



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Wednesday, 25th June 2014

*All published Official Reports can be found on the
official States of Guernsey website www.gov.gg*

Volume 3, No. 16

ISSN 2049-8284

Present:

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

Law Officers

H. E. Roberts Esq., Q.C. (H.M. Procureur)

People's Deputies

St. Peter Port South

Deputies P. A. Harwood, J. Kuttelwascher, B. L. Brehaut,
R. Domaille, R. A. Jones

St. Peter Port North

Deputies M. K. Le Clerc, J. A. B. Gollop, P. A. Sherbourne,
R. Conder, M. J. Storey, E. G. Bebb, L. C. Queripel

St. Sampson

Deputies G. A. St Pier, K. A. Stewart, P. L. Gillson,
P. R. Le Pelley, S. J. Ogier, L. S. Trott

The Vale

Deputies M. J. Fallaize, D. B. Jones, L. B. Queripel, M. M. Lowe,
A. R. Le Lièvre, A. Spruce, G. M. Collins

The Castel

Deputies D. J. Duquemin, C. J. Green, M. H. Dorey,
B. J. E. Paint, J. P. Le Tocq, S. A. James, M. B. E., A. H. Adam

The West

Deputies R. A. Perrot, A. H. Brouard, A. M. Wilkie,
D. de G. De Lisle, Y. Burford, D. A. Inglis

The South-East

Deputies H. J. R. Soulsby, R. W. Sillars, P. A. Luxon,
M. G. O'Hara, F. W. Quin, M. P. J. Hadley

Representatives of the Island of Alderney

Alderney Representatives L. E. Jean and R. N. Harvey

The Clerk to the States of Deliberation

J. Torode, Esq. (H.M. Greffier) (Morning)
S. M. D. Ross, Esq. (H.M. Senior Deputy Greffier) (Afternoon)

Absent at the Evocation

Miss M. M. E. Pullum, Q.C. (H.M. Comptroller)
Deputy A. H. Langlois (absent de l'île)

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States of Deliberation

*The States met at 9.30 a.m. in the presence of
His Excellency Air Marshal Peter Walker C.B., C.B.E.
Lieutenant-Governor and Commander-in-Chief of the Bailiwick of Guernsey*

[THE DEPUTY BAILIFF *in the Chair*]

PRAYERS

The Greffier

EVOCATION

CONVOCATION

The Deputy Bailiff: Good Morning, your Excellency, and welcome to this sitting of the States of Deliberation.

5 **The Greffier:** To the Members of the States of the Island of Guernsey, I hereby give notice that a meeting of the States of Deliberation will be held at the Royal Court House on Wednesday 25th June 2014 at 9.30 a.m. to consider the items contained in Billets XII, XV and XVII which have been submitted for debate.

Welcome to Jonathan King, Deputy Clerk of Tynwald, Isle of Man and Year 6 pupils from Castel School

The Deputy Bailiff: Well, Members of the States, before we get on to the business of the day, a number of matters from me, please.

10 The first is to extend a welcome to Jonathan King who is sitting next to HM Greffier. He is the Deputy Clerk of Tynwald and has come to observe the start of our sitting today to see how well we do things. *(Laughter)*

It is important of course that we all learn from each other across the various Parliamentary Assemblies in the British Isles and further afield.

15 I would also like to welcome the pupils from Year 6 at the Castel School and we look forward to hearing your impressions of this meeting.

Commonwealth Parliamentary Association – Annual General Meeting

20 **The Deputy Bailiff:** Talking about parliamentary co-operation, there is a meeting of the Guernsey Branch – the Annual General Meeting – of the CPA, the Commonwealth Parliamentary Association, immediately following the conclusion of today's business. There will be a gap of 10 or 15 minutes only, depending on when we finish.

It is warm outside and therefore of my own motion I will give permission, if Members so wish, to remove their jackets.

**Congratulations on
Recovery of Investec Trophy
and to the Bailiff on Knighthood**

Members may notice that Deputy Lowe has in front of her a large cup! (*Interjections and Applause*) I have not even said what it is about yet. (*Laughter and interjections*)

It is my honour and privilege to congratulate those Members of this Assembly who were successful in recovering the cup from their counterparts in the Jersey Parliamentary Assembly earlier this month. So congratulations to all of you (*Applause*) ably captained by Deputy Lowe.

Deputy Lowe, if you have a few words to say.

Deputy Lowe: I do, sir. First of all, I thank you for the congratulations for us winning the Investec Trophy back. It was a great day and I am very proud of all the teams. So thank you very much.

The reason I stand, sir, is that on 14th June HM The Queen announced her Birthday Honours List and it was a great delight to Members of this Assembly and indeed to the community, to hear that our Bailiff had received a knighthood. (**Members:** Hear, hear.) A much well-deserved honour for him and we would like you, sir, if you would not mind, to pass on the congratulations to him on behalf of the Members of the Assembly.

Thank you. (**Members:** Hear, hear.) (*Applause*)

The Deputy Bailiff: Thank you, Deputy Lowe. I will certainly pass those congratulations on to Sir Richard. I know he is looking forward to being back in the Chair for your next meeting starting on 8th July.

STATEMENTS

**Update on Decompression Chamber (Hyperbaric Services) for Guernsey –
Statement by the Chief Minister**

The Deputy Bailiff: So we move on to the first formal items of business and those are Statements. I call upon the Chief Minister to make a Statement.

The Chief Minister (Deputy Le Tocq): Thank you, sir.

Deputy Hadley and other Members of the States have raised with me a number of concerns about the de-commissioning of the Island recompression chamber and the implications that this would have for professional and recreational divers.

We agreed that the best way to address these concerns was for me to make a statement in the Assembly and I am grateful to you, sir, for affording me the opportunity to do so.

The first thing to say is that, until its withdrawal very recently, this service has been provided on an entirely voluntary basis by the St John Ambulance Service and not by any States' Department. However, where a service of public importance is withdrawn, it is incumbent on the States to establish what steps are being taken to establish whether that service is still required and if so what arrangements are being made to re-provide that service.

I am therefore pleased to inform Members that the provision of a fit-for-purpose hyperbaric service has for some time been the focus of cross-departmental discussions which are now at an advanced stage. Indeed, the Health and Social Services Department, Public Services Department, Commerce and Employment Department and Treasury and Resources Department have been working closely together and with counterparts in Jersey to ensure that arrangements are in place to safeguard the health and safety of divers in our waters.

Sir, if I may briefly provide the Assembly with some background information and summarise the present situation? I am told, of the thousands of dives around Guernsey and Alderney each year, there have been very few incidences of decompression sickness with the result that St John's Recompression Chamber has been used only eight times in the last three years.

On each occasion this was to treat a recreational diver. However, it is medical opinion accepted by the Health and Social Services Department that each of these patients could equally have been transferred off Island for treatment.

With this in mind, following due consideration, the Professional Guidance Committee of HSSD reached the conclusion, on medical grounds, that access to a decompression chamber in Jersey would be adequate. Accordingly, for recreational divers and divers issued with a permit by Guernsey Harbours, arrangements have been put in place for patients suffering from decompression sickness to be transferred to Jersey for treatment at the Jersey Hyperbaric Treatment Centre.

Notwithstanding these arrangements, an options appraisal is currently being prepared by the Health and Social Services Department together with the Public Services Department to look at the best way to provide the hyperbaric service in the future.

One of these options will be an on-Island service. In its co-ordinating role, the Policy Council will liaise with all interested parties to decide who is best placed to make the necessary policy decisions or what options to adopt. In the meantime the Health and Social Services Department will ensure that there is a safe pathway of care for people with decompression sickness.

On a related matter, sir, some concern has been expressed about restrictions in diving in Guernsey Harbours and beyond. Again, if I may summarise the position for the Assembly, under the Harbours Ordinance 1988, diving within both St Peter Port and St Sampson's harbours is prohibited unless permitted by the Harbour Master. Prior to the recent issue surrounding the lack of an on-Island recompression facility, Guernsey Harbours had already been considering a dive permit system to ensure appropriate safety measures were in place for diving within the harbours. Permits to dive will be required going forward regardless of the availability of recompression facilities either on or off Island.

Furthermore, since 1999 Guernsey has adopted the approved code of practice for commercial diving, which provides guidance for the necessary protection of all involved in diving projects conducted in support of civil engineering or marine-related projects and fish farming.

Applying this code of practice in the light of the closure of St John's recompression facility has resulted in some disruption of the activities of the commercial diving companies in relation to deeper water diving outside the harbours, which all interested parties are working hard to minimise.

So, to sum up, it is recognised by all concerned that safety in Guernsey waters is an important matter, both recreationally and commercially, and therefore all parties concerned will be continuing to work to resolve the current issues as speedily as possible.

Thank you.

The Deputy Bailiff: Deputy Hadley.

Deputy Hadley: Mr Deputy Bailiff.

Is the Minister aware that in fact his prompt action in this issue has meant that commercial divers have been able to recommence vital work including servicing of the Condor and that, had he not moved so speedily to co-ordinate the different Departments, a situation would have continued when the vital lifeline out of the Island was put at considerable risk?

Can the Minister also let us know whether in fact we have to implement the far too stringent regulations on diving which restrict diving under 12 metres when in fact decompression is a negligible or non-existent risk at that level?

The Deputy Bailiff: Chief Minister, are you able to answer those two questions from Deputy Hadley?

The Chief Minister: Yes.

Firstly, I believe really it was a team effort. I just did my job in banging a few heads together. Having said that, I believe that the issues concerning regulations are being considered as part of the options appraisal.

The Deputy Bailiff: Deputy Gollop.

Deputy Gollop: Sir, Mr Deputy Presiding Officer.

I have been aware of some of these issues from other sources, but I would like to ask the Chief Minister: is he continuing to liaise and mediate and listen to the Commerce and Employment Department on the potential effects on tourism and the diving industry in Guernsey, should there be a significant delay between this point and creating on-Island a new hyperbaric chamber?

The Deputy Bailiff: Chief Minister.

The Chief Minister: I can confirm that those considerations are all part of the ongoing options appraisal.

The Deputy Bailiff: Deputy Bebb.

Deputy Bebb: Thank you, Monsieur le Député Bailli.

135 Would the Chief Minister agree with me that thanks should be extended to St John Ambulance and Rescue Service for having provided this service to date? (**A Member:** Hear, hear.)

The Chief Minister: I absolutely agree.

140 It obviously is one of those services that has been going on behind the scenes and again, as I mentioned in my Statement, because it was not conducted by a States' Department, sometimes when that happens we do not have the visibility of the actions that have been taken. So I would concur with that thanks to St John's for operating that service voluntarily for so many years.

The Deputy Bailiff: Deputy Adam.

145 **Deputy Adam:** Thank you, sir.

I would like to ask the Chief Minister who is going to cover the costs of this new service. As he quite rightly stated, for the last many, many years, it has been a voluntary service and the members requiring or accessing it give donations. Now they will require an emergency medical flight to Jersey plus treatment in Jersey. Will they have to pay for this or will the States, or will it be a combination? Have the divers been
150 informed of the potential and what the potential costs might be?

Thank you, sir.

The Deputy Bailiff: The Chief Minister.

155 **The Chief Minister:** Sir, yes. Under the current interim arrangements for commercial divers obviously their insurance would cover for additional costs such as the costs of travel to Jersey.

In terms of the arrangements between the Jersey charity and the Public Services Department, my understanding is that a small donation is being given by the Public Services Department in order to facilitate what is required under the regulations.

160 Looking forward, one of the issues will be how it is funded and part of that is the co-ordinated role of the Policy Council to ensure that we find an appropriate way of ensuring that this service is provided, whether it is on Island or not, but in a way that covers all of these situations and is fundable and sustainable in the future.

165 **The Deputy Bailiff:** Deputy Hadley.

Deputy Hadley: Mr Deputy Bailiff.

Will the Chief Minister not understand that there will be some disappointment that a decision has not yet been made as to the provision of the funding for a hyperbaric chamber? And can he confirm that the
170 mandate of HSSD has been changed because at a meeting I went to they made it very clear that they did not consider provision of a service for decompression within their mandate? Also can he explain in what way the Department intend to treat people for compression sickness without a decompression chamber? And can he not also –

175 **The Deputy Bailiff:** Can we just take a number of... That is three questions, Deputy Hadley. You will get another chance. Otherwise we will lose track.
Chief Minister.

180 **The Chief Minister:** I confirm certainly that there is a need for us to urgently find a way of providing an appropriate service in whatever form that should be in the future and the funding is a part of that, and we are working closely together with all the Departments and Treasury in order to facilitate that.

In terms of the mandate, I think the Health and Social Services Department are fully aware of the fact that this was not a part of their mandate but they are co-operating and working with us in order to facilitate the appropriate provision in the future.

185

The Deputy Bailiff: Deputy Hadley, did you have a further question which you wished to ask?

Deputy Hadley: Well, I just wonder if this is being treated with sufficient urgency. If people suffer from decompression sickness they have to be flown off the Island at a very low level. It is an extremely
190 difficult situation to deal with and I do not think that it is something that should be allowed to wander over a slow period of time.

The Deputy Bailiff: Well, that was a statement or a speech rather than a question. Is there a question, Deputy Hadley?

195 **Deputy Hadley:** I did start saying is the Chief Minister convinced they are dealing with it with sufficient urgency?

The Chief Minister: I completely concur with Deputy Hadley's desire for urgency and, in order to do that, that is why I have become involved. As I say, I thank him for bringing the matter to my attention.

**Implementation of the Board's Vision Statement Commitments –
Statement by the Minister of Education**

200 **The Deputy Bailiff:** Well, there being no further questions, we will move on to the second Statement this morning and that is from Deputy Sillars, the Minister of the Education Department.

Deputy Sillars: Thank you, sir.

205 In the July 2013 meeting of the States of Deliberation the Assembly unanimously approved the Education Department's Vision: 'Today's Learners Tomorrow's World'.

That States' Report set out a programme for an informed transformation of our education system. We recognise that the change would be difficult and would take time, but we remain committed to working with all our stakeholders to improve our education system.

210 We recognise that effective communication is critically important and so, to ensure that this is a vision with action and not merely a dream, the Board of the Education Department was directed to report back to the States and the public outlining our progress on an annual basis so that our performance against our objective can be assessed.

Hence this Ministerial Statement represents the first of our annual reviews informing the Assembly of our progress against the 14 key workstreams within our vision.

215 1. A modified performance management policy will be introduced at the earliest opportunity.

The Education Board has established a Commission comprising headteachers representing all phases of education to review performance management, with terms of reference to produce a coherent and sustained framework that will effectively meet the needs of the employer, the employees, at all stages in their careers, build capacity and develop a professional community.

220 My Board supports the Commission's introduction of new professional teaching standards that recognise the teacher as a professional. The skills and knowledge required to be an effective teacher as well as considering measures of progress and attainment of the young people they teach. These standards embody the skilled and informed teaching professional and are the cornerstones of our high expectations of teachers. We will continue to work with the staff associations so that from September 2014 a full academic
225 year will be used to put into practise and embed the skilled practitioner and learning professional culture that these standards will support – with the revised performance management process and new standards in place from the following September.

This enhanced performance management framework is integral to improving the teaching and the learning in our schools, and also enhancing the reputation of the teaching profession.

230 2. Review of the curriculum, assessment and qualifications framework with implementation beginning in September 2014.

Within the Vision document we outlined the need for curriculum reform in Guernsey in response to changes that were being introduced in England by the Secretary of State for Education, Mr Michael Gove.

235 We have consulted with the profession in the first instance and then more widely with the public on potential options for Guernsey with regard to the future of secondary school qualifications for 14 to 19 year olds.

240 Yesterday we announced the Board of the Education Department's decisions that at Key Stage 4 all secondary schools will have the opportunity to offer a suite of qualifications from a range which includes accredited GCSE qualifications from England, Wales and Northern Ireland, approved by the regulators of the relevant country and international GCSEs.

Students will also be able to study Level 2 BTEC qualifications and other recognised vocational qualifications and recognise non-examined programmes such as the Duke of Edinburgh Award, ASDAN and the Prince's Trust.

245 At Key Stage 5 the Grammar School, Sixth Form Centre and the College of Further Education will have the opportunity to offer a suite of qualifications in collaboration with one another, from a range which includes accredited 'AS' and 'A' Level qualifications from England, Wales and Northern Ireland,

International Baccalaureate Diploma and International 'AS' and 'A' Levels and pre-university qualifications.

The grant-aided colleges have signed up to this new framework.

This will have to be regularly reviewed as qualifications of modified and developed in other jurisdictions.

3. Implementation of a new Integrated Learning Environment (GILE2) which began in September 2013. Over the past year we have made significant progress in implementing the new Integrated Learning Environment which is a key element of the Transforming Education Programme.

We have systematically been replacing or refreshing all our key ICT assets across Education. This has been a very challenging programme requiring us to effectively create a completely new infrastructure to meet the existing and future needs of our teachers and learners in a technological environment that is rapidly changing.

Today's learners and teachers are placing even more demands on technology to allow them to create, use and exploit information both within the school and on the internet. To meet this ever increasing demand for fast access to information, internet provision across the education establishments have been increased from 100Mb to 500Mb, giving our teachers and learners much faster access to the web and the wealth of resources that are available on it. A project to upgrade the Local Area Networks – that is the ICT infrastructure within the schools – in all schools is almost half way to completion and this has been co-ordinated with a similar upgrade to the Wide Area Network – that is the infrastructure that connects the schools to each other and the internet – rolling out across all States' buildings.

This infrastructure is essential to provide fast connections and communications between the ICT in our schools and to the wider world. The remainder of the schools will be upgraded by the start of the new term in September 2014.

We have also replaced the firewalls and the filtering technologies which protect our networks and devices against unauthorised use and access, thereby making them safer and more secure for our teachers and our learners.

All teacher devices – laptops, tablets, PCs – have been replaced in 2014, providing teachers with their device of choice. This enables them to integrate and exploit the power of technology to enrich and to extend the learner experience for our students. In the summer term all student devices will be replaced.

Schools have again been given a wide range of device choice and they have selected the range of devices that will best meet their particular needs. Many of the devices will have wireless capability and this will allow students and teachers to make best use of the totally refreshed wireless networks that have been installed in all our schools in the past year. The final piece of this very complicated technological jigsaw puzzle is developing the skills of the teachers to assist them in fully embedding and exploiting the use of technology across the curriculum.

A programme of training and development has been put in place that coincides with the introduction of the various elements of the ICT environment into each school.

The programme to change and improve the whole technology landscape within the schools has recently been described as one of the biggest technological challenges that the States has delivered.

The Business and Education Systems and Technologies team have been working flat out with both internal and external partners to deliver the various projects, whilst maintaining the ageing technologies until their replacements can be put in place.

Feedback from the schools that have been moved into the new environment is very positive and encouraging. We therefore look forward to the start of the new school year when all our teachers and learners will reap the benefits of this investment, planning and hard work which will allow them to achieve their potential and prepare Today's Learners for Tomorrow's World.

4. Submit proposals for the rebuild of La Mare de Carteret site to the Capital Prioritisation Process in Q1 2014.

The Education Department submitted to the Treasury and Resources Department a strategic outline case for the rebuild of the La Mare de Carteret schools earlier this year. The Treasury and Resources Department's States Capital Investment Portfolio States Report is due to be debated in the Assembly during the July States meeting.

5. Submission of a States Report to the Assembly in Q4 2013 seeking approval for the introduction of an entitlement to 15 hours per week of pre-school education for all three to four-year-olds in partnership with private providers.

This Assembly approved the Education Department's States' Report in the May 2014 States meeting. The States of Deliberation approved the Propositions to agree, in principle, the introduction of a universal entitlement of quality pre-school provision of 15 hours per week for the equivalent of 38 weeks a year for all three to four-year-olds, delivered through a partnership approach with the private and voluntary sectors, with effect from September 2016.

The States also directed that, by no later than September 2015, the Education Department and the Treasury and Resources Department shall jointly lay before the States a report advising of one or more viable options for funding universal pre-school.

The Department is now working with the Treasury and Resources Department to explore options for the funding mechanism, the Health and Social Services Department to develop and implement the regulatory framework for the Guernsey Pre-school Learning Alliance on all aspects of the provision of high quality placement for all three to four-year-olds.

6. To assist the Health and Social Services Department with its update of the Children and Young People's Plan to be published in 2014.

The Education Department is delighted to be represented on the Children and Young People's Partnership Board and the full Implementation Group. The Education Department is fully committed to playing an active role in this critical area of social policy and we will support the Health and Social Services Department in developing a transformational Children and Young People's Plan which will make Guernsey the best place for children to grow up.

7. Bring a States' Report to the Assembly in Q4 2013 seeking to improve outcomes and opportunities in the primary sector.

Last October this Assembly approved the Education Department's recommendations to transform primary education in Guernsey with the closure of St Andrew's Primary School in July 2015 and the merger of St Sampson's Infants School with Vale Primary School at the end of this academic year.

Since that decision, staff across the entire service have been working in order to implement this decision and ensure as smooth and successful a transition for those children as possible. We are also in close contact with parent representatives from both schools to ensure that any remaining questions or concerns are addressed.

8. Bring a States' Report to the Assembly during 2014 on a new structure for secondary education.

At the start of this year the Education Department announced the creation of the Guernsey Federation of Secondary Schools to enhance educational outcomes for all our students and encourage closer collaboration amongst staff.

We will continue to drive the transition to the federated model which will enhance educational outcomes for all our young people and provide greater equality of opportunity and access.

As a result, the Board has only just started its consideration of the structure of secondary education and, as such, will not be bringing a States' Report to this Assembly during 2014.

9. Bring a States' Report to the Assembly recommending the creation of a new structure for post-16 education during 2013.

The Education Department continues to believe that there are strong arguments to bring together all States' provision of post-16 education under the Education Department's mandate. More specifically, we would like to bring the GTA University and the Institute for Health and Social Care Studies within the Education Department's mandate and the Education Department will continue to explore the viability and practicality of this proposal with the Health and Social Services and the Commerce and Employment Departments.

10. Bring a States' Report to the Assembly recommending a new model of funding for Higher Education in 2014.

The Assembly approved those proposals from the Education Department regarding the changes to funding of Higher Education from September 2014.

11. Education Department to be inspected by an external body by Q1 2015.

The Education Department remains committed to an inspection in 2015 and the focus of research and development to date has been on a validated self-review process which is already well established in our schools and services.

We believe that this approach is the most effective in developing and improving any education provision. In particular, we have been in discussions with Education Scotland to investigate their method for carrying out inspections of Scottish Local Councils.

The Scottish model is recognised as a world leader in public sector improvements. Of particular interest is that Educational Services in Scotland have been the leader in establishing a process for evaluating all public services and this is now being used to support other public sector functions. We remain on track for being ready for an inspection in 2015.

12. A new form of school governance will be in place by September 2014.

The Board has introduced a new governing body for the College of Further Education and appointed a new Principal and Chief Executive of the College who started in post on 1st June 2014.

The new governing body of the College will form the basis of a new governance model which will be rolled out across Guernsey's educational establishments and we anticipate the Guernsey Federation of Secondary Schools to follow next after appropriate consultation.

13. A Bailiwick form of local management of schools will be in place for January 2015.

This is closely linked with the governance arrangements mentioned earlier and the Board is intending to delegate financial responsibility to the College of Further Education governing body and the Guernsey Federation of Secondary Schools in the first instance.

Work is continuing in this area and we remain on track to rolling out a form of local management of schools post-16 and 11 to 16 education establishments.

14. Aim to have a new Education Law in place by the end of 2015.

The Board of the Education Department recognises that this objective was perhaps a little ambitious and this work stream has not yet properly commenced. We would anticipate starting the research and consultation on any new Law in 2015. The Board decided not to prioritise a new Education Law in the short terms as other workstreams had the potential to have an immediate impact on educational outcomes.

Sir, in summary, I would like to conclude by expressing our thanks for the support of this Assembly in making difficult decisions in the past year to help the Education Department to achieve substantial progress in implementing its Vision and building an education system which our children deserve.

I would also like to express publicly our thanks to all the staff across the service and staff associations for all their hard work and support as we make this journey to transform our education services.

