opinion and I feel this whether I have sat in this seat or whether I was still sat over there is roughly the right one to go.

Whether we pass this amendment today or whether we just make representations to the new committee when it is set up I have no strong views over.

The Deputy Bailiff: Deputy Trott.

Deputy Trott: Sir, there are two issues I think are worthy of mention. The first is that when I first came into the States like Deputy Roffey, Deputy Gollop, Deputy Lowe, we were not remunerated *per se*. We received compensation, if we sought to claim it, and that was based on committee attendance. So in other words if you went to a committee meeting and you were not otherwise gainfully employed you could make a claim.

Now, back in those days there were multiple classifications in terms of compensation for committee types, the Board of Administration, the Advisory & Finance Committee were considered to be class A committees, and some of the minor committees went all the way down to I think classification E, if I recall accurately. That was changed for a number of good reasons, but that was the system nonetheless.

Now having said that, when I look at this amendment it does of course have a fundamental flaw, or at least it would if it was, in the words of the seconder, going to do anything other than give an opinion to the independent pay review panel because they can if they wish if we approve this amendment ignore it completely, and they may need to, because in Proposition 2 the words are:

To note that, in the view of the States, an intermediate *band* of remuneration should be established ...

Well it may well be that the independent panel considers that the role of the President of the States' Assembly & Constitution Committee is much less onerous than say the role of President of the States' Trading Supervisory Board. That would be my expectation, I have to say, and should the panel look at the *Hansard* and consider various opinions, it should see from that we are making the point that it is not binding on them in any way shape or form, it is arguably not even a guide in the sense that they are independent and they can make their own assessments.

I would not have risen if it was simply with that in mind, sir, and as you will see I am speaking generally but Deputy Oliver said that we were a States of review rather than a States of strategies. The best strategies take a little bit of time to develop and a significant amount of work on the air and sea links review has been undertaken, particularly since the turn of this year, and much of the work that they are doing is effectively co-terminus with the review, things such as licensing and the importance of the classification of those routes, the development of the details surrounding Public Service Agreement, the understanding of course with greater clarity the future ownership of Condor and indeed the provision of funding within those PSAs if they are required.

So the point is, sir, a little bit like the proverbial duck: an awful lot of work has been undertaken and the States will get to see that first.

But I give way –

Deputy Oliver: Thank you, sir.

It was more to emphasise the fact that as the States, we were told that it should be done by Christmas, which is fine and I understand that work has been carried out. But I can just see exactly the same thing happening to this review as well, that it is extended and extended because more work needs to be looked at etc. So it is not actually taking any action this term. It is waiting until the further term. So –

Deputy Trott: That, through you, sir, is where Deputy Oliver is fundamentally mistaken. This piece of work, the work undertaken by the independent panel must come back in good time, this term because it is for this States to determine the pay of the next. That is the fundamental principle, and in addition to that – I will give way in a moment – it must be done in sufficient time to enable candidates who are considering election in June 2020 to consider the remuneration package in order for them to make assessments as to whether it is for them, bearing in mind they are the only people who will understand their personal commitments with the clarity needed.

I give way –

Deputy Oliver: Sir, would Deputy Trott actually agree with me that we might agree to it but nothing will actually, no wage increase or reduction will happen this term? We may decide it for next term but it is not happening this term.

Deputy Trott: Yes. That is true, the only way to see an immediate reduction in States' pay commitments is to support the Inder Requête, but remember our pay is indexed which means it will go up by inflation in the normal course unless of course you have opted out your pay will be adjusted to maintain basic inflation that you will be paid in real terms the same, at least I think that is the process. (*Interjection*) I give way to Deputy Fallaize, sir.

Deputy Fallaize: I think it is linked to changes in average earnings, not inflation.

Deputy Trott: Yes, I think you are right, but the point is that the wage bill will increase as a consequence of that link.

So I think, sir, there is not a great deal more I should say on this, other than the fact that notwithstanding the limitations in the first line of part 2 in the amendment, the Policy &

Resources Committee does intend to support this amendment, but in the knowledge that it is somewhat futile in the sense that we do not expect an independent pay review panel to be anything other than absolutely independent.

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The Deputy Bailiff: Well, Members of the States, we will now adjourn until 2.30 p.m.

*The Assembly adjourned at 12.33 p.m.
and resumed its sitting at 2.30 p.m.*

**I. Requête –
Reduction in Payment to the President of the States' Assembly & Constitution Committee –
Debate continued –
Amended Proposition 1 carried; amended Propositions 2 and 3 lost**

2260 **The Deputy Bailiff:** Members of the States, before I call anyone else to speak, because we are enjoying some lovely weather – I am sure you will want to conclude your debate as quickly as possible to be able to enjoy it – those who wish to remove jackets are permitted to do so.
Deputy Graham.

Deputy Graham: Thank you, Mr Deputy Bailiff.

2265 I am just going to speak, very briefly, to the amendment, and I have no wish to contribute to general debate on the Requête. I am going to vote against both the amendment and the Requête and the explanation is actually very simple. I do actually value, very highly, the principle, that in this Assembly, we should not seek to determine what we pay ourselves or what we pay our colleagues. It is a pretty easy and clear principle to understand.

2270 In as far as it applies to the Requête, I know for some the potential savings – I look to Deputy Oliver, who I think is quite keen to save the money involved – but sometimes principles come at a cost and, in this case I do not in any way dismiss the cost, in fact Deputy Peter Ferbrache made the point, we should really be very careful about how we splash taxpayers' money around.

2275 I think both he and I share the same sort of metaphor on these things. The huge sums of money that are sometimes tossed around in the Assembly become almost meaningless and I think if we remind ourselves that the average Guernsey taxpayer probably takes a whole year to pay £4,000 into the Exchequer, that does actually help to identify what the true costs are.

2280 But, in this case, I really feel the principle outweighs the cost. As far as the amendment is concerned, I really feel in a way it is rather otiose, because, unless my understanding of the process is wrong, I do understand that we are, as individuals, able to make submissions to the Review Panel. We are free to do that, we do not need to guide the Review Panel through this Assembly in any way. For what it is worth, I will make submissions to that panel and it will include some of the things for which Deputy Inder and others have made a very good case.

2285 For example, in my particular case, I do actually think that the presidencies of the States' Trading Supervisory Board, and even the Scrutiny Committee, are immensely undervalued. If I could say, in parenthesis, if somebody could get Deputy Parkinson to change his mind about leaving STSB, I would be very grateful.

2290 The point is these appointments should be rewarded, I think, on merit, not just on prestige, and their value to the Government of this Bailiwick. If you want to measure STSB in any way, the £5 million return to the States last year, against all predictions, was achieved and that I think is a good example of where outstanding leadership should be properly remunerated. But that is for another day. I shall make that submission to the panel and I do not really think that this Assembly should be involved in determining it.

The Deputy Bailiff: Deputy Lester Queripel.

2295

Deputy Lester Queripel: Sir, in this speech I will be speaking to the amendment and on the Requête at the same time.

2300

In his opening speech, Deputy Inder focused on every hour a president sat in on a Committee meeting. But he seems to have forgotten that a president has to prepare for that meeting and, at the end of the meeting, has to ensure that all the action points are actually enacted. Deputy Inder is choosing to ignore all of the hours a president spends preparing for a meeting and all of the hours they spend following up on the action points after a meeting. Surely on that basis alone the Requête is fundamentally flawed?

2305

Deputy Fallaize, of course, focused on this issue when he spoke early on. It is the issue of quantity, On the issue of quantity, in relation to how much responsibility a president has and how much time those responsibilities take to carry out, I would not be surprised if some of our presidents worked 70 or 80 hours a week. On the other side of that, I would not be surprised if some of them perhaps worked 40 to 50 hours a week. Only they know that. But how does anyone else know that? The answer, of course, is that we do not know that.

2310

Is there any way we could all be told how many hours a president works every week? Well, yes, I guess the answer to that question would be they could fill out a time sheet. But then the question arises shouldn't someone then counter-sign that time sheet to verify the hours that the president states they work. Another question that springs to mind, why should a president be made to fill in and produce a weekly time sheet and not every other Deputy in this Assembly? (**A**

2315

Member: Hear, hear.)

To me, our being asked to decide how much we pay ourselves, based on how many hours we work, or the levels of responsibility we have is something of a nonsense. I say that because any Member of this Assembly could easily work 70-80 hours a week so, on that basis, should we all not fill out time sheets?

2320

To go down that route is just an example of how ridiculous it is going to become if this amendment does not get the support it needs to succeed and the Requête succeeds. To go down that route, to me, is an extremely regressive route to take. We spent enough time navel-gazing in the past when what we should really be doing is just getting on with the job we have been elected to do.

2325

If this amendment does not get the support it needs to succeed, we then go into debate on the Requête and all the time we spend debating that will be nothing else but navel-gazing and will then open up the door for any other Member of the Assembly to put forward a motion to look at all the salaries paid to all the States' Members across the whole Assembly and we go back to where we were years ago, prior to putting an Independent Review Panel in place.

2330

I am sure the signatories on the Requête have signed it with the best of intentions. But they do not appear to have thought it through. But they have made all that effort in an attempt to save £10,000-plus a year. Perhaps even compiling the Requête itself has cost £10,000, when you put it together with debating in this Chamber, the time we are spending on it. It is all to save peanuts, really.

2335

I understand it is the best of intentions of signatories, but there are far more important issues we should be dealing with. We could look at saving money in other areas to the point of hundreds of thousands, not just £10,000 or so. I say that, sir, because if we all put our mind to it I am sure we could come up with suggestions whereby we could save money in all departments.

2340

If this amendment does not get the support it needs, the Requête goes through. The salary of the SACC President is then reduced. As I said earlier, then questions could be asked and probably will be asked of the salaries of others in the Assembly. For example, Members of P&R under-65 all receive £50,837 a year. Are they worth that? I am sure they are worth all of that. But if this amendment fails and the Requête succeeds, then surely there will be no end to our debating how much we are all worth, over and over again? Talk about tedious repetition. (*Laughter*)

2345 I often get accused of that – unjustifiably of course! – surely even this debate is tedious repetition? We have had all this in the past, it has been part of an Independent Review Panel and now some of the Members of the Assembly are seeking to undermine the Independent Review Panel's responsibilities.

2350 In relation to Deputy Trott saying earlier on that the independent panel could quite easily ignore our support in Proposition 3, which as we know is to instruct the Policy & Resources Committee to make clear, in drafting the terms of reference of the review referred to in Proposition 1, that the States believes there should be an intermediate band of remuneration, between that for the presidents of the six Principal Committees and that for Deputies. I appreciate Deputy Trott telling us that, sir. But being an optimistic realist, I am optimistic that they will not ignore that direction if it should come from the States.

2355 What I suggest we do, to avoid spending even more time navel-gazing and wasting taxpayers' money and our time, is support this amendment and leave the whole issue of how much Members are paid to the independent panel and the review that will be taking place in the near future.

2360 Thank you, sir.

The Deputy Bailiff: Deputy de Lisle.

Deputy de Lisle: Just very briefly, sir.

2365 The amendment as I see it would mean additional expenditure on States' Members' pay and I do not think that this would be acceptable to the public at large at the current time. I would prefer a very simple, single flat rate, along the lines that Jersey has at the current time, as mentioned by Deputy Fallaize earlier. But that is for another time.

Thank you, sir.

2370

The Deputy Bailiff: Deputy Lowe.

Deputy Lowe: Thank you, sir.

2375 I just want to be brief and make a couple of comments, really. It was in relation to Deputy Lester Queripel's speech just now, which I was quite astonished to hear him say it is only £10,000 a year. I am sure many of the pensioners of whom he looks after extremely well, as chairman of Age Concern, would be delighted to think it is only £10,000 and that could be shared out amongst them, because that is quite a lot of money.

2380 We have been asked right across the Committees to make savings – £20,000 for us at Home Affairs? Yes please, thank you very much. We are down to that level of looking to try and see savings. So if it is a case of keeping another policeman on the street, or keeping a prison officer to save the prisoners being locked up, we will have that, please, rather than looking after our own in here, because that is what we are down to, I think, really.

2385 This amendment, as well, a Member asked me at lunch time about the wording on this amendment and what was actually said this morning by Deputy Trott about the speeches will be relayed to the Review Panel, etc. But you are voting on this, you are voting on this wording and, of course, they can have a look at *Hansard*, but of course *Hansard* will not necessarily replicate what we have all said, because what somebody might say in a speech this morning, or think, 'This is a good idea, I hope they read that bit', yet another speech that was actually said I think, 'I hope they do not read that bit, because I do not agree with it.'

2390 A review cannot take too much notice of what is said in here. This is what the review would be, on the wording in this amendment. That is what you are voting on and this is actually complicating things even more, because we want a review – and I do not; I do not support this at all – this is going further. If I had been a bit sharper this morning, I would have stood up and said, 'This amendment goes further than the main Proposition, could it not be placed?'

2395

I would suggest that we do not support this, because we are actually tying the hands of the Review Panel, if that is what we want to do. But that was not what the Requête was all about. The Requête was actually about saving some money, not looking further down the road. That is already going to happen, that is already a States' Resolution, which P&R are supposed to come back to us by 1st May, with the panel, and the terms of reference.

I see we have got the suggestion for what we are going to debate next month, already before us. I do not actually see it on there. So that is not going to be fulfilled, as it should have been, from a States' Resolution, because it should be on the list that you will be approving tomorrow, or maybe later today, if we were to finish; but I doubt that will be the case.

Also it was said this morning, as well, by somebody, that it was important to have the review, and that is right, it is important to have the review, it is important to be independent, it is important to stick to how it was already designed it would be before this States before the end of this term. The telling part for me was that, so people can see the package that they will have if they decide to come and stand for election and be elected.

But do not be fooled by that either, because I can tell you, and I look at Deputy Ferbrache, who would have been one, the same as myself, who stood for the States – not for the package, I might add here – but it was made very clear what you would actually receive for a six-year term and, within two months, that six-year term was reduced to three years, because they decided they did not want Conseillers any more. So do not actually go down the route of thinking you are guaranteed this for the rest of your term, because that is not right. You are not.

Equally, as States' Members, if we see that something is wrong, surely we have a duty to try and correct that? Deputy Roffey, this morning – and I was pleased he actually stood there – he stood up and he said he did not agree with the amount that was being paid. I think that was what he said this morning for the President's position of SACC. Because he does not have to take it. Equally, he could be standing up and urging you all to vote for the Requête because you do not allow things to go for four years. If we see a lot of wastage amongst our own Committees and we sit on our hands and say, 'That is an awful lot of money and it is an awful lot of waste, but hey-ho, we cannot do anything about that because we have got to wait until next term.'

I hope Members are a little bit more responsible with taxpayers' money. I think very clearly, if we are wasting money, that we fight, and we question that within our role as a politician. Equally, here, if we actually see that we can make some savings for something in a position that is here in this States, and it was not that long in this term – and I hope she does not mind me saying so – Deputy Le Clerc said to me, 'I made a mistake last term. I am now on SACC and I see actually it is not the same as being on a Committee and therefore I should not have voted for that amount of money to be paid for a President of SACC.' It is completely different from the Principal Committees.

So it might be awkward and sitting on hands and thinking, 'I wish I had not said that.' But it is a fact and none of us are that silly that we do not actually understand there is a huge difference and that will be part of the review. So I urge Members to throw out this amendment and to support the Requête.

The Deputy Bailiff: Deputy Lowe, I did not interrupt you, but on several occasions you referred to 'your voting' and I am not voting. Can I just remind all Members not to address other Members in the Assembly directly, whether individually or collectively?

Deputy Lowe: My sincere apologies, sir.

The Deputy Bailiff: Thank you, Deputy Lowe. Deputy Leadbeater.

Deputy Leadbeater: Thank you, sir.

I was previously unaware that the President of SACC was awarded the same remuneration package as a President of a Principal Committee. In fact, I was quite surprised to find that out. I do

agree with Deputy Fallaize that the current States should not set its own pay. But this is about one position. An independent review aside, if an anomaly glaring straight at us is something within our gift to fix, we fix it. We can do this now. By supporting this Requête, we can fix this now, not wait for a review in two years and see what is going to happen in the next term.

