



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Thursday, 25th March 2021

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Law Officers

M. M. E. Pullum, Q.C. (H.M. Procureur)

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C. P. A Blin	D. J. Mahoney
A. H. Brouard	A. D. S. Matthews
Y. Burford	L. J. McKenna
T. L. Bury	C. P. Meerveld
A. Cameron	N. G. Moakes
D. de G. de Lisle	R. C. Murray
H. L. de Sausmarez	C. N. K. Parkinson
A. C. Dudley-Owen	R. G. Prow
J. F. Dyke	L. C. Queripel
S. P. Fairclough	P. J. Roffey
S. J. Falla	G. A. St Pier
P. T. R. Ferbrache	A. W. Taylor
A. Gabriel	L. S. Trott
J. A. B. Gollop	S. P. J. Vermeulen
S. P. Haskins	
M. A. J. Helyar	
N. R. Inder	
A. Kazantseva-Miller	

Representatives of the Island of Alderney

Alderney Representatives S. Roberts and E. A. J. Snowdon

The Clerk to the States of Deliberation

S. M. D. Ross, Esq. (States' Greffier)

Absent at the Evocation

R. M. Titterington, Q.C. (H.M. Comptroller);
Deputy Le Tocq (*relevé à 9h 49*); Deputy Leadbeater (*relevé à 9h 49*);
Deputy Oliver (*relevée à 9h 42*); Deputy Soulsby (*relevée à 9h 49*)

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States of Deliberation

The States met at 9.30 a.m.

[THE BAILIFF *in the Chair*]

PRAYERS

The States' Greffier

EVOCATION

One year anniversary of the Island going into lockdown – Statement by Deputy Ferbrache

The Bailiff: Members of the States, today marks an anniversary, and it is an anniversary that I think this Assembly ought to recognise, and for that reason, I have given permission for Deputy Ferbrache to make a brief Statement, which he will turn to in a moment.

5 It is also an opportunity for this Assembly to reflect on the past year, and as part of that reflection, when the Statement is complete and Deputy Ferbrache sits down, there will not be an opportunity for questions – it is quite inappropriate to have questions on a statement about this anniversary – but we will pause for a short time, just to gather our thoughts and remember those who have served us so well and those who lost their lives.

10 Deputy Ferbrache, please.

Deputy Ferbrache: Thank you very much for those pertinent remarks, and also for allowing me the opportunity to speak again today. Yesterday I stood up and spoke about Policy & Resources, and that was an important statement because that is important work for our community and its future.

15 But what I am about to speak about has weighed more heavily on my mind and, I am certain, on the minds of many others. As the Bailiff said, it is one year to the day since the Bailiwick entered its first lockdown in its extraordinary effort to counter the threat posed by a new virus, a new disease – COVID-19, as it has become called.

20 But what words can one find to articulate truly the significance of that day? The sense of strangeness and bewilderment that this could really be happening. The enormity and seriousness of the decision for those tasked with making it. The fear and uncertainty of what it would mean. The many, many questions: how long would it last? What damage would be done to jobs, businesses, and our economy? Would a lockdown actually do what we hoped it would, which was save lives?

25 Since that day, so much has happened. We have entered and exited lockdown not once, but twice. We are, right now, again enjoying the revitalising sense that comes with being fresh out of a lockdown. We do not have to stay at home. We do not have to limit the family and friends we see. We do not have to explain to children why schools are closed. We do not have to wonder how long it will be before we get some real, fully-paid work. We do not have to worry that our loved ones may be the next person to test positive for COVID.

30 A year ago, we might not have considered that we should feel so fortunate for these simple things, things we all once took for granted. We can and should celebrate our success as a community in responding to this threat, a threat like no other in our lifetimes, a threat that we never

35 imagined in peacetime. How absolutely tremendous, how awe-inspiring, how deeply and forever moving has been the way that the people of this Bailiwick have come together. It is historic and should never be forgotten, and that is not an overstatement.

But for all the celebrations, we must also mourn. During the first lockdown, there were thirteen COVID-related deaths – thirteen mothers, fathers, husbands, wives, grandparents, brothers, sisters, 13 islanders – and in this second lockdown, one more – one more life tragically lost. Many more were ill, and some seriously, and some of those continue to feel the effects of the illness, and will do for some time.

There were so many who paid a price in some other way because of this pandemic. Maybe they lost their job, their livelihood, they have been cut off from their family and friends because of the unprecedented restrictions we have had to keep in place on our borders for a year. Think on it: a year with hardly any travel into or out of our Islands. A year of watching the whole world struggle to understand, contain, and combat this virus. Think how unreal it all seemed just a year ago. For a lot of this year, compared to many other places, we felt safe, special even, in our little Bailiwick bubble. But preserving that bubble – and more recently, re-establishing the bubble – has taken so much hard work.

50 So as we mark this strange anniversary, which gives us cause to both celebrate and lament, let us also be grateful. We give our thanks to Islanders for their co-operation, their commitment to protecting each other and protecting their Islands. We give our thanks to those who worked on the frontlines in both lockdowns, from supermarkets to care homes, from testing tents to ports. We give our thanks that while lives have been lost here in our Bailiwick, so many have been saved, saved by the good work of all of us in the Bailiwick.

55 Thank you very much. *[Applause]*

Members stood in silence.

60 **The Bailiff:** Thank you, Members of the States.

Billet d'État VIII

COMMITTEE FOR ECONOMIC DEVELOPMENT

VIII. Control of the first sale and purchase of fish and shellfish landed in Guernsey – Debate continued

The Bailiff: Now we will resume debate on the amendment proposed by Deputy Roffey and seconded by Deputy St Pier.

Who wishes to speak on the amendment?

65 Deputy Queripel.

Deputy Queripel: Sir, thank you.

I await the result of the vote on this issue but with bated breath.

70 Sir, I am very good friends with former Deputy Barry Paint, and as we all know, Deputy Paint spent most of his life as a mariner, doing things associated with life on the sea. I spoke to him quite some time ago now about this whole issue, and of course, he is totally in favour of the Propositions in the policy letter. It is always wise, in my view, to listen to the advice of the professionals, those who have worked in the profession, and not those who get all their information from textbooks and have not spent a single minute actually working in the profession. Having said that, I realise of

75 course that even the professionals get it wrong from time to time and also have different views. On that note, my good friend, Deputy Trott, yesterday, if I recall correctly, spoke in favour of the amendment, and he has had decades of experience out on the sea.

80 Sir, as with every issue, we have some people with a lot of experience telling us one thing, and some telling us another, and we, the inexperienced, are stuck in the middle, and after listening to both sides of the argument, we have to make a judgement call. At the moment, I am veering towards voting against this amendment, unless Deputy Roffey can give me a justifiable reason why I should not when he responds. I am always told during debates we need to be fully informed on every issue in order for us to be clear as to how we are going to vote. But this amendment has rather muddied the waters, in my view, so I am looking for guidance into clearer waters from Deputy Roffey when he responds to the debate, sir.

85 Thank you.

The Bailiff: Deputy Falla.

90 **Deputy Falla:** Thank you, sir.

I would fall into the category of Deputy Queripel where I have got no experience; in fact, I only have to look at the sea and I feel quite queasy. But I am on Economic Development and I have had the benefit of multiple discussions around this topic, and I also recognise that many of my political colleagues have got questions about this, and it is not as clear cut for everybody. I am also one of those people that, whenever I see a policeman I feel guilty even if I have done nothing wrong! *(Laughter)* Therefore, I am a little bit uncomfortable with the assumption that it is okay to break the Law a little bit, and nobody will mind. But life is not always black and white. One thing I am clear about is that we must protect those in our fishing industry who are reputable and honest, which is why this matter has been raised at all.

100 So the amendments: in my view and to my understanding, it does not take anything away from the main Proposition, but it may bring some comfort to those who were unsure about supporting the Proposition. Therefore, sir, I will be supporting the amendment.

Thank you.

105 **The Bailiff:** Morning, Deputy Oliver. Is it your wish to be relevéd?

Deputy Oliver: Yes, please, sir.

The Bailiff: Thank you very much, we will mark Deputy Oliver's presence.