This Vision is ambitious and challenging, and we have made real progress on many fronts, whilst at the same time continuing with our main focus of continual improvement of all our schools and services.

Thank you. (A Member: Hear, hear.)

The Deputy Bailiff: Deputy Fallaize first.

Deputy Fallaize: Thank you, sir.

With respect to Deputy Sillars and the other Members of Education, I think that was less of a statement and more of a policy letter read out orally. (Several Members: Hear, hear.)

I thought, when I agreed to their Proposition to direct them to report back to the States periodically on progress against the Vision, that they would be laying reports before the States that the States could debate. Is the Statement that has been made this morning in place of Education reporting back to the States by way of a report or are we to expect periodic reports in the normal way, sir?

The Deputy Bailiff: Deputy Sillars to respond.

Deputy Sillars: Thank you, sir.

No, this is really just an explanation of where we are. We will be bringing reports to the States, we have brought reports to the States and we will continue to bring reports to the States. It is really just an update of where we are.

The Deputy Bailiff: Deputy Bebb.

Deputy Bebb: Thank you, Monsieur le Député Bailli.

I welcome the Department's announcement in relation to its qualifications and the decision to give schools autonomy over the decision as to which qualifications to offer. In that light and in reference to point 8, 9, 12 and the final point relating to the Education Law, could I ask whether the Department will be giving due consideration to the very popular model in Sweden and the recently very successful model in the UK in what is commonly known as a free school so that schools may be put in charge of their own affairs?

The Deputy Bailiff: Are you able to answer that question, Minister?

Deputy Sillars: Partly, sir, thank you.

We are considering and have considered all options. We have set our route map of where we are going. As far as the free schools... I suspect that we are unlikely to go down that route because of the size of our Island and it is far too long to explain in the short time we have today, but we considered almost everything.

I would just like to make the point that, with the examinations, it was pointed out yesterday that we had done a U-turn regarding following the English examinations; well, what I would like to point out is that actually we cannot win, can we? We went to consultation, we heard consultation, we came back, we cannot drop the English exams and so we have included them.

Thank you.

Deputy Bebb: Sorry, could I ask a supplementary on that please, Mr Bailiff, if I may?

The Deputy Bailiff: Deputy Bebb then.

430 **Deputy Bebb:** The Minister stated that the decisions in relation to free schools were too complicated for this particular question and answer. However, could I therefore ask for an assurance that the reasoning for the Department's thinking is included in the policy letters that the Minister has assured this Assembly will be forthcoming?

435 **The Deputy Bailiff:** Minister.

Deputy Sillars: Sir, we can certainly include as to why we have either put it in or taken it out and part of the backup to our conclusions to the way forward. Certainly.

440 **The Deputy Bailiff:** Thank you.
Deputy Lester Queripel.

Deputy Lester Queripel: Thank you, sir.

It is a question in relation to the recruitment of teachers. Callers to the recent Sunday phone-in complained that local, recently-qualified teachers applying for vacancies here in Guernsey were not being given due consideration even though they have the qualifications that were needed. Can the Minister give me an assurance that all applicants are treated the same way in a fair and equitable manner?

The Deputy Bailiff: Deputy Sillars.

450 **Deputy Sillars:** Yes, sir. Actually it probably needs a slightly better answer than that one. Certainly, we have always said that if we have a local applicant who wants to... Let's start at the beginning. In primary, 90% of all of our teachers – just over 90% – are local. An awful lot of the jobs do not even go out into the wider world. It is fulfilled within Guernsey, if you like.

455 So it is primarily the secondary education where we have the issues and predominantly there are world shortages, if you like, for maths, English, science and physics teachers, and it is very difficult to recruit those.

460 What we have always said is that if we have a local – whatever that means – and we have an external and they are equal, we will always appoint that local. And why wouldn't we? We do not have to spend huge amounts of money bringing them into the Island and all those sorts of things. Of course we always support a local where we can.

Thank you.

The Deputy Bailiff: Deputy De Lisle attracted my attention previously.

465 **Deputy De Lisle:** Yes, sir, thank you.

A fundamental problem in education is that over a fifth of children are not achieving levels expected at the end of primary school. Key Stage 2 results show that more than one in five leave primary school below the expected Level 4 at the end of their primary school.

470 Can I ask the Minister what additional teaching resources are being put into schools to bring up standards to those not attaining Level 4 at the end of primary school, and how they are being integrated and prepared for the secondary schooling?

The Deputy Bailiff: Minister, are you able to answer that question?

475 **Deputy Sillars:** I think so, sir.

It starts off at pre-school, of course. You get children coming in to primary school at totally different levels, you then have to try and catch all of those ones up to get to the level of their ability; it then goes forward into primary and then, you are right, it goes into secondary.

480 This is a problem. It is an issue that we have been facing. You were on the previous board, you are well aware of that. We are improving and we are getting better.

It is about improving all of our children's education and the primary school is very well-focused now on trying to get all the children up to the ability. And of course every headteacher, every teacher in primary, their whole focus is to get that child successfully transitioned into secondary.

485 So, yes, we are doing the very best we can.

The Deputy Bailiff: Deputy Trott.

Deputy Trott: Thank you, sir.

My good friend, the Minister of the Education Department, said right at the end of his Statement that the Department would not be prioritising a new Education Law.

Sir, the Education Law is one of the most out-dated pieces of legislation we have in terms of its modern application and my question is: why does the Education Department believe it is possible to have meaningful reform of the education system and its processes in the absence of a modern piece of legislation?

The Deputy Bailiff: Minister.

Deputy Sillars: Sir, I did not quite say it like that, my good friend, Deputy Trott. *(Laughter)* What I did say is that – and I will quote again – we would anticipate starting the research and consultation on any new Law during 2015.

What we have found is that actually the 1970 Law, for all its faults, is actually very permissive and allows us to do all the changes that we want to bring in to enhance the children's education. So when we were coming to prioritise it, it would seem we could actually, yes, get navel gazing and looking at the Law – which we all agree needs to be reviewed and changed, but actually the important part is to get our children's education enhanced. That is what we have done and now in 2015... and from what I have just gone through, there is an awful lot of work being done as well as continuing on with the day job, as it were.

So in 2015 we anticipate reviewing the... and to start looking and consulting for the 2015 Law, hopefully to bring it in perhaps before the conclusion of this States in 2016.

The Deputy Bailiff: Deputy Adam.

Deputy Adam: Thank you, sir.

Sir, I wish to ask some questions in relation to pre-school education.

The Minister stated 'working with all stake holders, private and voluntary sector.' The voluntary sector has three pre-schools: Wesley, Happy Days and Daisy Chain. Are they going to support Daisy Chain funding as they have lost the private funding? Happy Days, based at La Mare de Carteret Primary School, are they going to be closed at Easter? Will they continue to provide services to both rising three age group as well as rising four age group? And it is significant that they do both age groups.

Thank you, sir.

The Deputy Bailiff: Minister.

Deputy Sillars: I can answer some of those questions. Certainly what we have always said is it is the year prior to pre-school so we are either three or four it is not three and four.

As far as the specific schools that you mention – I see the SSD Minister is not here, but – there is work going on to try and to assist with the Styx pre-school, I understand, but I am not able to give any details on that. I am aware of the issue but I do not what has been going on behind the scenes if you like. As far as the La Mare, we have assisted in that because they are actually within the La Mare School but again at this moment in time I cannot give the specific details, but certainly we are working with all involved and we will be working with the GPLA to go forward to allow all children, in the three to four, of the year prior to pre-school to go to a good quality pre-school education.

The Deputy Bailiff: Deputy Storey.

Deputy Storey: Thank you, sir.

If I may, I have three questions to the Minister? They are very brief.

His first point that he made to this Assembly was introducing performance criteria for teachers. I just wondered whether that means that he is actually considering replacing the annual increments based on length of service for teachers with performance related payments? And if not, why not?

The second point is in relation to the learning environment and he spent a lot of time telling us about what is being done in relation to improving the computer-based learning within the schools.

My experience is that children learn best when they are enthused with the content of a subject and that depends on the enthusiasm of the teacher, and I have yet to come across an enthusiastic computer. So could he explain how he is going to maintain that input of enthusiasm into the teaching process?

Thirdly, with regards to the change in the governing bodies and local management of schools, does he envisage this meaning that the input of Parishes into the management of the local schools will cease under his new structure?

Thank you, sir.

550 **The Deputy Bailiff:** Deputy Sillars, are you able to answer all three of Deputy Storey's questions?

Deputy Sillars: I will try, sir.

The performance criteria – as I say, it is not just about pay and pay scales. That would have to be negotiated with the unions and things like that. This is actually a much wider area that we are looking for –
555 professionalism for the teachers, CPDs and everything else. It is a much wider...

So we are very fortunate to have headteachers from primary and secondary heading up that Commission, and we wait for them to come back to us with their recommendation.

GILE2 – I think the teachers are absolutely right. It is for them. They are very enthused and need to be enthused, and that is why the last part of the GILE2 statement I made for me it is obviously to ensure that
560 the infrastructure works but actually that the key thing is to make sure that the teachers all understand how to best use it for their students.

I would take just a little issue. I have come across a lot of enthusiastic computer users. I agree the computers are not very enthusiastic but the users can be and often are with their hand-helds and all these other machines that they use today.

565 Sir, I have forgotten the third question but I have just written 'no'. *(Laughter)*

The Deputy Bailiff: It was about Parish involvement.

Deputy Storey: It was just in relation to the local management of schools and the new governing
570 structures. Would the Parishes still be represented on those bodies?

Deputy Sillars: Thank you for repeating that question.

The answer is I do not know. As I say, we are reviewing it. We have set up the CFE with their governance and with the version of LMS and we will review how that works.

575 It is slightly different because, of course, the CFE captures children from the whole Island whereas I guess the Federation will capture them all but that is something that we will have to look at going forward. It is just a sample of the huge amount of work that we have done and we still have to do.

The Deputy Bailiff: Deputy Soulsby.

580 **Deputy Soulsby:** Sir, in light of the Minister's announcement that a full suite of qualifications will be available at secondary education level, is he assured that with the Federation structure this will not require considerably more administrative resources, and why?

585 **The Deputy Bailiff:** Minister.

Deputy Sillars: I would say the exact opposite, in fact, is that if we had all of our secondary schools operating separately – as they have done in the past or pretty much so in the past – that would mean every single school doing their own thing. The great thing about the timing for Federation is that actually we are
590 bringing the heads together, we are bringing the schools together and therefore we can use the economies of scale.

So I would hope that we have a broad mix of children's ability... that they will be looking at the best examinations for the children and then across the schools within the Federation and of course we must not forget Alderney either.

595 **The Deputy Bailiff:** Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

Can I ask the Minister, before the Department embarks on a major review of selection at 11, that they
600 give consideration to coming to the States with what might be described as a green paper, I suppose, to test the commitment of the States to review the 11 plus; because it seems to me fairly pointless for the Department to carry out a major review if the will of the States is overwhelmingly not to change the present system. It might help the Department to get an understanding of the opinion of the States if they were to produce some sort of discussion paper which the States could debate.

605 **The Deputy Bailiff:** Minister.

Deputy Sillars: Thank you, Deputy Fallaize for that one.

As Deputy Sherbourne said on the phone-in on Sunday, we have only had one reasonably short meeting
610 discussing selection. Certainly we covered huge area. We then understood how incredibly complicated it all

is and the effects of it. So we will be having more meetings going forward and some meetings will be just devoted to this subject.

We have discussed whether we should bring a green paper at a very, very preliminary stage, so we have no conclusions whatsoever.

615 It did come up as a suggestion from one of our Board Members, Chris Green, and also there was the other side – that we should go out to public consultation, actually of not making a recommendation but to let everyone know how incredibly complicated this decision is, will be the impact and everything else.

So the Board have not got to a conclusion yet. It will be in the fullness of time. It will be certainly this year and it will be for very much longer. But, yes, that is certainly being considered.

620 Thank you.

The Deputy Bailiff: Just before I call anyone else to pose a question, I should say that I am exercising my discretion to extend the question period beyond 15 minutes as is permitted by Rule 8(c), given that the statement itself was extensive and covered a wide range of topics.

625 Deputy Wilkie.

Deputy Wilkie: Thank you, sir.

I just wondered if the Minister could help me with a little bit of confusion. In Education's 2013 Vision it promotes local empowerment of schools, which it says, 'means devolving as much power down to school level as is sensible.' That is, i.e. devolution. I have heard a lot of talk recently about the Federation of Schools. Now, devolution and federation are opposites and I wish the Minister to clarify which direction the Education Department is taking? It is devolution or is it federation?

635 **The Deputy Bailiff:** Deputy Sillars.

Deputy Sillars: I think there is a lack of understanding there, Deputy Wilkie.

LMS – we are committed to rolling out to the schools the authority and the money to make their decisions for the best interest of their children. The headteachers understand their children and know the best way to spend that money, and that is what we are trying to do.

640 We are also trying to make sure that, with a Federation of Secondary Schools, they all work very closely together, but the LMS will still go down to the federated schools. Now, we have not got to the detail of whether it goes to individual, whether it goes to federation or whatever. As I said earlier, the CFE are test casing that, if you like. I mean that is a large amount of money we are giving to the CFE. They have the governance in place already and we are tracking that for a year and then they will go on their own as true LMS, if you like.

645 So, no, I do not see there is a conflict. The two words, I accept, are, but what we are implementing is not opposite to each other.

The Deputy Bailiff: Deputy Burford.

650 **Deputy Burford:** Thank you, Deputy Bailiff.

In his speech last year, the Minister made a promise to bring a report on secondary education, including a review of the 11 plus, during 2014. If, as stated in point 8, that is not going to happen this year, when can we expect it?

655 **Deputy Sillars:** As I have just answered to Deputy Fallaize, we have only literally just started that discussion. There will be either a consultation which will be this year, which I have said, or if the Board does decide to go down a Green Paper to the States that will probably be this year as well. It could be early next but it will be that sort of time scale.

660 So we are still committed to keeping... I think we said in our Vision that we would consult in 2014. It will be at the very end of that when either we do that or we get a steer from this States Assembly.

The Deputy Bailiff: Deputy Gollop.

665 **Deputy Gollop:** Thank you, sir.

Given the success of the Federation of Schools idea and the resource co-ordination that theoretically follows, will it be more possible, both now and in the future, to transfer pupils at different stages between schools, when capacity is available, for example, between a High School and the Grammar School and also between schools that deal specifically with special needs whereby the schools can work together more so that there is a more integrationist model between Le Murier and the other schools at secondary level and Le Rondin at primary level?

The Deputy Bailiff: Deputy Sillars to respond.

675 **Deputy Sillars:** I will answer it the other way round I hope and I believe that all schools are working far closer together now than they ever have done. With Le Murier and St Sampson's, they are working together. We can always do better, I accept that totally. The headteacher of Le Rondin is the same now as the headteacher of the Forest School. He is executive head there. So that is all starting to bring it together.

680 So I would say that we are well on the way to delivering that, but there is still an awful long way to go and no system is perfect and we can always fine tune and improve as we go along. But we are in fairly new areas for us as Guernsey and so we believe we should go along steadily and review as we go cautiously along.

685 The first point of 'should we be moving students from one school to another', we have not considered that but as I say the strength... I am not saying we will do that at all, but actually the strength of that would be with the federated model with the schools working together. If it had to happen for some obscure reason we would be in a position to do that, whereas at the moment it would not make sense to do that – you have one high school with a kind of different secondary curriculum, if you like, to the other two.

So it really would not work today but certainly, going forward, it could happen if it was necessary.

690 **The Deputy Bailiff:** Deputy Kuttelwascher.

Deputy Kuttelwascher: Thank you, sir.

Can the Minister confirm that the delivery of the benefits of GILE2 will be primarily dependent on the rate at which the teaching profession can be up-skilled to a satisfactory level of proficiency in the use of the ICT facilities to be provided from the beginning of the next school year, and does the Department have a timeline for the completion of this up-skilling process?

695 Thank you, sir.

The Deputy Bailiff: Deputy Sillars.

700 **Deputy Sillars:** I think the first thing we have to do... We are all well aware that GILE1 has become obsolete. So you have to have the infrastructure, you have to have all the technology there in place working, which really has not happened up until the beginning of this year, I would say. So first of all it is to get the technology working, because if that does not work you are not going to get anyone convinced to use it at all, and that for me and my Board has been really frustrating.

705 Now, we have moved a long way with that. We believe GILE2 will be ready for operation as the foundation, if you like, starting in September 2014 for all of our schools.

Deputy Kuttelwascher is absolutely right because once that is in place we absolutely have got to teach our teachers to be able to maximise the effect and the benefits that that will provide all of our children.

710 We are in a very tight timeline. I was talking to a couple of the headteachers only the day before yesterday and it is very challenging to get all the teachers prepared and ready for it.

So there is a bit starting point to the teaching and that is continuing for the rest of this term, but actually for me it is an ongoing process. It is not something we just teach you today and then you ignore when you get on your own. It is something that actually will develop all the way through because technology moves forward very fast, as we all know, and so the up-skilling of the teachers will be a continuous process.

715 So I would certainly hope we continue doing that. As I say, we are on a very tight timeline and it is quite an ambitious one as well.

The Deputy Bailiff: Deputy Lester Queripel.

720 **Deputy Lester Queripel:** Thank you, sir.

It is a question regarding the FTP programme, if I may. Can the Minister give me an assurance that if any superfluous members of staff were in place within the Department, for example, in positions of administration or as line managers or whatever, that those superfluous positions have now been identified and the situation resolved?

725 **The Deputy Bailiff:** Deputy Sillars.

Deputy Sillars: That is a lot to answer. Thank you for that question. I would like to answer it slightly differently.

730 The huge amount of stress that all of our staff within the Department – teachers, headteachers, everyone involved... is immense. We are trying to run the schools as they are today and improve that, plus everything else we are trying to do with transformation. The amount of stress, the amount of worry, the

extra work that everybody is doing now is phenomenal and my entire Board is actually quite concerned at the levels of stress that all of our staff is under.

So I suppose the easy question, or the easier question, to answer... We do not have any – I have forgotten what you said – excess fat or whatever word you used. No, we do not have any and actually the staff we have got are under huge pressure to try and deliver, for the benefit of all of our children, a better education.

**Progress of the Government Service Plan –
Statement by the Minister of Treasury and Resources**

The Deputy Bailiff: I do not see anyone else rising to ask any questions of the Minister of the Education Department, so I will turn to the next Statement which is on behalf of the Treasury and Resources Department by the Minister, Deputy St Pier.

Deputy St Pier: Sir, thank you for the opportunity to make this Statement.

Last month's decision by this Assembly to approve, in principle, the Education Department's proposal to introduce universal entitlement to pre-school education highlights the need to develop a Government Service Plan which will enable us to coherently prioritise public services.

The Minister for Education detailed the first Resolution in his Statement and I will not do so again. He also referred to the second Resolution which was that the Education and Treasury and Resources Departments were also tasked with identifying funding options and reporting back to this Assembly by no later than September next year in order that the service can start in September 2016. Obviously, in discharging this Resolution to present funding options for this new service, both Departments will be working within the requirements of the current States Rules for Finance and Resource Management.

Ahead of the development of a Government Service Plan, which I will return to in a moment, the first port of call – as a number of Members said in debate last month – will be whether and how the Education Department can re-prioritise its own budget. There should be no presumption of new funding and we will help the Education Department to explore the scope that it has within its own budget, especially in light of the numerous transformation initiatives it has under way which, whilst of course designed to improve educational standards, may also offer the scope to release funding for this new service.

This Assembly, sir, has – rightly during this period of deficits in the general revenue budget – set a limit on overall revenue expenditure of no real terms growth and that of course means that only nominal growth of 2% to 3%, depending on inflation, a year is available when setting budgets – and there is already considerable demand on funds, not least simply to cope with inflationary pressures.

In fact, for the 2015 budget setting round, Departments have already been requested to identify cost pressures that cannot be managed within their base cash limit and a significant number of notifications have already been received which, in the absence of a Government Service Plan, the Treasury and Resources Department will seek to prioritise before making recommendations to this Assembly as part of the 2015 Budget Report.

It is highly unlikely that it will be possible to fund all of these pressures from within the existing overall budget – unless we can free up the necessary resources by our ongoing transformation activities in 2015. My Department will make recommendations in this regard in the October Budget.

What the pre-school decision has highlighted is that we now urgently require a structured approach to the prioritisation of services – much as has been successfully developed and implemented for capital projects. Without this we will collectively struggle to make coherent decisions as to which services to prioritise or, in other words, which to 'turn on' and, as importantly, which to 'turn off'. Without this we will not be able to demonstrate to taxpayers value for money for the taxes we spend.

That is exactly what the Policy Council outlined when recommending the introduction of a Government Service Plan. That Plan and the methodology behind it would see business and financial planning integrated. It would introduce a mechanism for the prioritisation of new services or for service developments. It would also have to include a mechanism for the disinvestment in services, according to priority. And, finally, of course it would include a coherent zero-based budgeting model which will allow us for the first time to properly base line all services and our service needs.

Following the May debate, I requested at Policy Council's meeting on 2nd June that we now move ahead with fresh urgency on the Government Service Plan. I am delighted that Policy Council agreed that a States' Report on the Government Service Plan should be laid before the Assembly as soon as possible.

This will help to give us the resources, skills and tools to undertake these prioritisation and reprioritisation exercises in the future, and it will help us to make the difficult decisions which are required to enable us to fund the initiatives such as universal pre-school education.

The Deputy Bailiff: Thank you, Minister.
Deputy Storey.

Deputy Storey: Thank you, sir.

First of all, I would just say that I fully endorse the Minister's Statement regarding the need for the Government Service Plan and an easily understood method of prioritising new services, but what he has said has raised a couple of questions in my mind.

The first one is that he seems to suggest, sir, – and I would like him to confirm whether or not this is true – that it is permissible for a Department to resource new projects from their existing budget if they felt so inclined and that raises the question with me that if there are spare funds in a Department's budget shouldn't that go into the pot and therefore be part of the prioritisation process? So I would like him to explain his views of that to me, sir.

Secondly, could he explain how this Plan will fit in with the States' Resolution earlier this term that we will not introduce any new services until we have balanced the books and how will he, in effect, come to this Assembly to justify the introduction of new services, i.e. what criteria will he use in that regard?

The Deputy Bailiff: Minister, are you able to answer both of those questions?

Deputy St Pier: I will try to do so, sir.

I think Deputy Storey raises a point. We do have a number of competing Resolutions here which, in the absence of any other mechanism, Treasury and Resources do have to try and reconcile.

So, Deputy Storey is quite right of course with his own amendment on the Budget a couple of years ago that there is the Resolution that the savings should not be used for new service developments and new services.

But of course we do have the in-principle decision last month in relation to pre-school education which is a new service development. So clearly, as indicated, the first port of call has to be: how are we going to reprioritise within existing budgets?

So it is seeking to reconcile essentially conflicting resolutions and that is obviously a difficult position for Treasury to be in – obviously we will work with Education as directed – in the absence of any coherent mechanism and set of rules. So we will do our best. We will come back with a report that hopefully is sufficiently formed that this Assembly can make an informed judgement based on the information presented to it.

But I think, as I said, the purpose of the Statement is really to highlight that this decision has emphasised the need to develop a system which is coherent, that everybody understands and can work within those rules.

The Deputy Bailiff: Deputy Trott.

Deputy Trott: Sir, Deputy St Pier reminded us that at the last session of this Assembly we gave in-principle approval to the introduction of pre-school education. That States' Report contained little detail with regard to the financial aspects of the Proposition, so I would like to ask if the Minister can confirm that the Finance and Resources Management Rules, to which he referred, will require that a proper business case is prepared before – and I emphasise the word '*before*' – funding is approved?

The Deputy Bailiff: Minister.

Deputy St Pier: Sir, I will say again, of course this Statement is principally about the need for a Government Service Plan to enable these decisions to be made, but Deputy Trott is quite right: the decision was in principle, the Education Department were not seeking – and this Assembly has not granted – a *carte blanche*, so there is an expectation that something will return.

