



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Wednesday, 12th November 2014

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Present:

Sir Richard J. Collas, Kt, Bailiff and 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, A. H. Langlois, R. A. Jones

St. Peter Port North

Deputies M. K. Le Clerc, J. A. B. Gollop, P. A. Sherbourne,
R. Conder, 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, 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)

Absent at the Evocation

Miss M. M. E. Pullum, Q.C. (H.M. Comptroller)
Deputy M. J. Storey (*indisposé*) ; Deputy F. W. Quin (*indisposé*);

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States of Deliberation

The States met at 9.30 a.m.

[THE BAILIFF *in the Chair*]

PRAYERS

The Greffier

EVOCATION

CONVOCATION

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, 12th November 2014 at 9.30 a.m. to consider the items contained in these Billets d'État which have been submitted for debate. That is Billets d'État XXI and XXIII.

STATEMENTS

Recent events in the Canadian Parliament – Statement by the Bailiff

5 **The Bailiff:** Members of the States, you will have noticed on the Agenda when it was circulated two weeks ago that I proposed to make a Statement on something entitled Recent Events in the Canadian Parliament.

Two weeks is a long time in politics but if you could cast your mind back two or three weeks, I am sure that you were all as shocked as I was to see on our television screens the attacks that took place at the
10 National War Memorial and in the Parliament building in Ottawa. (**A Member:** Hear, hear.) I know that many of us have friends and colleagues among the Members and staff of the Canadian House of Commons who we have met through various Commonwealth institutions and some of whom have visited us here in Guernsey.

All I wish to do is to inform you that I considered it appropriate to write to the Hon. Andrew Scheer
15 MP, the Speaker of the House of Commons, to express, on behalf of us all, our condolences and our expressions of support following the violation of the Parliament building and War Memorial in Ottawa (**Members:** Hear, hear.) and I did so.

St John Ambulance and Rescue Service– Statement by the Chief Minister

20 **The Bailiff:** Next item. Chief Minister, you wish to make a Statement concerning St John Ambulance and Rescue Service.

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

Members will be aware that it was agreed at the end of September that a revised contractual arrangement was to be put in place for the provision of emergency road ambulance services. I am aware, however, that there have been a number of different views espoused about how this agreement came into
25 being.

In part, this is because of the involvement of the Civil Contingencies Authority whose deliberations are subject to confidentiality – confidentiality agreed by the States of Deliberation when the legislation brought it into being; that is when the States of Deliberation passed the Civil Contingencies Law 2012.

30 So what I will set out today will be a factual Statement. I will set what happened, why it happened, what it has achieved and what happens next. I would also wish to clarify that, whilst I was present for the earlier meeting of the Civil Contingencies Authority on 19th September, I was not present for the Civil Contingencies Authority meeting on 30th September.

35 I believe that what I am about to set out will demonstrate that all parties have acted in good faith and within their remits; that is Health & Social Services Department, Treasury & Resources and the Civil Contingencies Authority.

40 At the Policy Council on 29th September 2014, the Minister for Health & Social Services, Deputy Dorey, reported on the current status of negotiations with St John Ambulance and Rescue Service, in regard to the provision of emergency road ambulance and patient transfer services. Policy Council was informed that the deadline for HSSD's negotiation team to confirm proposals to St John Ambulance was close of play the following day, 30th September 2014.

45 Following the meeting of Policy Council, the letter of offer proposed by the HSSD negotiating team and agreed by St John Ambulance was provided to Treasury & Resources at 6 p.m. that day in order to consider and approve financial implications of those proposals, ahead of the deadline the following day. This position had been reached following protracted exchanges, discussions and negotiations between St John Ambulance Rescue and HSSD over several months.

It had been strongly indicated in May 2014 by St John Ambulance and Rescue that, should suitable agreement not be reached by close of play on 30th September 2014, they would immediately provide notice to their staff, informing that they would not be operating the emergency road ambulance service beyond 1st January 2015.

50 The reason for that was because in that eventuality St John Ambulance would need to enter into a wind-down period on 1st October 2014, which would have included giving notice in line with contractual provisions. Such a wind-down period would take three months to complete – that is up to the end of 2014.

55 Following its meeting, Treasury & Resources advised HSSD on 30th September 2014 that given a number of commercial and financial risks that it had identified and without sufficient time or information, in its view it was not possible to conclude safely that the proposal represented best value for the States of Guernsey.

60 Prior to all of this, the Civil Contingencies Authority had met on 19th September 2014 in its responsibility to monitor any situation that may lead to an emergency; in this case, the potential loss of, or significant disruption to, the delivery and operation of the emergency road ambulance service. An outcome of that meeting was to reconvene should positive outcomes of those negotiations between St John Ambulance Rescue and HSSD be at risk.

65 For the purpose of absolute clarity, I have been informed that the Ministers for Treasury & Resources and HSSD met on 4th September at their normal monthly meeting. At this meeting, the Minister for HSSD had confirmed that St John Ambulance had said that the deadline for ensuring continuity of service was at the end of the month – that is the 30th September 2014 – and the need to have a contingency plan to ensure continuity of service was identified as essential.

70 Given that Deputy Dorey had made the Policy Council aware on 29th September that the deadline for reaching agreement was the following day and given that the agreement was not yet secured nor had yet been put to the Treasury & Resources Board, a meeting of the Civil Contingencies Authority had already been scheduled for 3 p.m. on 30th September, just in case such a meeting was needed.

75 At the commencement of the Civil Contingencies Authority meeting on 30th September 2014, it was advised that a satisfactory position had not been reached, that the Treasury & Resources Board had not approved the HSSD proposal earlier that day. The Civil Contingencies Authority consequently decided that, in line with its mandate, there was significant risk and threat of disruption and/or failure to provide consistency of emergency road ambulance services.

I am not able to say more about the deliberation of the Civil Contingencies Authority, given the confidentiality provision. I should add that I was not present at that particular meeting. I do know though that following the meeting of the CCA, discussion and dialogue with St John Ambulance negotiators enabled a suitable and safe position to be reached, subject to a written agreement being entered into.

80 This position ensured the provision of the emergency road ambulance service, ensured value for money for the taxpayer under the circumstances and put in place a mechanism for the long-term review of the arrangement between the States of Guernsey and the St John Ambulance and Rescue Service.

In short, the arrangement reached has four points.

85 Firstly, the provision of emergency road ambulance and patient transport services in the Bailiwick will continue to be supplied by St John Ambulance under a revised contractual relationship which is in the course of being negotiated with the States of Guernsey and has now been signed. The revised contract will see the service continue to be supplied for up to four years, including a contractual break clause at two years, with six months prior notice.

A financial oversight element is to be included in the contract alongside provisions, ensuring that service level agreements are to be met. The revised arrangement has no impact on current employment terms and conditions. The contract and the service delivery will be overseen by a new supervisory committee, which will comprise representation by St John Ambulance Rescue, HSSD and also independent representation. As well as overseeing tactical delivery of the service and the financial management, the supervisory committee will also prepare and present options to the Policy Council, HSSD and St John Ambulance in due course, on the long-term provision of emergency road ambulance and patient transfer services in the Bailiwick.

The supervisory committee will present technical advice to the new HSSD-led departmental working group. The revised contractual arrangement and supervisory committee is to be put in place by the Civil Contingencies Authority in line with its new legislative framework, which includes responsibility for ensuring the continuity of emergency services across the Bailiwick.

In short, the CCA was aware that there was a risk to the provision of emergency services and it acted within its remit in a timely manner in order to mitigate against that risk. So, very clearly, the Civil Contingencies Authority did its job in line with its mandate.

In order to ensure the full provision of emergency road ambulance and patient transport services next year, the level of grant paid by the States of Guernsey is increasing by some £360,000 to £2.6 million when compared with the current contractual arrangement. The contract value is set to fall in subsequent years to under £2.4 million by 2018. The new contractual arrangement will be subject to revision when the supervisory committee presents its options to the St John's Board and the Policy Council. Therefore, this arrangement is *not* for the long term.

Depending on the progress of the supervisory committee, the current arrangements will not necessarily be in place for the full four years. However, while this is the arrangement, there will be a focus on ensuring full value for money for the taxpayers and service users.

The increase in the funding provided by the States of Guernsey in 2015 – that is the £360,000 increase – reflects the level of costs which St John Ambulance have in fact already been incurring in providing the emergency road ambulance service. The figure also enables St John Ambulance to meet certain capital items such as the replacement of outdated ambulances and an increased contribution to the Joint Emergency Services Control Centre.

It should be remembered that the Lightfoot Review recommended urgent action to improve the consistency and resilience of the St John Ambulance and Rescue Service Control Room, which included investment in a computerised clinical call handling programme and the strengthening of staff level to provide more resilient cover. This investment has been progressed as part of the Joint Emergency Services Control Centre project as it would have been more costly to upgrade ambulance control as a stand-alone function.

The proposed level was also necessary for the provision of paramedics in accordance with recommendations made under the Lightfoot report. In short, what will be provided in 2015 is different to what will be provided in 2014. That is reflected in the difference in funding.

Finally, some parties have sought to imply that HSSD has somehow not been party to the process and will not be going forward. That is incorrect. The HSSD Minister is a Member of the Civil Contingencies Authority, HSSD will have representation on the new supervisory committee and the options put forward by the supervisory committee will be put to an HSSD-led cross-departmental working group.

To conclude, all parties have acted in good faith and within their remits – that is HSSD, Treasury & Resources and the Civil Contingencies Authority. The new arrangement does require increased funding from the States of Guernsey but this will not be a long-term arrangement and the increase reflects changes to the provision of the emergency road ambulance service. Revision of the service has been secured and a transparent mechanism is in place now to revise the arrangements further, with the input of all parties.

Thank you.

The Bailiff: Members, we may now have a period of 15 minutes for questions. First of all, Deputy Dorey and then Deputy Robert Jones.

Deputy Dorey: Thank you, sir. Thank you for the Statement, Chief Minister.

Does the Chief Minister agree that in the factual Statement that sets out what happened, the following should have been included: the offer from St John received by HSSD in May – a £400,000 increase in the grant and a transfer of significant risk to the States? This offer was inconsistent with the Lightfoot report which had concluded that the service could be run for less than the existing grant, not more.

The HSSD Board concluded that they had to look at alternative providers. This was communicated to St John. Subsequent communications with St John led the HSSD Board to believe that St John was prepared to run the service for 2015 at a grant similar to that of 2014, while alternatives were investigated and concluded.

150 However, on 3rd September, St John attended an HSSD meeting where T&R staff and a T&R politician were present. At this meeting, HSSD was shocked when advised of the change in position whereby St John stated that, unless the increase grant was agreed, they would give notice to certain staff on 1st October 2014. One non-HSSD Member present commented –

155 **Deputy Perrot:** Sir, on a point of order.

The Bailiff: You are questioning whether it is a question?

Deputy Perrot: Isn't this a time for questions, rather than for the delivery of a speech?

160 **The Bailiff:** It was expressed as a question by Deputy Dorey at the start because he did ask whether the Chief Minister agrees with what seems to be now the contents of a statement. But I think it is not within the spirit of the Rule. If you wished to make a statement, Deputy Dorey, you could have applied to make a statement.

165 **Deputy Dorey:** It is a question. It is a long question but in the Rules there is no restriction on the –

The Bailiff: There is no restriction, although I think that is a matter that is being looked at by SACC. So I think perhaps until the States have had the opportunity to debate that then I will allow the question to continue and SACC can perhaps bear in mind, when they come to review it, whether they wish to impose a time limit on the question.

Deputy Dorey.

Deputy Dorey: Thank you, sir.

175 One non-HSSD Member present at that meeting commented that St John was trying to hold HSSD to ransom. Subsequent to that meeting, HSSD then verified their figures for running the service based on expert advice from an individual who runs a large ambulance service and another who runs a small service operating in a limited geographical area.

180 The figures presented to the HSSD Board for the cost of running the service were based on St John's 2018 rates discounted to 2015 prices. The saving that Lightfoot identified in comparison was over £400,000 per annum and the saving arising to over £500,000 per annum on St John's higher 2015 rates. The expert advice identified additional savings of up to £300,000 per annum for an HSSD-run service.

185 With such significant savings, HSSD was confident that the service could be run for considerably less than the grant requested by St John and with reduced charges to the public and decided to negotiate intensely with St John Ambulance.

The agreement negotiated by the Acting Chief Officer and the senior contract lawyer included a six-month handover period which could be extended, if necessary, throughout 2015 but it was not expected to be extended beyond 31st March 2015.

190 Very late in the negotiations, the wording was changed on request by St John Ambulance, for a recommendation by HSSD to T&R for the writing off of the loan against the assets to a requirement of the confirmation from T&R of the loan write-off, thus it became a requirement at this very late stage for T&R to sign.

Immediate initial contact with T&R indicated that this would not be a problem and could be agreed by e-mail over the weekend of 27th-28th September.

195 Just for information, I did supply this information to the Chief Minister and asked for it to be included but he decided not to include it.

Thank you.

The Bailiff: Chief Minister.

200 **The Chief Minister:** Yes, Deputy Dorey has answered the question in the way I was going to say it. When putting together this Statement, obviously, all the Ministers of Policy Council were involved in that and part of the deliberations of that – particularly those involved with the CCA – and, as a result, numerous amendments were made to the Statement and Deputy Dorey wanted that particular long section, plus other amendments – some of which were incorporated into the Statement that I made, sir – added in.

205 The Statement was already very, very long and the fact remains, sir, that T&R had significant concerns over the proposal that was put to them very much at the last minute, so that they could not agree that it was reliable or value for money for the States of Guernsey and the people of Guernsey. As a result of that, the CCA was engaged.

210 So, yes, I am aware of that and I am aware of different views around the Policy Council table and particularly those views of Deputy Dorey. I appreciate those views. I chose not to include it because we had already amended the Statement in many other areas.

The Bailiff: Deputy Robert Jones and then Deputy Brehaut.

215

Deputy Robert Jones: Thank you, sir.

We are faced with a scenario where we have the CCA intervening and concluding negotiations between St John and HSSD under a cloak of secrecy. In addition to this, we have a flawed code of practice for access to public information.

220

Would the Chief Minister agree with me that, with so many barriers to effective scrutiny, there is now a perception that the States of Guernsey is not as open and transparent as it may have the public believe?

The Bailiff: Chief Minister.

225

The Chief Minister: I think it is very difficult for us to come to something that is cost effective as a process of access to information and I know the perception that Deputy Robert Jones has alluded to is out there and that is of concern.

230

With regard to the CCA, first of all, this Assembly works within the remit that was decided for the CCA and there obviously is a degree of confidentiality that has to be part and parcel of the operation of that authority. But there are some ways in which I think we can help mitigate that with regard to decisions of the CCA.

235

A suggestion has been made, for example, that certain information could be given if the CCA itself decided that that information was available and I think that is certainly something that we could look at in the future. But it is inevitable, because of the nature of the work of the CCA, when dealing with potential risks and emergency situations that the information should not be immediately, certainly, available but some will obviously need to be kept in a degree of confidentiality, until the right time for it to come out. That is something that will need to be looked at and amended in the future.

240

So with regard to the general access to information, that was something that was debated by this Assembly and agreed to. It is working at the moment, I think, acceptably. We have only had a few opportunities to see that in process. There will no doubt need to be changes to that and amendments to that and this Assembly and future Assemblies will need to make decisions on the particular process.

The Bailiff: Deputy Brehaut.

245

Deputy Brehaut: Thank you, sir.

The cost of the management of St John Ambulance and Rescue is £1.2 million. The grant is now at £2.6 million. Bearing in mind that we are having to re-profile public sector pensions at this time, does he consider that value for money – £1.2 million?

250

Thank you, sir.

The Bailiff: Chief Minister.

255

The Chief Minister: I think it is absolutely certain that the Treasury & Resources Department did not consider that the options – given the current operation and relationship between the States of Guernsey and St John Ambulance – could remain as they are for a long period of time. That is why these arrangements which I have talked about in my Statement are seen as an interim measure so that we can move to something that is far better value for money.

260

But, where we are at the moment, that is not possible and what we need to ensure is that we have a service that delivers for the people of Guernsey and is effective and reliable and not likely to enter into a place of crisis again for the foreseeable future.

The Bailiff: Deputy Brouard and then Deputy Bebb.

265

Deputy Brouard: Thank you, sir.

There seemed an ability by the Civil Contingency to express information that, in fact, they wanted to advise to the public. Would the Chief Minister agree with me that the Civil Contingency Law, as written, has a requirement to keep confidential matters discussed but – and it is a big ‘but’ – in fact, there is no express paragraph or sentence in the law which stops the Civil Contingency Authority from making known what they feel is in the best interests to be made known?

270 It may be thought by some that there is an implied duty not to reveal any information but would the Chief Minister agree that is not reflected in the actual words which will require change if that was the original intention of the law?

Thank you, sir.

275 **The Bailiff:** Chief Minister.

The Chief Minister: I hold my own opinion on this but we received legal advice and the interpretation of that legal advice with regard to that information was taken on board by the CCA. I do think there are some improvements we can make and I have alluded to those and I would like us to look at that in the future, whatever mechanism is chosen.

The Bailiff: Deputy Bebb and then Deputy Luxon.

285 **Deputy Bebb:** Given that the Chief Minister has alluded to the secrecy surrounding the CCA arrangements, does the Chief Minister think that it is appropriate that one member of the CCA divulges the voting record of another member of the CCA and if he does not feel that that is within the spirit of the CCA law, then what actions will he be taking in order to address the matter?

The Bailiff: Chief Minister.

290 **Chief Minister:** I feel that particular incident fell within the spirit of the law and I do not believe that it – (*Laughter*) No, I do not believe it made any difference currently to it, because I have said my own personal views on these things and I do not believe that that made any difference to the situation that we have got in front of us.

295 The most important matter that were discussed by the CCA I have expressed today and that was what was focused on and that is what must be the issue that is focused on by this Assembly.

The Bailiff: Deputy Luxon and then Deputy Gollop.

300 **Deputy Luxon:** Timing, sir.

Would the Chief Minister agree with me that it was regrettable that the CCA had such little time to consider the complexity of this matter but, on the basis of the pursuit of best or better value for the taxpayer, that sustainable long-term arrangements for the ambulance service working in good faith with the current service provider is the best way forward to achieve best long-term interests for the people of Guernsey and that sometimes perceived short-term higher costs *can* sometimes lead to longer, lower, better costs, therefore deriving best better value, that that would be the preferable way for this States to progress?

The Bailiff: Chief Minister.

310 **The Chief Minister:** I would agree with the HSSD Minister on that matter because I think we are foolish if we think that just coming to any agreement, particularly if it is saving money, just automatically is a good thing. We have to work to a change of culture as well and sometimes, as he alluded to, that requires us to pay a little more in the short term, for longer term better service and better value for money.

315 **The Bailiff:** Deputy Gollop and then Deputy Kuttelwascher.

Deputy Gollop: Sir, to the Chief Minister, given the three-month period of potential notice that has been referred to today of the ambulance service, why did the Civil Contingencies Authority see it as an emergency rather than as an opportunity to work through a new reorganisation? And my follow-up to that is why did they meet at all, because clearly the three-month opportunity was something the Health & Social Services Department could have worked with?

The Bailiff: Chief Minister.

325 **The Chief Minister:** I think it was very clear that the issues regarding employment and the public notification that St John as an employer would have had to take as a result of their decision, had an agreement not been to their satisfaction and to our satisfaction, that would have caused significant risk to this Island, in not having an ambulance service or potentially having one without anyone working for it. That is what we cannot afford to have as an Island because we cannot just bring emergency services in from another place.

The Bailiff: Deputy Kuttelwascher and then Deputy Trott.

Deputy Kuttelwascher: Thank you, sir.

335 Could the Chief Minister confirm that the Civil Contingencies Authority had the option to direct Treasury & Resources to approve the HSSD agreement in spite of their concerns?

Thank you, sir.

The Bailiff: Chief Minister.

340 **The Chief Minister:** Yes, I think in the first meeting that I was present at that was certainly one of the options available to us and then, obviously, as a result of the second meeting, that option was not decided upon and a different agreement has resulted.

The Bailiff: Deputy Trott and then Deputy Fallaize.

345

Deputy Trott: Thank you, sir.

Sir, does the Chief Minister understand why some in our community question how could HSSD have acted in good faith, or in other words with sincere motive, delivering a draft of the transitional agreement to the Treasury & Resources Department only one day before the ambulance service deadline?

350

The Bailiff: Chief Minister.

355 **The Chief Minister:** Yes, I would agree. I mean in terms of risk that is a significant risk and we certainly cannot operate under those sorts of pressures in a general environment. However, I would remind this Assembly that the reason that we have a Civil Contingencies Authority and a Civil Contingencies Law is because from time to time, hopefully on few occasions, emergencies such as this, crises such as this, do occur and as a result we need to act swiftly.

360 **The Bailiff:** The 15 minutes has elapsed. I will extend it by another five minutes largely in light of the length of the first question.

Deputy Trott: Sir, that was a very accomplished answer but not to the question I asked.

365 **The Bailiff:** Well, I am afraid I am not allowing supplementaries at the moment. I want everybody to have a chance to –

Deputy Trott: Well, it was not a supplementary. The question was not answered, sir. It was a tricky one, I admit. *(Laughter)*

370 **The Bailiff:** Deputy Fallaize. *(Interjection)* You always say the answer to the question anyway, Deputy Trott. *(Laughter)*

375 **Deputy Fallaize:** I think everyone understands that there are occasions when a body – it happens to be the Civil Contingencies Authority – needs to discuss things and conclude things confidentially and the information cannot be made available; issues of sort of national security, in a sense.

Now, there are also issues where there is potentially a crisis ensuing and a body needs to be able to meet to consider that matter. However, at the moment both of those functions are wrapped up in one body, the Civil Contingencies Authority, and there is one Law which immediately places this cloak of secrecy – if that is the right term – over all of their deliberations.

380 Now, does the Chief Minister agree with me that the solution here is to ensure that, in future, matters which are genuine security issues, can be dealt with in complete confidence by a body, but that other matters – such as this matter – where quite obviously the information could have been made available to the public without any kind of threat to national security, should be considered either by a separate body operating under a separate Law or separate terms of reference, or by the same body but operating under difference legislative requirements?

385

390 **The Chief Minister:** I would agree with Deputy Fallaize, personally. However, I think he is being a little over-simplistic because there are not just two particular extremes, there is a lot of grey area in the middle where it is very difficult to make a decision and we would disagree amongst ourselves as to which fits into each particular position.

It is a matter of personal opinion and we work on the basis of majority and, as a result of that, I am not sure that we could reconstruct things in the manner in which Deputy Fallaize suggests.

Beforehand, we used to have two particular bodies. We had an Emerging Threat Group which could meet under slightly different circumstances to what was the Emergency Powers Authority. Now that comes under one particular authority. There are some issues with that. I believe, as I have said already, we could improve matters. However, I think it is better operating that way because we can monitor things rather than have to have a state of emergency every time a situation arises.

So it is a more complex answer, a more complex situation, than I think Deputy Fallaize envisages.

The Bailiff: I will allow one more question. Yes, Deputy Brehaut.

Deputy Brehaut: Thank you, sir.

Is it not the reality of the situation that HSSD and St John had reached an agreement, to the extent that staff were about to drop off to Frossard House, St John Ambulance and Rescue headed paper, in anticipation of signing an agreement? That agreement was dependent on the write-off of a loan of £650,000. Is it not clear to the Chief Minister that T&R must have exceeded their mandate for that to be the only consideration on the table in front of them and enabled them to pass this on to the CCA?

The Chief Minister: I cannot answer on behalf of T&R but I do know that, as has already been alluded to in questions and answers, that T&R were put under unnecessary pressure at the last minute to scrutinise an agreement that they had not seen and so there was understandably some degree of concern on their part that they could not sign off on that particular agreement and anticipate that it would be value for money and reliably enforced in the way in which the Civil Contingencies Authority eventually came up with a suitable solution that gives us that degree of security.

The Bailiff: Well, we have not quite elapsed the 20 minutes. I believe Deputy Lowe wishes to ask a question so I will just allow her to ask one question. This will be the final question.

Deputy Lowe: Thank you, sir.

As a previous Director of St John Ambulance and Rescue, I am obviously privy to what was happening there. I am no longer a director and it is interesting to hear the statements that have been said here this morning.

So, with the view of the statement that I have actually heard, would the Chief Minister agree that actually the confidentiality has become a bit of a nonsense because if what happened within that meeting... it has already been made public how an individual voted, so it is either secret or it is not and, equally, would he agree that probably the best way forward for this nonsense is actually to support a full tribunal of enquiry where both sides have to submit minutes and paperwork from the States, being HSSD, T&R and the other Departments that have been involved, and indeed the CCA, because the CCA have released papers before a tribunal of enquiry, and indeed, most importantly, the St John Ambulance and Rescue?

The Bailiff: Chief Minister.

The Chief Minister: No, I would not agree.

The Bailiff: Right, well the time has well and truly elapsed.

Deputy Brehaut: Sir, may I ask a question to the Procureur, sir, regarding if something is raised with the... We have got people who refer to the secrecy, the oath of the CCA, (**The Bailiff:** Right.) which we understand, it is where there is a serious breach of an oath and whereby someone to disclose a small, for example –

The Bailiff: I do not think that is a proper question. If you want to raise it with the Procureur you can do so but the question time for this Statement has elapsed. (**A Member:** Hear, hear.) If you have an issue you can raise it with the Procureur. If you wish, you can submit a question for the next States meeting.

Deputy Brehaut: So it is only time that is against me today, sir, yes?

The Bailiff: Sorry?

Deputy Brehaut: It is only time that is against me today?

The Bailiff: Well, I do not know what the question is but –

455 **The Procureur:** Well, no, sir, the Rules make no provision whatsoever for questions to the Procureur arising out of a Statement.

The Bailiff: No, but if he wishes to write to you I am sure that you will reply to any correspondence, Mr Procureur – but, yes.

460 **The Procureur:** Of course, with pleasure.

The Bailiff: The Procureur is here to give legal advice and gives legal advice during the course of a debate but, as the Procureur says, there is no provision for him to be questioned and –

465 **Deputy Brehaut:** Thank you, sir.
So it is a note to the Procureur and a note to SACC for the revision of the Rules then, sir, thank you.

The Bailiff: I am not sure I understood that.

Questions for Oral Answer

PUBLIC SERVICES DEPARTMENT

PFOS pollution –

Burial of contaminated soil, expiry of licence and compensation from manufacturer

470 **The Bailiff:** I have had a request that some Members are getting overheated and may wish to remove their jackets. (*Laughter*) They may do so and we will move onto normal Question Time.

The Question is from Deputy De Lisle to the Minister of the Public Services Department, which I think will be answered, I guess, by the Deputy Minister of the Public Services Department, Deputy De Lisle.

475 **Deputy De Lisle:** Sir, I would like to ask questions to the Minister of Public Services relating to PFOS pollution works at the Forest Road crash site at Les Nicolles and the Petit Bot streams and beach. There are four questions.

The first question, sir: is the Public Services Department still going to bury the PFOS contaminated soil in the bund at the Airport, considering that there are only two years left on the licence?

480 **The Bailiff:** Deputy Ogier, the Deputy Minister, will reply.

Deputy Ogier: Thank you, sir.

485 Mr Bailiff, yes, the soil excavated from the crash site will be contained in a new cell that will be created within the bund, similar to the one used to store soil excavated from within the airfield. This is both legal and safe and is strictly regulated by the relevant environmental pollution laws and the Director of Environmental Health and Pollution Regulation regularly reviews the situation.

490 **The Bailiff:** Are there any supplementaries arising?

Deputy De Lisle: Can I ask a supplementary on that, sir.

The Bailiff: Yes, and then Deputy Lester Queripel.

495 **Deputy De Lisle:** Would it not be safer to export the soils to the UK where they have provision for dealing with toxic waste? Why move carcinogenic soils linked to cancer, to another location on the Island? Has there been no reconsideration on this matter by the Department?

500 **The Bailiff:** Deputy Ogier.

Deputy Ogier: Export in the future may well be an option. The Environmental Pollution Regulator believes this to be a safe course of action. It will be buried with other soil of a similar nature within a bund created especially for this purpose. There is believed to be no risk to human health.

505 **The Bailiff:** Deputy Lester Queripel.

Deputy Lester Queripel: Thank you, sir.
Sir, I would just like to ask how this specialised cell will be monitored, please?

510 **The Bailiff:** Deputy Ogier.

Deputy Ogier: Thank you.

It will be regularly reviewed by the Environmental Health to ensure that the bund remains stable and that none of the material leaks forth. But the bund is very well created and it is believed to be robust and
515 stable but Environmental Health will review that over the months.

The Bailiff: Deputy De Lisle, your second Question, please.

Deputy De Lisle: My second Question is what is the action plan of the Department when the current
520 licence for holding the contaminated soils runs out in two years' time?

The Bailiff: Deputy Ogier.

Deputy Ogier: Thank you, sir.

525 The waste licence to store contaminated soil safely within the bund was granted in 2012 for five years. However, both the existing containment cell and the one which will be created for the crash site material, have a design life much longer than five years.

Therefore, in terms of pollution control, there is no immediate requirement to deal with this material in any other way. Either an alternative suitable solution for the containment or disposal of this material will be
530 identified before the current waste licence expires or we may apply for the licence to be renewed. There is no need to make any decision now and we wish to avoid unnecessary expense.

The Bailiff: Any supplementaries?

535 **Deputy De Lisle:** If I can make a supplementary on that?

Sir, people living next to the toxic material are anxious, including people who are renting housing from the States – the housing tenants at Mont Marché Estate. The Department has a responsibility to the public, in that the licence was issued on 13th March 2012 for five years – nearly three years have elapsed – surely,
540 there must be a long-term plan, sir?

The Bailiff: Deputy Ogier.

Deputy Ogier: The newly excavated material will join the material that has already been excavated from the Airport. That is within a safe bund and there is no risk to human health from that bund. There is no
545 leak from the bund. It is robust and very well built.

The Bailiff: Deputy De Lisle, your third Question.

Deputy De Lisle: Sir, moving on to my third Question, has Guernsey been successful in its claim for
550 compensation from the PFOS manufacturer and, if so, how much has been awarded and was this Forest Road property at Les Nicolles part of the claim?

The Bailiff: Deputy Ogier.

555 **Deputy Ogier:** Mr Bailiff, this matter is currently being litigated before the High Court in London and it is therefore inappropriate to comment further.

The Bailiff: Your fourth Question, please, Deputy De Lisle.

560 **Deputy De Lisle:** Can I ask, sir, how much has been claimed and whether this area at Les Nicolles is part of the claim. Surely that is not too much to ask.

The Procureur: (*Laughter*) You cannot ask a supplementary on an Answer which says it is not appropriate to comment.

565 **The Bailiff:** No. Your fourth Question, please, Deputy De Lisle.

Deputy De Lisle: Well, sir, I must ask how many years has this court case being going on because I have been asking this question for several years now.

570 **The Bailiff:** Mr Procureur.

The Procureur: Supplementary questions must arise out of the Answer. (**The Bailiff:** Exactly.) If the answer is that it is inappropriate to comment, no supplementary question can arise out of that.

575 **The Bailiff:** No, so can we please have your fourth Question, Deputy De Lisle.

Deputy De Lisle: I think the frustration with that situation has been well outlined.

My fourth Question, sir: can the Department confirm that both Petit Bot streams and the beach are polluted with PFOS, as one stream flows from the Airport and the other from the crash site down onto the beach, and what tests have been carried out and what are the results?

580

The Bailiff: Deputy Ogier.

Deputy Ogier: Monitoring of the Petit Bot catchment has been carried out since 2008 and PFOS is present in trace levels but is being managed. Flows from the Petit Bot streams are pumped to the ground water improvement plant at Guernsey Airport where any traces of the chemical can be removed before this water is discharged to St Saviour's Reservoir.

