



**OFFICIAL REPORT**

**OF THE**

**STATES OF GUERNSEY**

**SCRUTINY MANAGEMENT**

**COMMITTEE**

Government Work Plan  
Public Hearing

**HANSARD**

**Guernsey, Monday, 14th June 2021**

**No. 2/2021**

*Further information relating to the Scrutiny Management Committee  
can be found on the official States of Guernsey website at [www.gov.gg/scrutiny](http://www.gov.gg/scrutiny)*

**Members Present:**

*Panel Chair:* Deputy Yvonne Burford – President  
Deputy Simon Fairclough – Vice-President  
Deputy John Dyke – Member,  
Scrutiny Management Committee

Deputy Victoria Oliver – States’ Member

Mr Mark Huntington – Principal Scrutiny Officer

**Business transacted**

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EVIDENCE OF Deputy Rob Prow, President, Committee for Home Affairs; Mr Dave Le Ray, Director of Operations, Justice & Regulation; Ms Vicki Lajoie, Committee Secretary; Mr Ruari Hardy, Head of Law Enforcement; Mr Kevin Davis, Director of the Economic & Financial Crime Bureau; Mr Gary Salter, Administrator, Population Management; and Mr Colin Vaudin, Strategic Lead for Digital, Communication and Transformation.....3

*The Committee adjourned at 10.58 a.m. and resumed its hearing at 11.09 a.m.* ..... 15

*The Committee adjourned at 12.03 p.m.*..... 27

# Scrutiny Management Committee

## Government Work Plan Public Hearing

*The Committee met at 10 a.m.  
in Room 6, The Royal Court*

[DEPUTY BURFORD *in the Chair*]

### **Procedural – Remit of the Committee**

**The Chair (Deputy Burford):** So, good morning everybody and welcome to this Scrutiny Management Committee public hearing session today with the Committee *for* Home Affairs. Today we are principally going to be focusing on aspects of the Committee's mandate that relate to the Government Work Plan.

5 I am Deputy Yvonne Burford, and with me today on the Panel are two of my Scrutiny Committee colleagues, the Vice-President, Deputy Simon Fairclough, and Deputy John Dyke. We are also joined today, thank you to Deputy Victoria Oliver, who of course was a Member of the Committee *for* Home Affairs in the last States term.

10 So following this session the Scrutiny Committee will decide if any further review activity relating to today will be undertaken and a *Hansard* transcript of the entire hearing will be published in due course on our website. It is an official parliamentary session, and as such questions or interruptions from the public gallery are not permitted.

15 If everyone would kindly ensure that their mobile phones are turned off or set to silent. Also, we will be having a break during the proceedings at around about halfway through, so coming up towards 11 o'clock, just a comfort break for 10 minutes.

### **EVIDENCE OF**

**Deputy Rob Prow, President, Committee *for* Home Affairs;  
Mr Dave Le Ray, Director of Operations, Justice & Regulation;  
Ms Vicki Lajoie, Committee Secretary;  
Mr Ruari Hardy, Head of Law Enforcement;  
Mr Kevin Davis, Director of the Economic & Financial Crime Bureau;  
Mr Gary Salter, Administrator, Population Management; and  
Mr Colin Vaudin, Strategic Lead for Digital, Communication and Transformation**

**The Chair:** So now if I could turn to our witnesses today and, starting with Mr Le Ray, if you could all introduce yourselves in turn, please.

20 **Mr Le Ray:** Certainly. I am Dave Le Ray, I am the Director of Operations for Justice & Regulation, the Home Affairs mandate falls within my remit.

**The Chair:** Thank you.

**Deputy Prow:** Good morning, and thank you for inviting us before Scrutiny.  
I am Deputy Rob Prow, I am the President of Home Affairs.

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**The Chair:** Thank you.

**Ms Lajoie:** I am Vicki Lajoie, the Committee Secretary for Home Affairs.

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**The Chair:** Thank you very much.

So we will kick off straightaway with questions on the Government Work Plan itself. Deputy Prow, in your update to the Assembly on 1st February this year you stated that as a Committee you are 'fully supportive of the drive to rationalise governments' priorities' through the Government Work Plan, and that you were clear on your policy priorities for the term, of which you gave four, which were:

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... developing economic crime and preparations for MONEYVAL; a review of Population Management and Immigration policy; Justice Policy including domestic abuse; security and cyber security which forms part of the Digital Connectivity Strategy.

You further stated, however, that it was essential, when resourcing these priorities, that 'we do not overlook the operational responsibilities of Government' and the operational services must be 'appropriately resourced to keep pace' with modern practice. I assume that still remains your view?

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**Deputy Prow:** Absolutely, Deputy Burford. (**The Chair:** Yes.) That is what was in the statement and that summarises I think very well the position of the Committee.

**The Chair:** Okay. And are you confident, therefore, that the key operational services will be able to be resourced to keep pace with modern practice?

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**Deputy Prow:** I certainly hope so. I think the assurances have been given from Policy & Resources (**The Chair:** Right.) that certainly business as usual insofar as budget allocations are concerned will be sustained. I am not going to pretend that that will not cause challenges within the services that are statutory independently delivered, and of course one hopes that the understanding of Committees, and particularly the Home Affairs Committee of what business as usual is, and perhaps what other Committees and the States Assembly might consider it to be, might as we move forward cause some debate.

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But I think the bottom line is going into the Government Work Plan, which both myself and the Committee are committed to, that has got to be on the basis of being able to deliver very important services – Law Enforcement, the Prison, Probation, Population Management, Immigration and so on and so forth. I do not want to leave anybody out, but there is some really crunchy stuff that we have to deliver for the Committee, and it is expensive to run. I think we are not in an environment where we can easily ask for more business-as-usual resource, so it is very important that we sustain those budgets as we move forward.

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So I think that that is an important point you make. When you look at the Government Work Plan, that is fine and we understand the constraints, and it is absolutely right for all Committees to be looking at what they prioritise and will try and deliver through the Government Work Plan. But business as usual is very much key to the type of delivery that the Home Affairs Committee needs to consider.

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**The Chair:** Yes, I think you make a very good point about the business as usual aspect, which as all Committees understand is meant to be a given, if you like, but the point I wanted to draw out particularly is that your statement seemed to imply that there is going to be need to be additional

70 resourcing to keep pace with modern practice with the services. I am wondering whether business  
as usual means budget as usual, because if it does then it seems to me that there is a disconnect  
there.

**Deputy Prow:** I would agree with that, and I think that is what Committees and the Committee  
75 for Home Affairs have got to try and avoid. For example, around the domestic abuse delivery, we  
have recognised that we need to do more and we need to do more and that will entail additional  
budget. So I think when you are going into the Government Work Plan one needs to make sure you  
have made it clear, as a Committee, that there are some areas that we will need additional funding,  
which really will entail extra money going into business-as-usual budgets. I think those are the sorts  
of areas, as we work through the Government Work Plan, that need to be teased out.

80 I think what Committees have done, and certainly what Home Affairs has done, is we have taken  
very careful and deliberate concentration around what our priorities are, and have tried to articulate  
that through our submissions to P&R, through what we have said publicly and what we have said  
to States' Members. But of course, rightly I think, Policy & Resources have made it clear that the  
next stage is really a matter for the Assembly. So a lot of these things really need to be properly  
85 teased out in debate. I think your question is a good one, around the grey area of what is business  
as usual delivery, and what actually are brand-new initiatives that can only really be funded through  
the Government Work Plan.

**The Chair:** Yes, because of course the Government Work Plan is about the additional initiatives  
90 (**Deputy Prow:** Yes.) that will be done in this particular term, and indeed leading into next term. But  
the business as usual is the part that I really wanted to concentrate on, because you did actually  
highlight the Domestic Abuse Strategy in your submission to the Government Work Plan originally  
as highlighting that it will need further investment. But in terms of the emergency services, the vital  
services and this desire to keep pace with modern practice, do you feel that that is an area where  
95 there could be difficulties in obtaining the funding for those particular aspects, which are under the  
business as usual heading?

**Deputy Prow:** Well, I hope not, and I think that that is the challenge.  
I think where we are is that there is a pretty clear commitment from P&R to sustain the budgets  
100 moving forward. So there is clearly no intent to reduce those budgets, but I take the point that you  
are making is around there will be extra pressures on Law Enforcement for example, and possibly  
other services as well. And some of them will be unforeseen – the known knowns and unknown  
unknowns and so on and so forth.

So I think that that is the challenge. But I have to say, in the discussions I have had with Policy &  
105 Resources so far, the point that you are rightly teasing out, there is a realisation that that is perhaps  
one of the challenges that we need to look at, because that is absolutely fundamental. We all  
understand the need and the reasons for the Government Work Plan. It is absolutely fundamental  
for a Committee like Home Affairs to deliver on all these things. You have mentioned domestic  
abuse. We know there is more that we want to do, we know that it is going to need more resource.