I suppose the best analogy or the closest comparison is the Capital Prioritisation Programme because there we have a whole raft of projects which have been approved in principle but clearly it is recognised that a lot more work needs to be done on those before they will move on and again we have given reassurances to this Assembly – Treasury and Resources have given reassurances – that they will come back in the form of States' reports for this Assembly to approve.

So I think Education and Treasury and Resources, working on the funding options, are clearly going to need to look at what the objectives are, what the outcomes are, what the financial benefits are and what the costs are, and compare those with other services being provided – both within Education and elsewhere – so that those kind of priority decisions and the recommendation to the States reflects that work having been done.

In essence, we have to develop a system that provides the same rigour and consistency and discipline as we now have in relation to our Capital Expenditure Programme. But I guess, sir, I am always very conscious that Deputy Trott rarely asks a question without knowing the answer to the question and, having prepared the Statement yesterday which referred to the Rules, I thought I probably ought to go back and look at the Rules in case I am asked a question by somebody who knows them rather better than I do and this may be one of those instances.

So I did take a look at the Rules and the current Rules were last updated in 2009 – obviously when Deputy Trott, sir, was Chief Minister. No doubt he may have had a hand in them before they were updated, I suspect when he was Treasury Minister.

In relation to business cases the mandatory rule is that:

‘Departments must produce business cases to support new service developments...’

– which I guess this is –

‘... significant expenditure...’

– which I guess this is –

‘... and significant purchases.’

– which I guess this probably is not.

‘A successful business case must demonstrate the proposal offers value for money...’

– which will need to be demonstrated for the States of Guernsey –

‘... and supports the States’ objectives and priorities...’

– which I would suggest the in-principle decision last month has dealt with that latter part, i.e. it will now be consistent with the States objectives and priorities because the States have already made that decision.

‘Business cases must be produced according to the requirements and using the template issued by the Treasury and Resources Department as a Directive. New Service Developments will be subject to prioritisation and approval through the States Strategic Plan process.’

But of course we do not really have that any more in this term so hence the reference to the Government Service Plan.

‘T&R may approve business cases for new service developments which are not high cost...’

– which I do not think this will fall into –

‘... and are not controversial and do not impact on several Departments.’

So it probably falls foul of the first part of that as it is a high cost new service development.

‘In all other cases, the Department concerned must present their business case to the States for approval.’

So I think what seeking to apply that Rule, which is slightly out of date now in view of various developments since 2009, I think what that means is that, when Treasury and Resources and Education return to the States by September 2015, the States’ Report in essence will have to have addressed those issues which you would otherwise deal with in a business case, that demonstrates the value for money and the prioritisation against other services in order that the States can make a decision before funding is made available

I hope that answers Deputy Trott’s question, sir.

The Deputy Bailiff: Deputy Gollop.

Deputy Gollop: Sir, unlike Deputy Trott, I often ask questions and I do not know the answer. *(Laughter)* Maybe it comes out of that to a degree.

The first question is why does the Treasury and Resources Committee or Department persist in requesting business cases for services that are not conventionally business related in any way, where the objectives and benefits are predominantly clinical or social?

900 My second question is what restraints will Treasury and Resources be able to use to prevent individual Members or Departments bringing services to this States to ratify despite cautious remonstrations from the Department?

The Deputy Bailiff: Minister.

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Deputy St Pier: Sir, I think clearly the term ‘business case’ may, in the case of development of social services, be perhaps a misnomer, but the principles of development remain the same in terms of identifying: what are you trying to do here, what is the service need that you are seeking to address, what are the objectives, what are the outcomes, what are the benefits that you are trying to obtain from this, what is it going to cost you, how are you going to deliver the service, what are your options appraisals?

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All of those things which you would conventionally contain in a commercial business case apply equally validly to the development of a social service. So I think the term is perhaps shorthand for addressing all of those issues.

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In relation to the second part of Deputy Gollop’s question, sir, the role of Treasury and Resources is, under our mandate, to advise the Assembly on the impact of Departmental policies and how it fits with the fiscal and economic plan and other policies. Ultimately, of course, the decision rests not with the Treasury and Resources Department to either prevent or permit that, it rests with this Assembly and subject of course to any delegated authority which has been granted to Treasury and Resources or any other Department.

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The Deputy Bailiff: Deputy Bebb.

Deputy Bebb: Thank you, Monsieur le Député Bailli.

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Could I ask that the Minister makes reference to the inconsistencies that are prevalent at the moment in relation to the services that are required against the expenditure that we have and that the Government Service Plan should remove these inconsistencies?

Would the Minister agree that sometimes inconsistencies are not necessarily bad because it is borne of a necessity to act and to be flexible? And will he also give assurance that the Government Service Plan will allow for such flexibility?

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The Deputy Bailiff: Minister.

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Deputy St Pier: Sir, of course it will not be the Treasury and Resources Department that brings forward the Government Service Plan, that will be a Policy Council (*Laughter*) development. So in relation to the second part of the question, I am not sure I can give that reassurance because that is a matter for Policy Council. No doubt we will input into that.

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But, yes, I mean Deputy Bebb’s point is of course well made. There needs to be flexibility in whatever system you have, but I do not think that that negates the need for developing a consistent approach looking at services. You may reach different conclusions based on needs, which is the flexibility point, but you should still approach each Department’s needs and the base line of budgeting for example that is our starting point we should have a much clearer understanding of what each Department’s base line needs are and that very much is central to a Government Service Plan.

The Deputy Bailiff: Deputy De Lisle.

945

Deputy De Lisle: Thank you, sir.

There is interest by the public at large and certainly Members of the Assembly, including myself, in continuing the austerity measures, along the lines of FTP, post the FTP this year – which comes to the end, of course, this year.

950

Can the Minister give an indication at this time of what is planned to progress austerity post the FTP and cut Government spending in the longer term?

The Deputy Bailiff: Minister.

955

Deputy St Pier: Sir, I think I did refer in my Statement to... In order to be able to fund the additional pressures which we know are in the system and if we are to stay within the plan which this Assembly has set – i.e. no real terms growth – then the only way that we will be able to reconcile those two is if we can

continue to release funding from elsewhere in the system by ongoing transformations. That reference was made in my Statement.

960 Elsewhere it has been made very clear that the Financial Transformation Programme ends on 31st December this year, but that does not mean that transformation ends. Policy Council will be returning with proposals for an ongoing programme of change, improvement – whatever you wish to call it – which will not be financially driven. Some of the initiatives that we have again spoken about before in Education, delivering the service in a different way with the objective of providing enhanced educational opportunities and outcomes, but actually it is fully expected that that will release some savings into the system. So it is those kinds of things which must be pursued.

965 We also know that there is a significant level of the interdepartmental savings that have not yet been released. The most obvious of those is the property portfolio. That is all still to go for. We must not lose sight of that and we must continue to drive for that in 2015 and indeed beyond.

970 The final point I would make, sir, is it has certainly been recognised in the Personal Tax, Pensions and Benefits Review that in looking at our longer term public service funding needs again we must also make or continue to pursue every opportunity for transformation and our plans, recommendations that are likely to come forward to this Assembly before the end of the year will need to make some assumptions about what is realistically achievable by ongoing change through the delivery of public services.

975 An obvious area again that has been spoken about but we need to deliver on is increasing use of e-Government and delivery of services through e-Government rather than in other ways. Again we have barely scratched the surface there.

So I think there is a lot more that can be done and it will be essential that we do deliver it if we have a chance of sticking to our own plans and rules to live within our means.

980 **Deputy De Lisle:** Can I ask a supplementary there, sir?

The Deputy Bailiff: Deputy De Lisle, just a minute.

985 **Deputy De Lisle:** Can I ask the Minister –?

The Deputy Bailiff: Just a minute, Deputy De Lisle.

Can I have an indication from Members as to how many other questioners there are to be in the context of this Statement? I will once again extend the period of 15 minutes in the light of this.

One question from Deputy De Lisle and one question from Deputy Hadley.

990 **Deputy De Lisle:** I wanted to ask the Minister just when and whether he is actually intending to bring forward a paper to the Assembly with respect to the ongoing programme of change that he is referring to?

995 **The Deputy Bailiff:** I am going to rule that question out of order Deputy De Lisle as it is not in the context of the Statement provided, that touched on that in passing. So, Deputy Hadley.

1000 **Deputy Hadley:** Mr Deputy Bailiff, I wonder if the Treasury Minister could explain to me the difference between the situation where pre-school education is to be funded by savings within the Department and the case with the Health and Social Services Department where they intend to fund a responsible officer by savings within that Department. And doesn't he think it strange that this is being proposed by the Deputy Minister of Health and Social Services Department and it seems to run foul of the Rule that he got implemented two years ago?

1005 **The Deputy Bailiff:** Minister to respond.

Deputy St Pier: I do not know where to begin, sir. I do not know how to respond to that question, sir.

1010 **The Deputy Bailiff:** If you are concerned that your answer might be inaccurate or misleading you can decline to answer the question.

Deputy St Pier: I think there is a substantial risk there.

I mean I think the essential point is that there is clearly a significant difference in scale between the two projects. That would be the first observation I would make.

1015 The second observation is the decision was made last month, in principle, in relation to pre-school. That is what we must work with and work to. The decision in relation to a responsible officer is one to be made later in this sitting, sir, on the back of a States' Report. They are different beasts, I would suggest.

The Deputy Bailiff: Why are you rising, Deputy Sillars?

1020 **Deputy Sillars:** To ask you a question, sir?

The Deputy Bailiff: To ask *me* a question?

1025 **Deputy Sillars:** Deputy De Lisle, I am sure inadvertently, misled the Assembly with one of his questions and I just wonder whether it is an opportune moment to correct his assertions?

The Deputy Bailiff: If you wish to correct a misleading statement then you can have a point of correction in relation to the question put.

1030 **Deputy Sillars:** Thank you, sir.

It is. It is regarding our primary education. The Bailiwick average is 86% achieving L4 for English, 85% achieving maths at L4 and 89% L4 at science. So it is not 20% – 25%. Thank you, sir.

The Deputy Bailiff: Thank you for that clarification Minister.

**Simultaneous Electronic Voting –
Statement by the Chairman of the
States Assembly and Constitution Committee**

1035 **The Deputy Bailiff:** We move on to the final Statement in this block of Statements and that is on behalf of the States Assembly and Constitution Committee, from its Chairman, Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

1040 Too long ago, for which the Committee apologises, the States directed the Committee to prepare a report on simultaneous electronic voting, setting out the arguments for and against the costs and the practical and procedural effects. I hope this is the last update Statement I will need to make on this subject because the Committee intends to submit a policy letter to the States hopefully in September but by no later than October this year.

The Committee has obtained the necessary cost estimates and technical information and is in the process of drafting a policy letter setting out the arguments in full.

1045 The States have debated electronic voting on several occasions in the past. Often the costs of installation have been considered prohibitive. The Committee is now confident that a reliable and secure system could be introduced at less cost than previously estimated, should the States wish to change their method of voting.

1050 However, the Committee's Report in September or October will make it clear that no system of electronic voting can provide for greater transparency *and* greater efficiency. Those objectives remain mutually exclusive in the context of electronic voting and if the States decide to introduce electronic voting they will need to direct the Committee to favour transparency or efficiency.

Thank you, sir.

1055 **The Deputy Bailiff:** Nobody wishes to ask any questions of you, Deputy Fallaize, so we will move swiftly on to Question Time.

Questions for Oral Answer

HEALTH AND SOCIAL SERVICES DEPARTMENT

Compulsory mediation in child custody cases – Introduction by HSSD

The Deputy Bailiff: There is one question by Deputy Lester Queripel to the Minister of the Health and Social Services Department.

1060 Deputy Lester Queripel.

Deputy Lester Queripel: Thank you, sir.

1065 In an attempt to reduce the need for cases to go to court, the UK have recently introduced compulsory mediation in cases where parents contest custody of their children. It is believed that mediation can alleviate unnecessary additional stress, trauma and heartache for children and members of their family who are already in crisis, as well as of course saving taxpayers hundreds of thousands of pounds on legal aid.

Can the Minister tell me, please: do HSSD have any intention of pursuing the idea of introducing compulsory mediation here in the Island?

1070 **The Deputy Bailiff:** Minister of the Department, Deputy Dorey, to respond.

Deputy Dorey: Thank you, Mr Deputy Bailiff.

1075 Under the Children's Law 2008, the Safeguarder Service which is provided by the Home Department can consider mediation in all cases relating to family breakdown and child care arrangements. If mediation is successful the role of the court is limited to confirming the agreement reached between the parties. If a case proceeds to court without first going through mediation the court may direct the parties to access mediation, but the court will only do so where it judges it to be appropriate in the circumstances of the case.

1080 This question has been directed to HSSD because the Department is responsible for the Children's Law, which will need to be modified to introduce compulsory mediation, but while HSSD has overall ownership of the Law, the Law covers functions delivered by a range of different Departments and organisations. HSSD will not change the Law in these areas without appropriate specialist advice.

In this case, as compulsory mediation relates to the operation of the Justice system, HSSD will need to be advised by the Home Department and the courts on whether such changes are desirable.

1085 I understand that the Home Minister has already informed Deputy Queripel that his Department supports the development of the mediation service provided by the Safeguarder Service, although he is not actively pursuing similar measures to those introduced in the UK.

HSSD will therefore await recommendations from the Home Department and the courts in due course on whether or not compulsory mediation should be introduced.

1090 **The Deputy Bailiff:** Deputy Queripel.

Deputy Queripel: I have a supplementary, sir, if I may?

1095 Sir, the Minister tells me that his Department are awaiting recommendations from the Home Department, which infers that the Home Department are currently working on those recommendations, which they will then pass on to HSSD. Is the Minister able to confirm that that is the case?

The Deputy Bailiff: Are you able to answer that question, Deputy Dorey?

1100 **Deputy Dorey:** I think he is asking me about the Home Department, I am not able to answer on behalf of the Home Department.

The Deputy Bailiff: 'Are you aware of what the Home Department is doing?' is the question.

1105 **Deputy Dorey:** I am not aware, other than the information I have given out in the answer to the question. I am only repeating what I have already said.

The Deputy Bailiff: Deputy Laurie Queripel.

Deputy Laurie Queripel: Thank you, sir.

1110 Sir, will the Minister and the HSSD Department, hopefully along with the Home Department, be monitoring closely the effect of the recently introduced compulsory mediation process in the UK in order to inform the Department's future approach to compulsory mediation here in the Island and if not, why not?

The Deputy Bailiff: Minister.

1115 **Deputy Dorey:** Yes, as a Department we always monitor what is happening elsewhere and we will work with the Home Department and the courts to look to see what is happening and whether it is successful or not and whether we need to change the Law within Guernsey.

The Deputy Bailiff: Deputy Bebb.

1120 **Deputy Bebb:** Thank you, Monsieur le Député Bailli.

Would the Minister agree that the progression as to compulsory mediation in the UK is in relation to legal aid and therefore is a slightly different matter to changing the Law in relation to access to such services?

1125 **The Deputy Bailiff:** Deputy Dorey, can you...

Deputy Dorey: I am not an expert of the UK but it is in relation to the proposed Children and Families Bill which makes initial contact meeting compulsory in order that all parties have an opportunity to pursue mediation in every instance, with the exception of cases where mediation is clearly unsuitable, for example, cases involving domestic abuse.

The Deputy Bailiff: Deputy Gollop.

1135 **Deputy Gollop:** Sir, not being an expert either in these areas, I would like to ask: has the Department of Health and Social Services looked generally at the access to and costs of this kind of situation in Guernsey in comparison to England and Wales and whether the Department needs to reconsider their practices in relation to those concerns?

1140 **The Deputy Bailiff:** I will regard that as two questions from Deputy Gollop. Minister can you answer both of them?

Deputy Dorey: Well, we have not specifically looked at the costs involved so we would have to work with, as I said, the Home Department in both cases.

1145 **The Deputy Bailiff:** Deputy Gillson.

Deputy Gillson: *[Inaudible]* phrase this in a question –

1150 **The Deputy Bailiff:** It has to be a question.

Deputy Gillson: Is Deputy Dorey aware that the Safeguarders *always* consider mediation when they are working with cases, but there are situations where it is not appropriate?

1155 Safeguarder's ultimate responsibility is to act in the best interest of the children so, where they feel mediation is beneficial, they will suggest mediation, but there are cases where they know that mediation is not in the best interest of the parties or the children and in those circumstances they will not suggest mediation.

The Deputy Bailiff: Minister.

1160 **Deputy Dorey:** I agree. *(Laughter)*

The Deputy Bailiff: Deputy Lester Queripel.

1165 **Deputy Lester Queripel:** Sir, can the Health Minister please tell me would he and his Board support an amendment that seeks to make compulsory mediation a requirement if a Member of this Assembly were to lay it?

The Deputy Bailiff: Minister.

1170 **Deputy Dorey:** As my Board has not discussed it I cannot speak on behalf of my Board without notice.

The Deputy Bailiff: Does that mean, Deputy Dorey, that you are declining to answer the question because the response might be inaccurate or misleading, but you would be able to answer it by providing a written answer, as required?

1175 **Deputy Dorey:** If I discussed it with my Board, I can provide a written answer to the question, but obviously it is something which would have to be discussed at a full Board meeting with the proper information. I think with the timeframe proposed we would be stretched to do that and I would not like to give a misleading answer. So I would prefer to say that if Deputy Queripel wants to contact the Department and put something in writing, we can consider it and come back to him in an appropriate timeframe where we can give a considered answer.

1180 **The Deputy Bailiff:** Deputy Queripel, we will deal with it in that way rather than pursuant to Rule 5(4)(d).

1185 **Deputy Lester Queripel:** Yes, sir.

The Deputy Bailiff: I do not see anyone else rising so that concludes Question Time. We will move on to the next item of business.

Billet d'État XII

PROJET DE LOI

I. The Supplementary Benefit (Guernsey) (Amendment) Law 2014 – approved

Article I.

The States are asked to decide:

Whether they are of the opinion to approve the draft Projet de Loi entitled 'The Supplementary Benefit (Guernsey) (Amendment) Law, 2014', and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

1190 **The Greffier:** Billet d'État No. XII, Article I. The Supplementary Benefit (Guernsey) (Amendment) Law 2014.

The Deputy Bailiff: Members of the States, you will find this Projet de Loi at page 1 of your brochure. Is there any debate on this item? No.

1195 I put the matter to the vote then. All those in favour; those against.

Members voted Pour.

1200 **The Deputy Bailiff:** I declare that duly carried.

ORDINANCES

II. The Income Tax (Guernsey) (Approval of Agreements with Costa Rica, Mauritius, the Seychelles, the United States of America and the United Kingdom) Ordinance, 2014 – approved

Article II.

The States are asked to decide:

Whether they are of the opinion to approve the draft Ordinance entitled ‘The Income Tax (Guernsey) (Approval of Agreements with Costa Rica, Mauritius, the Seychelles, the United States of America and the United Kingdom) Ordinance, 2014’, and to direct that the same shall have effect as an Ordinance of the States.

The Greffier: Article II. The Income Tax (Guernsey) (Approval of Agreements with Costa Rica, Mauritius, the Seychelles, the United States of America and the United Kingdom) Ordinance, 2014.

1205 **The Deputy Bailiff:** Members of the States, you will find this short draft Ordinance at page 14 in the brochure.

Minister of the Department, Deputy St Pier.

1210 **Deputy St Pier:** Sir, very briefly, this of course is effectively a commencement Ordinance in a standard form, but just to draw Members’ attention – we will brush over Costa Rica (*Laughter*) but – in particular the most important parts are of course giving effect to the agreements with the United Kingdom and the United States of America in relation to the FATCA-type of exchange of information agreements which is given effect by this legislation.

1215 **The Deputy Bailiff:** I do not see anyone else rising, so once again I will put this matter to you. Do you approve the Ordinance? Those in favour; those against.

Members voted Pour.

The Deputy Bailiff: I declare that duly carried.

STATUTORY INSTRUMENTS LAID BEFORE THE STATES

**The Foundations (Guernsey) (Strike Off) Regulations, 2014;
The Foundations (Annual Renewal) (Guernsey) Regulations, 2014;
The Copyright (Application to the United Kingdom) (Bailiwick of Guernsey) Regulations, 2014;
The Boarding Permits Fees Order, 2014**

1220 **The Deputy Bailiff:** Shall we just mention the Statutory Instruments Greffier?

1225 **The Greffier:** The Statutory Instruments are laid before the States: The Foundations (Guernsey) (Strike Off) Regulations, 2014; The Foundations (Annual Renewal) (Guernsey) Regulations, 2014; The Copyright (Application to the United Kingdom) (Bailiwick of Guernsey) Regulations, 2014; and The Boarding Permits Fees Order, 2014.

The Deputy Bailiff: Members of the States, we note that those four Statutory Instruments are made at this meeting. There are no motions to annul at this time.

Billet d'État XV

ELECTION

I. Public Services Department – Election of a new Member – Deputy Harwood elected

Article I.

The States are asked to decide:

To elect a sitting Member of the States as a member of the Public Services Department to complete the unexpired portion of the term of office of Deputy Y. Burford, who has resigned as a member of that Department, namely to serve until May 2016, in accordance with Rule 7 of the Rules relating to the Constitution and Operation of States Departments and Committees.

The Greffier: Elections. Billet d'État XV, Article I. Public Service Department – New Member.

1230 **The Deputy Bailiff:** I invite the Minister of the Department, Deputy Luxon, to put a nomination forward.

Deputy Luxon: Thank you, Mr Deputy Bailiff.

1235 The Department would like to nominate Deputy Peter Harwood as Member for PSD.
Thank you.

The Deputy Bailiff: Yes, Deputy Ogier.

Deputy Ogier: I would like to second that nomination, sir.

1240 **The Deputy Bailiff:** Are there any other nominations? No.

Well, on that basis I will put the candidature of Deputy Harwood, proposed by Deputy Luxon, seconded by Deputy Ogier, to you. Those in favour; those against.

1245 *Members voted Pour.*

The Deputy Bailiff: I declare Deputy Harwood duly elected as a Member of the Public Services Department. Congratulations.

Billet d'État XVII

ELECTION

I. Commerce and Employment Department – Appointment of Director of Civil Aviation – Mr A C Patterson elected

Article I.

The States are asked to decide:

Whether, after consideration of the Report dated 17th June, 2014, of the Commerce and Employment Department, they are of the opinion to approve the appointment of Mr Angus Craig Paterson to the post of Director of Civil Aviation in accordance with Section 1 of The Aviation (Bailiwick of Guernsey) Law, 2008 with effect from 1st August 2014.

1250 **The Greffier:** Billet d'État XVII, Article I. Commerce and Employment Department – Appointment of the Director of Civil Aviation.

The Deputy Bailiff: I invite the Minister of the Department, Deputy Stewart, to open the debate on this matter.

1255 **Deputy Stewart:** Just very briefly, Deputy Bailiff, by way of operational arrangements, which are not actually in the report, the retiring DCA Mr Fergus Woods has been retained on an interim basis to cover the DCA role both in Jersey and Guernsey. That is prior to the commencement of Mr Angus Patterson.

Mr Woods will be undertaking a comprehensive handover late July early August.

Thank you, sir.

1260 **The Deputy Bailiff:** Deputy Gollop.

Deputy Gollop: Sir, I would like to put on record my support for the outgoing post-holder Mr Woods, because he certainly explained a lot of things to the Legislation Select Committee over the years and I think achieved a difficult role.

1265 However, I must admit I myself, and perhaps some other Members of the St Peter Port Douzaine and political community, were needing more detail in the late Billet that we have had, because I do not fully understand the situation. Is Mr Woods still going to be involved with the Aircraft Registry? Will that also apply in Jersey? Did he or the post-holder, as an office holder, have a joint working with Jersey in this respect? Because there appears to be more than one role here and there could be consequential ramifications of the change to what appears in Mr Patterson to be an excellent very highly qualified candidate.

1270 Perhaps the Minister can explain to us less informed people as to what this will mean in practical terms?

The Deputy Bailiff: I do not see anyone else rising.