110 Deputy de Sausmarez.

Deputy de Sausmarez: Thank you, sir.

115 I was actually really glad to hear what I thought was a very measured speech from Deputy Falla. I very much agree with him about the uncomfortable nature of this idea that it is okay to break the Law a little bit. I would say that I am sympathetic, actually, to the Committee's need to protect the fishing industry and all the reasons they set out in their policy letter.

120 But when we are talking about the amendment – with the greatest respect to Deputy Ferbrache and Deputy Inder – I cannot see why there has been quite so much effort put into defending against it; I really do not think it is any great threat at all. All it does is it does not force anything on the Committee at all; all it does, as I understand it, is add the provision, should this Committee – however unlikely that may seem – or any future Committee see fit to make any exemptions of this kind, for whatever reason – whether it is along the lines of something that Deputy Trott outlined yesterday or whether it is something that we have not yet envisaged, because none of us have a crystal ball and we do not necessarily know what the future holds – then all it does is allow for that provision as and when needed, and to me, it would seem the most prudent and practical way forward here. It absolutely makes not a jot of difference. If this Committee stick to their view that a

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de minimus is unnecessary and unhelpful, nothing will change. All it will mean is, if the circumstances change or if a future Committee or future advice changes, then that provision will be there without the hassle of having to go back amending Laws at that time.

130 So I actually think it is a really sensible amendment; even though I am very sympathetic to the Committee's current view, I do not know what the future holds. So really, I cannot see why the President is quite so energetically resisting it. I do not think, in practical terms, that it is going to change what is actually enforced when this Law comes into place – and I do not know how long it is going to take to draft and get it in play, and actually, that is a question the President might be
135 able to answer in due course. But I think this amendment is worth supporting just as, effectively, an additional security net.

Thank you.

The Bailiff: Deputy St Pier.

140

Deputy St Pier: Thank you very much, sir.

Could I perhaps begin by thanking Deputy Ferbrache for promoting my column so well yesterday afternoon, and I am glad that he is such an avid reader of it! (*Laughter*) I can assure him it is not a weekly column; it appears before each States' Meeting, and of course, we were due to have a States'
145 Meeting last week. So it may feel like weekly, but I can assure him, it will feel like less so going forward and he will, unfortunately, have to wait a month for the next contribution, (*Laughter*) but if he wants to have a quiet word with me, sir, I will, perhaps, give him advance copy, I would be delighted to do that.

He challenged either myself or Deputy Roffey to address this question of – in particular, on the amendment – the reference to 'where practical and appropriate' and, really, what that meant and to give some examples of that, and it is a reasonable challenge. The response I would say to him on this is: my support for this amendment is very much because I see this as being putting lipstick on a pig; I do not particularly like the policy letter – as Deputy Ferbrache will know, having read my column – so to me, this is an attempt to improve it a little, and I think Deputies de Sausmarez and
150 Falla absolutely summed it up in terms of the role it plays.

Specifically on this question of 'practical and appropriate': of course, as Deputy Ferbrache knows, this is just a Resolution; this is not Law. This is not leaving the courts to have to interpret what 'practical and appropriate' means; this is merely a direction to the Committee *for* Economic Development to consider, when they are considering the exercise of their powers, whether there
160 could be any exemptions. So it is for them to determine and think about what is or might be practical and appropriate, and they may very well conclude – as I think Deputy Inder has already indicated that he has, perhaps, predetermined the answer to that question: in his view, there is not anything that is practical or appropriate, and that perhaps answers Deputy Ferbrache's question and challenge.

I would agree with Deputy de Sausmarez: with respect to Deputy Inder, I think the politically astute thing for him to do would have been to have supported – or at least, not opposed – this amendment, because I do not think it substantially changes the main thrust of the policy letter from his Committee, merely setting out, exactly as Deputy Roffey said – and, I think, captured, probably, best, actually, by Deputy Meerveld, when he spoke – that this merely adds and gives discretion and flexibility to what the Committee, or a future Committee, might choose to do so.
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So I have really only risen to respond to Deputy Ferbrache's point on that, but that hopefully explains my support for this lipstick amendment.

The Bailiff: Good morning, Deputy Leadbeater, Deputy Le Tocq, and Deputy Soulsby. Is it the wish of all three of you to be relevéd?
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The Bailiff: Thank you.
Deputy Moakes.

180 **Deputy Moakes:** I am slightly embarrassed to say that I do not own a boat and have never been fishing, but I do understand how important our fishing industry is to the Island. I would like Members to reflect on the following before they decide how to vote on this matter today: a great deal of effort went into ensuring that our fishermen were not disadvantaged by the post-Brexit trade agreement. What we are now faced with, however, is an internal threat, a threat to our fishermen’s livelihoods and possibly a threat to our fish stocks. Some Members have raised concerns
185 over unintended consequences, but it seems that these have either been taken into consideration already or can be dealt with under the proposed legislation without having to be amended.

Our fishermen’s livelihoods matter and managing our fish stocks is of national importance. As a result, I will be voting against this amendment and supporting Deputy Inder’s solution to this problem, and I encourage you all to do the same.

190 Thank you.

The Bailiff: Deputy Mahoney.

Deputy Mahoney: Thank you, sir.

195 We have had a great deal of debate on this matter so far – and quite rightly, I suspect – since Deputy Queripel’s call for a 26(1) yesterday, and indeed a little bit of debate this morning, where it seems to be a lot of nodding heads re this is a lipstick amendment anyway. So I wonder whether I would like to call for a recorded 26(1) vote and try again to see whether we have heard enough now
200 on this matter that we can actually make a decision on it.

Thank you, sir.

The Bailiff: Members of the States, will those Members who wish to speak in debate please stand in their places?

205 There is only one Member standing, Deputy Mahoney. Do you still wish to invoke Rule 26(1) with a recorded vote?

Deputy Mahoney: Yes, please, sir.

The Bailiff: Very well.

210 Members of the States, the motion proposed by Deputy Mahoney is that debate on this amendment now be terminated, pursuant to Rule 26(1), and there will be a recorded vote in respect of that, please, Greffier.

There was a recorded vote.

Not carried – Pour 14, Contre 26, Ne vote pas 0, Absent 0

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Aldwell	Deputy Blin	None	None
Deputy Cameron	Deputy Brouard		
Deputy Haskins	Deputy Burford		
Deputy Helyar	Deputy Bury		
Deputy Le Tissier	Deputy de Lisle		
Deputy Le Tocq	Deputy de Sausmarez		
Deputy Leadbeater	Deputy Dudley-Owen		
Deputy Mahoney	Deputy Dyke		
Deputy McKenna	Deputy Fairclough		
Deputy Moakes	Deputy Falla		
Deputy Murray	Deputy Ferbrache		
Deputy Queripel	Deputy Gabriel		
Deputy Soulsby	Deputy Gollop		
Deputy Taylor	Deputy Inder		

Deputy Kazantseva-
Miller
Deputy Matthews
Deputy Meerveld
Deputy Oliver
Deputy Parkinson
Deputy Prow
Alderney Rep. Roberts
Deputy Roffey
Alderney Rep. Snowdon
Deputy St Pier
Deputy Trott
Deputy Vermeulen

215 **The Bailiff:** Members of the States, I am satisfied that when the voting slip is passed to me, that motion will be lost.

Deputy St Pier: Sir, can I raise a point of order?

220 **The Bailiff:** A point of order? Yes, Deputy St Pier.

Deputy St Pier: Sir, when Deputy Mahoney raised 26(1), it sounded to me as if he had actually given a speech, rather than just calling for a 26(1) as the Rules provide, and I was just wondering whether you would give a view on that.

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The Bailiff: I think that is accurate, in that if any Member who has not yet spoken in debate wishes to invoke Rule 26(1), there does not need to be a preamble, just for future reference for those Members who might think that they get the opportunity to explain why they are doing it; they do not. It is just a Rule 26(1) motion being put.

230 There voted in respect of the Rule 26(1) motion 14 Members Pour, 26 Contre, and that is why the motion was lost.

Do we have any further speeches?

Deputy Vermeulen.