This is an anomaly which has been actually supported by the President of the States' Assembly and Constitution Committee in the way that he thinks that the pay for that position is too high. So I do not see any reason to vote for this amendment and I see every single reason to vote for the Requête. So please see sense and vote for the Requête

Thank you.

The Deputy Bailiff: Deputy Hansmann Rouxel.

Deputy Hansmann Rouxel: Just a quick one, sir.

It might be glaringly obvious, but it is not the only anomaly, and that is the point of the amendment. It is simple. You cannot just pick out one anomaly and not another. I am sorry, I am not giving way. Just to ask whether we could get an opinion, since there seems to be some misunderstanding, or disagreement, over whether Proposition 3 does potentially bind the Review Panel. Could we get an official opinion from the Law Officers?

The Deputy Bailiff: Deputy Brehaut.

Deputy Brehaut: Thank you, sir.

I have to say I cannot help but feel a little bit sorry for Deputy Roffey. Just when he enters the busiest period ever for SACC, with regard to the referendum, and his inbox and his workload is going to be a great deal heavier, we feel that we need to take a scythe to his salary. I feel very uncomfortable doing that with anyone, incidentally. I feel awful contributing to this debate, because it is such a horribly crass thing to be doing, to be bringing requêtes to this Assembly that are trying to be tempered, to be moderated by amendments, to make them half decent. We should not be here setting pay levels for anyone in this Assembly.

I stood because I cannot really let Deputy Lowe get away with coming over as the custodian of public funds quite in the way she did. When I was chair of Scrutiny, Scrutiny were going to review the firemen's issue and we could have done that through public money, through lots of scrutiny. No, Deputy Lowe suggested an Independent Review Panel, at the time. It did not cost £240,000, but it was approved believing it would cost £240,000. I came to this Assembly with regard to the Tank Wall, saying if you do approve the Requête and you do go out and have another consultant, we are looking at about £150,000. 'That is okay, sign that off.'

When we had the impact assessment on the Longue Hougue South, again we said it could cost £500,000, we get, 'Go ahead, you spend £500,000.' So please do not try and imply that colleagues have a disregard of States' funds. This is a relative sum of money and many a requête has been placed under the signature of Deputy Lowe before that has seen millions of pounds being paid in compensation, for example, to incinerator providers.

I just want to make this point and it is the point that has just been made by Deputy Hansmann Rouxel. In my view, the President of the Development & Planning Authority is not paid enough. I was on the Environment department. The most *onerous* thing you will ever do – through you, sir, I do beg your pardon – is to look a family in the eye and tell them that they cannot do the thing they most want to do with their own money in their own parish and that is the way that they feel. Incredibly difficult decisions are made within that forum.

The President of the States' Trading Supervisory Board, I think there should be an uplift with regard to pay in that area. The President of the Scrutiny Management Committee: having been the chair of Scrutiny, I think there should be an increase in that salary. I would suggest that ... sorry.

2500 **Deputy Roffey:** Is Deputy Brehaut aware that the President of Scrutiny gets paid the same as the President of the Principal Committees, so is he saying that they should be paid more?

Deputy Brehaut: No, I am not. It was an error on my part! *(Laughter)* But, who knows, there could be an amendment on those lines some time?

2505 The point I am making, clearly in a clumsy way, is that there needs to be a degree of equalisation within salaries. That has been clearly identified and I would like to see that, rather than simply leave this Assembly today knowing that, randomly, one individual's pay has been isolated, separated out and reduced. It just feels completely wrong to me and it is something this Assembly should not be doing.

2510

The Deputy Bailiff: Deputy Le Clerc.

Deputy Le Clerc: Thank you, sir.

2515 Just a quick couple of points I want to make. I cannot recall my conversation with Deputy Lowe regarding the hours of work for States' Assembly & Constitution Committee President but what I would say is I think at precisely the time when that mandate and that workload is increasing, we are debating taking away and cutting the salary. The referendum work is a huge piece of work and will continue up to the referendum debate and beyond that debate. I just want people to bear that in mind. Do not judge the past because, actually, I think, the last few months and the next 18
2520 months are going to be a considerable amount of workload on that.

The other question that I have got to ask, and I am not sure if Deputy Langlois, sir, can answer this one, but this does not say that when the independent mid-term review comes back to this Assembly, they cannot come back without interim suggestions on remuneration prior to the 2020 elections.

2525 I do not know if that is something in the interpretation of the wording in this, or interpretation in the original Resolution, but there is nothing preventing this mid-term review actually coming back in the next six months or the next eight months, or whenever, and saying, actually, between now and 2020 there need to be some remuneration changes. I would just like some clarification on that.

2530 Thank you, sir.

The Deputy Bailiff: Deputy Merrett.

Deputy Merrett: Thank you, sir, I will be very brief.

2535 I hope the irony is not lost on this Assembly that we are probably spending more time debating this than actually savings that could potentially be made. It is phenomenally frustrating, sitting in my seat. I do agree with very much of what Deputy Graham has said and I concur with many of his points.

2540 However, I think if we do vote for this amendment, my understanding is we will then go into the main Propositions and we can decide whether then we want to vote on Proposition 1, 2 or 3, which means if any Member has got a concern over Proposition 2 or 3 in the amendment, they can vote against that. That is my understanding. If that could be confirmed, I would be much appreciative.

2545 The other thing, I think Deputy Trott said right at the end of his speech, but I would like confirmation on, I am a little bit unsure as to why, I believe Deputy Trott said, P&R would be abstaining on this vote. I really do not understand why they should abstain. If a Member of P&R could maybe enlighten me as to why they are doing that.

I give way to Deputy Trott, sir.

2550 **Deputy Trott:** Sir, on this vote, we are discussing the amendment, I thought I had made it clear that P&R would be supporting it, notwithstanding it is littered with difficulties, which was the substance of my speech earlier.

2555 **Deputy Merrett:** Thank you, Deputy Trott, much appreciated. That is why I say, sir, can we please go to the vote sooner rather than later? Thank you.

2560 **The Deputy Bailiff:** Now, Mr Comptroller, there has been a question or two posed to you. Effectively, Members of the States, the choice initially, and the Comptroller will tell me if I am wrong, is do you want to debate the original Proposition and vote on it, or do you want to replace that original Proposition with these three Propositions? (**The Comptroller:** Correct.)

If there is a request, if the amendment carries, to take each of the three Propositions separately, then I will put each of them to the vote. The amendment could be carried, and all three Propositions defeated, if that is the way that you vote, Members of the States. If any Member wants to support one or more of the Propositions, then that can follow.

2565 The final question from Deputy Hansmann Rouxel is one for you, Mr Comptroller, and that is whether or not Proposition 3 on the amendment, if the amendment were carried and there were a vote on that, will bind the Review Panel?

2570 **The Comptroller:** Sir, thank you.

In relation to number three, the way I interpret is it is a clear direction to the Policy & Resources Committee to do something, but that is to make clear that the States believes there should be an intermediate band of remuneration. As long as that message is conveyed, that belief is conveyed to the panel, it seems that discharges the Policy & Resources obligation, but I do not think that binds the panel in any way, other than to note that that is a belief of the States, is the way that I would look at it.

2575 **The Deputy Bailiff:** And the obligation is a political obligation, not a legal one?

The Comptroller: Indeed. If that assists.

2580 **The Deputy Bailiff:** Well, nobody else is rising. Deputy Inder has already exercised his right to speak in the debate on this amendment, so Deputy Langlois to reply to the debate.

Deputy Langlois: Thank you, sir.

2585 It was a short opening speech and a short-ish closing speech. I would like to thank my seconder, Deputy Tindall, and the many other Deputies who have spoken in support of the amendment. There were just a few themes which kept recurring, which I would like to address. One was Deputy Ferbrache was talking about dreading review after review. Deputy Oliver mentioned reviews coming up. I think at least one other Deputy mentions this worrying prospect.

2590 But that is to misunderstand what the situation is. There is going to be a mid-term review, because that is what the States resolved in the past. There is going to be no more than that. This amendment, if the Proposition becomes substantive, will not increase that in any way. There is going to be a review, whatever happens today, taking place. A mid-term review. The amendment does not change that situation or add to the number of reviews in any way.

2595 In fact, when the last review was debated, I think it was Deputy Fallaize made the case for the States not having reviews every term, but coming to a reasonable remuneration package, which could then just continue from States' term to States' term. I think there was a lot of merit in that and the better fit we get with the remuneration banding, the more chance there is of that coming to pass in the future.

2600 Another theme was the question of binding, whether the panel is being bound in any way by the Propositions suggested in this amendment. I am surprised that people imagine that. They

were, I was going to say crafted, but they were written specifically not to bind the panel in any way. The only people who are bound by these Propositions are, as Mr Comptroller has just explained, is the Policy & Resources Committee, which would be bound to put the opinion of the States to the panel. That is in no way binding the panel.

The other two Propositions of both styles are simply to note, which by now we all understand the connotations of a Proposition that starts 'to note'. The States is expressing an opinion, not imposing that opinion on the panel.

Deputy Merrett brought up the question of the actual process, because this is not an amendment which is amending one of the Propositions in a policy letter, or anything like that. It is actually replacing the Proposition in the Requête with a different set of Propositions that really then become the substantive Propositions and people can vote for those after general debate, which I assume will be a fairly truncated general debate.

I do not see that that should cause any problems. Deputy Graham, I think, was talking about voting against the amendment and against the Requête, but all I can do is ask him to vote in favour of this amendment and then vote against the Propositions when they become the substantive ones.

Several Deputies have mentioned the saving and keeping an eye on the public purse. Some people have talked about this sum of money being trivial. It really is. We do not want to be complacent about this, but it is the equivalent of somebody with a £40,000 net income finding a way to save 3p a week over a two-year period. That is commendable, pennies look after the pounds, but that is the kind of level of saving we are talking. This idea that one is going to be praised by the public for this radical saving, I simply do not think it is in the ball park of an efficiency saving.

Also, the saving is false, because what it is doing, as someone pointed out, is picking on one anomaly in our current system. I am sure we can all identify anomalies in our system. Several Deputies have identified the remuneration of the President of the States' Trading Supervisory Board as being too low, but that was not picked out in the Requête, it was just the reduction in the SACC President's remuneration.

As I said in my opening speech, one cannot consider these things in isolation. There is a context. All the remuneration of States' Members and non-States' Members is all relative. It is a package and to pick out one, which happens to give you a saving, rather than addressing other anomalies, which would result in greater expenditure, I just simply do not think that is a way the States should be conducting its business.

In fact, in Proposition 2, if there was an intermediate remuneration band, two presidents would go up to it and two would go down to it. Deputy de Lisle's concern about additional expenditure would not come to pass. But as I said that really depends entirely on the panel.

I think they were the main points I picked up in the course of the debate, apart from Deputy Le Clerc's very penetrating question and one I was hoping not to have to go into, because I was not in the last States. But reading through *Hansard* and the policy letters, it appears to me that the panel which reported to the last States was conscious of the fact that it had no real idea of what the workload responsibilities of the President of STSB and the DPA would be and put together a package, a rather coarsely grained package, with the caveat that there would be a mid-term review, half-way through this current term.

But nowhere did the panel nor the Policy Council define what was going to happen when that review was taking place. In other words, whether the intention was to adjust the remuneration half way through a term or not. I think it is going to be up to the Policy & Resources Committee and the panel to interpret the situation. I do not think we can do that here and now. It would be setting a strange precedent to do that, but it is a possibility. That is probably the best answer I can give.

I think that is it. I have already spoken longer than I intended on this closing speech. I would ask for a recorded vote.

The Deputy Bailiff: Very well. There is a request for a recorded vote and this is in respect of the amendment proposed by Deputy Langlois, seconded by Deputy Tindall, which would delete the Proposition and substitute three Propositions, therefore.

Deputy Lester Queripel, why are you on your feet?

Deputy Lester Queripel: Sir, could we have a separate recorded on Proposition 3, please?

The Deputy Bailiff: No, because we are simply voting on the amendment, Deputy Queripel. If the amendment carries, then you can have a separate vote at the end of general debate, and there will be some further debate.

Deputy Lester Queripel: Sir.

The Deputy Bailiff: We are having a recorded vote on the amendment, Deputy Lowe. Recorded vote, please.

There was a recorded vote.

Carried – Pour 21, Contre 18, Ne vote pas 1, Absent 0

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Tindall	Deputy Ferbrache	Deputy Roffey	None
Deputy Brehaut	Deputy Kuttelwascher		
Deputy Tooley	Deputy Gollop		
Deputy Parkinson	Deputy Leadbeater		
Deputy Lester Queripel	Deputy Mooney		
Deputy Le Clerc	Deputy Le Pelley		
Deputy Trott	Deputy Meerveld		
Deputy Merrett	Deputy Inder		
Deputy St Pier	Deputy Lowe		
Deputy Stephens	Deputy Graham		
Deputy Fallaize	Deputy Green		
Deputy Laurie Queripel	Deputy Paint		
Deputy Smithies	Deputy Dudley Owen		
Deputy Hansmann Rouxel	Deputy de Lisle		
Deputy Dorey	Deputy Prow		
Deputy Le Tocq	Deputy Oliver		
Deputy Brouard	Alderney Rep. Jean		
Deputy Yerby	Alderney Rep. McKinley		
Deputy Langlois			
Deputy Soulsby			
Deputy de Sausmarez			

The Bailiff: Well, Members of the States, the voting on the amendment proposed by Deputy Langlois, seconded by Deputy Tindall, there voted Pour, 21, Contre, 18, with one abstention, and therefore I declare amendment carried.

We now move into general debate on the Propositions as amended. Deputy Gollop.

Deputy Gollop: Thank you, sir.

It is debatable how wide you will allow us to go, because now effectively, we have lost the Deputy Inder Requête, because the Propositions are now new, which are basically those that we collectively have supported from the Langlois/Tindall amendment. We have had a lot of views today and I must admit I have not agreed with very much that I have heard from any side.

I would say I quite like the navel-gazing, I quite like to be self-indulgent on these issues and I do not agree with the moral high ground that we should not be setting our own pay because, actually, we keep on going around the track for the last 20 years on creating the great and good,

a panel of three wise men, or three wise women and true, who have usually not served on States' Committees, although there were two examples when they had, and they come back and they give us an extraordinary package to reflect upon and then we usually agree, collectively, with maybe one minor amendment.

I remember last time, astonishingly, I think we agreed to pay the non-States' members on the States' Trading Supervisory Board, but not the President. Some of us realised that was a crazy decision at the time. We were recreating the Board of Administration, which was arguably Guernsey's greatest ever States' Committee in the post-war era, of which we have some great survivors, and effectively that is a major player. Whether it is policy based or politically based or leadership based, is a big question, but it should be regarded as a major committee from day one.

The fact the panel did not go down that route suggests that they were perhaps influenced at the time by the very confusing dates that the old Government was going on. I can well understand why they decided the SACC presidency as a major Committee. It was not just, I am sure, the eloquence of Deputy Fallaize, in person or in text, but we have got to remember the period that the panel worked on and, to be fair to the panel, they had to do it in double quick time. There was a real pressure to get it happening, because the then Policy Council had kicked it off a bit late, for whatever reason. We were changing the system of Government.

I recall Deputy Fallaize had a particularly crucial role at the time, because not only was he SACC President, but he was also heavily involved in the States' Review, which was creating the new system. He was working harder than many, if not any, States' Member in that era. So you have to bear that in mind as well.

But sometimes jobs are what you make them. Historically, if Deputy Inder was arguing the point Deputy Fallaize had a light workload last year, compared with some Presidents, the answer is actually Deputy Inder is probably right; although SACC has been very efficient and has covered a lot of ground. But no one can accuse Deputy Fallaize of not working, because he was both shadow education president and working on ESS and then the other thing.

This comes down to the point. Because somebody said we have got to choose how much we pay each other. Actually, that is what we have been doing all along. When we have a presidency, as it now is, on Policy & Resources, it is exactly what we are doing. We have two candidates for the job and one wins and one does not. The States' Members have collectively decided to award the winner more money. That is what it comes down to. If we do not know that when we sit down here, we should.