1275 Deputy Stewart, technically what Deputy Gollop has asked is not strictly relevant to the recommendation to appoint Mr Patterson, but if you do want to enlighten him and others please do.

Deputy Stewart: Deputy Bailiff, I would also join with Deputy Gollop in thanking the retiring DCA, Mr Fergus Woods, on the sterling work that he has done as joint DCA across both the Islands.

1280 To the best of my knowledge, the role of the DCA was really to help with the legislation to enable the Aircraft Registry to come about.

In terms of the day-to-day working of the Aircraft Registry, that is contracted to a company SGI Aviation who have an office at Guernsey Airport. So, other than legislative changes along the way that we may well need, really the role of the DCA is not involved in the day-to-day running of the Aircraft Registry.

Thank you, sir.

1285 **The Deputy Bailiff:** Members of the States, there is a single Proposition on page 2021 in Billet d'État XVII, and that asks you whether you approve the appointment of Mr Angus Craig Patterson for the post of Director of Civil Aviation, with effect from 1st August this year. Those in favour; those against.

1290 *Members voted Pour.*

The Deputy Bailiff: I declare the Proposition carried and therefore Mr Patterson appointed.

Billet d'État XII

REPORT OF THE POLICY COUNCIL

III. Policy Council, Commerce and employment and Treasury and Resources Department – Guernsey Electricity supply – Future Strategy – Propositions carried as amended

Article III.

The States are asked to decide:

Whether, after consideration of the Report dated 28th April, 2014, of the Policy Council, the Commerce and Employment Department and the Treasury and Resources Department, they are of the opinion:

1. To continue the States of Guernsey's present policy of requiring there to be local generation, but with the expectation that there will also be enhancements to the Island's electricity connections to other

jurisdictions which will allow local generation to take a secondary role to electricity imported through cable connections in the normal provision of electricity to the community as detailed in section 11 and outlined in sections 22.3 to 22.5 of that report.

2. To agree a framework that does not seek to control importation infrastructure but does ensure adequate local generation capacity exists to meet maximum demand as detailed in section 11 and outlined in sections 22.6 to 22.10 of that report.

3. To agree to apply security criterion to local electricity generation only and to maintain the current "N-2" approach as detailed in section 4.2 and outlined in sections 22.6 to 22.10 of that report.

4. To continue the present mandate for the Commerce and Employment Department to investigate and prepare for the use of renewable energy as part of the Island's energy mix as detailed in section 17 of that report.

5. To adopt the "80/80 criterion", as defined in section 22.12 of that report, to ensure that a base of low operating cost plant continues to be installed locally.

6. To continue the existing practice of electricity infrastructure being funded entirely by electricity users as outlined in sections 22.14 and 22.15 of that report

The Greffier: Report of the Policy Council. Billet d'État No XII, Article III. Policy Council, Commerce and Employment Department and Treasury and Resources Department – Guernsey Electricity Supply – Future Strategy.

The Deputy Bailiff: I understand that the Minister of the Commerce and Employment Department, Deputy Stewart, will open the debate on this matter.

Deputy Stewart.

Deputy Stewart: Thank you, Mr Deputy Bailiff.

I can promise in this speech there are going to be no puns such as bright sparks, bolts from the blue, a high voltage delivery, short circuiting of procedures or generating highly charged debate. No jokes because this is an extremely important debate.

Introducing this Report, I would like to add a little bit of explanation and background as to what the Report seeks to achieve, and also to provide some additional information which I hope will prove helpful for the Assembly.

This Report is the first of a number which concern the provision of electricity to the Island, since the Treasury and Resources Department will shortly be seeking the Assembly's approval of major investments in important infrastructure, and my own Department, working in partnership with Treasury and Resources, will also be bringing to the Assembly proposals for a revised regulatory regime for electricity supply in the Island later this year.

So this Report is intended to establish the policy which the subsequent reports will do their part in giving effect to. That is why this Report is first in the queue, if you like.

Just a brief bit of history – and I will be brief on this – the Assembly approved an Energy and Resource Plan early in 2012 which provides a much broader view of the Island's energy future and this Report is coherent with the Energy Resource Plan and, if its recommendations are adopted today, will assist in achieving the objectives of that Plan.

Provision of electricity requires policy which effectively balances the competing priorities of cost, environmental impact and of course security. I do recognise that every Islander or, as we have a few of, resident experts, for that matter, might well put that balance into a slightly different position to suit their own judgement or, for them, what matters most.

Those who are convinced that respect for the environment is most important may well be prepared to accept a higher electricity price to achieve this. Often you may ask people on the high street, 'Do you think we should be more green?' And they go, 'Oh, absolutely'. 'Would you like to pay 25% more or whatever for your electricity?' 'No'. *(Laughter)*

On the other hand, there were those that are struggling to find the resources to meet their electricity bills and they may well prefer a much lower cost supply even if it less secure and less environmentally benign.

So it is the job of us in this Assembly to decide as to where the balance should be and what it believes to be the best interest of the Island as a whole. I make this point early really because I believe that in the recent past the States has distanced itself from the electricity supply rather too far and has left something of a policy vacuum.

So whilst I believe it is clear that the States has a duty to establish suitable policy it is also clear that giving effect to that policy is the role of Guernsey Electricity and those who oversee its operations.

I do not believe it is wise for this Assembly to seek to interfere or micromanage – as we talk about sometimes – in the detail of how the industry sets about achieving this policy, nor should it be necessary,

provided we are comfortable with the governance and oversight of Guernsey Electricity matters that this Assembly will soon have the opportunity to discuss.

1340 So the Report we are considering today sets out in some considerable detail the present circumstances of our current electricity supply. Now, those circumstances were, as we remember shown, into sharp focus just a couple of years ago when our single power cable to Jersey failed, followed a little later by the failure of the original 1980's cable from Jersey to France.

1345 Now, the consequences of that failure were both a reduced reliability of electricity supply, albeit mitigated by use of our local generation, but also a bill which increased electricity charges by some nine and a bit per cent, and also of course led to significant deterioration in Guernsey Electricity's finances.

So the purpose today is to consider how we wish to get to a position where such circumstances become less likely, whilst taking proper account of both the cost to our community and of the environmental impact. I will not go over in detail the analysis which is in the Report, rather I would like to focus on the recommendations and those alternatives.

1350 So the big question to be addressed is also the one which is most difficult and it is as the Report states – it is technically quite feasible for us to embark upon a process of installing additional power cables to other jurisdictions so that we could actually close down the power station. We would free up a large area of land, removing a source of noise and vibration and reduce the need for and risk associated with imports of our fossil fuel.

1355 Such a decision is also likely in the long term to provide the lowest prices for electricity on the Island and to make local electricity as environmentally benign as where we want to import it from.

Unfortunately, as it is called, the import option also leads to complete dependency on those other jurisdictions that would supply us. And that dependency is one which I and fellow Members of the Energy Policy Group colleagues believe to be unacceptable.

1360 Continuing to possess local generation provides us with a spread of risk and that is why the Report recommends that the Island should retain the ability to generate its own electricity.

1365 It is recognised that for some time this implies continuing to use fossil fuel as a source of electricity but the environmental drawbacks of this are mitigated because the policy also clearly sets out to enhance connectivity to other jurisdictions, with the expectation that this will allow us to continue to import electricity from sources such as nuclear, hydro-electric, which are non-fossil fuelled by their nature, and in the early years of the last decade we were importing about 80% of our electricity and it is expected that enhanced connections, as proposed, will allow us to better that figure so that local electricity is not associated with high levels of atmospheric emissions.

1370 Now, the Report also considers the case where further interconnections are not made and the Island progressively is more dependent on local generation. Such a situation is likely to result in both cost increases and increased atmospheric emissions. Adopting the all local option would be wholly contrary to the objectives of the Energy Resource Plan and therefore cannot be recommended. And if the Assembly agrees that local generation should be retained then its policy will be inadequate if it did not state how much generation was required.

1375 So for many years both Guernsey Electricity and its predecessor, the States of Guernsey Electricity Board, have operated what has become known as the N-2 Policy or the standard. Simply put, this is a standard that has required the installation of sufficient sources of electricity so that the Island's maximum winter peak demand can continue to be supplied even when – *even when* – the two largest sources of electricity are out of action for whatever reason.

1380 So this standard was examined by consultants appointed by the Commerce and Employment Department back in 2004 and 2005, and was considered fit for purpose at that time. The Report discusses this standard in the present context and does look at alternatives, but we concluded that the additional cost of maintaining this standard rather than accepting a somewhat less stringent version – why not N-1? – well, the difference in cost is estimated to be only about 1% of electricity charges.

1385 So the Report therefore recommends that the N-2 standard be maintained as being in the best interest of securing sound local reliability of supply as well as practical independence should this ever be necessary.

1390 It should be noted that the likelihood of there being multiple power cables to the Island in future is high and trying to maintain a security standard that allows for these cables would be complex and would also potentially compromise independence. That is why the Report recommends that the standard should apply in future to local generation only within the context of there being a much stronger import system.

Now, whilst recognising that fossil fuel generation is likely to be part of the local electricity provision for the time being, the Report seeks to apply security criteria which are not dependent on any particular technology.

1395 The N-2 criterion does not govern what sort of plant should be fitted, rather it governs the total amount of plant. So, in an effort to ensure that the local plant remains capable of full time operation, a further security criterion is suggested – that is the 80-80 criterion.

So what this suggests is that the industry ensures that the local plant is available of whatever technology capable of generating at least 80% of the Island's maximum demand at operating costs below 80% of the average selling price. Without such a criterion it will be possible for the industry to install all high cost plants such that the Island's supply could only be maintained at a very, very high cost indeed.

I should point out that this criterion and indeed the whole Report has been discussed at length with Guernsey Electricity in detail and is workable.

So these criteria do not and should not prevent the industry from innovating and using alternative technology should it become available and desirable. And on the matter of innovative and also disruptive technologies that may come along, Members will be aware that Commerce and Employment, through it Renewable Energy Team, have been researching the role that renewable technologies might play in Island energy for some years.

The Report contains an extensive appendix illustrating the current state of our knowledge and expectations for renewables. And I would at this point just like to acknowledge and thank the RET team, particularly many of its volunteer members, for the work they put in advancing our understanding of where we currently are at the moment.

Members will also be aware that elsewhere in the world renewables generally, but wind energy in particular, are already providing a contribution to electricity supplies. It is an unfortunate fact that this contribution has only been made possible by the provision of major subsidies from Governments and, whilst Guernsey is blessed with strong renewable resources, we consider that the technology to utilise them at reasonable cost is not yet available, with the possible exception of solar power which we consider to have acceptable economic performance today and which we look forward to deploying in the very near future and business cases are underway and we are undertaking studies in that respect.

So, having said that, most renewables do not appear economical today. There is, however, every chance that this technology will develop and that cost reductions can be made. If this occurs then I very much hope that we can look forward to local renewables for part of our energy supply in the not too distant future.

Accordingly, I ask the Assembly to accept our recommendation that the mandate of Commerce and Employment to research local renewables should be confirmed. And, in the event that it becomes sensible to deploy renewable technology on a large scale, I would remind Members that such deployment would be greatly assisted if the Island already has a strong network of inter-connections with other jurisdictions and is able to export electricity as well as importing it. So what can come down the pipe, we can also send stuff back. *(Interjection)*

As well as discussing what sort of electricity supply the Island seeks to enjoy, the Report also discusses the question of how it should be paid for. The current system is effectively the user pays for it, with all the cost of investing in and operating the system being met by electricity customers.

This is really important. It could be argued by some that the taxpayer should be responsible for some of the costs of the equipment which our situation demands. However, whilst a large majority of electricity customers are taxpayers, it cannot be said that taxpayers and electricity users are one of the same. Island corporates consume huge amounts of electricity but do not make a major tax contribution. Accordingly, the use of taxpayers' funds to assist with the financing of electricity supply does not enjoy my personal support or the support of others in the sponsoring Departments or Policy Council. So therefore the Report recommends that it is electricity customers who should continue to be responsible for all the costs associated with the supply.

Finally, I would just like to comment on the longevity of this policy and, whilst it is clear that investment decisions re the electricity supply are only made from time to time and that the plant may be expected to have a long life, I would not like the Assembly or Islanders who are listening today, more generally, to get the impression that this policy would not be kept under review.

The world of energy – like technology – is changing very fast and what we decide on today may be absolutely the right decision today, but it may prove unwise tomorrow. That is why the Energy Policy Group will keep this policy and indeed the Energy Resource Plan under constant review and will return to the Assembly if it considers change to be appropriate.

I commend this Report to you and would ask that you approve the recommendations, which I firmly believe provide the right balance of security, cost and environmental performance and will provide the industry with appropriate guidance and some certainty and on the expectations of this community.

Thank you, sir.

The Deputy Bailiff: Thank you, Deputy Stewart.

Deputy Bebb, I have got an amendment that you are proposing to lay. Do you wish to lay it at this point?

Deputy Bebb: Yes, please, sir, if I may?

The Deputy Bailiff: Very well.

Amendment:

To insert an additional proposition 3A as follows:

‘3A. To direct the Policy Council to lay before the States, no later than March 2015, a Report containing recommended policies for improving energy efficiency and the means of enabling such policies to be effected.’

1460 **Deputy Bebb:** Thank you, Monsieur le Député Bailli.

The amendment that I lay is, as Members will be aware, to add an additional Proposition:

‘To direct the Policy Council to lay before the States, no later than March 2015, a Report containing recommended policies for improving energy efficiency and the means of enabling such policies to be effected.’

1465 As the Minister of Commerce and Employment pointed out, the policy letter that we have before us today is as a result of the work done on the Guernsey Energy Plan and that was endorsed back in January 2012. It is wonderful to see progress being made in relation to the supply and security of the supply of energy. But of course the flip side is the demand and it is essential for us to increase our scrutiny and improve on demand.

1470 The type of things that we would expect as a result of such a policy would be the progress of energy efficiency policies. It is obvious that companies such as Guernsey Electricity would not have a vested interest in trying to secure a lower consumption of electricity. It would be slightly perverse. Therefore it is necessary for us to think differently as to how we enable such a policy.

1475 Such a service initially would provide information. The type of information that we would expect is similar to what is seen in the Energy Savings Trust available in the UK, but I would like to highlight that if anybody spends more than five minutes on the website of the Energy Saving Trust they will note that the vast majority of their information concerns, for instance, central heating that is gas powered, which is completely irrelevant to the vast majority of Guernsey residents. Therefore we need to have something that is appropriate for Guernsey, because its energy consumption is different.

1480 The later parts of such a scheme would be some form of intervention. When I asked as to the expenditure that we have generally in relation to ineffective heating of homes, ineffective insulation, the answer was simply, ‘We do not know’. And until we have some form of survey to understand the cost involved as to poor insulation, poor means of heating, we simply do not know how big the problem is.

1485 The one thing that we can be proud of, in my opinion, is that the Housing Department has been pioneering this area and have invested fairly substantially in updating the stock of housing. But of course those people especially those in rental accommodation – just above that housing limit are the ones who really suffer. How we effect such a change will obviously be fairly complex and that is why this is so essential in order to allow people to have the appropriate means of heating their houses.

1490 It is currently estimated that the expenditure of £30 per week in fuel allowance granted by the Social Security Department comes to a total of about £1.06 million per annum, which is a fair sum of money if we are not using it effectively. There is no point in us giving out over £1 million per annum to heating of the general environment. It is time that we made sure that we are heating those people that that money is intended to address.

1495 I note from last year’s supplementary report from the Social Security Department that they raised the question and I quote:

‘In particular, the Department is keen to explore whether its flat rate for all strategies still holds good, given that claimants’ fuel bills vary, depending in part on whether their accommodation is energy efficient.’

So, evidently, if the Social Security Department are reviewing their expenditure in this area it is wholly appropriate that we assist people to reduce the energy consumption necessary in order to have that.

1500 Of course, the final point that would be available is for such an agency to assist people and to have the intervention necessary. I believe that this is wholly sensible amendment. It only requires that the details come back by March 2015, because I believe that this is an area that has historically may be slipped and we need to sharpen the minds a little. Therefore I hope that it would be accepted by this Assembly.

Thank you.

1505 **The Deputy Bailiff:** Thank you, Deputy Bebb.

Deputy Ogier, do you formally second that amendment?

Deputy Ogier: I do, sir, and retain my right to speak until later.
Thank you.

1510 **The Deputy Bailiff:** Thank you, Deputy Ogier.
The Chief Minister, Deputy Le Tocq.

1515 **The Chief Minister (Deputy Le Tocq):** Yes, sir, if it aids matters, whilst neither the Policy Council nor the Energy Policy Group has had an opportunity to formally consider the amendment, the amendment is constructive and it highlights work that is currently being undertaken in any case in a manageable timeframe and so we will not be opposing it.

The Deputy Bailiff: Deputy Hadley.

1520 **Deputy Hadley:** I fully support this amendment, Mr Deputy Bailiff, and I am fairly confident it will go through unopposed, but it does seem that when we vote for this amendment we are being rather hypocritical. I mean we are sitting here on a summer's day with the blinds down, burning electricity illuminating the place and this is something we are doing all the time. I am frequently going in to rooms in Sir Charles Frossard House asking people not to put the lights on, but I am afraid everybody seems to want to burn as much electricity in the form of lighting in Sir Charles Frossard House and here.

1525 So (*Interjection*) I would ask Members to think perhaps that we should be implementing the policy here in this Chamber.

The Deputy Bailiff: Deputy Gollop.

1530 **Deputy Gollop:** Sir, I am bit green. I do not always like to sit in the dark though. But I do actually support the amendment. In fact I would support a greener approach to electricity and energy generally despite what the Minister said. I think we have to be less hypocritical and more honest and say that green policies do, in fact, inspire us to save the planet and to make changes for the future and it is good that we have got a conservation-minded Chief Minister as well, saving energy as we speak.

1535 What we also have to do is to acknowledge that greener strategies cost the consumer more. It is also fair to say that our current electricity and energy strategy does do because of the nature requiring the fall back position of on-Island generation.

1540 Specifically on the amendment, I listened to what Deputy Bebb said. It is a concern of Social Security. We did indeed consider it last year in the overall report. We actually met – if I can say this – a senior figure from the energy field who works for the States, who gave us some advice.

I think, as is often the case, it is a little bit hard to work out which Department should foot the bill and also how you work cross-departmentally. Indeed, I think perhaps we lack an energy department or an energy committee that has a standing base to it.

1545 I, amongst others, put in the manifestos two or three years ago that it would be very helpful if we gave more grants more funding for home insulation and I do acknowledge that the Corporate Housing Programme has delivered really great quality insulation on the latest build, but of course we have got a lot of historic stock both in the public and private sector that needs work.

1550 Then of course you have got the question – and I do not know if Deputy Bebb has an answer – if you are paying energy grants to people do you pay the same grant to somebody living in a house that has not been done or a house that has? Those kind of considerations have to be borne in mind.

I think that any report that comes back should contain proposals for loans, for grants and for public sector insulation projects. We see across the water in Huddersfield, Kirklees, for example, that they have been providing a lot of insulation for council house stock and so on.

1555 So we can have a greener energy policy but I think we need to accept that we will have to pay more for it, both as a consumer and as a taxpayer, and we also I think, as a State owner of the electricity company, need to persuade them perhaps even more to support green policies.

1560 My one other concern is I do not think we are working hard enough to integrate Alderney into our thinking. Alderney has a lot to contribute here and I feel that an alternative strategy long term would be to look at a cable link that routes our connectivity to France via Alderney or even Sark, as that would perhaps bring a multitude of economic benefits far beyond the simplicity of rate of return on electricity prices.

The Deputy Bailiff: Can I just check with you, Deputy Gollop, as to whether you were speaking to the amendment or in general debate?

1565 **Deputy Gollop:** I think some of the points were general, sir. [*Inaudible*]

The Deputy Bailiff: Thank you.
Deputy Robert Jones.

1570

Deputy Robert Jones: Thank you.

I am sure you will be aware the Scrutiny Committee recently published its report into the review of the security of electricity and one of the points that came out of the report and was touched upon was energy efficiency and demand. In our report we have actually mentioned that the Committee encourages the Energy Policy Group to work with GEL in investigating and introducing more energy efficiency, stricter management control measures for the Island as a whole. For example, they could look into issues such as introducing smart meters together with the wider promotion of energy efficiency message.

One of the things that was highlighted and has been touched upon was that the States does have its own programme, but I think when we questioned representatives and witnesses there we found that that message was not particularly good and was not getting out there and I think, if I can quote the Commerce and Employment Minister who came before that Committee and said, 'I think I am going to be absolutely honest. I think we do an absolute rubbish job at telling consumers how they can save energy' and that is something that the Energy Policy Group is looking at very closely at the moment.

So I will support this amendment and I think the Committee itself has highlighted the issues.

The Deputy Bailiff: Deputy David Jones.

Deputy David Jones: The sensible Jones. Thank you.

The Deputy Bailiff: I imagine you wish to withdraw that comment –

Deputy David Jones: No it was a –

The Deputy Bailiff: [*Inaudible*] non-sensible Jones.

Deputy David Jones: Mr Deputy Bailiff, it is a private joke between the two Jones's and each one of us calls the other 'the sensible Jones'. It did not work today, obviously. (*Laughter*)

I rise to thank Deputy Bebb for the recognition of the work Housing has done and to take up a point that Deputy Gollop made. We have tried, where possible, on the old housing stock to do what we can to improve the insulation. We have filled the cavities of 1,200 of those homes – where they have had a cavity to fill – in order to improve insulation. We have externally clad many of them sandwiching high-value insulation between the external cladding and the existing building. And when the wraps come off Cour du Parc that is an old building that will have huge, high-value insulation between its external cladding.

So we have done quite a lot to do what we can to bring up the insulation values of all our old stock and that of course includes the obvious which is loft insulation.

The Board some time ago actually looked at whether it ought to be discussing whether to give grants to people in the private sector for insulation but at the time of that discussion it was felt that perhaps that was more the job of the Environment Department than it is to be using the Corporate Housing Fund for. So I am afraid that particular topic ran into the sand at that point. That does not mean to say that it is not still a relevant topic to discuss.

So I will just keep my remarks to this amendment as there are some things I want to say in general debate about another matter that affects parishioners in my Parish.

Thank you.

The Deputy Bailiff: Deputy Lester Queripel.

Deputy Lester Queripel: Thank you, sir.

I just rise to say I fully support this amendment. Perfectly logical. Energy efficiency is absolutely paramount of course and I would just like to relay that as well as Social Security paying out fuel allowance over the winter period, at well over a million pounds, the Age Concern Fuel Fund has had 47 applicants in the last five months. I do not have the figures in front of me but the Fund has paid out several thousand pounds in those five months. I urge Members to support this amendment.

Thank you, sir.

The Deputy Bailiff: Deputy Stewart, I will turn to next to speak on behalf of the sponsoring Departments in respect of this amendment.

Deputy Stewart: Sir, obviously I do support this amendment.

Deputy Gollop, you raised a lot of points about green energy and we do come back to that balance of cost environmental impact and security and that is what we are deciding on today.

I will make a point that Guernsey Electricity do support us a huge amount in our work with the Renewable Energy Team. A lot of tidal data in the Big Russel and around there that Guernsey Electricity collected at their own cost has been shared with the Renewable Energy Team. So there is a huge amount of co-operation with Guernsey Electricity. I do not think it is their intention, corporately, to get us to use absolutely as much electricity as we possibly can – in fact, quite the opposite.

Deputy Robert Jones talked about scrutiny and I think that was an incredibly useful exercise and I did enjoy my time before the Scrutiny Panel, and I enjoyed being quoted and I have said it at the Energy Policy Group, we do a really bad job as the States of Guernsey in encouraging energy efficiency, notwithstanding that some Departments have taken it on themselves... and I note from Deputy Dave Jones's comments how well they have done to improve the efficiency of the Guernsey Housing Association's properties.

From Deputy Lester Queripel, I would say this is what part of the discussion around the Energy Policy Group is – that the fuel allowance is really a money pit. Here we are throwing this money in year after year into some properties that are extremely badly insulated.