235 **Deputy Vermeulen:** Thank you, sir. I think that process took a bit longer than the speech I am going to give, (*Laughter*) but here we go!

Our fishing industry is quite important to the Island. (**Two Members:** Hear, hear.) It is one of our traditional industries and the fish that they catch are, without question, amongst the best in the world – there is no doubt on that. So they play a small but vitally important part in our economy.

240 During COVID and during the negotiations for Brexit, it has become apparent to me, sitting on Economic Development, how hard that industry is being hit. They have been lumped with the bills to maintain their vessels, they have got to pay their mooring fees, and yet, they are being told by the Harbour Master not to go out, not to mix with crew, they must not leave the harbour.

245 **Deputy Trott:** Point of correction, sir?

The Bailiff: Point of correction, Deputy Trott.

250 **Deputy Trott:** The commercial fishing industry was provided relief to their mooring fees. They did not incur mooring dues during COVID.

Deputy Vermeulen: Sir, it is my observation that, whilst mooring fees might have been delayed, bills have still been produced, albeit somewhat later.

255 So they have been hard hit. Now, following Brexit, we have got French fishermen that we have got to contend with, and all the upheavals that that are also revealed. The last thing we need, or

the last thing the fishing industry needs, is competition from inside – unofficial competition. I did used to run a rather good hotel and restaurant and bar, and we had to pay a boarding permit, we had to pay a liquor licence – £3,000 or £5,000 here, £2,000 there. You can imagine my upset if somebody was to open up alongside me – Deputy Trott, perhaps – open a bar and say, ‘Well, it is only a few beers and we are only open in the summer, but I have not gone down the official route.’ Really, it is the same: if I were to pay £5,000 to become a registered fisherman, I would be pretty upset that this sort of thing is going on.

We heard yesterday from Deputy Ferbrache, in no uncertain terms, that he felt – if this amendment went through – he felt so strongly that it was pointless taking the original Proposition through. I hope, by what I hear from Deputy Inder – when he quotes the Sea Fisheries officer – I hope that this is not a wrecking amendment that has been presented to the Assembly, and I would urge all of us to support the initial Proposition, as brought in by Deputy Inder.

Thank you, sir.

The Bailiff: I turn to the President of the Committee, Deputy Inder, to see if he wishes to speak in reply on this amendment.

Deputy Inder: I will do, sir, I will do.

Thank you to those who have supported the Committee on the matter to date, one of the more pertinent speeches coming from Deputy Aldwell, who gave us a tour de force of the value of the industry some years ago, reminding Members what a parlous state the industry is in now, and that was backed up somewhat by Deputy Vermeulen, amongst others.

Before I get directly to the matter of the amendment, I must turn to Deputy Trott’s speech. I do have an apology to make, but it is not actually to him. As he was giving us 10 minutes on his history in the fishing industry, he made reference to unregistered vessels who are helmed by chartered skippers like himself, and he asserted that in future, the day anglers who may have paid for a day on that boat, on registered vessels, will in future have to discard their catch to the waves before landing.

That is simply not true. The apology I have to make is for not correcting him immediately. There is nothing in the policy letter that stops day anglers landing their fish for their own consumption – none whatsoever. That was stated in an opening speech – and I think I mentioned it, actually – and I am repeating that now: if you are fishing for yourself, you are allowed to go out on a day boat, a hired boat, your own boat, and land in Guernsey. It is a false narrative now, it was a false narrative when it was repeated in this debate, and hopefully, I have put that straight.

There are registered vessels that also conduct charters. Anglers on those boats can fish for the boat, as is parlance, and the skipper of that boat can sell fish for profit. So if you are an unregistered vessel with a chartered skipper at the helm that takes people out to fish on a day trip, the anglers on that boat – often the case, white-collar workers – can keep the fish they have caught and take them ashore and disperse them, but not for profit. If you are a commercial fisherman who takes day anglers out on a boat, you can basically do whatever deal you can do: you can ask the anglers to fish for the boat, leave them with the boat, and then the boat can then sell them on. So I hope I put that one to rest.

The amendment asks us to insert two Propositions, and in a give way to Deputy Meerveld’s speech, I gave an explanation to those two Propositions. Proposition 1’s insertion is largely irrelevant: there is already provision in the draft which will allow for the sale of fish for persons authorised by the Committee. Therefore, that part of the amendment, if we end up voting by Proposition, I would ask Members to just dismiss it, because the provision is already there.

The 1A Proposition asks the Committee to consider exemptions where practical and appropriate. The Committee organised a Q&A for Members, and we set a short agenda, and present were our two Sea Fisheries officers. I shared with the officers, as this is a policy letter driven by them – this is what Government does, this is not a whim by this Committee, it is Neil Inder’s policy letter. This has been asked by our Government officers to give them enforcement powers to do their job, to

310 conserve fish and look after their industry. This is not Inder wanting to build a ferris wheel down in
Rocquaine because he thinks it is a good idea; this is what Government does. There are times in life
when you actually have to listen to the officers, these guys and girls that have been enforcing our
industry for years and years and years. This is them coming to the previous Committee and following
on to the new Committee and asking them to deliver on that.

I got a call last night from Deputy Meerveld. He asked me to be more conciliatory; I had to look
that up, (*Laughter*) but I could not spell it in the first place so that is the problem with dictionaries,
315 you have to know how to spell the word in the first place! His argument, along with Deputy de
Sausmarez, is that, effectively, nothing will change. Well, isn't that the point? If it has no material
effect, then there is no point laying it or voting for it. It is as simple as that. It is neither fish nor fowl.
If there is no strength in the amendment, it does not direct the Committee, why bother? What I am
not trying to do is pick an argument for the sake of having argument; I just do not bother doing
320 anything that is absolutely irrelevant. There is no point voting for either Propositions in this
amendment.

On the subject of exemptions and derogations: at that same Q&A – there were 20 of us there –
I asked the attending officer to envisage a scenario – this was before this amendment was laid –
where the Committee might consider exemptions. His response was that his advice to any future
325 Committee would be to avoid; avoid going down any exemption routes, and it was based around
the management and enforcement; you cannot be regulated on one hand and a bit unregulated in
the same sector – you cannot be half-pregnant.

On the matter of 1A, actually, to be fair and open, as I believe this Committee is, I will read, when
we have the amendment sent to us – and this is where you as Members have a decision to make –
330 I am going to read it practically verbatim, on the 1A part of the amendment:

He did not see that this was any more than putting on record the fact that this is not the intention to target the person
selling the odd turbot, something which we have already said is not the proposed intention. The fact that it says "where
practical and appropriate" leaves this open to interpretation, and therefore, "hardly binding."

If this does not do anything, if it does not affect anything, if the Committee is unlikely to adopt
it, what is the point of voting for it? Philosophically, other people say, 'Well, you might as well vote
335 for it anyway.' I am sorry, I just do not really work like that.

He did go on to say that he supposed that there was no attempt to remove the 'buying' part of
the policy letter; that is important, that did not turn up as an amendment.

He went on to say:

340 It might be that accepting the amendment is a small concession in order to see this through pretty much as envisaged.

That is what Deputy Meerveld says, that is what Deputy de Sausmarez sort of said, and that is
what our Sea Fisheries officer said.

Members of the States, because this does not actually do anything – it does not affect anything
– whatever we do today does not make a blind bit of difference. It makes no difference at all.
345 Nothing is going to happen. The practical and pragmatic person in me will simply say, 'Why bother?'

Thank you.

The Bailiff: I turn, finally, to the proposer of the amendment, Deputy Roffey, to reply to the
debate.
350

Deputy Roffey: Thank you, sir.

The first thing I want to do is reiterate that I am with all Members of the States that say we want
to protect our professional fishermen from commercial fishing from unlicensed vessels, which is
unfair competition. However, the tool we are using to do that is a very far reaching one. We are
355 making the purchase of fish from the wrong source illegal for the first time, a big onus on the
purchaser of fish. I understand why that needs to be done: because some people from high-volume

outlets may be tempted to buy fish from a cheaper source than from a regulated boat, and therefore, we want to put the onus on them as well as the people selling it. But by doing that, we potentially criminalise anybody that buys any fish in whatever *de minimis* level, whether they know
360 it or not, from a fishing vessel that is not licensed. In making that big step today, I want to ensure proportionality.