The second point is that on several occasions when we have had pay reviews, there has been a general tendency to uprate more senior Members of the Assembly and regrade the rest. I have spent the last two or three days amusing myself going through the umpteen pay reports we have had since the 1990's.

In 2001, the States decided there and then, in the interest of equality and fairness, to no longer take spouse income into account. We can all agree that was exactly the right move, for gender equality. But perhaps it had the assumption, in those days, that all partnerships would be male and female and that, by implication, the male would be earning more. Nevertheless a reform was made, and it was implemented immediately because, at the time, there were extraordinary examples of hard-working Members who did not receive a penny, because their husband or whatever was deemed to be well off. So we did it. That is a precedent we created.

Then, in the ensuing years, we had the War Committee, we had the Day Committee, there were many others. They all came up with different suggestions. To go through it, at one point, Members were all being given £3,000 tax-free allowances. Then it became £2,000 for all but ministers and the chief minister and then only the chief minister retained £3,000. I am not sure where that is now!

We also had a period where you could have £3,750 if you a member of a Principal Committee, a department, or £3,000 or you were on Scrutiny, but you were capped as to how many you did.

I have always found that whenever the pay system changes, I always lose out, because the previous package that I had would have been worth more in the next iteration. We are moving the

2735 deckchairs around on a ship that is not really sailing properly. If Deputy Le Clerc did say to Deputy Lowe that SACC was not as busy as a Principal Committee, I am sure she was absolutely spot on, because Deputy Le Clerc works really hard on every Committee she is on and the amount of commitment on, say, Health, is enormous.

2740 The Requête, funnily enough, has four members of the Home Affairs department's name on it. What is intriguing about that is that we accept as read that the six Principal Committees are equal. Well, they are, and they are not, because I would argue that clearly Health and Social Services has a much bigger budget than other Committees. Social Security has greater responsibility, in legal terms, for pensions. Environment & Infrastructure, in some ways, is small but perhaps is more in the controversial public eye. And Deputy Ferbrache, I am sure, would argue that we all need
2745 Economic Development more than the others, because we need somebody to make the money that we want to spend.

My point is, actually when you look at Members' attendances – and remember, up until 2004 we were paid on how many committees Members attended, which was better in a way, because I would prefer to go along to hourly meetings every day, because you make more money than
2750 four-hourly meetings once a fortnight, but that is another story – Deputy Lowe's Committee, in her role as President of Home Affairs, her Committee is three times busier, according to the list of Members' attendances, than Health & Social Care.

That is not in reality the case because Health works in a different way, with longer meetings of substance, with day meetings, and so on. So you cannot actually judge how hard or how soft a
2755 Member is working by how many times they appear in the Members' list or how many meetings they attend.

Some Members are working more at an association level, some with constituents, some in the media. I am actually grateful to Deputy Inder and the requérants for bringing this debate, because I think it shows an important light on what we should be looking at on how effective we are as a
2760 Government.

If we cannot even decide, via consensus, what our pay levels are, over £10,000, we are going to struggle with the bigger issues like waste and economic development. For example, on the opinion page yesterday, it says rather harshly in a way Deputy Fallaize's argument is as valid this week as it was two years ago.

The pay system for Deputies either makes sense or in totality or it makes no sense ...

2765 I would argue it does not make much sense at the moment. But then it goes on to say:

.... which is why Deputy Inder's Requête must fail, and the Deputy Langlois amendment is only partially. A new review should be left to do its work without States' interference.

It could be argued the amendment we have done is a kind of interference, because it is implicitly an instruction to take note of at least.

It might want to create two or three new bands. In one of those bands might sit the ordinary members of Policy & Resources, who we can now see do not carry the same weight as the six principal presidents.

2770 On what basis does the *Press* make that assertion? For all I know, Policy & Resources could be working harder than anyone.

The Deputy Bailiff: Deputy Fallaize.

2775 **Deputy Fallaize:** Thank you, sir.
I am grateful for Deputy Gollop giving way.

The Deputy Bailiff: I do not think he is.

Deputy Gollop: I am giving way.

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The Deputy Bailiff: You are? Can Members who are giving way please announce that they are doing so? I thought you had finished your speech, Deputy Gollop, which was why I was calling Deputy Fallaize. Forgive me for interrupting.

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Deputy Fallaize: Thank you, sir.

Deputy Gollop said that, in a way, the States had interfered in the review by agreeing Deputy Langlois' amendment. But before this kind of suggestion or thinking gains momentum in this part of the debate, as it did in the previous part of the debate, it is worth pointing out that all we are doing now is debating the Propositions as amended.

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I am going to vote against the Propositions as amended, although I voted in favour of the amendment. So, it is not correct to say the States, even if one believes that the terms of the amendment, if they became a Resolution, were interfering with the panel – and I am not sure that is the case or not – the States have not made this text a Resolution, have they? It is simply a Proposition that is being debated.

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Deputy Gollop: I accept Deputy Fallaize's point, because we are in a situation where you can, as Deputy Lester Queripel asked for, vote individually on each one of the Propositions and I may consider doing that myself. My argument is here is where the debate has gone off the beaten track is it started out as righteous indignation that maybe one of the uplifted salaries is a little bit high. We have been through that territory. Then there was some confusion as to whether Scrutiny deserved to be there. Scrutiny is what you make it.

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But I think the overall question is States' pay value for money at all? When I go in the White Rock Café and talk to older Islanders of a certain indigent personality type, I have got to be honest, they do not believe that States' Members should be paid at all. They look back to a nostalgic golden age of the senior figures, some of whom we heard mentioned earlier today by you, sir, in a tribute, who served the Island brilliantly and ably in an era when there was next to no, if any payment.

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Times change, but I think when reviews comes to us, if for the sake of argument a review suggested paying States' Members a derisory sum or a very excessive sum, I think Members would wish to change that and would not say, 'A review is what it is.' Of course, it is part and parcel of our democracy and part of parcel of accessibility to standing and diversity.

2810

Deputy Fallaize has already mentioned the Jersey example. Jersey have a situation where States' Members are now paid a blanket £46,000 a year each – excepting the chief minister. The Isle of Man, goodness me, I am sure Deputy de Lisle would not like to be a taxpayer on the Isle of Man, because what the admittedly smaller number of Tynwald Members are paid would make some people's eyes water. Basic salaries of £41,000 a year, plus £6,000 expenses, plus off-island expenses, plus 30% uplift for being members of committees, 50% uplift for being ministers. In an island where property is a lot cheaper than Guernsey and cost of living probably is, as well.

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How do you know any of us are worth £37,000 a year? Maybe we are worth double that, or half that. It becomes a little bit status seeking if we start to say he as President is not worth what so and so is worth. A lot of people have mentioned the status of the DPA. I stood for the position, knowing it was not paid. I might not have got it if it had been paid, because there might have been more competition. There is also the question that, to some extent, we have a joint committee leadership and Deputy Tindall and Deputy Oliver and the whole Committee have very much helped out in the leadership role.

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The idea that Deputy Roffey put forward that committee presidents are there to drive agendas forward probably is more true in some committees than others. On the quasi-judicial ones, frankly politicians are not in a situation of driving things forward, necessarily, because there could be unwanted consequences in doing so.

2830 I think one of the reasons I did not like Deputy Langlois' amendment was it probably should have mentioned the Transport Board within it, because that is a committee that is a medium-level committee. But we can all pick and choose.

2835 The colleague to my left, Deputy Graham. He is a deputy president of two very important Committees. Deputy Dudley Owen was vice-president of two committees. Deputy Tooley is on two really busy committees. How can you acquaint one Member who is perhaps sitting and chairing meetings on a major committee, perhaps with a £60 million or £100 million budget, against somebody else who has got a presidency, but it is a much smaller budget and meets less frequently?

2840 You are comparing apples with pears. That is why this whole thing is very random and, frankly, my feeling on it is not to criticise Deputy Inder and the people who come out with their views. My criticism, if any, is directed more, I am afraid, at Policy & Resources, because Policy & Resources were aware that they have had some strange and inconsistent reports on the role that States' Members play.

2845 We had one report, a few years ago, which very much made the argument that States' Members were still honorary and part-time. I think most Members today would not agree with that. The last report was perhaps the most curious of them all, because of the dynamics of reducing our numbers, getting rid of the Policy Council and ministries and creating a new system. We were promised a review in 2018. We have had a third of 2018. There has been a climate of dissatisfaction amongst the States' Members, which I think anyone can pick up on these and other issues and yet there has not really been the leadership or workshops or developments of the best way of addressing these things, short term or long term.

2850 I think this debate is strange. In a way we have wasted hours on a debate over a small issue when we have got much bigger fish to fry. (**Several Members:** Hear, hear.) But, it is symptomatic maybe of how we need a new approach to bring ourselves together as an Assembly and move forward on these issues. Frankly, if we are going out to another panel, I believe the panel needs to be given extra, professional guidance, which might involve, for sake of arguments, pay evaluation, realistic comparison of other small jurisdictions, the Commonwealth Parliamentary Association and all those kinds of things.

2860 I do not think you can just put your finger in the sand any more and say, 'That sounds about right, that sounds about wrong.' Otherwise, we are going to see more of these debates in the future. I would like to give way.

Deputy Trott: Thank you, I am grateful, Deputy Gollop.

2865 Any criticism of Policy & Resources in this context is completely unwarranted. The last time this matter was debated by this Assembly, Policy & Resources did not exist. The last Assembly instructed the yet-to-be-constituted Policy & Resources to behave exactly as it has in terms of the date for returning with the constitution of the independent panel. But most significantly of all, many of the issues related to by Deputy Gollop in the final part of his speech are precisely the matters for the Independent Review Panel to consider, including of course the remuneration packages elsewhere.

2875 **Deputy Gollop:** I am grateful to hear that, but I somehow have a feeling maybe I was not keeping my ear to the ground. I think if Deputy Inder and other Members had not got this Requête together, which they chose at a convenient time when Deputy Fallaize had moved on, to avoid the personality, we might not have had these developments and I think we needed to hear those.

The Deputy Bailiff: Deputy Le Tocq.

2880 **Deputy Le Tocq:** Thank you, sir.

Perhaps, just perhaps, this has not been a complete and utter waste of time. I am sure that the Review Panel, when it is put together, will spend many happy hours listening to this debate and taking all the considerations that have been mentioned.

I am rising just simply to say, in response to some of the comments that Deputy Gollop has just made, the reason that I believe very firmly and fundamentally that we should not be setting our own salary and that we should have, at least as a high level principle, an independent panel to do so – I take some responsibility for putting the panel together in the last term and I had some joy in inviting the former editor of the *Press* onto that panel – the reason that we do that is because we are servants of the public and we need accountability on these issues.

The only way to do that, it is not perfect, but the only way we can demonstrate that is to allow things like our salaries, our payment, our remuneration, to be dealt with by an independent panel. Sure, we will have comments to make, to inform them, and to question perhaps some of the decisions they make, but we really should not be doing that sort of thing.

On that basis, sir, although I voted in favour of the amendment, I shall be abstaining from the substantive vote.

The Deputy Bailiff: Deputy Ferbrache.

Deputy Ferbrache: Sir, I say well said to Deputy Gollop, at least most of what he said. I did get a little bit lost with the history of the various pay reviews, but I understand the principle. But he said one thing and he was referring to a conversation of the men, generally, of a certain age, in the White Rock Café, and they take the view that the States' Members should not be paid. They are not alone. I believe, if you went out on a straw poll, in relation to members of the public in Guernsey, they would say States' Members should not be paid.

But we have made that decision. We are going to pay States' Members because we want a broader spread of people and a broader age range and a broader gender participation than used to be the case. That is fine. But where they will think we are absolutely bonkers is when we see something that is so patently silly as the President of SACC getting money that I am sure he will conscientiously work for, and I do not mean that as any kind of attack on a very hard-working and able Member such as Deputy Fallaize and we have got another able and hard-working Member in Deputy Roffey. It is not any slur on the past incumbent or the present incumbent.

But it is something so chronically stupid and we have baulked at making that decision. We are going to probably, if I have sniffed the air correctly, vote down these amended Propositions, because we have already heard that Deputy Le Tocq thinks he is going to abstain. Deputy Fallaize, who voted for the amendment, will vote against it. If everybody else is consistent and one or two other people change their minds, then it is all going to be lost. So that means we will have got nowhere.

Where I take a little bit of offence is, 'We have got better things to talk about – hear, hear.' Hang on, we talked for two and a half or two and three-quarter days about bonfires! (*Laughter*) We had Deputy Lester Queripel looking out of his window, worrying about the bonfires that could be slapped in the Green Lanes, which he no longer lives in!

We have all of that kind of debate and when we talk about public money, and Deputy Graham made the point – I am sorry that he is voting the way that he is – when we talk about the average person paying £4,000 a year into the Exchequer, we are talking about, over the next 12 to 18 months, three or four taxpayers' contributions. That may be not a lot of money to you, but it is a lot of money to me. It is a heck of a lot of money to the ordinary man and woman of this Bailiwick. A heck of a lot of money.

I know I spoke about it, and I voted against it, but I was in a minority, as I tend to be with most things in the States, sadly, but perhaps wisdom will become 20-20, but we are in the position whereby we blithely spent £60,000, £70,000, £80,000 on civil servants in relation to the age discrimination whatever. Just like that, just like a flick of the fingers. Bang! That money goes.

We spend £500,000 here and £2 million or £3 million there and we have got no idea how we are going to replenish those coffers and we have got no idea where the true economy of this Island is. We have got no idea where we are taking this forward.

2935 As an Assembly, we balked at making a very simple decision and if we had asked – I do not know everybody in Guernsey, they know who my family is, ever since I was a boy and Abraham was not even talked about – the average, sensible Guernsey person whether we should have reduced a pay by £12,000, for an office, not for the individual, that is not merited compared with that office, they would have said, 'Yes.' What have we done? We are putting off, we are going to
2940 end up not doing anything, because I am pretty confident that the amended Propositions will fail, and so we are just going to leave it.

Let me just say something else. I am also getting a little sick about attendance records and all these kinds of things. I was both in legal partnership, as a Member of the States of Guernsey, with a person who used to be the douzaine representative for the Town parish. Now, he would only
2945 ever attend the States, other than to get his initial tick, if it was a matter related to the douzaine or a finance sector matter. He would say very little, but those words were perceptive and illuminating.

I have sat through numerous partnership meetings over the years with him and, again, I might say quite a lot, the former Procureur might say quite a lot, the former Deputy Perrot might say quite a lot. He would say two sentences and he would make more sense than all of us, because he
2950 would make pithy, sensible comments.

I have been in so many meetings in my life, in whichever form, whether it is a lawyer, my business interest or whether it is a Deputy or a Conseiller and it is nearly always the same people that speak and speak and say nothing, or go to every meeting and say. 'We have been to 300
2955 meetings, we have been to 200 presentations', therefore they are working very hard, but they are not really contributing, because they are not making any perceptive comments.

Now, that is where we have gone beyond what this thing says, but it is my absolute frustration, after having been here for two years, that we cannot make the simplest decisions. I am very sorry that we could not make that decision. I will not be voting for this, so that means we will end up
2960 with a *status quo*, which is an affront to the ordinary man and woman.

A Member: Hear, hear.

The Deputy Bailiff: No one else is rising to speak in general debate so, in accordance with the
2965 Rules, we go in reverse order for those who opened on the Requête, which might seem a little bit strange when we have got amended Propositions, but that is what the Rules say.

So Deputy Roffey, as the President of the States' Assembly & Constitution Committee, would you like to contribute to this debate?

2970 **Deputy Roffey:** I would not, but I would be happy if the Committee wanted to, to pass over to my Vice-President, if she has anything to say at all.

The Deputy Bailiff: Deputy de Sausmarez, having been delegated with this task, would you like to contribute to this debate?
2975

Deputy de Sausmarez: Sir, I will be brief, because, as a Committee, we do not see the need to make any official comment, unless individual Members have taken part in the debate. As a Committee, there is nothing official to add.

Thank you.

2980 **The Deputy Bailiff:** Thank you very much. Again, the President of the Policy & Resources Committee is not in the Assembly at the moment, so I will turn to the Vice-President, Deputy Trott, to see if he wishes to make a contribution on behalf of the Committee?