So part of what we need to do is to understand that properties are badly insulated and maybe do something along the lines that they have done in Jersey, which is thermal imagining the island, and at that point we will discover all the people that have poor insulation and all the people that are growing cannabis in their loft at the same time. *(Laughter)*

But we are exploring many different ways of coming up with some suggestions for this Assembly to do a good job and we are, unfortunately, doing *not* a very good job at the moment in terms of energy efficiency for our fellow Islanders.

Thank you, sir.

The Deputy Bailiff: Deputy Bebb to reply on the amendment then.

Deputy Bebb: Thank you, Monsieur Le Député Bailli.

I believe Deputy Gollop raised the question of the fact that it costs more for green policy against others. I do not believe that this is the case in relation to energy efficiency. Although the capital expenditure initially is quite substantial, of course there does come a point where it comes back from energy efficiency and therefore this is one situation where it is the capital expenditure which is difficult.

He also asked the question relating to whether I would agree to energy payment being the same per household. That, may I suggest, is a question for Social Security in relation to their operating report and I would not like to prejudge that, but if they were to seek alternatives then I look forward to their thinking in that area and the debate that would ensue from it.

Finally, I would like to clarify – as Deputy Stewart quite rightly pointed out – my opening statement may have made it sound that Guernsey Electricity are not co-operating. My understanding is that Guernsey Electricity are co-operating. They are acting in what would be considered to be counter-intuitively and therefore rather altruistically, and I think thanks should be put in that regard to Guernsey Electricity. I simply pointed out that it would be counter-intuitive for them to encourage lower consumption.

I thank all Members and I hope that they will support the amendment.

The Deputy Bailiff: Members of the States, we will go to the vote on the amendment to this Article moved by Deputy Bebb, seconded by Deputy Ogier, to insert Proposition 3(A) into the Propositions. Those in favour; those against.

Members voted Pour.

The Deputy Bailiff: I declare that carried without dissent.

We now move into general debate. Deputy Robert Jones, to be followed by Deputy Lester Queripel.

Deputy Robert Jones: Thank you, sir.

The Scrutiny Committee has recently published its review in the security of electricity supply in Guernsey. It makes a number of important points in the context of this Report. I will set out some of the key findings of the Scrutiny Report and then focus specifically on how this work relates to the five recommendations presented in the Guernsey Electricity Supply Future Strategy Report.

The review focused on how the States of Guernsey seeks to ensure security of electricity supply for Guernsey. The findings were based on research undertaken, responses submitted to the consultation, evidence gathered in public hearings and additional information gained through the process.

As you are aware, we try to base these hearings and reviews on the Westminster Committee style of reporting, with the prominence of giving evidence presented to the Committee principally in public hearings.

The key question facing the Review Panel was whether the approach taken by Guernsey Electricity, of trying to balance affordability, sustainability and security of supply, actually resulted in a sensible policy for the Island in terms of providing security of electricity supply that is in line with the Government policy.

1695 As we have heard, it is a balancing act between economic factors with stability of supply and environmental responsibility and it is an ever changing dilemma that faces not just Guernsey but energy companies and Governments world over.

1700 The Report does contain a number of recommendations, but in summary the Committee believe that the existing policy, based on the principle of N-2, has historically provided the Island with a secure supply of electricity and this should continue. However, moving forward, it will be necessary to regularly review this policy to reflect changes in technology and this of course will include renewables, environmental thinking and economic concerns and we have to ensure that this policy is adequately communicated to all interested parties.

1705 The Committee believe that significant investment will be required to ensure the security of electricity supply in the future, but it is essential that these investment proposals are supported by a robust business case that demonstrates the logic of the recommended options.

The view of the Committee is that the proposed investment can be supported. However, additional clarity is required on the projected cost of electricity to the consumer and obviously the rationale of the proposed approach. The recent report submitted does provide additional information to support the proposed investment.

1710 Decisions of this magnitude must be fully understood and supported by the Government and made with an agreed energy policy framework. The Government must also be proactive and innovative in promoting efficient use of energy, including renewable projects within both domestic and commercial environments.

1715 The changing dynamics of the international energy market can impact on the price of electricity in Guernsey, therefore the States must be fully engaged, on an ongoing basis, in working with GEL to keep the electricity tariffs steady, enabling confidence in both domestic and commercial markets and allowing for the future infrastructure and investment through recently States-agreed funding mechanisms.

I am pleased that the C&E Minister recognises that the States must ensure that the roles and responsibilities of the various parties involved in electricity management and oversight are regularly reviewed, defined and clearly documented.

1720 The Committee acknowledges and fully supports the increased pro-active approach within these States in the establishment of the Treasury and Resources shareholders' sub-committee.

In summary, the proposed substantial infrastructure investment requested by GEL is supported but the Committee wishes to reinforce the importance of any business case requiring this scale of investment to be fully evaluated. The N-2 policy should continue but it needs to be fully understood by all parties.

1725 The Committee also concluded that clear energy policies must show how environmental, financial and security of supply considerations interact and are prioritised. The Committee also believes that the States needs to clarify and agree its environmental aspirations and targets. The potential of using renewables needs to be fully investigated and included in future plans on energy strategy.

1730 As I have already mentioned, the governance arrangements around GEL need to be reinforced and specific roles clarified between C&E, T&R and CICRA. We also noted that the implications of the development in the Alderney renewable energy need to be fully understand and considered within the plans for future energy strategy.

1735 So, in conclusion, the first three recommendations are generally supported by the Scrutiny Report. In addition, the report also provides useful information to inform Members on recommendations 4 and 5, although our report does not directly address those recommendations in this Report.

Thank you, sir.

The Deputy Bailiff: Deputy Lester Queripel.

1740 **Deputy Lester Queripel:** Thank you, sir.

Something seems to have gone wrong regards the timing and compiling of this Report because we are told on pages 1216 and 1217 that we have seven options to consider, yet options 1, 2 and 3 have already been eliminated because GEL have already invested in another cable from Jersey to France and are now planning to invest in a cable from Guernsey to Jersey.

1745 So I am wondering why we have even been asked to consider those options and also why civil servants' time and taxpayers' money has been spent compiling all the information regarding those options in this Report when they have already been rolled out?

There are, in fact, several paragraphs relating to those options in this Report so I would like the Minister's thoughts on that issue when he responds, please, sir.

I also have a serious concern that not one of the 21 people whose names are at the end of this Report on page 1237 seems to be able to see the elephant in the room. (*Interjection and laughter*) And that elephant in the room is that we are looking in the wrong direction for our long-term supply of electricity.

We are looking east when we should be looking north and that really concerns me because that means that not one Member of the Policy Council or the Treasury and Resources Department or the Commerce and Employment Department or even the Chief Minister himself can see that.

Sir, if my colleagues turn to page 1200 and read paragraphs 1.8 through to 1.10 they will see what I mean. Paragraph 1.8 tells us that the nature of the electricity supply industry in Europe makes forecasting sufficiency of power generation and transmission infrastructure extremely difficult and that there are significant uncertainties facing the industry.

Paragraph 1.9 tells us that the decision to phase out nuclear generation in Germany on the present French Government's stated desire to reduce nuclear generation to 50% of its electricity requirement creates a situation where many observers were wondering how the continent will succeed in maintaining supplies. Paragraph 1.10 tells us that the deal the UK made with Électricité de France for a new nuclear power station has now been challenged by the European Commission, leading to further uncertainty.

If my colleagues turn to page 1218 of the Billet, sir, they will find a section headed 'The International Situation'. Paragraph 15.5 tells us that a report published by the network operator in France concluded that the system adequacy is regarded as secure until 2015, but after that date there is no guarantee a new plant will be commissioned and that results in uncertainty, whether or not electricity demand can be met, according to RTE targets.

Paragraph 15.6 tells us that the report published by the UK Office of Gas and Electricity Markets in 2012 concluded that risks to security of supply of electricity will increase in the next four years by 2016.

Paragraph 15.10 on page 1219 tells us that consideration needs to be given to the vagaries of the European electricity market with all its uncertainties.

Turning back to page 1218, paragraph 15.2 tells us that France have proved to be extremely reliable and sensitive to the Island's situation since the 1980's and it is very much hoped that this situation will continue. 'Hoped' that this situation will continue.

Surely, sir, we should not be living in hope regarding our future long-term supply of electricity – especially when Oxfam recently stated that the turmoil in the Ukraine should be a wakeup call for all of us regarding Europe's looming food and fuel crisis. Oxfam told us that:

'The tension with Moscow over the situation in the Ukraine highlighted the need for the whole of Europe to reassess its energy mix,'

– bearing in mind that Russia is Europe's number one supplier of oil and gas.

So, sir, there are an abundance of warnings to be heeded worldwide and there are an abundance of warnings to be heeded in this Report, yet the Report tells us it is 'hoped' France will be able to carry on supplying us with electricity in the long term. Well, we have already been told that France – in fact the whole of Europe – may not be able to provide enough electricity for themselves in the years to come.

So the questions I find myself asking are the questions I have asked in this Chamber several times over the last two years and those questions are: where is the urgency and where is the concern? Because there is no urgency whatsoever to be found in the recommendations of this Report and very little concern. We are told it is hoped France will be able to carry on supplying us and that developments regarding renewables will be monitored. (*Interjections and laughter*) Just to repeat that, sir – we are told it is hoped France will be able to carry on supplying us with our electricity in the long term and that developments regarding renewables will be monitored.

But, sir, we really do need to be a lot more pro-active than that, especially when we have been told there is a food and fuel crisis looming worldwide. The Ukraine and Russia maybe a long way away from us but it concerns me that we sometimes seem to adopt the attitude that troubles in faraway places will not affect us. But we rely on other jurisdictions hundreds of miles away to supply us with practically everything.

So it really is time we woke up and realised we are looking in the wrong direction for our long term supply of electricity.

I give way to Deputy Fallaize, sir.

Deputy Fallaize: I thank Deputy Queripel for giving way. I just wondered, although he is making some important points about the importance of electricity or energy security, in what way does he think that the N-2 policy fails to fulfil the concerns which he is putting before the States? Because it is proposed to maintain that policy and it seems to me that the origin of that policy is exactly the concern which he is putting before the States. (**A Member:** Hear, hear.)

Deputy Queripel: Sir, I am getting to that. If (*Laughter*) Deputy Fallaize is prepared to wait I will address that. (*Interjection and laughter*)

1810 Sir, it saddens me to have to say that I am disappointed in Deputy Stewart's approach to all this. I applauded him when he tried to give the Environment Department a much needed wake-up call by expressing his frustration at not being allowed to put solar panels on a disused vinery, but now I am disappointed in him because I expected him to be thumping tables and telling the Policy Council we need to be leading the way when it comes to securing a long-term supply of electricity for Guernsey, because that is
1815 what we need. But we need a pioneer at the helm. We need someone who is going to shake people up a bit and alert them to the major problems we are going to be facing in a few years' time regarding our long-term supply of electricity –

Deputy Stewart: Point of order, sir. I think I had pointed out in my opening speech –
1820

The Deputy Bailiff: Point of order, Deputy Stewart.

Deputy Stewart: – that we are addressing concerns.

1825 **The Deputy Bailiff:** That might not be technically a point of order, Deputy Stewart, but...
Deputy Queripel to continue.

Deputy Queripel: Thank you, sir.

In response to that, I do not think they are addressing it in the way they should be addressing it.

1830 And if Deputy Stewart is not going to thump tables then someone else on the Policy Council needs to do it. They need to start thumping tables and waking people up. They really do need to rouse their Policy Council colleagues from their slumbers.

Every Member of the Policy Council should be expressing their concerns that the European markets are volatile and they are uncertain. In fact I believe every Member of the Policy Council has a responsibility to express those concerns and yet I have not heard one of them do that. And I can only hope, sir, that they do during the course of this debate, because it certainly should not take a Member down here to remind
1835 Members up there of their responsibilities.

In the very near future, sir, our sister Island of Alderney will be putting a tidal power plant in place and France and the UK have already signed contracts to buy electricity from Alderney. There is no monitoring of developments taking place. The research has been done, the contracts have been signed and the teams of experts are satisfied that the plant will be a success.
1840

In fact we will probably end up in a situation whereby France buys electricity from Alderney and then sells it to us. So now I am wondering why we do not simply lay a cable to Alderney and buy directly from them?

1845 Sir, I apologise in advance to the Minister for not knowing the history of the issue but is he able to tell me, please, how much dialogue has taken place with Alderney, how much dialogue is currently taking place, how much dialogue will take place in the future and have we actually asked Alderney if we can purchase our electricity from them? If not, why not? And if we have, what was the response?

1850 Finally, has there been a communication breakdown somewhere along the line (*Interjections*) between Alderney and the States of Guernsey and, whilst I am aware that we have our own Renewable Energy Team in place, sir, who are doing some excellent work behind the scenes, my concern is that they are being instructed to look at the wrong issues.

If my colleagues turn to page 1251 of the Billet, sir, they will see that the two bullet points at the bottom of the page tell us that the team are currently looking at commercial attractiveness of development in Guernsey waters, and that Guernsey has a promising tidal resource which should be able to generate power from the tides when cost reduces and technology advances.
1855

Sir, we are being told that work will continue to establish whether or not we set up our own tidal power plant but my concern is surely we do not need to waste civil servants' time and taxpayers' money now that we know we are going to have a tidal power plant practically on our doorstep. Anyway, do we really want
1860 150 turbines in our waters when Alderney will already have 150 turbines in theirs just a few miles away?

I would like to spend a few moments, sir, if I may, reminding my colleagues of the scale of the Alderney tidal power plant. By 2020 there will be 150 turbines in Alderney waters.

1865 These turbines will produce enough electricity to power 150,000 homes. That is just the first phase, because Alderney Renewable Energy (ARE) are planning, over the next 20 years, to build on all the resources around Alderney. The ARE have already signed contracts to sell electricity to France and the UK. The estimated cost for the turbines alone is £500 million. The ARE are already paying Alderney £500,000 a year for a 65-year licence and have been, I believe, since 2008. That will increase to an estimated £800,000 a year once the turbines start producing power.

That, sir, is an enormous undertaking involving enormous sums of money. Would any company be investing that kind of money unless they were absolutely convinced they can deliver? And what are we doing? Well, we are told we are monitoring developments of renewables because of the uncertainties involved, yet this whole Report pitches one uncertainty against another. The uncertainty of renewables against the uncertainty of the volatile and uncertain European markets in the long term. Then quite wrongly, in my opinion, ask us to support continuing with enhancements to Jersey and France on the basis that the long-term supply of electricity is far more secure if we do that.

So the authors of this Report fail to heed their own warnings. And not only that but those enhancements are already underway anyway, with the cheapest option costing approximately £510 million over a 25-year-period and the most expensive costing approximately £575 million over a 25-year-period. At least that is what we are told in the graph on page 1216.

In my opinion, what we should do for the next five and a half years is simply take the extra capacity from Jersey that the recently laid cable from Jersey to France will provide, only lay another cable from Guernsey to Jersey if it is proven beyond a shadow of a doubt that the current cable simply will not last another five and a half years. I would just like to remind my colleagues that laying another cable from Guernsey to Jersey has an estimated cost of £45 million, perhaps. And then, in my opinion, we should forget laying a cable directly to France because that will cost anything from between £60 and £80 million, and I think we should then just stop spending money that we have not got, because we will be spending money connecting to a source that is extremely uncertain. And in the meantime, in tandem, we make a deal with Alderney to buy our electricity from them in 2020.

The Report itself tells us in the third bullet point at the bottom on page 1221 that by 2020 technical progress will have led to major cost reductions and improved installation capabilities, also that this time scale could provide much synergy with the present electricity importation contract which we are told, at the top of page 1222, runs on until 2023.

I just want to question that date with the Minister, sir, because the Chairman's statement in the GEL 2012 annual report told us that a 10-year contract had been signed with France in July 2011, which means it is due to run until July 2021. So I am wondering: have I missed a fundamental point somewhere or is the Minister able to tell me which date is the correct date, please? Does the current contract run until 2021 or 2023?

Getting back to my other concerns, sir, we are told in paragraph 15.10 on page 1219 that the whole of Europe could be struggling to provide enough electricity for themselves by 2030, which is only 15 and a half years away of course. So once again I ask the questions: where is the urgency and where is the concern?

I make no apologies for repeating myself, sir, because I am doing my utmost to alert my colleagues to the major problems that lie ahead of us regarding our future supply of electricity; and if any of my colleagues think I am being dramatic, I would like to remind them respectfully, through the Chair, it is not me making these predictions and forecasts, they are all here in this Report.

I will, however, add something that is not in this Report. I read an article published by the Renewable Energy Association in the UK earlier this year. That article stated that the renewable energy industry has attracted £30 billion-worth of private sector investment since 2010, enabling the industry to sustain over 100,000 jobs in 2013 and deliver 4.2% of the UK's energy, and more than £64 billion is expected to be invested in renewables by 2020 in order to achieve Government projections. So we are way behind the UK and we really do need to be a lot more proactive.

It is far too easy to be complacent and, as we all know, complacency often results in emergency situations arising, and we did have an emergency situation here in the Island not so long ago when the Policy Council decided to buy two oil tankers for £30 million, to secure our supply of oil. I am not saying for a second, sir, that we were in that position due to complacency. What I am saying is that these emergency situations do arise.

On that occasion the Policy Council were able to react but it will be too late if the power is turned off, because not only is on-Island generation too expensive for consumers we probably would not have the oil to generate on Island anyway.

Just to emphasise why on-Island generation should only be used as a backup in an emergency, if my colleagues turn to page 1212 and read paragraphs 3, 4, 5, 6 and 7, sir, they will see that we are told:

'3. ...A failure in the oil supply... would ultimately result in a failure of electricity supply...

4. ... [depending] on oil would also entail a risk from external legislation, such that the grades and quality of oil available might change to the Island's disadvantage.

5. A need to meet some form of internationally-agreed emissions limits might result in the need for the installation of expensive emissions control equipment.'

1925 We are told that man power requirements for GEL would rise, leading to increased costs, and also that electricity would be a high carbon fuel and that would not be in accordance with the objectives of the Energy Resource Plan.

Sir, I would like to ask the Minister one more question before I finish. During the States debate in May 2013 Deputy Kuttelwascher and Deputy St Pier had an exchange in this Chamber that gave our fellow Islanders hope of a reduction in the cost of electricity.

1930 Deputy Kuttelwascher said that having two cables from Jersey to France would mean we could then import up to 60 megawatts, which would then reduce the cost of on-Island generation by 25%, which in turn could mean a 25% reduction in costs to the consumer.

Deputy St Pier said in response that not only would there be an expectation for a reduction in tariffs but also that the States, as shareholder, would be encouraging GEL to make those reductions.

1935 Yet only yesterday in the media the Managing Director of GEL stated that electricity price rises are here for the next decade at least. So my question to the Minister, sir, is what will the States actually do to encourage GEL to reduce the cost of electricity to the consumer?

1940 Sir, I think I have relayed by concerns in a fairly comprehensive and understandable manner. I have not only highlighted problems, I have also focussed on solutions. The fact of the matter is that as long as we rely on Jersey and France we will not have a secure supply of electricity in the long term because nature and evolution will have their way. We have almost exhausted the resources of the earth and the time has come now to utilise the elements of our natural environment. The European markets are incredibly volatile and extremely uncertain but one thing will always be a certainty: the tide comes in and the tide goes out and currents are always on the move.

1945 To conclude, sir, I had considered laying an amendment to add a Proposition to this Report but after giving it some serious thought I did not think it would get the support it needed in this Chamber today. So instead I will finish with a plea to the Policy Council that would have been the essence of that amendment: please look up and see for yourselves what is about to come down. (*Laughter*)

Thank you, sir.

1950

The Deputy Bailiff: Alderney Representative Harvey.

Alderney Representative Harvey: Thank you, sir.

1955 I feel it incumbent upon me to clarify some of the current issues arising in Alderney. I am indebted to Lester Queripel. I got terribly –

The Deputy Bailiff: Deputy Queripel.

Alderney Representative Harvey: Deputy Lester Queripel.

1960 I got terribly excited there at the prospect of turbines going in the water imminently or in the very near future. However, he did quite correctly say we are looking at 2020 as probably the earliest date for those turbines and, as Deputy Stewart has said, there are still technological problems. Nobody in the world has put together a large array of turbines so there is still a long way to go but, for the doubters, I would ask them to look at the North Sea oil and the early days of exploration there. When the will is there and the market dictates, the technology will be found to handle these issues and, of course, I think many people will have seen the news and the signing of the contract with DC&S for the supply of turbines and I think that will go ahead.

1970 The key very much, of course, is not only the turbines and the arrays but it is also the means of moving the power around and the cabling. There we have been having discussions just in the last week on the FAB, which is the French Alderney Britain link interconnector arrangements, which are being driven to an extent by the UK's desperate need to shore up and secure its power supplies.

1975 Ofgem have made it very clear that they will only countenance cap and floor arrangements which drive these agreements for massive expenditure. They will only do so at the moment for market to market i.e. they will not accept generation *per se* as an input to the UK. So they at least are looking at a wider market across Europe and France and looking to benefit from the nuclear power.

The good news is that ACRE are at the moment starting to receive enquiries about the 50% of the seabed which is not allocated to ARE. So there are some signs of interest.

1980 I think, in summary, much though we would love to ride to the rescue of Guernsey in terms of power supply, we are still struggling with our own at the moment and I think that to look to Alderney in the short to medium term is perhaps wishful thinking; but if we can help, of course, we would be delighted to do so and I think the suggestion of perhaps a greater dialogue is one that is well worth pursuing.

So I am indebted to Deputy Lester Queripel for his comments and I hope in some time in the future Alderney may indeed be able to help, but our thoughts too at the moment are turning northwards and the

likelihood is that our expensively-generated renewable energy will probably be destined for UK markets rather than for our dear neighbours.

There is, of course, an issue on tidal energy which is with tidal stands. It makes much more sense fed into a large national or even international grid than into a small consumer – a tiny consumer in the case of Alderney, a small consumer in the case of Guernsey, in international measures.

Thank you, sir.

The Deputy Bailiff: Deputy Kuttelwascher.

Deputy Kuttelwascher: I will restrict myself to 12.30 p.m.

Deputy Queripel was rather dismissive of the large number of people who have signed this Report because he implied that we did not really understand what was going on. I think that is unfortunate.

One thing he has to remember about tidal energy is it is intermittent. You only generate electricity at a maximum when the tidal flow is maximum and there will be a period of time when you do not actually generate anything at all. So we cannot be reliant on that because otherwise we would only be turning on our lights and our computers when the tide is flowing, so it does not address the problem of the continuous base load supply that we need.

Going back to the comments I made some time ago, at the time the additional cost of generating on-Island electricity was 25% more than buying it from France. That is all. But that was not the only constant. That was at that time and those costs vary I agree. As for his last comment about politicians looking up because something might be coming down, it reminded me of another one. I said a politician's life is sometimes like that of a statue or a pigeon and I have got a feeling that he is positioning himself as a statue on this one.

Thank you, sir. (*Laughter*)

The Deputy Bailiff: Deputy Hadley.

Deputy Hadley: Mr Deputy Bailiff, I think this is an excellent Report. It has laid down all the options, all the risks and has a series of sensible recommendations, and I cannot do any more than ask the Assembly to approve the Report without further delay. (**A Member:** Hear, hear.)

The Deputy Bailiff: Deputy Trott, are you going to be a couple of minutes?

Deputy Trott: Very, very briefly indeed, sir.

Can I say that I am delighted that this debate has progressed in a manner that has not seen too many puns about electricity supply and, in rising and in showing my full support to the proposals, say that I am absolutely delighted that those involved have not undertaken a *volte-face*.

The Deputy Bailiff: Does anyone else wish to speak briefly?
Alderney Representative Jean.

Alderney Representative Jean: I would like to thank Deputy Queripel for his remarks and I would just like to say that if Guernsey alongside of this Report – which I too think is excellent – decides that it wishes that it is able to have further involvement with what is going on in Alderney then I think that is something that we in Alderney should do our best to facilitate and help you with.

As my colleague has told you, it is a long-term thing and some of the technology is very new, but we certainly want you involved as well – very much so.