110 One area where ... has been extremely helpful is around economic crime and the MONEYVAL  
position. Where we secured funding in the last term, and I am very grateful for the efforts of last  
term's Committee in that regard, and funding has been ring-fenced for that. So that does help  
perhaps around having more business-as-usual budget in the sphere of Law Enforcement. So that  
is perhaps one area where I can perhaps be more confident in replying to your questions.

115 I think in other areas, through the Government Work Plan process, it is about making the  
Assembly clear that some of these issues, whether they are delivered as a separate initiative or  
through business-as-usual, will require more funding. That is difficult in this environment, where we  
all know the position that we are in, and certainly the Committee for Home Affairs have spent a lot  
of time analysing what our priorities are, what we feel we can deliver.

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**The Chair:** Okay. What would the impact be of not providing that necessary funding for the key operational services?

125 **Deputy Prow:** I think one has to realise that we are a small jurisdiction, we have limited resources and we have to manage with the resources we have on Island. So it is a very thin margin. But I think one of the duties of Government, and the Committee Government we have got, is to make sure that we do give the services the efficacy to deliver. I think that is fundamental. And frankly, if budgets come under pressure in such important areas, we will have to make representation through the democratic process, which flags up, 'Look, we were given a budget, but this is insufficient', and make  
130 a proper, justified case for why it is not. But I hope that does not happen.

I hope that there is a good debate around the Government Work Plan, and as I said, it is now in the hands of the Assembly. The Committees have made their submissions. And I hope that the Assembly supports the very important services of Home Affairs. But the bottom line to your question is, if we see pressure, whatever area it is, and if we cannot make internal savings, i.e. we  
135 cannot perhaps take money and resource away from one area to prop up another, if that is not possible then we simply will have to use the democratic process to come back to the States and say so.

**The Chair:** Okay, thank you.

140 You mentioned in your answer there about your submission to P&R and to the Government Work Plan. Do you consider that the Committee's views were properly weighted and taken into account and considered by P&R in that process and that they were actually accurately reflected in the Stage 1 policy letter?

145 **Deputy Prow:** If it is a yes or no answer, I think yes, it has been considered. I think both I and the Committee understand the reason and the need for the Government Work Plan, and we understand that if you take another Committee I sat on, Health & Social Care, last term, where they also have some very important projects and work that they need to do, I think there is an understanding from the Committee for Home Affairs that money is tight, and the prioritisation is a  
150 process outside of our remit and our control. But I still do not think we are at the end of that process that you refer to. I think we have got a States' debate and it is incumbent upon all Committees to ensure that the work that they set out as a priority is fully understood by the Assembly.

I think I would be better able to answer your question more at the end of the process, after we have had a full debate.

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**The Chair:** Yes, and I think that is something that is going to come across several times today, because as we know the policy letter is not being released until tomorrow in any case, (**Deputy Prow:** Well, quite.) so we are having this without the knowledge of that. But it is quite clear to me from your answers so far that you are incredibly mindful of the sort of financial constraints that we  
160 as an Island and as a States find ourselves in, and I am quite sure as a result of that that your Committee did not put forward anything to the Government Work Plan which you did not feel was absolutely essential.

So if that is the case, do you feel though that there is still a requirement on the Committee, due to additional pressures, to compromise on any of the things you wanted, or do you feel that  
165 everything that you wanted that is really important is going to be able to be done?

**Deputy Prow:** Well, I suppose we will be judged in hindsight on that. All I would say is that the Committee worked hard and thought through the whole prioritisation process. I think there is an understanding across Committees, and Home Affairs is no different, that the agendas were very  
170 wide and there was a loss of project work that probably would never be completed due to funding and resources. It is not just about money: it is about finding the officer resource to complete these things.

175 So I think the Committee *for* Home Affairs approach was realistic and pragmatic, and certainly the feedback that I have had and the Committee has had has been reasonably positive in the sense that nobody has particularly said to Home Affairs, 'You've left a gaping hole' in X, Y or Z. We have not had that feedback. I think it is generally accepted that our prioritisation was a sensible and proper (**The Chair:** Yes.) submission, and I hope that the States' Assembly carries that through, basically.

180 **The Chair:** Okay. You mentioned resources there and officer resource, and absolutely – although that in the end does come down to money in terms of salaries and everything. But in terms of your officer resource, do you know how much time across all your various services within Home Affairs and the various senior staff was actually spent on the work for the Government Work Plan and do you consider that to have been a reasonable use of that time?

185 **Deputy Prow:** As far as a reasonable use of the time, I would say so, because the concept of the Government Work Plan was understood. The actual amount of policy resource, and if we call it the Home Affairs office resource, is very limited. But they are very dedicated people and at the time of submission they went the extra mile.

190 So one can always consider that x resource would be welcome, but I think where we have arrived at and where we have landed, I am content with where we are I think.

**The Chair:** Okay. Right, thank you.

195 Do you – just as two little final questions on the Government Work Plan aspect of things – think there are any areas in your mandate which would benefit significantly from additional resources, and finally do you have any other comments regarding the Government Work Plan process?

200 **Deputy Prow:** No, I think from the questions you have really teased out perhaps the concern is around maintaining business as usual, and I could dart across all the different services and there may be elements where extra resource would be welcome. But I think we are where we are, we understand the Government Work Plan process. So I do not really think it would be useful for me to highlight any specific areas, but there will be challenges in it, and, as I said before, that they might not be apparent today, that they might become apparent tomorrow and the day after.

205 I am very comfortable where we are with economic crime. To be honest with you, Law Enforcement resources and having to police the Island is a challenge. It is always (**The Chair:** Yes.) been a challenge. I have got the Head of Law Enforcement with me. I am sure he would, if you give him the opportunity, will be happy to endorse that.

210 **The Chair:** He is nodding behind you! (*Laughter*)

**Deputy Prow:** Well, that is what I would expect. So I do not think it would be helpful for me to pick out areas.

215 As far as my views around the Government Work Plan, we need to look at the final policy letter, and I look forward to a debate. It is really in the hands of the Assembly as to the final detail of where we end up.

**The Chair:** Okay. Thank you.

220 I do have some more questions to you from myself, but I am just going to hand over to Deputy Fairclough now, so you can have a break from my voice, if nothing else.

**Deputy Fairclough:** Yes. Good morning, Deputy Prow. Thanks very much for your answers to Deputy Burford on this part of the hearing this morning.

You have mentioned, and we have mentioned, 'business as usual' a number of times, and I think probably a lot of Committees across the States are considering business as usual as well as the work

225 and priorities that go into the Government Work Plan. Have you, as a Committee, identified what  
business as usual is? In other words, the things that must happen, irrespective of the Government  
Work Plan?

230 **Deputy Prow:** Yes, I think the Committee for Home Affairs is in a very fortunate position in the  
sense that a lot of what we deliver for the public is done by independent statutory officials who are  
very much over their brief. So I think we are pretty much in tune with where ... around building  
budgets and building budgets around delivery. That does not mean to say there are not challenges  
there. That is, as I tried to stress in my previous answers, there are challenges delivering what we  
235 need to deliver against the very tight budgets that we have and the resources allocated. But that is  
the challenge that the Committee is prepared for and I believe one of the duties of Government is  
to provide efficacy to deliver.

If circumstances prevail that our budgets simply are not enough to deliver a safe secure  
environment, then we would need to put our hands up and say so, and I think that that is the  
approach. Perhaps I would reiterate we have independent operational services, and they report to,  
240 not only the Committee, but they do report to the Committee on an annual basis, but they do report  
on a regular basis. If they are seeing pressures in budgets, I would be massively surprised if they did  
not come to us very quickly and tell us, and that is the barometer; that is how I think the Committee  
will approach it. I would imagine, particularly Committees like Health & Social Care, are going to  
find themselves, in that delivery sense, in a similar position.

245 **Deputy Fairclough:** Yes, because it strikes me that with the importance of your mandate, the  
fact that you are having to deal with COVID, Brexit, a number of other things, the top two priorities  
if you like, ahead of that third workstream which is going to be the Government Work Plan, that if  
you are going to be wanting to deliver against some of these workstreams you are almost certainly  
250 going to need some more resources.

**Deputy Prow:** I absolutely agree with you. You mentioned the COVID response, you mentioned  
Brexit, and you are absolutely right to do so, because they are enormous budget pressures, both  
cost and resource. But at least we have identified them, hopefully, adequately in the Government  
255 Work Plan. But there is a realisation that, I think, that the business as usual for Home Affairs and  
trying to deliver what we deliver against the budget that we are given, has got to be an absolute  
priority. The fact that the Government Work Plan is not really articulated in that way, and there is  
an assumption around business as usual, that is the reality of where we are.

But you mention our response to COVID and the additional stuff that we had to do and continue  
260 to do, and Brexit is a massive piece of work. It is very complicated, complex, it is legislative, it needs  
subject-matter experts, it also needs to liaise with the UK around our customs partnership which is  
all part of the deal that the UK and the EU did. But that is mentioned and has a place within the  
Government Work Plan and that needs the additional resource, so make sure that the business as  
usual stuff gets done and is delivered.