585

If that plant is unavailable, flows can be diverted safely to sea through a bypass underneath the reservoir. Regular sampling of both raw water at the reservoir and treated water leaving St Saviour's Treatment Works is continuing, to ensure that any presence of the chemical in the public water supply remains below the UK guideline levels to be considered wholesome.

590

PFOS concentration reduces along the length of both Petit Bot streams as distance from the sources of contamination increases. Concentration also varies according to rainfall and ground water levels. And, although very low, this has been increasing and so it is necessary to remove and contain the PFOS contaminated soil to reduce risk to our water supply.

595

The Bailiff: Deputy De Lisle.

Deputy De Lisle: A supplementary, sir, to that. Will the Department be notifying the public, by signage, that the streams and the beach are contaminated with PFOS?

600

The Bailiff: Deputy Ogier.

Deputy Ogier: As I said, sir, the PFOS levels in these streams are exceedingly low and represent no risk to public health. As a matter of precaution, they have provision to be pumped out to sea or below the reservoir out to sea that way if they are not being dealt with at the plant.

605

The Bailiff: Deputy Luxon and then Deputy Gollop.

Deputy Luxon: Would the Deputy Minister of PSD agree to join me for a swim at Petit Bot Bay this weekend, sir, (*Laughter*) to demonstrate the complete safety of that Bay?

610

The Bailiff: Deputy Ogier.

Deputy Ogier: As long as wet suits are not banned, yes, sir. (*Laughter*)

615

The Bailiff: Deputy Gollop.

Deputy Gollop: Deputy Luxon nearly answered my question but would the Deputy Minister and the Department consider that the Petit Bot water is safe to drink, should one accidentally find oneself swimming in the sea or whatever? (*Laughter*)

620

The Bailiff: Deputy Ogier.

625 **Deputy Ogier:** If one were swimming in the sea I find it difficult to ascertain as to how you would be drinking from the stream at the same time. (*Laughter*)

Drinking from any streams in Guernsey, although it is not dangerous, it is not where I would get my primary water supply from.

630 **The Bailiff:** Deputy De Lisle.

Deputy De Lisle: A supplementary, the Deputy Minster said that concentrations of the toxic substance have been increasing. Now, children play in the streams, sir, and in the water at the beach. PFOS is a toxin linked with cancer. How does the Department intend to deal with this pollution problem at Petit Bot?

635 **The Bailiff:** Deputy Ogier.

Deputy Ogier: I will take Deputy De Lisle's comments on board and return to the Board and ascertain whether there is any work that we need to do in this area.

640 Thank you, sir.

The Bailiff: Deputy Brehaut.

Deputy Brehaut: Thank you, sir.

645 These questions have broadened out to the use of PFOS Island-wide and I share Deputy De Lisle's concerns. PFOS is an incredibly aggressive material and sits on the thyroid and gives people thyroid cancers.

Bearing in mind that PFOS was used throughout the 1970's and 1980's as a fire retardant in carpets and upholstery and a hundred and one consumer products, can Deputy Ogier give us an assurance that levels of PFOS from leachate from the tip or the Mont Cuet site are monitored, as there must presumably be high levels within that site too.

650 Thank you.

The Bailiff: I am not sure that supplementary arises from the answer given, but –

655 **Deputy Ogier:** No, and I am unable to answer that question.

The Bailiff: You are unable to answer.

660 **Deputy Ogier:** But if Deputy Brehaut wishes to ask that question formally, we would be happy to look into it.

The Bailiff: I see no-one else rising so that concludes Question Time and we will move on with legislation.

Billet d'État XXI

I. The Public Health (Amendment) Ordinance 2014 – approved as amended

Article I.

The States are asked to decide:

Whether they are of the opinion to approve the draft Ordinance entitled 'The Public Health (Amendment) Ordinance, 2014', and to direct that the same shall have effect as an Ordinance of the States.

665 **The Greffier:** Billet d'État XXI, Article 1, The Public Health (Amendment) Ordinance 2014.

The Bailiff: There is one amendment proposed by Deputy Luxon, which I believe has been circulated. Deputy Luxon.

670

Deputy Luxon: Yes.

The Bailiff: Do you wish to do that now?

Amendment:

In clause 16 of the draft Ordinance entitled 'The Public Health (Amendment) Ordinance, 2014' to delete '10th November 2014' and substitute '1st January 2015'.

675

Deputy Luxon: Yes, please.

Sir, it is a very minor issue that has come to light bearing in mind the timing of the previous States meeting. The Department would like to simply substitute the date enactment to the 1st January 2015.

680

The Bailiff: Thank you.

Mr Procureur, do you second that amendment?

The Procureur: I second that and reserve my right not to speak. *(Laughter)*

685

The Bailiff: Is there any desire to debate either the amendment or the Ordinance? No, we will go to the vote on the amendment then. Those in favour; those against.

Members voted Pour.

690

The Bailiff: I declare it carried and the Ordinance, which is to found at pages 1 to 11 of the brochure. Those in favour, those against.

Members voted Pour.

695

The Bailiff: I declare it carried.

II. The Waste Water Charges (Guernsey) Ordinance 2014 – approved

Article II.

The States are asked to decide:

Whether they are of the opinion to approve the draft Ordinance entitled 'The Wastewater Charges (Guernsey) Ordinance, 2014', and to direct that the same shall have effect as an Ordinance of the States.

The Greffier: Article II, The Waste Water Charges (Guernsey) Ordinance 2014.

The Bailiff: Is there any request for any clarification or debate on this Ordinance? No, we will go straight to the vote then. Those in favour; those against.

700

Members voted Pour.

The Bailiff: I declare it carried.

ORDINANCE LAID BEFORE THE STATES

The Russian Federation (Restrictive Measures) (Guernsey) Ordinance 2014

705

The Greffier: Ordinances laid before the States. The Russian Federation (Restrictive Measures) (Guernsey) Ordinance 2014.

The Bailiff: There has been no request for any debate on this one.

STATUTORY INSTRUMENTS LAID BEFORE THE STATES

**The Income Tax (Approved International Agreements) (Implementation) (United Kingdom And United States of America) Regulations 2014;
The Companies (Recognition of Auditors) (Amendment) Regulations 2014;
The Aviation Security (Bailiwick of Guernsey) (Amendment) Direction 2014;
The Air Navigation (Bailiwick of Guernsey) (Restriction of Flying) (Small Aircraft) Regulations 2014;
The Air Navigation (Restriction of Flying) (Bailiwick of Guernsey) Alderney Royal Aero Club Air Racing Regulations, 2014.**

710 **The Greffier:** The Statutory Instruments laid before the States: The Income Tax (Approved International Agreements) (Implementation) (United Kingdom And United States of America) Regulations 2014; The Companies (Recognition of Auditors) (Amendment) Regulations 2014; The Aviation Security (Bailiwick of Guernsey) (Amendment) Direction 2014; The Air Navigation (Bailiwick of Guernsey) (Restriction of Flying) (Small Aircraft) Regulations 2014 and The Air Navigation (Restriction of Flying) (Bailiwick of Guernsey) Alderney Royal Aero Club Air Racing Regulations, 2014.

The Bailiff: There has been no motion to annul Statutory Instruments.

Billet d'État XXIII

ELECTION

**Commerce & Employment Department –
Election of a Member –
Deputy Collins elected**

715 **The Bailiff:** So we move on to Elections, of which there is only one that has not already been dealt with and that is the election of the new Member for the Commerce & Employment Department.
Deputy Stewart, do you wish to nominate someone to join your Department?

720 **Deputy Stewart:** Yes, sir. I would like to nominate Deputy Collins, sir.

The Bailiff: Deputy?

Deputy Stewart: Garry Collins.

725 **The Bailiff:** Thank you. Sorry, I just did not catch it. Deputy Garry Collins. Do we have a seconder?

Deputy Brouard: I formally second, sir.

730 **The Bailiff:** Deputy Brouard. Do we have any other nominations? No. Well, we go straight to the vote then on the proposal to nominate Deputy Garry Collins as a Member of the Commerce & Employment Department, proposed by the Minister and seconded by Deputy Brouard.
Those in favour; those against.

Members voted Pour.

735 **The Bailiff:** I declare him elected.
That concludes Elections for this meeting. *(Laughter)*

Billet d'État XXI

POLICY COUNCIL AND CONSTITUTIONAL INVESTIGATION COMMITTEE

III. Membership of the Constitutional Investigation Committee – Propositions carried and Deputy Harwood elected

Article III.

The States are asked to decide:

Whether, after consideration of the Report dated 30th June, 2014, of the Policy Council and the Constitutional Investigation Committee, they are of the opinion:

1. To agree that the membership of the Constitutional Investigation Committee shall be:

The Chief Minister (as chairman);

Five sitting members of the States elected by the States (one of whom the Committee shall elect as vice-chairman); and

Two non-voting persons who are not sitting members of the States, elected by the States.

2. To elect one sitting Member of the States as a member of the Committee.

The Greffier: Article III, Policy Council and Constitutional Investigation Committee – Membership of the Constitutional Investigation Committee.

The Bailiff: Actually, I retract what I just said. There may be another Election in a moment. Chief Minister.

The Chief Minister (Deputy Le Tocq): Sir, I have nothing to add to the report that is before Members.

The Bailiff: Right. Is there any request to debate this report? No.

Well, Members, if I can draw your attention to Propositions. There are two Propositions on page 2372. The first is to agree what the Membership of the Constitution Investigation Committee will consist of and, secondly, to elect one sitting Member of the States as a Member of the Committee, so I will have to take the two separately.

So what I am putting to you now is Proposition 1 on page 2372.

Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

Next we need to elect a sitting Member of the States as a Member of the Committee. Chief Minister.

The Chief Minister: Sir, I propose Deputy Peter Harwood.

The Bailiff: Deputy Harwood. Do you have a seconder for Deputy Harwood? Deputy Luxon.

Do we have any other nominations? No, we will vote then on the proposal that Deputy Harwood be elected as a Member of the Constitution Investigation Committee. He is proposed by the Chief Minister and seconded by Deputy Luxon.

Those in favour; those against.

Members voted Pour.

The Bailiff: I declare Deputy Harwood elected.

TREASURY & RESOURCES DEPARTMENT

**IV. Double Taxation Arrangement with the Principality of Liechtenstein –
Proposition carried**

Article IV.

The States are asked to decide:

Whether, after consideration of the Report dated 31st July, 2014, of the Treasury and Resources Department, they are of the opinion to declare that the Agreement made with the Principality of Liechtenstein, as appended to that Report, has been made with a view to affording relief from double taxation, and that it is expedient that those double tax arrangements should have effect, so that the arrangements have effect in relation to income tax in accordance with section 172(1) of the Income Tax Law, 1975, as amended.

The Greffier: Article IV, Treasury & Resources Department – Double Taxation Arrangement with the Principality of Liechtenstein.

775 **The Bailiff:** Treasury & Resources Minister, Deputy St Pier.

Deputy St Pier: I have nothing to add to the States Report, sir.

780 **The Bailiff:** Right, is there any debate? No, well, it is a single Proposition on page 2398. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

SOCIAL SECURITY DEPARTMENT

**V. Benefit and Contribution Rates for 2015 –
Debate commenced**

Article V.

The States are asked to decide:

Whether, after consideration of the Report dated 11th August, 2014, of the Social Security Department, they are of the opinion:

1. To note that the Department intends to propose that the percentage contribution rate for employers be increased by 0.5%, from 6.5% to 7.0% from 1 January 2016, unless in its opinion the measures approved by the States following consideration of proposals arising from the Personal Tax, Pensions and Benefits Review are adequate to secure the long-term financial sustainability of the Guernsey Insurance Fund.

2. To note that in the event that the percentage contribution rate for employers is increased by 0.5% from 1 January 2016, the Department is also likely to propose that the grant from General Revenue to the Guernsey Insurance Fund be decreased from 15% to 14% of contribution income, from that date.

3. That, for employed persons and employers, the upper weekly earnings limit, the upper monthly earnings limit and the upper annual earnings limit, from 1 January 2015, shall be £2,601, £11,271 and £135,252 respectively.

4. That, for employed persons and employers, the lower weekly earnings limit and the lower monthly earnings limit, from 1 January 2015, shall be £131.00 and £567.67 respectively.

5. That, for self-employed persons, the upper and lower annual earnings limits, from 1 January 2015, shall be £135,252 and £6,812 per year respectively.

6. That, for non-employed persons, the upper and lower annual income limits, from 1 January 2015, shall be £135,252 per year and £17,030 per year, respectively.

7. That the allowance on income for non-employed people from 1 January 2015, shall be £7,223 per year.

8. That the voluntary contribution from 1 January 2015, shall be £18.67 per week for non-employed people.
9. That the overseas voluntary contribution from 1 January 2015, shall be £88.94 per week for non-employed people and £98.32 for self-employed people.
10. That, from 5 January 2015, the standard rates of pension and contributory social insurance benefits shall be increased to the rates set out in table 6 in this Report.
11. That, from 1 January 2015, the prescription charge per item of pharmaceutical benefit shall be £3.40.
12. That the Schedule to the Health Service (Specialist Medical Benefit) Ordinance, 1995 be amended, in order to allow the Social Security Department to fund the costs associated with the Primary Care Mental Health and Wellbeing Service from the Guernsey Health Service Fund.
13. That, from 5 January 2015, the contribution (co-payment) required to be made by the claimant of care benefit, under the long-term care insurance scheme, shall be £190.75 per week.
14. That, from 5 January 2015, nursing care benefit shall be a maximum of £789.11 per week for persons resident in a nursing home or the Guernsey Cheshire Home and residential care benefit shall be a maximum of £422.66 per week for persons resident in a residential home.
15. That, from 5 January 2015, elderly mentally infirm (EMI) care benefit shall be a maximum of £556.92 per week for qualifying persons resident in a residential home.
16. That, from 5 January 2015, respite care benefit shall be a maximum of £979.86 per week for persons receiving respite care in a nursing home or the Guernsey Cheshire Home, an elderly mental infirm rate of £747.67 for persons receiving respite care in a residential home and a maximum of £613.41 per week for persons receiving respite care in a residential home.
17. That the Social Security Department be directed to report to the States of Deliberation after the conclusion of the Personal Tax Pensions and Benefits Review and the publication of the Supported Living and Aging Well Strategy, with proposals to achieve the long-term sustainability of the Long-term Care Insurance Fund.
18. That, from 9 January 2015, the supplementary benefit requirement rates shall be as set out in tables 15 and 16 of that Report.
19. That, from 9 January 2015, the weekly benefit limitations for supplementary benefit shall be:
 - (a) £600.00 for a person living in the community;
 - (b) £523.00 for a person who is residing in a residential home; and
 - (c) £750.00 for a person who is residing as a patient in a hospital, nursing home, the Guernsey Cheshire Home or as an elderly mental infirm resident of a residential home.
20. That, if proposition 19 (a) is not approved, the weekly benefit limitation for supplementary benefit shall be £526.00 for a person living in the community, with effect from 9 January 2015.
21. That, from 9 January 2015, the amount of the personal allowance payable to persons in Guernsey and Alderney residential or nursing homes who are in receipt of supplementary benefit shall be £29.92 per week.
22. That, from 9 January 2015, the amount of the personal allowance payable to persons in UK hospitals or care homes who are in receipt of supplementary benefit shall be £50.40 per week.
23. That a supplementary fuel allowance of £30.00 per week be paid to supplementary beneficiaries who are householders from 31 October 2014 to 30 April 2015.
24. That Section 6(1) of the Supplementary Benefit (Guernsey) Law, 1971, be amended to explicitly enable the payment of a series of payments.
25. That Section 6 of the Supplementary Benefit (Guernsey) Law, 1971 be amended to enable a grant of money made under subsection (1) to be subject to conditions as determined by the Social Security Department; and, in the event of failure to comply with any such conditions, recoverable as a civil debt due to the Social Security Department or by way of a deduction made from any benefit payable under or by virtue of the Supplementary Benefit (Guernsey) Law, 1971, or any other Law under or by virtue of which a benefit or payment administered by the Social Security Department is made or available.
26. That Section 6 of the Supplementary Benefit (Guernsey) Law, 1971 be amended to enable the Department to make a loan of money, repayable in accordance with the terms and conditions of the loan agreed with the Social Security Department; and, in the event of non-payment, or breach of any such terms and conditions, recoverable as a civil debt due to the Social Security Department.
27. That the decision to include a duty on claimants to use the rent allowance element of their supplementary benefit payment for the purpose of paying their rent/mortgage interest and to make it an offence not to do so, as set out as proposal number iii in table 2 of Appendix 3 of Billet d'État V of 2012, volume 1, which was approved by the States by Resolution 2 of Article VI of Billet d'État V of 2012, as one of a number of proposed legislative changes, be rescinded.
28. That, from 5 January 2015, the rates of severe disability benefit and carer's allowance and the annual income limits shall be as set out in table 18 of that Report.

29. That Section 9 of the Severe Disability Benefit and Carer's Allowance (Guernsey) Law, 1984 be amended to provide that Regulations may provide that an allowance shall not be payable in respect of a person for any period when he is a person for whom accommodation or care services are provided at locations prescribed by Regulation, wholly or partly funded out of public funds.

30. That the resolutions taken on Article X of Billet d'État No. XXII of 1997 shall be rescinded.

31. That, from 1 January 2015, the Home Department be authorised to make an annual grant to Safer LBG towards the running of the Guernsey Women's Refuge, of such amount as the Home Department may deem appropriate within its budget allocation for the Domestic Abuse Strategy.

32. That, from 1 January 2015, the Social Security Department be authorised to make an annual grant to the Guernsey Early Years Foundation, towards the running of Daisy Chain Pre-School, in the sum of £6,000 in 2015 and, in future years, of such amount as the Social Security Department may deem appropriate within its budget allocation for grants to charitable organisations.

33. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

785 **The Greffier:** Social Security Department – Benefit and Contribution Rates for 2015.

The Bailiff: Deputy Langlois, the Minister for the Social Security Department, will open debate.

Deputy Langlois: Thank you, sir.

790 I am very pleased to present my Board's recommendations for Benefit and Contribution Rates and various other issues to apply from January next year and, in one case, proposing to apply it from January 2016. We will return to that later.

This is the third time I have presented this Annual Report and Members should understand the context. This is a fine tuning of our income and expenditure; the annual budget, if you like, for SSD.

795 Now, it weighs in at 72 pages so I believe that Members will probably be hoping that I do not repeat every single detail and figure in the Report. I understand of course that, should I do so, Members would be absolutely riveted by the actuarial details – they are so fascinating, but you can have too much of a good thing – and, on balance, I think it is best to keep it short. Of course I have a certain fondness for shortness, as you understand. *(Laughter)* So let us keep it in that area.

800 So I will not disappoint you all and I will just focus on the headlines which are that we are recommending general increases in contribution and benefit rates in line with the June RPIX figure of 2.1% with the exception of Family Allowance. Again, I will cover that in some more detail.

Again, this year we feel that increases in line with RPIX are reasonable, taking into account current fiscal demands and the general wage restraints in the working age population. It is what my Board thought was right for Guernsey in 2014 and we believe that it is the right approach again for 2015.

805 Now, to Family Allowance, for 2015 we are recommending a freeze on Family Allowance. This means that it will stay at the 2013 rate of £15.90 per week per child. Even with this freeze, the expenditure in 2015 will be just under £10 million. We are recommending the freeze for the second year running because, together with T&R, we are currently reviewing the appropriateness of continuing to pay universal benefits of this sort – Family Allowance, free TV licences – as part of the Personal Tax, Pensions and Benefits Review. Pending the outcome of that Review, my Board's belief was that it would, again, be prudent to freeze the payment of Family Allowance. This will result in a saving in 2015 of just over £206,000 to general revenue.

815 Now, sir, I think before I turn to the next stage of this, we should look at the context and, if Members would turn to page 2401, there is a very explicit set of accounts or accounting table which reveals some rather stark and worrying figures.

820 In the Social Security Department, we manage in the region of £830 million of investments. The Guernsey Insurance Fund represents something like £680 million. If you look at the bottom line of that account you will see the deficit on our Guernsey Insurance Fund accounts, which in 2009 ran to £5 million – this was against a long-term plan to run it down to deal with the bulge – and then it reduced slightly in 2010 but since then has gone up alarmingly and there is some need to explain that and to explain where we think we should be going with it.

825 If you look at the deficit for 2013 and then in the paragraph underneath, we currently predict that the deficit for 2014 will be £16.7 million and next year will run to something like £20 million, then let us try and get some idea of what the meaning of that is.

830 The meaning of that is that if the current balance between contributions and benefit payments continues, then if we run, shall we say, at £20 million a year that means that in 34 years' time there would be no fund. If we, however, managed to reduce that again to somewhere around £5 million, that 34 years leaps to 136 years and I think at 136 years most of us in this Chamber would see that as sustainable or at least somebody else's problem when we get there. *(Laughter)* Probably the definition of sustainable!

So, because of the massive size of each year's incomings and outgoings, you are talking about a small proportion in a given year but a small change in that rapidly changes the sustainability of the fund.

Members will recall my Department's failed attempt last year to obtain a Resolution to increase the Employers Contribution Rate by 0.5%. As a result, the Department lost out on the opportunity to collect an additional £5.3 million this year. Put that into context, the Department has been trying to get States' support to resolve the long-term sustainability of the Social Insurance Fund since 2009 – that is before the present Board. In fact, on page 2403 of the Billet you will see a table showing the 2009 package of measures which aimed to share the burden of balancing the Social Security books.

The only measure which would have impacted on employers, the proposed increase in the Employers Contribution Rate, was rejected, whereas the various proposals which impacted on individuals were approved. If the proposals arising from the Personal Tax, Pensions and Benefits Review do not secure the long-term sustainability of the Insurance Fund, an increase in the Employers Contribution Rate from 2016 would simply seek to address one part of this ongoing imbalance.

Now, sir, we are listening to objections to this. We acknowledge and understand the concerns raised by Commerce & Employment, but once we have given that acknowledgement we believe that the Social Insurance Contribution is just one part of the cost of running a business – it is our greater part in some types of businesses than in others – but it is just one component and a half percent increase would have, in our view, limited impact on whether or not a company decides to remain open, or remain in or relocate to, Guernsey. It is one small element of that decision.

Restriction on the Government's ability to derive revenue from corporate activities should not result in another race to the bottom in terms of getting revenue from the economy. It actually places further constraints on the States' ability to sustain services. Members will already know that the long term sustainability of the Insurance Fund remains a key objective for the States, but it is worth reminding you that even if the proposals in our Report are approved, there will be an estimated operating deficit in 2015 of around £20 million and it is not very often that this Assembly votes away £20 million, which actually looks like an ongoing expense at the moment.

So, sir, my Department is asking Members to note that we intend to propose that the Employers Contribution Rate will be increased by half a percent in January 2016 unless, in our opinion, the forthcoming PTR debate secures the long-term sustainability of the fund. Tied to that half a percent increase in the Employers Contribution Rate is the recommendation to reduce the States' grant to the Pension Fund by 1%. This will take the annual grant down to 14% of contribution income. We proposed this last year and if we have to return next year because the PTR has not secured the sustainability of the Fund, we are likely to recommend that approach again.

Sir, staying with the topic of sustainability, I would remind Members of Deputy Fallaize's amendment in 2012 which directed my Department to report back no later than October 2014 – doesn't time fly! – with proposals to secure the long-term sustainability of the Long-Term Care Insurance Fund. The Government Actuaries Department has provided estimates of the contribution rates required to achieve the Fund balance, equals one year's annual expenditure.

The estimates show that the current contribution rate could have to increase by as much as 1.9% if the benefit rates are operated in line with medium earning rises. Or, alternatively, by 0.7% if only up rated in line with RPIX.

Now, sir, we agree with Deputy Fallaize's desire to achieve sustainability of the Long Term Care Fund but my Board feels that it is not in a position to make any firm recommendations regarding contribution rates until there is a longer-term plan in place and I fully understand the risk in saying this, of people talking about kicking the can down the road and that sort of phrase.

The reality is that the precise nature of what is required will not be known until the SLAWS – Supported Living and Ageing Well Strategy Group – has reported. This is not going back on a Resolution we made in September of saying you cannot keep on saying, 'Well, we have got to wait for this and we have got to wait for that'. This is the link between a very short-term set of proposals, as in the annual Budget, and the much longer-term strategy that will be represented by SLAWS, and already our preliminary report's indications are that the SLAWS proposals will be far reaching. SLAWS will be expecting to report to the States during the coming year.

In the meantime, I would like to reassure Members that the current Long-Term Care Scheme will continue to provide a benefit to help meet the cost of fees in private residential and private nursing homes. Care home residents *are* still required to make a co-payment towards the bill, but if there is still a shortfall in meeting the full care home fee, the options for paying the balance may include changing to a different care home, a family giving financial support or renting out or even selling their own home. If someone is unable to make the required co-payment they can apply for supplementary benefit and, in this instance, the law continues to allow the family home not to be taken into account.

So, sir, turning to the working age population and employment levels, Guernsey continues to enjoy an exceptionally low rate of unemployment. While there is evidence that the total number of people employed

in certain sectors is falling, there are still more jobs than there are job seekers. Indeed the trend line which you see in figure 2 on page 2049 has fallen by a further 10 people in the quarter from July to September; and that is the annual trend, that is not individual fluctuation month by month. In October, the figure fell further and actually sits something like 70 lower than last October's figure.

There is a big downside to this. This means that employers are finding it more and more difficult to recruit and that obviously leads to economic worries that, even if the impetus is there for expansion and growth, it is very difficult to do it without people to do the jobs.

Moving on to the topic of pensions, our Report explains that we pay old age pension to 16,830 people. As usual, I declare an interest here, in somewhat of an embarrassed manner, but I am now not alone in the Assembly so several of you will have to do the same.

Annual expenditure is just over £100 million and it represents well over 80% of total expenditure on Social Insurance Benefits. This is of interest to me because so often when I talk to members of the public they believe that by far the greatest proportion of our expenditure relates to benefits other than the pensions. This is just simply not true.

As Members know, the old age pension was never intended to provide the sole source of income in retirement, but a survey conducted by the Policy Council in 2012 identified that only 45% of the working population are paying into a private or workplace pension fund. Many of those that were paying into a scheme, were not paying enough to provide sufficient income in retirement and this of course is of great interest to my Department because, ultimately, if that is the case they will fall back on the Supplementary Benefit system, placing further strain on the figures that I have been talking about earlier.

The provision of private pensions is outside of the scope of the Personal Tax, Pensions and Benefits Review, but Social Security and Treasury & Resources recognise the importance that private or workplace pensions – long-term savings by any other name; unfortunately when you link it with the word pensions that word carries all sorts of baggage these days because of private pension schemes collapsing and all sorts of things like that, but long term savings – will play a great part in the future.

My Department has therefore commenced a project to assess the feasibility of introducing a secondary pension scheme. This work includes input from Treasury & Resources and expert advice from individuals within the financial services and pensions industry. Such a scheme should provide incentives for people to save so that they can enjoy a comfortable retirement. My Department is aiming to report to the States on this matter before the end of this term.

Staying on the topic of Social Security Department projects, I wish to say a few words about two Business Transformation Projects which have started since I stood here last year and pointed out that my Department had accepted in mid-2013 a revised general revenue FTP savings target agreed with the Policy Council of £1.5 million. I said that this target was very challenging, given the FTP timetable, but my Board had resolved to chase this target through transformation projects and not through benefit cuts.

This continues to be the case and at this moment we are optimistic about achieving that target, despite the late start date. The Supporting Occupational Health and Wellbeing Project – it is a catchy little title isn't it? we tried SOHALL or something but we do not like those sorts of abbreviations so we will stick with the long one – is transforming the way that Social Security deals with sickness claims. The focus is on early intervention, to support people who may need extra help to stay in work or get back to work more quickly after illness.

I will not say too much as I know that Deputy James wants to talk further on the matter and I am well known for pinching other people's lines in a debate ahead of when they get chance to talk, but I just wanted to say that the early signs are very positive and we will be writing to employers shortly to explain how the medical certificate is changing as one aspect of the project progresses.

Moving on to the Progress To Work Project, this gives effect to the Resolutions of the States from March 2012, which require a broader range of Supplementary Benefit claimants than previously to engage with work or training related activities through work focused meetings. Through this project, most working age people on Supplementary Benefit, including non-working partners living in the same household, have to attend work focused meetings. This is to keep work in mind, regardless of the reason for needing Supplementary Benefit. It is a caring approach but it is a persuasive approach.

Although the legislation will not take effect until later this year, the teams at Social Security have been working with people for most of 2014. As part of this project we have been taking steps to introduce a mandatory work scheme. The scheme will re-introduce a work routine for some people who have been out of work for a long time. No wages paid, but benefit remains in payment. We will be releasing details about the new scheme next month and I would like to stress before any hares are set running, it bears very little relationship or similarity to UK schemes which have fallen into some disrepute in this area.

We will also be releasing information shortly about a new grant scheme which we hope will encourage some third sector organisations supporting working age people to develop new return to work initiatives in partnership with Social Security and, anecdotally at this stage, I have much confirmation that this is going well and progressing.

So, sir, in summary, my Board continues to focus on the evolution of a contributions and benefits system which, firstly, provides a secure safety net for those in need, secondly, encourages and rewards self-reliance, especially among the working age population and thirdly, is perceived as fair by the highest possible proportion of the population, bearing in mind that fairness is a largely subjective judgement.

I thank you for listening and I ask Members, therefore, sir, to support all our proposals.

The Bailiff: I have had notice of two amendments that may be laid. The first would be from Deputy Lester Queripel.

Deputy Queripel.

Amendment:

To replace Proposition 23 as follows:

'23. That a supplementary fuel allowance of £30.63 pence per week be paid to supplementary beneficiaries who are householders, from the 31 October 2014 until the 30 April 2015.'

Deputy Lester Queripel: Thank you, sir.

Sir, the Department tell us in paragraph 162 on page 2436 they are not recommending an increase in the Fuel allowance because the cost of fuel, light and power did not change in the year to June 2014. Now, they were not to know of course that there would be a 2.5% increase in the price of gas as of September this year and neither were they to know that there would be 3% increase in the price of coal. So the reality is that Islanders receiving the Fuel allowance who use a lot of gas or burn a lot of coal now face the prospects of a 2.5% or 3% shortfall before the winter even starts.

We also need to bear in mind, sir, that the recipients of the Fuel allowance who use a lot of gas as well as burning a lot of coal now face the prospect of a 5.5% shortfall. That in itself must be pretty demoralising, to say the very least and if this amendment does not get the support it needs and the proposals from the Department go through, then the most needy members of our community will have to find the extra money from somewhere else. But for someone who is already struggling to survive there is nowhere else to look to find that extra money. Sir, let us make no mistake, we are talking about the most needy members of our community and my colleagues already know I am great believer in giving people what they need. So what I need to do now is focus on the figures.

If Members turn to page 2431 of the Billet they will see that paragraph 142 tells us the following: 'As at... June 2014 there were 2,376... supplementary benefit claims... These claims also support 1,484 dependents.' So 3,860 Islanders rely on Supplementary Benefit to survive. Now, approximately 1,600 of those 2,376 claims are from householders and it is the householders who receive the Fuel allowance and once we factor in approximately 1,300 dependents we reach a figure of approximately 2,900 of our fellow Islanders who are in need of as much of a Fuel allowance as they can possibly get in the cold winter months.

Those 2,900 fellow Islanders will of course range from parents with young families, right through to old age pensioners and by the end of April 2015 they will all have had to find the money from somewhere else to fund the shortfall.