Thank you, sir.

The Deputy Bailiff: Deputy Stewart, will you take longer than say five minutes to sum up on the debate?

Deputy Stewart: I can probably do better than that, sir.

The Deputy Bailiff: Well, we will close the debate before lunch then.

Deputy Stewart: Firstly, Deputy Bailiff, I would like to thank Deputy Robert Jones in his capacity as Chair of Scrutiny Committee and we will obviously, as I said in my opening remarks, constantly review the N-2 policy. All parts of this policy will be kept under constant review and that includes renewable technology, disruptive technologies and all the other things that make up this balance. So you can be assured that the Energy Policy Group will keep that under constant review.

2045 This is the first of a suite of reports. The next will be from Treasury and Resources on the infrastructure and then finally on regulation.

Deputy Lester Queripel – where do I start? (*Laughter*) I think there is a communication problem because we could have saved ourselves a huge amount of time if Deputy Lester Queripel had contacted Members of the Energy Policy Group or myself and communicated with us or the Civil Service, that have
2050 done a huge amount of work, or our Renewal Energy Team, to have understood some of the key drivers behind this Report.

N-2 is that policy that gives us security and that is why it is in place. (**Several Members:** Hear, hear.) So I think there is a communication problem and from this point it is coming from Deputy Lester Queripel at the moment.

2055 I do not know the details and I do not want to mislead the Assembly on the contractual relationship between Guernsey Electricity and France, but I am sure the Treasury Minister can drop a line on that or GEL and we will get an answer back to Deputy Queripel on that.

In terms of reducing energy prices, I do not think we are going to see, realistically, a reduction in energy prices, but getting those prices properly held and fair for all is something that we are focused on and we will
2060 be bringing a report to the States late on in this term.

I do thank Alderney Representative Harvey for clarifying Alderney's position and bringing some realism into the debate. The technology is not available right now but we are working very hard with Alderney. In fact, Members of my Renewal Energy Team were with the Alderney Representatives over in France just a couple of months ago.

2065 I thank Deputy Hadley for his support for this.

I would ask Members to vote in favour.

Thank you, sir.

The Deputy Bailiff: Thank you, Minister.

2070 Members of the States, there are seven Propositions now, with the successful amendment. You will find the six printed ones on page 1271. I was proposing to put all seven to you at once *aux voix*, unless there is any request for anything different.

Deputy Fallaize: Can you put the last one separately, please?

2075 **The Deputy Bailiff:** Okay. Well, I will put Propositions 1 to 5, including Proposition 3(A) to you first. Those in favour, those against.

Members voted Pour.

2080 **The Deputy Bailiff:** I declare those Propositions carried. Proposition 6. Those in favour; those against.

Members voted Pour.

2085 **The Deputy Bailiff:** I declare that carried with minor dissension.
We will now adjourn to –

A Member: Not that minor, sir. (*Laughter*)

2090 **The Deputy Bailiff:** We will now adjourn to 2.30 p.m.

*The Assembly adjourned at 12.32 p.m.
and resumed its sitting at 2.30 p.m.*

HEALTH AND SOCIAL SERVICES DEPARTMENT

**IV. Introduction of Responsible Officer Legislation to
Strengthen Medical Practitioner Quality Assurance –
Propositions carried**

Article VII.

The States are asked to decide:

Whether, after consideration of the Report dated 7th April, 2014, of the Health and Social Services Department, they are of the opinion:

- 1. To introduce a Responsible Officer regime in Guernsey, as set out in paragraphs 12 to 24 of that Report.*
- 2. To amend or replace the regime for registration of medical practitioners in Guernsey, as set out in paragraph 21 of that Report; including to require medical practitioners not employed by the States of Guernsey to pay registration and/or annual fees, to be prescribed by Regulations.*
- 3. To require the Health and Social Services Department through the Chief Officer of the Department to monitor the functioning of the Responsible Officer regime as set out in paragraph 23 of that Report.*
- 4. That no new offences or statutory penalties be introduced at this stage, other than those relating to registration or maintaining annual registration.*
- 5. To direct the preparation of such legislation as may be necessary to give effect to the recommendations in paragraphs 12 to 31 of that Report.*
- 6. To approve the proposal for funding the Responsible Officer regime as set out in paragraphs 25 to 31 of that Report.*

2095 **The Greffier:** Billet d'État XII, Article 4. Health and Social Services Department – Introduction of Responsible Officer Legislation to Strengthen Medical Practitioner Quality Assurance.

The Deputy Bailiff: I invite the Minister of the Health and Social Services Department, Deputy Dorey, to open the debate on this Article.

2100 **Deputy Dorey:** Thank you sir.

The Health and Social Service Department is seeking to introduce a statutory role known as the 'Responsible Officer' and a process of ensuring that doctors who deliver our health care remain fit to practise.

2105 The process is known as revalidation. It was introduced in the UK in 2012 by the General Medical Council, which is the professional regulatory body for doctors. The revalidation process involves continuous appraisal of a doctor's standard of work and a formal review every five years.

If there are serious concerns about a doctor's performance as part of the process the GMC may withdraw the doctor's licence to practise.

2110 Revalidation is an important step forward in ensuring the quality of health care and making sure that the medical practitioners meet their professional standards at all times. It is closely in line with one of the three pillars of HSSD's 2020 Vision of protecting people through high quality, well regulated services. It has the potential to strengthen Government oversight of the whole healthcare system and opportunities to improve outcomes for Islanders.

2115 Any doctor who wishes to practise in Guernsey must be registered with HSSD. Guernsey's laws also require doctors to be registered with a licence to practise with the General Medical Council. This helps to provide a much more thorough regulated structure than Guernsey could afford to provide alone. It also means that it is relatively easy for doctors to transfer between Guernsey and the UK in both directions, while maintaining their professional registration. This helps the Island with recruitment and retention.

2120 Since the initial proposals for the revalidation process in the UK, Guernsey has been in discussion with the General Medical Council about how it should apply here. The GMC has made it clear that if Guernsey wants to continue working with it, we will need to start revalidation of local doctors no later than this year.

2125 In the UK the revalidation process is enshrined in law and the Responsible Officer is a statutory role. UK laws do not apply to Guernsey but both GMC and HSSD recognise that it is essential for the process to have a legal basis on Island. Without legislation in place the GMC will not recognise the revalidation of Guernsey doctors and there will be a risk of losing their licences to practise. This is not a situation which HSSD is prepared to contemplate.

So this States' Report proposes the introduction of Responsible Officer legislation. The statutory role of the Responsible Officer is central to the whole revalidation process. A Responsible Officer is a senior doctor who is appointed to that role. He or she must advise the General Medical Council about the fitness to practise of doctors who work within his or her area of responsibility. In Guernsey, the Responsible Officer would be chosen and appointed by the Policy Council. He or she will be independent of all healthcare organisations on Island, although HSSD will provide administrative support.

The revalidation process works like this: in the first place it is the individual doctors and the organisations that employ doctors or provide healthcare services that are responsible for making sure that doctors have regular appraisals, that appropriate complaints and clinical audit mechanisms are in place and that there are processes for performance management and risk management. These organisations are referred to as 'decimated bodies' in the States' Report and will be precisely defined in the legislation

The Responsible Officer in turn must make sure that these organisations are carrying out their duties and can raise concerns with them if they do not have appropriate forms of quality assurance in place. The Responsible Officer is also involved on a one-to-one basis with every doctor working locally. Once every five years, as part of the revalidation process, the Responsible Officer must make recommendations to the General Medical Council about whether or not a doctor remains fit to practise.

The Responsible Office must work individually with each doctor and must keep records on fitness to practise, including doctor's appraisals and any investigations. If doctors at any time do not take part in the appraisal or clinical Government processes, the Responsible Officer is obliged to notify the GMC.

The appointment of a Responsible Officer has been welcomed by medical practitioners in all parts of the Island's health system including primary care and secondary care, States-employed consultants and Medical Specialist Group consultants.

Doctors have also agreed to the introduction of a levy to fund the role of the Responsible Officer, which is expected to cost £65,000 a year. This will be split three ways between primary care, Social Security and HSSD. Social Security's contribution reflects the funding of the Medical Specialist Group contract. While HSSD has the smallest number of employed doctors of these groups, the Department will also provide administrative support for the role – meaning HSSD will pay approximately £20,000 per annum. This was included in our 2014 Budget.

We have had an interim Responsible Officer in place since early 2014 with arrangements mirroring those set out in the States' Report. This step has been taken to ensure that local doctors, who are due to be revalidated by the General Medical Council this year or next, did not miss out and risk losing their professional registration.

The GMC agreed that these arrangements will be acceptable for a short-term interim period while formal legal arrangements are put in place, but *if* the States do not accept these proposal today HSSD will be left with a major problem relating to the regulation of doctors on Island as the GMC will not work with non-statutory arrangements in the long term.

These proposals are positive in every respect. Guernsey will benefit from more thorough quality assurance as part of the revalidation of that process, helping to ensure that we continue to provide health services to the high standards that Islanders rightly expect. Local doctors will benefit from maintaining their professional registration in the UK which will help us with recruitment and retention. We will maintain our links with the General Medical Council and professional registration, which will avoid the need to set up a more costly and cumbersome local alternative.

I would also like to comment on the Policy Council's words at the end of the Report. The PCs comment refers to Alderney and Sark. Alderney is included in this process and we are discussing revalidation of the doctor with the Sark authorities – the doctor from Sark.

The proposals have support from across the Island's medical community. The interim Responsible Officer arrangements which have been put in place for several months demonstrate that the system can work well. I would encourage States' Members to support the Report and agree to the introduction of Responsible Officer legislation for Guernsey.

Thank you.

The Deputy Bailiff: Deputy Hadley and then Deputy Soulsby.

Deputy Hadley: Mr Deputy Bailiff, I – along, I am sure, with most of the Members of the Assembly – will be supporting this proposal. What upsets me a little bit is the way this has been presented. Continuing professional development is something that all professions have grasped over recent years and it is particularly important for health professionals.

Now, I remember when this was introduced in the first place, it was very much a question of, 'It is up to you, your own conscience, to keep up to date.' Then as time has gone on this has got more and more structured so that people actually were expected to demonstrate how they were continuing with their professional development. The situation at the present time, for some time now with medical professionals

is that they are going off-Island, they are having continuing professional development courses on Island and they are being appraised by their colleagues.

2190 Now, the next step in the arrangement has been that the General Medical Council have said, 'Well, even that is not good enough. We want somebody appointed who will actually check-up that these appraisals are done,' and that is the situation we have now come to. In fact, disappointingly, the Health and Social Services Department have taken so long to bring this before us that the doctors themselves have had to put in interim arrangements – temporary, if you like, Responsible Officers – to protect themselves and certainly the situation is in place for their own protection.

2195 Now, the reason why I think the Assembly are being misled is this is being sold to the Assembly as improving the healthcare of Islanders. It is not doing any such thing. It is merely another step in the appraisal which the professions are having to fulfil. To sell it as improving the health of Islanders or part of the 2020 Vision is over-egging the pudding, I think.

2200 The other thing that concerns me about this is that in the Billet it says that the £20,000 will be found from savings elsewhere within the budget. Now, one wonders how you can make savings within a budget which is always overspent and continues to be more and more overspent as time goes on, (**A Member:** Hear, hear.) but in fact the Minister seems to have contradicted the Billet by saying, 'Well, in fact, it was in the 2014 budget.' So I would like him, when he sums up, to tell us: was it in the budget or are they finding it from savings elsewhere?

2205 The other thing I would like to touch on is that the Deputy Minister of Health, two years ago, had this Assembly resolve that there would be no new developments until the Financial Transformation Programme savings were made.

2210 Now, as I said, I will support this Billet but let's not fudge around. This is a new development. The money has got to be found by this Assembly and it violates the Deputy Minister of Health's own Resolution which was approved by this Assembly.

Thank you, Mr Bailiff.

The Deputy Bailiff: Deputy Soulsby, to be followed by Deputy James.

2215 **Deputy Soulsby:** Sir, I just have a question for the HSSD Minister.

2220 I would like to know what the current arrangements are, that are referred to in paragraph 28, that mean the MSG consultants are not paying for the new services, that Deputy Hadley quite rightly mentions, whereas the primary care practitioners will – quite rightly, in my opinion, as well – have to pay. And can he confirm that the Responsible Officer function is explicitly referred to in the MSG contract?

The Deputy Bailiff: Deputy James.

Deputy James: Thank you, sir.

2225 Like Deputy Hadley, I would agree essentially, I have no doubt that this Assembly will indeed support this. The concept is absolutely right.

2230 My question, my concern, is the actual funding aspect of it. I am aware that currently HSSD pay for registration fees with the Nursing and Midwifery Council for approximately 800 of its registered nursing staff. I am also aware that many other professional fees are paid to a whole host of professional organisations.

We are now opening the door to fund the MSG doctors and the hospital doctors. I would ask you, having set that precedent, where is this Assembly going to go when the Nursing and Midwifery Council introduce compulsory revalidation? Where will you go when the Social Workers Association introduce compulsory revalidation?

2235 I would like us to think about where all this money is coming from and maybe I should have been a little quicker off the mark and asked questions before coming to this debate about how much currently the States of Guernsey are paying to its staff to cover professional fees. I have no idea but I would think it is a fairly extensive amount and, as I say, setting this precedent is a bit like Topsy, so be cautious.

2240 **The Deputy Bailiff:** Deputy Gollop, to be followed by Deputy Harwood.

2245 **Deputy Gollop:** Yes, I very much support these proposals as far as they go... as perhaps not that transparent to understand, although I am aware as a Member of Social Security Department we have talked about these proposals up to a point. And Deputy Soulsby is right to point out – as you would expect from an able accountant and Public Accounts Chairperson – that there is a different way of funding the specialists who work in MSG from the general practitioners.

Moving on from the technicalities, I think we are going to see more regulation in this field and somebody has to pay for it. Whether that somebody is the insurance payer, the taxpayer or the consumer is

2250 a moot point. I think too perhaps the numbers of doctors on the Island is an issue as well. But if you turn to page 1277 and 1278, it is quite interesting to read. The figures are quite complex and hard to follow in part but it says at the top of 1278:

‘If a Responsible Officer function is not introduced, this is likely to lead to increased costs within the health system. These costs may include: unregulated medical services not recognised by neighbouring jurisdictions of Jersey and the UK, and increased difficulty in recruiting or retaining doctors; increasing indemnity costs for medical litigation (there is already an indemnity premium in Guernsey because of non-medical court cases)...’

I would be quite interested in knowing more why that is an issue about the indemnity and you do have to look at these costs.

2255 Now, I would agree that we do not want to be regarded as an Overseas Territory but we do need to sustain and maintain the best possible working environment for doctors and for those reasons we support it. I would disagree with Deputy Hadley in part because I think clearly further professional development for clinical professionals should lead them to consider, with a fresh eye, modern techniques which should prevent unnecessary illnesses.

2260 I would, however, like to point out that, as it is emphasized here... Well, the final part of this paragraph says we must avoid:

‘... lower quality of care, leading to inferior outcomes and the costs associated with these; and a reduction in Guernsey’s attractiveness to international business...’

Deputy Hadley: Mr Deputy Bailiff, a point of correction.

2265 There is going to be no more professional development in this. This is, if you like, a policing arrangement to make sure that the existing continuing professional development and appraisals are done. Nobody is suggesting that this is going to be *more* appraisals or *more* professional development within the medical fraternity.

2270 **The Deputy Bailiff:** Deputy Hadley, if you have a point of correction, rather than standing silent, you are supposed to say ‘point of correction’ and then I will call you to give your point of correction. If you are standing silently, you are inviting the Member speaking to give way. That is the way the Rules work which is why Deputy Gollop was going on.

2275 **Deputy Hadley:** I do apologise sir.

The Deputy Bailiff: Deputy Gollop to continue.
I just say that for everyone’s benefit going forward.

2280 **Deputy Gollop:** – as a give way because...

Well, it will ensure of course that people who are not doing the appraisals are doing them at least but my point is lower quality of care leading to inferior outcomes and the costs associated with these and a reduction in Guernsey’s attractiveness to international business, particularly if standards of healthcare are perceived to be lower than in Jersey and the Isle of Man.

2285 Now, I find that quite interesting because the Report clearly is saying we should be on a level playing field with Jersey and the Isle of Man and if one logically accepts that then the consequences resulting from that would be perhaps a reappraisal of the Reciprocal Health Agreement, but I will sit down on that point.

The Deputy Bailiff: Deputy Harwood, to be followed by Deputy Adam.

2290 **Deputy Harwood:** Thank you, sir.

Like others, I welcome this Report. I am sure that members of the public will take comfort from the revalidation process for medical practitioners in the Island. But, sir, if I may also follow on really from Deputy Sandra James and also Deputy Heidi Soulsby, I do have a concern – and this is a concern of principle – which flows really from paragraph 28 of the Report: the way the levy will be recovered.

2295 It is absolutely clear it should be recovered from primary healthcare medical practitioners off their own back – no question of that. I can understand the principle why perhaps HSSD should bear the cost of the validation process for its own employed medical practitioners, although I do share Deputy James’ concern that we do really need to understand the full extent to which HSSD is exposed to the formal professional fees of its employees. But I do seriously question, as a matter of principle, whether it is appropriate that the SSD, through the Insurance Fund, should be funding the validation fees for the Medical Specialist Group. Surely the validation process is for the benefit of each individual medical practitioner.

2300 The Medical Specialist Group, as far as I am aware, are not solely employed by the States of Guernsey, or through HSSD or through the SSD. It is a company. They are self-employed and they are able to

2305 provide private medical services themselves. Surely they benefit directly from the validation process and therefore I question why should the States, in any guise – whether it is the States itself or otherwise – be picking this up.

Deputy Dorey, in his introduction, referred to the ‘current arrangements’. Now, this then begs a further question – and it is a matter of concern to Members of this Assembly and I know we have expressed it on previous occasions – we are aware that the current arrangements with the MSG, I think, expire in 2017.

2310 A number of people have called upon the Board of HSSD to undertake a review of the present arrangements we have – are they appropriate going forward, not only for the MSG but also for the A&E? We have been faced with a stone wall silence. The HSSD for some reason do not want to carry out a comprehensive review, they would prefer to do a more granular review, but I also question in fact whether, when time is rapidly running out, even to be able to do a granular review of the arrangements with the MSG.

We are therefore almost sleepwalking into a situation where, whether we like it or not, we will find the ‘current arrangements’, as used in paragraph 28, with the MSG will probably be rolled over for a further period of time. So I have concerns. The principle of the arrangements, such as they are, whether it is appropriate the States should be reimbursing the validation fees for the MSG but I also, as I say, have a wider concern that we need to be assured that someone is getting hold of the contractual arrangements with the MSG and we can be assured that they are going to be properly negotiated and that we are not just going to fall back on the current arrangements.

Thank you, sir.

2325 **The Deputy Bailiff:** Deputy Adam, to be followed by Deputy Storey.

Deputy Adam: Thank you, sir.

I must admit I know something about this for a change – or a lot about it. Revalidation was first brought forward as a programme by GMC probably about 10 years ago. It was first discussed at HSSD Board in 2010 when a note was submitted by the then Chief Medical Officer saying a Responsible Officer will be required in 2010.

Now, unusually, I agree with what Deputy Hadley says. For the last three or four years, the medical practitioners in Guernsey, whether it be family doctors or MSG practitioners, have been doing most, if not all, the things that are required under assessment by a Responsible Officer.

This is not a new thing. It has been going on because *they* believe in ensuring *their* standards are up to scratch and to a certain extent a Responsible Officer is simply an independent outside person sent in to confirm that.

As Deputy Hadley has said, because this had not progressed the family practitioners or GPs had already made interim arrangements. So paragraph 33, which Deputy John Gollop concentrated on:

‘If an RO function is not introduced, this is likely to lead to increased costs within the health system.’

The fact is the doctors will not accept that an RO system was not introduced in Guernsey. GMC required necessity for there to be statutory legislation in Guernsey for a Responsible Officer and that is what this States’ Report is about – making sure of the statutory legislation.

We have all registered with the GMC. We have all registered with a designated organisation, depending on your specialty. I am a fellow of the Royal College of Obstetricians and Gynaecologists, GPs: RCOGP. We have all had requirements for continued professional development. I have been doing it for the last 25 years and we are assessed every five years by our College to make sure that we are maintaining our standards. So to try and present it as suddenly a new thing – no, it is not. It has been in the offing for ages and it is high time this was brought forward.

Again, this paragraph 33 says:

‘These costs may include: unregulated medical services not recognised by...’

Well, Jersey and Isle of Man actually introduced this two or three years ago. At one stage HSSD was considering having the same Responsible Officer... sharing it with Jersey, but again they still needed this legislation to come in.

‘... in recruiting and retaining doctors...’

Well, you will not get any doctors working if they are not licenced. Sorry. I cannot work without GMC. I cannot work without Medical Defence Union cover. I cannot work as a consultant obstetrician gynaecologist without my MRCOG. These things just do not happen. It is a fact of life.

‘...increasing indemnity costs for medical litigation.’

Well, actually, yes, that is because in Guernsey I was a self-employed doctor in my own private practice, basically, even though it is an SSD contract you are in private practice. If you are in private practice in the UK you have got high indemnity costs.

With obstetrics and gynaecology you have got one of the highest risks anyway because when I retired something like 10 years ago I was paying £20,000 per annum for insurance, because I was an obstetrician and gynaecologist and considered high risk – not because of my quality of... (*Laughter*) but because the MDU is a Medical Defence Union and mutual insurance companies kind of thing. Now that cost has probably gone up to £35 to £40,000.

So, sorry Deputy Gollop, I would disagree completely with most of what you said. The standards in Guernsey are high and they have been so for several years. This is simply, as Deputy Hadley said, putting a little overview of things (*Interjection*)

As far as the charge is concerned, again you have to go back to contract between SSD and MSG. In that contract it states quite clearly that if there is extra regulation it has to be looked at and often it will have to come out of the fund rather than the MSG pockets. Likewise, the MDU expenses of a practice – if they were increased by a certain percentage over a seven-year period then once it increased more than that it would come out of the centralised fund. That is the contract you have got at the present time and, as Deputy Harwood says very clearly, that will be the contract that we will have to continue on with because negotiations are not progressing very quickly.

However, sir, my main concern about this whole Report is – and it has been mentioned by Deputy Soulsby and Deputy Harwood – on page 1281 the T&R Department comment states - and at this time I did not understand why they made the comment at the time - how HSSD arrived at the inference that they were going to save money. This was taken from the States’ Report by the staff members of T&R and presented, as we state, and when it was presented I simply said at the time I could not understand how they were going to save money from this.

I asked the T&R Board Minister if I could request clarification and I sent an email to Deputy Dorey on 26th May. I actually got a reply yesterday and in this reply it again goes on about if they did not have this legislation they would have to do their own regulation etc. Well, as I have said, the doctors in Guernsey would not accept Guernsey regulation because that would not be recognised in the UK. I would not come and work here if I could not be a member of GMC, FRCOG etc. You want accredited organisations to come here.

So I do not understand where the money saving is and his answer:

‘The financial benefits of the Responsible Officer regime are more about the avoidance of significant costs in the first instance than about making savings.’???

‘The avoidance of significant costs.’ That is to avoid them setting up their own regulation which, as I say, is a completely ludicrous argument.

So I wish Deputy Dorey... if he would tell me how you are going to save money for the HSSD. As far as standards are concerned the one thing that is, not unfortunate but, a fact of life in Guernsey is that the GPs are self-employed. The HSSD and SSD have no leverage to set standards etc. because they are self-employed.

In the UK GPs are employed by the NHS and they can set targets, they can set standards: how many smear tests they have done, how many blood tests, how many statins they have given, blood pressure, diabetes and GPs have a range of targets. Here the HSSD is not able to set targets unless they can have leverage.

Apart from that point, which I think is very significant, this is essential. It has to be accepted because the regulation is necessary to comply with the UK law under the GMC. I trust everyone will accept this Report.

Thank you, sir.

The Deputy Bailiff: Deputy Storey.

Deputy Storey: Thank you, sir.