265 **Deputy Fairclough:** Have you – just finally, from me, on the Government Work Plan – estimated  
what you might need in terms of extra resources? I know that there have been discussions at officer  
level about the Government Work Plan and what extra resources might be needed to deliver on the  
priorities you have identified.

270 **Deputy Prow:** The difficulty with that is in the timescale of the Government Work Plan, one of  
the jobs that we need to do as part of the Government Work Plan is to scope a lot of these things.  
But you are right, at officer level, depending on ... to varying degrees in the subject matter, yes we  
have scoped out the cost. There should not be any great surprises for Policy & Resources around  
275 the sort of resource that is needed. What I am saying is there has not been time, or actually the



resource, to properly scope out finally what the costs are. That is the nature of the Government Work Plan.

**Deputy Fairclough:** Okay. Thank you.

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**The Chair:** Do you have any more questions on the Government Work Plan, or do you want to move on to justice?

**Deputy Fairclough:** Do you want to move on to justice now?

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**Deputy Dyke:** Can I ask a question?

**The Chair:** Oh, yes, absolutely, John.

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**Deputy Dyke:** Deputy Prow, good morning. Can I ask you one question? Looking at this in a slightly different way, in going through your budgets and comparing what you need, have you actually found any line item savings that you can make within your Department or the entities within it?

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**Deputy Prow:** The answer to that is what happens in the budget-building process is that there is a lot of discussion with the operational delivery end and the Committee makes it absolutely clear to the services, if there are savings that can be made, that they shall be made. But I think the reality is the demand on all the Home Affairs services does not diminish, it increases, yet the budgets do not increase except through inflation. So I would say this, and I am sure most other Committees will say this and I am sure Scrutiny will always continue to challenge, but the margins are extremely tight. The demands always increase. And I am not just talking about COVID and the pressures of Brexit. Just the general demands and expectations of the public, which are rightly very high, particularly around safety and security.

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So I suppose the best reassurance I can give you is that in budget building, the Committee *for* Home Affairs does make that consideration, but I would suggest that the opportunities are negligible.

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**Deputy Dyke:** Right, thank you.

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**The Chair:** Thank you.

**Deputy Fairclough:** Deputy Prow, we would like to move on to focus on justice policy, if we may, and in your update statement to the Assembly in February, four months ago now, you said that:

I recognise that many in this Assembly are looking with interest at how Home Affairs will progress the work and opportunities that were highlighted by the Justice Review. The starting point for the Committee is to assess and prioritise the numerous work packages that sit firmly under justice policy, it believes that this should ... [encompass] the work contained within the domestic abuse strategy.

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Have you achieved that as a Committee?

**Deputy Prow:** Well, the answer to that is what the Committee has done is highlighted this as a priority in the Government Work Plan, because I think one of the messages I would like to get across to States' Members in particular is that the whole justice piece is massive.

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If you take the Report that was done towards the end of last term, and actually submitted to the States as a Rule 17(9) Report that was subject to a sursis. What I thought was actually an excellent Report, which is the Guernsey Justice Review Final Report which was done by Gemma Buckland. It

is a massive piece of work. I have it here in front of me and it comes up with 43 recommendations. It is a *huge* piece of work. It would need resources, those resources would need to be scoped, and, importantly, it will need to be prioritised. There is no way that we, even in the full term, will be able to deliver all its 43 recommendations.

**Deputy Fairclough:** I appreciate that, Deputy Prow, but my question was you said four months ago that your Committee was going to assess and prioritise the numerous work packages that sit firmly under justice policy, and my question was have you, as a Committee, achieved that?

**Deputy Prow:** No, and I do not think it is a reasonable expectation for us to do that for the reasons that I have just said. It is a massive piece of work and it will need resource to do justice to the question that you have just asked me. That is why we have made it an absolute priority for this Committee to deliver and that is why it appears in the Government Work Plan.

Yes, the Committee have considered all the implications, particularly, actually, around the domestic abuse aspirations the Committee have, and some quite detailed costings have gone on. But that is just one segment of it.

You have got to look at justice in the round, and –

**Deputy Fairclough:** Could I just stop you there... Deputy Burford just wanted to come in –

**The Chair:** Yes, the point I wanted to pick up on this was that when you gave your speech last October, in your pitch for the role of President of Home Affairs, you said that you were driven now:

... to engage in the development of a key work stream, [namely] to produce a justice policy letter to come before this Assembly as soon as practically possible.

So I just wonder, we know that the date on the Sursis was for it to return by December 2022, so in say 18 months' time from now, you wanted it as soon as practically possible, maybe even before that, possibly. Do you feel confident that at the very least you will be able to bring that policy letter to the Assembly by December 2022?

**Deputy Prow:** I certainly hope that we can, but of course when I said that in that position in the States, the methodology of how that was needed to be delivered was not clear. It is much clearer now because we have got a Government Work Plan. Without banging on about where we are with the Government Work Plan, because you have asked me questions on that. But in order to deliver a proper, rounded justice review and come back to the States with something tangible, something achievable, in itself is going to take resource.

I think the best way I can answer that is there a determination by the Committee to deliver on this. We understand this is a piece of work that was started in the last term that needs to be completed. We need tangible initiatives that the States' Members can consider and agree. But please do not underestimate the enormity of the task.

**Deputy Fairclough:** Deputy Prow, I think it is important to say that I do not think that we underestimate the importance of it –

**Deputy Prow:** I was not suggesting you did.

**Deputy Fairclough:** But the question I would ask you is whether this is the top priority for the Committee *for* Home Affairs?

**Deputy Prow:** It is a top priority.

**Deputy Fairclough:** But not *the* top priority?

375 **Deputy Prow:** I do not particularly want to rank our priorities one to four or one to five. What I would say is that the Committee for Home Affairs realises this is a hugely important outstanding piece of work, and is committed, along with its other priorities, to do its very best to deliver. Around what resources we are given through the Government Work Plan, with whatever limitations we have to put on it by reprioritising around the 43 recommendations, I do not think ranking any of them one to four ... If you ask me around economic crime, we have got a MONEYVAL review in 2023. That has got to be a priority. They are all important.

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**Deputy Fairclough:** I understand that, and we will come on to that. **(The Chair:** Deputy Oliver.) Deputy Oliver wanted to ...

**Deputy Oliver:** Thank you.

385 Deputy Prow, do you think that, the new Committee, the Sursis hindered any of the work on the justice review?

390 **Deputy Prow:** I am not sure, as a Committee, we particularly approached it that way. I think that the Sursis is what it is, but if you are asking me, as a States' Deputy, I think it has hindered, and I actually think that debate in the States was not a good debate, it was not a rounded debate. I am sure possibly as Members of Scrutiny you have looked at the *Hansard* record of that debate. In my, this is my own, humble opinion, it was not the greatest debate that I have listened to in the States, and it certainly was not rounded. It certainly did not come away, well, I did not come away, out of that particular debate really thinking that that Assembly had really got their heads around what this was all about. It seemed to delve into separate areas where various Deputies had – and it is their right to do so – things they wanted to develop. I think it would have been much more of a useful debate if the matters had been considered in the round.

395 It was the 2016 States where we took up from the last States a realisation that Home Affairs was perhaps just one subject and that justice should be added onto the remit, i.e. a realisation around specialist consideration. If you actually look at the sursis, which picked out from the Gemma Buckland's Report is the overarching aim of that Justice Report was ... I will just go through the main topics: 'Minimising the harm done to our community by crime' – massive stuff. 'Prioritising measures to address financial crime, border security and cybercrime' – massive stuff.

- Preventing the criminalisation of vulnerable people,
- Promoting diversion from the criminal justice system, and from formal criminal justice measures, wherever appropriate alternatives exist ...

All these things that were teased out.

- ... [Rehabilitation of] offenders and restoring the harm done by their actions,
- Reviewing sentencing law and outcomes, with a commitment to reform ... law governing appeals, in particular against criminal convictions,
- Reviewing the operation and oversight of the criminal justice system, and
- Establishing a "whole Island" approach to justice and the prevention of crime ...

405 That 'whole Island' approach, I think what is meant by that, and certainly the Committee's understanding of that, is approaching this in the same way as Health & Social Care's 'Partnership of Purpose', which is involving other States Committees, and indeed the third sector and so on and so forth.

410 So that is rather a long answer to your question, but I think we would have been better served, and this new Assembly would have been better served, by a more productive and rounded debate.

**Deputy Fairclough:** We know of course, and thank you for reminding us, what was in the Sursis. You voted against that of course, Deputy Leadbeater supported it, but I think what we were trying to get to was where your current Committee sits with regard to those extant resolutions and

415 whether or not indeed you intend to deliver on them. Will the justice review be completed this term?

**Deputy Prow:** Absolutely it will.

420 **The Chair:** Do you see a risk that if it is completed very late in the term then you will have a new Assembly in 2025 trying to implement it, and we have often seen that is where progress falls down?