So how much will this shortfall be? Well, we do not actually know because that will depend on how much gas they use and how much coal they burn. What we do know is that a 2.1% shortfall over the winter period will equate to a total of at least £17. But of course recipients of the Fuel allowance could find themselves with a shortfall of £20 or £30 or even more.

So, in accordance with the Rules of Procedure, this amendment is seeking a 2.1% increase in the Fuel allowance and that would result in Fuel allowance recipients receiving that extra £17 referred to earlier. That will cost an extra £22,000 over the winter period. Now, that £17 breaks down to 63p per week. So what would 63p a week buy? Well, 63p a week does not buy very much but the figure of 63p is not the figure we should be focusing on. We need to focus on the accumulation over the whole Fuel allowance period which, as I have already said, will be as little as £17 and could be £20 or £30 or even more.

I suppose it could be argued by some of my colleagues, sir, that surely there are not many Islanders who use gas in this day and age. Well, actually the gas company has approximately 9,000 customers so I think it is safe to say that many of the Fuel allowance recipients will be adversely affected by the 2.5% increase in the cost of gas.

It could also be argued I suppose, sir, that surely there are not many Islanders who burn coal in this day and age. Well, actually there are thousands of homes with coal fires in Guernsey and, even though many homes in the Island do have alternative forms of heating, the truth is that many of our fellow Islanders prefer to light a coal fire. They like to see a coal fire; they find it comforting and families like to gather around the coal fire. *(Interjection) (Laughter) (Interjection)* And, sir, I think I can honestly say I have never seen a family gather around a radiator to keep warm. *(Laughter)*

Now, of course, sir, any Member of the Board could have laid this amendment had they had a mind to. I suspect they simply have not had time to think about it, bearing in mind the amount of work they have to do within a Department, or perhaps, sir, they did not want to incur the wrath of the Minister – only they will know. But, having said that, sir, I expect every Member of the Department to support this amendment. Not only because they are mandated to provide social security coverage for the wellbeing of the Guernsey and Alderney residents, but also because of what I am about to say.

Now, sir, back in the days when I played football – *(Interjection) (Laughter)* Deputy Langlois was a referee *(Laughter)* and he once gave me a yellow card **(Severall Members: Oooh!)** because he said I had fouled another player. *(Interjection) (Laughter)* Well, actually, sir, it was the other player who fouled me! **(Severall Members: Oooh!)** *(Interjection) (Laughter)* So Deputy Langlois got it wrong on that occasion and he will be getting it wrong on this occasion if he decides to give me a yellow card for what I am about to say. *(Laughter)*

On Wednesday, 31st October 2012 Deputy Langlois made a speech in this Chamber presenting his Department's new benefit rate proposals at that time. Now, when it came to the point where he had to explain a £95,000 increase benefit limitation, he said the following – and I am quoting this from the *Hansard* report... Deputy Langlois said:

'The £95,000 referred to in paragraph 99 – I would not bother to turn it over and look at it, if I were you, because all I am leading to is that it is not much money...'

So, sir, the Social Security Minister himself is on record as having said that £95,000 is not much money and that can be found in paragraph 1810 on page 513 of the *Hansard* report and I do have a copy that I brought with me, should the Minister need proof that he actually said that.

So, sir, seeing as this amendment seeks to increase the total cost of the Fuel allowance by a mere £22,000, less than a quarter of the figure that the Social Security Minister himself refers to as 'not much money', then I think I am justified in saying that I expect every Member of the Board to support this amendment.

Sir, I think I have got the Minister and his Board on the ropes with this one. *(Laughter)* I think I am two-nil up with five minutes left to play, *(Laughter)* so I will be very interested to hear what the Members of the Board have to say if they feel they cannot support the amendment, especially when we bear in mind that the increase is needed because there have been increases in the price of gas and coal recently.

I will close, sir, by saying that supporting this amendment will not only be giving the most needy members of our community a financial boost, but we will also be giving a boost to their morale at the same time.

Sir, I thank Deputy Green for supporting this amendment, and we can only hope that the majority of our colleagues feel as though they can support it too.

Thank you, sir.

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

Deputy Green: Yes, I do. Can I speak now, sir?

The Bailiff: Absolutely.

Deputy Green: Sir, as I say I am happy to support this amendment. I think Deputy Queripel made all the right points actually, so I will try not to simply repeat what he said.

I understand why the Department have adopted the stance they have, based on the June figures, the historical figures, but I think Deputy Queripel is correct to remind Members that the cost of gas and the cost of coal has gone up recently and that must, to some extent at least, have some actual difference to the fuel, light and power inflation matrix. But we do not actually have that information to hand.

I rather suspect, sir, that in this area there is some danger of a disconnect growing in the relationship between the historical indexation and the actual real price increases that Deputy Queripel talked about and in many ways this amendment is really calling for what I consider a prudent course, which is simply to maintain the real terms value of this benefit rather than freezing it completely – pardon the pun.

None of us have a crystal ball in terms of what will happen to energy prices for the rest of the winter and neither can we predict what kind of winter we are going to have, although some indications seem to be it might well be quite a hard winter, but ultimately I think this is really an amendment which is a case for caution and really to increase it to a fairly limited extent to maintain its real terms value.

Deputy Langlois said in opening that the general picture of this uprating report is to increase benefits in line with RPI. He gave Family Allowance as an exception to that. Of course, supplementary fuel allowance

is also an exception. Supplementary Benefit in general will be increased by RPI but the fuel allowance will not and I think that is an inconsistency that this Assembly should address.

I will simply ask Members to support this amendment on the basis of aiming to maintain the real terms value of this important benefit.

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The Bailiff: Next I will call Deputy David Jones.

Deputy David Jones: Thank you, Mr Bailiff, Members of the States.

1075 It is actually prices that has brought me to my feet because we have seen just recently about a 32% drop in oil prices on the market and yet the shameful practice of the gas company who ratchets up gas prices telling us all as loud as they can that they are linked to oil, but never seem to be reducing them when oil prices go down. I have not seen anything in the paper of late from the gas company, telling us that gas prices are going to plummet because the price of oil has diminished.

1080 The other thing is I think I am in mind to support this amendment mainly because at the Budget times, I keep trying to warn against ratcheting up the costs through indirect taxation regardless of people's ability to pay. Now, we as a Government cannot have it both ways. We cannot, on the one hand, nod the Budget through with very little debate on that particular issue and then, at the same time, watch price increases across the board for the elderly and other people on low and fixed incomes, without addressing the tariffs that we pay to those people when they need it.

1085 Now, we at Housing have not replaced a lot of the back boilers for coal fires through our properties, preferring to put in central heating from the Electricity Board. That seems to have worked. The cost of the new homes, as was pointed out at Policy Council the other day, have plummeted in terms of the eco builds, better insulation etc, so the utility costs have come down for lots of tenants.

1090 The other thing that was raised at Policy Council that was very interesting is whether Social Security should actually be looking at landlords who rent out properties that do not maintain those properties very well and, therefore, they are paying out more in benefits because of poor housing conditions in terms of heat loss and the rest of it. Now, that is a perfectly legitimate argument and one I think they should explore.

1095 But, on the issue of universal benefits, I am astonished that we have not done this before and while we keep hearing that the Tax and Benefit Review is going to do this and we did not want to... during the Minister's speech in another area, he talked about increases in employers' contribution and the Long Term Care Fund in order to stop that falling further and further into deficit. It is universal benefits that I think are going to help cure that problem.

1100 Just as a personal example, I was 65 this year, I am now a pensioner, but all of a sudden I go to the chemist to pick up the £20 a month set of drugs that I need to keep me above ground every month, and all of a sudden I get those drugs for free. Now, the people of Guernsey are paying me a salary of not an inconsiderable amount as a Minister and that cannot be right. Even though I am a pensioner, I am still getting a good salary but I get those drugs for nothing. Now, I was quite happy to pay for them until such time that I have to live on my pension, at which time I would of course be looking for some help in those areas.

1105 So these are the kind of universal benefits that are paid out and are costing Social Security many millions, I think it is £10 million in Child Benefit alone, which need to be looked at. So, on balance, and given my attacks on the Budget this year, and the year before that and the year before that and the year before that and several years before that – because I can remember distinctly Deputy Trott telling me, when he was Treasury Minister, that my comments were infantile and irresponsible (**A Member:** Hear, hear.) 1110 (*Laughter*) because I was, again, talking in those days about indirect taxation being a very unfair way of collecting taxes from people who lived on low and fixed incomes.

Thank you, sir.

1115

The Bailiff: Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

1120 Deputy Jones does make a good point, although I think there are risks in withdrawing universal tax allowances and withdrawing universal benefits because you would then have the problem that so many taxpayers feel they do not have a stake in the system. But I am going to speak purely on the amendment, sir. (**The Bailiff:** Thank you.) (*Interjection*) Now, yes. (*Laughter*) It occurs to me that later in this meeting we are going to consider an amendment on the subject of simultaneous electronic voting which proposes installing a system –

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The Bailiff: Is this on the amendment? (*Laughter*)

Deputy Fallaize: Yes, sir, it is strictly on the amendment... installing a system of electronic voting, I know it is a capital cost but it would have the effect in the year 2015 of increasing the cost of the States by around or up to £30,000 and this is an amendment which proposes increasing the cost of the States next year in the region of £22,000.

1130 Now, if Deputy Lester Queripel is able to give me an assurance when he sums up that he is not going to try and spend the same pot of money twice and will not be seeking wastefully to spend £30,000 next year on the installation of electronic voting (*Laughter*) then that money will be available for me to vote in favour of his amendment and to commit to the expenditure of £22,000 on this far more productive and worthwhile cause. (**A Member:** Hear, hear.) So I will wait to hear his reply to this debate.

1135 On a second point, Deputy Jones made me think when he was speaking that there is a line of thinking in the States that there should be increases in some charges, taxes and duties and that we should allow the social welfare benefit system to pick up, as it were, those people who are unable to bear the additional burden of the taxes and charges.

1140 Now, I have mixed views about that, but there is some sense in it in that if we do not raise taxes and charges because of the people who cannot bear the additional burden, it also has the effect of not raising them for those people who can bear the additional burden. There is some sense in the argument that we ought to apply these increases across the board and then allow the social welfare system to pick up those in most need.

1145 And, although I am in two minds about that, there is quite a lot of indication, if one looks at the way the States vote upon proposals, including in the Budget, that the States are minded to take that view and I think that was certainly said by several speakers when we debated amendments relating to TRP in the Budget – that the right place to accommodate those who are in need is not by keeping taxes and charges artificially low but by ensuring that they are dealt with through the social welfare benefit system. And this amendment really speaks to that, because it does seek to provide for those people who are in greatest need.

1150 I do not think that Deputy Queripel's amendment is hostile to the Department, he does say in his explanatory note – I hate explanatory notes and this one is not particularly good – I have not got the amendment in front of me, but it does at least explain that when the Department put its proposals in this report, it could not have foreseen the increase in the RPI component that is made up of fuel, light and power. Of course, we now do have that information and, in the light of that, I think Deputy Queripel's amendment is reasonable because it does effectively maintain the value of the Fuel allowance. And if we are committed to ensuring that the social welfare benefit system is not generous but reasonable for people who are in most need, I think his amendment on balance is probably justified.

1155 So if I can have the assurance from him that he will not try and spend this sum of money twice in 2015 and will not entertain wasteful ideas of spending it on internal processes like electronic voting, I will happily support his amendment.

1160 Thank you, sir.

The Bailiff: Deputy Le Clerc.

1165 **Deputy Le Clerc:** Thank you, sir.

Unsurprisingly, I cannot support the proposal.

1170 I had the benefit of actually speaking to Deputy Lester Queripel at the Douzaine meeting a couple of weeks ago and I did ask him at that time about his special fuel fund that he had got up and running last year, because I thought it would be really useful for us to know how many people had approached him and how many people were already receiving a Fuel allowance through the supplementary benefit system and how many people were outside the supplementary benefit system and were receiving that Fuel allowance because that would have been able to give us some sort of perspective of where the real need was within respect of Fuel allowance.

1175 Unfortunately, he said due to confidentiality reasons he was unable to supply that information, but I think it would be really useful again and all I would ask is for sort of headline amounts of a split between people who are already receiving some assistance with their fuel and those that are not receiving assistance with the fuel.

1180 I think Deputy Dave Jones has already touched on something and it was highlighted in our report, that we do need to look at those people who are receiving the Fuel allowance that are living in very fuel efficient and energy efficient accommodation. That is something that I did push the Department on this year and, unfortunately, it is just the resources in doing that piece of work but, again, I think that is a really, really important piece of work.

1185 For me, what continues to be my concern and the reason why I asked Deputy Lester Queripel about his fund, was those households that are ineligible for a Fuel allowance, those families and households that are just on the fringes of supplementary benefit. I think that is where SWBIC is really, really important in the work that it is doing. We are making some good progress on that and I think, as part of the rent rebate

system, we need to look at these people that are just on the fringes of Supplementary Benefit and miss out every single time. Those are the people who I really feel would benefit from a Fuel allowance and therefore I cannot support the proposal.

1190 Thank you.

The Bailiff: Does anyone wish to speak on the amendment? Deputy St Pier.

1195 **Deputy St Pier:** Sir, I am just wondering if Deputy Lester Queripel, when he sums up, could just confirm whether he is aware that in the Guernsey quarterly inflation bulletin of September 2014 – which of course was not available at the time the Report was prepared – the fuel, light and power component for inflation for both RPI and RPIX for the year to September, fell by 2.6% ?

The Bailiff: Deputy Gollop.

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Deputy Gollop: Sir, I think there is certainly more than one way of looking at this amendment, even though I disagree with Deputy Fallaize' point in comparing this in some weird way with e-voting, because I believe that would be a one-off cost whereas this is an ongoing cost, for example.

1205 I find it hard to resist the amendment because it is a small sum of money and I have sat on the Board with Deputy Green who has made those points. But one has to look carefully at the logic of this. Deputy Le Clerc has pointed out the onerous task that SWBIC has and we do have to look very carefully at a number of issues. But also, if you turn to page 2436 of the Report, it says that:

'In last year's Uprating Report, it was noted that the Department had identified the winter fuel allowance as an issue that might be reviewed as part of the supplementary benefit modernisation project.... the Department noted that it was keen to explore whether its flat rate for all strategy still held good given that claimants' fuel bills vary depending, in part, on whether their accommodation was energy efficient.'

1210 Now, in a way, we heard from Deputy Jones who, perhaps justifiably, said that people on ministerial salaries do not need free medicines. But one has to put in a wider context the fact that enough is enough movement. It is not just for people on the margins of poverty, they are ordinary working and retired people who do not feel wealthy. Therefore any reduction of the benefits they have expected is taken very badly. Therefore one cannot have it both ways.

1215 Because when one looks at this question of supplementary fuel allowance, if we had a party political gesture-led type of approach, which I know the Minister Deputy Langlois is utterly opposed to, whereby you constantly make statements in order to get media attention, we would probably be increasing these allowances all the time in a random sort of way, just to get the spin.

1220 The Department, of course, takes the completely almost opposite view based upon the rationality of the principle. I have to say, privately, I cannot see any purpose at all in retaining the supplementary fuel allowance. It is nonsense. It does not exist in our modern system. Not only for the reasons given that some homes are more fuel efficient than others, but because people's income and circumstances vary. This amount that is given arbitrarily to some people who qualify and others – as Deputy Le Clerc said – do not qualify, is peculiar and it is peculiar that it has stayed stuck at £30 whether fuel goes up or down.

1225 The more rational approach would be to abolish this allowance and redistribute the money to supplementary beneficiaries on a criteria based manner. For example, £30 a year would be approximately 50p or 60p a week. In a way, that would make more sense than this particular add-on bits and pieces approach. But we have not got to the point whereby we will have a fit-for-purpose 21st century benefit system in place and that will be a long task, so we are where we are and in this situation we clearly see a possible reduction in certain kinds of fuel but an increase in gas, as Deputy Jones noted, and coal and for those people who have coal and gas they are facing greater costs.

1230 I think in the context of an Island with rapidly rising prices and charges in many areas, supporting Deputy Queripel's amendment does no harm. Some people who are out of pocket will benefit, other people who are not will just have effectively a Christmas bonus or a New Year bonus and I think we should accept it at that level.

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The Bailiff: Does anyone else wish to debate the amendment? Deputy Le Lièvre.

Deputy Le Lièvre: Thank you, sir.

1240 We seem to have drifted from 63 pence a week for 26 weeks of the year into the Budget, tax allowances and just about everything else and we are now discussing the minutia of the negotiations of SWBIC. All for 1.7 bags of coal and I understand the reasoning from Deputy Lester Queripel – I do understand it – but we have to be sensible here and it is not usual for me to come to the rescue of the Minister of Social Security and I am not going to do so today either, (*Laughter*) but the fact remains that we do not know what sort of

winter we have got in front of us and I would far rather see this money held over, so to speak, to be utilised by Social Security in the event that we have a very hard winter because Social Security has got the power to issue extra Fuel allowance during periods of extended cold snaps.

I would think that the money would be better spent to actually hit a sudden need rather than dribbled out at 63p a week which will not actually make a huge difference. But it would do if there is a cold snap and Social Security issued a lump sum payment which would enable the purchase of two or three bags of coal in one week. Therefore I am not going to support this amendment. (A Member: Hear, hear.)

Thank you, sir.

The Bailiff: Anyone else? Yes, Alderney Representative Jean.

Alderney Representative Jean: I am going to support this amendment and the reason I am going to support it is that in Alderney the situation is this: our fuel costs are higher and the Fuel allowance is particularly needed by the old age pensioners so I am going to support this because I think it is quite important and that is all I have to say, sir.

The Bailiff: Thank you.

I see no one else rising, I will invite the Minister to speak just before Deputy Queripel replies to the debate.

Deputy Langlois: Thank you, sir.

First of all, I must point out, Deputy Lester Queripel, I respect totally his approach to this, his care and so on. It is a matter of respect. I do not remember the particular incident for which he received a yellow card – it was quite a long time ago – but, remembering that dissent is also a yellow card offence, I have decided to keep my cards in my pocket this time, because he is not showing dissent with this, he is showing honest care and he is just a little bit late on the ball and on the tackle, but anyway. (*Laughter*) (*Interjection*)

Unfortunately, he is sort of missing the point here because there is a fundamental misunderstanding of the statistical base of this. Statistics are quite hard sums and it requires a good calculator and a good appreciation of the arithmetic behind it to know precisely how this system works in terms of a year-on-year increase which is related to inflation and we have to trust the statistical base on which we work out RPI and RPIX.

We have to be very careful if we simply sweep to one side the real value of money compared with the inertia value of money related to price rises and so on. I loved his big picture of domestic bliss with the average Guernsey family sitting round the coal fire. However, that is a life choice and not the job of Social Security to protect at this stage.

For the record, sir, I was referred to as incurring the wrath of the Minister. I hope my Members will verify that I do not do wrath. I might do heavy sarcasm on occasions but I do not do wrath. So they are safe whichever way they vote.

One further point of correction is that I think... if it was within the period when it was a *Hansard* recording, I do not think the words recorded are precise actually because I did not say what he said I said. I said, 'It ain't a lot of money'. It was actually a little bit of slang there but it was definitely, 'It ain't a lot of money'. But of course it ain't a lot of money in the context of something much bigger, a vast amount, so not quite on the mark there.

Deputy Green mentioned the disconnect. The disconnect is only in terms of timing. It is in terms of when you have got the figures what price rises have been, not what they will be because we do now know what they will be. And I think Deputy St Pier for pointing out that, as it happens, it is arguable that this actually represents a 2.6% increase in the Fuel allowance, because, as it happens, the fuel has gone down by 2.6%. So that trumps 2.1% which Deputy Queripel... and it gets us back on line with the way we work these figures out.

I hope that *Hansard* is also kind and that Members are kind to Deputy Jones further down the line and do not take a quote out of context, because I think the phrase that 'I get my drugs for free' could be misunderstood (*Laughter*) at some point in the future if he is not very careful.

Sorry, Deputy Fallaize's perverse logic relating to something to do with voting or something has lost me completely, but I did admire his attempt to conflate the two debates, perhaps to make the day shorter.

Thank you, Deputy Le Clerc, for your support.

Now, Deputy Gollop, thank you very much for whichever stance you were taking. I am sure it was logical. (*Laughter*) I would just counsel you and I think it is very important, from our Department's point of view, to keep a clear head on this, and that is: you used the phrase '... in this atmosphere of rapidly rising prices and charges'. There is a scaremongering element in there which is not supported by the statistics. We have to keep contact with the public to make sure that they realise that our inflation rate is low, it continues to be low and that sort of talk can be dangerous.

Deputy Le Lièvre, well, thank you for your support, I think. I think that is where we ended up after a full circle.

1310 The Department, for many years, has based any proposal regarding supplementary fuel allowance on the cost of the fuel, light and power index. That is a sub-set of the RPI. It is something that can be worked out and decent statistics are available. As it happens – and this is, again, a statistical point – the reliability of that index is actually greater than the reliability of the overall index because you are dealing with a very definable set of products in the shopping basket. Sorry, do not try and put the oil in the shopping basket, but you know what I mean. It is a very small group of figures and therefore is pretty reliable.

1315 So, for example, in the year to June 2010, the cost – the index – saw a 9.8% increase and the States approved an increase of 9.8%. Good. Fine. In the year to 2012, the cost increased by 3.2% and again the States approved that. In each of those years, remember, the overall increase relating to the RPI and in pensions and so on was very much lower – *very much lower* – than that. In the year to 2013, the costs increased by 7.4% and the States approved a corresponding rise: 7.4%, as opposed to – from memory – 2.3% on pensions and the like, because that was the general index.

1320 So, no, we have not been ignoring this. No, we have not been ignoring the price rises. Generally speaking, the cost of fuel, light and power does increase year on year and over those few years, it has increased very much more rapidly than any other prices and, unfortunately, the length of our memory can determine our perception of what is going on; because in that last year the figures show that there has been no increase and, as Deputy St Pier pointed out, in fact, set against those massive increases the previous three years – which have been taken into account and of course still apply; are still being paid – set against that up to September, we are now seeing a small decrease.

1325 So there is the situation as to why we chose to go with the index relating to fuel, light and power rather than the general RPI. The Department knows full well that the cost of fuel can change and we have heard how it has changed since this Report was put together. Next year's proposal will have regard to the increases in gas and coal prices when it looks at it in 12 months' time for June 2015.

1330 If this amendment is successful the Department would have to have regard to the adjustment made when it considers what proposals to make in next year's report. If we do not carry on a consistent route on this, we will end up with a creeping increase way above inflation which is just not justifiable. I know it is only in a small area of our expenditure but, unfortunately, if we break that principle then there will be all sorts of other pleas to break it on other occasions.

1335 So I ask you to oppose this amendment.

The Bailiff: Deputy Lester Queripel to reply to the debate.

1340 **Deputy Lester Queripel:** Thank you, sir.

I expected a lot more resistance to this amendment than I have actually received. That is good news because I can dispense with at least six pages of my response speech. I will start by addressing the questions, if I may, sir.

1345 In response to Deputy Fallaize, I have no intention of supporting the installation of electronic voting. (**Several Members:** Hear, hear.) I am surprised Deputy Le Clerc asked a question regarding applicants' confidential details and all I can do, sir, is repeat that I am not permitted to reveal those confidential details.

1350 In relation to Deputy St Pier, who referred to inflation, the issue of inflation surely is irrelevant, sir, because the figure may have dropped a little in the last quarter, but almost 3,000 Islanders will still have to deal with the shortfall for the whole of the winter. I have here a *Press* cutting. It says 'Low inflation figure leads to warning'. In the article we are told by a Chamber of Commerce sub-group that people should not be lulled into a false sense of security over low inflation figures.

Deputy St Pier: Sir, can I make a point of correction?

1355 **The Bailiff:** Yes, Deputy St Pier.

Deputy St Pier: Sir, the inflation rate I referred to, of course, was for the year not the quarter, so for the year to September 2014 a fuel, light and power component of inflation has fallen 2.6%.

1360 **Deputy Lester Queripel:** I thank the Minister for that clarification, sir, but I still think it is irrelevant (*Laughter*) because it still means that 3,000 Islanders, approximately, will have to deal with the shortfall in the coldest months of the year. I am still shuffling through my pages to select the points that I want to make.

1365 The arguments are because not every source of fuel, light and power has increased in cost and the oil price has gone down. That has got no foundation whatsoever; it is built on sand. Yes, the price of oil has gone down but the price of oil fluctuates. It could go down for five or six months and then go up again for

five or six months before it comes down again for five or six months. Of course, historically, it goes up in the winter, to enable the oil companies to capitalise on the cold weather.

It is because of that, that we are in the situation we are in, with almost 3,000 Islanders having to deal with the minimum 2.5% shortfall before the winter even starts. Surely, sir, we need to be a lot more proactive in situations such as this. It is not the fault of the Department. They set the figures up until June 2014, but reacting to price increases that have happened this year when setting Fuel allowance rates for next year still means that Islanders have to endure a shortfall. They have to find that extra money from somewhere else and where is somebody who is already struggling supposed to find that extra money? Every penny counts, sir, to someone who is struggling.

I realise that once again it is the fault of the system here because Social Security, as I say, do base their figures up until June and I can only hope that the Personal Tax, Pensions and Benefits Review will identify a way that we can address that. And, yes, I am aware that paragraph 161 on page 2436 tells us that the Department themselves intend reviewing the Fuel allowance due to GHA developments being constructed to a very high standard of energy efficiency, but the sixth sentence in that paragraph tells us that the work on that review has not yet commenced, unfortunately.

But there is hope, of course, that the system will change for the better at some stage in the future and if it does not change for the better then we will have to do whatever we can to change it, because we hear time and time again, sir, that we are an affluent Island; well, surely we need to ensure that that affluence filters through to our fellow Islanders in their time of need and if we are so affluent then why do we have poverty here?

We say we do not know the levels of poverty out in the community because we have not yet published a report, but we do not need a report, sir. We know there is poverty out there; we have seen it. We have got whole families sofa surfing with in-laws and friends for years. That is not the fault of the Housing Department. Deputy Jones has done a wonderful job at the helm down through the years. And we have got people huddled over one-bar electric fires trying to keep warm. I have seen that, sir, and if any of my colleagues doubt that then they are very welcome to come out with me and see that for themselves.

To focus on the finances, in response to Deputy Le Lièvre, sir, £100 buys nine bags of coal and some Islanders with young families or health problems need to light a fire first thing in the morning and keep it going all day and those who do that will be burning up to four bags of coal a week; so nine bags of coal costing £100 will last approximately two and a half weeks. But the Fuel allowance recipient will only have received approximately £75 towards their fuel costs in that two and a half week period. So that is a £25 shortfall which means that the Fuel allowance needs to be a lot more. So we can only hope that the Personal Tax Benefits and Pensions Review will identify where that extra funding is going to come from.

Surely, sir, politics is not all about accumulating money; surely it is about distributing it fairly to the people who need it most. I know that some of my colleagues resonate with that approach, sir, and a fundamental point that I would ask my colleagues to, please, bear in mind is that the Department are not saying that there is not any money to pay for the increase, what they are saying is that they are not recommending an increase.

Margaret Thatcher once said, sir, that 'Yes, the medicine is bitter, but it is for the good of the patient!' That is certainly true in certain circumstances, but not in cases like these where people are struggling and they need every penny that they can get. It really does concern me that there does seem to be a disconnect between statistics for inflation and the reality of what is actually happening here in Guernsey and Deputy Green has already alluded to that. Who is compiling these figures? Because they certainly do not seem to be talking to the right people. They do not seem to be going to the homes of people who are struggling and to get an accurate picture of what is really happening that is what people who compile figures and reports really do need to do.

Deputy Brehaut, sir, once said in this Chamber 'We need to value all our children, not just the academics' and we need to take that right across our whole community, because the greatest thing any Government is do is value its own people.

I will close, sir, by saying that if this amendment does get the support it needs then we really will be complying with three core objectives of our own States Strategic Plan: (1) To obtain the caring society which supports families and individuals; (2) To provide good standards of social welfare; and (3) To reduce the gaps for vulnerable groups.

So, sir, bearing in mind that we are not talking about a great deal of money here – well 'It ain't much money', according to the Social Security Minister – but that money will mean a great deal to all those 3,000 of our fellow Islanders who need it.

Perhaps the questions my colleagues need to be asking themselves are these: do they really want to provide a caring society?; do they really want to provide good standards of social welfare?; and do they really want to reduce the gaps in provision to vulnerable groups? Because if they do then here is the opportunity to embrace all three of those core objectives.

Can I ask for a recorded vote, sir? Thank you.

The Bailiff: Members, you are being asked for a recorded vote on the amendment proposed by Deputy Lester Queripel and seconded by Deputy Green.

1430 *There was a recorded vote.*

The Bailiff: Well, Members, while those votes are being counted I suggest we move on with the second amendment proposed by Deputy Wilkie.

Deputy Wilkie.

1435

Amendment:

To replace Proposition 29 as follows:

'29. That following conclusion of its review of the needs of beneficiaries of allowances under the Severe Disability Benefit and Carer's Allowance (Guernsey) Law, 2014 for whom accommodation or care services are provided at public expense, as described in paragraphs 222 to 224 of the Report, the Social Security Department shall report its findings to the States of Deliberation, by no later than 31 October 2015, together with any recommendations it may have for disqualifying such beneficiaries from entitlement or reducing allowances.'

Deputy Wilkie: Thank you, sir.

Mr Bailiff, Proposition 29 proposes that the relevant legislation be reworded so that the Social Security Department can review removing the entitlement to Severe Disability Benefit when a severely disabled person moves into extra care housing.

1440

My amendment to Proposition 29 is very straightforward and simply changes the order of events. Rather than the proposed review of the policy happening after the law has changed, it proposes the opposite: that a change in the law should happen only after the conclusion from the review of the policy has been agreed by this Assembly.

1445

I believe that the Housing Department are prepared to support my amendment and Social Security are prepared not to oppose it and I thank the Departments for their appreciation of my concerns about the original proposal.

Severe Disability Benefit is a contribution towards the extra costs of being a severely disabled person. The UK charity Leonard Cheshire has estimated that, on average, a disabled person's cost of living is 25% more than that of a non-disabled person. The extra costs of disability include specialist equipment, extra wear and tear on clothes and shoes, additional toiletries, special diets, additional transport costs and the list goes on. Indeed, the whole point of extra care housing is to support people to remain active in the community and maintain their independence.

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Yes, some people use some of their Severe Disability Benefit to pay for additional hours of care to supplement the community care provided by HSSD, but Social Security's own report on October 26th 2011 Billet states,

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'Claimants use Attendance Allowance,'

– that is the old name for Severe Disability Benefit –

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'... for a wide range of purposes, and the flexibility to spend the benefit in whatever way is most appropriate to the individual is welcome.'

Social Security are, understandably and rightly, a rules-driven Department. They have spotted an anomaly in the rules – Severe Disability Benefit is taken away when a person goes into residential or nursing care, but not when a person moves into extra care – and they want to correct what they see as preferential treatment.

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However, without seeing the results of the review proposed in paragraph 222, how do we know whether the policy that they are trying to get extra care to align with was the right policy in the first place? If you think about it, many of the extra costs of disability do not disappear when a disabled person goes into residential or nursing care either. So it is entirely possible that the review could conclude that there is a fairer way to resolve that anomaly. Perhaps some people in residential and, obviously, nursing care should be able to claim for assistance with the extra cost of disability, rather than taking that assistance away from people in extra care.

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With this kind of big question to answer, as a States' Disability Champion, I am not comfortable with Social Security making changes by regulation with no further references to this Assembly. **(Two Members: Hear, hear.)**

1475

So, on behalf of those severely disabled Islanders whose quality of life and independence depend on Severe Disability Benefit, I ask for greater consideration before we rush to amend legislation and I ask for your support for this amendment.