Perhaps to start with I could start addressing the problems that people have with finance on this. I think Deputy Adam has really said a lot of what I would say in that regard, but I would just like to reiterate it for everybody here. The point is that HSSD and SSD are paying for certain medical practitioners’ regulation because it is a contractual obligation. We have contracts in existence with MSG, we have contracts of employment with our own employees and those contracts effectively specify that these costs will be covered by the States, either by HSSD or SSD.

We have no contract with GPs and therefore there is no contractual obligation to pay for their revalidation costs.

It calls into question whether in some instances it is better to have a contract but more importantly I think it brings to the fore the fact that we need to make sure that we have the right contracts with the various people that we are dealing with, and I do not think that the contracts that we have inherited are necessarily the best for the service that we are providing.

I would also like to talk about savings, if you like. Perhaps they are not savings but the point is that if we do not go ahead with this legislation to provide for our own Responsible Officer then the only way that medical professionals on this Island can get registered with the GMC is if they are considered to be working in an overseas jurisdiction. Now, that is a very lengthy, complicated business and is a lot more expensive.

So, in effect, by going down this route, it will be costing us and the doctors less to go down this route than to go down an alternative route. But I do think that, for the reasons that Dr Adam mentioned in his speech, we really do need to make sure that when we complete the review of these various primary and secondary care areas that we get a contract which is going to enable the Department to actually have more control over the activities of the medical professionals and what they do for us and how they do it.

In terms of continuing professional development, yes, it does happen and it happens very well here, but unfortunately it appears that the GMC do not think that it happens sufficiently well in other parts of their jurisdiction and therefore they have insisted on these regulations being brought into play.

If we want to continue being able to recruit doctors from the UK when they have the knowledge that they will be able to transfer back to the UK if they want to and be able to maintain their registration with the GMC, we are going to have to accept their revalidation proposals and legislate to do it.

Now, I have been accused of supporting the introduction of a new service here. I would say, sir, that this is not a new service. This is, however, a new regulation and new regulations come along all the time and we adapt to them and if they incur extra costs; as inevitably many times they do, we comply and spend that money in order to comply with the regulations that we are required to introduce.

Now, sir, really, as far I can see, what we have got here is a way of enabling doctors to transfer easily between Guernsey and UK. So that would assist our recruitment processes. The doctors will maintain their General Medical Council licence to practise. The revalidation process that is going to be involved ensures that doctors are up to date – and I appreciate it most probably does not mean a great deal of an improvement here but nevertheless GMC feel that it is necessary – and it will be able to maintain the doctor's requirement for registration through the Guernsey Registration.

At the end of the day, things are right now but we need to ensure that the revalidation process is there for the future because we do not know what might happen in the future. So, in effect, revalidation is considered by the GMC to be an important part of the continuing professional development for doctors. Why should we the taxpayers, the residents of Guernsey, have an inferior control system – a less well-regulated service – than UK residents?

So I would urge you all to support the proposal for this legislation and let us get on with the job of appointing a Responsible Officer.

Thank you, sir.

The Deputy Bailiff: Deputy Lester Queripel.

Deputy Lester Queripel: Thank you, sir.

I rise to seek clarification; to echo what some of my colleagues have already said. I realise that £20,000-a-year will come from existing budgets, yet HSSD overspend their current budget by millions of pounds a year and yet we are told they are going to be able to find £20,000 from the existing budget.

So my question is: will the Department be cutting something somewhere within the service to find the £20,000 that is needed for the RO? Apologies to the Minister for not knowing the answer to this question I find myself needing to ask, but the sentence at the bottom of paragraph 2 concerns me slightly because it reads:

‘The UK is the first country in the world to introduce such a system across its whole healthcare system, covering General Practitioners... hospital doctors, locums and those working in the independent sector.’

Is the Minister able to tell me what checks and recruitment procedures currently exist for all the other employees within our Health Service?

Thank you.

2475 **The Deputy Bailiff:** Well, as nobody else is rising, Minister, if you are ready to reply to the debate then I will invite you to speak.

Deputy Dorey: Thank you, Mr Deputy Bailiff.

Thank you to the Members who spoke in support of the proposals.

2480 Deputy Hadley, as part of the 2020 Vision was improving regulations, we see this as being part of the 2020 pillar of improving regulation.

The question about the budget has repeatedly come up. Paragraph 28 says the total cost for HSSD will be £20,000 in the full year which will be met from the existing budget. Because we knew this was coming up, a budget line was set up for this year and in fact it was for greater than that amount of money. Because
2485 of further negotiations when the budget was set up, the amount we then thought would be greater. So it is from within our existing budget that it will be financed.

Deputy Storey has spoken about the Resolution about no new services. I think that Resolution, although it is still on the books... I think with the focus on the transport strategy, we introduced a number of new services then which was a considerable amount of money. So I think the Assembly... although that
2490 Resolution is diluted considerably subsequent to that debate and also about the pre-school education.

Deputy Soulsby and others spoke about the MSG contract. Of course the MSG contract is financed from the Guernsey Health Fund which is one of the funds that Social Security holds. That contract had as part of its 10 year review a renegotiation or discussion between MSG, HSSD and SSD. That was done in 2012. As a result of those negotiations, I believe there was a side letter added to the contract which would
2495 mean that the cost of the revalidation for the consultants will be covered by SSD.

Deputy James asked about how much it costs to pay for professional fees. I just do not have that information. I am happy to let her know after the debate when we have had a chance to find out that information.

Deputy Gollop asked about page 1278 and about increased indemnity costs. I presume that is to do with if they lose their GMC registration, that would involve increased costs.
2500

Deputy Harwood also spoke about the contract with MSG and I think I hopefully covered that. He also spoke about a review and the contract with MSG, which is not part of this debate. We are obviously working very closely with HSSD and SSD on this we are also working with T&R and Procurement Services which are available within T&R. There have been discussions with MSG for a number of months
2505 about the contract and a number of factors have been agreed. We have set up a joint project board with SSD and those negotiations are being advanced through that project board and with the help of the Procurement Services from T&R.

In terms of the review of health care services, after doing a lot of work, getting advice, we are approaching a modular review of the health system. Again working with SSD for the appropriate areas, because a lot of health services are funded from the Guernsey Health Service Fund, we are intending to do a presentation for States' Members to explain the logic of why we are doing that review later this year.
2510

Deputy Harwood: Point of clarification.

2515 **The Deputy Bailiff:** Yes, Deputy Harwood.

Deputy Harwood: Is Deputy Dorey saying that, in fact, the negotiations for the renegotiation of the MSG contract are proceeding [*Inaudible*]

2520 **The Deputy Bailiff:** Deputy Dorey.

Deputy Dorey: Part of the review of health care services is to negotiate. That is one of the elements of it. It is the MSG contract or the contract for secondary care, of which MSG is one of the organisations aiming to provide those services and those are ongoing. I do not think that as it is negotiations, I should
2525 refer to them in any more detail. I am happy, if he wants to speak to me outside this debate, to go into any more detail.

Deputy Adam spoke about the GMC required legislation and that is one of the primary reasons why we are doing this. He asked about answers to his questions. I think his questions were sent in on 26th May. I answered them on the 27th May. He then followed up with some verbal questions and I subsequently sent
2530 him an email yesterday on those verbal questions. We did do a presentation for States' Members last Thursday which I thought was an opportunity for Members to ask more detailed questions. Dr Lyons, who is the interim Responsible Officer, was there at that presentation and could answer any questions that Members had. I think only Deputy Paint attended that presentation. So there was plenty of opportunity for Members to ask further questions about it if they wanted to.

2535 Dr Lyons, at that presentation, was clear that identifying and tackling and monitoring poor practice would help to save costs within our health system and he outlined why it could help to reduce costs within the health system, but obviously, as has been said, a lot of it is avoidance of significant increased costs if we do not introduce this system. But we also believe there are opportunities to save by having better quality health care which will mean there are not ongoing costs within the health system.

2540 Deputy Queripel asked if we were cutting something. No, we are not. As I said, it is within our budget – this item for 2014 – so we will not be cutting it. I will remind Members that our overspend, as we predict, for 2014 is basically made up of three items which are increased costs in off-Island expenditure, less income than we predicted. Our budget was based on a 10% increase in income and we have not quite met that.

2545 The other key factor is the FTP savings where we would have had to deliver in order to stay in budget or the £4.2 million worth of FTP savings on the 1st January – that has not happened – and, as I previously said, those FTP savings will only start at various points during the year and we will fall considerably short of the £4.7 million.

2550 Hopefully I have covered all the points and questions made by Members. I would ask the Assembly to support this. It is necessary. It is necessary for this Island's health system. It is supported by the health system and if we do not do it we will have significantly increased costs and a major problem in terms of recruitment, in the Island, of our medical people.

2555 **The Deputy Bailiff:** Deputy Adam.

Deputy Adam: Sir, may I make a point of correction?

The Deputy Bailiff: Point of correction.

2560 **Deputy Adam:** Deputy Dorey suggested that the questions that I said had just been replied to were follow-up questions. I have my email that was sent to him on 26th May. In it, it says that:

‘The T&R comment may be along the lines...’

– since it was not in publication at that time –

2565 ‘... it is noted that there is potential for future reduction in health care costs arising from the introduction of a Responsible Officer regime and the associated impact of improved assurances of the quality of medical care. This was an interpretation taken from the narrative of the States’ Report paragraphs 7,14,15, 32, 33. There is also mentioned there etc...’

Sir, I suggest they were the questions I was referring to that were not answered and were only answered yesterday and they were submitted to the Minister on the 26th of May.

Thank you, sir.

2570 **The Deputy Bailiff:** Deputy Dorey, you are rising again.

Deputy Dorey: Just to clarify, I did answer those questions but not to the satisfaction of Deputy Adam so when he spoke he –

2575 **The Deputy Bailiff:** Do you mean Deputy Adam?

Deputy Dorey: Sorry, Deputy Adam.

2580 **The Deputy Bailiff:** It might not have been to the satisfaction of Deputy Hadley as well but –
(Laughter)

Deputy Dorey: Sorry, apologies.

2585 I did answer those questions following advice from the civil servants involved in the contract. He was not happy with those answers and he then spoke to me verbally which I then followed up with a further answer.

The Deputy Bailiff: Members of the States, there are six Propositions. You will find them at pages 1281 and 1282.

2590 In Proposition 1, Deputy Dorey, am I right to think that that should read, ‘To introduce a Responsible Officer regime’? So we will read the ‘r’ in rather than formally amend it. Members, if you do that.

There are six Propositions. I will put them altogether, unless there is anyone who wishes them to be put separately. All those in favour; all those against.

2595

Members voted Pour.

The Deputy Bailiff: I declare all six Propositions duly carried.

HOME DEPARTMENT

V. Proposed Amendments to the Fire Services (Guernsey) Law, 1989 – Propositions carried

Article V.

The States are asked to decide:

Whether, after consideration of the Report dated 28th April, 2014, of the Home Department, they are of the opinion:

1. to agree that the Fire Services (Guernsey) Law, 1989, be amended (and any consequential amendments to other legislation be made and any other necessary legislation made):

(a) to require occupiers (or owners in the case of controlled premises in multiple occupation) to notify the Home Department (Fire Service) only in the following circumstances:

- when premises that are not controlled premises become controlled premises;*
- when premises that are controlled premises cease to be controlled premises; or*
- when premises are erected that are controlled premises;*

(b) to require the notification be made within 14 days of the occurrence of any event mentioned in paragraph (a);

(c) to require a fee be paid each time a notification is made in respect of:

- premises that are not controlled premises becoming controlled premises; or*
- premises having been erected that are controlled premises;*

(d) to cease to require the public register of controlled premises to include names and addresses of occupiers of controlled premises and the use to which such premises are put;

(e) to provide for the Home Department (Fire Service) to withhold its views on applications for registration of child-care premises that are currently required to be provided to the Health & Social Services Department under section 24(2) of the Fire Services (Guernsey) Law, 1989, or on any other applications that fall within the scope of that provision, until fees or charges are paid to the Home Department (Fire Service);

(f) to provide for the Home Department (Fire Service) to enter into agreements with any person and impose a fee or charge -

(iii) for the hire or loan of any equipment or the provision of any services in connection with any equipment (regardless whether or not the equipment or services are in any way connected with fire);

(iv) for the provision of services in connection with the following (including written Reports where necessary but excluding fire safety education as part of the School's Education Programme) -

- inspection, testing or maintenance of, and consultation in relation to, fire alarm systems (including alarm receiving centres) or emergency lighting systems;*
- inspection, testing or maintenance of, and consultation in relation to, any equipment or other thing or substance used for fire-fighting, for preventing fires or restricting the spread of fire or otherwise related to fire;*
- inspection of, and consultation in relation to, controlled premises on which the systems or equipment, things or substances mentioned above are installed or proposed to be installed;*
- training or consultation in relation to fire safety, preventing fires or restricting the spread of fire, or otherwise related to fire; or*
- preliminary assessments and consultation on drafts of plans of controlled premises proposed to be deposited with the Environment Department (as mentioned in section 24(1) of the Fire Services (Guernsey) Law, 1989) or on applications proposed to be made to an Authority (as mentioned in section 24(2) of the Fire Services (Guernsey) Law, 1989);*

(g) to authorise the States of Deliberation to amend by Ordinance the types of equipment or services which could be provided by the Home Department (Fire Service) on a fee-charging basis, as provided by paragraph (f);

(h) to provide for the fees or charges, or rates for calculating the fees or charges, mentioned in paragraphs (c), (e) and (f) to be prescribed by regulations made by the Home Department;

- (i) to provide for the Home Department to waive or reduce any fee or charge mentioned in paragraph (c), (e) or (f), at its discretion;
- (j) to provide that nothing in the proposed amendments to the Fire Services (Guernsey) Law, 1989, restricts or otherwise affects agreements which are in existence (or which may in future be made) for the Fire Service to provide assistance to Sark and Alderney; and
- (k) to exclude equipment and services provided by commercial agreement (as mentioned in paragraph (f)) from the scope of the exclusion of liability provided for under section 25 of the Fire Services (Guernsey) Law, 1989.

2. To direct the preparation of such legislation to give effect to the above decisions

The Greffier: Article V. Home Department – Proposed Amendments to the Fire Services (Guernsey) Law, 1989.

The Deputy Bailiff: I call the Minister of the Home Department, Deputy Gillson, to open the debate.

Deputy Gillson: Thank you, sir.

This is a reasonably simple Report which asks for the support of the Assembly in allowing the Fire Service to levy charges in order to recover costs of providing services which are of a commercial nature.

It is important, I think, to state at the outset what this Report is *not* about. It is *not* about charging for emergency or humanitarian services. Putting out a fire will not be charged for, rescuing Mrs Sarre's cat from a tree will not be charged for. We are talking about services of a commercial nature.

Sir, the Guernsey Fire and Rescue Service provides a number of services for premises known as 'controlled premises' – commercial properties such as place of work, blocks of rental properties, hotels. In addition to this, the service also provides other services. For example, delivering fire training for local businesses, providing consultations to architects when designing fire alarm systems: all of these functions represent a cost to the Fire Service in terms of time and resources and so we feel it is appropriate to be able to recover those charges.

Changing the Law as requested will allow us to be able to charge for those services and we are suggesting pricing them at a competitive market rate.

Now, the traditional role of the Fire Service will remain free of charge. As I said, there is no charge for emergency and humanitarian.

It is worth noting, sir, that in a survey commissioned in 2012 just over half the respondents thought that these services to commercial organisations – as I said, building inspections, fire training – should be chargeable. It is also worth noting that currently the Fire Service is competing with private businesses in an unfair way by not charging for these services and so, by allowing the Fire Service to bring in and introduce charges for services which are currently free, it will actually create a fairer level playing field than currently exists.

One final point, which is very well worth noting, is the Fire Service will have the discretion not to levy fees in circumstances where it thinks it is appropriate.

Sir, we believe that these are proportionate measured charges to commercial entities for commercial services and I hope that Members will support these Propositions.

Thank you.

The Deputy Bailiff: Deputy Gollop.

Deputy Gollop: No doubt the Minister will tell us that he had another presentation that we did not go to, but... I must admit there are a lot of unanswered questions in this Report. One was that the amount of money raised from this admirable FTP initiative was so small, at £12,000 to £13,000.

A second was: a lot of stress was made about the market-competitive consultancy costs but I would hazard a guess that there are various disaster recovery consultants, health and safety consultancies out there, who would charge a lot more than the proposed sums of money identified in this letter.

It was also not entirely clear which commercial premises or functions are already paid for. I gather hotels and guest houses already pay for some, but not all, of the services the Fire Department does, but the issue was raised about properties in multiple occupation. I know from experience that the fire officers work very hard in that respect and they do an excellent job for no direct fee, but the question is, if they were to charge commercially for the amount of time and effort they put in, I would surmise that the figures would be greater than those listed in Appendix 1.

By the same token, I would not want to see a regime whereby the Fire Department, through the Home Department, were charging at such a level that it would deter people from seeking advice or training and also the affect that might have on the hospitality sector, should it be affected. The Report does not make it

clear, but it does make clear that there will be payments for Salles Publiques, for example, or certain other issues connected with the liquor licensing sector.

2650 So I kind of want more information. Presumably it will come back to the States Legislation Select Committee but that raises another minor concern: given that there will be a notional cost in drafting this legislation, was it really identified by the Policy Council Task Force as being of particularly high priority in terms of legislation? (A Member: Hear, hear.)

2655 **The Deputy Bailiff:** Deputy Brehaut.

Deputy Brehaut: Thank you, sir.

I cannot support these proposals because I think they are just an FTP saving too far and I think we are now looking down the backs of sofas for cash.

2660 If any member of the public calls the Fire Service for any reason whatsoever there should be no shred of doubt in their minds whatsoever that they will be charged. That seed of doubt of not fully understanding may prevent one person in the scheme of things just not making a call that could have saved somebody's life.

2665 Now, I know it says for 'commercial organisations'. I do not want to find too obscure an example of one that... If we think of people working with heavy machinery that may find themselves in a bit of a scrape, it is not uncommon for the Fire Service to provide an air bag or bolt cutters or whatever to get them out of that predicament. What if just in that moment they think, 'Actually, I could get a bill for this and not fully understand'. Now, I would not want to put someone in a position like that and this does introduce an element of doubt. This is a Fire Service for the preservation of life and property. What on earth are we talking about a level playing field for other business ventures?

2670 I mean a marquee inspection – what if someone simply was going to erect a marquee was not too bothered about the legislation, they did not want to pay the bill and it caught alight because they were not prepared just to get that inspection?

2675 Just to give another example, I was going to work recently and needed to remove the gas main. It is the last time I put in a cat-flap, by the way! (*Laughter*) Now, if I smelt gas the service is free. If I wanted someone to come out and inspect it before I moved it then there is a charge, I think, of about £44. So safety is the main priority in that example.

2680 Also when this pay group or any pay group sits around the table with Members of Policy Council and argues for an increase above RPI, they will remind you that they have a very healthy revenue stream... Well, I say £12,500 a year but not only are they firemen now but they also provide a revenue stream.

I appreciate I may be in the minority in this, but I think this is an FTP saving too far. Do not introduce charges that give people the seed of doubt. I can think of one example where a young lad and this is in relation to the ambulance service – opted to be taken to A&E by car because they were concerned about the cost to them of an ambulance journey to Hospital.

2685 Let's not do this. Let's not go down this road. These are public service employees looking after life and limb and I think we should just remember that and not try and charge out these services.

Thank you.

The Deputy Bailiff: Deputy Storey.

2690

Deputy Storey: Thank you, sir.

I would just like to ask the Minister a question relating to this policy statement.

2695 On page 1284 in paragraph 2.2, the last bullet point is talking about introducing charges for use of Fire Services equipment or staff. Now, in many instances people have in the past asked for advice from the Fire Service regarding the adequacy of their fire precautions in premises. It may be just purely for their own personal... but there are properties which are small blocks of flats or where there are properties under multi-occupation, but it also includes, as I said before, properties that people live in that are owner occupied, and that service has in the past been provided free.

2700 Now, on page 1294 and 1295 I do not see any indication there that that activity is one that you would seek to charge for, but nevertheless in paragraph 2.2 it does say 'use of Fire Service equipment or staff' and I think I would be grateful if the Minister could clarify the position with regard to obtaining fire precaution advice from the Fire Service in these circumstances. Thank you.

Sorry. The main reason for my asking for that, sir, is that people may be put off asking for that advice if there is a charge and that would be to the detriment of people living in those premises.

2705 Thank you.

The Deputy Bailiff: Deputy Ogier.

Deputy Ogier: Thank you, sir.

2710 It is a minor point really. I have just advised the T&R Minister of my question, who may or may not be able to answer it in the time we have available, but I am looking in particular at paragraph 1.6 where it is outlined that the Home Department or the Fire Service would have the ability to waive charges or fees under certain circumstances.

2715 Now, it used to be the custom of many States' Departments to waive charges and fees in the particular circumstances that they felt would be more equitable and less of a burden to society and those on low incomes and the more vulnerable etc. but a few years ago now, from Treasury and Resources, all Departments were made aware that any subsidies should be the subject of a central policy and that the Departments were not to offer subsidies or reductions for charity, things like that, any more of their own back, but that any subsidies that would be given by the States of Guernsey would be the subject of a

2720 centralised policy of offering a subsidy for a recognised entity or set of circumstances.

This seems to be going back the other way. This seems to be saying, 'We have had this centralised policy of no subsidies but we want to have this back again.' So I am wondering if this is just part of ebb and flow of Government centralisation versus decentralisation all the time or whether this is a reversal of the Treasury and Resources policy or what exactly it is. Where are we headed with this? Is this a signal to the other Departments that now we can start to waive fees and charges again where we come up against vulnerable people? It does not seem to be to me coherent and corporate. I am wondering how paragraph 1.6 fits in with the wider aims of the States of Guernsey?

Thank you.

2730 **The Deputy Bailiff:** I do not see anyone else rising so, Deputy Gillson, the Minister, to reply to the debate.

Deputy Gillson: Thank you, sir.

2735 Deputy Gollop – yes, it is a small amount but in these days every penny counts. You questioned the level – whether these are the market rates. Based on the advice from the Fire Service, who have done the research... they feel that they are market rates.

Deputy Brehaut, you are not going to support it, it is a FTP saving too far. I do not think it will create doubt in the public's mind. These are very specific services to businesses, to some businesses which make substantial amounts of money and so it does seem fair to charge them.

2740 I mean your concern about people not wanting to go to the ambulance is a fair enough concern. I suppose you could extend your logic about people being afraid of the cost of service by saying, 'Well, why does the HSSD have a system where you get charged when you go to A&E?' People may be put off going to A&E. So, following your logic, I look forward to a report from you in making A&E charges free.

2745 Deputy Storey, no, people will not be charged for advice. All the fire advice and fire prevention services will be free. These are charges for people who have blocks of flats and are making significant amounts of money from them. They need to get them inspected. We should just recover some of the costs of that.

2750 Deputy Ogier – waiving charges in relation to subsidies. I think there has to be a common sense approach. We are talking about quite minor charges in each of these situations and I think the policy relating to subsidies really was a thrust that related to larger amounts of money than just £43 or £27.

I thank everybody for their contributions and hope Members will support this.

Thank you.

2755 **The Deputy Bailiff:** Well, Members, the two Propositions following from this Report are on pages 1296 to 1298. Once again I will put them both to you together. Those in favour; those against.

Members voted Pour.

The Deputy Bailiff: I declare both Propositions carried.

**VI. Panel of Members –
Report of the Review Board for 2013 –
Proposition carried**

Article VI.

The States are asked to decide:

Whether, after consideration of the Report dated 7th April, 2014, of the Panel of Members (constituted by the Administrative Decisions (Review) (Guernsey) Laws, 1986-1993), they are of the opinion to note the contents of the Report.

2760 **The Greffier:** Article VI. Panel of Members – Report of the Review Board for 2013.

The Deputy Bailiff: I invite the Chairman of the Panel of Members, Deputy Fallaize, to open the debate on this item.

2765 **Deputy Fallaize:** Thank you, sir.