**Deputy Prow:** That is an observation that I would not dispute. I have not come into this Scrutiny hearing to promote unrealistic expectations. What I am trying to do is to put fellow Deputies on notice that this is a huge piece of work.

425 What I am determined and I know that my Committee is determined to do, is that we will prioritise the task in front of us, we will use whatever resource we are given through the Government Work Plan, whether that is funding or whether it is additional resources, and we will come back to the Assembly with our best effort and that is really what I think at this moment in time I am prepared to commit to.

**The Chair:** Okay. Would you say that quite a few of the workstreams in the justice review would be in many ways spend-to-save initiatives? I say that because I think about the kind of measures that we could take to stop, for example, people becoming criminalised, going on a life of crime, to intervene in maybe drug abuse or whatever, there are so many different aspects that obviously you are well familiar with that I do not need to go into, which are often, when they are brought under the spotlight as individual things, shown that if we could actually make interventions that actually the cost to society and the cost to the taxpayer would be less in the long run? Do you think that there is an argument therefore, if you agree that is the case, that additional investment in order to find the resources to bring that justice review forward sooner rather than later would actually pay dividends in the long term?

**Deputy Prow:** Well, you have laid out the argument for that very powerfully, and I would not disagree. I spent the last term, under the presidency of Deputy Soulsby in Health & Social Care, and the fundamental principles you are talking about are those that underpin the Partnership of Purpose, and that again there needs to be a realisation that a lot of the work is not quick wins, which is the point you are making.

445 Yes, the arguments there are to convince, or try and convince that you are investing in a better world, to put it another way round. Of course, a lot of these things are easier to say and harder to deliver, but that does not mean that we should not try. I think in the financial constraints that we are in and the environment we are in we are going to have to work very hard to tease out those initiatives that we think will fly and those that frankly we will not invest in. But we are not at that stage at the moment, and I think the Committee is pretty open-minded about the process that we use.

455 But the bottom line is the fundamental principles that underpin the Health & Social Care Partnership of Purpose, which is working across the community, cross-committee and with the third sector and society generally, has got to be the rule of thumb.

**The Chair:** Okay, because you made – I will come to you in a minute, John, sorry – a point before that if you felt that there was a need for additional resources for one of your key services for vital matters that you would actually go to P&R and to the Assembly in order to make the cast iron case for that to be delivered. Do you not see that something as pivotal as the justice policy could well fall into that category where if you can deliver savings – and I understand they are not quick wins, but the sooner we start, the sooner we realise them – do you think there is a case, if the justice review is going to be such a large piece of work and you are under-resourced for it, to actually make the case for more resources for this particular crucial piece of work?

470 **Deputy Prow:** Yes. I think I am comforted by the approach that P&R has taken to this, which is basically saying that the short-term decisions we make around the Government Work Plan, they can be changed. We can go back to the Assembly. And if there are evidence-based submissions that we need to make, it is my expectation that that is going to be part of the process. I hope it is because we are at the start of a piece of work which is about we have had the advice, we have had the strategy, now we have got to roll our sleeves up and work out what we can deliver. I think what you are suggesting is where these are investments for the future, so you are spending money now to save money years down the road, I think there is a powerful argument, particularly, as I said, in the Partnership of Purpose, and as the justice review evolves.

475  
**The Chair:** Okay.  
Deputy Dyke.

480 **Deputy Dyke:** Deputy Prow, you read out part of that slightly vague Sursis and you mentioned the 53 recommendations – (**Deputy Prow:** Forty-three.) forty-three – and from what you said, as we stand now, given the workload you have already got, the entirety of that is unachievable.

485 Have you thought of turning the whole thing around, coming back to the States and pulling out of that four, five specific points and saying, ‘Will you the States approve us focusing on these things and leaving the rest for a later date?’? Is that a mechanism that you could use that will help you get the keys points done?

490 **Deputy Prow:** There are two parts of your question. Have the Committee thought about that? Yes, very much. We have very much thought about the enormity of it, we have very much thought about the need to prioritise it. That is where we will be putting resource in, in the first instance.

I think the best way to answer your question is when we come back to the States with a policy letter I do not think the States will expect us to be ... will have expected us to prioritise and say, ‘Look, with the resources we’ve got, with the time we have got, these are things that we think we can deliver, these other things are not going to be delivered either this term or within this particular phase.’

495 I think the word that we have used in Committee is an incremental process. So you come back to the States and you say, ‘Right, these are the priority things that we need to do’ – I think the domestic abuse agenda is reasonably clear, I think the sexual offences agenda is fairly clear – ‘these are the things that we can deliver and these are the timelines.’ But yes, I think honesty and transparency has got to be the way forward, and you say, ‘and these are things at this stage, where the Home Affairs is, we are not going to be able to deliver this term.’

500 So, it is a longwinded answer to your question, but I think, to answer your question, that’s got to be right.

505 **Deputy Dyke:** Thank you.

**The Chair:** Deputy Fairclough.

510 **Deputy Fairclough:** Deputy Prow, I am a little bit confused because I thought in a response to an earlier question from Deputy Oliver you said that the whole of this justice policy was going to be delivered, but I think what you have just said is that you are going to focus on elements of it. I understand that, I understand it is a massive piece of work, so is it one or the other? Are you going to complete all of the work within the justice policy this term or are you only going to complete elements of it?

515 **Deputy Prow:** Well, that is an interesting question, really, because it hits about setting a process. I would answer your question by saying last term, when we delivered the Partnership of Purpose to

520 the States, which was passed unanimously by that States, and rightly so – I think that was a very  
good day in the last States – there was no expectation that everything that is in the Partnership of  
Purpose would be delivered. What the commitment that I made in the answer, I think it was Deputy  
Oliver’s question, is the justice piece as we have laid it out in the Government Work Plan, we will  
come back with proposals to deliver it. Will that mean that everything will be delivered by the end  
of the term? That would be a totally unrealistic expectation.

525 So I hope I have clarified that, and if that was the impression I gave you, Deputy Fairclough, I  
apologise.

**Deputy Fairclough:** Thank you very –

530 **Deputy Prow:** That is not what I was saying. I thought I was being clear, obviously I was not.

**Deputy Fairclough:** No, thank you very much for clarifying that.

535 You have mentioned domestic abuse, you have mentioned the sexual offences, which other  
pieces, then, of the justice policy are you prioritising this term, given the fact that there are a number  
of other areas which have been highlighted recently in the public, certainly in the eight months of  
this term, some other key issues? What are going to be the priorities, then? Domestic abuse, sexual  
offences, anything else that you can tell us here today?

540 **Deputy Prow:** Yes. Well, I have used those examples for the very reason that you have  
mentioned, that there are areas that are in the public interest, there are opportunities for feedback  
from States’ Members. So we are very aware. But what I must make clear is that, and what I am  
trying to get over, the justice piece has got to be a rounded piece and that is where we need to do  
more work around the prioritisation. I do not particularly want, at this stage of where we are with  
the Government Work Plan, to be raising the expectations around individual areas.

545 If you look at our submission, that so far we have highlighted areas around domestic abuse, we  
have mentioned sexual offences, so they are clear and tangible things. The others need more work  
around prioritisation, and as soon as we are able, whether it is through statements in the States or  
through our media release, or through engagement with States’ Members, we will start to have an  
idea of our prioritisation and then we can share that and discuss it and get feedback. That is the  
550 reality of where we are.

**Deputy Fairclough:** Okay. One final question from me on the justice policy and it is around your  
working with other Committees. You have mentioned the approach that you are going to be taking  
and you likened it to the Health and Care partnership approach. So to what extent is your  
555 Committee concerned that you are going to have to, whether you like it or not, work with other  
Committees on key pieces of work and those might not necessarily be the priorities of those other  
Committees?

**Deputy Prow:** I think that is, if I may say so, an excellent question.

560 If you take the Committee for Health & Social Care, they are going to be a key partner. We have  
already engaged them, we have already had joint meetings. I have to say that those meetings have  
gone particularly well. Particularly in the sense that it is initial discussions and there, horrible  
expression, the devil is in the detail. But your question is a good one because it is absolutely right  
that if we are going to develop our justice system, and it is not that our justice system is broken,  
565 but it is recognised that it needs development. Home Affairs, in the same way as Health & Social  
Care, we cannot deliver it by ourselves. So we have got to engage with the partner Committees,  
which is probably every Committee, actually, in the States.

For example, if you talk about safety on the streets, the whole justice philosophy, looking after  
victims, it has got to be imbedded in how we build our buildings, how we use CCTV, how we develop  
570 our town. So the DPA, Environment & Infrastructure, there are partners there that we need to

engage with, and again I think it teases out the enormity of the work that we need to do, and Deputy Dyke's question around, when he said, 'You're not going to be able to do all that, are you?', no you are not, so you have to prioritise it. It is those discussions with Committees that we need to have to tease that out.