1480 **The Bailiff:** Deputy Le Pelley, do you formally second the amendment?

Deputy Le Pelley: I formally second, sir, and reserve the right to speak later.

Not carried – Pour 15, Contre 27, Ne vote pas 0, Absent 5

1485

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Brouard	Deputy De Lisle	None	Deputy Perrot
Deputy Wilkie	Deputy Burford		Deputy Sillars
Deputy O'Hara	Deputy Inglis		Deputy Quin
Alderney Rep. Jean	Deputy Soulsby		Deputy Storey
Deputy Brehaut	Deputy Luxon		Deputy Trott
Deputy Robert Jones	Deputy Hadley		
Deputy Gollop	Alderney Rep. Harvey		
Deputy Sherbourne	Deputy Harwood		
Deputy Conder	Deputy Kuttelwascher		
Deputy Lester Queripel	Deputy Domaille		
Deputy Fallaize	Deputy Langlois		
Deputy David Jones	Deputy Le Clerc		
Deputy Laurie Queripel	Deputy Bebb		
Deputy Collins	Deputy St Pier		
Deputy Green	Deputy Stewart		
	Deputy Gillson		
	Deputy Le Pelley		
	Deputy Ogier		
	Deputy Lowe		
	Deputy Le Lièvre		
	Deputy Spruce		
	Deputy Duquemin		
	Deputy Dorey		
	Deputy Paint		
	Deputy Le Tocq		
	Deputy James		
	Deputy Adam		

The Bailiff: Thank you.

Just before we move on in the debate, Members, I can announce the result of the vote on the amendment proposed by Deputy Lester Queripel and seconded by Deputy Green. There were 15 votes in favour and 27 against. I declare the amendment lost.

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I call Deputy Jones and then Deputy Bebb to speak.

Deputy Bebb: Sorry, Monsieur le Bailli, before Deputy Jones speaks, could I ask for the amendment to be read out? I am afraid I do not have a copy. I recognise that it may be my fault; I think I lost it since the last meeting.

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The Bailiff: Well, would you like me to read it out? I will do so for the benefit of any listeners at home. The amendment reads:

‘To replace Proposition 29 as follows:’

– and then –

‘29. That following conclusion of its review of the needs of beneficiaries of allowances under the Severe Disability Benefit and Carer’s Allowance (Guernsey) Law, 2014, for whom accommodation or care services are provided at public expense, as described in paragraphs 222 to 224 of the Report, the Social Security Department shall report its findings to the States of Deliberation, by no later than 31st October 2015, together with any recommendations it may have for disqualifying such beneficiaries from entitlement or reducing allowances’

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Deputy Bebb: Thank you.

Deputy Fallaize: Sir, I do not want to delay the debate but during the course of the debate, could we just have a paper copy circulated? I do not think a copy was circulated of this amendment.

1505

Several Members: Yes, it was.

Deputy Lowe: Yes, it was, sir. It was on our desk tops last time.

1510 **Deputy Fallaize:** Right, okay. I do not –

The Bailiff: Deputy Dave Jones. Deputy Dave Jones will speak.

Deputy David Jones: Thank you, Mr Bailiff, Members of the States.

1515 As you know, the Housing Board Members were staunch supporters of the Disability Strategy and, from our point of view, Social Security argues that the Severe Disability Allowance is intended to help beneficiaries pay for the type of care and support extra care housing tenants receive as standard.

Well, we argue: is that really the case or is it the case that people getting the Allowance use it, quite rightly, to pay for a whole range of things that fall outside of the care and support package, such as transport, equipment, extra clothes and so on?

We are concerned at Housing that if SSD decide, without further recourse to the States, to stop paying the Severe Disability Allowance to tenants in extra care housing, then (a) such people could be worse off as a result and (b) people outside of extra care housing will decide perhaps not to apply.

1525 So we support this amendment because it will mean that SSD can come back to the States after they have decided exactly what the Severed Disability Allowance is for and after that the States can decide, on the basis of the evidence in front of it, whether extra care housing tenants should or should not get the Allowance.

Maybe there is an argument for partial allowance to be paid but until we know more, Housing simply cannot say. Deputy Wilkie's amendment would ensure that the implications of withdrawing this Allowance are better understood; something that would allow the States to make a more considered decision further down the line.

Thank you.

The Bailiff: Deputy Le Clerc:

1535

Deputy Le Clerc: Sir, I would just like to remind the Assembly that Social Security Department are not opposed to this amendment. I think it is important that it comes back to the Assembly next year and it will come back in our uprating report.

1540 I think the other thing is, we will have had some time to look at the extra care housing and how that is working and the funding arrangements of that.

So, as I say, we do not disagree with the amendment and we will be supporting it.

The Bailiff: Does anybody else wish to debate this further? No. Deputy Wilkie. Sorry, unless the Minister wishes to speak before I call Deputy Wilkie to reply – Deputy Langlois?

1545

Deputy Langlois: No, I do not think so, sir. I could not really add to what Deputy Le Clerc just said.

The Bailiff: Deputy Wilkie, do you wish to reply to the debate?

1550 **Deputy Wilkie:** Well, just to say thank you for Deputy Jones' support and Deputy Le Clerc's support and rather than waste time, I think we should just go straight to the vote, sir. (A **Member:** Hear, hear.)

The Bailiff: Thank you. Well, we are voting then on the amendment which I hope everybody has, or has had sight of, or understands what they are voting on.

1555 In that case, the amendment is proposed by Deputy Wilkie and seconded by Deputy Le Pelley. Those in favour; those against.

Members voted Pour.

1560 **The Bailiff:** I declare it carried.

We move into general debate. Is there any desire for general debate or has all been said that can be said? Deputy Lester Queripel, are you moving to rise?

Deputy Lester Queripel: Thank you, sir.

1565 We all know that the whole benefits system is under review at the moment so there is not a great deal of point in going into any great detail about several concerns I have regarding these proposals, but I would like

to focus on a couple of points, starting with the point that I think it is morally wrong to give increases to people in need just to keep in line with the cost of living, especially where pensions are concerned because they pay into the system all their working lives and many of them struggle to keep up with the cost of living.

Sir, what we should be doing in my opinion is giving pensioners more of an increase to help them get above the cost of living. I realise I could have laid an amendment seeking to do that and, in fact, several pensioners have asked me why I have not. Well, sir, I am only too aware that amendments laid in the past which sought increases in pension payments have not been supported by the majority of this Assembly and our financial position has been cited as being the reason for that lack of support. Seeing as nothing has really changed, to lay such an amendment would be wasting the time of the Law Officers and the civil servants involved and also the time of the Assembly. So hopefully, sir, pensioners will understand why amendments have not been laid that seek to increase pension payments by more than the 2.1% the Department are proposing.

To focus on the figures involved for a moment, to give every pensioner another £2 a week would cost £1,750,320 per annum and to give every pensioner another £10 a week – which I actually think should be the minimum increase – would cost £8,751,600. But, of course, not every pensioner needs another £10 a week because not every pensioner is struggling, thankfully; but it is the pensioners who are struggling that I am concerned about.

And to identify the ones who are struggling, in order that we can give them more money, would of course involve means testing. So I take great comfort from paragraph 206 on page 2444 because we are told in that paragraph that the Department are considering means testing as part of the PTBR; and the sooner the results of that review are published the better, because then there will be more opportunity to identify where the money is going to come from to give pensioners who are struggling a lot more money than they are getting now, as well as giving more money to other Islanders in their time of need, of course.

Another point I would like to focus on for a moment, sir, is the issue of personal allowance paid to fellow Islanders in care homes both here and in the UK. In paragraph 158 on page 2436 we are told that the personal allowance is higher for Islanders in care homes in the UK than it is for Islanders in care here in Guernsey. We are told the reason for that is because Islanders living in care homes in the UK tend to be a much younger group, therefore they need more money. But a young person in care in Guernsey receives a personal allowance of £29.30 a week, whilst a young person in care in the UK receives a personal allowance of £49.36 a week. That is £20.06 more than a young person in care in Guernsey receives.

That seems rather unfair to me, sir, because surely they will have the same wants and interests regardless of where they live. The same of course applies to older people in care as well. Why should older people in care here in Guernsey receive less personal allowance than older people in care in the UK?

If my colleagues turn to page 2435 and look at paragraph 156, sir, they will see a list of the items that the personal allowance is intended to cover. That list tells us that it is intended to cover the purchase of modest items such as newspapers, confectionary, toiletries, small family presents and so on. I suppose we could add, in the ‘so on’ part, CDs, DVDs, books and perhaps even the occasional meal out with friends. All of which are a lot more expensive in Guernsey than they are in the UK.

So my questions to the Minister are as follows. Does he agree with me that it is unfair to pay £20.06 less a week in personal allowance to Islanders in care homes here in Guernsey? Does he agree with me that that creates more of an exclusive society than the inclusive society we should be promoting?

Does his Department have any intention of either reducing the personal allowance paid to Islanders in care in the UK or increasing the personal allowance paid to Islanders in care here in Guernsey? I believe it would cost an extra £180,000 to increase the allowance paid to Islanders in care here in Guernsey. That is why I did not lay an amendment to increase that – because I could not identify where that £180,000 would come from, but I am sure the Minister can identify. I am sure he has got a little pot of money somewhere. *(Laughter)*

The final question to the Minister: is his Department doing what many of us are doing and waiting for the results of the PTBR before addressing any of those points? We seem to have become the ‘States of Review’, sir. We are always waiting for the results of some review at some stage or another and it is rather frustrating.

My final question is in relation to Supplementary Benefit being paid to young people under 18. In Appendix 3 on page 2467 we are told at the bottom of the page that children classified as ‘at risk’ will be able to receive Supplementary Benefit in all circumstances, unless they are taken into care. I naturally assume, sir, that any child considered to be at risk would automatically be taken into care. So I am wondering is the Minister able to enlighten me on that particular issue, please?

Also at the bottom of the page we are told that the Department intends to explore the possibility of placing a legal obligation on parents who are not willing, but financially able to support a child under 18. So is the Minister able to tell me, please, what stage is the Department at with that?

I will finish my speech by praising the Department, sir –

Sorry, sir, I will give way to Deputy Langlois.

1630 **Deputy Langlois:** I am terribly sorry, Deputy Queripel, could you give me the two page references for your last two questions? The 'at risk' and 'in care' one and the one you have just asked.

Deputy Lester Queripel: Certainly, on page 2467 Appendix 3. Both of those are to be found at the bottom of the page.

1635

Deputy Langlois: Thank you very much.

Deputy Lester Queripel: Sir, I just want to finish by praising the Department because, in my opinion, the States should focus on good news stories a lot more than we do. Now, I have questioned in the past the viability of outsourcing job placements to a local recruitment agency, but I take great comfort from figures in paragraph 40 on page 2411 which tell us that the agency have placed 284 job seekers into employment from 1st July 2013 to 30th June 2014, so credit to the agency and to the Department for attaining those figures.

1640 I also take great comfort from the figures in paragraph 43 on page 2412 which tell us that 650 sanctions were imposed on job seekers in 2013, ranging from a deduction of one week's benefit up to disqualifying an individual from benefit payments for up to 10 weeks. That will hopefully dispel the myth that it is far too easy for the loafers and spongers and scroungers to play the system, especially when we are told that, even those claimants can appeal against the sanction, no such appeals were made in 2013.

1650 Finally, sir, I also take great comfort from the news relayed to us in paragraphs 48 to 53, where we are told that the Supporting Occupational Health and Wellbeing Project is making good progress. That is a project which seeks to get people back into work after a long period of ill health. That is good news for two reasons: (1) It leads to a reduction in the duration of the claim and therefore saves the Department money; and (2) an increasing number of people who are returning to work and claiming their working lives and careers back. That is really good news for Islanders and good news for the States, so credit to the Department for introducing those projects.

1655 Finally, in his opening speech, sir, the Minister said... I think he said there are more jobs available than there are people unemployed. So presumably that means there are over 600 job vacancies on offer at Wheadon House because that would appear to be the case and if we look at the graph on page 2409, because the graph peaks at 650 job seekers as of April 2014, so I would like the Minister to clarify that sir, when he sums up.

1660 Thank you, sir.

The Bailiff: Deputy De Lisle and then Deputy Inglis.

Deputy De Lisle: Yes, thank you, sir. I note that the Department continues to develop and expand the range of initiatives that it offers to assist and support job seekers to secure employment and I commend the Department on those initiatives. (A Member: Hear, hear.)

I note, though, a plethora of initiatives which I think are somewhat difficult to rationalise really and I think I would like to ask the Minister on that subject, because if you look at pages 2410 to 2411 there are a huge number of initiatives there and you just wonder how they are all related and linked up.

1670 I also note particularly new initiatives: the Stepping In Pilot Project Scheme, for example, which is a joint project aimed at matching job seekers to future vacancies. Now, that project has placed a total of 29 job seekers, as I see it, into six secure permanent contracts and it has done that with a net cost of £4,800 but, in fact, the benefit savings of £3,200 per week achieved through closed claims. So that is another success story.

1675 But I notice another scheme that is under development and that is benefiting additional support provided through the Department's Progress To Work initiative which was launched this year. I would like to ask: can the Minister provide some detail on discussion with the third sector which is reported – so it is third sector organisations to encourage Back To Work initiatives?

1680 So I think I am very supportive, obviously, of all these initiatives and yet it seems to me that we have got new initiatives coming on board, we have got a whole plethora of old initiatives and I just find it very difficult I think for the reader to grapple with the detail and the number of initiatives – kick starts, back to work bonuses, the cap scheme and these new initiatives coming through. Are these new initiatives actually trying to consolidate some of the wide ranging old initiatives run by the Social Security Department?

Thank you, sir.

1685

The Bailiff: Deputy Inglis.

Deputy Inglis: Thank you, sir.

Deputy Lester Queripel and Deputy De Lisle are really stealing my thunder. I needed to stand up really quickly because these were clear areas that I wanted to emphasise to the Assembly as to where the Department is going and what it seeks to achieve.

Having listened to the Minister's speech, I am delighted that the positive report on how work within the Department is producing significant returns on investment. When I was head-hunted... Sorry, when the Minister came to talk to me about joining the Department (*Laughter*) my first question to him was what is exciting about Social Security? Obviously he then, in true Ministerial style, gave me a glowing report on what could happen and where we are going and what we are doing. I took it all on board and I joined the Department, but what I found out was quite amazing as to the work rate and the staff that we have within the Department and what they are doing for supporting the Assembly and, more importantly, supporting the community.

We continue to develop and expand the range of initiatives that we offer to assist and support job seekers, as shown on page 2410. The latest initiative being the coding course delivered in partnership with Codex and the GTA and of course Commerce & Employment.

Members will have been delighted to have read the report that was issued on the unemployment figures, which showed that 329 people are seeking employment, which is a decrease of 19 on the September figure. The Department, through the Job Centre, has 146 vacancies. There are lots of vacancies out there in the community; a lot supported by individual private enterprise, but clearly the initiative is there for people to gain employment, given that – as Deputy De Lisle alluded to – the Department is helping that progress.

So the Stepping In Scheme was piloted last year and provides job training in low skilled roles which are to become vacant when short-term housing licences expire. In 2013 there was a change of legislation which affected single parents: 70 were required to register at the job sector and to look for work; 50 of these are working now and the Job Centre continues to seek work for the remaining 20.

The Department is doing some great work through the Job Centre but we must not be complacent. We are providing a range of training opportunities and a one-to-one support to help people find work clearly has been very productive.

Deputy De Lisle has asked about the success of the Progress To Work FTP project. Well, I will not go into answering that question, I will leave that to the Minister; but I must stress that this is not solely due to the Job Centre, it is a project that is shared with the Supplementary Benefit Department.

The implementation of the new CEPS Strategy... So just to refresh Members' minds, this is the Community and Environmental Project Scheme which leads a pathway to employment. It is a supportive work rehabilitation environment which helps people to become work-ready again following unemployment or long-term illness.

The objective of CEPS is to provide work and training opportunities which help people improve their chances of finding work by dealing with barriers to employment and offering new skills. So it helps people who do not have formal qualifications and that is a huge untapped market place. Just because you did not get on at school, does not mean to say you have not got the intelligence to deal with work in the wider community. It helps deal with low self-esteem and mental health issues and there is a variety of other areas that the CEPS project really helps people, guiding them into the workplace.

The introduction of Jobs Fair which has proved to be an effective tool in supporting people into employment; the introduction of a new software system which enables job seekers to create a CV; a search for a far larger variety of roles according to their skills. I wonder how many Members could write a CV today.

Computers for job seekers to use within the waiting room cubicles are now available for on-line application and tips on securing employment and as part of our communication process, Deputy Laurie Queripel, we have LCD screens that are installed in the Job Centre which are frequently updated and used to advertise vacancies.

In some cases, as has been mentioned, we do apply sanctions for non-compliance. For example, not taking up training opportunities, not accepting a job offer or not demonstrating a real effort to find work and, as has been already highlighted, in 2013 there were nearly 650 sanctions imposed, which clearly shows that the Department is getting best value for taxpayers' money and ensuring that the right people are getting the benefit. I will seek to encourage and support the Job Centre team to further develop the services it provides and look for new opportunity in job placements.

Members, I would like you to support what is on the table today but, like everything, this is a good news story. I just want to make Members aware that you have been circulated with the list of the people that are seeking job placements. Within this document it highlights over 50 accredited people to the retail environment. It came up in a meeting yesterday, 'Where are the shops going?' and we have to be careful with our decisions here because it is not just about retail staff, it is about drivers, it is about accountants, it is about shop fitters, it is about people who need to support this industry and it is diminishing and we all

know why it is diminishing. So therefore I would ask that we take great heed in keeping business within the Island and supporting those people who are looking to get back into the workplace.

1750 Thank you, sir.

The Bailiff: Deputy Brehaut and then Deputy James.

Deputy Brehaut: Thank you, sir.

1755 Several years ago perhaps – I do not know 40 or 50 years ago – if your house burnt down, you were unemployed and your family left you, you would go to the Procureur and if he was generous he would give you a groat. We know now that does not happen anymore of course, does it, unless perhaps you are 16 or 17.

1760 I know this is from a previous Department and I know we were sent information with regard to the legislation, but Guernsey does not have an unemployment problem, Guernsey has an education problem. We have to keep asking ourselves why is it that so many children attend school and come out without an education. They present at the Job Centre in an entirely dysfunctional, poorly prepared manner.

1765 The idea that these children who have escaped any type of system or actually have been in one, an institution such as ASD are prepared and ready for work... I think they are described as NEETS – ‘neither in education or training’. I can never remember what the other ‘E’ stands for. But the idea that you can then with a gentle guidance get them into a work regime and a pattern is a misinterpretation.

1770 These children do not stay at home. Deputy Lester Queripel has said that they do sofa surf. Sometimes the authorities are not even aware of their existence or the way they are living until it is far too late. But there is far too much focus on the Social Security Department in taking punitive measures against people who have got significant problems at home, significant social issues and are generally non-compliant. The idea that you ban them from benefit... you exclude them further and the way this plays out is these young children, these young people, are sent to a work environment but really do not have the basic skills. Within a very short period of time they are in conflict with their employer because they cannot do the job they are asked to do, they appear as belligerent, non-compliant, difficult and are sent home. Then there is the

1775 disqualification of their entitlement. We need to do much, much more work in that area, rather than take punitive sanctions.

1780 I know there are job fairs, I know there are schemes such as CEPS and I know there are other measures. But just assume there are children out there you we cannot capture with a benefit system. So what do we intend to do about that? I think, until we resolve this, children still going through our education system but coming out without an education and living extremely dysfunctional lives and, sadly, only appearing on our system when they have an entitlement perhaps to whether to support a child or whether with assistance in accommodation.

1785 We need to really spend a lot more time on that, rather than just assuming... and I am assuming Deputy Lester Queripel was being ironic when he said scrounger or lazy or whatever he said, but there is that, unfortunately; at times it does come through in the policy of the States that there is a very small group cohort of young people that we are exasperated with, that we take sanctions against without really trying to understand exactly what the issues are.

Thank you.

1790 **The Bailiff:** Deputy James.

Deputy James: Thank you, sir.

1795 Sir, before I go into my speech, I would just like to address an issue that Deputy Lester Queripel referred to in his speech. Whilst he was in fact expressing a personal opinion, he did actually state that he believed that any child identified in this Island as being at risk should be taken into care. The reason I am addressing this issue –

Deputy Lester Queripel: A point of correction if I may. A point of order.

1800 **The Bailiff:** Deputy Queripel.

Deputy Lester Queripel: I did not say that the child *should* be taken into care. I said I was asking for clarification from the Minister whether or not that was the case, in relation to Supplementary Benefit and personal allowance, sir.

1805 Thank you.

The Bailiff: Deputy James.

Deputy James: Well, I would say that was what I heard, sir.

I think it is really important for me and my responsibility to say to parents out there, any parent that currently, unfortunately, has a child on the 'at risk register' should not be anxious about having their child taken into care. Guernsey has a superb team of social workers and other professionals that work very, very hard and very closely with many families out there, to ensure that their children do not get taken into care.

So, sir, I would like to highlight some of the initiatives that Social Security have implemented and further developed, in aiding and encouraging some of our claimants back to the work place. For example, long-term sickness: in previous years we have reported snapshot data of claim numbers and diagnosis. This year we have dispensed with the snapshot data in favour of – (*Laughter*) I should have changed that word – (*Laughter*) in favour of reporting the overall trend.

Figure 4 on page 2413 shows the trend and the 12-month rolling average. Figure 4 shows the number of active invalidity benefit claims for the period January 2009 to June 2014. The figure shows claim numbers from 2009 peaking to 952 in early 2011. Numbers then decreased bottoming out at around 840 during the second half of 2013. Whilst it is disappointing that claim numbers have increased since late 2013, we are hopeful that this is a short-term anomaly.

On the issue of supporting occupational health and wellbeing, as Deputy Langlois has already explained this particular project is about transforming the way Social Security deals with sickness claims. It is about early intervention and support to enable people to remain in work or return to work more quickly.

We are hopeful that this project will reduce the number of claims becoming long term, which will have a positive influence on the trend graph I previously mentioned. We have also redesigned the old fashioned medical certificate which gave the Department inadequate and insufficient information in relation to the potential work absences. We have also updated the manner in the way we assess people's capacity for work. We are working closely with family practitioners and have been fortunate to have acquired the services of a Dr Les Smith, an expert and a very experienced occupational health physician. We are confident that the new ways of working will reduce the duration of some claims and see more people returning to work after a period of ill health.

On the primary care mental health and wellbeing service – staying on the theme of early intervention, as previously reported on the pilot service which is due to cease next February – the service accepts direct referrals from family practitioners and it provides free access to psychological therapies for people with mild to moderate mental health problems. The service aims to prevent the deterioration of some problems into more complex disorders and is aligned with the Mental Health and Wellbeing Strategy.

The evaluation of the pilot showed the recovery rate of 44% exceeding the UK's IAPSS service, which stands for Improving Access to Psychological Services Survey. Overall, the patient satisfaction has been very high and the feedback from our local family practitioners demonstrates how highly they rate the importance of the service. Both SSD and HSSD agree that the service should become permanent, which, if approved, will be funded through the Guernsey Health Service Fund. An annual budget of £330,000 has been agreed for 2015, which includes a 10% contingency.

Sir, what I would like to give the Assembly is a brief update on maternity and paternity. Members will recall that we debated the introduction of the maternity and paternity provision in 2012. SSD was directed to report back to the States with proposals for funding and preparation of legislation. The enhanced package of parental benefits will cost in the region of £1.9 million per year. It will need a relatively long lead-in period as there is a need to amend primary and secondary legislation and make complex systems, the IT changes, and the earliest practical implementation date is January 2017.

Thank you.

The Bailiff: Thank you.

Does anyone wish to speak in general debate? Deputy Le Lièvre.

Deputy Le Lièvre: Thank you, sir.

Sometimes it is clear when one should speak and at others it is best to sit and simply await what is likely, or hopefully, to be a foregone conclusion. Today we have a slightly unusual arrangement whereby, in relation to Social Security's uprating policy letter and in particular to the Supplementary Benefit limitation, we have a choice between two figures: one representing a very significant increase on the existing benefit limitation and, the other, a much more modest increase with an equally modest increase in annual expenditure. Although, having said that, the level of increase predicted by the Policy Council's Policy and Research Unit in respect of the higher level of benefit limitation is still music to my ears.

Now, I could have sat on my hands and waited to see where debate headed, but in this particular instance, rather than wait for the possibility of a head of steam building – although it does not look like there is going to be – I thought I would do my best to nip that in the bud.

Now, the original purpose of the benefit limitation was to ensure that nobody could derive levels of benefit greater than that derived from employment in the lower paid industries. Its purpose was clear and in

1870 a society where the majority of the population derived their earnings from relatively low paid manual labour, it made perfect sense. This is especially true given that the nature of the Supplementary Benefit scheme, when it was first introduced, ensured that virtually 100% of supplementary beneficiaries would have not been in employed and were unlikely to have ever been so. In such circumstances, as I have already said, the benefit limitation made perfect sense.

1875 However, the control mechanism – that particular control mechanism – has become increasingly less relevant and has been regarded by Social Security over the last 12 years or so as a mechanism that has the potential to deprive a family living in the private rental sector, with a relatively high requirement rate, from receiving the level of benefit prescribed by the law. In this respect, the benefit limitation has the potential to cause hardship in the private rental section, in particular, whilst tenants in social rented accommodation are adequately protected by the Housing Rebate Scheme.

1880 In short, the benefit limitation has become a somewhat harsh control but, in the main, selects those most in need of assistance and limits them to an artificial sum that bears no relation to the requirements as set out in the Supplementary Benefit Ordinance. The removal of this mismatch of treatment is of course the centre of SWBIC's work. However, SWBIC has some way to go before it report to the States, so today's high value – what I call high value – option benefit limitation, offers the States a real opportunity to take an incremental step towards one particular aspect of a new system, without impinging at all on the design of that system.

I am sure some of us might be thinking that is all very well but does the figure of £600 go too far? Well, without wishing to undermine the future discussions with SWBIC, I can predict with 100% certainty that if a benefit limitation is retained then it will, in respect of both long and short-term claims, exceed £600. The reason for that is that the level of rents charged by the Housing Department and the Guernsey Housing Association, whose rents will be used as a yard stick when setting maximum rent allowances, ensure that the benefit limitation has to be a significant amount because Housing's rents, in some instances for a four-bedroom house, are now over £18,000 a year. So we need to have a high benefit limitation which will enable a person to pay their rent in full and not subtract the sum from their day-to-day living expenses. So, by accepting the higher figure, there is no risk of putting in place limitation that will bind the States to a maximum level of benefit that does not fit with SWBIC's ultimate recommendations.

1900 Furthermore, historically speaking, a move to £600 would be just yet one more incremental move along a path followed by Social Security for the last 12 years, which period has seen very significant increases in the benefit limitation, interspersed with smaller ones. On each and every occasion, the reason for applying increases much larger than the RPI has been to ensure some form of protection for persons in the private rental sector and, indeed, the owner occupied sector. In effect, it is no different on this occasion.

1905 The beneficial side effect of a move to £600 offers the opportunity for the States to implement a relatively low benefit limitation without any risk – if you like, testing a small part of SWBIC even before it comes off the production line. In the past, such moves by SSD have been accompanied by much wailing and gnashing of teeth. However, despite claims of financial improvements, the predicted avalanche of claims has never come about. In fact, what has happened is that time has marched on and we have found ourselves merely maintaining the benefit limitation at a slightly improved but still, nevertheless, at an unacceptably low level.

1910 Only by taking a much larger step can we really build a level of confidence that will allow us to make a step of sufficient size to finally rid ourselves of a safety net that, in all probability, is not required; if, indeed, that is the final desire of this Assembly. SWBIC will have the dubious pleasure of determining whether or not to recommend that the benefit limitations stay or go or be retained in some other form. Whatever the case, I can assure you that £600 will not be that limit and therefore it makes perfect sense for this Assembly to approve this new limit in the knowledge that it will have taken a slightly bolder step than its predecessors, but still with certain financial prudence; and, at the same time, ensuring that a small number of families will be assisted to keep their heads above water.

1920 Please remember that this is not putting money into people's pockets for mobile phones, or for alcohol or cigarettes, or fast cars and flash holidays; this limit, this benefit limitation, is designed to keep a roof over people's heads, nothing more and nothing less. The question of what a person should be granted for week-to-week living expenses still remains firmly with SWBIC and this Assembly.

1925 One final thing, I thought it was very kind of SSD to credit me with an amendment that put the figures of £600 in place. Whilst I would have been delighted to do so, the plain truth of the matter is that I simply included that Department's own recommended benefit limitation from its 2013 proposals, albeit that that was part of a package. But I would also point out that Social Security also recommended a limit of £650 for 2016 – both figures to be adjusted for inflation.

Just to sum up, sir, I think this is a sensible move; it is a sensible benefit limitation. It does possibly pre-empt a recommendation from SWBIC, but it represents no risk and it does do so at a reasonable cost and, at the same time, ensures that people in the private rental sector that currently lose out very significantly in

1930 relation to the support that is granted to social housing tenants will receive some small help towards paying their rent.

Thank you, sir.

The Bailiff: Thank you. Members of the States, we will rise now and resume at 2.30 p.m.

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

**V. Benefit and Contribution Rates for 2015 –
Debate continued –
Propositions carried**

The Greffier: Social Security Department – Benefit and Contributions Rates for 2015. Continuation of general debate.

1940 **The Bailiff:** Does anyone else wish to speak in general debate? If not we can move rapidly to closure. Anyone wishing to speak in general...? Deputy Fallaize.

1945 **Deputy Fallaize:** Thank you, sir. (**Several Members:** Urrgh!) (*Interjections and laughter*) It is a good start. It can only get better from there. Right. No, I just wanted to rise actually in – (*Laughter and interjections*) we can get all this out of the way before we come on to electronic voting, I am pleased to say – in support of Deputy Langlois and his Department, and I know he will be worried because Deputy Le Lièvre was supportive of him this morning and now me this afternoon.

1950 But really it is to do with the sustainability of the Funds, and I did lay these amendments back in 2012 regarding the need to ensure that the Funds were sustainable. I just think it is worth making the point because it is okay for the Department to make the point, but of course we expect them to be protective – if that is the right word – of the Funds for which they are responsible; but I think it is worth remembering that although we... often our thoughts are occupied by the general revenue budget of the States and we have been concerned about the size of the deficit and we have applauded the efforts of T&R – rightly so – to deliver a balanced Budget with effect from next year. But the general revenue deficit, such as it is this year, pales into insignificance compared to the issue of the sustainability of the Guernsey Insurance Fund and the Long-Term Care Insurance Fund. According to the last actuarial projections, the Guernsey Insurance Fund would be exhausted by the 2030's and the Long-Term Care Insurance Fund would be exhausted within the next 12 or 13 years; that is at current rates of contribution and benefit.

1955 Now, the States just have not moved on this. They have not taken the necessary measures to ensure the sustainability of these Funds and it is all very well... I do not accuse Deputy Langlois of kicking the can down the road. In fairness to his Department, they proposed a moderate increase in the contribution rate, I think it was last year or possibly the year before. They know that 0.5%, if you take the two Funds together, is not going to be enough – that is only a portion of the increase in contributions that will be necessary – and, importantly, the longer it is left the greater the increase in contributions will have to be.

1960 I know he said, Deputy Langlois, that if the Personal Tax, Benefits and Pensions Review does not make proposals which are approved by the States to ensure that these two Funds are sustainable, his Department will propose a 0.5% increase with effect from 2016, but I think that is perhaps being very pedestrian about it and I would encourage the Department, in their uprating report next year...