Deputy Trott: Yes please, sir.

2985 Every Member of this Assembly past or present, along with every other member of our community, will have the opportunity to make representations to the Independent Pay Review Panel on the subject of States' Members' pay, with effect from the start of next term. Guidance from this Assembly in terms of the introduction of a single band of additional remuneration is neither helpful nor in the least bit binding, as we have learned.

2990 The most satisfactory outcome must be, therefore, to throw out these amended proposals and demonstrate to our community that we are determined to leave the process to an independent group, guided unimpeded by representations by from the community we serve.

Some Members of Policy & Resources may seek to abstain. I shall be voting against the proposals for the reasons I have articulated.

2995

The Deputy Bailiff: Finally, on these Propositions, I turn to the lead requérant, Deputy Inder, to reply to the debate. Deputy Inder.

3000 **Deputy Inder:** Thank you. I have obviously got to thank the signatories to the Requête and all the 18 that voted for it. I have got really very little to say, but I swear this Assembly lives in a bubble. It is an utter nonsense. We agree that there is a problem, we had a very simple decision to make. It has been made over-complicated and we are in a position where we are about to reset the day with no resolution and the Office of the President of the States' Assembly & Constitution Committee – I keep having to say it without trying to refer to names – will be getting paid far too much by 2020, to the tune of £1,000 a month.

3005

Honestly, do not come back to this Assembly wringing your hands about the lower paid people in this Island. It is a nonsense, we had a simple decision to make today and we utterly failed this Assembly and we failed the public. It is genuinely, sir, through you, pathetic.

3010 **The Deputy Bailiff:** Now, Members of the States, we come to the vote on the three Propositions that you will find on the amendment that has been carried. Is there any request for a recorded vote on any of those? Can I take all three Propositions together, is really what I am asking? Deputy Lester Queripel?

3015 **Deputy Lester Queripel:** A recorded vote on three, please, sir?

The Deputy Bailiff: On all three, separately?

Deputy Lester Queripel: No, sir, just Proposition 3.

3020

The Deputy Bailiff: Any other request for a recorded vote? In order to record an abstention there has to be a recorded vote, of course.

Deputy Merrett?

3025 **Deputy Merrett:** Could with have a separate vote on 1, 2 and 3, please, sir?

The Deputy Bailiff: We will have a recorded vote on each Proposition in turn, then, please, Deputy Greffier.

There was a recorded vote.

Carried – Pour 18, Contre 17, Ne vote pas 4, Absent 1

POUR

Deputy Tindall
Deputy Brehaut
Deputy Tooley
Deputy Gollop
Deputy Parkinson
Deputy Lester Queripel
Deputy Le Clerc
Deputy Merrett
Deputy Laurie Queripel
Deputy Smithies
Deputy Hansmann Rouxel
Deputy Graham
Deputy Dorey
Deputy Brouard
Deputy Yerby
Deputy de Lisle
Deputy Langlois
Deputy de Sausmarez

CONTRE

Deputy Ferbrache
Deputy Kuttelwascher
Deputy Leadbeater
Deputy Mooney
Deputy Trott
Deputy Le Pelley
Deputy Fallaize
Deputy Inder
Deputy Lowe
Deputy Green
Deputy Paint
Deputy Dudley Owen
Deputy Soulsby
Deputy Prow
Deputy Oliver
Alderney Rep. Jean
Alderney Rep. McKinley

NE VOTE PAS

Deputy St Pier
Deputy Stephens
Deputy Le Tocq
Deputy Roffey

ABSENT

Deputy Meerveld

3030

The Deputy Bailiff: Members of the States, in respect of Proposition 1, as substituted, there voted Pour 18, Contre 17, four abstentions and one absence. Therefore I declare Proposition 1 carried. Thank you for noting an extant States' Resolution! (*Laughter*)

It is important, however, because you need to know the outcome before we move onto the second vote, so Proposition 2, recorded vote, please, Deputy Greffier.

3035

There was a recorded vote.

Carried – Pour 13, Contre 21, Ne vote pas 5, Absent 1

POUR

Deputy Tindall
Deputy Brehaut
Deputy Tooley
Deputy Gollop
Deputy Parkinson
Deputy Lester Queripel
Deputy Le Clerc
Deputy Laurie Queripel
Deputy Hansmann Rouxel
Deputy Dorey
Deputy Brouard
Deputy Langlois
Deputy de Sausmarez

CONTRE

Deputy Ferbrache
Deputy Kuttelwascher
Deputy Leadbeater
Deputy Mooney
Deputy Trott
Deputy Le Pelley
Deputy Merrett
Deputy Fallaize
Deputy Inder
Deputy Lowe
Deputy Graham
Deputy Green
Deputy Paint
Deputy Dudley Owen
Deputy Yerby
Deputy de Lisle
Deputy Soulsby
Deputy Prow
Deputy Oliver
Alderney Rep. Jean
Alderney Rep. McKinley

NE VOTE PAS

Deputy St Pier
Deputy Stephens
Deputy Smithies
Deputy Le Tocq
Deputy Roffey

ABSENT

Deputy Meerveld

The Deputy Bailiff: Members of the States, on Proposition 2, as substituted, there voted Pour 13, Contre 21, five abstentions and one absence. Therefore I declare Proposition 2 lost.

There has been a request for a recorded vote on Proposition 3, as well. I think we have to have the vote, Deputy Soulsby, on the basis that there was a request for separate votes.

3040

There was a recorded vote.

Carried – Pour 12, Contre 24, Ne vote pas 3, Absent 1

POUR

Deputy Tindall
Deputy Gollop
Deputy Parkinson
Deputy Lester Queripel
Deputy Le Clerc
Deputy Laurie Queripel
Deputy Smithies
Deputy Hansmann Rouxel
Deputy Dorey
Deputy Brouard
Deputy Langlois
Deputy de Sausmarez

CONTRE

Deputy Ferbrache
Deputy Kuttelwascher
Deputy Brehaut
Deputy Tooley
Deputy Leadbeater
Deputy Mooney
Deputy Trott
Deputy Le Pelley
Deputy Merrett
Deputy Stephens
Deputy Fallaize
Deputy Inder
Deputy Lowe
Deputy Graham
Deputy Green
Deputy Paint
Deputy Dudley Owen
Deputy Yerby
Deputy de Lisle
Deputy Soulsby
Deputy Prow
Deputy Oliver
Alderney Rep. Jean
Alderney Rep. McKinley

NE VOTE PAS

Deputy St Pier
Deputy Le Tocq
Deputy Roffey

ABSENT

Deputy Meerveld

The Deputy Bailiff: Members of the States, in respect of Proposition 3, as substituted, there voted Pour, 12, Contre, 24, three abstentions, one absentee and therefore I declare Proposition 3 also lost.

**STATES' ASSEMBLY &
CONSTITUTION COMMITTEE**

**II. Referendum on Guernsey Voting System –
Campaign Group Assessments Panel –
Proposition carried**

3045

Article II

The States are asked to decide:

Whether, after consideration of the policy letter entitled Referendum on Guernsey's Voting System – Campaign Group Assessments Panel dated 28th February 2018, they are of the opinion:

1. To appoint Sir de Vic Carey, Jurat Stephen Jones and Graham Daldry as the three members of the Campaign Group Assessments Panel.

The Deputy Greffier: States' Assembly & Constitution Committee – Referendum on Guernsey's Voting System – Campaign Group Assessments Panel.

3050

The Deputy Bailiff: I invite the President of the States' Assembly and Constitution Committee, Deputy Roffey, to open debate.

Deputy Roffey: Thank you, sir.

I have very little to add to the policy letter, but I suppose I had better earn my money somehow! (*Laughter*) We are delighted with the panel that we are putting forward. Just a few words on each. Sir de Vic Carey, I think many people in this Assembly will know, not only was he a Deputy, a Law Officer, a Deputy Bailiff, like yourself, and a Bailiff; but throughout his decades of public service, he took a real, keen interest in electoral matters, but he did so from a very even-handed and dispassionate basis. We think he is the absolute perfect person to have on the panel.

As for Stephen Jones, he is a senior Jurat and we all know, from the States of Election, that we elect Jurats to be judges of fact. That is exactly what we want this panel to do, to judge, I suppose it is not quite fact, it is opinion, as far as they can get to fact, which will be the best applicants to put forward each of the various options.

Perhaps somebody that people may not know so well, Graham Daldry. It is not enough to know about these options and how they work, you need to communicate that to the public. Now, he is the head of communications and creative whatever the title is at Specsavers. He is probably the head of the biggest in-house PR – I know, don't grimace at me, through you, sir; I call it PR because I am old fashioned, it is something else these days. He really understands about communicating messages and he will be able to tell whether the people putting forward the bids do, as well.

So we think this is a really, really good panel. I am aware, from one or two Members of the Assembly, the question has been raised why are there three men and no women? I apologise for that, but we genuinely have approached this trying to find the very best three people that we can. They just happen, on this unusual occasion, to be men.

The Deputy Bailiff: Deputy Gollop.

Deputy Gollop: Sir, despite all the debate we have had so far, SACC have been busy and, of course, Deputy Roffey was working overtime with the useful meeting that was held at the Performing Arts Centre. Although, one has to observe that most people there were political in one way or another, either as candidates, retired Members, existing Members or lobbyists of one kind or another.

I would consider volunteering to be in maybe one of the groups. I do not know if I can be part of all the groups, but nevertheless we as States' Members need to liaise with SACC as to how we can best facilitate our persona. Because, in a way, it would be better if all the groups were led by members of the public, but States' Members maybe have a voice as well. I do welcome the variety of the distinction of this panel and just hope that they will not have too contentious a task. I think the fact that at least one of the three comes from a media background will be useful because, I suspect, unlike previous contests, this will have some tricky elements in social media.

The Deputy Bailiff: No one else is rising. Deputy Roffey, is there any need to respond to that?

Deputy Roffey: I do not think so, sir.

The Deputy Bailiff: Thank you very much. We will go to the vote which is the Proposition to appoint Sir de Vic Carey, Jurat Stephen Jones and Graham Daldry as the three members of the Campaign Group Assessments Panel. Those in favour; those against?

Members voted Pour.

The Deputy Bailiff: I declare the three gentlemen duly appointed.

**POLICY & RESOURCES COMMITTEE AND
COMMITTEE FOR EMPLOYMENT & SOCIAL SECURITY**

**III. The Transformation of Income Tax and Contributions Services –
Propositions carried as amended**

The Deputy Greffier: Article III – Policy & Resources Committee and Committee for Employment & Social Security – the Transformation of Income Tax and Contributions Services.

3100

Article III

The States are asked to decide:

Whether, after consideration of the Policy Letter entitled "The Transformation of Income Tax and Contributions Services", dated 29th January 2018, they are of the opinion:

- 1. To direct the Policy & Resources Committee and the Committee for Employment & Social Security to develop a single service for the collection of Income Tax and Social Security Contributions, based on the Target Operating Model described in section 5 of the appended Policy Letter which will replace the existing Income Tax and Contributions service areas.*
- 2. To replace the office of Director of Income Tax and the operational contributions responsibilities of the Committee for Employment & Social Security and the Administrator of the Social Insurance Law ("the Administrator") with a statutory official to be called the Director of the Revenue Service ("the Director"), to be appointed by the Policy & Resources Committee.*
- 3. To empower the Policy & Resources Committee to appoint one or more Deputy Directors of the Revenue Service to assist the Director, replacing any existing Deputy Director of Income Tax roles.*
- 4. To approve the transfer of all functions, powers and responsibilities of the Director of Income Tax to the Director of the Revenue Service, ensuring the Director is responsible for the care and management of the income tax functions under the Income Tax (Guernsey) Law, 1975 as amended, and all Ordinances and regulations made under it, subject to the general direction and control of the Policy & Resources Committee, including administration of the currently suspended Dwellings Profit Tax (Guernsey) Law, 1975, any referrals made by the Greffier under the Document Duty (Anti-Avoidance) (Guernsey) Law, 2017 and, for the avoidance of doubt, the implementation and administration of any approved international agreement (within the meaning of section 75C of the Income Tax Law).*
- 5. To approve the transfer of the relevant contributions functions of the Committee for Employment & Social Security, including any relevant contributions functions delegated to the Administrator, to the Director so that the Director is responsible for the care and management of contributions functions under the Social Insurance (Guernsey) Law, 1978 as amended, and all Ordinances and regulations made under it, subject to the general direction and control of the Policy & Resources Committee, noting that responsibility for contributions policy will remain with the Committee for Employment & Social Security.*
- 6. To authorise the Policy & Resources Committee to make regulations providing for the transfer of any further functions arising under the Income Tax (Guernsey) Law, 1975 or the Social Insurance (Guernsey) Law, 1978, or any Ordinance or regulations thereunder, between the Policy & Resources Committee, Committee for Employment & Social Security, Director and/or Administrator.*
- 7. To approve the replacement of the existing route of appeal to the Guernsey Tax Tribunal within the Income Tax (Guernsey) Law, 1975 and the provision for review by the Committee for Employment & Social Security within the Social Insurance (Guernsey) Law, 1978 with an independent Revenue Service tribunal, aligning the rules, procedures and processes for both types of appeal and removing the age limit included in the Guernsey Tax Tribunal membership conditions. Any subsequent appeals, on a point of law, would continue to be made to the Royal Court.*

8. To provide that any decision described in section 74(1)(a) of the Social Insurance (Guernsey) Law, 1978 as to whether the contribution conditions for any benefit are satisfied shall be determined by the Administrator rather than the Director of the Revenue Service, recognising the Administrator's expertise in benefits matters, with right of appeal to the Social Insurance Appeals Tribunal.

9. To approve the replacement of the current oath provisions within section 206 of the Income Tax (Guernsey) Law, 1975 with a general prohibition against the disclosure of information obtained, received or created under or for the purposes of the Income Tax (Guernsey) Law, 1975 and all Ordinances and regulations made under it, including provision relating to members of the Revenue Service tribunal, together with any consequential amendments required.

10. Without prejudice to 9 above, to standardise the confidentiality and prohibition of disclosure of information provisions of the Income Tax (Guernsey) Law, 1975 and the Social Insurance (Guernsey) Law, 1978, including provisions as follows:

a. To clarify, for the avoidance of doubt, that the prohibition of disclosure and confidentiality provisions bind persons subject to them at any time and place and in perpetuity,

b. To introduce criminal sanctions in the event that a person gains or attempts to gain access to information obtained, received or created under, or for the purposes of, the Income Tax (Guernsey) Law, 1975 or the Social Insurance (Guernsey) Law, 1978, or any Ordinances or regulations thereunder, which they have no lawful authority or other legitimate purpose to access,

c. To elevate the sanctions for a violation of the prohibition of disclosure and confidentiality provisions to imprisonment for a term not exceeding 2 years or a fine not exceeding twice level 5 on the uniform scale (level 5 is currently £10,000), or both,

d. To provide for the confidentiality and prohibition of disclosure provisions to apply to any person that accesses such information, including persons who do so accidentally or in an unauthorised manner and persons requested to perform any task in the course of which they may obtain such information.

11. To provide that the Director, or any person authorised by him, may disclose any information obtained, received or created by him under or for the purposes of the Income Tax (Guernsey) Law, 1975 or the Social Insurance (Guernsey) Law, 1978, or any Ordinance or regulations, thereunder, in accordance with specified gateways, including the following:

a. To any person for the time being authorised to carry out any duties in connection with the operation of either Law, including for the avoidance of doubt, those persons authorised to carry out any duties in relation to the payment of benefits under the Social Insurance (Guernsey) Law, 1978,

b. For the purposes of civil proceedings in connection with the operation of either Law,

c. For the purposes of criminal proceedings or the investigation of crime, or

d. With the express consent of the person to whom it relates.

Such provision will also include a reciprocal basis for the Administrator to disclose any information obtained or received by him under or for the purposes of the Social Insurance (Guernsey) Law, 1978, or any Ordinance or regulations thereunder, to the Director.