575 One thing I have learnt in this process: that there are some very detailed concentrations on certain areas that people perceive as being part of justice. Can you deliver everything to everybody? No, you cannot. But what you can do is you can engage with your partners and come up with a roadmap that we think we can deliver, and present it to the States and hopefully get the same sort of support that the States gave Health & Social Care with A Partnership of Purpose. That would be  
580 good.

**Deputy Fairclough:** Thank you.

**The Chair:** Okay. Thank you very much. I think we will take a brief comfort break. At the moment  
585 I think you need a break, Deputy Prow, as well, because you have been answering questions non-stop for nearly an hour.

So we will reconvene at 10 past 11. Thank you.

*The Committee adjourned at 10.58 a.m.  
and resumed its hearing at 11.09 a.m.*

**The Chair:** Okay, welcome back everybody, and welcome on to the Panel there of Mr Ruari Hardy, the Head of Law Enforcement, and Mr Colin Vaudin, the Strategic Lead for Digital, Communication and Transformation. I am pleased that is on that piece of paper!  
590

**Mr Vaudin:** I didn't write it! *(Laughter)*

**The Chair:** Okay. I would like to start this second half with some questions about ICT. Now, in  
595 2019, the HMIC report claimed that the ICT provision in Guernsey was amongst 'the worst we have seen.' Could you tell me, please, what has been achieved since then to insure this statement is no longer applicable in relation to Bailiwick Law Enforcement in 2021? I do not know if you want to hand over to Mr Hardy, or Deputy Prow, if you want to take that.

**Deputy Prow:** If I start off very briefly, and I think then I would very much like the Head of Law Enforcement to give the detail.  
600

The HMIC review was one that was commissioned by the then Home Affairs Committee of that term around the realisation that an inspection was long overdue of Law Enforcement. To the credit of that Committee at that time, they introduced, in the terms of reference, they basically gave HMIC  
605 a very wide remit to look into all the activity of Law Enforcement, and basically in the last term this Committee has inherited a work plan around not only the recommendations, but the delivery issues that the HMIC report highlighted.

ICT obviously got heavily criticised, and that is obviously a key element. So I think it is probably best that I ask the Head of Law Enforcement and the Strategic Lead for Digital, Communications and Transformation to really give the Scrutiny Committee an update of where we are.  
610

**The Chair:** Okay.  
Mr Hardy.

**Mr Hardy:** Good Morning. **(The Chair:** Good morning.)  
615

Information technology: it is the golden thread, really, across the services that we deliver, not only locally here in Guernsey but obviously our connectivity into for example the UK for information, intelligence and all those areas. Picking up on some of the issues before the Committee earlier, it is

620 about making the organisation as focused and as efficient as possible, and IT is one of the key mechanisms that we need to make the organisation function at its best. We have inherited a system that was not invested in and not improved for many years. So when HMIC visited us, they visited us at a time when it probably was in its worst place it could have been. I am very pleased to say that we work as closely as we can with our Strategic colleagues like Mr Vaudin to try and improve the services. However, there is a long way to go. (**The Chair:** Right.)

625 The infrastructure we have for example at Police Headquarters is still a very old system, an old network and it is a building that is not designed around the modern workplace. It is full of granite and asbestos and all those kinds of things, and to actually upgrade networks and put the correct systems into an old building like that, it really does not work. So that is something that we have highlighted, the actual buildings and facilities we work in, as well having to work on multi-sites  
630 across the jurisdiction. That all adds to some of the issues and challenges we face.

Another challenge we face is obviously the connectivity into some of the developments within the United Kingdom. So for example, there are various networks and big systems being designed for UK policing which we are working hard to ensure that we stay in those developments and those workstreams, because we do not want to see this jurisdiction fall behind or become of second-rate  
635 nature in terms of our connectivity into law enforcement on a national basis. So that is really important. (**The Chair:** Okay.)

So there are a number of workstreams across a whole host of areas, but in essence, and Mr Vaudin will be able to give the more technical situation, we are trying to improve the platform upon which all our systems work. Once that is improved, we will be able to see some of the  
640 improvements to front-line services that are so overdue and necessary to enable our organisation to move forward.

**The Chair:** Okay.

645 **Mr Vaudin:** Picking up from what the Chief Constable says, what we are investing in at the moment, and have been investing since 2019, are the must-haves. If you have must-haves, should-haves and would-like, the strategic things. So the replacement for the police radio system, TETRA, which will go online in Q4 of this year, the core intelligence systems, THEMIS, and accreditation to the Police National Database where all our intelligence comes from – those are the must-haves.

650 I think the real frustration for myself, and as most of you know I am an ex-serviceman, is a lot of these are the back office systems that the Chief Constable mentions, so therefore what the front-line police officer sees is less, and that is hugely frustrating for myself and I know for your front-line officers. In late 2019, myself and Mr Hardy met and put together what we called a 'front-line first' programme of work, and that had a whole host of programmes and smaller programmes focused  
655 on those front-line officers to run in parallel.

The honest position is two months later we were hit by COVID and the prioritisation was on COVID, Brexit, the General Election in October of last year and Revive and Thrive. One of the elements we do not talk about in terms of prioritisation is if something is prioritised something else is not, and a lot of that work was either put on hold, delayed or paused as a result. So while we  
660 focused on the must-haves and the new prioritisation given to us by the States.

I would like to pick up on one point that Mr Hardy raised. So these must-haves have been agreed with colleagues in Law Enforcement, is the fabric of the Police Headquarters building. I make this as a technical observation, not as a policy observation. We are investing, we had run a programme last year or the year before called Operation Rockpool which was updating some of the systems within  
665 Police Headquarters and we are now spending another half a million pounds upgrading more systems within Police Headquarters. It will only take us so far. Mr Hardy mentioned it is a 200-year-old ex-hospital building with metre-thick granite walls and asbestos. There are laws of physics. So we will improve that building as much as we can, but from an engineering point of view there comes a point where multi-sites and the fabric of the building, a purpose-built police headquarters, if you



670 want to take advantage of technology which will come in the future, is going to be needed from an engineering point of view.

**The Chair:** Okay, I see. So it would seem clear then from your responses and what Deputy Prow said that the verdict of the HMIC Report did not come as a surprise to anyone. But more importantly  
675 do you consider that your day-to-day policing activities are still hampered by poor ICT provision today?

**Mr Hardy:** I would not use the word 'hampered'. Obviously we would potentially be able to achieve some efficiencies in terms of operational capability. So for example mobile data for front-  
680 line police officers would potentially mean that they could go to incidents, deal with members of our community, and deal with an incident out within the community by using mobile data. Unfortunately they have to come back into Police Headquarters to use the computer systems that we require for investigations and recording, for example, allegations of crime.

So I think picking up one of the points raised by Deputy Dyke earlier, what efficiencies can be  
685 identified, when we get the systems we should have in terms of modern-day systems there will be efficiencies there to allow our officers and staff to be far more effective in what they do.

**The Chair:** Right. And is that currently budgeted for?

**Mr Hardy:** That is another issue because the budgets that we had as Law Enforcement were  
690 submitted across to the transformation around Agilisys and when it comes to major new projects or projects where you are seeking to improve, we have to make business case to try and get funding to enable those projects to take place. So we have no funding within our gift that we can invest into upgrading and improving. We have to go through business case, through Government, and then  
695 seek the authority for those monies to do that work.

So it is a process for us, as an operational service, which sucks in more of our effort to try and make progress.

**The Chair:** Does that come from – just for clarity – central funding if that is approved or does  
700 that come through the Home budget?

**Mr Vaudin:** It comes from central funding. (**The Chair:** Right, okay.) So, there is an IT minor capital vote which the States has voted through, (**The Chair:** Right.) which provides ... it is not small  
705 scale, because it is still substantive amounts of money for BAU upgrade services across the entirety of Government. So of course we are making those prioritisation decisions of is it service for Law Enforcement or is it a service in Health & Social Care? Is a system upgrade in planning, in other areas of that sort of nature?

So yes, we have pulled the money to try and generate maximum resource. We are spending a lot of public money in Law Enforcement. TETRA is £1.8 million, the THEMIS upgrade is half a million  
710 pounds, as I said. So the scale of the money being spent on Law Enforcement is more than just the budget that was transferred and is part of the move towards mobile data and digitisation, aligning with the national enablement programme, which was not identified at the point we went into the partnership with Agilisys. We are spending part of the underspend from one of the data centre bills, £650,000, on providing Office 365 into Law Enforcement.

715 So once again, we are in the situation of, could we do more? Absolutely. But when we go down the shoulds, coulds and would-like-tos, actually we are spending more money but there is always more to do.

**The Chair:** But presumably you will get to ... I know it is constantly evolving and changing, but  
720 there must be a point where you get to what you feel is an effective and updated system in place that then can go forward in that new thing, and it does not sound to me from what you are saying

that you are quite at that point yet. Can you give me an idea when you think you will arrive at that point in terms of time?