1965 Fair enough they will take a judgement about whether to propose the increase of 0.5% but what is absolutely key, I think, is that they set out, perhaps with options, a timetable for how the Funds are going to be made sustainable, because benefits could be cut and/or contributions could be increased; but at the present rate of benefits and the present rate of contributions, in the foreseeable future, in respect of the Long-Term Care Insurance Fund, the Fund will be depleted and in the not-too-distant future the same will be true of the Guernsey Insurance Fund, which is the Island's pension pot, obviously.

1970 So I think what is needed is not just an increase of 0.5%, but actually a series of options, including cutting benefits, and an option for increasing contributions, to allow the States to determine what mix of measures they want to take to ensure that the Funds are sustainable.

1975 But I think if we continue along our present path a major fiscal achievement of this States will be the balancing of the general revenue budget and I yield to no-one in my admiration of the present T&R for their achievement in that regard. But a major fiscal failure, unless the present course is altered, will be failing to deal with the long-term sustainability of the Guernsey Insurance Fund and the Long-Term Care Insurance Fund.

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So I urge Deputy Langlois and the other Members of his Department, after the results of the Personal Tax and Benefit Review are known, in next year's uprating report to set out very, very clearly what, in their opinion, is needed; not in the short run, but to ensure the sustainability of the Funds in the long term. And I think it would be irresponsible of this States not to support them in their objective, which they clearly hold very sincerely, to ensure the sustainability of the Funds.

Thank you, sir. (**Several Members:** Hear, hear.)

The Bailiff: Deputy Le Clerc, then Deputy Dorey.

Deputy Le Clerc: Thank you, sir.

I was not going to get up and speak but because Deputy Fallaize has now mentioned the employer contributions, I will do because I am coming from exactly the same place that he is. And I, in the past, have not always supported increasing employer contributions because I have been concerned, as C&E have shown in their letter, about the impact on business, particularly when growth has been slow over the past few years.

I do appreciate that many of you will think that we are just kicking the can down the road for another year, but the Board were inclined to put a Proposition for the increase from January 2015. However, we were mindful of the Personal Tax and Benefit Review that we are going through at the moment and I do know that there will be some Propositions on the sustainability of the Fund in that report. So I think Deputy Langlois has used... this is just a holding at the moment until we debate that next year.

I just would again like to re-empathise that the operating deficit is growing: £16.4 million by the end of 2014 and £20 million by the end of 2015. Now, if it were not from the Insurance Fund and, as Deputy Fallaize has said, it was General Revenue, we would be jumping up and down and demanding more information on this. So I think just because it is from the Insurance Fund we should not forget that that is still a substantial deficit.

Deputy Langlois has already explained that we have implemented many of the package measures in 2009, apart from the increase in the employers' contributions, and we have not even got an appetite to put up the employee contributions, which is something suggested in the T&R letter, because Deputy Queripel and Deputy Soulsby last year put forward an amendment to increase the employee contributions and that was declined.

So actually at the moment I do not see any appetite for employee or employer contributions and I just want to re-emphasise, I know Deputy Queripel does not like colour but I did think when I saw this I wish we had a bit of scratch and sniff on the page, because actually we need to really wake up and smell the coffee because that is a huge deficit.

I think I will leave it at that, sir.

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

The Bailiff: Deputy Dorey.

Deputy Dorey: Thank you, sir.

I reiterate the comments of the last two speakers. I was also disappointed that they did not, once again, try and put up the employer's contribution. It was in 2009 that the proposal was rejected and probably the main reason was summed up in the 2011 uprating report, when it said the fiscal and economic group of the Policy Council requested awaiting the second phase of Zero-10. That reiterates the point of Deputy Queripel about waiting for reviews.

Then in 2012 we did have the second phase of the Zero-10 review on corporate taxation, which was included in the 2012 Budget, but then we said, 'Oh no, we have got to wait for a different review now. It is the Pension and Benefit Review'. So we once again put it off and, as Deputy Fallaize has said, we contrasted what... in the Budget where we have attempted to balance the Budget.

I did consider bringing an amendment but if the Department's proposals failed last year I did not think I had a chance, so I was not going to waste the States' time.

But it is interesting Deputy Le Clerc says it is a holding, not putting it to 2016, but it is another £5 million which has been lost to the Fund and, if you take from the original proposal, it is £30 million and the investment income from that money, which has been lost from 2010 to 2015.

As I said, that is only going to result in one thing. It is either going to result in reduced benefits or more increased contributions in the future. It is really just putting off the inevitable and for no sense that I can see – and particularly when you look at the birth rate. The big bulge was after the Second World War those are the people who we should be getting increased contributions from their employment, but now quite a lot of them have retired and they are the ones that the fund is going to have to fund and those people who have not retired will have to fund them.

2045 So it really makes absolutely no sense and I was particularly disappointed to see T&R's letter of comment, where it says about sharing the burden between employees and employers, because that is precisely what the 2009 changes did. They shared it because, as it said in the Report, the pension age was increased, on the employee side the upper earnings limit was increased considerably. So it was part of a balanced proposal, to increase the employers' contribution, and it is wrong to say, 'Now we have done the other two parts, we have now got to share the employers' part between the employees and employers'. That is going back on what was said after a considerable amount of consultation from the public at that time.

2050 Just moving on, I totally agree with the comments of Deputy Le Lièvre about the benefit limitation and I encourage Members to support the Proposition 19. If you do not increase benefit limitation the biggest group which suffers is those living in the private sector, but it is large families living in the private sector and it is the children of those families.

2055 I am also disappointed to see they have not improved Family Allowance because, again, I understand their reluctance to increase Family Allowance because of the universal benefit but, unfortunately, by not increasing it, it is the poorest who have the most suffering because of the lack of increase. So, as we are not increasing the Family Allowance, I think it is even more important that we increase the benefit limitation.

2060 Finally, I think one of the major positives in this Report and the Guernsey economy is the unemployment rate. If we did not have such a low unemployment rate we would be talking about much larger numbers, in terms of the draw on the Insurance Fund from Unemployment Benefit, but the inevitable draw also on Supplementary Benefit because of those who the Unemployment Benefit is not enough and need to be topped up with Supplementary Benefit and of course those who are unemployed for more than six months and who have to then be totally dependent on Supplementary Benefit.

So I think Guernsey really stands out from the rest of the world in terms of unemployment rate. It is something that I think we should be very proud of.

2065 Thank you.

The Bailiff: Deputy Gollop, then Deputy Soulsby.

2070 **Deputy Gollop:** When I was a younger Member of the States – I am sure Deputy Lowe and Deputy Dorey particularly will remember this – the Social Security Authority, or Social Insurance Authority as it was known, had Board Members rotating on a six-year rotation on the grounds that being a Member of the Committee was so complicated that you needed a certain political time to assimilate. Now, I am a fairly long-serving Member of the States and I have been on this particular Board and I have to say it is a dynamic Board with not only a medium-term vision but a longer-term vision.

2075 One can look individually, as Deputy Dorey has done, at the proposals of freezing Family Allowance and perhaps I would have gone for £15.90 to £16, as an individual putting an amendment. But that is not the point. What we are doing here is we are holding the operation until we have had a thorough debate on the Personal Tax and Benefits Review.

2080 More than that, it is complicated because I agree with much of what Deputy Fallaize said, but even his speech you could misinterpret as slightly conflating the benefits of the paid out of the Social Insurance Fund and those that are paid by other funds or by general revenue. And this is a very complicated subject because they clearly have different paymasters, to a degree, and certainly routes of taxation or charging.

2085 I agreed with what Deputy Le Clerc said – that maybe the States does not have an appetite to make the hard decisions about raising the costs. But a rather senior Member of the States approached me and Deputy Le Clerc recently, who had had experience of Social Security, and questioned is it a going concern? Well, presumably the definition of 'a going concern' is one that has enough money for its sustainable long-term trading and we acknowledge that we should really have pushed hard to raise the rates again this year, because what we are doing is we are accepting, we are acquiescing, in a deficit situation. Well, we are doing that with the best interests of the economy and the political discourse as a whole, but I do not think that that can continue.

2090 Deputy Lester Queripel said that it was a very good news story. Now, I turn to page 2416 and see that actually we are hitting new targets; our pension rate for everyone is fully insured for 2015 will be £201.03. Now, that is much higher than many other places, including the UK. We have now hit the £200 barrier. We are, in certain areas, outperforming the competition and that is due to a combination of shrewd management and thrift. Where perhaps we could be looking forward in the future through SWBIC is to support a wider disability relief payment for those in genuine need with genuine extra costs. But the point of this Report is to be proud of actually what we are achieving, because we do have an extraordinary high work rate. We are going through three or four big reports every fortnight, we are meeting sometimes two or three times a week and there are certainly a lot of work streams being progressed. Some of the issues that Members have already raised are being actually addressed almost as we speak.

2100 I think one aspect of the Minister's speech that he has put into the public domain and we should certainly think about as a way forward or as part of the future answer to the dilemma – the 'pensions

puzzle' as Deputy Dorey called it at one point – is that clearly we are looking intelligently in conjunction with others at a top-up pension that would be organised through the successful private financial sector. Now, I cannot be any more definite than that, but that will be a game changer for the long-term demographics. It will have pros and it will have cons, but it is something that has not been talked about. We do so often get bogged down on the minutiae in these debates; whereas that is a major policy strand that is being moved forward, as is the fundamental reform of welfare, as is the Supported Living and Ageing Well, that I know is finally progressing with lots of new ideas about whether the health and care system we have is quite right and whether it should be reconstructed.

One final point: I would agree with Deputy Le Lièvre that my personal position, and I think the main stream of SSD, is to support the increase in the benefit limitation to £600 as that makes sense in the context of SWBIC and in the context of distributing the money where it is needed, rather than just in a more scatter gram fashion.

The Bailiff: Deputy Soulsby and then Deputy St Pier and Deputy Green.

Deputy Soulsby: Sir, I welcome the fact that any increase in employer contributions has been delayed by a year and thank the Social Security Department for listening to Commerce & Employment's view on this matter.

I also appreciate Deputy Le Clerc's comments regarding deficit, but I was concerned reading paragraph 13 which states,

'The Department is of the view that the social insurance contribution is just one small part of the cost of running a business locally and a 0.5% increase in the rate of employers' contribution would have no significant bearing on whether or not a company decides to remain in or relocate from Guernsey, and indeed, whether a company would seek to expand if sufficient business were available.'

However, that is all very well, but we know that that is not the only cost increase that is being imposed by the States of Guernsey on local businesses recently. Let's not forget just at our last meeting two weeks ago this Assembly approved above inflation increases of TRP.

Departments need to look at the whole picture before imposing what, at first glance, may appear a small cost to businesses, and individuals for that matter.

Finally, I welcome the initiative to investigate the feasibility of establishing secondary pension scheme and believe, given the evidence in the Report, this needs to be considered sooner rather than later.

The Bailiff: Deputy St Pier.

Deputy St Pier: Sir, Deputy Fallaize makes a valid point in relation to the operating deficit within the Guernsey Insurance Fund, but I am not sure there is a direct read across between that and a deficit within general revenue because, of course, the Insurance Fund is intended to provide a buffer and therefore it is no surprise that there will be periods in which we would be expecting to be drawing down on that.

However, the central point, of course, is we cannot sustain an operating deficit on the Guernsey Insurance Fund forever and we clearly need to address that and I think that is clearly what the Social Security Department are seeking to do with this proposal.

The other issue in relation to Guernsey Insurance Fund which is not referred to in the Report – and I am sure the Minister will correct me if I am wrong, but off the top of my head from memory – the value of that Fund has gone up from about £450 million to about £600 million since 2009, largely because of the performance of the successful management of that Fund by the Department; and that, of course, is an important factor as well, which again does not apply to the general revenue position.

Treasury & Resources' position on this proposal is: we are supportive of it as an insurance policy, in the sense of if the States is not minded to take any further action – some of those ideas which Deputy Fallaize referred to in his speech – through the Personal Tax Pensions and Benefits Review, then there will be no alternative but to go through with this increase. Perhaps it is merely the first part of further change in order to ensure that the Fund is sustainable in the long term.

Our view and hope is that if the States is minded to accept a fuller package of reform again, as Deputy Fallaize referred to, then our expectation is it will be possible to rescind this Resolution, if indeed that is what comes this afternoon, through the Personal Tax Review process. But that, I guess, will be a matter for debate in the first quarter of next year, sir.

The Bailiff: Deputy Green.

Deputy Green: Mr Bailiff, thank you.

2160 I was going to mention four things. The first thing was about the employer's rate. I think that has actually been covered quite well. I certainly agree with what Deputy Dorey and Deputy Fallaize said a moment ago. I would have preferred the Department to grasp the nettle on that, but I think in the circumstances their approach is the right one.

2165 The first Proposition that we have, which is before us, is rather neither fish nor fowl, in a sense, because it is saying that the rate will be increased by half a percent in January of 2016, unless we agree to other measures in the interim.

2170 I think I was glad to hear what the Treasury Minister said about when the Personal Tax Review will actually be coming forth, because I think we have been waiting for a very long time and many of these decisions have been pushed back and I think it is time that we get on with that. So I would have preferred us to be grasping the nettle today but I am prepared to accept the Department's logic and their approach in any event.

2175 The second point is dealing with the secondary pillar pension and I do entirely support that idea. The Report flags up the need to investigate the feasibility of that and listening to the Minister introducing the matter this morning and saying only 45% of the current population have been paying into a private arrangement is quite a startling statistic really and that is something that needs to be done.

What the Report does quite well is bring out the significant divide that is quite evident – I think it is paragraph 26 of the Report – in terms of private pension provision. It is a point well made because what it points to is a very big inequality in our society between people in different economic and professional sectors.

2180 We are told that those employed in transport, construction, retail and hostelry were least likely to be contributing to private pensions. That may well be because those areas are relatively poorly paid areas and therefore individuals are perhaps struggling to make ends meet for today, let alone provide or think about provision for tomorrow. (**A Member:** Hear, hear.)

2185 So I do hope those inequalities are anxiously considered by Social Security together with T&R in this process, because I think there usually are some very good practical reasons as to why some people are not making private provision for themselves and that is because of the day-to-day realities that they face and clearly the high cost of living is a factor in all that.

2190 The third point: I just wanted to talk about the list of employment initiatives that the Department has set out at paragraph 35. I think it was Deputy De Lisle who mentioned this this morning and I know, from having sat on the Department, that the initiatives listed there are very effective and an awful lot of good work is done; but I was reading through that and I think there is something like 16 discreet employment initiatives that are listed at paragraph 35 of that Report. But actually, in the absence of any information in that Report in terms of what is the impact of those initiatives, I think there is a danger that an ordinary person looking at that policy letter would think, 'Well, that is all very good. You have got these 16 initiatives, that is very interesting, but what are they achieving? What is the impact of them?'

2195 In future perhaps, I would like the Department to give a bit more information in terms of what is the impact of those initiatives, in terms of to what extent are they value for money. I have a feeling that they are. I have a feeling that they are very effective but, nonetheless, from an outsider's point of view, I think more information would be welcome.

2200 Finally, again I agree with Deputy Dorey on what he said about Family Allowance, because again I entirely understand why the Department are not inflating Family Allowance. Clearly that is something that will be subject to meaningful reform very shortly and it needs to be reformed, but what Deputy Dorey said was actually right: there are people who are just above the Supplementary Benefit threshold level who rely on Family Allowance, and if that Allowance is frozen then it is only going to be certain lower earning and middle income Guernsey families who will lose out and, with the cost of living that we have in this Island, that is becoming a problem.

2210 Of course, the supreme irony in all of this is that we often talk about the demographic challenges of our society and the ageing population. Of course, one of the solutions to that is actually to increase the birth rate and of course Family Allowance was a benefit that was introduced for that very purpose. So it is quite ironic that we, on the one hand, talk about a demographic time bomb, on the other hand, we freeze Family Allowance and we are looking at abolishing it.

2215 Nonetheless, generally speaking, I do support what the Department have put forward here. As I say, I would have liked them to have perhaps gone further, been more assertive in grasping the nettle in terms of the first Proposition but, nonetheless, I do understand why they have adopted the approach that they have.

The Bailiff: Anyone else? No. Well, I invite the Minister then, Deputy Langlois, to reply to the debate.

Deputy Langlois: Thank you very much, sir, and thank you for everybody who has contributed. I will go through some comments and answer some questions and then a very brief summing up.

2220 I thank Deputy Lester Queripel for his recognition of what the Department does. Staff have spent a substantial amount of time with him, both on case work at which he is extremely conscientious within his own Parish and so on and on explaining our initiatives.

I think, again, we are suffering a little bit of exaggerated language when we talk about ‘morally wrong’ and so on. These measures really are extremely moderate, they are extremely measured and this is perhaps
2225 the time to mention that it is very important how this messaging goes out.

One would think, from a couple of speeches, that we were proposing doing away with Family Allowance as from 1st January, which certainly would hit a large number of families at £15.90 a week and so on. No, we are proposing that it will not rise and it will not rise by 33p a week. So it is linked with the longer-term plans and so on. Let’s be careful about not scare mongering amongst certain groups of the
2230 population who are feeling the pinch – we know that; put it like this, if Social Security Department do not know that then there is not much hope for any of us – but it is a very moderate and measured movement.

I had a series of questions to which I have written down the answer but I have not written down the question, (*Laughter*) so let’s see if Deputy Queripel and I can match these up in some sort of way! (*Laughter*)

2235 Do I agree or disagree that the difference in payment between people in care in the UK and people here is different? I think we have got it right. It was introduced over a long period of time. It is about people living in a different environment and so on and so forth. There has been a large amount of detailed work on that. So I do not agree that it is unfair; I think that it is, again, a very measured model which works. It is relatively small amounts that we are talking about for each claimant, but the other important thing is that, if
2240 we simply took the measure of lifting everybody on the lower rate up to the higher rate, we are talking hundreds of thousands of pounds; it is not a small amount so, no, I do not think that is unfair.

Do I have any intention of changing it? Well, you can probably guess the answer to that one from my last answer and that is, no. Just before this starts as an ugly rumour round and about in the public domain, no, I do not have a little pot of money stashed away somewhere. It does not quite work like that, Deputy
2245 Queripel.

Are we waiting on everything for the PTBR? Well, I think that has been adequately covered. There is general developing recognition in this Assembly now as to where the two fit. It will never be perfect because there will always be the answer of, ‘You should have done this first and you should have done that first,’ but that is where we are.

2250 Ah, yes, there was a question about some wording to do with children at risk and being taken into care – page 2467. Of course, we sign the cheques for this; we do not make the Social Service decisions. Young people taken into care in that way have contact with a whole cross section of professionals and once the decision is made then we actually pick up the bill; but it is not our job to say who goes into care or not. And that one must be a horrendously difficult and harrowing decision for any professional and for any family.

2255 Ah, yes, the question about parents who are unwilling to contribute and so on – this has been dealt with. There is legislation coming forward to the December States that will outline the measures for tackling this and we are quite happy to give Deputy Queripel more detail if he contacts the Department about the direction that is taking.

2260 There was a question also about my comment about there are more jobs than there are people looking for jobs. Much though I love the model of statistics which can be validated and can be calculated within different ranges of probability and so on, this particular area is one of the most difficult of the lot because, no, there are not 650 jobs on the board at the Job Centre and partly that is because a large proportion – and I would say certainly the majority; it is probably a large majority – of employers do not even think of passing on vacant jobs to the Job Centre.

2265 We have been doing a little bit of quiet marketing on that front – I am sorry, an offensive word for some people but nevertheless that is what it is. We do serve a different function from the private sector recruiters in this area and it is an interface. It always worries me whether the States is getting involved in what can be provided by the private sector but that is a whole debate for a different day.

2270 Nevertheless, the jobs available – and my feel for this and my experience of talking to employers and my staff’s feel for this is that – there are certainly a lot more job vacancies than there are people to fill them. Can we come up with precise figures? No.

Deputy De Lisle – very interesting, I know exactly what you mean because even when I was reading the drafts of this Report I could see where you are coming from. I almost looked at it and thought, ‘I bet Deputy De Lisle picks up on this one because he has done before’.

2275 I think the big plus in this is that every person is an individual. Our number of people we have got on the unemployed list hides a huge variation of people’s needs and, if you recall, part of my background was in further education – the College of Further Education here, albeit many years ago – but the one thing I absolutely learnt from that was that you cannot treat all – and particularly the 16 to 19 age group – people the same. And therefore you do need a different approach with a whole bunch of different individuals. And
2280 therefore having that long product list, if you like, is helpful. Are we, at the same time, trying to do it as

value for money? Then we need to make sure that it is not costing a vast amount just to place people and that is why some of the costings in here actually refer directly to our estimated savings.

Deputy De Lisle referred to, 'they do not seem to be related or linked up'. Well, no, they are not because one size does not fit all and we must assess each individual and say what is the best for you to move you from where you are, to where you want to be or need to be?

We are in discussion with the third sector. My staff have got meetings literally this month, with more formal links going on. I met a representative of the third sector at a presentation yesterday who was delighted with some work that their organisation was doing with the Job Centre manager and so on. That happens to be an organisation that itself offers services to help people – hard to place in the workplace people – into work and therefore there is plenty of scope for that but I think we are doing that.

I thank a number of people for their support; particularly, in that sense, my Board Members and I do not need to comment further.

Yes, Deputy Brehaut, I totally recognise and agree the need that you are talking about. I think, again, there are aspects that fall back on the difficulty of getting parents to take responsibility as well as the State. There is an aspect of that in there.

I am a little bit concerned. I have always been concerned in the Guernsey context with this wretched term NEETS that came out of the UK – Not in Employment, Education or Training is the translation, and it has been the bane of our lives in certain ways, (**A Member:** Hear, hear.) because the moment you actually label somebody like that the chances are they will become more like that. And I see several Ministers and their Board Members nodding now. It is well known across all of the agencies that deal with that age group.

So let's not stereotype. They are very, very different individual people and in many cases people who find themselves in that situation need multi-agency support. There has got to be data sharing – a boring topic of mine always but you have got to share the data; you have got to know who they are, you have got to know what they are able to do and not able to do, what they are willing to do, not willing to do and so on, in order... and let's face it, we are talking about an age group here of helping them to grow up. And if that sounds patronising, I apologise to anybody who feels that that is the way it is, but I have worked long, long years with that particular age group and there is a huge amount of growing up to be done during that developmental period and any of you that cannot remember that, well, bad luck. (*Laughter*)

I will select one input from my Deputy Minister. Thank her for her support. She is actually learning how to pronounce my name quite well now after a mere couple of years, but we do not fall out over it.

Yes, as one of the speakers pointed out, sir, it is quite an unusual day here because I have got the support of Deputy Le Lièvre and Deputy Fallaize and, even more unusual, I agree with both of them so that is fine.

I do not want to back into the reasoning of the benefit limitation. It does come from a historical piece of work. It is there. I hope that you go with it this time because it fits and make perfect sense, in terms of a buffer move between us and then SWBIC and then PTBR and so on.

I was fascinated, one of the most bold and amazing statements ever made in this Assembly, I think, Deputy Le Lièvre said he could predict with 100% certainty and I thought, well, there you are, good luck to you on anything in this place! (*Interjections*)

I thank Deputy Fallaize for his offer to support the recommendation for cutting benefits if it should come along. I have noted that. I think that is what he said. It was something in that area. Sorry, far too flippant for a serious topic. It is real, it has got to be within the options, it has got to be considered and there is a large body of opinion out there that say that is where we should start.

Now, I am not in that particular camp. I am in the camp of saying let's look at all the options and the probability is that any solution will involve more than one option. It will involve a mixture of approaches rather than a single answer.

Yes, Deputy Dorey, sorry, you have strong views and disappointments. I am sorry that you are disappointed, I genuinely am. You recognised, before many of us here, the need for the changes that we were proposing, particularly relating to contributions. So let's hope that we can at least get to the point that there is recognition that something like that has got to happen.

Deputy Gollop, I particularly commend you to listen to his words about the relationship between the short and the long term. This is a familiar role to us on the Social Security Department of waiting until Deputy Gollop sums up some obscure corner of what we have been talking about – and I do not mean that rudely.

He captured very much the idea that we have got a show to run here; we have got to carry on year-by-year, doing what we can to do right by people, to make it fair, to balance the books as near as you can or see how you are going to and so on. And it is that tension between the long and the short term.

Only one word of caution for you Deputy Gollop: could you be careful, during the construction of the secondary pillar pension, I would prefer you did not use the term 'pros and cons' because cons and pensions sometimes are misinterpreted. So can we find another way of talking about advantages and disadvantages?

And the last few speakers in particular give the great confidence that we are going about the right direction to look at a secondary pension scheme. I hear Deputy Soulsby's wish that this happens sooner rather than later. I would say to her that – and I have got a splendid academic type book on the whole business of dealing with the ageing population and so on; it is horrendous – it is not a simple question in many, many ways and there is going to be some really heart searching agony about how that is constructed – the sort of shape it takes; the sort of role that the States play, as opposed to the personal responsibility that people must take, and so on and so forth. So it is a really complex one. That is not an excuse for doing everything very slowly but I would want, by the end of this term, for there to be proposals to say this is how it will happen over the next few years.

Apart from anything else, if you do have an anorak-type interest in this, try searching on the web and so on for what different countries do and it is quite amazing the variety of solutions that have come from different countries. And it does not always fit with what you perceive as their political shade of blueness to redness. There are some amazingly right wing countries that have taken very, very firm action which would be seen as left wing anywhere else. So it is a rather odd topic.

Ah, yes, Deputy Green, finally. He is encouraging people to have more babies, so we will pass that one by (*Laughter*) at the moment! I think there are a number of Members who will be able to contribute to that and some who will not any more. But there is – (*Laughter and interjections*)

He asked very carefully and quite rightly what is the impact of the back to work initiatives? I do understand what he is saying. I would love to be able to say, 'Ah, well, we can do that piece of work. There it is. It is a straight piece of accounting come monitoring or KPI or whatever one of these trendy numbers.'

Unfortunately, it is an incredibly soft area to measure because what you are effectively saying is, 'what would have happened if we had not done this?' And that is always a very, very difficult social measurement to undertake.

We can quite clearly give you numbers that say we have run five of those programmes, totalling 40 people, and as far as we know 20 of those are now in long-term employment. But, to be honest, when you look at the numbers that we have got unemployed – and only a proportion of those can be actively involved in the sort of programmes we have got – you get down to such small numbers that it is not worth collecting the data because it does not tell you anything; and so there is a much softer monitoring that goes on with staff dealing with individuals and with the individual programmes.

So, as we come to the end of this debate, I would just like to remind you of the key pillars of it. We are going for the RPIX increase of 2.1%. We are doing that on the grounds that it was right for 2014, we believe it is right for 2015. I have nailed my colours to the mast often enough to say, particularly with the pension benefit, that we need to retain the purchasing power of that pension, and that is what this does.

On the half percent increase in employers' contribution rate, please support the indicator that says, 'This has got to happen' – and it will happen in a year's time. I hear the concerns and complaints from the commercial sector, but it gives people 14 months to plan that and I think that should be enough for any organisation. So please go with that one.

As I said in my opening speech, my Board continues to focus on the evolution of a contribution and benefits system that provides a secure safety net for those in need, encourages and rewards self-reliance, especially among the working age population, and is perceived as fair by the highest possible proportion of the population, bearing in mind that fairness is a subjective judgement. That is what we are trying to do. We think this makes some contribution to that. Please support us.

The Bailiff: Well, Members, the Propositions begin on page 2469 of the Billet. There are 33 in total. I think we need to have a separate vote on Proposition 19, which is the benefit limitation, because then Proposition 20 either needs to be voted on or it falls.

So what I propose to do is to put Propositions 1 to 18 to you altogether, unless anyone wants a separate –?

Deputy Luxon: A separate one on 1, please.

The Bailiff: Separate one on 1. Any other separate requests? No.

Well, we will have a separate vote on 1, then I will put to you 2 to 18, then we will vote on 19. We will see what consequence that has for Proposition 20 and then we will look at the remainder.

So, first of all, Proposition 1 on page 2469. This relates to the employer's contribution rate. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

Propositions 2 to 18 inclusive. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

2405 Proposition 19. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried. In which case, Proposition 20 falls away.

2410 We then deal with 21 through to 33, unless anyone wishes to have a separate vote, and I remind you that Proposition 29 has been replaced as a result of the successful Deputy Wilkie/Deputy Le Pelley amendment with a revised Proposition.

So Propositions 21 to 33 inclusive. Those in favour; those against.

2415 *Members voted Pour.*

The Bailiff: I declare them carried.

ENVIRONMENT DEPARTMENT

VI. Extension of the Local Planning Brief for the Leale's Yard Mixed Use Redevelopment Area – Proposition carried

Article VI.

The States are asked to decide:

Whether, after consideration of the Report dated 8th August, 2014, of the Environment Department, they are of the opinion to agree to the extension of the current Local Planning Brief for the Leale's Yard Mixed Use Redevelopment Area for a period of three years, with effect from 24th November 2014.

The Bailiff: Just before we move on, can I just remind Members that when they are debating will they please not address other Members face to face but always come through the Chair? There have been quite a number of instances today where people have departed from the normal practice and I would please remind them that that is how they should address other Members.

2420

Greffier.

The Greffier: Article VI, the Environment Department – Extension of the Local Planning Brief for the Leale's Yard Mixed Use Redevelopment Area.

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The Bailiff: The Minister, Deputy Burford, will open the debate.

Deputy Burford: Sir, I have nothing to add to that which is in the Report.

2430

Thank you.

The Bailiff: Is there any request for any debate? Yes.

Deputy Brouard, and then Deputy Dave Jones.

2435 **Deputy Brouard:** Just a few comments, sir.

I appreciate that the local planning brief is our local planning brief – it is how we would like to see the area developed – but I am just a bit concerned that I have recently had some permissions from the Environment Department and I have got three years to get on with it or they are likely to take it away. So I am just a little bit concerned that where we have got this issue of this area of land that has been going on now for over 10 years – and I know circumstances have changed, but the planning brief is actually staying the same – I would like the developer to actually get on and produce the buildings and the revitalisation of that area.

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I am a little bit concerned that, by us carrying on, we are almost allowing an extra piece of planning permission with a development piece of land. I know individually we can apply ourselves if we have permission to put a wall up or put a window in and we do not do it within the specified time we can always reapply again, and I know the developer could possibly do that. But I am just a little bit concerned that we are just kicking the can down the road and I would very much like to see that area developed and to have

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the construction work and the new housing and the other assets of that part of the Island, I think, would be good.

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The Bailiff: Deputy Dave Jones, and then Deputy Gillson.

Deputy David Jones: Thank you, Mr Bailiff.

2455 I just wanted to pick up on a small section of the Billet which is on page 2475 and it is really bullet point 3.5. I am more than happy for the development brief to be extended for a further three years, notwithstanding what Deputy Brouard has just said. As, clearly, this site is a site that must not be allowed to stand idle for very much longer.

2460 But I must say, as Housing Minister, I would prefer a much larger area of the site to go for housing and perhaps even more than is recommended in the brief. This site lends itself to housing for older people close to the amenities and for social housing and, indeed, some partial ownership, we believe.

However, we ourselves and the GHA will be working with the owners to see what might be possible and we have had staff level talks already with the contractors who are dealing with that site.

2465 Looking back, though – and I know I do not often want to do that, but looking back – it was clear that the original proposed commercial development was far too big and totally out of keeping with its surroundings, which thankfully the planners recognised at the time. You only had to look at the architect's impression on the front of the *Guernsey Press* on that day to get an idea of what the Co-op wanted to put there; which is why the planners, quite rightly, insisted that it was scaled down. For those of you who have got long memories and remember what it looked like, I wonder if you would tell me if you thought what was proposed blended in with a low level small scale waterfront development.