12. In addition to 11, to provide that the Director, or any person authorised by him, may disclose information to other persons or entities for the performance of their respective functions, in accordance with existing statutory gateways including the following:

a. To the electronic census supervisor or any census officer,

b. In respect of legal proceedings to obtain or enforce an order for the making of payments for maintenance or education of a spouse or child.

c. To any officer appointed under section 13(1) of the Minimum Wage (Guernsey) Law, 2009,

d. To the Administrator of Population Management,

e. To the Committee for Home Affairs in connection with the performance of their functions under the Right to Work (Limitation and Proof) (Guernsey) Law, 1990 and the Housing (Control of Occupation) (Guernsey) Law, 1982.

- f. To a police officer (which for the avoidance of doubt includes a customs officer),*
g. To the Guernsey Financial Services Commission, or a body in another country or territory which carried out any similar functions to the Commission, and
h. To the Committee for Employment & Social Security and the Administrator.
i. and also to the Policy & Resources Committee under the proposed Economic Statistics (Guernsey and Alderney) Law, 2018 and to make any amendments to the relevant legislation (including standardisation of the text and appropriate safeguards) necessary to enable effective data sharing by and with the Director, including power for the Director to disclose information for the purposes of the preparation of the general estimate of the revenue of the States and the provision of economic advice, analysis, measures and statistics.
- 13. To amend the Disclosure (Bailiwick of Guernsey) Law, 2007 to enable the disclosure of information by the Director to a police officer (which for the avoidance of doubt includes a customs officer) for the purposes of civil forfeiture.*
- 14. To introduce the ability for the Director to issue Statements of Practice under the Social Insurance (Guernsey) Law, 1978, for the purpose of providing practical guidance or administrative relief, where the administrative effort of pursuing revenues outweighs the benefits, in connection with the administration of the contributions and benefits functions of that Law, and to amend the Income Tax (Guernsey) Law, 1975 to enable the Director to issue Statements of Practice for the purpose of providing administrative relief, where the administrative effort of pursuing revenues outweighs the benefits.*
- 15. To delegate authority to the Policy & Resources Committee to approve a Capital vote of a maximum of £5m to fund the next phase of the Revenue Service programme. £2.5m of which is to be charged to the Capital Reserve and £2.5m to the Guernsey Insurance Fund and which will be released in phases and on approval of the necessary business cases.*
- 16. To direct the preparation of legislation as necessary to give effect to these proposals.*

The Deputy Bailiff: I invite the President of the Policy & Resources Committee, Deputy St Pier, to open the debate.

3105 **Deputy St Pier:** Thank you very much, sir. I shall be relatively brief in opening this debate, but I will obviously be delighted to respond, as the President of the Committee for Employment & Social Security will, too, to any points that arise in debate.

3110 The creation of a single collection service for tax and social security contributions has been something that has been talked about for many years and this is, finally, getting on and doing it. It is a very good example of joint Committee working and I think this is a piece of common sense that now needs to just be delivered.

3115 In terms of what we expect the outcomes to be, yes clearly it is about improving the experience for the user. In other words, us as Islanders having to interact with a single service rather than two different services in different locations. Yes, we also expect that we should be able to deliver that at significantly reduced operating costs, but one of the questions which has arisen is which Committee will the revenue service operate under and the policy letter is very clear in setting out that policy will stay with the existing arrangements, in other words with the respective Committees, but the leadership and line management of the operational activities will be under Policy & Resources, as is the case for the Hub, which sits at Sir Charles Frossard House..

3120 To be very clear, the Committee for Employment & Social Security will remain responsible for bringing recommendations to the States on social security rates. In terms of what has been achieved so far, a target operating model, that term which has been used already in this sitting, has been developed to set out the direction of travel; where we want to get to with a single fully integrated service that collects both contributions and Income Tax, with the majority of customers being able to do so automatically through digital interaction wherever they can and for those
3125 customers that wish to do so.

There is going to be a considerable amount of business change and data collection and that should not be underestimated. This is a big project. In terms of the benefits, there will be a reduction in the risks associated with the current IT systems. There are legacy systems sitting in each of the current services, which are simply not sustainable into the future, so we need to address that.

I have already mentioned the savings that we believe are achievable for bringing the services together and the improved service for the user, but also the reputation impact for us as a jurisdiction, because we can believe we can better deploy resources to where they need to be deployed for complex cases for our international relations which, of course, is increasingly important in terms of tax exchange information and intelligence-led compliance; as well, of course, improving opportunities for staff in terms of their ability to develop and progress through a larger, combined service, albeit smaller overall, I should add.

In terms of what happens next, phase two, we anticipate to take place over the next 18 months or so. This is about designing the organisational structure for the service and it is intended to introduce that new structure before the end of this year, building some momentum both for staff and for customers, for us as islanders.

The design of the structure will be based on that target operating model that I referred to, taking into account the future directional needs of the service and all staff will move into their new roles within the revenue service and, obviously, staff training when we need to, will be given as required. It is likely that staff will remain distributed, certainly at the moment, between both Sir Charles Frossard House and Edward T. Wheadon House, but the location of teams will be reviewed to ensure that they sit wherever is most effective. I can give an assurance to the Alderney Representatives that there will also be engagement with the States of Alderney, recognising that we need to provide and deliver services there.

For the customers, a single point of contact and we intend, as I have said, that we should be launching that before the end of this year. Customers will be able to contact and liaise with that single point to deal with both their income tax and contribution affairs, including a single contact number address, email and so on.

We also need, in this next stage, to prepare for the new IT system. This is not an IT project, but it does require investment in IT. So it is a little bit like, probably the closest analogy in terms of a project that the States has engaged in in the last few years, is the creation of the shared transaction services centre, the Hub, at Sir Charles Frossard House, which I think many people thought was just an IT project, the SAP system that everybody referred to, but of course it was a much bigger project than that and this falls into that category; IT is absolutely critical in getting that right, extracting all the data and getting it back into the new system.

So there is a huge amount of work that needs to be done there, but it would be a mistake if Members think this is just an IT project. It is considerably more than that.

The phase three, having done all that preparation on what the IT systems should look like, is then implementing that IT system. One of the key things, a lot of time has been spent on trying to learn the lessons of previous projects and, in particular, where IT systems are involved, everyone will have anecdotes and experience of some of the challenges that are faced.

In this case, also, of course, we have got the cultural challenges of two different organisations which need to be brought together into one. Again, there will be many people who have had experience of that. So we are very cognisant of some of the significant challenges that are faced by the creation of one organisation. But, in particular, learning lessons from the implementation of the hub, which I think everybody saw as being a project that you would flick a switch on day one and everything would be functioning from then. So much more is required than that.

I think, by way of introduction for this debate, that is really all I need to say, but as I said, both myself and the President for the Committee for Employment & Social Security will happily respond to debate.

The Deputy Bailiff: The President for the Committee for Employment & Social Security will get a chance to speak now, in opening the debate, because this is a set of joint Propositions from two Committees. Deputy Le Clerc, do you wish to speak?

3180

Deputy Le Clerc: Thank you, sir. I have nothing to say at this point.

The Deputy Bailiff: Deputy Soulsby, do you wish to lay your amendment?

Amendment

To insert, immediately after Proposition 16, the following Proposition:

'17. In pursuance of Resolutions 9 and 15 of Art XII, Billet d'État No XXIV of 2017, (A Partnership of Purpose: Transforming Bailiwick Health and Care) to direct the Committee for Health & Social Care, in conjunction with the Committee for Employment & Social Security and the Policy & Resources Committee, supported by the Committee for Home Affairs, to investigate and consult with interested parties upon measures, both legislative and practical, to enable or better enable the disclosure of information to other persons or entities for the performance of their functions in a way which best supports islanders' care and achieves better outcomes from health and care services and report back to the States by December 2019 with suitable recommendations. Such measures may include, but are not limited to, the sharing of health data for the purposes of screening programmes, public health needs assessments and the targeted provision of health and care services.'

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Deputy Le Clerc: Yes I do, sir. I request the Deputy Greffier could read it, please.

The Deputy Bailiff: Seconded by Deputy Tooley?

The Deputy Greffier read out the amendment.

The Deputy Bailiff: Deputy Soulsby.

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Deputy Soulsby: Sir, the privacy and security of patient data must be paramount. Health and care services need users to disclose personal and sensitive data and this is only possible if Islanders trust that such information will remain confidential and is subject to inherent safeguards. However, Health & Social Care believes it must be made clear that good sharing of information, when sharing is appropriate, is as important as maintaining confidentiality.

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There is no contradiction between ensuring services rigorously protect the confidentiality of personal information whilst also proactively sharing information to optimise the care delivered. All that should not be news to anyone here, given this is taken directly from our policy letter, 'A Partnership of Purpose: Transforming Bailiwick Health and Care', which this Assembly approved in December last year. In the absence of over-arching data, it is difficult to take the strategic view of what is really happening across health and care systems and this hinders data-driven decision making.

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Proposition 12 sets out those persons and entities to whom the director may disclose information, in accordance with existing gateways. Those included on the list, or rather those that are not, demonstrates a problem that we have. There is no existing gateway that enables data sharing between ESS and HSC, for example. Why can't we obtain data from ESS for the purpose of running a screening or vaccination programme, but we can obtain data from GPs, at a price? That is nonsense, particular as the former is more likely to have the most up-to-date information for the purpose.

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To date, the debate on data protection has been dominated by equivalence. That is fine, and we have a law in place which achieves that and will go live shortly. What we are talking about here in no way undermines the integrity of the GDPR Law. Government is often criticised, including by

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me, for creating more red tape and barriers for getting things done. This is an opportunity to demonstrate how we prefer to break down barriers to enable good things to happen.

3215 The EU GDPR provides a limited ability for member states to legislate locally on certain discreet matters, including the use of health data, which are set out in paragraphs 52 to 54, and basically state that an organisation does not have to rely on consent and can collect and use the health data if the processing is necessary for the purposes of preventative or occupational medicine, medical diagnosis, provision of health or social care, or treatment, management of health or social care systems and services under contract with a health professional or another person subject to professional secrecy under Law.

3220 Additionally, consent is not required if the processing is necessary in the public interest for public health reasons, or if the organisation can argue that the processing is necessary for scientific research and, under the local Law, under schedule two, paragraphs 10 and 11, it states that the processing of data is lawful if for a health and social care purpose or for public health reasons.

3225 From the Committee *for* Health & Social Care's perspective, the omission of any reference to health data in this policy letter therefore needs to be addressed. This is not a problem that has popped up in the GDPR, it has been an issue under the old Law, after all. But that does not make it right.

3230 Government has to date been almost exclusively focussed on data security, at the expense of data sharing. It feels like it has been put on the too difficult pile. But we literally cannot afford to do so any longer and this amendment seeks to start the ball rolling.

As I said at the beginning, it should be of no surprise that the Committee is laying this amendment, given how it is completely aligned to our policy letter. Resolution 9 states:

To agree that the processing of health and care data should be premised on the equally important dual functions of protecting the integrity and confidentiality of such data and its sharing, where in the interests of the service user or the delivery of a public health function, and to direct the Committee *for* Health & Social Care and the Committee *for* Home Affairs to explore legal or practical mechanisms to achieve this.

3235 Resolution 15 of article 12 states:

To affirm that the States, in all its policy decisions, should consider the impact of those decisions on health and wellbeing and make use of any opportunities to improve health or reduce health inequalities across all Government policies.

The current policy letter has specifically not considered that Resolution 15 and that is the purpose of this amendment.

3240 **The Deputy Bailiff:** Deputy Tooley, do you formally second the amendment?

Deputy Tooley: Yes, sir.

The Deputy Bailiff: Thank you very much.

3245 It looks as though we could go straight to the vote on it. There has been no debate. What I will do is I will turn to the Presidents to respond on it. If anyone does want to speak in debate, will they please leap to their feet first?

Deputy Le Clerc, do you wish to comment?

3250 **Deputy Le Clerc:** No sir, the Committee does not oppose the amendment.

The Deputy Bailiff: Deputy St Pier?

Deputy St Pier: Likewise, sir, the Policy & Resources Committee has no objection.

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The Deputy Bailiff: We move to the vote, then, Members of the States, on the amendment proposed by Deputy Soulsby and seconded by Deputy Tooley, to insert a Proposition 17 after the 16 initial Propositions. This in favour; those against?

Members voted Pour.

3260 **The Deputy Bailiff:** I declare the amendment duly carried and we now move into debate on the 17 Propositions.
Deputy Roffey.

Deputy Roffey: Thank you, sir.

3265 I actually warmly welcome this policy letter, but I do want to comment specifically on phase four of this project, because it is not there. In his opening, Deputy St Pier made very clear that the policy responsibilities for social security and for Income Tax were going to remain exactly where they are now, with the two separate Committees.

3270 I think that is right, while they move through these phases. But I really do hope that this could be the harbinger of bringing together those two systems into one, because I have always felt that it is nonsensical that they are so totally separate. For instance, we take Income Tax now, from people that we give Supplementary Benefit to at the moment, it will be Income Support in the future. I think we do. We take money from Mr Le Page in order to give some of it back to Mr Le Page.

3275 Now that makes employment, I suppose, for the public service, but I am not actually sure that it is a sensible way to go about it and I do think that – and I do not know where it would sit – we may even have changed our system of Government, Heaven forbid, by then and have different Committees. But somewhere inside the next 10 years I hope that this project will lead to the actual melding of our Income Tax and social security systems, because I am sure that the synergies and savings there will be significant. Every other department keeps hearing from P&R about
3280 transformation and how this is something that they could do to transform some of the things that they are responsible for.

The Deputy Bailiff: Deputy Gollop.

3285 **Deputy Gollop:** Being a Member of ESS and, to an extent, we were very supportive of the CATS project – nothing to do with pets, although there is policy on pets in the department as well – it was the contributions and taxation. Now that has evolved to the revenue service idea, which I think is a quantum leap forward.

3290 Initially it came as a surprise, because it perhaps reflected some changes of thinking at Policy & Resources, but we very much embrace them and agree that, for a long time, successive Commerce & Employment, Economic Development politicians have stressed the need for Guernsey to be a key player in the digital economy and that does not always fit well if we are still living in a paper States' world with paper forms and so on. I think this is us having the commitment to actually move the agenda forward.

3295 But I think, in doing so, I have to focus perhaps on three areas that are still undergoing work. It was made clear by Deputy St Pier and Deputy Le Clerc that Employment & Social Security would continue to have a leading role in the development of policy in relation to all of these areas. But, of course, it will mean in a way the role of administrator of social security will change from the current legislative base.

3300 It appears from the policy letter the person will continue to have a role in terms of being expert on the administration of welfare benefits, particularly non-contributory. But the funds in, the doing bit, will very much pass to a person who will evolve from the current role of the director of income tax. I think that is something that needs to be considered and Scrutiny, wearing its public accounts hat, will keep a watching brief on this. For that reason, and others I will come to.

3305 The report commendably points out, in clear language, risk profiles. Something most Committees spend more time on than they did. It points out clearly that the required resources and expertise may not be available, due to business as usual pressures and current reliance on old legacy systems and undocumented processes, on page 17. Other risks are the States may not have the capacity to support the programme and other high-profile programmes and change requirements, because this will put pressure on corporate sources, such as IT change support, procurement support and HR.

3310 Clearly, we as a States, in supporting the Treasury funding policies, need to ensure that the Committees have that resource and it is being delivered in a timely way. Also here, this sometimes applies to Deputies, if not other customers. Customers and staff may not embrace changes. This very much needs to be tackled through proactive change management and support for staff. Integration may be constrained by conflicting cultures and adjectives.

3315 We have all seen examples, I think in the States, where Committees and functions have been merged in a seamless way, or at least a useful way. I think that is a good process going on in ESS at the moment, between housing staff and social security staff; it is working very well. But we have also seen examples over the past decade where two or three groups have been pushed together and found uncertainty, initially.

3320 We also need to guard against an adverse impact on the social security benefits services, where changes to contribution rules may reduce the efficacy of the inter-related benefits function. So we will need to see an understanding of the relationship and uncertainty of technology development timeframes and costs.