725 **Mr Hardy:** It is a very good question and I think in terms of stabilising the networks we are of the impression that by the end of 2021 the new server platform upon which that work can then begin should be in place. So into 2022, having stabilised how we keep our data in a way that makes it far more manageable, we can then start doing the other projects around that.

730 One of the key things that we do not have necessarily the control we need is some of the external influences that require us to update information technology. So for example, Brexit, which very much forms part of the Government Work Plan. There are a number of key workstreams, particularly in the area of Customs & Excise and Immigration which we are having to upgrade at very short notice with the UK to enable some of the key functionality that our communities would expect to be maintained.

735 For example, as Colin said, when you have a certain amount of resource, when certain other things come up at short notice that have to be done, again, at quite short notice, it makes that bid for resources really quite complex.

**The Chair:** Right, I see.

740 Do any of the other Panel Members have any questions on this particular area?

**Deputy Fairclough:** I would just like to pick up on what you just said there, Mr Hardy, and I understand the need for you to update technology given some of the challenges that we are facing that are out of our control, but obviously these are essential to meet operational needs. But you said the process for applying for those resources is quite complex. Could you just elaborate on that?

750 **Mr Hardy:** Well, yes. Obviously there are pressures across the States of Guernsey. We are one of the key service delivery partners, but as are others such as Education and Health, and we have to accept that there are other States Departments who do as valuable work as Law Enforcement who are bidding for a certain amount of resource. So it is for us to make sure that we apply in the most constructive way possible to try and get what we need to deliver the services we need to deliver, but we are competing against other Government Departments.

755 **Deputy Fairclough:** And how ... not how easily, but I am trying to get an understanding of how complex that process is to bid for those resources.

760 **Mr Hardy:** In terms of making written business cases for what the functionality we seek to do, from a Law Enforcement perspective that is relatively simple, but it is when you then have to buy into the technical issues that are required to make these systems actually work on our pre-existing infrastructure. That is when I think Colin, and your colleagues, (**Mr Vaudin:** Yes.) become more involved in it, because obviously our professional focus is on Law Enforcement and the work that we do, when it comes to delivering those issues we seek the guidance of those who have those skills.

765 **Mr Vaudin:** And I think, just to support that position, I would not want it to be positioned just as a function of money: this is a function of people and resources and skilled engineers. Once again, I regret it, but I would not change my mind on what we did, we had to allocate some of our technical resources specifically to COVID response. So effectively the IT lead who predominantly supported Home Affairs and Bailiwick Law Enforcement has been the technical lead on building things like travel tracker, the vaccine centre and things of that sort of nature, and in the last year we had to make those types of decisions.

770 As we, and of course we are still in the COVID area, personnel speaking, about currently is working on the COVID certification letters which we will need obviously and will go live in paper

775 form 18th June and in a digital version on 1st July. As we come off the back of COVID, and hopefully we get a little bit more stability, we will be reallocating resources back into these areas. We are identifying an officer at the moment to go into Bailiwick Law Enforcement to pull all these various disparate programmes together and provide that support for Bailiwick Law Enforcement colleagues to get them through these processes.

780 Now, of course, processes are not just there just to be red tape. They are to provide value for money, risk assurance, things of this sort of nature, but I think what Mr Hardy quite clearly says is in the same way as writing a policy letter, there is a bit of a skill to these things, and actually we need to provide the resources to Mr Hardy, who at the moment ... those resources at the moment and have been for the majority of 20 ... 2020 – I forgot my years then, my apologies, for a second – have been allocated and reprioritised, in accordance with Government policy, into COVID response.

785

**The Chair:** Okay. I think a final question on this particular topic, then, it is just to clarify is all the work that is being done on this, where ICT is concerned, being done by Agilisys?

**Mr Vaudin:** No.

790

**Mr Hardy:** No.

**The Chair:** No.

795 **Mr Vaudin:** Agilisys and what is called the Future Digital Services contract, provide the core infrastructure and some of the core elements. So the physical devices, the infrastructure, the Wi-Fi box in the corner of this room. A lot of the systems we are talking about in Bailiwick Law Enforcement are specialist systems. So THERMIS is provided by a specialist third-party supplier, TETRA is provided by a specialist third-party supplier.

800

So the infrastructure on which these things sit is provided through the Future Digital Services contract, the applications are specialist and from other, different third-party suppliers.

**Mr Hardy:** And just very quickly on that, sorry, (**Mr Vaudin:** Yes.) just to say that some of them we seek best value by sharing with other Crown Dependencies. (**Mr Vaudin:** Yes.) (**The Chair:** Okay.)  
805 So for example some of the developments around Brexit we are sharing with our colleagues in the Isle of Man and Jersey, and that really does provide the best value for money that we can get on some of the projects.

**The Chair:** Okay, thank you.

810

I think now, moving on to the next topic, Deputy Oliver has some questions on financial crime/MONEYVAL. (**Deputy Oliver:** Yes.)

Thank you.

**Deputy Oliver:** Deputy Prow stated, in this update statement that the States Assembly on 1st  
815 February 2021:

We quickly recognised the importance of leading and providing strategic direction to ensure [that] we are prepared for the 2023 MONEYVAL inspection. We have appointed a key senior ... [staff] who will be instrumental in delivering this work.

Briefly, what action is currently being undertaken by the Committee in preparation for the forthcoming MONEYVAL review due in 2023? (**Deputy Prow:** Thank you –)

I do not mind if Deputy Prow or if Mr Kevin Davis steps in.

**Deputy Prow:** With your permission, President, again if I –

820

**The Chair:** By all means.

**Deputy Prow:** – kick off and I will then get Mr Kevin Davis who is our Director of the Economic & Financial Crime Bureau to give the detail.

825

Thank you for the question, because I think that the first thing I should say is that what the new Committee, this Committee, realised was that a huge amount of work had been done around scoping the needs and the initiatives that we needed to ensure that we upgraded and developed our economic crime capability, and that started in the last term. Indeed, a considerable sum of money was allocated and remains allocated to financial crime from the last Committee.

830

So what we have done is we have looked at the evidence that was put before us. As I say, some of that research was done by the previous Committee. We looked at the IMF evaluation of 2010, we looked at the last MONEYVAL inspection, which was 2013, and we took, at an operational level, advice. We looked at what other jurisdictions do and how they tackle financial crime, and basically we have taken that work in full consultation with Policy & Resources and we have developed and now launched, under the leadership of Mr Kevin Davis, who is an extremely experienced senior investigator, white collar crime, and in money laundering and confiscation of criminal assets.

835

So we have developed a framework and we have set up a standalone Bureau which will work hand in glove with Law Enforcement, when it takes executive action under the superintendence of Law Enforcement, and will, we believe, put us in an extremely good place *vis-à-vis* the MONEYVAL inspection.

840

Just think one thing I will say, teasing out of the questions I have been asked in the Assembly, what we are talking about here is over and above the regulatory response. MONEYVAL makes demands around the FATF recommendations, around regulation, around legislation. But it also requires jurisdictions, particularly jurisdictions with large financial centres, to be active in investigating money laundering, a lot of which is an international crime, and to be very active around the confiscation of the proceeds of crime. This is very specialist, complex work.

845

What we have put in place and, as I say, now under the leadership of Kevin Davis, is what I believe, and the Committee believe, is a fit-for-purpose Bureau to progress and develop our capability. As I say, the funding was agreed last term and the present P&R, we are working very closely with them, are supporting those initiatives.

850

Around the more detailed response of exactly what that means on the ground I would ask Mr Kevin Davis to respond.

**Mr Davis:** Thank you, Deputy Prow.

855

**The Chair:** Thank you, and welcome to your, I think more or less first day in the new role is it?

**Mr Davis:** Not quite the first day, *(Laughter)* but not far off of it, yes. Thank you.

860

So as Deputy Prow mentioned, Guernsey as a financial centre is very well regulated and you have got three tiers in terms of dealing with effectively money laundering, for example. One is self-regulation by the financial sector itself, then there is the regulatory overview that is provided by the Commission here, and the third tier really is the enforcement response, so we show the more nefarious wrongdoers around financial crime. It is that element that the Bureau will actually focus on, because whilst regulatory compliance is very strong, there has been less emphasis in relation to the key threats around the money-laundering space that face the Island of Guernsey, and that is the international threat, that international crime where the money has come through Guernsey as a financial centre, some of it stays here, some of it passes through, and actually it is looking at that particular sector and bringing wrongdoers to account where we are very poor, to be perfectly frank, and that is something we need to improve prior to the MONEYVAL inspection back in 2023.

865

870 **Deputy Oliver:** Thank you.

Because I am sure you have got various ideas, Mr Davis, of how the Department can actually be improved, and you said that it is quite poor on various areas, have you actually got funding to proceed with your various ideas that you need to continue to make the Department better and what are those ideas that you have got to improve it?