2470 It is interesting that in the bullet point that I have indicated it states: 'Create an attractive place with a strong identity and critical mass'. What I would point out at this stage, while I have got the opportunity, to the planners is that the Bridge already has a very strong identity and what happens around it is hugely important, in my view. I would want to see a strong identity preserved, not diluted by any awful structures blighting what we already have.

2475 I am not convinced going back to the original proposal of a six-storey-high steel and glass building – in fact, something that looked rather like Admiral Park mark 2 – was the right fit for that centre. These steel and glass buildings are fine in their place, but not there. What was proposed was so grotesquely out of proportion that the development would have completely overwhelmed the natural streetscape of the Bridge at the time, rather than blending in with what is an important historical part of St Sampson. In fact, it looked exactly what it was – a carbon copy of any shopping mall that you can find in most towns anywhere in the UK. The whole thing would have wrecked, in my view, the area, both visually and proportionally, and its walled harbour surroundings would have been blighted by it.

2480 So if you will just indulge me for a further moment, the trouble I have with modern architecture is that – I can see Deputy Brehaut getting ready to spring, but (*Interjection by Deputy Brehaut*) (*Laughter*) the problem I have with modern architecture is that everything is streamlined, flat surfaces and geometric shapes. It does not have any fine detail that lends character or beauty as does many of the older buildings. So where you put it is really very important.

2490 People tend to feel comfortable with what they have grown up with in terms of their built surroundings. Although it is not just a matter of aesthetics, it is also about the identity of a community, which is as part of it – the shared relationship between the people and the place where they live.

2495 We should be building on what we have in a similar scale and style that maintains continuity and helps to focus the Island's cultural history and it celebrates the historical built identity. If you look back and you see the beautiful Georgian and Victorian buildings that grace part of the Town of St Peter Port, these are amazing buildings. They were designed by architects who clearly had a passion and a flair for their work and an eye for proportion and detail, people who knew how to blend buildings into their surroundings.

We now seem to have architects designing for Guernsey who want to impose what might work in a large UK city on this tiny Island or you will get a period where every new building has a wavy roof because that is the period they are going through at the moment or what they have just learnt at architectural college or something.

2500 We are looking at what is proposed for Jerbourg Hotel, sketched by someone who might have designed –

A Member: A deviation, sir!

2505 **The Bailiff:** I think you might perhaps have deviated a little way from the Bridge to –

Deputy David Jones: Well, I am just talking about the Bridge and the architecture and giving examples of where it might have strayed. Sir, I have nearly finished, if you would indulge me for a further moment.

2510 But that building might have been sketched by someone who designed shipping containers for a living, from what I can see of it! (*Laughter*) But none of that gives people a sense of this building belonging in its rural setting.

2515 I know it seems that I am constantly criticising architects, but that is because the rest of us have to live with their vision for what is good for us for decades after they have gone. Some of them go back to their offices in the UK. The buildings I refer to, in Town, for instance, are often described as graceful. They are stylish and elegant Victorian or Georgian town houses with ground front entrances and perfect symmetry with neighbouring buildings.

If you compare that to what was proposed for St Sampson's, which was the bland, soulless, unimaginative boxes that are churned out for retail units and offices, with the depressing result that the richness of this seascape community would in my view be destroyed for ever...

2520 So I just wanted to get that off my chest (*Interjections*) because it is an opportunity to talk about planning and planning briefs, and I saw it in the Billet and I thought right! (*Laughter*)

Thank you, sir.

2525 **The Bailiff:** Right anyone – Deputy Gillson.

Deputy Gillson: Thank you, sir.

I am going to be voting against the Proposition to extend the life of the Leale's Yard local planning brief and I urge Members to also vote against the Proposition.

2530 In considering whether or not to support the extension of this planning brief, I think it is important to consider just how successful the planning brief has been for the particular area, the whole of the Bridge and the Island as a whole.

2535 Now, in considering these, I am not in any way criticising planning staff in relation to what they have or have not approved because they have been operating within the parameters of the brief. But, sir, to return to the three questions asked: has the brief been successful for the area itself? Well, clearly there has been no significant development so it is difficult to say it has been successful. Has it been successful for the Bridge area? Again, the lack of development means it is difficult to say it has been, but what we can be sure of is the continued uncertainty has not really helped at all.

But, sir, the final question poses whether the parameters of the local planning brief have been successful for the Island as a whole? I believe it has not been successful and I will explain why.

2540 In concept, the decision for Leale's Yard to be of mixed use redevelopment area is appropriate, but it is the terms of the particular planning brief which provide parameters on how it can or cannot be developed, which I believe have not served the Island well and, therefore, I think it is not appropriate to support its extension.

2545 The terms of the planning brief allow for the development to be of mixed uses, which is fair enough, but it does include no reasonable limitation on the amount of retail and, as Deputy Jones has pointed out, the owners did have plans for quite a significant retail development which, if my memory serves me, had retail floor space of something like half the equivalent of Town. It was a massive, great development and it was very questionable if the Island really needed that development.

2550 Now, fortunately, it has not been built but the brief would still allow, if economic circumstances changed, for that sort of development to happen. Now, apart from a limited amount of housing around the periphery of the area, the only tangible effects of the brief in the 10 years it has been there have been negative and detrimental to the Island and, in particular, detrimental to an area of St Sampson's and to the provision of new housing.

2555 What we have seen is the removal from the area of a significant number of 'Fred in the Shed' low value industries which are unlikely to return there. Now, they have been relocated to St Sampson's, which is a continual and ongoing problem for local residents. They are not in the right place. They were promised to be there temporary and it is getting more and more permanent.

2560 Sir, I also mentioned 'detrimental to new housing' and that is because where they are in St Sampson's is or was earmarked for housing. Now, Deputy Jones has often said the lack of land in States' ownership is a problem which hinders the building of new homes. Well, there we have an area in St Sampson's which is owned by the States, is not subject to flooding, already has services, has an access; so its development could happen if the businesses had not been relocated from Leale's Yard to it.

2565 Sir, it is stating the obvious but the Island has a limited amount of land and that limitation has resulted in shortages in land for both certain categories of housing and low value industries – problems which this particular land planning brief have not helped and, arguably, have made worse.

So I think that the land planning brief has not been good for the area, it has not been good for the Bridge and it has not been good for the Island, so I see no reason to support the extension of something which has not been positive for the Island. So I will be voting against it.

Thank you.

2570 **The Bailiff:** Deputy Dorey, then Deputy Lowe.

Deputy Dorey: Sir, I just declare an interest as I jointly own a property which is in the MURA, but not within the redevelopment area, and I have got shares in a company which owns another four units on the outskirts of the MURA which is not in the redevelopment area.

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The Bailiff: Thank you.
Deputy Lowe.

Deputy Lowe: Thank you, sir.

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I cannot support this States' Report, because I do not actually believe we should be treating this company any different to what we would actually do if it was another company in another area. I believe they have sort of held up development for commercial reasons – that is fine; that is their decision – and they have had, more than anybody else, access to a political board. They were able to come and discuss their development and I have never known any other individual or other company be able to attend a Board meeting to discuss their development. I was uncomfortable about that at the time. And that was to try and move things forward quicker than actually they were going. That was a few years ago and we are still in the position of where there has not been any development going on down there at all.

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One of the routes they were going down: some of the development was not actually fitting in with the brief that had been submitted. The residential areas were extremely small, right on the top of this five storey building, and if you had children up there they had to go on the roof to play because that is where the play area was going to be and they were going to make that a grass area/play area. And there was criticism about perhaps the units being quite small, because this seems to be the trend – to get the numbers in, that you actually make them quite small which, as I have said many times before, we are building social problems for the future, in my opinion.

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So I just, apart from the actual development itself... which one of the sets of plans had nine sets of traffic lights for the Bridge, which again I did not think that was appropriate either. So even if you take the ideas that were being mooted at the time out of it, I just think they have made that commercial decision not to develop this area; they have had 10 years to do so and, unless we treat everybody else the same, I do not want to be in this position to actually be giving a commercial company an extra three years when other commercial companies have not had that ability to do so.

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2600

Thank you.

The Bailiff: Deputy De Lisle and Deputy Gollop.

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Deputy De Lisle: Sir, I believe that the developer is well intentioned, but I think Members have to remember that this planning brief was put together at a time when economic circumstances were quite different. We were dealing with this in 2004 to 2008 – that is two terms back, when the economy was quite boisterous actually and we had, not a deficit but we had a Budget surplus of £70 million, was it? – £50 million to £70 million.

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Now, those were different days and, given the changing circumstances, I would like the Minister to comment actually on the planning brief and its continued relevance, given the very different socio-economic circumstances that we find ourselves in today; because it is very important that not only do we look at the developer, if you like, and whether he has come forward or not with a development and occupied the space that he has been given to develop, but it is very important that we also look at the planning brief and see whether it is of any relevance to the current socio-economic circumstances of the day.

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There are certainly questions from other Members with respect to this and I would say that, quite definitely, we have to keep up with the times and the changes that are going on, and I do not think that that has been done in this case and, as a result, the developer is having trouble in actually fitting in to the local planning brief that is passed it, basically – it is something from a different era.

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Thank you, sir.

The Bailiff: Deputy Gollop, then Deputy Fallaize.

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Deputy Gollop: Sir, it is very easy listening to some of the speeches we have heard and following my own kind of whimsical way to look at this and say, 'Throw the lot out! It is old hat and it is from a bygone age!' But there are really two reasons why I cannot go along with that. I do think, here and there, the Report is a little bit specialist, shall we say, because if you look at page 2475 it talks about increasing the permeability of the area and creating an attractive place with a strong identity and a critical mass. Well, those are concepts that are probably very well known to planners and architects and surveyors, but are

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perhaps harder to communicate in the general sense. But I do not think that that is the point of this Report. It is not the new Island plan; it is an interim report.

The two reasons why I urge the States not to support Deputy Gillson's plea, supported by Deputy Lowe and Deputy De Lisle to throw it out, are, firstly, if you turn to page 2483 my name is under the Report as having supported it because it is, in a way, a hand over from the previous Environment Board, but it is a work stream that we picked up and ran with.

The second reason, more importantly than that, is: the worst thing you can do for an area is to blight it and delay things. It is going to be at least a year before the new plan has gone through the Chamber, through a planning enquiry and so on. Without prejudice to any plans that may be brought forward, because I or any other Member of the States maybe on the Planning Board at that time, but we know that the retail sector is evolving, it is changing. Clearly, it is a very different retail sector than 2004, not just because of the economic changes and Zero-10 and so on, but also because of the rise of boutique shops and internet trading. Therefore, a degree of flexibility is possibly needed.

The Report indicates that a significant developer might wish to put more housing in the area. I am not going to comment whether that is good or not, but I would point out that most Members of this Chamber have expressed concerns – as have candidates outside this Chamber – about the high cost and availability of need and social housing. Clearly, that is an issue that should be addressed sooner rather than later and, hopefully, this scheme will take on board – as is indicated in the letter – the Transport Strategy and the Disability Inclusion Strategy and some changes that we have made to the policy framework.

But the reason we need to endorse this today is the developer, or maybe even a different developer, would wish to consider their options and we have to continue with a level playing field to ensure that there is an opportunity to continue with the work that they have done.

Deputy Gillson implied that the fault is with the Environment Department. I do not believe that to be the case. It has been –

Deputy Gillson: No, I specifically said it was not the fault of planners. The problem is the parameters of the brief itself. That stems from the previous Strategic Land Use Plan down through development plans and, therefore, rests with this Assembly, ultimately. I think I was very clear in saying this was not the fault of the planners.

The Bailiff: Deputy Gollop.

Deputy Gollop: Thank you for the correction.

But, of course, those parameters will continue to exist while the current Urban Area and Rural Area Plan continue to exist and this is only a part of that.

Given the flexibility of the Plan, the opportunity – as it is clearly stated in this Report, for:

‘... professional offices, doctor's surgeries, hair salons and other similar facilities... on upper floors... cafes, bars and restaurants... existing stock of industrial premises is to be protected... car parking should be provided... high standard public spaces...’

– and, of course, ‘new retail uses’ and ‘an encouragement of [houses] above other lower floor uses,’ perhaps at a high density.

All of those, surely, are attractive to at least some developers and to throw this out now would be to put the site into limbo when precisely we do need to keep our options open to be consistent with the other sites at the Gategny and Le Bouet and to allow a developer and the site owners to put forward a case to make this site work, to revitalise the Bridge, to bring new housing, to perhaps even – listening to Deputy Gillson – make an application – I cannot say whether it would be accepted or not – to be adaptable, flexible. But the worst possible option is to go away today with no solutions to this and no gateway.

The Bailiff: Deputy Fallaize, then Deputy –
Deputy Brouard.

Deputy Brouard: Point of correction sir. I did not want to interrupt Deputy Gollop, but I did not say vote against it; I said we will have to vote for it, I think, it is our planning brief.

The point I was trying to make was that if the developer needs to get on with it, just as we have time limits for when we get planning permission, so does he.

The Bailiff: Deputy Fallaize, then Deputy Ogier.

Deputy Fallaize: Thank you, sir.

2690 There have been some interesting speeches – in particular, the speech by Deputy Gillson – but what is a bit confusing to someone who, admittedly, is about as lay as one can get in planning matters is what really this debate is all about; because it has been presented by the Environment Department in their Report as a rather technical matter really, almost perhaps a parallel could be drawn with proposals of the Housing Department to extend the Housing Control Law. However, some of the speakers have indicated that the way that the States vote on this matter today could have a very significant effect on the way that this area of the Island is developed.

2695 Now, I am really just seeking clarification from Deputy Burford when she replies about what, in practical terms, would be the effect of the States rejecting this Proposition, because I think that would help inform the debate.

2700 I hate using the word ‘regeneration’ because it implies that what is there at the moment is no good at all and that is not the case with the Bridge, but clearly it could do with more vibrant – (*Laughter*) you are back, are you? – (*Laughter*) more vibrant businesses and probably a mix of commercial and residential development.

2705 Now, I am not sure whether voting against this Proposition today makes that more likely or less likely or does not really make much difference to it at all. I am just really seeking some clarification about what is the scope; what is the extent of this debate and the Proposition that is before the States? If Deputy Burford, in particular, could clarify what the practical consequences would be of the States voting against the Proposition, I think that would certainly help me.

Thank you, sir.

2710 **The Bailiff:** Deputy Ogier, then Deputy Harwood.

Deputy Ogier: Thank you, sir.

2715 There is an issue here. Eight to 10 years ago down at the Bridge you could pretty much get anything that you wanted. The Bridge reached a point where it was a very, very vibrant shopping area and you knew you could go and shop on the Bridge and you could get what you wanted. There was a bookshop, a toy shop, a record shop, a kitchen shop, which have all gone now, replaced in the main by charity shops.

2720 I have been told by people down there that a lot of it was to do with the uncertainty over the leases. Businesses crave certainty. If you are getting a 24- or a 48-month lease, you cannot build a long-term business on those sorts of terms. I think some of the issues down there have been companies moving out because they lack that stability.

Do not get me wrong, I love charity shops, I go to charity shops. I think they do a great job. They turn things, that otherwise would be waste, into something useful and I do applaud that. But the continuing uncertainty down at the Bridge is causing changes in the shopping areas, in the shopping habits of the area and it is not to the betterment of the Bridge at all.

2725 What we need down at the Bridge is stability and we need footfall for the remaining businesses to thrive. And this extension, this continuing uncertainty, is not going to help improve matters at the Bridge. Damage has been done to the Bridge over the last few years and I am not sure I can continue to support the reasons behind that.

2730 The problem is the damage down at the Bridge has been done. (**A Member:** Yes.) If we pull the plug now we hardwire in all that damage with no hope over the next few years for a rejuvenation down there. So our frustration at the damage that is being caused maybe is not best served by not supporting the extension. That is the real dichotomy of the situation that we find ourselves in.

So I may support this with the caveat that this development is undertaken in the next few years, as I would not support another extension in a few years’ time.

2735 I do feel for the developer because these plans were formulated before 2008. They were formulated before the world changed. At that time they had 20 or 30 years of pretty much uninterrupted growth with a few blips. They could see their business model continuing; they knew what they were going to do down at Leale’s Yard. Then the world changed and they have been in a situation of flux ever since, so I feel a lot of sympathy for the people that brought forward those plans, finding that there were not able to implement a considerable number of them.

2740 But this lack of action is not only stopping the improvement – it is not just that Leale’s Yard is not being improved – it is also into the negative, it is actually damaging the area as well. The uncertainty is causing problems down at the Bridge and it is problems that the shop owners and retail and commercial businesses down there just do not deserve.

2745 So I remain to be convinced by the summing up of the Minister. If she can give me some hope that this development will go ahead and the Bridge is likely to see a rejuvenation to counterbalance what has happened over the past few years, I may well support the Department, but without that I can find no reason to extend this planning brief.

2750 **The Bailiff:** Deputy Harwood, then Deputy Laurie Queripel.

Deputy Harwood: Thank you, sir.

Deputy Fallaize asked for some clarification – and I apologise to my Minister because I am perhaps jumping in ahead of her – of what would be the effect if we voted against or did not approve this extension?

2755 I refer Deputy Fallaize to paragraph 4.4 on page 2477 because, as Deputy Scott Ogier has just said, you have a situation where an area already is blighted, to a certain extent.

If the Assembly votes against the extension of this LPB then you are going to have to start from scratch again, you are going to have to go through a full planning enquiry, a full States' debate on another planning brief. Bearing in mind that we are due, at some stage during the course of next year, to be looking at the Island Development Plan and there will be a planning enquiries relating to that. I could not predict what the timing would be but, certainly, I think it is unlikely you would get much action from a development or any redevelopment within three years. By extending the existing Local Planning Brief, you are giving the current owner the opportunity to progress with a development on the basis of the Local Planning Brief.

2760 And the Planning Brief, actually when you read it, in paragraph 3.6 – the key points of that, is there anything in there that anybody actually fundamentally disagrees with or we are not prescribing that there has to be a maximum or prescribing the area that must be retail or not retail. There is sufficient flexibility, I would submit, to cover off the reasonable expectations of the developer.

2765 But I would urge this Assembly to support the Department in the recommendation put forward to extend the Local Planning Brief because if we do not do that, sir, I fear that there will be an even further extended period of blight on this site.

2770 Thank you, sir.

The Bailiff: Deputy Laurie Queripel.

2775 **Deputy Laurie Queripel:** Thank you, sir.

Sir, I am sure it has already been expressed but I find this a somewhat frustrating and unsatisfactory situation. I do not suppose we have any real choice but to vote for the extension. And the only comfort I can find in this is that on page 2477 it says there could be or will be a greater provision for housing on the site. And one would hope that, rather than more luxury homes, sir, the housing would be in the affordable bracket. I will take a very grim view of it if I see yet more luxury homes advertised, sir. It is affordable homes that we need for our young families and young couples.

2780 But, sir, more importantly for me, this site was once a thriving industrial complex at the more affordable end and it was lost to that sector, clearly now, prematurely several years ago and the site still remains unused. That is what is frustrating and unsatisfactory.

2785 Why couldn't the tenants of that complex have been given six months' notice before something was definitely going to happen? Because not all of those businesses, sir, were able to relocate. Some folded, jobs and skills were lost and, as a result, projects and work that should have been done here on-Island, sir, went off-Island and are still going off-Island because of the loss of those premises and those jobs and those businesses.

2790 Sir, it is clear that there is a plentiful supply of expensive industrial premises but a chronic lack of affordable ones. That has been confirmed to me by the few owners of affordable units who are fully subscribed and have a waiting list, sir.

2795 Actually, in a way, it resembles the housing market. There does not seem to be a shortage in supply of housing, sir, in fact there is probably a glut in the supply of housing, but the majority of properties on the market could not be described in any way shape or form as affordable under current conditions, or first time buyers' homes.

Now, sir, as an Assembly, we very recently voted to look into that situation and, if we could, we would do something about it so that we could hopefully help young Islanders on to the property ladder. So I think as a States we should take a similar line in regard to industrial premises. There is a part to play there for Environment and for Commerce & Employment; and I know Deputy Harwood, sir, has mentioned the Island Development Plan and perhaps we are hoping that, through that, we will find the way to provide some more affordable industrial premises for small businesses and low value businesses, but at this moment in time I just do not know that, sir, and I do not think we have taken enough action in that area.

2800 Industrial areas, sir, are either being lost or encroached upon and this Leale's Yard is a prime example. They are being lost and encroached upon on a steady basis and there is no requirement, no obligation, for a like-for-like replacement or ways to balance out that loss. One of these days, sir, we will wonder why we have a shortage of businesses that supply these types of services, a shortage of skills, a shortage of job opportunities in these trades and this will be one of the main reasons – the chronic shortage of affordable industrial premises and the fact that we are losing more and more of those types of sites.

2810 Sir, I really do think the caring, sharing owners of this site should have been pressed at a far earlier stage to reveal their plans to show how firm they were – or not, whatever the case may have been – and encouraged or pressed to keep this site open as an industrial complex for far longer. It is such a waste and it has caused loss and damage, sir, to the local, or should I say locale, industry.

2815 So, sir, that is why I find this to be an unsatisfactory situation, a frustrating situation. There has not even been any attempt to re-open the site, re-open the Yard and split it up into smaller sections so that it could be used, so small businesses and industrial businesses could use the site again, sir. There has not been any attempt at all to do that. It has been lying dormant, I think, now for 10 years, whereas all this time, sir, it could have been used and it could have been used to the benefit of the owners of the site and, most importantly, to the benefit of small and very often low value businesses, but businesses that really do
2820 provide essential services to this Island. So that is unsatisfactory; that is frustrating.

So, yes, I may yet perform one of my futile gestures and vote against the extension, sir, because I am so frustrated about it.

Thank you, sir.

2825 **The Bailiff:** Deputy Perrot, and then Deputy Luxon.

Deputy Perrot: I rise with some trepidation. First, the Minister is my next door neighbour and she is a resourceful lady. If I make a speech against her proposals I fear for my future. (*Laughter*) But, second, a complete revelation to me is that, although I worked with him most agreeably for over 30 years, I had never
2830 realised that the former Chief Minister had within his mastery a knowledge of planning legislation. It is so good to hear Deputy Harwood speaking so authoritatively (*Laughter*) about planning.

He was answering Deputy Fallaize, essentially, and was saying that if we voted against this then another enquiry is required. Well, frankly, I think that is just what is required (**Several Members:** Yes.) (**A Member:** Yes, I agree.) because all this has gone...

2835 Oh, should I declare an interest? I am sure the red-blooded socialists amongst us who are members of the Co-operative Society should declare their interest. I am certainly a member of the Co-op. (*Laughter*) Should I declare that interest? Well, I have done it now. I wish I had not said that really, but I have done it.

But this outline planning brief, which is a *local* planning brief, but that is only a change in nomenclature... That was changed under the 2005 Board, I think it was. It was called an 'outline planning
2840 brief' and that has been around for all this time. Now, Deputy Harwood says that outline planning briefs can be flexible. Oh yeah? As soon as you want to do something as a developer you will find that there are rigid lines beyond which the planners will not go.

But that is not my point. The point is so much has changed over the years and I fear for the future, not just of the Bridge but of St Peter Port. We have seen a decline in the vibrancy of St Peter Port. I hope that
2845 one of the endless plans which we have to regenerate St Peter Port... but why is St Peter Port not in the best of shapes? Of course, it is in part because of the internet, but it is in very large part because the planners over the years have allowed so many very big supermarkets to be built in the rural part of the Island and therefore people have not been shopping in St Peter Port.

If you look at the proposals – the very rough proposals for this site at the Bridge – there would be the
2850 most colossal adverse effect on St Peter Port. I know that people have arranged for professional surveys to be carried out, professional opinions to be obtained, to say that there would not be an adverse effect on St Peter Port. I do not believe that. I believe that there will be.

Not only that, I think that if there is a great bulk of new retail accommodation – for example, on the Bridge – that that will affect existing businesses on the Bridge. I mean there are very few of the old
2855 businesses but there are some and they should not be adversely affected by a substantial development.

Clearly, there needs to be development here of some sort and I think, equally clearly, at some time there will be appropriate plans for appropriate development, but I do not think that the extensive development proposed is good. I mean we will all know various stories about small businesses which already have been
thrown out of that area. (**A Member:** Yes, absolutely.)

2860 I think that a new plan, a new inquiry, could come up with a combination of perhaps some light industry, (**A Member:** Yes.) and perhaps a lot more housing. I mean affordable housing does not have to be ugly housing. It can actually be pleasant housing and we can also have a combination of some sort of light industrial area there with housing. If it is light industry, the two are not completely incompatible. So I think that small is beautiful and that we ought to take a new approach to what is going on here.

2865 And I really do – he is asleep at the moment but I do echo what Deputy Jones (*Laughter*) said about design. We do not want Swindon on Sea (*Laughter*) at St Sampson! We want to have a beautiful town there. St Sampson, in its commercial way, has been a most charming town. I mean it has got all sorts of industry there, but there is something really rather lovely about it and I think that, with proper design and perhaps some *pastiche* – that is a thing frowned upon by planners these days; you cannot have *pastiche*; I

2870 think you can have *pastiche* and what you can do is to have small buildings put into this area which bring back that sort of rather cosy Northern France sort of atmosphere of the place.

So, although I fear that the outcome from the Minister and perhaps from Deputy Harwood, I think I am going to have to vote against this proposal.

2875 **The Bailiff:** Deputy Luxon

Deputy Luxon: Thank you, Mr Bailiff.

Sir, I will support this Proposition because it would be mad not to. Although, having just listened to Deputy Perrot who makes some very compelling and logical points, I might now reconsider.

2880 But sir, 10 years – a 10-year window in spite of the 2007-08 financial market collapse; a 10-year window for this landowner to come forward with plans for this site. And they came forward with plans for the site and then two years lapsed and then the planning permission fell away.

2885 There is a very well-known *Guernsey Press* columnist who would criticise this Assembly, sir, for being very slow in taking too long to do things, in criticising the States of Guernsey for taking too long to do things. (*Laughter*) (**A Member:** Hear, hear.) I wonder what we will read about in the paper next Wednesday in terms of the speed with which this private sector landowner has not actioned things within the 10-year period. (*Interjections*) Oh, I am going to regret that. I am going to regret that so much! (*Laughter*) Bless.

Sir, 5.2 concerns me: 5.2 says:

2890 ‘... although informal indications currently are that the main landowner has interest in submitting a...’

– ‘has interest in’! Ten years and they want a three-year extension. They should absolutely know what it is that they are going to bring forward to help regenerate the Bridge area, because regeneration is what is needed, in my opinion, sir.

2895 So I will support this. I am torn after Deputy Perrot’s excellent points about a bigger picture review, but what the Bridge needs more than anything is some action, some speedy action. And Government sometimes is slow? Well, the private sector is sometimes slower. (**Several Members:** Hear, hear.)

The Bailiff: Deputy Brehaut.

2900 **Deputy Brehaut:** Thank you, sir.

I think the States are forgetting Deputy Lowe alluded to a meeting whereby she referred to an exceptional set of circumstances whereby the developer had a meeting with the Board. This predates my involvement with the Environment and, I think, the current Board Members, but the fact is that the Co-op were given the green light, from recollection, had fairly ambitious plans detailed plans that were sent once 2905 around the block and they were redirected, as I remember, to come up with a significantly different scheme.

Then, as we know – as Deputy Scott Ogier has said – the world markets changed almost to the point of collapse and that has impacted. But surely, bearing in mind presumably the hundreds of thousands of pounds, if not more, that this developer has spent on plans already, why at this stage would we increase a further element of uncertainty? Why would we do that? That would not be the responsible thing to do. I say 2910 as Co-op shareholder 83033 – if you ever forget your own number, by the way – (*Laughter*) 83033.

But why would we introduce more uncertainty? What, presumably, that organisation needs now is absolute certainty to progress their plans and I did agree with something that Deputy Gillson said earlier, which was there is a housing target area, we moved people from Leale’s Yard, we moved them into a housing target area on a temporary basis, then we extended the lease and then, effectively, blighted that 2915 housing target area, which probably was not the most sensible thing to do.

But, no, I think what any developer needs at this stage, regardless of who they are, is for a degree of certainty and we simply cannot afford to leave this hanging, sir.

Thank you.

2920 **The Bailiff:** Anyone else? No.

Deputy Burford then will reply to the debate.

Deputy Burford: Right, thank you.

There are a few more than I expected, as you might have gathered.

2925 To start with, Deputy Brouard – the Local Planning Brief is not the same as the planning application that you get three years on. If the developer has put in a planning application for Leale’s Yard they will get the three years on that like everybody else gets. But this is just an addition, if you like, to the Urban Area Plan to extend it, so just picking up on that point.

2930 Deputy Jones, the brief does require careful consideration of design. I mean, I suppose beauty is in the eye of the beholder and I suspect that Deputy Jones may wish, when plans do come forward, to recycle his speech into a representation – which is obviously his prerogative... (*Interjection and laughter*) already done it!

The MURA brief is just part of it, obviously, but any application must also comply with all of the other planning laws and policies making up part of the Urban Area Plan.

2935 Deputy Lowe, we are not treating this company any different. The States also extended the Bouet and Glatigny MURAs, which were reinstated by a Projet in 2013. So it is just the same thing and actually that leads on to Deputy Fallaize's point, that it is actually largely a technicality. I mean I think it is an area that people feel very strongly about and, therefore, I can understand a lot of the speeches that we have had today. But, to a degree, this is actually largely a technicality.

2940 The question that the Environment Board was presented with was: we must have a brief, this is one is expiring on the 24th November this year, do we as the Environment Board think that we should rewrite the brief and send it to a planning enquiry or, having examined the entire brief as it stands and bearing in mind that it is just one part under which any application will be considered, do we consider, especially in the light of the new development plan coming in, that a more pragmatic and sensible way forward would be to actually extend it for a period of three years. And that was the decision of the Board and it needs endorsement of the States if they are in agreement with it.

2945 Deputy De Lisle – the brief is sufficiently flexible to allow for various schemes depending on the current economic situation.

I thank Deputy Gollop for his support.

2950 I think I have addressed Deputy Fallaize's concerns, but he just wanted to know the practical terms of if we do reject this Proposition today and that is that there will be no brief in operation.

I think it is important to say that... Several people, I think, have said the landowners want an extension of this Brief. No, it is not the landowners asking for an extension of this Brief, it is the Department asking the States to endorse for an extension of this Brief. We need to have a brief in place for whoever the landowner might be to come forward with plans to be considered. So I think that hopefully addresses Deputy Fallaize's point.

2960 Deputy Ogier is concerned about a lack of action. The surest way to have a lack of action would be to reject this today, because then we would be into a long drawn out process for a new Brief and in that interim period nothing could be brought forward; it would leave a big hole in the Urban Area Plan, so I would urge Members not to do that.

I thank Deputy Harwood for his comments.

2965 Deputy Laurie Queripel, I sympathise with a lot of the points that you have made but this is not really a debate about whether it is luxury or affordable homes. The important thing is that we cannot control what a landowner, when they build something, charges as a rent. (**Deputy Laurie Queripel:** We could.) Well, then we are into covenants and everything. (*Interjection*)

2970 Deputy Perrot fears for the future of the Bridge. I do not disagree with some of Deputy Perrot's comments about how out-of-Town supermarkets have impacted on St Peter Port. It is absolutely correct, in my view, but he says that we should look at the proposals and he talks about the proposals. There are no current proposals, though, because they have expired and talks subsequently with the developer have indicated that they want to move to a more residential development. But also it is important to say that the brief does allow for light industrial, so if the developer so wished to bring forward light industrial units, that is not ruled out under this Brief.