I just remind Members of the argument I made in my opening speech, when I said that Deputy Inder himself had made the biggest case for some sort of level of exemption, when he, opening yesterday, had pointed out that during the lockdown, professional fishermen had gone door-to-
365 door selling crabs and fish and shellfish, and I said 'How is Mrs Le Flem or Mrs Tostevin supposed to know, when a big burly fisherman knocks on their door offering a few chancres, whether or not that comes from a licensed fisherman?' To be fair, Deputy Inder did jump up on his feet straight away on a point of correction and said that he had said no such thing. At my age, I start to worry about dementia and my short-term memory; (*Laughter*) so I did wonder whether it was my short-
370 term memory that was at fault or whether it was Deputy Inder who could not remember what he had said five minutes earlier.

I did spend breakfast today re-listening to Deputy Inder's speech of yesterday afternoon – it was not the best way to start the day, but duty comes before pleasure sometimes! (*Laughter*) I quote exactly what he said:

375
Early on in lockdown 1, the then CCA allowed single-handed boats to trade, and it was a great initiative. As a result of that dispensation, there was a brisk trade in high-value crab, shellfish, and fish being sold door-to-door by professional fishermen.

It was not my short-term memory; it was Deputy Inder's. He should realise before jumping on points of order that it is usually me that is right and him that is wrong, but nevertheless, the penny will drop one day.

380 But I ask the question again: in those circumstances, how is Mrs Tostevin supposed to know? And yet, if there are no exemptions put in at any stage, we will be criminalising Mrs Tostevin for making that purchase, if it happens to be not from a licensed boat.

Deputy Prow said there is nothing wrong with focusing Law Enforcement on the areas of most concern and not bothering with the small *de minimis*-level areas. Absolutely right; it would be stupid
385 for our limited Law Enforcement resources not to focus on the areas of greatest concern. Nothing in that stops the fact that we will be, for the first time, making criminals out of people – they may not be *convicted* criminals, because they will not have the Law Enforcement agencies on their back taking them to court, but they will still be criminalised, their activity will be criminalised, and I, as a legislator, believe that that is quite a big thing to do. Therefore, I think it is worth putting the tool
390 in the box so that a future – or even the present, possibly – alliteration of the Economic Development Committee could look to see ways of avoiding doing that.

I know that Deputy Inder, during one of his very many speeches yesterday – and I have to say, I think it is time we started looking at the abuse of the give way rule, because what started off as a really quite interesting innovation has become abused so badly that it has become almost
395 embarrassing, but anyway – during one of these many speeches yesterday, he said, 'Look, there is no point in doing this because my Committee, we are just not going to use this tool if you give it to us, we are not going to use it.' The first thing to say is I hope that any Committee will be sensitive to listen to the tenure of a debate in the States and take it on board in considering what their future actions are.

400 The second thing to say is a bit like that famous Robin Day interview with John Nott, the Defence Minister at the time, saying, 'Well, you may say that, Mr Nott, but you are just a here-today, gone-tomorrow politician.' The fact is that this legislation, as Deputy Meerveld correctly said, is going to be on the statutes, presumably, for decades, and it may not be the view of a future Economic Development that they will not want to use this tool if we give it to them. So Deputy Inder is quite
405 wrong to say this will not make a difference; it will allow Economic Development to make

exemptions, whereas the black and white approach that is being put forward at the moment will not, and I think that they should have the power to make those exemptions.

410 Deputy Ferbrache and, I think, Deputy Gollop berated me for being a bit vague in the language: I should have been definite about exactly how this exemption was going to work and what the wording was going to be. Well, it is a bit rich! The exemption is to an order which has not yet been made and we have not been able to see; those orders would be made under legislation which has not yet been drafted and we cannot see; and yet, I am supposed to be actually coming up with the final wording on what the exemption of that yet-to-be-drafted order under the yet-to-be-drafted legislation is. How on earth could I do that?

415 Deputy Gollop said maybe the right way to do it would be to amend the legislation when it comes back. He has been in the States for a long time: he knows how highly irresponsible that approach is. It may be what I have to do if this amendment fails, but what we do at the policy letter stage is give directions to the legal draftsmen about what we want in the Law. If we want a black and white Law that says, 'In all circumstances, however *de minimis* it may be, however innocently it
420 may be done, the purchase of fish or shellfish from an unlicensed vessel should be a criminal act,' then great, send out that message and then stick to it when it comes back. But if we think that, maybe, there ought to be room for exemptions in that Law to make its application more proportionate, this is the time to give that message to the legal draftsmen. It would be so irresponsible to send them away and say we want a black and white version, but with my amateur
425 legal drafting skills, I am going to pick that apart when it comes back and try and – or Deputy Gollop's equally amateur legal drafting skills – try and pick it apart and insert the provision for an exemption at that stage.

I am not really sure that we need to go much further here. In his opening, Deputy Inder compared this with breaking the speed limit, saying, 'Nobody takes much notice if you go a little bit over the
430 speed limit.' I am not sure that is the right message to send out anyway, but I take his point. I would give another comparison – I think a more apt one: what would we do if people started abusing that tradition of Hedge Veg, if there were huge, huge commercial stands by the side of the road selling mangoes and coconuts and all sorts of things that clearly were not produced by that – and I know we have got close to it at times, but if it really got out of hand. That would be undermining the
435 people – like Deputy Vermeulen with his bar – that would be undermining the grocers that are paying their TRP, they are paying their rates, they are paying their taxes, they are doing everything by the book.

What would we do about it? I do not think we would bring in a Law that banned all Hedge Veg full stop, that stopped Mr Le Cheminant selling his spare spuds that he cannot eat himself. We
440 would bring in a Law that dealt with the abuse, that actually stopped the large-scale thing which was unfair trade. Yet with fish it seems that that is not an option that we are looking to go down. I think it should be. I think we should put the tool in the box to allow Economic Development to consider doing just that. I would urge Economic Development, if we pass this, to not be closed-minded about looking at ways to do that. Of course, I understand that their enforcement officers
445 would prefer something to be absolutely black and white; that is much easier, isn't it? It does not make it proportionate; it is just easier.

Alright, but I really think give ways are getting out of hand, but I will give way once.

Deputy Trott: It is the first time I have asked you to give way in many a year, but I am grateful
450 to you for that, Peter, Deputy Roffey – through you, sir.

What we have heard this morning really goes to the thrust of the point I made yesterday, and that is: Deputy Inder has told us that the charter boat without a fishing licence can take paid anglers who pay a fee to fish – £30, £50 for a day's fishing – they can catch 1,000 kilos of fish – I gave an
455 example of where that had happened, and it has happened many times over the years – and take that fish home with them. So if there are eight anglers they could take over 100 kilos of fish. However, if they did not want to take it with them, because that charter boat was unlicensed, the fish would need to be discarded.

460 So the question that we need to ask Economic Development – and that is why I am particularly grateful for the President of Economic Development’s confirmation this morning – is, how does that assist conservation and how does that protect professional fishermen’s livelihoods? It does neither, whereas your amendment enables regulations to be made that do both. The amendment is a force for good, not a negative force in any way, shape, or form.

Thank you.

465 **Deputy Roffey:** Sir, I almost regret giving way, because I am not going to enter into the argument about day angling, because there is clearly a different interpretation, and I have no expertise.

470 What I would say – and I was trying to, I had almost finished, I was going to say – the simple decision being asked today is: we are putting in place a Law which will be there for decades, or we are asking it to be drafted; do we want it to be so closed and black and white that we will not be able to make those exemptions? And those exemptions go further than people being licensed by Economic Development to sell; we are talking about circumstances, not individuals. Do we want to put it in such a straitjacket that not only this Economic Development, but future ones, will not be able to take that proportionality into account? Do we want to make sure that Mr or
475 Mrs Guernseyman is actually turned into a criminal for the five whiting or the two chancres? If we do, then certainly vote against this amendment. But it does not do nothing. It is not a do-nothing amendment; it is an amendment that puts a tool that allows for future States to have that flexibility, that proportionality, and that common sense.