875

**Mr Davis:** Okay. So before I arrived back in January funding had already been ring-fenced through various Committees, Committee for Home Affairs and P&R, to provide the response there. I have since looked at what the response is in terms of what we need to put Guernsey in a good place, and there is some additional monies that I have asked for and which has been agreed by the Committee for Home Affairs, and that is being considered by P&R at the moment.

880

In terms of the actual Department itself, when you look at financial crime, as Deputy Prow said, it is actually a very specialist area. This is not just a matter for Law Enforcement officers. The Bureau will comprise of an eclectic blend of professionals, some of which will be Law Enforcement officers, some will be specialist, for example, like forensic accountants, lawyers and banking specialists, because it is really important to actually understand how international banking works, the money flows and in particular how it works for the Island of Guernsey.

885

**Deputy Oliver:** So, I get that, but we have got ... I know Gibraltar is looking for their MONEYVAL, and I believe also Jersey. In a competing market, do you think that you will be able to get those staff of that calibre that you need?

890

**Mr Davis:** That is a really good question. One of the biggest challenges is around recruitment and retention. Having said that, there is a lot of interest from the financial sector here on Island. I do not profess that I will be able to do recruit everybody on Island. It is plain that some of the specialists that I require will have to be recruited off Island and that brings about its own challenges, particularly around retention.

895

**Deputy Oliver:** Okay.

And just another one, what concerns do Home Affairs have currently regarding the forthcoming MONEYVAL review, and is the Committee confident that Guernsey should remain in a positive outcomes from this review?

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**Deputy Prow:** Perhaps I should answer that as I think it was directed politically. What I would say is that inspections against the 40 Recommendations are not new and I did allude to them in answer to your first question.

905

So we have had an IMF inspection and we have had a MONEYVAL inspection. I think previous inspections have more concentrated on our regulatory regime and our legislative regime, but I think, as Mr Davis has already said, the excellent work with the Financial Services Commission means that we are a well-regulated sector, and certainly with the legislation you will see over the years in the Billets that we regularly update our legislation.

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I think what MONEYVAL are more concentrating on, and our experience looking at other reviews globally, is around effectiveness, and this is where Law Enforcement have got to show that they are effectively putting before the courts those criminals that are conducting money laundering, and that we are making a decent effort to confiscate the proceeds of crime. As Mr Davis has said, okay, a lot of this is international crime, but MONEYVAL do not take that as an excuse. They expect you to be liaising and working with partners internationally to put people before the courts even if they are not in your jurisdiction, and also to look at those people within your jurisdiction that are facilitating financial crime. Yes, we have looked at the resource and the decision has been made looking at the evidence and the advice that the previous Committee and this Committee have looked at and it does need developing and upskilling, and that is precisely what we are going to do.

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925 The MONEYVAL inspection will be what it will be. All I will say, supported 100% by the  
Committee, is that I have every confidence in Law Enforcement generally and certainly the Bureau  
as it is now constituted will work hard in recruiting the talent that we need and that we will find  
ourselves in a place that MONEYVAL will find us to be compliant. That is very much our hope.  
Obviously the MONEYVAL inspection is entirely independent and their findings will be their findings.  
But I would reassure this hearing that we are certainly ... we have secured the funding and we are  
progressing in the right direction. I very much hope that and I think we will get credit for identifying  
that perhaps we needed to look at our structures and perhaps that we were right to develop where  
930 we were.

**Deputy Fairclough:** Sorry, just one quick one. This is a question for either Deputy Prow or  
Mr Davis. There has been a lot of talk about the funding for the Economic and Financial Crime  
Bureau. Can you tell us how much that is costing and the structure of the Bureau, please; how it is  
935 going to be resourced?

**Deputy Prow:** With regard to the financing, £1 million was allocated last term and has been  
carried forward for Law Enforcement. I think from memory £350,000 was allocated to the Law  
Officers of the Crown.

940 In the framework and the structure that we have put together, which Mr Davis will outline, we  
have combined that money and combined the structure to get the best effect for that money.

There is some other restructuring that we need to do, which will be smaller amounts of money  
and we have made a business case for Policy & Resources for that.

945 **Deputy Fairclough:** So the £1.35 million, how long is that for?

**Deputy Prow:** That is the amount that is required to set up the Bureau. There is a commitment  
and work being done to ring-fence the actual continuation funding of the Bureau. So that is a work  
in process. So some of that money is to be used for setting up the Bureau, but some of it will in fact  
950 be recurring cost. If I could ask Mr Davis to outline some of the detail of the restructure that might  
help in answer to the question.

**Mr Davis:** So the Bureau itself is, I think it was alluded to earlier on, it will be working with the  
Chief Officer, but actually very much focused on its principle mandate, which is really money  
955 laundering and the recovery of criminal assets. To be able to do that, you need quite specialist staff.  
Unfortunately, they do not come cheap – it is as simple as that. But having said that, I am very  
confident that we can get value for money for the taxpayer here in terms of both the number of  
people we need to recruit, and also the degree of specialist skills that are actually required.

The idea really is to get, where I can, as many people on Island to be able to do that. Fortunately  
960 we have got a very large financial sector here which I would like to be able to draw from. It is a  
challenge because obviously the public rates of pay do not really equate with the same sort of pay  
that is paid within the private sector. Having said that, a lot of people have reached out to me within  
the private sector here expressed a real desire and interest to actually come to work for the Bureau,  
notwithstanding different rates of pay, for example.

965 **Deputy Fairclough:** And how many staff are you looking for, Mr Davis?

**Mr Davis:** So the Bureau itself will be around about 50 people, but having said that, that –

970 **Deputy Dyke:** Five zero or ...?

**Mr Davis:** Five zero. Okay. But that also incorporates what is currently called the Financial  
Intelligence Service (FIS). So, the Financial Intelligence Service, which is the competent authority for

975 Suspicious Activity Reports (SARs) here on the Island will be subsumed into the Bureau, and so that number of 50 incorporates the number ... pre-existing staff within the FIS.

**Deputy Fairclough:** Is it envisaged that this Bureau will continue beyond the MONEYVAL inspection?

980 **Mr Davis:** Yes, it is. That is my understanding, yes.

**Deputy Fairclough:** Okay. So I suppose what I am driving at are the ongoing costs of this. (Mr Davis: Yes.) Fifty people, obviously you have talked about them being well-qualified professional people, presumably well-paid people. I am just trying to get an understanding of the ongoing cost here.

**Mr Davis:** Well, when I said well paid, obviously they are commensurate to public pay rates. (Laughter) (Deputy Fairclough: Understood. Yes.) Obviously, the threat that Guernsey faces does not go away after the MONEYVAL inspection.

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**Deputy Fairclough:** Okay. Thank you for that. I am conscious of time. I just want to ask one final question, and that is the reporting from the Bureau. You have mentioned the relationship with the Police but who are the Bureau accountable to ultimately? Is it the political body, the Committee?

995 **Deputy Prow:** Yes, ultimately. In the same way as Law Enforcement is accountable to the Committee, the Bureau will be accountable.

Just perhaps to clarify the position on the finances which you are rightly pursuing, of course there is a business-as-usual cost around economic crime already. The money that I refer to is additional money to fund for additional posts. But there are Law Enforcement officers seconded into the financial crime effort now. So what we are talking about is that that funding is specifically around funding the additional posts that have been identified.

1000 One other source of funding, although there are caveats around how you can use that money, is the Seized Asset Fund. Particularly around one-off costs, if you have got a very large investigation which is putting pressure on business-as-usual budgets and for, let's say, IT initiatives, that is something that the Bureau could make a submission to the Seized Asset Fund for.

1005 So what we are doing is developing what our existing resources are, and Mr Davis has outlined we already have a Financial Intelligence Service. Okay. That is going to be restructured and there is a Law Enforcement capability around economic crime. What this is about is developing it so it is fit for purpose to be able to sustain a MONEYVAL inspection, and we believe, as a community jurisdiction, it is absolutely right that we rise to those challenges.

**The Chair:** Okay. Thank you, Deputy Prow. Did you have a question, Deputy Dyke?

1015 **Deputy Dyke:** Yes. I have a concern that what MONEYVAL is pushing us into, and perhaps you could comment, is a kind of quota mentality. Is that what we are looking at? We have got to get so many prosecutions and convictions? Especially given the large number of staff we have got involved. (Deputy Prow: I –) Is there a danger of drifting in that direction?

1020 **Deputy Prow:** No. This is nothing new. If you look at what the Financial Action Task Force recommendations require, they require an effective, tangible response to financial crime, and what they do expect is that you have the capability to be able to investigate and prosecute money launderers. But it is not on a quota basis, it is they do an evaluation to see whether your effort and the actual results are meeting their recommendations.

1025 So the inspection is very individual to the jurisdiction that they come and inspect, but clearly if they do not believe that what your capability is effective and, for example, if you were showing no prosecutions, no seizures or confiscation, clearly you are not going to pass a MONEYVAL evaluation. You have to demonstrate that you are effective and they are very meticulous about how they judge that. I think ...