3325 Sometimes we have had situations, even recently, whereby revenue in one area seems at variance with the others, due to accountancy reasons, time delays. I am sure in the future, as we evolve independent taxation models and more refined systems, maybe systems that will more accurately reflect people's incomes and needs, there will be a greater need to model accurately these revenue implications and hopefully the technology will be there to deliver this.

3330 My final point is we have spent a few hours this morning and earlier this afternoon having a little bit of a discussion about whether we should have saved £10,000 off a particular States' Member's role and that is the kind of thing some people would say, '£10,000 is a lot of money.' Others would say, is it, peanuts, chickenfeed? I do not know.

3335 But this is a nightmare. This is serious money. When one looks at the funds that are being suggested, not only has money already been expended on it, turn to page 4, paragraph 15, listen to this. We are being asked to delegate authority to the Policy & Resources Committee, almost at cabinet level, to approve a capital vote of a maximum of £5 million to fund the next phase of the revenue service programme; £2.5 million of which is to be charged to capital reserve and 3340 £2.5 million to the Guernsey Insurance Fund, which will be released in phases, on approval of the necessary business cases.

3345 I have to admit that I am not really an expert in IT, or the budget, or whether that is value for money and how to monitor it. I suspect most Members here do not possess that level of political expertise. It is much easier for us to have an opinion as to whether a past or future SACC President is worth whatever we think they are worth or not.

3350 This is much harder and I believe that, for the States to do its job, although obviously I trust ESS as we are part of the team, and Policy & Resources, it will be very necessary for Scrutiny, with its public accounts role, to keep a very close watching brief on this and I know other Members who have experienced these programmes before, like Deputy Soulsby and Deputy Lowe, who will also keep a strong eye on value for money and whether the programme is going in the right direction or not. With some caution, I think we should support this. It is a great opportunity. But we also have to be aware, having the corporate governance and political machinery, to ensure that it happens.

3355 **The Deputy Bailiff:** Deputy Green.

Deputy Green: Sir, thank you very much.

I can absolutely reassure Deputy Gollop and all Members that the Financial Scrutiny Panel, as well as the Scrutiny Management Committee, will be keeping a close eye on this. The figures that Deputy Gollop referred to in Proposition 15, a maximum of £5 million to fund the next phase of the revenue service programme, half of that from the capital reserve and half of that from the insurance fund, those are some very certain figures. Certainly, in that particularly, we will be keeping a very close eye on that in terms of the extent to which that happens to meet budgets in the future.

Anything which contains an element of IT has to be approached, in my view, with a certain degree of healthy scepticism in terms of how that is actually going to be implemented and how the budgets are actually going to be kept to. But there are some important points here. Generally speaking, I think, I do welcome this, I think it is sensible in principle.

But we have seen before in the States, where disparate services have been brought under one roof, altogether, or amalgamated into one service, that the end result is not always greater efficiency and the end result is not always lesser costs. Again, we will be holding P&R and the Committee for Employment & Social Security to account on this, to make sure that in the end, if we are going to be spending all this money, we have already spent over £900,000 in implementing this, if we are going to continue with this – in principle it does seem like a very sensible idea – we will be holding them to account that this does end up with greater efficiency and is done cheaper.

Just a very quick point on good governance. From the Propositions that we have in front of us, there does not seem to be any particularly firm timescales in the Propositions, so it is quite difficult to be able to say exactly when some of these things will be properly executed and we do not seem to have a full project plan attached to the policy letter in terms of telling us what will happen and when. I do not know whether some extra detail could be offered on that.

Generally speaking, sir, notwithstanding those caveats, I think this is the right way forward, it is the right approach. It does seem to be sensible, but we do need to keep an eye on this, we do need to keep asking those questions and we do need to continue to seek accountability on this. It cannot be the end of this process by simply signing off this policy letter today. We do need to keep the pressure up to make sure what we are doing here will deliver what we are saying that it will actually deliver. That it will end up with a better customer service and it will be an improved service for the end user and that it will actually result in significantly reduced costs.

At the end of the day there is no guarantee that this will succeed in the way that we want it to, but we do need to keep the pressure up and keep this on my radar. I am quite happy to confirm to Deputy Gollop that the Financial Scrutiny Panel will continue to look at this.

The Deputy Bailiff: Deputy de Lisle.

Deputy de Lisle: Thank you, sir.

I will be brief, but I worry about the financial aspects of this transformation, which is another amalgamation, if you like, of activities of the States and at great cost. While some people have been referring to costs, I think it is important that the public realise that the phase one was £1 million, phase two is £5 million; but there is a phase three as well, another £2 million. The whole thing, £8 million.

That is an incredible amount of money for a Government that is teetering around the deficit situation, economically. It is a huge stamp. It is all very well for some people on the top bench there to be gloating about the fact that I am mentioning that, but they themselves said that these previous projects have had their 'difficulties'.

Also, when I look at page 29 and I take a look at the financial benefits, I see no guarantees at all about a financial benefit for the spending. It says it is 'anticipated' that the programme 'may' be able to deliver a total recurring saving, which would equate to approximately £1 million to £3 million *per annum*.

3410 That is quite a breadth. First of all its says we are not sure, but it may be able to produce £1 million; we are not sure whether it is going to be £1 million, and the range there is from zero to £3 million. Well, it does not give me a lot of confidence in what is being proposed and I just wonder exactly who is going to be accountable to this at the end of the day? Is it going to be Policy & Resources? Are they taking the full accountability and who in Policy & Resources will be accountable for it?

3415 So I ask a few questions, really, with regard to what the benefits are financially, because it is not clear, and it is not well stated here and, secondly, who is going to take the can for this going through the similar type of problems that previous programmes of this type have gone through where, in fact, the projects have had real difficulties and perhaps the benefits have not been realised at the end.

3420 Thank you, sir.

The Deputy Bailiff: Deputy Soulsby.

3425 **Deputy Soulsby:** Sir, yes, just listening to Deputy de Lisle, I think it is an example of what is not a growth mindset and positive thinking in terms of this project.

What Deputy Green said just now reminded me of something I read in the *Guernsey Press* recently. It was not of the *Guernsey Press* of the last week, it was from the *Guernsey Press* of 1968. In 1968, the States agreed to a feasibility study into whether the Income Tax Office should have its first computer. That cost a few thousand pounds, just for the feasibility study, so nothing has

3430 changed in 50 years.

They came back and decided that it was worth having a computer, because it might save on staff, they would not need so many staff. Well, compare that now and 50 years ago, but they said they would not need it for everything and there was not enough, really to justify it, the amount of inputting that they would need meant it would be idle for most of the time, so they even thought

3435 about contracting out the use of this computer to members of the public or other businesses that could use it. I think, things have come a long way.

I welcome this policy letter and I have heard all the right words from Deputy St Pier on how this is not an IT programme, but a change management programme and he is absolutely right, in the same way that HSC's Trak upgrade will be exactly the same.

3440 However this is an incredibly complex piece of work and I really cannot over-state how much so. Even though the States have come a long way in project and programme management, and this is where I would agree with Deputy de Lisle, the opportunities for things to go horribly wrong very quickly are definitely there.

So yes this needs to be managed very carefully. One thing that will be a prerequisite for it working is that staff, in particular, are signed up to the change and resources must not be skimmed in this area. It is from my experience, spending on money on this particular aspect will really pay dividends. This is a long overdue programme and has potential to be a real game-changer for the States and I wish the two Committees all the best in making it happen.

3450 **The Deputy Bailiff:** Deputy Prow.

Deputy Prow: Thank you, sir.

I will also be exceedingly brief, because some of the points have already been made by other Deputies. I echo the words of Deputy Roffey and Deputy Soulsby. I think this is a brave development and a good piece of transformational work. I do also note the comments made

3455 about previous mergers do not always have satisfactory outcomes and I was reassured by Deputy Green saying that Scrutiny will keep an eye on this. One of the messages I would have is, in reviewing this, we are not bolting the stable door after the horse has gone. We keep holding P&R to account on this project as it goes through.

3460 One other point I would like to make, following on from Deputy de Lisle, is actually about governance. Deputy St Pier outlined about the policy responsibilities, but I perhaps would like a bit more reassurance around the actual governance and who actually is called to account. This is creating, for the first time, a revenue service. There is a revenue service in the United Kingdom, called Her Majesty's Revenue and Customs and that merger was, in actual fact, fraught with some difficulty, but is now a very successful organisation.

3465 Perhaps one point I would make, simply as an observation, is that the second largest tax collector in this Island is Customs and Excise. They have a reasonably modern computer system, which is the same computer system as Jersey uses. So there is an example of a good piece of working IT around revenue. There are implications about collecting some £40 million in direct taxation and I would be interested in any comment the President had on that. One of my concerns with these sorts of mergers is where you have joint governance. It is sometimes said a slave with two masters is a free man.

Thank you, sir.

3475 **The Deputy Bailiff:** Deputy Inder.

Deputy Inder: Thank you, sir.

I went to the joint presentation with Deputy St Pier, Policy & Resources, and Deputy Le Clerc a month ago, I think it was, at Beau Sejour. It is my trade, IT. I think that the number of areas I would direct members to look at is page 13, where it starts with the words 'a common IT platform' which will build off a single database, as explained to us. I think that is heading in obviously the right direction.

3480 It is fairly clear that through a policy letter like this the authors are not going to be able to write in detail exactly what the process will be, but they seem to have sensibly identified, on page 13, that there are major areas of risk and they have gone through the next steps. Yes there is a very large ticket item attached to it and yes, governments generally, have not had great headlines on the deployment of IT systems and the joining up of IT systems, but there are some really big figures attached to this and I suppose I am heartened to a degree that Deputy Green has said he will keep an eye on it as part of the Financial Scrutiny Panel. Hopefully that will be while it is an event, rather than after the event.

3485 In the main, sir, I am fairly comfortable with this. I have met the officers that have been working on this. They all seem very competent. At the end of the day, when you are joining two organisations, basically analogue organisations into digital, it is going to be expensive, it is going to be risky. There are no guarantees, but it looks like both ESS and Income Tax are heading in the right direction, so I am going to have to basically vote for it.

3495 That is it. Thank you.

The Deputy Bailiff: Deputy Tindall.

3500 **Deputy Tindall:** Thank you, sir.

I support wholeheartedly the 17 Propositions before us because of the benefits articulated from the transformation, but also those which may not, on the face of it, be obvious. I envisage the children of today and tomorrow benefiting from the costs savings, but also from not having to ponder over the reasons given originally as to why there was ever a separate means of collection in the first place.

3505 Thank you, sir.

The Deputy Bailiff: Deputy Dudley-Owen.

3510 **Deputy Dudley-Owen:** I feel compelled to stand as the lead for digital policy for Economic Development and put my support behind this policy letter. I think with service enhancement, cost

savings and a better cache of data on which we can base our policy decisions can only be a good thing. I was pleased to hear Deputy Inder also endorses, with his professional background, so I wholeheartedly hope that all of our Assembly, today, will support this letter.

3515 Thank you.

The Deputy Bailiff: Deputy Dorey.

Deputy Dorey: Thank you, Mr Bailiff.

3520 Obviously both these systems are overdue for replacement. They both run on systems which were due for replacement a number of years ago. I think when the Social Security renewed its benefits system, it was intended to follow on and that was probably more than 10 years ago. The hardware then, and the software, was considered out of date. So this has been sitting there, waiting for replacement, for a long time.

3525 I think, just from a pure risk of the systems, that they should be replaced. Obviously, there are risks in putting two systems into one. You increase the complexity, which also means that IT systems struggle with that increased complexity. Obviously there is a lot of similarity between the two systems, because they are both collecting money based on people's income, although each one has its own differences, which means it becomes more complex.

3530 But I do welcome this. I think it is the right way forward, but there has to be great awareness of the risk involved and the complexity. I am disappointed there is not more information in this report. I think Deputy de Lisle mentioned about £2 million for phase three. I could not find any numbers for phase three in the report. I think in 6.1 it talks about a large programme has the potential to funding requirements of about £10 million, so as such we are signing up to a phase
3535 which will lead to considerably greater costs which we do not have the details of, or the timeframe.

But I am willing to take the risk and for it to go onto the next phase. We do need to have more information about the potential savings and we do need to understand the risks of the complexity and, if necessary, being able to split the two systems, because that most cost-effective way, in the
3540 end.

Thank you.

The Deputy Bailiff: As nobody else wishes to speak, I will turn first of all to Deputy Le Clerc to reply to the debate.

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Deputy Le Clerc: Thank you, sir.

I will try and answer all the easy questions and leave the hard questions to Deputy St Pier! I would just like to thank Members for their support, because there have been lots of words of support. Deputy Roffey, very enthusiastic, sees the synergies and the savings and this is the only
3550 way that we are going to be able to really transform those two systems. I think of particular interest to him will be the in-work poverty. He will realise the fact that we are not able to collect – at the moment – simple data such as the hours worked. So, even calculating what the true minimum wage people are earning, we will have the ability with an improved system.

3555 Looking at the secondary pensions system, at the present time we have got no flexibility, so if somebody wants to make additional contributions to that secondary pension when it is up and running, they will not be able to with our current system. These are all enhancements that we will be able to make, and improvements.

3560 Deputy Gollop was talking about the priorities and the costs and I think, if you just look at page 20-22, it does set out some of the priorities and the costs and the various tranches and the release of funds through those tranches, which I think will be very helpful, also, to Deputy Green and the Scrutiny Committee, because there is a route for that to be followed and the funds will be released in tranches.

Really, picking up on what a couple of Deputies have said. Deputy Green, Deputy Dudley Owen, this is going to be a really important part of data collection and data gathering. It will feed into the electronic census. We all know as Committees that we struggle with data, so this is essential for us to be able to pull that data together and, as Deputy Dudley Owen has said, to make key policy decisions.

At the moment, we are often making those policy decisions in the dark and that leads me on to Deputy de Lisle. I know he would get up and question the costs. He is quite right to do so but, again, how many times when I have stood before you and I have been answering questions on Income Support and I have said, 'These are the approximate figures because we do not actually have the data that we can drill down into.' With this new system, we will have the ability to have a lot more information and drill down and, therefore, make accurate forecasts when we are bringing policy papers to this Assembly.

Deputy Dorey has already explained that both the tax and the contributions system are at the end of their life, so we would have had to replace both of these systems with what would be expensive systems, but this work will enable us to have a bespoke system for the uniqueness of our tax and contribution collections. By doing this work now, in this second phase, rather than purchasing something off the shelf, which will not meet our needs, we will make sure that all the work is done now in preparation for that final specification of the IT system that we need in phase three. I think that is it from me.

Thank you, sir.

The Deputy Bailiff: Deputy St Pier, the President of the Policy & Resources Committee, to reply to the debate.

Deputy St Pier: Sir, thank you, just to echo Deputy Le Clerc's thanks to those who have participated in the debate and for their support, particular to Deputies Inder and Dudley Owen, given their roles and experience.

Do deal with some of the additional points raised, Deputy Roffey raised a question in relation to phase four. I did wonder if he had a different policy letter to me, but as he quite rightly says, there is not a phase four, but he believes there should be. His point that he makes is a good one and it is one that has already engaged the project board in its thinking, in terms of the extent to which it is possible to combine the two systems.

But that requires some significant policy decisions and, hopefully, Deputy Roffey will be reassured that the political leads on the project board are myself and Deputy Langlois and we are asking exactly these kinds of questions. It opens up issues such as Social Security was originally designed as an income replacement scheme and we have bolted on various other things over the years and, as we think about the future funding for our health system and we look at the current funding methodologies, we need to challenge and question some of those assumptions that have been made over the years.

Absolutely, we want to be taking the opportunity to ensure that we have some consistency in the treatment of the same income. At the moment there is huge complexity and confusion for the public when they deal with both services in respect of exactly the same income and they have a different treatment and different definitions used.

It is very much underlying our thinking as to what we can do to bring everything into line. Deputy Langlois is very good at questioning me, for example, to think about challenging topics such as negative income taxes and universal basic incomes and so on. All of those things, very much, will be part of the thinking.