It is entirely down to Members how they vote.

480

The Bailiff: Members of the States, we come to the vote on the amendment proposed by Deputy Roffey, seconded by Deputy St Pier.

Those in favour; those against.

485 *Some Members Pour; others voted Contre.*

The Bailiff: There is a degree of some voices being raised there, and therefore (*Laughter*) we will have a recorded vote to split the two votes.

Greffier, a recorded vote, please, on the amendment.

490

There was a recorded vote.

Not carried – Pour 16, Contre 24, Ne vote pas 0, Absent 0

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Blin	Deputy Aldwell	None	None
Deputy Brouard	Deputy Cameron		
Deputy Burford	Deputy de Lisle		
Deputy Bury	Deputy Dudley-Owen		
Deputy de Sausmarez	Deputy Ferbrache		
Deputy Dyke	Deputy Gollop		
Deputy Fairclough	Deputy Haskins		
Deputy Falla	Deputy Helyar		
Deputy Gabriel	Deputy Inder		
Deputy Kazantseva-Miller	Deputy Le Tissier		
Deputy Matthews	Deputy Le Tocq		
Deputy Meerveld	Deputy Leadbeater		
Deputy Parkinson	Deputy Mahoney		
Deputy Roffey	Deputy McKenna		
Deputy St Pier	Deputy Moakes		
Deputy Trott	Deputy Murray		
	Deputy Oliver		
	Deputy Prow		

Deputy Queripel
Alderney Rep. Roberts
Alderney Rep. Snowdon
Deputy Soulsby
Deputy Taylor
Deputy Vermeulen

The Bailiff: Members of the States, the voting on the amendment proposed by Deputy Roffey, seconded by Deputy St Pier was: there voted Pour 16, Contre 24, and therefore, the amendment is lost.

495 Does anyone wish to speak in general debate, or have we exhausted the subject of fish?
(*Laughter*)

Deputy de Lisle.

Deputy de Lisle: Thank you, sir.

500 There has been a tradition for Islanders dividing their time between the sea and the plough, and farming supplemented by fishing was part of the way of life which has continued to some degree in the west. This may be seen by some as banning Hedge Veg crab and lobster, mackerel sales from casual fishermen.

When, sir, I asked the senior Fisheries officers for more detail on the impact of the problem – because I was a member of the Economic Development Committee when this went to the Board – when I asked them for more detail on the impact of the problem, the officers confirmed that there was little data on the scale of unlicensed businesses selling fish commercially. I note that this policy letter carries little evidence and is short on detail.

510 In reality, sir, the Department is putting forward legislation with limited information before States' Members. This is a problem that we have discussed in general terms in the Legislation Review Panel this term, because the policy letter is too thin on cost and impact or the effect of legislation. In fact, it is legislation on legislation that is being proposed – compounded legislation. Deputy Gollop actually mentioned this point also earlier, that the Legislation Review Committee has consideration of.

515 I also want to make the point that a commercial licence – and this was brought out in our meeting last term – costs a significant £20,000, and as explained in paragraph 2.2 of the Billet in front of you, any person who wants to acquire a licence has to purchase an entitlement from an existing fishing boat and then make an application, and then have the licence transferred. These conditions make it difficult to seek a licence, despite what is said in paragraph 4.9, which intimates that there is nothing to prevent such a process being conducted – but you have got to have another boat and you have got to have another licence, and it is very difficult.

525 We also have legislation against unlicensed boats selling catch, so I am concerned that the legislation might be unenforceable if the existing legislation is also unenforceable, because really, if somebody has twenty pots aboard their boat, surely to goodness, that boat can be investigated currently. I would place the onus locally on seller and buyer to ensure the appropriate licence was in place. The fact is, who is going to enforce all this? If the existing Law cannot be enforced, how the heck do you think this other amended Law is going to be enforced?

530 Sir, I am also concerned that the Department, while I was part of it, brought in a programme of assistance for young new fishermen to enter this sector of activity, and I would not like for this to deter them from entering the business, which is something that – I think this may prevent younger people going into fishing into the future, because you have got to start somewhere, and there is an investment, no matter how you move into it.

535 I feel that we have to stand firm on this. We need evidence. We need costing. We need impact details. The Department were already given my views during the debate, and this came to the Board on Wednesday 3th July 2020. They were given the concerns about evidence, about costing, about impact, but no further information has come forward within this particular document that you have got in front of you; in fact, it is so thin it is unbelievable; the fact that we want more legislation, more

540 time, more money devoted, and you have got nothing in front of you to justify it. I think we have
to start becoming credible in this Assembly, and we have to say, 'If there is not the evidence, well
let them go back, let them get it, and then they can come back to the Assembly, and then we can
545 make a decision, but without it we have got nothing.'

I am concerned also for the ordinary consumer and our traditions, because we do not have a co-
op fish market – which is a shame really, locally, because if those fishermen were all interested in
supplying fish to the local market, and not just supplying the French and the Spanish, then there
545 would be that facility here. What has happened to our market? Where do people buy fish?

I am concerned about the ordinary consumer, our traditions, the purchase of fish being made
illegal – it means that anybody coming to the door, I have to quiz. Not very sociable, is it, to ask?
And then I have to believe, perhaps, what is told me at the door. What we are likely to do then is
that the consumer makes a mistake and then he is a criminal because he has accepted something
550 that he should not have accepted. But how do we know anyway? Who is going to trace it? How do
we trace it? The Department has officers now; it is a matter of then using the existing Law. They
board the French boats. They board other boats, English boats. Why can't they board this one with
100 pots, supposedly, on its decks? The other danger, of course, is that we are dividing our
community, which is the one thing we do not want to do.

555 All in all, sir, more legislation in an area already legislated upon with limited information is not
on.

Thank you, sir.

Deputy Leadbeater: Can I try a 26(1), please, sir?

560

The Bailiff: Deputy Leadbeater, Rule 26(1).

Will those Members who wish to speak in general debate on these Propositions from the
Committee, please stand in their places?

565 **The Bailiff:** Deputy Leadbeater, we have got two Members stood. Do you still wish to invoke
Rule 26(1)?

Deputy Leadbeater: I do, sir.

570 **The Bailiff:** Members of the States, there is another attempt – this is the third time in debate on
this topic – that debate be curtailed, subject to hearing from the President of the Committee in
summing up the entire debate, which has been comparatively short.

Those in favour; those against.

575 *Some Members voted Pour; others voted Contre.*

The Bailiff: I will declare that lost.

Deputy Queripel: Sir, can I have a recorded vote, please?

580

The Bailiff: You can, Deputy Queripel.

We will go to a recorded vote, please, Greffier.

There was a recorded vote.

Not carried – Pour 20, Contre 20, Ne vote pas 0, Absent 0

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Aldwell	Deputy Brouard	None	None
Deputy Blin	Deputy Burford		
Deputy Cameron	Deputy Bury		
Deputy Dudley-Owen	Deputy de Lisle		
Deputy Dyke	Deputy de Sausmarez		
Deputy Haskins	Deputy Fairclough		
Deputy Helyar	Deputy Falla		
Deputy Le Tissier	Deputy Ferbrache		
Deputy Leadbeater	Deputy Gabriel		
Deputy Mahoney	Deputy Gollop		
Deputy Matthews	Deputy Inder		
Deputy Moakes	Deputy Kazantseva-Miller		
Deputy Murray	Deputy Le Tocq		
Deputy Oliver	Deputy McKenna		
Deputy Prow	Deputy Meerveld		
Deputy Queripel	Deputy Parkinson		
Alderney Rep. Roberts	Deputy Roffey		
Deputy Soulsby	Alderney Rep. Snowden		
Deputy Taylor	Deputy St Pier		
Deputy Vermeulen	Deputy Trott		

585 **The Bailiff:** Members of the States, the voting on the motion pursuant to Rule 26(1) was as follows: there voted Pour 20, Contre 20. On an equality of votes, the motion is lost, and therefore, debate will continue.

Who wishes to speak?

Deputy St Pier.