I am really in the position of presenting Deputy Perrot's Report because I have taken over as Chairman after the time when Deputy Perrot submitted the annual Report, but Members will see that there was one case which came before the Review Board in the calendar year 2013. I am happy to answer any questions about that case if any Members wish to make any points in debate, but at this stage I want only to thank

2770 Deputy Perrot for his service as Chairman of the Panel of Members.

Deputy Perrot was key – as I understand it, *the* key person – in instigating the Law and, although in the fullness of time it may be that appeals processes other than Review Boards will emerge – and the States Review Committee has had some initial discussions about this and there have been discussions previously about a centralised tribunal service or some sort of ombudsman, and those ideas do have merit, but in the

2775 absence of those and certainly in the short term and the medium term, like Deputy Perrot, I will defend the Law as it is at present because it does provide a legitimate and practical way of the ordinary person challenging an administrative decision of a States' Department or Committee and I think that it is important that such a mechanism exists.

2780 However, the present Law would probably benefit from some reform and Deputy Perrot was working on that before I became Chairman, and I wish to continue that. In particular, there are three or four possible improvements which I will draw to Members' attention.

The first is the need to protect Members of the Review Board from legal proceedings made by any interested parties who claim to have been defamed during a hearing. Now, this was an issue which arose in the Review Board, which is included in the Billet, where it was not clear whether the Douzenier who sat on the Panel on the Review Board was covered by privilege in the same way that Members of the States

2785 probably, though not for certain, are because of the section of the Reform Law which extends Parliamentary Privilege to Members of the States; and it will probably be useful to put that beyond doubt and to revise the Administrative Decisions (Review) (Guernsey) Law to ensure that members who sit on review boards do have privilege extended to them.

2790 A second problem with the present arrangement is that the gatekeeper, if you like, is usually the States' Supervisor or Chief Executive and, failing that, HM Greffier. Now, that is not truly independent or certainly there is the perception that it is not truly independent. That can certainly be resolved. There is no need to resolve the way in which the Review Board is convened and the way in which the Review Board hears cases, but the person who determines whether there are grounds to hear a case probably ought not to be the senior most civil servant. So I want to look for alternative gatekeepers, if that is the right word, but

2795 alternative ways of testing whether a complaint ought to be referred to a Review Board and the Chief Executive and HM Greffier, as I understand it, are supportive of such reforms and I would like to work on those.

I understand from HM Procureur that if some alternative arrangements were put in place that St James's Chambers would still be in a position to advise whomever it is who might have delegated to them the responsibility to determine whether there is a case to hear.

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HM Procureur is looking at me rather oddly. Now he is getting up –

The Procureur: I think I did say that and I must remember to say the same thing when Deputy Fallaize makes the same speech when he actually introduces the Report which will lead to the modification of the Law.

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Deputy Fallaize: I will remind HM Procureur what he is meant to say at the appropriate opportunity.
(Laughter)

2810 A third possible problem is – well, I do not know whether it is a problem actually, it is something I want to consider – whether the broadening out of the Review Board in terms of its membership might be useful.

At the moment a Review Board includes a Chairman who is a Member of the States, another Member of the States and a Douzenier. It seems to me that it might be useful to have a fourth member who may be
2815 unconnected to the States or the parochial authorities, because it is important that there is the perception of some impartiality on these Review Boards.

There is also one issue which I think can be dealt with without requiring a change to the Law and that is regarding the process under which Review Boards hear cases. The Law is permissive in the sense that Review Boards are able to determine their own proceedings, but in the case that is included in the Billet
2820 there was something of an inequality of arms because, to put it in simple terms, the complainant turned up alone and the Department turned up with a legal advisor who the Department seemed to expect would be able to address the Review Board along with the other range of officers they had brought with them.

Now, I think it is important because it is not a court of law. It is actually a fairly simple, unbureaucratic process for the complainant and I think there ought to be some equality of arms, or at least the perception
2825 in the mind of the complainant of an equality of arms, and therefore I think that the internal processes if you like of the Review Board might usefully be revised.

Therefore, I will be working with the Policy Council to try to obtain their support to make the necessary amendments to legislation and hopefully have a report back before the States in the next nine to 12 months.

2830 If there are any questions in relation to the case which is outlined in the Billet then I would be happy to answer them.

Thank you, sir.

The Deputy Bailiff: Deputy Gollop.

2835

Deputy Gollop: Thank you, sir.

I am actually heartened by what Deputy Fallaize has said, building on the good work Deputy Perrot has been doing, in that we are going to see a move forward. I think for a long time we have needed reforms to this particular procedure. We have needed what amounts to more of an ombuds-committee.

2840 I know this slightly strays into States' Review areas but I think the necessity of having, effectively, a parliamentary commission of trained and excellent staff separate from the Civil Service is a goal we should aspire to, and this would fit well into that, because I would agree with the Chairman's point that perhaps the Chief Executive Officer of the States of Guernsey is not the ideal scrutineer here.

I have a few concerns though about what has been going on. The fact that they only had one case – I
2845 remember the time a few years ago when there were many, many cases and it was a regular function. Now, maybe that suggests everything is swimmingly good at the moment but that is possibly not the case and it emphasises the need for reform.

The second issue is – a technical issue perhaps – in this particular case where an individual is named – the gentleman in question – he clearly requested the media not be present, which it was agreed to on the
2850 second or third attempt, and yet to a degree the publication in the Billet, both available as a book and online, does bring forth some issues that the complainant might have wished to have kept confidential. I am not even going to name him but his name is here. I think that is an issue of procedure.

My third point is, to a certain extent – although I think, from a personal point of view, the tribunal came to the right decision in terms of the case – I have two concerns really in respect of HSSD's position
2855 here.

The first was I think they were entitled to expert legal representation, whether it be from St James's Chambers or somewhere else, because I am sure many Members of this States – and I am sitting looking at Deputy Adam here for one – would not wish for people who had professional managerial reputations to be discussed in a way that perhaps is not terribly good for their profile in these semi-public or public
2860 hearings, and I think legal representation is desirable.

Now, if you are referring to the inequality of arms then I think that the complainant should have a lawyer and if, for whatever reason, they are not in a financial position to have a lawyer, it should be provided for them through funding. That equality of arms should be upwards rather than downwards.

My other consideration is that the very lengthy argument that the Panel came out with in relation to
2865 reasonable conclusions and for example paragraph 10.18 on page 1326:

'Therefore the Review Board is of the opinion that the only reasonable conclusion it can draw from the evidence...'

– notice the legal word there again –

‘... put before it is that the Complainant believed that he would be reimbursed for medical costs incurred in visiting the Cambridge Consultant and that neither the Department nor its service provider acted with the clarity that was required to disabuse the Complainant of that not unreasonable belief at an early stage.’

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That kind of details strikes me as perhaps going slightly beyond the technical requirement of the Panel to ascertain whether a group of politicians would have reasonably come to a decision. You can argue it was the wrong decision but was it really the instinct of the Board to go on with their normal procedures and protect taxpayers’ money that unreasonable? So I think if we are having a process whereby you reassess on the merits of the case, the original decision that the Board have made, that is one thing but the law should be changed to technically allow that to happen, rather than the current structure.

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But I do welcome the direction it is going in with perhaps a more radical approach to looking at cases and reform generally.

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The Deputy Bailiff: Deputy Trott, to be followed by Deputy Wilkie, to be followed by Deputy Storey.

Deputy Trott: Sir, I rise very briefly – because we are after all only being asked to note this Report, which I am happy to do so – to address a comment and a question through you to the Chairman of the Panel of Members, who fortuitously is also the Chairman of SACC.

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The question is this: the holder of the office of Chairman of the Panel of Members must have served for three years in this Assembly in order to become eligible to the position – now, this is clearly a legacy back to the days when the States terms were three years rather than four – would he agree with me that it is clearly absurd that one can hold any other office in this Assembly immediately, including the offices of Treasury and Resources Minister and Treasury Minister and yet, bizarrely, one needs to complete three quarters of a term before one is considered appropriately mature and sensible enough to carry out the role, which in the Chairman’s own words, is overseeing a simple unbureaucratic process? And would he be able to give me and this Assembly an undertaking that his Committee, i.e. the SAC Committee, will seek to address this anomaly expeditiously?

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The Deputy Bailiff: Deputy Wilkie.

Deputy Wilkie: Thank you, sir
I am just going to rise briefly as well.

2900

This is the second time we have had a Report from the Review Board this term and both have been dealing with complaints relating to HSSD. I believe that this is indicative of a complaints system without independent oversight. It is a great concern that the complaint process had not been fully exhausted and yet this case was before the Review Board and I would ask that HSSD seriously consider improvements to its complaints process, creating a fairer and more transparent process.

Thank you.

2905

The Deputy Bailiff: Deputy Storey.

Deputy Storey: Thank you, sir.

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If my information is correct, the Review Board was first introduced as what can best be described as a cheap and accessible means for people to have their complaints against the administration of the Government of this Island looked into without incurring enormous costs, because the only other alternative at the moment is judicial review which is prohibitively expensive for an individual and still expensive for the States of Deliberation.

2915

I think introducing an ombudsman type of service, whilst in many ways a good idea, nevertheless, is going to be quite expensive to do and so I think, from a personal point of view, I would like to see that the Review Board process is improved so that we do not need to go down those routes.

I agree with the point that was made about an appropriate gatekeeper and I look forward to seeing suggestions in that area. Also the point about privilege to Members of the Board, I think is something that is quite serious and needs to be addressed as a matter of urgency.

2920

But I would also like to suggest, as in Deputy Fallaize’s statement to this Assembly earlier, talking about the possibility of adding a fourth member to the Panel... and I would suggest to him that it might be appropriate to consider individual appointments according to the matter in hand so that one could recruit an independent expert in the field that is to be discussed or reviewed by the Review Board because in many instances I suspect that if there are three permanent Members of that Panel they will not be expert and have full grasp of the matters that are under discussion by experience and it would no doubt be helpful

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if they had an independently appointed expert in that area to give advice and experience to that Panel in their deliberations.

Thank you, sir.

2930 **The Deputy Bailiff:** I will call Deputy Bebb and then Deputy Hadley.

Can I just remind Members that the Proposition is to note the Report? Although Deputy Fallaize has flown his kite for the changes that he might wish to bring forward in due course, that is not really the subject matter that should be being debated this afternoon.

Deputy Bebb.

2935

Deputy Bebb: Thank you and in that regard, yes, I will deal with the matters that Deputy Fallaize raised in his opening speech privately with him outside of this debate.

However, in relation to the Report itself, I am concerned as to the process that was followed here. If we look at paragraph 8.4 and 8.5, it clearly refers to the complainant understanding from the off that the consultation would not be paid for by the Department and, if the complainant knows that the consultation would not be paid for by the Department, I am unsure why it was then chosen by the Committee to refer this back to HSSD. And yet that is what happened.

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I feel I was in the minority when it came to this Report coming back to HSSD that I felt that it should be the same decision again, that we should not review that decision, because evidently all that the Board can actually do is ask the Department to review its decision.

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I honestly state that if we accept this Board's recommendations we are opening ourselves to a position where members of the public can go to the UK, seek private patient consultations and expect HSSD to pay for it.

Now, HSSD have since tightened their regulations concerning this, they have tightened their procedures and of course that is welcomed, but in all honesty we need to think whether such a process was actually reasonable. I would contend that it was not and I find the findings of the Board actually flawed.

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I will be noting the Report because that is all there is to do, but I do think that we should also note that on this occasion I firmly believe the findings to have been flawed.

2955 **The Deputy Bailiff:** Deputy Hadley and then I will call Deputy Perrot who has indicated a wish to speak.

Deputy Hadley: In fact, the complainant in this particular case was a constituent of mine and indeed Dr Rolfe himself used to work for the Health and Social Services Department and I urged him to make a complaint to the Review Committee.

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One aspect of this – without going into detail on the case and I do think that he had a very legitimate grievance... It does worry me that in fact this could have been blocked by the Chief Executive, because in fact the complaint can only be referred to the Board if the Chief Executive of the States of Guernsey agrees, and in fact it took some weeks for the Chief Executive to agree to refer this to the Board and I would urge that this requirement is looked into, considering that this is one of the few roads to complaint that we have against the States of Guernsey.

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The Deputy Bailiff: Deputy Perrot.

2970 **Deputy Perrot:** I think it is important to understand the context in which a Review Board system was brought into being. I mention it now even though I mentioned it this time last year because I think people have forgotten.

When I originally went to the then Advisory and Finance Committee in the 80's, drawing to their attention that it might be a good idea, might it not, if there was such a thing as judicial review.

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But the response was like a Bateman cartoon. (*Laughter*) As one looked around the Board table of the Advisory and Finance Committee, the look of shock and horror on everybody's face at my impertinence in suggesting this, I wish I could have captured some way in a cartoon or painting or a photograph, so I realised that I was not going to have an easy time of it.

What happened then was, I have to admit, a fudge. I had to try to bring something which would be acceptable to the then Advisory and Finance Committee and of course to the States. So at the time there was concern that the Chairman of the Panel ought to be somebody who had been around for a bit and I entirely accept the point made by Deputy Trott that that now looks a bit absurd really. If you can become a Minister pretty well as soon as you can shave now (*Laughter*) that does seem to be a rather peculiar restriction.

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2985 It was also a real fudge that the gatekeeper – an absolutely appropriate term there – was the then Supervisor. It was a question of what was politically achievable and had I stayed in the States after 1988, when I came out the last time, I think I would have tried much earlier to change all of this.

2990 But could I commend the approach of Deputy Fallaize as the new Chairman and could I also commend his comportment in the way in which he dealt with this complaint? I do not think anything can be over-detailed, frankly, and I think it is also a model of clarity. I also had the privilege of serving with him on one Review Board last year and his input to that was absolutely splendid and it shows that he really does well understand the system.

2995 It does need revision. I went to see the Policy Council about this and got a bit of a raspberry. *(Laughter)* I like that. It means it is working. In the words of Lance Corporal Jones in Dad's Army, 'They don't like it up em, sir'. *(Laughter)* The fact that we get back sweeps of complaint about this must mean, I think, that there is considerable merit in the system.

3000 One thing which I would say is that there are not enough cases. Why is that? It is very clear to me that Deputies do not understand the system sufficiently well. I have had a number of calls from Deputies who realise that this is one way of challenging decisions and I have been perfectly happy to explain this system to them but it is quite clear that the message did not get out last year, and if I had any advice to give to Deputy Fallaize as Chairman it is to find some way of communicating what this is all about and I would urge him not to listen to the naysayers, but to get on and to improve what I think is actually not a bad system – though I say it myself. **(A Member: Hear, hear.)**

3005 **The Deputy Bailiff:** Deputy Dorey.

Deputy Dorey: Thank you, Mr Deputy Bailiff.

I agree with Deputy Bebb's comments. I struggled to understand the logic based on what was in the Report, of how it reached its conclusion, but they so did.

3010 In terms of Deputy Wilkie's comment about fair processes, as Deputy Bebb said, we have tightened our procedures and we are writing considerably more procedures within HSSD so that the situation is improved for the future and people fully understand the reasons for decisions made within HSSD.

3015 In terms of legal representation, I think the States has a right to have legal representation, particularly when there is potentially a significant amount of public money involved and I think it was right that HSSD did have legal representation at this Review Board.

I actually think that the Review Board will benefit, when it is a technical matter or a health matter, to have particular technical or health advice for it before reaching a conclusion at a Review Board.

3020 My final point is in relation to the Law – and I think it is 3(f) – and the fact that this preceded a judicial review and, now that there is judicial review, I think you have to really consider whether people have other rights or remedies for a particular situation, and I think we need to be very clear where does the Administrative Review Board stop and where does judicial review start, because I think it would be quite easy to challenge whether these could have resorted to a judicial review rather than a Review Board. So I think in terms of reviewing the process we need to be clear on that.

Thank you.

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The Deputy Bailiff: Nobody else rising. I call on Deputy Fallaize, the Chairman of the Panel of Members, to reply to the debate.

Deputy Fallaize: Thank you, sir.

3030 I should clarify to Deputy Gollop that I am not in favour of anything 'radical', to use his words. I am in favour of reforming this process but retaining the underlying process itself.

3035 An ombudsman would be relatively expensive. It would also be quite time consuming to establish and one has to bear in mind what priority it is to be afforded. It was considered at a very preliminary stage by the States Review Committee but it is the sort of... If there is perhaps a stage three of the work of the States Review Committee it is something that may be considered at that point but it would be quite time consuming to set up an ombudsman and one has to ask what the benefits of it would be.

3040 In the fullness of time, it may be that we move to a centralised tribunal service or an ombudsman. In fact, I think there is an outstanding States' Resolution directing the Policy Council to Report to the States on the merits of an ombudsman or a centralised tribunal service dating back, I think, about 10 years. So they are getting around to it. They might not exist by the time they... *(Laughter)* Anyway.

The number of cases is very low. I do not think that is because they are being... Well, I hope and I believe it is not because they are being suppressed in any way. I will not find out – or Deputy Perrot as my predecessor – whether there are cases which have not passed the test applied by the Chief Executive of HM Greffier – I do not think I will – but I do not believe that there are lots of cases being drawn to their

attention which are then not being referred to Review Boards. I think the number of cases has been low for some years.

I could not quite understand the point that was made by Deputy Gollop about this information being included in a public document when the complainant asked for the case to be heard in private. The case was not heard in private. Paragraph 5.6 says the Review Board confirmed the hearing would be held in public in the interests of adhering to the general principle of openness and transparency, but personal medical information ought not to be made public and there were a couple of occasions when the review Board effectively went *in camera* to hear personal medical information, and all parties were in agreement when the Review Board went into private session. I would certainly intend that all Review Boards, as far as possible, should always be heard in public. I think that is an important part of the process.

I am not suggesting that States' Committees ought not to have legal representation. It is a question of how that representation is expressed. What is the relationship between that legal representation and the Review Board? It is okay for Deputy Gollop to say that the equality of arms should be levelled up but, as I understand it, people applying for judicial review have no ability to seek legal aid at present.

Now, if Deputy Gollop is suggesting that the provisions of legal aid ought to be extended to people who are seeking to make administrative complaints against States' Departments and Committees it is possible that the Review Board could take advantage of that but, again, there would be expense involved.

I disagree completely with Deputy Dorey implying, I think, that judicial review is enough – now that we have a judicial review we do not need these appeals processes at a lower level.

The judicial review is a very major step and potentially a very expensive step for an ordinary member of the public to take if they wish to make a complaint against a fairly routine decision of a States' Department or Committee and I do not think it is acceptable to say to people the appeals process we have is judicial review. I think we need something in between the internal appeals processes within Departments and judicial review.

Deputy Trott makes a perfectly fair point. I am not sure it is actually a matter for SACC as much as it is for consideration if and when the Review Board Law is reformed, but I am certainly happy to pursue his suggestion that the three-year time period is looked at because it does appear to be inconsistent.

Deputy Wilkie raised a point about HSSD's complaints procedures and that is an important point in this particular case. The Department's complaints procedure was not explained properly to the complainant. What is meant to happen is that the Department's complaints procedures are exhausted and then if the complainant wishes the matter can be referred to a Review Board. In this case we got half way through the hearing and established, from the Department, that it had not advised the complainant of its own complaints procedures.

Now, the matter ought not to even have been before a Review Board at that stage because there were further complaints avenues within HSSD which the complainant was unable to exhaust, not through any fault of his own but because the Department simply did not explain them to the complainant.

So it is all very well tightening up procedures but if the complaints procedures are not actually brought to the attention of the client then that is of no use whatsoever to the client. So I agree with Deputy Wilkie in his drawing the Department's attention and the States' attention to that problem.

Deputy Storey suggested that a sort of expert panel, or as far as one could get to an expert panel, might be brought in on a case by case basis. I think there is some merit in bringing in people who have some expertise in that particular area, but I also think there is some merit in, as it were, lay people hearing a case.

If one thinks of the jury system in the UK, the whole basis of justice is based on lay people hearing what is often very complex and technical information and I think that there may be some merit in blending lay people with experts but I am not sure I would be favour of going to a whole panel of experts and I am not sure that would be entirely necessary.

I think, although the process is imperfect at the moment, although the Law is imperfect, I think if Members were to speak to those people who have been complainants – some of those whose complaints have been upheld and some of those whose complaints have been dismissed – I think in the main they would say that they believe the Review Boards have treated them reasonably and offered them a reasonable opportunity to explain why they are making a complaint and heard their case in a very measured and balanced way.

I am not just talking about the last couple, or a couple in which I have been involved, but over the years I think that Review Boards have greatly assisted complainants who have had their cases upheld and dismissed. And I do not think that those complainants would have overwhelming complaints about the composition of the Panel of Members.

Indeed, it is quite interesting because sometimes there is criticism of this process that it is not sufficiently impartial, it is not sufficiently independent of the Department against which the complaint is being made, but that claim starts to fall down when Review Boards consistently find against States'

3105 Departments. I think there has been, over the years, a balance of complaints dismissed and upheld and that of itself demonstrates the impartiality of successive Review Boards.

So obviously I disagree with Deputy Bebb and Deputy Dorey in their criticism of the conclusion that was reached by the Review Board in this case in 2013.

3110 There is no suggestion in the Review Board's findings that clients of our Health Service can pick and choose hospitals in the UK. In fact that is referred to very clearly in the Report of the Review Board.

3115 Deputy Bebb drew the States' attention to paragraph 8.4 and suggested that the complainant in this case knew that he would have to pay for his treatment. Paragraph 8.4 makes it clear that by that time the complainant was already in the UK, having left Guernsey, and the final words in that paragraph say in any event he fully expected to be reimbursed for the consultation in due course, which I think puts a slightly different perspective on it to that which was portrayed by Deputy Bebb.

3120 But the important point is here that the Health and Social Services Department needs to take responsibility for those people it engages to provide health services. It cannot just devolve responsibility for providing health services to a third party and then suggest that it has no responsibility at all for the actions of the third party. And in both of the cases of the Review Boards on which I have sat there has clearly been a lack of communication between the Department and its provider, and that needs to be addressed.

I think I addressed the point that Deputy Hadley made about the Chief Executive acting as gatekeeper.

3125 Finally, it may be that this Law emerged out of a fudge, but I would applaud Deputy Perrot for the efforts he made in the 1980's to have this established. I think it has helped people who otherwise would not have found any way to make complaints, pursue complaints against States' Departments and Committees.

3130 It may be an imperfect process but, like Deputy Perrot, I will continue to defend it until, and unless, there is something better, because I do not believe it is sufficient to say to people that the only avenue of complaint is judicial review. And I will heed his advice in terms of communicating the process and trying to encourage, particularly, States' Members when they know that there are people out there who may wish to make complaints, to direct them to make complaints through the Review Board process.

I ask Members to note the Report.

Thank you, sir.

3135 **The Deputy Bailiff:** Deputy Fallaize, I think you may have made an inaccurate statement earlier, if one looks at paragraphs 2.2 and 2.3 of the Report signed by Deputy Perrot, the actual number of complaints is relayed to the Panel of Members, so you as Chairman will know the number of complaints and you will know the number that go forward.

3140 **Deputy Fallaize:** Thank you, sir.

That was an assumption. I have only been in office for about three weeks. (*Laughter*) Thank you, sir.

3145 **The Deputy Bailiff:** Members of the States, there is a single Proposition. It is to note the Report. It is on page 1328 in the Billet. All those in favour; all those against.

Members voted Pour.

The Deputy Bailiff: I declare that duly carried, similarly, with minor dissension.

**Procedural –
Commonwealth Parliamentary Association –
Guernsey Branch Annual General Meeting**

3150 **The Deputy Bailiff:** Members of the States, that concludes the business for this month's meeting of the States of Deliberation.

As I said at the outset this morning, the Annual General Meeting of the Guernsey Branch of the Commonwealth Parliamentary Association will follow on after the conclusion of this meeting. There will be a break of approximately 10 minutes, I imagine, while we reconvene in that form.

3155 I would encourage as many Members as can to stay behind to attend that meeting and participate in the Association.

We will close the meeting, Greffier.

The Assembly adjourned at 4.20 p.m.