Deputy Green, absolutely, has pointed out the need for there to be good scrutiny and I think Deputy Prow pointed out that it needs to be very much real time, rather than after the event. Deputy Green I think is correct to point out that the policy letter does not provide all the detail in terms of timelines and project plans and so on. Those were issues which we kicked around

between the two Committees, which is simply the level of detail that could really go into the policy letter at this stage and keep it at a manageable size. I think his observations are correct.

Deputy de Lisle, I think quite rightly, has pointed out, as Deputy Le Clerc has said, this is an expensive project, but I think we have to see this in the context that this is our largest collection of revenue to fund all our public services. We are collecting circa £400 million – £370 million, £380 million – a year through this service. We need to have it working as efficiently as possible and that is each and every year for the next goodness knows how many years. When we view it in that context the kind of numbers we are talking about are more understandable.

‘Who is accountable?’ Deputy de Lisle said, and that was a question that was posed elsewhere. Well, it is quite clear that the two Committees are accountable for the delivery of the project and we have the project board, we have all the normal project governance that goes with that, all the independent challenge that exists in that, in accordance with our existing processes, but the two Committees are accountable and, when the revenue service is up and running, as I said in my opening speech, it will be P&R who accountable for its operational delivery, not the Committee for Employment & Social Security.

I think the governance and the accountability is actually clear and we welcome the fact that the Scrutiny Management Committee will be looking over our shoulder and keeping an eye on the implementation of this project.

Deputy Prow quite correctly referred to the fact that Customs and Excise is a significant revenue collection agency at the moment. As he also pointed out, it is operating a relatively new system that is functioning very well. Again, this is something that the project board has identified. It is a question that will need to be answered at some point. Whether it makes sense that at some point it becomes part of a combined revenue service, that is not on the table at the moment but is a question that should be asked and answered at some point in the future.

Deputy Dorey quite rightly drew everyone’s attention to the need to be aware of the risks with this. If we get it wrong, there are significant risks for us. We cannot afford not to be able to collect revenue, clearly. He also drew attention to paragraph 6.1 identifying this as a significant project and, as Deputy Inder said, it is simply not possible at this stage to quantify the numbers that are involved in terms of being able to commission phase three and that IT system. What I can reassure Deputy Dorey and all other Members of the Assembly is that it will come back to the States at that stage for approval. We are not signing off a blank cheque for phase three at this stage. It will return to the States for approval in due course.

With that, sir, I ask all Members to support all the Propositions.

The Deputy Bailiff: Members of the States, we go to the vote on the 17 Propositions as they now are in respect of this, proposed by the Policy & Resources Committee and the Committee for Employment & Social Security. I am going to put them to you compositely as 17 Propositions, *aux voix*, unless there is any request for anything different. Those in favour; those against.

Members voted Pour.

The Deputy Bailiff: I declare all 17 Propositions duly carried.

POLICY & RESOURCES COMMITTEE

**IV. Miscellaneous Amendments to the
Taxation of Real Property (Guernsey and Alderney) Ordinance, 2007 –
Propositions carried**

Article IV

The States are asked to decide:

Whether, after consideration of the policy letter entitled 'Miscellaneous Amendments to the Taxation of Real Property (Guernsey and Alderney) Ordinance, 2007', dated 5th March 2018, they are of the opinion:

- 1. To agree to the amendment of the Taxation of Real Property (Guernsey and Alderney) Ordinance, 2007, as detailed within this Policy Letter.*
- 2. To direct the preparation of such legislation as may be necessary to give effect to the above decision.*

3655 **The Deputy Greffier:** Article IV – Policy & Resources Committee – miscellaneous amendments to the Taxation of Real Property (Guernsey and Alderney) Ordinance 2007.

The Deputy Bailiff: I turn to the President of the Committee, Deputy St Pier, to open the debate.

3660 **Deputy St Pier:** Sir, I think I can be even briefer in terms of introducing this policy letter. It is a relatively short policy letter. It is dealing with a series of technical changes to the TRP legislation, which has arisen over the first 10 years of our having TRP, following the change in the way we taxed property in 2008. This is the first opportunity to bring a composite letter, picking up all the experience of the last 10 years.

3665 I think that the policy letter is clear in identifying what changes are being recommended and way, but it is probably just worth re-emphasising that we have had the input from the TRP appeals panel and their experience, the operation of the Law, some of the procedural issues, but also some of their observations around the way the Law is structured. All of that has been taken into account in P&R's recommendations in bringing this to you. But, as ever, I will happily respond to
3670 any concerns or questions Members have in debate.

The Deputy Bailiff: Deputy Gollop.

Deputy Gollop: Thank you, sir.

3675 This is the sort of filler thing that we sometimes see in policy letters that has not necessarily attracted huge political or media interest. But it is not without interest, actually, because it is the meat and drink of our way of life and I have always said that the way it has been charged to an Alderney establishment is relatively harsh, compared with Guernsey, because of the footfall elements and so on.

3680 There are some intriguing points to raise. If one turns to paragraph 2.1.1, one of the proposed amendments, the ordinance does not include any reference as to whether measurements should be made on the useable area alone or based on the floor area as a whole and then goes off into a distraction on mezzanine floor areas.

3685 It strikes me that, actually, Policy & Resources must have been in quite a good mood when they wrote this policy letter, because it does tend to be more generous to the customer than perhaps initial interpretations would suggest. It would appear here, for example, the assessment should be based on useable area, rather than total area. But that indicates there could be some properties that do not pay so much, so that would be a revenue collection issue.

3690 Then, when we go on to 2.1.3 and 2.1.4, again there is a bit of largesse here, that it is proposed to introduce a 'statutory scheme to allow the Committee to make such repayments for a period of up to four years' following perhaps the over-payment. I know at one time, I overpaid. I lived in a house that resembled an office and I thought at least it could be an office from a planning point of view, and it could not be. So these anomalies occur, but I did not get any money back and I think it is too late now.

3695 It suggests here that, at least from 2018 back to 2014, there will be, potentially, commercial or residential payers who will make a legitimate case for reimbursement of funds, which the States will have to find. The late penalty payment again, a formal application. There are grounds, sometimes – somebody who is very elderly or who is in hospital or whatever. Again, if Policy & Resources are allowing late payment top-ups to be waived, again, it will be an additional, not cost to the taxpayer, but monies we will not have and will have to make up in other ways.

3700 Likewise, I was puzzled by 2.1.6 that the 28-day change to the property is being changed to 31st December. Clearly it makes sense for it to be in the calendar year, but what about if some change took place on 21st December? In that instance, far from having 28 days, they would have only 10 days, perhaps, under the Rule, as you approach the end of the calendar year.

3705 Two other points, really. Warehousing, 2.1.13, it is a bit disappointing that we still have this problem that certain medium to small retailers have these classic sort of Amsterdam-style town houses with three or four storeys, but if they use the upper storeys to store retail for the next Christmas sale, they are deemed to be retail, rather than warehousing. That has not been reformed.

3710 In reality, a definition, as is suggested the classification of warehousing is to be extended to include the wording 'other than any real property that it is connected to or is supporting another principal use' is quite a fine point, because it means, however many boxes and parcels you store, you will still be deemed to be fundamentally a retailer, rather than a warehouse and that perhaps is not so good.

3715 My final point is, I know this is not about planning, but on 2.1.18, I find it a curiosity that places we know and love, private residential nursing or care homes that, really, have a particular kind of service user and community way of life, are being defined now as in the same category as B.4.1 hostelry, as:

... any tourist property from which food is provided for consumption on the premises, any public house, or any social club.

3720 Now, I know some of the residential homes have bingo and other activities, but I would not have thought they were comfortably defined as tourist establishments or public houses. I just wonder why we have not got a separate category for the residential sector?

But, all those things considered, it is the kind of thing that I think may need further refinement and revision, but we should support the package today.

3725 **The Deputy Bailiff:** Deputy Tindall.

Deputy Tindall: Thank you, sir.

3730 At one point there I was expecting my President to steal my thunder, but he did not! For me, the amendments, on the face of it, appear to be well-explained and justifiable. However I was concerned with the recommendation in the paragraph 2.1.15, which says:

It is proposed that the definition of development buildings in Part III of Schedule 1 should be amended to include the requirement for formal planning approval before the 'development buildings' classification can be assigned.

When I read this, I sought advice from the planning service to make sure that the criteria used for the TRP use class was sufficiently clear, because I thought it should also refer to building regs. I also wanted to find out, out of curiosity, if the Development & Planning Authority had been consulted? No.

3735 We took the point up with P&R on the drafting and the officers were advised of this. We were informed that the reason the current term 'planning permission' needed to be non-specific is because the description must cover both Guernsey and Alderney planning bodies. We were also informed that the broader description would put Cadastre in a better position to identify any development works that do not have the appropriate planning permission, and so we were able to refer them to the relevant Island's planning authority.

3740 However as planning permission does have a very specific legal meaning, the DPA suggests that building regs are used as a reference as well. Because of the need for an inspection before approval is given, any invalidity of the planning permission, due to non-compliance with pre-conditions would then be picked up and the building licence would not be issued. This would ensure that the lower TRP tariff would not apply.

3745 Quite simple, sir. I seek reassurance from the President of P&R to confirm that this recommendation of the DPA will now be taken into account?

Thank you, sir.

3750 **The Deputy Bailiff:** Alderney Representative McKinley.

Alderney Representative McKinley: Thank you, sir.

3755 My understanding was that we were undertaking a review of the financial relationship between Guernsey and Alderney. Such a review appears to have stalled. One of the recommendations of that review was that we would take control of our own TRP, both commercial and residential. I think one of the other recommendations was that we would also take control of our excise duties on fuel, cigarettes, alcohol, etc. I would be very grateful for an update on the present situation regarding the financial review.

Thank you, sir.

3760 **The Deputy Bailiff:** Deputy de Lisle.

Deputy de Lisle: Sir, thank you.

3765 I am quite pleased to note some of these changes, because they have been expressed before, with respect to change required, particularly at Budget time. I just point to 2.1.1 on the first page, it is proposed that the assessment should be based on usable area in future. We were told, and I point to one specific area that I have put an amendment in actually to the Budget at one stage, with the help of Deputy Brouard as well as a seconder, with respect to barns are contiguous and attached to the main house and those that are non-contiguous, in other words separated out.

3770 Those that are separated out were taxed at a different level, but those that were contiguous – and we know from the information that was given at the time, that there are 4,000 of these contiguous situations on the Island – they are being taxed at a house rate when, in many cases, the rooms or buildings and the barns are not actually used for residential purposes. So that is something that I hope will be addressed in 2.1.1.

3775 There is one other point that I would like to mention, and I have an interest in both of these issues. The commercial space, particularly commercial space in town, and I am talking about the high street and so on, the very inner part of town, commercial sector. A lot of that commercial space is currently unoccupied due to the downturn in the economy, essentially. As a result, owners are paying large numbers in terms of the TRP on those empty properties.

3780 What I am suggesting is that the liability on the owners is such, currently, that I think owners are looking, now, to transfer or to change of use, with regard to those properties, into residential use. That is going to leave the town without a lot of opportunity, if you like, for further commercial use. I think we have to be aware of this. I know as a result of Zero-10, of course we taxed higher the commercial properties, but we did not look at the distinction between the Admiral Park-type of commercial space, the larger spaces, compared with the smaller spaces that
3785 are prevalent in town.

It is something that I think should be added and looked at and I would ask the indulgence of the Committee looking at this to also concern themselves with that particular aspect.

Thank you, sir.

The Deputy Bailiff: Deputy Merrett.

Deputy Merrett: Thank you, sir.

I would like to thank Deputy Gollop, through you, sir, for raising many of the points that I wanted to raise in debate today. However I also wish to add some points. After I got over the shock of it being 10 years to bring these Propositions before us today, I also noted on 2.1.4 that this would actually be the first time there would be a mechanism for the property owners to actually formally appeal against application of a late payment, which I find quite disconcerting that for 10 years they have not had that mechanism available to them.

I would like further understanding of 2.1.17, which is broadly speaking allowing ancillary buildings for religious ceremonies, as well as churches. I was just wondering why, in this day and age, we were prepared to extend that to enable auxiliary buildings to also be exempt from TRP?

Lastly, I wish to discuss Proposition 2 on this paper. I will read it out for Members and for people who may be listening to this.

To direct the preparation of such legislation as may be necessary to give effect to the above decision.

But there is no timeline. I have no understanding, presumably the rest of the Assembly or the officers, will have no understanding what the expectation is from P&R? Are they expecting legislation to be drafted with six months, six years, or will it be for the 10 years, as it has been to bring this policy paper before us today?

Unless we start to have an indication of when we expect the legislation to be ready and be back for debate, I think we put our Law officers in a very difficult position. P&R are asking us to direct the preparation of legislation, but we have no idea of what timeline we are possibly looking to achieve and that does concern me.

Thank you, sir.

The Deputy Bailiff: Deputy Oliver.

Deputy Oliver: Thank you, sir.

It is really just carrying on from what Deputy de Lisle said, that we should be looking more at the retail properties within the town centre and the rateable values, the TRPs. In England you only get three months' grace to actually let the shop and then they have to pay the TRP, the business rate. If you are a warehouse you get six months.

In many respects, actually, Guernsey has it quite easy, because you do not have to lower the rent or anything to be able to continue not paying business rates. You can have it empty as long as you want, whereas in England you cannot. You can only have it empty for three months before you have to start paying. Also, at the moment, our high street actually has no vacant retail units. They are all fully occupied.

The Deputy Bailiff: I turn to Deputy St Pier, President of the Policy & Resources Committee, to reply to the debate.

Deputy St Pier: Sir, I can ensure Deputy Gollop that P&R was not in a good mood, particularly, when it considered this policy letter – it rarely is. (*Laughter*) I do not believe this policy letter was any exception.

I think the points that he has made in relation to warehousing, useable space and repayments and so on, simply have arisen out of experience of actually operating the Law over the last 10

years and, in particular, the appeals that have been made and either won or lost, and that is what has informed the paragraphs that he referred to.

3840 In relation to 2.1.18 and whether there should be a separate category for private residential and nursing homes and so on, there would only really be a need to have a separate category for it if we wanted to charge a separate rate or a different rate for it. So, his point is valid, but I think the view was that, for practicality purposes, it was practical to put it in the same category as the others but simply, for the avoidance of doubt, to make it quite clear where it was identified and why.

3845 Deputy Tindall, I must apologise, I was not aware – I may have been and forgotten – of the questions she had posed, particularly in relation to the building regulations point. I am afraid I am not in position, on my feet, without a sight of that, to be able to respond, but I can give her the reassurance that P&R certainly will take that on board in drawing up the legislation. Perhaps, through you, sir, I could ask Deputy Tindall to ensure that that correspondence is perhaps sent for my attention so that I can pick that up?

3850 In relation to the question from Alderney Representative McKinley about the financial review, I am afraid I am again not in a position to be able to give any detailed response. The most recent information I had was I believe it was largely being delayed at the Alderney end, partly because of resourcing issues and change in the leadership at the civil service end and so on. But that may or may not be correct. That was my most recent understanding.

3855 Deputy de Lisle raised a question to siting of barns, whether they are contiguous or not. I would just exercise some caution in drawing attention to the fact that the language of the policy letter is space which is 'usable' and that is of course different to whether space is used or not. In relation to his question about commercial space and there being a difference between small commercial space in town and large commercial space out of town, it is a valid point, but of course that is dealt with by the use of that space. Most of the properties that he referred to in
3860 Admiral Park will be financial services-regulated space that will already be levied at a significantly higher rate.

Deputy Merrett raised a question in relation to appeals and it surprised her it did not provide a clear right of appeal. It surprised us, which is why it is in the policy letter. The explanation can only be it was perhaps an oversight in the original drafting. It has not proved to be a significant
3865 challenge in the last 10 years, but who knows who might have appealed if they had had a clear right? We do not know, but it is correcting something that should have been there from the outset.

In relation to the legislation being drafted, I think that is a wider point, which goes beyond this debate. It relates very much to a previous sitting of this Assembly and, no doubt, to the June
3870 sitting, when we discussed the P&R Plan and the prioritisation of legislation. Given that this does have revenue implications we have to make sure we do have the right Law in place to enable us to raise revenue properly. I am sure it will be accorded a suitable priority, so it is in place before the next round of TRP is levied.