590

Deputy St Pier: Sir, the starting point is unlicensed fishing is already prohibited, and the problem seems to be one of enforcement and enforceability, such that the Committee feel it is necessary to burden our statute book with more regulation and legislation in the form of a new ordinance prohibiting the first sale and first purchase of fish and shellfish, exactly as Deputy de Lisle said – I think it is probably the first occasion in my eight years where I have agreed with every word of Deputy de Lisle’s speech.

595

Before we go any further I do want to explore whether it is necessary at all, not in terms of the need to protect licensed commercial fishermen, but in terms of the Law. And I am glad that Her Majesty’s Procureur has come back into the room, sir, because I wish to ask her a question – and she has had advance notice of this – which I will pose now and perhaps towards the end of my speech, I will ask her to respond to it.

600

The question is this: can you confirm my understanding that presently, even without the change envisaged by the policy letter, if a purchaser – for example, a fishmonger, a wholesaler, or a restaurant – makes an agreement to buy fish from an unauthorised fisherman who agrees to sell fish which is intended to be caught from an unlicensed vessel, then the purchaser could potentially be charged with conspiracy to commit an offence under the existing Law? If the answer to that question is yes, which I believe it to be, then I will ask the Committee why they are not using that existing Law to tackle the problem as they perceive it.

605

I want to turn for a moment to the policy letter. It is commendably short, but it is also, sadly, as Deputy de Lisle said, very, very weak indeed. We are told in paragraph 3.1 that:

610

The Committee has been aware of anecdotal evidence that some fishermen who operate unlicensed vessels have sold fish and shellfish in Guernsey; however, the scale of this activity has been brought into sharp focus in the last twelve months.

As Deputy de Lisle said, sadly, the Committee has chosen not to share with us that sharp focus; we are given no information in the policy letter as to whether there is any evidence other than anecdotal, and in the absence of that information, I think we can be left with no conclusion other than the only evidence is anecdotal.

I am not giving way, sir.

Deputy Inder: Sir, point of correction?

The Bailiff: Point of correction, Deputy Inder.

Deputy Inder: All that was given in the opening speech, all that information. It may not be in the policy letter, but it was given in the opening speech. It is just not correct.

The Bailiff: Deputy St Pier to continue.

Deputy St Pier: Sir, I do not think that was a valid point of correction. The policy letter is quite clear; I was quoting from the policy letter.

We are given no indication of how many 'some fishermen' might be in terms of catch, numbers, or value, and no attempt has been made to do that, even in Deputy Inder's opening speech.

In paragraph 3.4, the Committee says it:

... has also been made aware, and has verified, that there are a number of unlicensed fishing vessels that are fitted with the type of gear that it would expect to find on a licensed, commercial vessel.

How has it been verified? We have not been told that – presumably, by looking over the harbour wall at a few boats and taking a few photographs. Once again, we are given no clue as to the number of vessels, their catch or value. We have not had any indication of the catch or value. This policy letter is being debated at the request of the Committee as a matter of urgency, but no attempt has been made for why or what has made it urgent.

We should also not forget that this legislation will criminalise the sale and purchase of spare catch – Deputy Inder's 'Billy Two-fish', caught from a pleasure boat and sold to friends or family, even for just a few quid to cover the cost of fuel. Quite apart from the fact that we will be creating, as others have said, clearly unenforceable Law, which cannot be good policy and Law making, the Committee will say that it is not these transactions they are after – indeed, that is exactly what they have said – it is just the few big operators. That is not the same as Deputy Prow's targeted Law Enforcement. The analogy with speeding is not a good one; we are intending to pass Law that we have no intention of enforcing. That cannot possibly be right, as Deputy de Lisle said.

In that case, I simply cannot be comfortable supporting the criminalisation of the many for the actions of one or two or a few. It is wholly disproportionate. It is big government on the back of the small guy, meddling in the lives of Guernsey families.

Sir, I know it may be desired by some Members to ignore Resolutions of this Assembly, but this policy letter ignores the 2005 Resolution in relation to legal aid, directing Committees proposing new legislation to indicate any impact on the proposed legal aid fund as a direct or indirect result of their proposals. The Committee have not done so. In this case, I hazard a very good guess they have not given it any consideration. Given the Law will create new criminal Law to which individuals will be subject, it is an entirely valid question to ask: what impact would or could there be on the legal aid fund? Ignoring at the moment the many, it is quite possible that even one or two at whom this whole initiative is aimed could be entitled to legal aid, and substantial legal aid, which could become a draw on the fund in defending any action under this legislation.

Sir, we are about to embark shortly on a debate on the Government Work Plan. The preface to that is that Government already has more on its plate than either it can afford or has the resources to deliver. And yet, this policy letter is leaping the queue on the back of a poor five-page policy

letter that fails to even justify its own anecdotal case. We are also in an era in which this term is supposed to be about smaller government and less regulation (**A Member:** Hear, hear.) – except, apparently, when we want more regulation and resources for our own – and I am going to say it –
665 pet projects – plus ça change. Members must keep in mind that if the States choose to prioritise this above other items, it may well be the priorities of your Committee, it may be your legislation that you are waiting for, that slips further down the in-tray. This is not a costless decision for the States.

Which brings me back to where I started: why do we need this legislation if we already have the
670 enforcement powers in our armoury? The question of evidence is a different issue. Do we have the enforcement powers?

I will ask Madam Procureur to answer the question, which again I will just repeat: can you confirm my understanding that presently, even without the change envisaged by the policy letter, if a purchaser, such as a fishmonger, wholesaler, or restaurant, makes an agreement to buy fish from
675 an unauthorised fisherman who agrees to sell fish which is intended to be caught from an unlicensed vessel, then the purchaser could potentially be charged with conspiracy to commit an offence under the existing Law?

I will give way before concluding my speech, sir.

The Bailiff: Madam Procureur, are you able to assist on that particular question then before
680 Deputy St Pier has this final say?

HM Procureur: I am, sir, yes.

Sir, in terms of the offence of conspiracy: in practical terms, these offences can be difficult to
685 prosecute, depending on the evidence, but yes, in short, there is existing statutory Law which provides for the offence of conspiracy which could potentially be used if the evidence was there.

The Bailiff: Deputy St Pier.

Deputy St Pier: Thank you. That was a classic example of doing a 'Deputy Trott', which is asking
690 a question that you know the answer to; having previously engaged with the Law Officers, I was aware that the answer was going to be that.

There are clearly, as Madam Procureur said, evidential challenges, but there will be evidential
695 challenges with this new Law. The new Law is not a silver bullet. It will still be necessary to adduce evidence that this fish that is being bought and sold has come from this particular boat. All we are doing is creating a whole body of new unenforceable legislation capturing a whole new group of people, when what we should really be doing is concentrating the resources we already have on enforcement of our existing Law based on conspiracy. On the knowledge that we are only talking about a few key people, they should be targeted using the existing Law, and we should move on to
700 other business.

The Bailiff: Deputy Ferbrache.

Deputy Ferbrache: Sir, I need to ask clarification from Her Majesty's Procureur, because she
705 clearly answered a question that Deputy St Pier, as he always does, gave prior notice of it, because he wants a substantial answer, but the understanding of her answer is that it is different for the provisions that Deputy St Pier is bringing forward. It is a different matter, because clearly if the learned Procureur was saying – she would not say 'politically' because she is too judicious to say that – but if the essence of her answer was that there is no need because that Law exists in Section
710 23 of whatever it might be, then that would be ... but my understanding of her answer is that it is different from the proposals that are put forward by the Committee.

The Bailiff: Madam Procureur, do you want to refer to Section 7 of the 2006 Law?

715 **The Procureur:** Thank you, sir, and I am grateful to Deputy Ferbrache for raising that point.
He is entirely correct: it would not be an offence under the existing fisheries legislation; it would be an entirely separate matter under Section 7 of the Criminal Justice (Conspiracy and Abetting) Provisions, 2006 – that statute would apply.