2975 On the issue of light industrial units, there is an overprovision on the Island at the moment of industrial land. However, what I would fully accept is there is not an overprovision of affordable (**Deputy Laurie Queripel:** That is right) industrial land and I think perhaps that is an issue for perhaps Commerce & Employment working with Environment if they so wish to address under the Economic Development Framework. We have the availability; it is affordability that is actually the issue.

So I think hopefully I have covered everyone's points there and thank you to everyone for the debate.

2980 **The Bailiff:** Members, there is a single Proposition on page 2483. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

2985

STATES' ASSEMBLY & CONSTITUTION COMMITTEE

VII. States' meetings –
Simultaneous electronic voting –
Propositions carried

Article VII.

The States are asked to decide:

Whether, after consideration of the Report dated 20th August, 2014, of the States' Assembly & Constitution Committee, they are of the opinion:

1. To amend the Rules of Procedure by inserting in Rule 14 after paragraph (1):

'(1A) A Member may only vote from his or her seat in the States' Chamber. Immediately before announcing his or her vote in a division (appel nominal), a Member of the States must switch on his or her microphone and switch it off again immediately after he or she has voted.'

2. To continue the present system of voting during meetings of the States of Deliberation.

The Greffier: Article VII, States' Assembly & Constitution Committee – States' Meetings – Simultaneous Electronic Voting.

2990 **The Bailiff:** The Chairman of the States' Assembly and Constitution Committee, Deputy Fallaize, will open the debate.

Deputy Fallaize: Thank you, sir.

2995 This was going to be a speech where I got up and said, 'I think everything is covered in the Report,' and sit down again. However, when I turned on my computer this morning, I found there was an 11th hour amendment which has been circulated and so, expecting that this might be a longer debate than it otherwise might have been, I have prepared a few more words – hopefully, not too many.

Sir, this policy letter is based on the premise that a competent voting system in the States should have two attributes – transparency and efficiency – and it presents four voting options: the *status quo* and three different forms of electronic voting.

3000 Sir, the Committee understands the argument for electronic voting in the States. Indeed, Members of the Committee either supported Deputy Lowe's original Requête or – not all Members of the Committee, but some Members – either supported the original Requête, by voting for it, or indicated that without the amendment that I laid to it they would otherwise have supported Deputy Lowe's Requête. So it is fair to say that there was a diversity of opinion on the Committee when we started reviewing this matter.

3005 The Committee freely admits that one of the electronic voting options set out in the Report would provide for greater efficiency in the voting system and one of the electronic voting options set out in the Report would provide for greater transparency.

3010 However, no single system of electronic voting can fulfil the twin objectives of greater transparency and greater efficiency and it is for that reason and especially during a time of considerable financial constraint that the Committee cannot reasonably recommend to the States the expenditure of up to £30,000 to install a voting system which would produce as many disadvantages as advantages, and the Committee is putting that proposal to the States, unanimously.

3015 The present voting system achieves a balance between transparency and efficiency. It is transparent because votes on even remotely contentious items – around 60 items per year, normally – are held by *appel nominal* or recorded vote, which of course are broadcast live and are then added to the States' website. It is efficient because votes which are not contentious – which are approximately 200 per year – are held *de vives voix*, or 'on the voices'.

3020 In total, the States spend around three and a half years... three and a half hours! (*Laughter and interjections*) Three and a half years per meeting – no! The States spend around three and a half hours per year voting, which is about 2% of the time set aside for States' meetings, and the Committee considers that that is a reasonable period of time to spend voting, given that voting on legislation and policy is probably the most important function the States undertake.

3025 Sir, in a moment I want to summarise briefly the three electronic voting options which are explored in the policy letter. Before I do, I will say a few words about the simultaneous part of simultaneous electronic voting. An argument sometimes put is that it would remove any possibility of one Member's vote influencing the vote of another Member. The Committee disputes the legitimacy of this argument on several grounds.

First, the Committee doubts that a person who has successfully fought an election campaign is likely to spend four years casting scores of votes based not on the substance of arguments put before them or on the interests of their parishioners, but rather entirely on the votes cast by the Member sitting next to them; and it rather impugns colleagues to suggest otherwise.

Second, if the Committee is wrong in that assumption the possibility of one Member's vote influencing another Member's must have been reduced by the change made some years ago whereby the voting order in the States is rotated each month.

Third, electronic voting does not, of itself, mean that one Member will not be influenced by the vote of another Member. If a Member is determined to be influenced by another Member it is quite simple for that Member to ask the other Member which way he or she is going to vote. Whether we vote electronically or whether we vote simultaneously does not make any difference in that regard.

And, fourth, the Committee doubts whether there is necessarily anything wrong with a Member being influenced by another Member in particular instances. If there is a Member of the States who is particularly lay in a matter – let's say social welfare policy – is it particularly wrong that their vote would be guided, for example, by Deputy Le Lièvre who has a lot of experience and expertise. Not that that would ever happen, of course, in that particular example! (*Laughter*)

But there are some Members with particular experience and expertise in particular areas, and the Committee doubts whether it is wrong for Members' votes to be guided by the views of that other experienced or expert Member. We are, after all, here in the States trying to persuade each other to our view. The process is not meant to be that you arrive in the morning on every single vote knowing exactly which way you are going to vote, because we therefore would not need debates and we could all vote from the comfort of our living rooms. We are here to debate and to try to influence each other, and there is no particular reason, in principle, why that attempt to persuade others should stop at the end of the debate.

As I said earlier, the Committee assessed the voting options against two objectives: transparency and efficiency. Now, it may be that the States no longer wishes to strike a balance between transparency and efficiency and instead wishes expressly to afford priority to one or the other.

It is true that electronic voting could be introduced to provide for maximum transparency. Every individual Proposition – those currently held *appel nominal* and those currently held *de vives voix*; around 250 a year or more – would need to be put as recorded votes and afterwards votes would need to be read out.

This would indisputably provide for greater transparency, but at some cost in terms of efficiency. There would be a relatively small timesaving for votes which are currently recorded, but many votes which currently take 10 seconds or less by voting *de vives voix* would obviously take much longer. Under this option, voting in the States would most likely take around five to six hours per year longer than it does at present – an increase in the voting of around 150%.

Alternatively, electronic voting could be introduced to provide for maximum efficiency. Most votes would continue to be held *de vives voix* and recorded votes would be cast electronically only where an *appel nominal* is held at present. The Committee estimates the time saved by such a voting system would be in the order of between eight and 11 minutes per States' meeting.

Under the maximum efficiency option – which is options 3 and 4 in the policy letter – as well as this trivial time saving of between eight and 11 minutes per meeting, there is no gain in transparency – absolutely no gain at all in transparency, because the only recorded votes would be those which are already recorded votes under the present system. Indeed, there is potentially a net loss in transparency if Members' votes are not made immediately clear to those in the Assembly or following proceedings elsewhere. But what the Committee wishes to emphasise most of all is that under options 3 and 4 there would be no more transparency in voting in the States than there is at present.

Of course, the Committee is the servant of the States and will faithfully implement whatever it is the States wish to see implemented, but I at least trust that Members will see that it will be especially unproductive and wasteful to vote, in particular, for either of options 3 or 4.

Sir, sometimes the proponents of electronic voting like to pretend that the voting system used in the States is uniquely inappropriate. Of course, there are some parliaments which do use electronic voting, for example, Wales and the European Parliament. It is for Members to decide whether these are particularly illustrious examples to follow (*Laughter*) and I look forward to Deputy Jones' speech in support of the voting system adopted in the European Parliament. But it is certainly worth noting that many of the best-known Assemblies do not routinely or, in some cases, ever use electronic voting.

Our present voting system is most similar to that used in the Senates of both France and the United States, neither of which use electronic voting. Nor, of course, is electronic voting used at Westminster, where the Lords and the Commons vote first *de vives voix* – although they do not call it that, but that is what it is – and, if it is challenged, by a division with Members filing out of the Chamber into lobbies; which obviously is a much more time consuming exercise of voting manually, as it were – with their feet, than we use.

3090 So the Committee has tried to explain how no single system of electronic voting can provide for greater transparency and greater efficiency. The transparent option is significantly less efficient than the present system and the efficient option is, at best, no more transparent and arguably somewhat less transparent than the present system.

3095 The case for simultaneous electronic voting is superficially plausible and probably plays well on the doorstep but on close analysis it is very weak indeed. Therefore, the Committee's conclusion – not for any reason of great principle, but on practical grounds – is that the present voting system provides the best balance between transparency and efficiency, and should be maintained; especially since the installation of electronic voting would cost up to £30,000 for no discernible gain, for which, during this period of financial constraint, no budget provision has been made.

3100 Sir, one final point before I sit down, the Committee is committed to strengthening transparency and accountability. The Committee has pursued open meetings in the sense that there is a standing invitation to the media to attend meetings of the Committee and they attend more often than they do not attend.

3105 The Committee has put proposals to the States regarding open voting, regarding strengthening declarations of interest, and the Committee recognises that there needs to be more transparency and stronger accessibility of States' Members voting records. With that in mind, we are working with the member of staff who leads communication. I think that she sits under the auspices of the Policy Council loosely, but I have worked with her before in connection with the States' Review Committee and her work is very exceptional; and we are now working with her to try to improve the accessibility of the States' website, in particular, those parts of the website which relate to what is done in here in the States of Deliberation.

3110 It is clear that voting records of States' Members should be more accessible. Members of the public should be able to search by specific Member, by parish, by date of vote, by item of vote etc and we are very confident that we can put in place those sorts of improvements during 2015 – and very inexpensively.

3115 Now, that is the measure that would do more than anything to strengthen the transparency of States' Members votes – far, far more than introducing a system of electronic voting which, for instance, if we adopted one of the options, would do nothing other than mean that the votes which are currently recorded would still be recorded but just using electronic voting buttons. There is no practical advantage to introducing simultaneous electronic voting and, therefore, having tried to consider all of these issues and set out the arguments in the Report, the Committee asks the States to support the proposals and to maintain the present voting system.

3120 Thank you, sir.

The Bailiff: As Deputy Fallaize said, there is an amendment proposed to be laid by Deputy De Lisle, seconded by Deputy Lowe.

Deputy De Lisle.

3125

Amendment:

To delete Proposition 2 and substitute:

'2. To introduce facilities and procedures for simultaneous electronic voting during meetings of the States of Deliberation along the lines of "Option 4" as set out in paragraphs 30 to 32 of that Report, at a cost not exceeding £30,000.'

Deputy De Lisle: Thank you, sir.

I would like this amendment taken, sir, discretely; in other words, voted on with a recorded vote at the end and not taken in with the major Proposition.

3130

The Bailiff: I was proposing that they both be taken together because, effectively, it is one on the same debate, Deputy De Lisle. Do you see them as separate debates?

3135 **Deputy De Lisle:** I just thought it would concentrate the minds on the amendments, (*Interjections*) which is very important in this case – but, anyway, I will do as the Assembly –

The Bailiff: Mr Procureur.

3140 **The Procureur:** The difficulty that you will have if you take the amendment separately is preventing Members from repeating themselves in a subsequent general debate about the same thing.

Deputy De Lisle: Well, the last thing we want is Members repeating themselves about the same things! (*Laughter*)

I thank everybody for their indulgence.

3145 Sir, a group of Deputies visited the Isle of Man House of Keys a few years ago on a CPA conference and came back impressed with the *Hansard* of the Isle of Man and the simultaneous electronic voting system. The group, including myself, had opportunity to utilise the system in the House of Keys and see the way that it worked through a mock debate that was put on for Members from Guernsey who were visiting there.

3150 Subsequently, I have argued in the States for both to be implanted. *Hansard* we now have as an important record of deliberations of the States' Assembly; simultaneous electronic voting we do not have, as yet, unlike the other Crown Dependencies – the Assemblies of Jersey and the Isle of Man – that have simultaneous electronic voting.

3155 Now, sir, simultaneous electronic voting would be used where an *appel nominal* is held currently and votes under *de vives voix* would continue in the same way as now, but may occur less often with simultaneous electronic voting available. Time would be saved by not using *appel nominal* and also this would lead to more transparency.

3160 The reason for alternating the parish order voting now came as a result of the requirement for more transparency with respect to voting patterns but, despite it, there remains a problem of transparency. This would be less of an issue given the availability of simultaneous electronic voting.

A wired system or small handset are options for how the voting buttons are installed. One screen in the Assembly could graphically show the results, if need be, and this was a very prominent element of the system in the House of Keys, where everybody's name was on the board, the way they voted was indicated immediately and there was a bar chart appended indicating the *Pour* and *Contre* distribution.

3165 This form of simultaneous electronic voting would be more efficient and less time consuming than the current voting system, which has been well-indicated in paragraph 25 in the document in front of you. It would enable automation of voting. I think that is a very important point.

3170 Deputy Fallaize is wanting civil servants to spend a huge amount of time trying to put something together to address this particular system – this particular fault, if you like – of the current voting system. Simultaneous electronic voting would make the votes fully searchable. It would document in full a Member's voting pattern, electronically, and for public scrutiny the numbers would be there – automated and available for public scrutiny.

3175 I believe that that is essential as we go forward with a digital economy. It would lead to more transparency and openness in the Chamber; it would remove follow-on voting, strategic voting, Members being influenced by others in snap votes, and tactical voting when the parish is in the last five and the decision is already clear – Members can switch.

There are also some concerns with respect to Ordinances being nodded through. Members would have to pay more attention to the legislation process on Second Reading if simultaneous electronic voting was available.

3180 And there are times when a Member's individual vote, *appel nominal*, are inaudible within and without the Chamber and, at other times, Members are not in the Assembly when a vote *aux voix* is called. We have had examples – two of those – today; people not here, yet they signed in early in the morning. So, in other words, the system acts also as an attendance discipline.

3185 Members, we live in a digital electronic age and we cannot afford to be left behind. Please support this amendment to introduce simultaneous electronic voting within the States' Chamber and I ask that Proposition 2 is substituted to introduce facilities and procedures for simultaneous electronic voting during meetings of the States of Deliberation along the lines of option 4, as set out in paragraphs 30 to 32 of that Report, at a cost not exceeding £30,000.

3190 **The Bailiff:** Deputy Lowe, do you formally second the amendment?

Deputy Lowe: Yes, sir, I formally second the amendment.

3195 **The Bailiff:** Members, we will have debate on the amendment and general debate taken together, and I call first Deputy Conder.

Deputy Conder: Thank you, sir, Mr Bailiff, fellow States' Members.

3200 Before I start my speech, I am afraid I still have a throat infection, as you can probably hear, which makes my speeches even more painful to listen to than normal – if that is possible – so my apologies for that!

Sir, I speak as Deputy Chairman of the States' Assembly & Constitution Committee. I speak on the main Propositions and on the amendment.

3205 Sir, I welcomed the Requête laid by Deputy Lowe in respect of simultaneous electronic voting and was, and am, pleased that it was successful and we have had this opportunity to, once again, consider the virtues of simultaneous electronic voting and present this Report to the Assembly.

However, having had the privilege of closely examining the issue and debating it with my colleagues on the States' Assembly & Constitution Committee, I have now concluded that there is not a strong enough case to justify changing the manner in which we vote upon Propositions; nor is this the time, either economically or politically, to be spending any amount in changing or ostensibly improving the manner in which business is conducted in this Assembly.

Sir, the Chairman of SACC has made all the salient points and I will not repeat them, save to say that clearly the dilemma is achieving a balance between transparency and efficiency, and I would venture to suggest that the system we currently utilise and have for many years is, in the era of mass communication, as good a balance or compromise as we are likely to achieve.

Perhaps one of the best exemplars of the efficiency of the current system was seen at the end of last month's protracted and demanding Budget debate. Notwithstanding the intense scrutiny of the Budget Propositions and amendments, voting on the 39 Propositions was completed with remarkable alacrity at the end of the debate. (A Member: Hear, hear.) Those Members who wished to record for posterity or wanted the public to know exactly how they voted on a particular Proposition were able to and called for a recorded vote. For those Propositions which were not contentious, we were able to establish the wish of the Assembly on individual or group Propositions in seconds – those items being, in the main, non-contentious. As I have just said, if a Member wished to inform the public how they or other Members voted, it is in his or her gift simply to request a recorded vote.

Sir, whilst I did not measure how long the total voting process took at the end of the Budget debate, I do recall reflecting that it was probably the most efficient part of the whole of our two-day deliberations, with the added advantage that those of the media or public who wished to know how each of us voted on recorded Propositions knew immediately without recourse to website or, even worse, some type of screen within this lovely Chamber. For me, the voting we participated in at the end of the Budget debate confirmed that we do it well and with a significant degree of transparency and a very high degree of efficiency.

Sir, I will just briefly turn to the issue of cost. Clearly, in the great scheme of things, £30,000 is not a huge sum but surely, given the many and various demands for States' funding and increasing claims we are making upon the taxpayer's purse and wallet, this is just the wrong time to be incurring or committing to any optional expenditure. (A Member: Hear, hear.) What sort of message will it send to those members of the public who are currently so exercised about additional charges and taxes, if we chose to commit £30,000 for our own devices?

Sir, in conclusion, I acknowledge that there are advantages in simultaneous electronic voting. A significant number of jurisdictions and Assemblies have adopted such systems, but we must never forget that we are a *tiny* Assembly of 47 elected representatives and possibly less post-2016. In very large Assemblies with many hundreds of voters, parties and whipping systems clearly efficiencies can be gained through simultaneous electronic voting but, as SACC's Report has shown, it takes less than four minutes to take and count the vote when we choose *appel nominal* and, in total, that takes less than 2% of the States' total time commitment. Sir, a single speech by some States' Members takes longer than that! (A Member: Right.) (Deputy David Jones: Including this one!) (Laughter)

In conclusion – in just under four minutes – sir, the proposal for simultaneous electronic voting is full of good intentions and we should periodically review our system of decision-making in this Assembly, but I would suggest that, at this time, it is neither opportune nor is there the need or the resources to justify implementing simultaneous electronic voting.

I ask Members to vote in favour of the Propositions and against the amendment.

Thank you.

The Bailiff: Deputy Lowe and then Deputy Dorey.

Deputy Lowe: Thank you, sir.

This is my ninth debate on simultaneous electronic voting – yep! (Laughter) – and it goes back to the first one that I was involved in – and I think there was one before I joined the States – 29th November 1995 and Conseiller Plant, at the time, actually brought forward asking for the present system of voting to be simultaneous. Four years later I produced a Requête and it was signed by several Members in the States and that was lost, with quite a few Members absent at the time.

Interestingly, during the 2002 Machinery of Government debate an amendment was produced and seconded by Deputy Trott to include simultaneous electronic voting and that amendment was successful, 34 votes to 22. In those days there were 57 Members in the States.

Indeed, those still in the States now who voted *Pour* are Deputies Gollop, Trott, myself, Jones, Deputy Adam, Deputy Le Tocq, Deputy Quin and Deputy O'Hara. The only Member still in the States now who opposed was Douzaine Rep Mark Dorey, at the time, and is now Deputy Dorey, who is going to follow me shortly. And I expect he will still be voting against! (Laughter)

Following a further States' report, it was agreed that during 2005 various essential maintenance needed to be carried out in this Chamber; part of which included the wiring for a voting system. The relevant plugs can be seen under your desk tops.

3270 In 2006 a report was produced for the House Committee, now named SACC, recommending no simultaneous electronic voting at this time but an amendment was produced and seconded by Deputy Guille and proposed by myself, to reaffirm the States' Resolution of 2002.

Five years later SACC produced a report seeking simultaneous electronic voting to be introduced. This was lost 21-23, with two not present and one abstained. Had everyone been present and voted, we will never know if the outcome would have been different.

3275 In July 2012 the Requête was signed by 18 States' Members and we have now got this Report here before us today. So there have been many debates over this over the time.

3280 But I heard what Deputy Conder, who is out of the Chamber at this moment in time... but he actually said that the public would not be best pleased if we were spending money on simultaneous electronic voting; but of course it was the public that asked all of you, or many of you, at the various hustings, to be more accountable and more transparent. And so you have got here a system where you can actually abide by that and show that you are supportive of accountability and being transparent.

The actual Report itself – if you turn to page 2491, I think SACC must have borrowed Deputy Lester Queripel's calculator because it is quite astonishing actually that this Report could be produced with the figures that are in here. They are so off the mark, it beggars belief.

3285 If you look at No. 33 on page 2491 it states in here:

'In mid-2013 the Committee obtained indicative cost estimates from possible suppliers of simultaneous electronic voting systems. The basic cost estimate received for a fixed, wired-in system was £22,000. The basic cost estimate for a wireless system was £17,000.'

It goes on to say:

'34. The above figures include the actual voting equipment and its installation. They also include provision of about £3,000 for software for storage of the results, displaying them and having them searchable online. The estimates also contain an allowance for a site visit with travel and expenses.'

3290 And then we move on to No. 35 where it says:

'On top of the above estimates a contingency sum of 15 to 20% should be added. In addition, if television screens were required to display the results in the Royal Court Chamber they would cost a further £1,000.'

3295 So we have got here £17,000 with a 20% contingency, making that £17,850. And remember prices have been going down annually on these things. Originally, when the States looked at it we were talking about £50,000; £70,000 was one of the reports and the prices they keep dropping. And yet we have got here a Report that says in 2013 we were talking about £17,850 including the contingency and £1,000 if you wanted to include television screens. And yet SACC are recommending that this Report is supported for up to £30,000.

3300 Well, I am just pleased that SACC are not involved – although there is one Member on there – with Education, because I do not know what the Report would have come through with the amount for building La Mare de Carteret School if you are talking silly sums like this just being loaded for the argument to be negative.

3305 **Deputy Fallaize:** Sir, on a point of order.

The Bailiff: Deputy Fallaize.

3310 **Deputy Fallaize:** £22,000 plus 20%, plus the further £1,000 for the sorts of screens Deputy De Lisle was talking about, gets you to a figure of about £26,000 or £27,000 and the Committee is proposing a budget not exceeding £30,000. So that is nowhere near the... Deputy Lowe describes it as misleading, but Members will clearly see that it is not.

The Bailiff: Deputy Lowe.

3315 **Deputy Lowe:** I do not see the need to load it up to another 20% on top of that.

And TV screens. Why do we want TV screens? Oh, yes, to show the people in the Gallery. Well, let's have a look. There is not even a man and a dog in the Gallery, as usual. There is not usually anybody in the Gallery, so why would you want TV screens in here?

Equally, if we have got a good system – as we should have – most of you have got iPads... the system – one click of the button, exactly the same as you do emails, you can do multi-choice to whomever; it can go straight away to the Greffe; it can go online; it can go to all of you; it can go to all the Douzaines and it can go on the website. Straightaway people can find out the results and, of course, it can go to all of the media.

I am certainly not interested to know how anybody else votes. Do I really want to hear the votes being called out afterwards to know who voted for what? I could not care a toss how you all voted. I know how I voted and I am really not bothered about how anybody else voted. It is gone, move on; the vote has been taken, move on to the next item. We are trying to get a swifter and efficient system. So if you really want to delay things, by all means, throw everything in to the arena so that we can start reading out votes.

I know that it was mentioned previously – I do not think actually Deputy Fallaize mentioned it today but it has been mentioned before – well, what about the media? What about those that are listening? Well, what about the majority who are actually not listening on the radio who are out to work? They would like to see for themselves on their electronic equipment, probably at work, how the States have voted, rather than have to wait. A lot of the time you are reliant on *The Press* and why should this Government be reliant on *The Press* to print results in the paper? We should be swift; we should be efficient.

The States have spent a considerable amount of money on electronic iPads for all of us... and I know Deputy Fallaize struggles with electronic equipment – that is why he borrows my phone and my iPad when we are in the States, because he does not use it! – (*Laughter*) but this is the youngest Member of the States who is actually the most old-fashioned in the States when it comes to electronic equipment and, bless him, if he wants to stay like that that is fine but let's move on, let's actually move with the times. People expect everything on mobile phones these days or, indeed, on iPads and we should be doing exactly the same. There is no cost to that. It is a quick flick of a button.

You have got one outlay of £17,000 because it could be wireless. You are not going to need wires in here at all. A wireless system – who these days has actually a wired in system? I mean, again, it just goes to show how old-fashioned and out of touch... if you are actually looking at systems that are wired in. Who has wired in?

Again, we spent a considerable amount of money putting wireless in this Chamber, and wires, so you have got a choice in here already because that was part of the Court refurbishment at the time.

I have heard in the past, as well, 'Well, you know, what happens about the confusion if you press the wrong button?' These are States' Members who are making decisions about the wellbeing of our community and our Bailiwick and, indeed, travel the world to say how good we are and yet some Members struggle that they might press the wrong button when they come to vote. But, hey ho, if you want to send out that image, that you are worried about how you vote – you might press the wrong button, I think you need to consider if you are probably in the right place to be making decisions about people's lives in the future! (**Several Members:** Ohhh!) I have to say I have not heard that today; it was in the previous States, but I am sure you will all be able to manage three buttons.

If we are actually modern and we can get out there and do things electronically it might actually encourage more people to be involved with the States. We might actually have people that are saying, 'Yeah, they are actually starting to get modern.' We want to communicate. Deputy Lester Queripel stands up enough times and tells us we do not communicate enough. We have taken on how many people just in this term alone who have been paid quite a considerable amount of money, because we need to communicate more? So we need to do it from here too. We do not need to be relying on people that are being paid massive amounts of money where we could probably ill afford that, because if we were doing it here in the Chamber perhaps we would not need to be paying people back at Frossard House. (*Interjection*)

I notice in the Report – which I thank T&R for their comment on page 2498 – where they say:

'... the Department would like to stress that firm costs and an appropriate funding mechanism would need to be identified...'

– if it was amended under Rule 15(2). Well, there is no way that any States' Member can come forward with firm costs and appropriate... because you cannot do that. You cannot go out and get a firm cost from somebody. You will be breaking the tendering procedures. Do I go to somebody and sort of say give me a quote and then they would not be allowed to be involved because they have already given me a firm quote?

I am disappointed with the wording there and I did speak with the Minister of T&R and he did sort of apologise for that and understood actually that is not – (*Laughter*) I am trying to be gentle with him.

Deputy St Pier: Point of correction. I am not sure, I did, sir, but – (*Laughter*)

Deputy Lowe: I think he said something... No, I will not say what he actually said but (*Interjections*) I think he acknowledged that you could not go out and get a firm quote. You just cannot do that. You cannot get a firm quote as a States' Member because you would exclude that company from being allowed to take place. But, again, if that is in the Rule Book it should make it easy for everybody to understand.

The November SACC report – I mean Deputy Fallaize has always opposed simultaneous electronic voting. In the November report he asked for it to be put in there because he wanted to make sure that it was in black and white in a report that he opposes the proposals contained in that report and favours maintaining the present voting system. I respect that he has always been consistent on that. He does not like electronic voting at all.

So there is not anything really different to add, it has all been said before. I do believe that the time is right again. You could have a system in here for £17,000, I would say, maximum. Again, that is the price of 2013. Prices have dropped. I am aware of other systems that are around but there is no need for television screens. I mean you have got the media sitting there but he would actually be able to have it electronically. Because, if in time we do get people that are more interested in the States and we do actually get people sitting in the Public Gallery and we feel that we wanted to put a screen there, we could do. But most people have got electronic phones and we have stopped the Rule where you cannot bring your phone in anymore. So you can have a phone in here and you can look at it. We can all look at it. They can look at it. They can look at it outside as well.

So, again, ‘Oh, we do not want television screens in here and spoil the Royal Court,’ I totally agree with that. I do not need a television screen in here and I do not need to know how any of you vote, and I would hope you would not be looking to slow things up by asking the Bailiff to be reading out the votes, because it is unnecessary.

All that said, when I spoke to the *BBC Guernsey* at the time – this was not for this Report because they are probably fed up of being asked on more than one occasion... what would happen for your listeners if it was simultaneous electronic voting? And they always said it was not a problem. If there was a vote 30 for and 11 against they would read out the names of the 11 against whilst the Greffier is reading out the next item and they can cope with that fine. They do not see a problem with it at all.

So I, therefore, ask Members to support the amendment and let’s get on with this, once and for all, and have simultaneous electronic voting before we reach a tenth debate on it.

Thank you.

The Bailiff: Deputy Dorey, then Deputy Dave Jones and Deputy Soulsby.

Deputy Dorey: Thank you, sir.

I will be quite short. I am opposed to the amendment and I support the Committee. I have not changed my opinion since I was a Douzaine Representative in all the years I have been in this Assembly! *(Interjections and laughter)*

I agree with the points made by Deputy Fallaize and Deputy Conder and the Report. They cover my points.

I just have a couple of points about the speeches from Deputy De Lisle and Deputy Lowe. Deputy De Lisle spoke about knowing we voted on legislation and he also spoke about checking if Members were present, because they could be present at the roll call but they might not be present later.

Now, I think he is talking about option 2, yet the amendment is very clearly proposing option 4. So I am really confused and perhaps he can clarify it when he sums up, because option 4 is very clearly that we use the oral voting system and only when we would have had *appels nominaux* – recorded votes – would we use an electronic system. Option 2 is a full electronic voting system for every Proposition. I believe that is what Deputy De Lisle’s speech was about, yet his amendment is proposing option 4. So I am confused and perhaps he can clarify when he sums up.

Also Deputy Lowe spoke about what I think was option 3, which was individual votes not being read out afterwards, because she said it was not necessary to read out those votes; but option 4 was specifically that Members could have the detail results read out. So, again, I am confused because they are proposing option 4 but one seems to be talking about option 2 and one seems to be talking about option 3.

Deputy Lowe spoke about communication being important... exactly why we should stick with the current system. It is because of people listening and with the proposal by the Committee that we make sure everybody has their microphone on when it is a recorded vote so the public can hear how we vote. That is the right way to communicate and I believe that what they are proposing would be a backwards step in communication because the public will not understand.

I do not believe that it would be very good for the public listening, if suddenly the radio are over-talking part of what is happening in the Assembly; particularly if the votes are close, I imagine that people would want to know all the people who voted one way and all the people who voted the other way. So I think this is not helping communication – what is being proposed; it is a backward step in communication.

I think the two speeches which were not supporting the amendment but supporting some other proposals just clarify why we should stick with the current system, which is the best system, and I have not seen anything better. When you look at the way other Chambers work in the world I think it clarifies why other

Chambers have had similar systems to what we have done, because we have got the best system. Do not change it. Please support the Committee.

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

The Bailiff: Deputy Dave Jones.

Deputy David Jones: I have always supported electronic voting. I think we have to move into the modern age and, as Deputy Lowe has said, there are wireless systems – all kinds of systems. I just think that it would be an easier system of voting. How many times have we had oral votes when the Bailiff has been unable to detect exactly how close it was and then gone to an *appel nominal*? That would be eradicated. You would press a button and that would be done.

On transparency and efficiency, Deputy Fallaize says that the system we have is the most transparent and efficient and that the new system is irreconcilable. Well, I do not agree with him. As I said, I have always supported it. Its time is moving on.

Just one other point on the wretched EU Parliament, (*Laughter*) the fact of the matter was that you had over 700 EU MEPs and they used to vote in the early days on a show of hands and it was so notoriously wrong on almost every vote that MEPs have told me that the miscounting – the deliberate miscounting – of hands that went on was criminal at times. And they decided to go...

The subtle difference is they do not have debates in the European Parliament. The electronic voting is because they vote for block legislation: 60, 70, 80 pieces of legislation put up for one vote. That is why they have it. It is for their benefit to diminish democracy rather than enhance it. So it is a very... and anybody –

Deputy Fallaize: Is he speaking for an electronic voting system?

Deputy David Jones: No, I am telling you... Sorry, through the Chair, I am telling *you*, sir, (*Laughter*) why the European Union has electronic voting – because they have block voting on huge numbers of pieces of legislation and, with that, I will sit down. (*Laughter*)

The Bailiff: Deputy Soulsby and then Deputy St Pier.