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**Mr Hardy:** Yes, I would just make a point, if I may.

**The Chair:** Yes, please, and then we will move on to the next topic.

1035 **Mr Hardy:** The effectiveness regime, which will be inspected, the Isle of Man were one of the first regimes to actually come under this current round of inspection, and in essence what Guernsey is doing, I would say proactively, is what the Isle of Man were forced to do for fear of either being greylisted or blacklisted because they did not have in place the right structures in order to meet the inspection requirements around effectiveness.

1040 So I think the approach that Guernsey has taken is rather than just going with the status quo, waiting to get a really negative inspection, we are actually saying, well, that would be foolish. We are investing now, we are looking at where we have to change our approach to money laundering and those sorts of crimes, and the strategy is that when we are inspected the inspectors will see that Guernsey is genuinely trying to do the right thing around international money laundering and these kinds of criminality, rather than wait for a very poor inspection report.

1045

**The Chair:** Thank you very much.

As time is pressing on, I would like to move on to the next topic. Perhaps I could invite Ms Lajoie to come back to the seat. Thank you, Mr Davis, and thank you, Mr Hardy. (**A witness:** Thank you.)

1050 Thank you. I have got some very brief questions, hopefully, as time is getting on, on just a few points to clarify on the Domestic Abuse Strategy, and then I think after that Deputy Dyke has maybe one or two questions on population before we wrap up.

1055 So with the Domestic Abuse Strategy, as I understand it, the five-year term of the Domestic Abuse Strategy expired and the Strategy has been rolled over for one year. Could you please explain where the Committee is in the process of bringing a new five-year strategy to the States and when we can expect to see that policy letter?

**Deputy Prow:** Yes, thank you, I can kick off with answering that.

1060 I think your opening question around domestic abuse, that is the position. Where the Committee sits with domestic abuse is that we realise that ... call it the business-as-usual funding for domestic abuse is not sufficient and simply rolling that budget over will not really seek to deliver where we need to go.

1065 So I think where we see that the strategy wants to include is the provision of specialist domestic abuse services, including independent domestic violence advisory and outreach services, maintenance of the Sarnia perpetrator programme, additional support for Guernsey Child Contact Centre, enhanced training, education and public awareness campaigns, perpetrator work to cover the supervision of conditional domestic abuse protection orders, establishing a sexual assault referral centre and considering extending the strategy to incorporate domestic abuse and sexual violence strategy, and again the work that I have already described around the wider justice framework. And we have identified that that will have to be able to deliver those things that we have already identified out of the current strategy, really needs to increase. And what we have done through the Government Work Plan is to ask for that additional money, (**The Chair:** Yes.) to be allocated as business as usual, because that is what we think is the sensible way forward.

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1075 **The Chair:** Okay, if I can just jump in, because like I say, very conscious of time now, that assuming – I understand your answer, and thank you for that – and assuming that the money that



1080 you are seeking to bolster the business as usual money that is already in the strategy is forthcoming as part of the Government Work Plan, which we should know tomorrow, or at least after the debate in July, could you confirm then when we will see the policy letter come to the States on the enhanced domestic abuse strategy? (*Interjections by Ms Lajoie and Deputy Prow*)

Ms Lajoie, hello.

1085 **Ms Lajoie:** The Committee actually saw the draft policy letter before Christmas and the next iteration of the strategy. So it is essentially ready to go. We are having those conversations around (**The Chair:** Right, okay.) funding and how it feeds into the Government Work Plan. So I think certainly after the debate in July we will know how we need to tweak that policy letter, but it is essentially very ready to go.

1090 **The Chair:** Right, that is very reassuring, and I am pleased to hear that. I ask because I think in response to a question I asked Deputy Prow in the Assembly in February, after your update statement, you responded that the domestic abuse was actually going to go forward and form part of the wider justice review. So can I be reassured at this point that that is actually now not the case and that it will be coming as a separate, standalone policy letter very shortly?

1095 **Deputy Prow:** Certainly it will be dealt with separately. I think what we are saying is the wider implications of domestic abuse does fit within the justice strategy –

**The Chair:** Yes, I understand that.

1100 **Deputy Prow:** – that actually dealing with, rather than just rolling over the strategy as we have done, our specific recommendations, which we have laid out in the Government Work Plan, and I have just outlined, they will be dealt with separately, yes.

1105 **The Chair:** Okay. I do have more questions, but I am going to pass on because I am mindful of the time. So I am just going to pass over to Deputy Dyke, who I think wants to ask a few brief questions about population before we wrap up.

**Deputy Dyke:** Yes, thank you.

1110 Deputy Prow, you have announced a strategic review into the population management and immigration issue, could you briefly confirm how that is going, what the timing is, what aspects you are looking at, and then could I perhaps get granular on one point?

**Deputy Prow:** Yes, certainly.

1115 The Committee have already agreed to terms of reference around the review and certainly, again, this is a matter that we have dealt with as a priority and put it into the Government Work Plan because it is a wide-ranging review and it will need resources to develop it.

1120 So we have set terms of reference, what we need to do now is to see how that goes through the prioritisation with the Government Work Plan. Certainly we have started work around looking at what we can do in the interim around the policies that exist, and in fact we have done a great deal of work in that area. So, we are not waiting for the review to start, we are looking at what initiatives we can do because understand the pressures of the skill shortages and labour shortages, mainly exacerbated by the COVID situation, but also through Brexit.

1125 But one really useful initiative that we have done, particularly with our labour pressures on hospitality and care workers, is that unlike the UK and the rest of the Crown Dependencies, we are not embarking on a points-based system, which makes those skills shortages very difficult, if not impossible to recruit. What we have done is we have integrated our population management policies into our work permit immigration policies, with the agreement of the UK, which means that those people from the EU and EEA that were coming to service those industries can come, provided

1130 they get a visa – there is nothing we can do about that. If they get their entry visa they can come and work as they did before.

1135 So those are the sorts of initiatives that we are doing now. You rightly asked about the review. It will be wide-ranging, it will be root and branch and it will be again looking at making sure that we balance the pressure on services, pressure on housing, pressure on the Island with the needs of business. We are very fortunate to have Deputy Simon Vermeulen, who also sits on Economic Development, sitting on our Committee, who is very keen, as are the rest of the Committee, to ensure that we have a population management and an immigration regime that seeks to look after the needs of business. Where it needs to be reviewed, where it needs to be refined, where legislation needs to be looked at, that is a matter which we will properly considered in consultation with all the many stakeholders which are involved in that sphere of activity.

1140 **Deputy Dyke:** Thank you.

1145 I think you mentioned that you were looking at certain issues ahead of the general review. Would one of them be section 8 and the section that was changed in 2016-17, which considerably reduced the number of people that can live in an Open Market house, which has had various results? It is effectively, is my understanding, it has forced – in fact I know it has – quite a lot of people off of the Open Market onto the local market, which is not helped with our affordable housing crisis. It has reduced the Open Market as an economic enabler because the Open Market houses are slightly less useful than they were because you cannot use them as much and in certain quarters it has been raised as a human rights issue, because Open Market homeowners have had property rights taken away with no compensation at all.

1150 So are you looking at section 8 as a priority?

1155 **Deputy Prow:** My answer to that is that we are looking at everything in the round, and that is certainly an issue that we are aware of and that the issues that you raise will be considered as part of the review. I do not know if ...

1160 **Ms Lajoie:** Yes, I think certainly at officer level we have been made aware of those issues around property rights. Deputy Prow is correct, it is embedded in the terms of reference, that is a piece of work that is ongoing at the moment in terms of what is the impact and understanding that across the board.

So yes, that is potentially something that would be brought forward before the review. *(Interjection by Deputy Dyke)* It is also embedded in the review, absolutely, **(Deputy Dyke: Yes.)** but there is a piece of work ongoing acknowledging those issues.

1165 **Deputy Dyke:** It is worth picking out certain issues. I mean on Development & Planning, which we are both on, we have been focusing on small points we can pull out and deal with –

**Ms Lajoie:** Absolutely, and that is –

1170 **Deputy Dyke:** It is not a small point, but drafting wise it is a small point.

**The Chair:** Okay, right –

1175 **Ms Lajoie:** That is one of the key elements of the review, it is what can we do along the way before a final policy letter that reviews the whole regime, what policy changes or slight amendments can be delivered along that path.

**Deputy Dyke:** Right.

**The Chair:** Okay, I need to –

**Deputy Dyke:** Thank you very much.

1185 **The Chair:** – thank you – bring it to a halt now because we are just past midday. So, I would like to thank all the witnesses who have come forward and given of their valuable time to increase public understanding of the important work that the Committee *for* Home Affairs does.

So thank you all and thank you also to the public and to the media for attending. The Scrutiny Management Committee will hold regular public hearings like this approximately every six weeks or so, just so that the public can understand better the work that Government does.

So thank you everybody.

1190

**Deputy Prow:** Thank you for the opportunity.

*The Committee adjourned at 12.03 p.m.*