720 It is different and it is more difficult in practical terms because it requires not just evidence that an offence is likely to be committed, but that two people agreed to procure a course of action to deliberately commit that offence, so there are different evidential requirements. But Deputy Ferbrache is absolutely right: it is an entirely separate statutory provision that would apply; it is a separate issue and would not be contained within the current policy letter provisions.

Thank you, sir.

725

The Bailiff: Deputy de Sausmarez.

Deputy de Sausmarez: Thank you, sir.

730 I will be talking mainly on the issue of sustainability, but before I do, I will just make an observation. In my view, I think the Committee *for* Economic Development has probably quite accurately described the problem, the nature of the problem, and I think there is universal agreement on the concept of protecting the fishing industry, so I do not think that is so much an issue. With respect to what Deputy de Lisle described, I am sympathetic to the problems associated – fan, though I am, of evidence-based decision-making – I am sympathetic to the challenges
735 involved in getting evidence on black market activities, so I do understand why the Committee has not gone down that particularly thankless rabbit hole.

But where I do have some sympathy with the arguments put forward by Deputy de Lisle and Deputy St Pier is: I do not think that the policy letter has adequately explained how this proposed legislation will deal effectively with that problem, and so I hope that is something that Deputy Inder
740 can address when he replies to debate. When he does, I would also welcome his views on how adequately he thinks Sea Fisheries are resourced to do that enforcement. I would like to hear from Deputy Inder whether he thinks that any additional resources may be required.

The one thing I definitely did welcome in this policy letter was a focus on the sustainable management of our fish stocks, and the policy letter made quite clear that one of the main reasons
745 we impose licence conditions on commercial fishing is precisely to do that; it is to ensure the sustainable management of our fish stocks and protect the health and, indeed, value of our marine environment. It is clear, obviously, unlicensed fishing is not subject to those conditions, so if it is taking place at a significant scale, as Sea Fisheries has reason to suspect that it is, then obviously that could undermine sustainability.

750 For small sea areas like Guernsey, it is and will continue to be very difficult to compete for the intensive, subsidised, high-catch, low-value fisheries of Europe. Even with climate change, the potential for new stocks is unlikely – scientifically unvalidated claims associated with the short-term spike in bluefin tuna aside – and the unavoidable changes to the marine environment mean that Guernsey will need to be increasingly proactive in stock monitoring and management, and at the
755 same time, differentiate itself from other markets in order to add value to our existing stock. There is therefore a risk control for the States and an opportunity for our commercial fishermen and the local supply chain and economy if we can support our local commercial fishery to develop a high-value, high-quality, sustainably sourced, sustainably packaged, branded product directed back into the local supply chain and restaurants, especially if our local product is one that people might be
760 prepared to pay more for; it is a win-win.

This is not just about fish stocks though; it is about the whole of our marine ecosystem, and like all ecosystems if it becomes unbalanced it cannot function properly. So we do need to proactively monitor and manage our marine ecosystem, both to conserve our fish stocks and to protect our natural capital, now and for future generations. No matter how small the sea area, by the way, there
765 is a mountain of evidence to show that good management makes a really positive difference.

Fundamental to sustainable fisheries management and to post-Brexit licensing arrangements for our territorial waters and the protection of our natural marine capital and to the aspirations that we might have in terms of our blue economy is a sound scientific database. It is fair to say – and I think Deputy Inder would agree with me – that our current licence conditions and data collection are something of a finger in the air that do not give us adequate insight into or control over the sustainability of our fish stocks or the health of our marine ecosystem more generally. Sea Fisheries sits in the mandate of the Committee *for* Economic Development because of its commercial aspects, but responsibility for sustainability sits with the Committee *for the* Environment & Infrastructure. officers have done their best by way of joined-up working, but that has been a fairly informal arrangement and I suspect will be more challenging going forward, as we have recently lost a key officer that acted as an effective bridge between the two – by ‘the two’, I mean Sea Fisheries and [?? 10:50:50].

Both Committees have a role to play. Economic Development, through Sea Fisheries, are responsible for the issuing of licences for use in Guernsey waters and the policing of them, of course, but that licensing regime should be informed and underpinned by science-based data, which should be analysed by the people with the necessary expertise in marine ecology to ensure that licences are actually going to achieve what they are designed to achieve. The two Committees should work together to build a good evidence base and, from it, develop a sustainable approach to managing Guernsey’s valuable natural marine resource, which is more important than ever post-Brexit, of course. When Deputy Inder replies to debate, I would like him to confirm whether he agrees with this approach in principle. I very much welcome discussions on how it could be achieved in practice, and bearing in mind what Deputy Ferbrache said yesterday about working with Jersey, I think that is worth exploring – the potential of joint working in that respect, especially as our fish stock is intrinsically linked to theirs.

We have an opportunity not just to manage and protect our fish stocks and marine environment, but also to secure the foundations for a healthy blue economy, but the key to all of this is good, science-based data. I very much hope the Committee *for* Economic Development will work with the Committee *for the* Environment & Infrastructure to this end.

The Bailiff: Deputy Le Tocq.

Deputy Le Tocq: I was not going to speak in this debate, in the sense, sir, that when I first read the policy letter – having been involved tangentially, at least, in the whole issue of our territorial seas and fisheries for some time – this seemed like a very small sprat compared to the sorts of larger fish that we were trying to protect, and we are not talking – the threat that we are trying to deal with here is nothing like the sort of threat of dredges and pair trawlers and the like here, so I think we need to get it into perspective.

I suppose, therefore, when I first read these proposals, sir, the question was, ‘Is this a sledgehammer to crack a nut?’ And I think it probably is. But sledgehammers can crack nuts, and sometimes you need to use a sledgehammer to crack a nut, particularly if you want to learn or want to change a culture. I think this is probably about that particular issue, because we are not talking about very many people who are currently breaking the Law, from what I can ascertain. However, they *are* breaking the Law, and if they are left to do so – despite the fact that, as we have heard from the learned Procureur, there could be ways in which combinations of our existing legislation could be brought to bear – it is not enough of a focus on it.

It put me in a dilemma, because on the one hand, I am far more of the more libertarian view that was perhaps one of the motivations behind Deputy Roffey’s amendment, and I still wish we could get to that place, but I think to get there from where we are today, we need probably something, or at least to try something, which I believe is behind the motivation from the Members of the Committee *for* Economic Development, and that is why I am going to support their proposals.

I believe, sir, that even the fact that we have drawn attention to this should put, perhaps, the fear of God into those that are breaking the Law currently and doing so to the detriment of our genuine

820 fishermen. We have only got about 150 licensed fishermen here, so I think the data on it will be very difficult to see any trend from, but if we are going to try and protect those who are genuinely seeking to abide by the Law, then I think we probably need to go through this process, which of course will be reviewable in the future.

The Bailiff: I will turn now to the President of the Committee, Deputy Inder, to reply to this debate.

825

Deputy Inder: Thank you, sir.

I am going to start with Deputy de Sausmarez and Deputy Le Tocq – and Deputy de Sausmarez will know that as this policy letter was developed, other issues regarding managing resources, concerns about anglers, netting on bays, ormer stocks, all that kind of thing did turn up and we did make a commitment – and I think it was my email, I am sure she has still got it – that post-this, post-the greater fishing licence issues that we have working with our French and English cousins in our 6-12, there is a commitment from this Committee to work towards what is quite clearly a changing marine landscape.

835 Gone are the days when, this time of year, maybe a bit earlier in the year, there would be at Vazon, there would be me probably, with a couple of dogs at one end of the beach and the horses at the end. The inter-tidal zone is being used far more than it ever has been in the last 30 years: more sea swimming, more angling, more surfing, more paddleboarding, more canoeing, and more people have their eye on the marine resource. The marine economy itself – or at least, the resource itself – is more than two gannets diving in the bay, a tern sitting on a rock somewhere, and a couple of puffins on the end of Herm.

840 Unfortunately, what most people do not understand is the damage of the resource under the sea has been quite marked, quite sustained for a very long time. To answer Deputy de Sausmarez's question through you, sir: of course, I will be looking forward to working with the Committee to address some of those issues.