Deputy Soulsby: Sir, I do support simultaneous electronic voting. I think the use of technology, where it improves processes and where benefits can be clearly identified, should be embraced. But, no, I will not be supporting this amendment, for one overriding reason.

As a Member of the ICT strategic working group, I know that the States of Guernsey has far more urgent matters on which it needs to focus its attention in terms of technology. (**Several Members:** Hear, hear.)

In particular, as Deputy Fallaize alluded to, we need to focus on how technology can be used to engage with our 60,000-plus citizens as we woefully fall short of the mark in that respect. That is where our priorities should lie. That is where the greatest benefit lies and where our finite resources should be focused right now.

I, therefore, cannot support this amendment.

The Bailiff: Deputy St Pier.

Deputy St Pier: Sir, I am not sure I buy the argument presented in the Report that there is a trade-off between efficiency and transparency. I think that is entirely a matter for how you choose to apply the system. I agree with the options presented before us. We do not appear to be able to manage that trade-off. But I think that it is a matter for the Rules as to whether we choose to allow or insist on names being read out as soon as a vote has been held and so on. So I think you can manage the issue of efficiency and transparency.

However, I rise primarily just to talk about the issue of resources as it is pertinent to the amendment, sir. The letter of comment which Deputy Lowe referred to I think was perhaps in anticipation that there might be such an amendment laid and therefore we sought to address this issue.

Sir, Rule 15(2), of course, in the Rules, only applies to revenue expenditure and therefore does not, I think, have any application here because no additional revenue expenditure has been identified as having been necessary and what we are talking about is a capital expenditure.

Sir, I think Deputy De Lisle approached my Department to seek advice on how this could be managed if the amendment succeeded. The way it would be managed, sir, is through the routine capital allocation to the Royal Courts and it would be a matter of prioritising the expenditure within that routine capital allocation. There are a number of projects scheduled for, or planned for, 2015 which may not proceed; for example, the refit of a wedding suite, I believe, somewhere in the building with a similar sort of value. So that would be

3500 a matter at this sort of level, sir would seek to accommodate this spending without affecting any of the other budgets.

I personally will be supporting the amendment, sir.

The Bailiff: Deputy Inglis.

3505

Deputy Inglis: Thank you, sir.

I support the principle of electronic voting but I do struggle with the cost that has been put forward. I would like to hear the Chairman of SACC's views on something that I think is staring us straight in the face; it is something that we talked about very early on today and it is something the taxpayer has already given us – and that is this iPad. Why don't we make an app to do the electronic voting? It is very, very simple and it certainly would not exceed a £30,000 limit.

3510 Maybe this is something that could fall into the ICT development within Commerce & Employment but, certainly, it is a feature that I feel needs exploring because they tell us that if Members struggle with an iPad... the mobile phone is going to control our lives within 10 years – everything will be done with this – so why are we looking at spending £30,000 on something that is staring us in the face?

3515 Thank you, sir.

The Bailiff: Deputy O'Hara, then Deputies Gollop and Brehaut.

3520 **Deputy O'Hara:** Thank you, sir.

Now, I think we need a bit of history on this and to realise why electronic voting was being brought in in the first place. In the years of 2001 and 2003 – that kind of time – we were inundated by people who constantly wanted to have a record of every vote that was going on. This was because one or two Members at that time, who very much a minority, wished to make it known to the public what they felt and they wanted to create their own political stance at that time. We were having lots and lots of... It was obvious that we had possibly only three or four Members who wanted their own way and it got to the stage that we were having votes all the time.

3525 Now, I have to say that that has been happening here at times. We have had people in this Assembly who want us to have this vote because they want to put their own political point forward. Now, there is nothing wrong with that, but there comes a time when it does take a lot of time.

I saw that, I believe, in the Budget at the last meeting and I have seen it several times during this term. I do not want to fall into that trap again – what happened in the early 2000's; perhaps from 2000 to 2005 something like that. I do not want to fall into that trap again.

3535 Deputy Jones has brought up the subject that there are many people who want to know how people did vote on an oral basis. At the moment they do not know that. So democratically they would like to know how people do vote and he has made it clear that what would happen is that vote would be made available to the public at large and we would know exactly where we would be and indeed it would help the Bailiff to be able to decide, once and for all, which way people have voted.

3540 The costs, of course, have come into it. I seem to remember the original costs were round about £80,000, I think, and it was thrown out then and it has gradually come down and down and down and we are at £30,000 now. I think that is £30,000 well spent.

3545 You could, of course, still ask for an oral vote – for a count vote orally – but I think this would definitely save time. If, in my travels and your travels through CPA conferences... and been to many other jurisdictions, you will have seen in many, many jurisdictions and Assemblies that I would say the vast majority of those Assemblies have electronic voting. It is quicker, it is better, it is fair. Some do have televisions screens, there is no doubt about that, but it is a lot quicker. And I honestly believe we could save considerable time and devote our time to other things such as Deputy Soulsby has mentioned.

I am sorry, I am a bit hoarse.

3550 So I am going to support this amendment, like I have done in the past. I think it is something that we should do.

Thank you.

The Bailiff: Deputy Gollop.

3555 **Deputy Gollop:** Sir, one Member – I think it was Deputy Conder – said we take too much out of the public's purse or wallet. Well, I have got here – I have got an old purse and a wallet – and I have also got a selection of electronic gizmos, phones, and I do find learning them very hard. This is one of the problems. And they do go wrong and this is an issue but, nevertheless, I believe we should support the De Lisle and Lowe amendment.

3560 If one looks at page 2486, one can see clearly that there is a growing pattern really of recorded votes. When you add up the last Assembly's term – which for these purposes include 2009, 2010, 2011 and 2012 – you come to a grand total of 14 hours, virtually, spent just calling recorded votes over the life of that Assembly. That is two whole working days spent just calling for recorded votes. That is a long time. And there are examples where they do things differently.

3565 I am a bit sad perhaps, but I listen frequently to Radio Jersey and pick up the States of Jersey debates and selections – they have had a number in the last week – and the option 4, admittedly, is the option... I would argue actually they are going increasingly towards option 2 or option 3, because it is comparatively rare for them to have an *aux voix* vote and the Bailiff or Presiding Officer is usually requested, or the Greffier, to read the names of the people who voted. That process takes between 25 and 45 seconds. The whole process is done in a minute, rather than our customary three or four minutes.

3570 Somebody made the point that they did not want the Chamber to be transferred into the 21st century with unsightly televisions and monitors, but I look around and I see about eight sound systems, I see little cameras, I see amplifiers, I see HM Greffier with a large monitor that looks a bit like a television set and an electronic clock in red. We change. This is not 1980 or 1950.

3575 People say, 'Oh, it is a waste of money,' but what was the big issue at the last Election? It was actually all about openness, accountability and transparency and many, many people wanted this change because, I do not want to impugn anyone's integrity in any way, but there is a wide spread perception in the community that we do have a lemming approach to politics. There is a follow-my-leader idea and that whoever votes first will set the tone for later votes and I think we need to overcome that and the best way of overcoming it, rather than arguing against it, is to change our system and show that we are not afraid of electronic change, we are not afraid of declaring our votes. Indeed, the whole point of this is that it will oblige Members really, more often than not, to show clearly which way they are voting.

3580 And, in answer to Deputy Dorey, I would say that probably the default position over time would gradually evolve from option 4 to option 2, but it would not cost any more money, in any event, because the point would be the same.

3585 **The Bailiff:** Deputy Brehaut, then Deputies Hadley and Bebb.

Deputy Brehaut: Thank you, sir.

3590 When I look back over those blue remembered hills of my youth, when I used to top the poll in St Peter Port – and, let's face it, that is not going to happen again in a hurry... (*Interjection*) It is a long time ago; you are right, Deputy Le Lièvre. Hear, hear.

3595 Yes, one thing, firstly, you are elated to think you have topped the poll, then that horrible sinking feeling because you realise in those days you were the first person in the Assembly to cast a vote. So there would be a very long debate with amended Propositions and, of course, if you are voting *Contre* if you want, you would be voting in the negative, which would be extremely confusing. But what it did was focus your mind to the fact that you were about to cast a vote. You had to get it right. Your name was being called out. And it did focus the mind.

3600 Now, I think that is a strength within our system. What I do not want us to do is lapse into incidental voting, where I know how I am going to vote on this one, I am not going to speak; it is half four, twenty to five, let's just vote and get out of here.

3605 There are a number of changes that have happened fairly recently that I do not approve of. Although I use an iPad and use a mobile phone, I think it is a mistake to allow them in this Assembly. How that came about, I think, was in the relatively early days of smart phones – and they were referred to as I think palm held devices back then – a number of people had them, the majority did not and it was felt that this was not fair; that we could ask a Minister or a Member questions, he could email the staff and the staff would have the answers in seconds, and then it was felt that there was perhaps an unfair advantage.

3610 I was conscious, when there were two people in the Gallery earlier today, I looked around the room there were so many Members on iPads that looked... I know you can listen and participate in the debate – we all do that – but I think having iPads in the Assembly and iPhones does detract in its own way, although I acknowledge I use mine. If we were to ban them – great.

3615 The other thing which we view as open and transparent, which I do not is the... I would like to see the reintroduction – and I will write to SACC on this – of the secret ballot because I think we are seeing voting patterns now where people are canvassed heavily, people are given absolute assurance that, 'Yes, I will vote you.' 'That vote is in the bag.' 'You are not going to let me down are you?' 'No, I will not let you down,' 'That is okay. I will look at your voting record'. You hear a speech from a candidate and you think actually that is quite impressive and then you have this awful dilemma: I have given an assurance, my vote is published, what do I do? I think it is the old way we used to do things which perhaps was not perfect – a little white lie on occasions – but did it have a positive effect on outcomes? I think it did.

3620 What concerns me and the message to the community and the fact that Deputy Lowe, sir, is here again, I think, for the ninth time... is this message to the community: we are not open, we are not transparent and, more to the point, we do not want to be either. I cannot think of what could be more open and transparent than the Greffier calling out my name and that I put on the record, I say *Pour* or *Contre*, it is available online, and I have cast a vote, rather than incidentally and the possibility – because it has happened in
3625 Jersey – of the accidental vote and that cannot be amended. Obviously I defend the system that we use.

But at the weekend there may be a thousand people on the Pier, there may be a hundred, there may be 10, but please let's not, with an event like that, with the public saying that there are increases in fees and charges and taxation – and I know there are lots of myths around that – but if that is the context within the Island community at the moment, why do we say, 'You are facing and the community is facing restraint.
3630 However, we want to get out and buy ourselves a PlayStation. We want our own little gizmo because we think it enhances democracy'? It does not. It does not!

The reason our system works is – if we think about this – the Bailiff is able to ask for the vote orally because the Bailiff has anticipated that there is already a consensus within the Assembly. So, in calling out the votes, on an *aux voix* there is a clear majority in favour because we have arrived at that consensus.

3635 Sometimes I think where time is wasted is when there is a small minority in the Assembly that are clearly a minority but shout so loudly it is then difficult – and I know it happens both ways that people shout so loudly then it is very, very difficult – to ascertain what the vote is.

But I think we are a small Island Assembly. The way we vote, I see, is perfectly open and transparent. It is available online if members of the public want it and I think we should keep the system.

3640 Just to make the point again, the community are finding things difficult. We are faced here today with another menu, another option: do you want to take another £30,000 for electronic voting? I do not think this is the time to do it, but I oppose the principle of having electronic voting anyway.

Thank you.

3645 **The Bailiff:** Deputy Hadley and then Deputy Bebb.

Deputy Hadley: Mr Bailiff, I find it extraordinary that Deputy Brehaut calls for a return to secret ballots. Many Members of this Assembly stood for election arguing for transparency. You cannot have transparency when it is a vote that is *aux voix*. You could not possibly tell who people voted for. I think
3650 Deputy Inglis has made a very sensible suggestion – using iPads.

I will vote for this amendment. I urge others to do so. It does not mean that £30,000 has to be spent on electronic voting. Other options can be looked at. The ceiling is £30,000 and iPads might produce a very cheap option.

3655 **The Bailiff:** Deputy Bebb.

Deputy Bebb: Thank you, Monsieur le Bailli.

I think I would like to address a few points that have been made in this debate.

3660 First of all, the question with regards to the Isle of Man system. It is interesting that when we spoke to the Isle of Man their reaction was, 'Do not touch it with a barge pole because our system is so old-fashioned, out-of-date, clunky, dreadful. You cannot integrate it with anything, it is dead,' and yet here we are, someone advocating that very system.

The two systems that of course within the Crown Dependencies that we have available is the Isle of Man – which I think have explained as to how excellent that is – and the other one is Jersey; and Jersey of course, as we know, have at the end of all the votes people asking for a call out of those that actually were lost, because the calling is done not on the side that has actually passed the vote but on the side that lost.

3665 Now, having spoken to certain Deputies and Members of that States, they say that on occasion that is done in order to try and intimidate or influence future votes. Look at that Deputy, look at those usual Deputies, once again voting against the Department. It is pernicious in its use on occasions and it is perceived by the Jersey public as being pernicious on occasions. Therefore, I would ask Members to have that in mind when they think of the system that we would have in place.
3670

Now then, the other question that many Members have actually said is with regards to greater transparency of the electronic voting system. Deputy De Lisle made it, I think Deputy Lowe made it and Deputy Gollop made it. *Lies*, I am afraid! (**Several Members:** Oohh!) I am sure that it is not intended to be
3675 such.

The Bailiff: That is not parliamentary language. You cannot accuse a Member. Please amend it.

3680 **Deputy Bebb:** I am sorry, in which case, 'misleading' – because what could be said is that it will not assist in any way with regard to transparency, unless we improve the means of presenting the information of how we vote. There is no point in us including an electronic voting system so that we then present the

information to the public in the way that we do at the moment. At the moment our recorded votes appear on the website as a PDF that is not searchable, that is not actually possible to be searched in any way.

How I vote can only be found out if I know on which date the vote happened, what was the item on the Billet and I look into the individual voting record. It is hugely difficult. Transparency will actually be achieved by working with the website to improve it.

Thinking of introducing an electronic voting system now for us to be working here, without addressing the means of presenting that information is quite simply putting the cart in front of the horse. We will see no greater transparency, no better means of communication. It is inappropriate to say that you would because you will not.

Deputy Lowe made reference to, 'Why on earth would we want television screens?' and yet we had the proposer stating that we would have television screens. It seems a little strange. I would suggest that the proposer and seconder actually speak to each other a little more before the debate. (*Interjections*) (**Deputy Lowe:** I think –)

The other question that I would have – no, I am afraid not... (**Deputy Lowe:** Okay.) (*Laughter*) The other point that I think that has been raised here is in relation to hand held devices and iPads.

Now then, there is one Assembly that does vote with wireless devices, that I am aware of, and that is the Church of England Synod but, in order to preserve the integrity of that voting system so that people outside of the Assembly cannot vote, the way that they achieve it is by having a television screen that displays a number, so before you can vote you have to type in that number and then vote. So it ensures that, for instance, if we were to adopt that same wireless system, people who are currently having a cigarette outside, sat in the library, would not be able to vote from those locations.

As someone who actually worked with regards to data integrity, the idea of using iPads is attractive only on the surface. When it comes to the integrity of the vote it simply is not. A wired in system would be the only appropriate way of having it.

It sounds attractive to say that we want to move into the modern world. As someone who works with IT and has worked extensively creating apps for iPads, I can tell you that what is being proposed would be wholly inappropriate for this Assembly and its voting records. It would be to detriment of the Assembly's voting ability.

Deputy St Pier made reference as to the means of funding being through the revenue of the Royal Court. I would actually argue that the Royal Court capital expenditure routine capital... SACC is currently making a bid in relation to the recordings of debates that currently are not available on the digital system that is in place today. So that is the old CDs and the old tapes actually. That record, I would argue, is far more important for us to maintain than a project which, quite frankly, would nothing for transparency. It is much more important that we maintain historical records.

We have heard Deputy De Lisle talk of how impressed he was when he visited the Isle of Man as to *Hansard* records. That is preserving the record of the debate. We have tapes that will expire, will stop working unless we invest in them very shortly. That will come with a significant cost that we as SACC will be asking of the Royal Court routine expenditure. Members need to be aware that we will be making such a demand and if they were to vote this through, obviously, they are competing against preserving the record of the States.

The electronic voting in other jurisdictions that was raised by Deputy O'Hara, I would argue there that of course voting in other jurisdictions – and I know that voting in Wales, in particular, and the European Parliament, as has been mentioned, as two particular Parliaments – it is not particularly important to see that result immediately, because people vote according to party lines. We do not have parties and therefore the knowledge as to how each and every single one of us has voted is far more pertinent here than it would be in other Commonwealth jurisdictions. Therefore, I do not believe that that argument holds sway.

Members, electronic voting may well have a place. I will not disagree that it does have a place and I think that in future it would be the right thing to do, but right here, right now, to think that we would invest any money in what would simply be a vanity project, because it would do nothing to resolve the transparency issue until we resolve the website, would be folly.

I think that we have a duty to be responsible when talking of even £30,000. At the moment the money would be far better spent in resolving the website in order to make it far more transparent, because I am proud of my voting record and I would like the electorate to be able to access it and to interrogate it, but at the moment they cannot and an electronic voting system, on its own, will do nothing to do that. Until we resolve the website and presenting the information to the public, quite frankly, this is nothing other than a vanity project.

Please could I ask you to reject the amendment and to support the Propositions as laid out in the States' Assembly and Constitution Committee policy letter?

The Bailiff: Members, it is now 5.30 p.m. Can I have an indication of how many more Members wish to speak? No-one else. Well, then I propose that we continue to sit in order to conclude this matter and that of course will conclude the October meeting. Those in favour; those against.

3745 *Members voted Pour.*

The Bailiff: We will continue.

Deputy Fallaize, do you wish (**Deputy Fallaize:** Yes, please, sir.) to speak on the amendment immediately before Deputy De Lisle, then of course you will have a right to speak at the conclusion as well?

Deputy Fallaize: Thank you, sir.

Jersey was mentioned. I think Deputy Gollop he sometimes listens to debates of the States Assembly in Jersey. I do not know if he was listening this week, when they were electing Chairmen of Scrutiny Committees and they voted on – some of them they can do electronically and some of them they cannot and they have to file out of the Chamber because the electronic voting system does not allow it, but this was one where they did it electronically – and all the votes were counted up and the result was read and then they had just moved on to the next election and one Member stood up and said to the Bailiff, ‘Sorry, sir, but it would seem to me – I cannot be sure but it seems to me – that my vote was not actually recorded,’ because something had broken down between the device or the button and the computer which tallies up all of the results.

And there was an occasion in Jersey where a very close vote was decided – I think it was by one vote – and some days afterwards a Member admitted that they had accidentally voted by pressing something – a brief case or their arm or something – on the wrong button. So it demonstrates that there is sometimes, at the very least, user error in the use of technology.

If the amendment is approved, a further report will be necessary because changes to the Rules would be necessary. So SACC will have to come forward with a further report. I do not say that is a great obstacle, but I think it would have to be the Treasury & Resources Department that would have to work on the introduction of the facilities in the Royal Court.

The amendment says, ‘To introduce facilities and procedures for simultaneous electronic voting...’ Well, SACC can deal with the procedures but we only have one member of staff, who has no experience in terms of the facilities of buildings. I think we would have to require the Treasury & Resources Department to carry out that work on our behalf.

But what is clear I think, from most of those who have spoken in favour of the amendment, is that they are attracted to the principle of electronic voting – which the Committee understands – but they are not really addressing the actual proposals in the amendment.

In fact, if we were in the UK Deputy De Lisle’s amendment, or at least his speech to his amendment, would certainly have fallen foul of the Trades Description Act (*Laughter*) because he did not speak to option 4. Deputy Dorey made this point. Option 4 is set out very clearly at page 2490 and 2491 of the policy letter, and it is that all the votes which are currently held *de vives voix* would still be held that way, but votes which are currently held by *appel nominal* would be held electronically. And Members would have the right to ask for all Members’ votes to be read out after the electronic vote had concluded. That is the system that is in use in Jersey and, as it makes clear in the Report, when the Committee investigated the number of electronic votes which are then later read out – each Member’s vote is read out in Jersey – the States’ Greffier advised us that it was in about 80% of cases. That is what Deputy De Lisle is proposing: we vote *de vives voix*, as we do at the moment, but we have electronic votes instead of *appel nominal*.

So it is manifestly wrong to say that his amendment will provide more transparency, because it will be no more transparent than the present system. He is right to say it would save time. Under option 4 it would save around eight minutes per States’ meeting. Now, I personally do not think and the Committee do not believe that that justifies the expenditure of the money.

Deputy Lowe was critical about talk of screens in the Royal Court Chamber, but it was Deputy De Lisle who spoke about screens. He said that he went to the Isle of Man and he was very impressed with their system where they had screens. (*Interjection*) Thank you for that.

Deputy De Lisle said that his amendment would make States’ Members votes more accessible and more easily searchable. This is nonsense. What will make States’ Members votes more accessible and more easily searchable is by improving the accessibility of the States’ website, because at the moment all the data is on there, all the recorded votes are on there, but they are difficult to interrogate. You need to be able to search them more easily. We do not need electronic voting for that, but we do need to work with the member of staff who heads up communications for the States and we are committed to doing that, and I said that we are confident that we can significantly improve the search-ability – if that is the right word – of States’ Members’ votes on the website during 2015.

Deputy De Lisle said Members would need to pay more attention to voting on Ordinances. Well, again, not under option 4, because what he is thinking of are those votes which are currently carried out just by shouting out *Pour* or *Contre*. Well, his amendment provides for those votes still to be held that way. So
3805 Members would not need to pay more attention to voting on Ordinances, if he believes that is a problem today.

Now, Deputy Lowe, I think, when she spoke she took us back to Deputy Kuttelwascher's land of Narnia, I think it was, from the last States' Meeting. (*Laughter and interjection*) She wants more transparency and easier access to States' Members' votes, but she does not get that from this amendment.
3810 She even said that she thinks introducing electronic voting as set out in the amendment would attract more candidates to stand for election. I mean the next thing is it is going to save the planet! (*Laughter*) I mean this is just absolute nonsense. She said, 'I do not give a bleep, bleep, bleep, bleep about how other people voted', but then she proceeded to read out lists of States' Members' voting records in previous debates. So she obviously does give a monkey's, or whatever the word was, about how other Members voted.

3815 Deputy Dorey emphasised that the proposer and seconder are not clear what they are proposing. Deputy De Lisle spoke to option 2, Deputy Lowe spoke to option 3, but the amendment they have laid proposes option 4. Indeed, they both criticised aspects of option 4 and yet they are proposing option 4.

Now, Deputy Lowe in the past has consistently promoted electronic voting on the grounds of transparency. Every Member's vote on every item should be fully transparent for the public. Well, there is
3820 certainly an argument for that and it is covered in our option 2 in the report, but that is not what is being proposed in this amendment. This amendment is being sold on a false prospectus.

I thank Deputy Soulsby for taking a pragmatic view. She does not oppose simultaneous electronic voting in principle – in fact, I think she said she supported it in principle – *but* she had reached the conclusion that, in terms of communicating with the electorate better, there were more urgent matters for us
3825 to invest time and money on than on this amendment.

I must say about Deputy Soulsby: the Committee recognises – because we have discussed the matter with her – she, like the Committee, feels very strongly about improving the parliamentary section of the States' website and I have outlined ways in which we can do that, and if we can work together on that then we certainly will.

3830 Deputy St Pier spoke about the way in which this project would be funded if the amendment is approved and he said that there were plans to use the capital allocation of the Royal Court. He cited some improvements to a wedding suite somewhere in the building. I have to say to Members, I mean just think of all these young couples who want to get married in pleasant surroundings, in a modern airy room and we are potentially ruining their dreams (*Laughter*) if we vote for this amendment, and I do not really know how
3835 we could live with ourselves! (*Laughter and interjection*) Deputy Inglis asked why we cannot vote using iPads. Well, Deputy Bebb, who knows more than me about iPads – given that he knows how to turn them on! – (*Laughter*) I think covered that very extensively. Deputy O'Hara said that electronic voting would be more transparent. Well, certainly under option 2 it would be, but not under option 4, which is the amendment.

3840 Deputy Gollop said the States spend a long time voting. Well, actually, as we have demonstrated, the States spend about 2% of their time voting and, more importantly, the amendment would save only around eight minutes per States' meeting. He said that, more than anything else, the electorate wants transparency and accountability. You will not get any more of either under the terms of the amendment, but we will if we can get on with improving the accessibility of the States' website.

3845 Deputy Hadley said he would support the amendment because we cannot have transparency while there are some votes carried out *de vives voix* – on the voices. Well, option 4 suggests that the vast majority of votes – somewhere around 65% or 70%, if my maths are correct – would still take place using that method *de vives voix*. So, again, the amendment is being sold on a false prospectus.

Sir, there is nothing more I can say about this amendment other than it is quite plain that the time saving
3850 that would be provoked is absolutely minimal, it is trivial and it would not be more transparent or more accountable. On that basis, it cannot possibly be worth the investment of the money and the Committee asks Members to reject the amendment.

Thank you, sir.

3855 **The Bailiff:** Deputy De Lisle to reply to the amendment.

Deputy De Lisle: Well, of course, sir, the money is fairly minimal for the transparency and the accountability that this States will receive from the public at large.

3860 Deputy Fallaize talks about pressing the wrong button. Well, sir, I have seen many people in here giving the wrong vote. In fact, I have seen even a few being nudged and told what to vote, (*Interjections*) but that is another thing.

As for his academic options, we have seen in Jersey that they flow from one option to another depending on the Assembly at the time and Deputy Gollop has quite correctly observed that they have moved perhaps from a four to a two, to a three, in time, and that happens. And, of course, once you have got the system in, well, then it is up to the Assembly then to agree on what format they want to take, in terms of using the simultaneous electronic voting system.

Now, I did not talk about 'screens', I talked about just one – (**A Member:** Screen.) tablet, basically, (*Laughter and interjection*) on the wall! (*Laughter*) And that is exactly what they have got there in the Isle of Man. It is picturesque (*Laughter, applause and interjections*) and, ladies and gentlemen, it is fully functional! (*Laughter*)

Now, on another point of Deputy Fallaize, on transparency, of course, the very fact that we rotate it here – and it is a bit of mad system... This time I think the West here is beginning... Of course, that is enlightenment. But the fact is (*Laughter*) we rotate, why? Well, we rotate because some people thought that the old system of always beginning with the Town first was indicative of influence and there was a fair degree of sympathy and empathy to that actual feeling.

Wales and the EU Parliament, he says, use it. That is true but so do the Crown Dependencies and I think we have got to move into the current age of using systems that then can be aggregated – the votes can be aggregated – and the public can be properly informed as to who is voting in what way, on what issue.

Now, the SACC Committee says it recognises the importance of transparency and accountability and he wants votes to be recorded and more accessible. Of course, this is the very way of doing it – through simultaneous electronic voting.

If I take a few further comments from different Members. I thank Deputy Hadley for his support. Deputy Bebb – 'It does have a place,' he says. 'In future it is the right thing to do.' Well, why wait? Why wait, ladies and gentlemen? Let's get the thing done today. 'This States is not to procrastinate,' I hear sometimes. 'We are a States of getting things done.' Well, let's get it done.

Deputy O'Hara – I thank him for his support. He indicated the 2000 to 2005 States. Lots of requests for votes at times and all that took time, and also he made the point that people want to know how people vote, and this is a way to communicate and costs have come down considerably with respect to this. It is better and quicker and it saves considerable time.

Deputy Gollop saw not only views from Jersey as to how they function with the simultaneous voting system, but a growing pattern of recorded votes exhibited in the data that has been collected here. Now, 14 hours, he was talking about – two working days – calling for recorded votes. Totally unnecessary timing – particularly when you add up the cost of this Assembly, really, in time, with respect to the high priced help that we have in here.

Deputy Soulsby is also one that supports the system but says she is going to delay and do it another day. Well, that is not being upfront, active and proactive, is it? Deputy Inglis sees other ways of doing this through the iPad system that we are already using, which certainly is something that could be considered. I thank Deputy Jones, also, for his support. He says we have to move into a modern age and transparency and efficiency is part and parcel of simultaneous electronic voting.

Deputy Dorey – well, the options overlap and are academic actually, rather than practical. As we see, we need a practical approach and it is up to Members to use the system as the Assembly decides, once in. He also said it was a backwards step in communication. I do not know how he can make that point.

I thank Deputy Lowe for seconding the amendment, particularly after nine debates on the issue, and making the point that the system can be put in for well under the amount – the £30k. She is talking about £17k to put this system in. And that communication improvements are central to the efficiency of States' working and that this is a way of communicating and making the system more efficient. And it does not need a lot of apparatus, as she said. And, of course, one can determine what goes in at the time.

All in all, I would like to say that we live in a digital, electronic age and we cannot afford to be left behind and it is no good turning round here and saying, 'Oh, we are going to leave it to another time. For £17,000, we are going to leave it for another time.' If you were of that conviction, well, for goodness' sake, show your electorate that you are voting the way you believe the future lies.

This form of simultaneous electronic voting would be more efficient and less time consuming than the current voting system.

So I call on Members to support the amendment.

Thank you, sir.

The Bailiff: Is there a request for a recorded vote? (*Laughter*)

Deputy Fallaize: Sir, is it just the red button for *Contre*? (*Laughter*)

The Bailiff: No. Greffier. We are voting on the amendment proposed by Deputy De Lisle and seconded by Deputy Lowe.

There was recorded vote.

3925

Carried – Pour 11, Contre 30, Ne vote pas 0, Absent 6

POUR

Deputy De Lisle
Deputy Inglis
Deputy O'Hara
Deputy Hadley
Deputy Kuttelwascher
Deputy Domaille
Deputy Gollop
Deputy Sherbourne
Deputy David Jones
Deputy Lowe
Deputy Collins

CONTRE

Deputy Perrot
Deputy Brouard
Deputy Wilkie
Deputy Burford
Deputy Soulsby
Deputy Sillars
Deputy Luxon
Deputy Harwood
Deputy Brehaut
Deputy Langlois
Deputy Robert Jones
Deputy Le Clerc
Deputy Conder
Deputy Bebb
Deputy Lester Queripel
Deputy Gillson
Deputy Le Pelley
Deputy Ogier
Deputy Trott
Deputy Fallaize
Deputy Laurie Queripel
Deputy Le Lièvre
Deputy Spruce
Deputy Duquemin
Deputy Green
Deputy Dorey
Deputy Paint
Deputy Le Tocq
Deputy James
Deputy Adam

NE VOTE PAS

None

ABSENT

Deputy Quin
Alderney Rep. Jean
Alderney Rep. Harvey
Deputy Storey
Deputy St Pier
Deputy Stewart

The Bailiff: Members, I believe that is lost.

3930

In view of the lateness of time, can I suggest that we have any further general debate just while the votes are counted? Does anybody else wish to speak in further general debate? No. Well, perhaps we should just get the formal result before Deputy Fallaize replies to the debate.

Well, Members, the result of the vote on the Deputy De Lisle/Deputy Lowe amendment was 11 votes in favour, 30 against. I declare the amendment lost.

Deputy Fallaize will reply to the general debate if –

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Deputy Fallaize: I do not think there has been any, sir. In view of the hour, I just ask Members to vote for the two Propositions.

Thank you, sir.

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The Bailiff: The two Propositions are to be found on page 2498 of the Billet. There is no request for a recorded vote, so I put them to you together. Those in favour; those against.

Members voted Pour.

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The Bailiff: I declare them carried.

Thank you very much. That concludes the October meeting.

The Assembly adjourned at 5.56 p.m.