3875 Deputy Oliver, I think, made some good points in relation to retail space and I am particularly heartened to hear that there are no retail units currently unoccupied in town. With that sir, I ask Members to support.

The Deputy Bailiff: Members of the States, there are two Propositions, I will put them to you together. Those in favour; those against.

Members voted Pour.

3880 **The Deputy Bailiff:** I declare both Propositions duly carried.

**STATES' TRADING SUPERVISORY BOARD AND
COMMITTEE FOR THE ENVIRONMENT & INFRASTRUCTURE**

**V. Waste Strategy Implementation –
Household Charging Mechanisms –
Debate commenced**

Article V

The States are asked to decide:

Whether, after consideration of the joint policy letter of the Committee for the Environment & Infrastructure and the States' Trading Supervisory Board entitled 'Waste Strategy Implementation – Household Charging Mechanisms', dated 5th March 2018, they are of the opinion:

1A To:-

a) rescind Resolution 5 of 16th February 2017 on Article III of Billet d'État V of 2017, insofar as it:-

- i. directs the Policy & Resources Committee to make available a loan from the proceeds of the States of Guernsey Bond Issue (of December 2014) to fund the initial capital costs of the new waste management facilities and services referred to in that resolution; and*
- ii. directs the States' Trading Supervisory Board to fund the related loan interest and capital repayments from the Solid Waste Trading Account;*

b) approve a capital vote of a maximum of £32million, charged to the Capital Reserve, to fund a grant to the Solid Waste Trading Account of the capital costs of new solid waste management facilities and services required for the implementation of the island's solid waste strategy as referred to in Resolution 4 of 16th February, 2017 on Article III of Billet d'État V of 2017; including the repayment of any amounts advanced from the loan from the States of Guernsey Bond issue (of December 2014) together with any interest accrued and associated charges; and

c) rescind Resolution 7 of 16th February 2017 on Article III of Billet d'État V of 2017 insofar as it directs the States' Trading Supervisory Board to recover the capital costs referred to in paragraph b) from charges made to householders, businesses and other users of waste management services.

Or, only if Proposition 1A shall have been defeated,

1B To:-

a) approve a capital vote of a maximum of £16million, charged to the Capital Reserve, to fund a grant to the Solid Waste Trading Account of 50% of the capital costs of new solid waste management facilities and services required for the implementation of the island's solid waste strategy as referred to in Resolution 4 of 16th February, 2017 on Article III of Billet d'État V of 2017;

b) limit the loan from the proceeds of the States of Guernsey Bond issue (of December 2014) (as approved by Resolution 5 of 16th February, 2017 on Article III of Billet d'État V of 2017) to a maximum value of £16million; and

c) rescind Resolution 7 of 16th February 2017 on Article III of Billet d'État V of 2017 insofar as it directs the States Trading Supervisory Board to recover the capital costs referred to in paragraph a) from charges made to householders, businesses and other users of waste management services.

Or, only if Proposition 1B shall have been defeated,

1C To reaffirm Resolution 5 and Resolution 7 of 16th February, 2017 on Article III of Billet d'État V of 2017, directing the Policy & Resources Committee to make available a loan from the proceeds of the States of Guernsey Bond Issue (December 2014) to fund the capital costs of the facilities and services to implement the solid waste strategy; and directing the States' Trading

Supervisory Board to recover all solid waste management costs fully through charges to householders, businesses and other users.

2. To direct that the initial waste charges are set so that the following balance between the Waste Disposal Authority fixed charge and the residual waste bag/tag charge is approximately achieved (unless there are material reasons not to do so, which are explained when the Ordinance relating to the Waste Disposal Authority Charges for Households is proposed to the States):

- a) a zero-rated annual fixed charge with all costs apportioned to bag charges so that the charge for a standard sized waste bag, including a 50 pence risk contingency, is estimated as:-*
 - i. £3.90 if the initial capital costs are to be wholly funded from the Capital Reserve;*
 - ii. £4.40 if the initial capital costs are to be 50% funded from the Capital Reserve; or*
 - iii. £4.80 if the initial capital costs are to be wholly recovered through waste charges.*

OR, only if Proposition 2a) shall have been defeated,

b) an annual Waste Disposal Authority fixed charge equivalent to 20% of the total household charges to be recovered by the Waste Disposal Authority, with the balance being recovered through bag charges, so that the charge for a standard sized waste bag, including a 50 pence risk contingency, and the annual Waste Disposal Authority fixed charge, respectively, are estimated as:-

- i. £3.20 and £45 if the initial capital costs are to be wholly funded from the Capital Reserve;*
- ii. £3.60 and £50 if the initial capital costs are to be 50% funded from the Capital Reserve; or*
- iii. £4.00 and £55 if the initial capital costs are to be wholly recovered through waste charges.*

OR, only if Proposition 2b) shall have been defeated,

c) an annual WDA fixed charge equivalent to 40% of the total household charges to be recovered by the WDA, with the balance being recovered through bag charges, so that the charge for a standard sized waste bag including a 50 pence risk contingency, and the annual WDA fixed charge, respectively, are estimated as:-

- i. £2.50 and £85 if the initial capital costs are to be wholly funded from the Capital Reserve;*
- ii. £2.80 and £100 if the initial capital costs are to be 50% funded from the Capital Reserve; or*
- iii. £3.10 and £110 if the initial capital costs are to be wholly recovered through waste charges.*

3. To approve that in relation to Waste Disposal Authority charges for households:-

a) the Waste Disposal Authority will have the option of collecting the fixed charge annually, twice yearly or quarterly as it prefers;

b) a fixed penalty charge of £25 per month or interest at 10% per annum (whichever is higher) can be levied in the event of late payment; and

c) payment must be made within 30 days of an invoice and unpaid debts, including interest, will be recoverable by the Waste Disposal Authority as a civil debt.

4. To direct the Policy & Resources Committee to make available to the Solid Waste Trading Account an overdraft facility on such terms as the Policy & Resources Committee shall agree with the States' Trading Supervisory Board.

5. To direct the preparation of such legislation as is necessary to give effect to their above decisions.

The Deputy Greffier: Article V – States' Trading Supervisory Board and Committee for the Environment & Infrastructure – Waste Strategy implementation – household charging mechanisms.

The Deputy Bailiff: I invite Deputy Parkinson as the States' Trading Supervisory Board to open the debate. Deputy Parkinson.

Deputy Parkinson: Yes, sir. Apparently this time it is my turn to open the debate on a joint policy letter from E&I and STSB.

Members who have passed Longue Hougue recently will not have failed to have notice the progress being made on the new transfer station there. The construction is, I am pleased to say, progressing very well and the new facility is on course for commission in October of this year, which is very welcome news because, as any Members who have been close to Mont Cuét recently will know, the arrival of the transfer station will not come a minute too soon. We are out of time.

That should come as no surprise to anyone here, because I have made the point repeatedly in this Assembly. However, as the States' Trading Supervisory Board is responsible for the implementation of the Waste Strategy, I make no apology for reminding States' Members today: we need to get on with this.

In December, my board and the Committee *for the* Environment & Infrastructure brought a joint policy letter to the Assembly to confirm the details of the new household waste charging mechanisms that had previously been agreed. That policy letter set out quite clearly what my board felt was a good starting point for the new charges.

We are making a very significant change in the way that Islanders will pay for waste. As is often the case with change, there is an element of the unknown and, inevitably, some risk attached. With the introduction of pay-as-you-throw charges, the risk in setting the bag price too low is it may not have the desired effect in terms of driving behaviour change. The risk in setting the bag charge too high is it may lead to anti-social behaviour that we are trying to avoid, as some people try to avoid paying the charges.

While I do not agree with some of the gloomier predictions, we do have to acknowledge that avoidance is a risk and it is likely to be greater, the higher the bag charge. The transition to the new pay-as-you-throw system does coincide with the wider changes being made in the island's waste management, which inevitably for most households will see a significant increase in their waste bills. That does, therefore require some careful management.

The view of the STSB, as expressed in December, was that a starting point of around £2.50 for a black bag and £115 per year annual charge was about right. That would enable us to make the big change and then we could adjust the different charging elements as we see fit in future, with the benefit of experience.

Under that proposal, the bag charge would introduce the pay-as-you-throw element and the fixed annual charge would mean all households contribute to the overall cost of the system. Much of the cost being incurred in dealing with the island's waste has nothing to do with black bags. Therefore, having a fixed annual charge may not be the purest application of the polluter pays principle, but it is entirely consistent with a user pays principle.

As we saw in debate in December, there are various views as to where the balance should be, including having no fixed charge. We warned, previously, of another major risk of relying too heavily on the bag charge to recover costs being incurred by the States, not just for disposal of waste but for all the various recycling, re-use and minimisation initiatives. That risk is that we end up with a significant shortfall in income, which the figures provided in this policy letter will illustrate for States' Members.

As I have said, this is a major change, and there is a lot that is unknown. There is an element of uncertainty now over how many bags are generated but much greater uncertainty over the number we will have in the future. We are dealing with human behaviour and that is never easy to predict. It is likely the assumptions we have made will not be 100% accurate, but we will only know how incorrect they are when all the new services and charges have been introduced.

What we have to do, and it is now urgent, is to make the big changes and then we can refine the system. Inevitably, costs are rising significantly and therefore it is entirely reasonable that

3935 States' Members should have due regard to the potential impact on those least able to afford these increases.

The December policy letter detailed how the Committee *for* Employment & Social Security planned to provide additional support to those households in receipt of Income Support. That indicated an increased annual budget requirement of around £500,000. Since then the Committee
3940 has done some further modelling, which unfortunately was not available to use at the time of producing this policy letter.

This new assessment is based on more up to date data for benefit claims and indicates the additional support requirement is likely to be above £500,000 a year. What this new analysis also points to is that those options with a higher bag charge potentially place a higher burden on the
3945 less well-off. Besides the balance between the standing charge and the pay-as-you-throw elements, States' Members are also asked to consider using the capital reserve to reduce some of the costs to be recovered through waste charges. That could potentially reduce the anticipated cost per household from £7 per week, on average, to a little under £6 a week.

The STSB and the Committee *for the* Environment & Infrastructure were directed to consult with the Policy & Resources Committee over this, which we have done and the response from
3950 Policy & Resources is appended to the policy letter. I think it speaks for itself, so I do not intend to go into the detail of that, although I suspect that Members of P&R may wish to address this in debate.

I will however reiterate again the urgency of this decision today. The policy letter sets out a
3955 range of options for future waste charges. My board has previously indicated its preference for a middle ground approach, at least at the outset, so we can manage the important transition to the new system and then adapt as we go. What is crucial, though, is that we get on with implementing those charges.

That is all I need to say by way of an introduction, sir.

3960

The Deputy Bailiff: Thank you very much, Deputy Parkinson.

Deputy Brehaut is the President of the Committee *for the* Environment & Infrastructure, to also open the debate.

3965 **Deputy Brehaut:** Thank you very much, sir.

As Deputy Parkinson has already said, this is not the first joint policy letter brought to the Assembly by STSB and E&I. The doing bit owned by STSB and the outcome or strategic objective
bit owned by E&I. Though both Committees are working to deliver one policy, our mandates are very different.

3970 Deputy Parkinson is on the record, he said before today, that he does not care where the money comes from – STSB, in that capacity. I think a position like that is only informed by the urgency of the situation around waste, the point being that we need to do something and do something quickly.

Now, E&I have other considerations, which we are mandated to deliver. We cannot ignore
3975 outcomes. In fact, we are duty bound to influence, to shape, to achieve certain outcomes. You can pay for something forever if you have no regard as to where it came from, where it is going to, who produces it, how much they produce and, last but not least, how are they and we all going to pay for it?

It is fair to say the Propositions as set out in the Billet have been strongly influenced by
3980 lengthy, animated, at times passionate discussions around the E&I table. Read into that gross understatement. With five political Members, each with a great deal to contribute, as we all know two heads are better than one, five heads and mouths have ensured outcomes have been thought through and talked through exhaustively. The Propositions were of course agreed by the two Members of STSB, the two political Members, and of course the non-States' members too,
3985 perhaps, dare I say, in a more sedate fashion.

The Propositions are undeniably a touch convoluted. In an ideal world, if the clock was not running down quite so quickly, we could have had one debate today on, say, capital for the new infrastructure costs and at another time and another period a debate on how to split how much is recovered through pay-as-you-throw, for example.

So there are two clear decisions you need to make today with regard to capital infrastructure and the pay-as-you-throw element. Ideally, if we had more time, those elements could have been presented in a slightly different fashion. I will not stress this point, I do refer to it later in my speech, but I do sympathise with Members, because, as I say, the Propositions are a little wordy.

But what I hope you have in front of you today are a list of options that give you the fullest picture, that give you the decision in the round so, as you approve one element, another element falls away.

We could have come to the Assembly with a narrower range, but we were sent away, via an amendment, to consult with P&R, and to come back with a broader choice, a list of options, a menu, and we have done that. If we had not done, then we could have faced a series of amendments and losing time to alternatives that had not been fully considered is something we simply cannot afford to do.

Charging and how to apportion those charges fairly, how we construct an equitable system, how we settle on a polluter paying or the user paying, is perhaps an uncomfortable and difficult discussion and one which we have put off for a little too long. The ESS proposals, for example, on how we assist those in making waste disposal less of a burden financially, only arise because we have not given any real consideration to the real cost of waste disposal for years. It has been too easy to bag it and bin it.

The fixed charge, however you slice and dice it, appears almost provocative to some. Whilst we are content to pay standing charges for so many other services we use, we still struggle to see waste collection and its treatment as an actual service in itself. When I found myself home alone one Sunday, lost, desperate, wondering just what it was all about, I decided to put on the *Radio Guernsey* phone-in. (*Laughter*)

A Member: Why do it, why?

Deputy Brehaut: A caller was horrified to hear that kitchen waste was to be placed in a sealed caddy. That caddy stayed in the kitchen; then alarmingly left out on the doorstep or kerb. Within weeks, we were told, an infestation, a plague of vermin would drive us out of our houses and homes. Of course, I exaggerate to make the point, but it demonstrated that we actually do not think too hard about what we do now, which means for some, leaving food in flimsy black sacks in piles in street corners ensures cats, rats and gulls enjoy the very best *al fresco* dining facilities.

Dealing with another very specific aspect, a great deal has been made regarding the potential for fly-tipping. In fact some have raised the prospect so frequently their expectation has almost created an odd type of acceptance of fly-tipping. It is as if the tolerance to fly-tipping has been lowered in some way. Broadly, within St Peter Port, the majority of fly-tipping is actually commercial or business waste, dropped off in one-tonne bags.

I would suggest that if we stop free one-tonne bag dispensers, ensure all bags are numbered and signed for, so each can be traced, I am sure over time we would see less waste left in our car parks, in our cul-de-sacs, parking spaces and headlands.

It is worth nothing that the new charging mechanisms are for more than one service. We should not overlook the recycling, processing or the household waste recycling centre. There will be some families who produce very little waste, but they are still consumers and they will benefit from other waste services. But, of course, I stress and understand your concern regarding the proportionality of any charges that we look to introduce tomorrow.

No matter how close you get to the detail of the policy letter, no matter how you crunch the numbers or agonise over the incentives or disincentives, the reality is we are doing something that

we have not done before. Decision-making in that context is unsettling, but we need to make a decision on this very quickly.

4040 The merits of each Proposition will be debated in some detail, I am sure. But I have very little to add at this stage as I feel a great deal of time and energy and thought has gone into the Propositions so, through consideration and elimination, we can all move forward on this crucial matter and reach a consensus and conclusion hopefully tomorrow.

Thank you, sir.

4045 **The Deputy Bailiff:** Deputy Brehaut, I did not interrupt you, as I did not with Deputy Lowe earlier, but there were occasions on which you were addressing the Members of the States as 'you' and I really do hope that people will try and avoid that when we resume tomorrow.

I think I am going to draw stumps at this time, because it is as close to 5.30 p.m. as possible, bearing in mind that you are just going to enter into general debate and we have had the
4050 opening. So we will close the meeting for today and adjourn until 9.30 a.m.

The Assembly adjourned at 5.27 p.m.