845 Deputy Le Tocq – and I thank him again – he will remember – and I thank him for his support, because he knows how hard the work has been conducted on Brexit, and he will also remember that, if it helps at all, he is somebody who does not necessarily have to wear environmentalism on his shoulder; it is not always what you say, it is what you do – he will remember that in many of those meetings, I continually tried to hammer home the value of that actual resource, rather than licences that are sitting on top of the sea.

850 The value of our 6-12 – our 0-12, as it will be – is quite dramatic, and I am reminded that two weeks ago – I think it was Mr Lane, who is the Vice President of the Fishermen's Association – he gave us fair warning that given the expense of the vessels, the expense of the licences, the challenges with the SPS and French ports, he does not see a huge future in the full-time fishing fleet, and that is someone who has been in the industry for a very long time; he sees real challenges.

855 So if we know what is coming down the track, why do we not protect the part-time fishermen as well? I think it was Deputy de Lisle that mentioned that it was, effectively, traditionally, an industry that was very – you would go to sea in the summer and fix greenhouses in the winter, and there is an element of that happening now: there are a lot more part-timers who have got a fishing licence, who are working our shores. There is certainly work to be done there.

860 Sir, Members of the Assembly, I do not really know what to say to Deputy St Pier, because again he was in the same meeting that I was, the Q&A. We spoke about data, we spoke about the difficulty. What was explained, as Deputy de Sausmarez said, is the black market is almost impossible to do a consultancy on. We know that it exists. I do not really know what to argue – if someone does not want to vote for this policy letter, there is no convincing in the world that I am going to do in the next couple of minutes; it is just not going to happen. My advice to Deputy St Pier is just do not vote for it – through you, sir – do not vote for it, because there is nothing I will say that will convince him otherwise; nothing at all.

870 This is not about high finance, this is not about directorships, this is not about dinner parties, listening to Dido, quaffing wine; this is about real people with real jobs. These are real people that take risks, that look after our prime fish and bring them back to our community. It is not about standing on the small man; that is an absolute nonsense. It is actually about *helping* the small man. This is what it does.

875 Over the last two or three days – and I am certainly not one, anyone who knows me – I am not one that says, ‘I have had hundreds of calls and everyone supports me’, I just do not do that – but I have had a few. I went down to the other parliament that we have got on our Island, the White Rock Café, this morning, (*Laughter*) carried in on a litter having roses thrown in front of me – no, that is not true. They were certainly not happy about the amendment, and that has gone away. What the Fishermen’s Association has said – Deputy Helyar was at a previous meeting – there was
880 full support from the Fishermen’s Association, it is something that needed to be done. We need to square that circle for the ability to land and not take that responsibility to the purchaser and say to them, ‘Look, what you are doing is incorrect.’

As Deputy Rob Prow has said, it is not about – that is the false narrative again – Sea Fisheries officers hiding in hedges, trying to book everyone for 36 miles an hour, rather than 35 miles; it is an
885 utter false narrative, and Deputy St Pier knows that because he was in the same room as me when that was explained by the Sea Fisheries officers. We did that Q&A for a reason, for a reason: they explained that they have got a rough indication of who the big players were, and as Deputy Prow has said – as somebody who has worked in policing – sometimes they are after just Mr Big or Mr Little and Large, but they are not after the small man.

890 There is nothing I am going to be able to do to convince ... So I would ask Members – and, I would like it by a recorded vote, sir – to support the Committee in its entirety, put this through to the Assembly, and let us do something for the small man.

Thank you.

895 **The Bailiff:** Members of the States, there are two Propositions. I am going to put both of them to you together, because they are interrelated, but we will have a recorded vote, as just requested by the President.

Greffier, please.

There was a recorded vote.

Carried – Pour 35, Contre 4, Ne vote pas 1, Absent 0

POUR

Deputy Aldwell
Deputy Bury
Deputy Cameron
Deputy de Sausmarez
Deputy Dudley-Owen
Deputy Dyke
Deputy Fairclough
Deputy Falla
Deputy Ferbrache
Deputy Gabriel
Deputy Gollop
Deputy Haskins
Deputy Helyar
Deputy Inder
Deputy Kazantseva-Miller
Deputy Le Tissier
Deputy Leadbeater
Deputy Le Tocq
Deputy Mahoney
Deputy Matthews

CONTRE

Deputy Blin
Deputy Burford
Deputy de Lisle
Deputy St Pier

NE VOTE PAS

Deputy Brouard

ABSENT

None

Deputy McKenna
Deputy Meerveld
Deputy Moakes
Deputy Murray
Deputy Oliver
Deputy Parkinson
Deputy Prow
Deputy Queripel
Alderney Rep. Roberts
Deputy Roffey
Alderney Rep. Snowdon
Deputy Soulsby
Deputy Taylor
Deputy Trott
Deputy Vermeulen

900 **The Bailiff:** Members of the States, the voting on those two Propositions are: there voted 35 Members Pour, 4 Contre, 1 abstention, and therefore I declare both Propositions duly carried.

COMMITTEE FOR ECONOMIC DEVELOPMENT

IX. Introduction of limited liability companies legislation – Motion carried

The States are asked to decide:

Whether, after consideration of the Policy Letter entitled "Introduction of Limited Liability Companies Legislation" dated 14th January 2021 of the Committee for Economic Development, they are of the opinion:

- 1. To approve the introduction of Limited Liability Companies as set out in that Policy Letter.*
- 2. To agree that LLCs should be treated in the same way as partnerships for the purposes of taxation, by default, but should have the option of making an irrevocable election at the point of establishment to be taxed as a company instead.*
- 3. To direct the preparation of such legislation as may be necessary to give effect to the above decision.*

The States' Greffier: Article IX, Committee for Economic Development, Introduction of limited liability companies legislation.

905

The Bailiff: I invite the President of the Committee, Deputy Inder, to open this debate.

Deputy Inder: Sir – and again, my apologies – I did not remind you that Deputy Moakes would be doing this.

910

The Bailiff: In that case, I will turn to Deputy Moakes instead.
Deputy Moakes.

Deputy Moakes: Thank you, sir.

915

Sir, limited liability companies (LLCs) are commonly used in the United States for trading businesses, holding vehicles and special purpose vehicles in finance and investment structures. In general terms, the USLLC is recognised as providing a flexible hybrid structure, combining features of both corporations and partnerships. They offer legal personality and limited liability in a tax-transparent structure with the opportunity to elect to be taxed in the same way as a corporation.

920 The Committee *for* Economic Development has consulted with industry associations in the development of this policy letter, and they have confirmed that they believe that the introduction of LLC legislation is attractive to the finance sector – in particular, the funds sector – and will add to the existing range of commercial legislation which supports the growth of the finance industry.

925 The introduction of LLC legislation will ensure that Guernsey competes with other jurisdictions to support the US market by providing a vehicle familiar to US funds, fund managers and lenders. LLC legislation exists in a number of jurisdictions, including the Isle of Man, Luxembourg, Bermuda, and the Cayman Islands.

930 The Committee has been conscious of the importance of balancing economic development with ensuring that there is no detrimental impact on the Bailiwick's international reputation and status as a leading, compliant, and trustworthy financial jurisdiction. It is likely that the activities of some LLCs would require them to be licensed by the Guernsey Financial Services Commission under one of Guernsey's financial services regulatory Laws. It is envisaged that LLCs would fit within the regulatory regime in a similar manner to LLPs. Consideration will be given as to whether LLCs should be permitted to engage in all forms of regulated financial services businesses, including being 935 collective investment schemes, or whether there should be any restrictions on the regulated activities which they can undertake.

The introduction of LLC legislation will create a new workstream for the Guernsey Registry. In addition to a registration fee, the Committee is proposing that all LLCs will be obliged to file annual validations and pay an annual fee, which will be set at a level broadly equivalent to that which 940 applies to companies. The Registrar will consult with the financial services industry and the Committee when setting the fees under this legislation.

The introduction of LLCs is intended to create an additional revenue stream for the States. The extent of this revenue stream will be dependent upon the level of demand for LLC registration and the fees charged and would not be limited to cost recovery. The Registrar has advised that in 945 accordance with its current plans, there should be no impact on resourcing, including staff and IT systems to administer the new legislation.

The Committee and industry believe that the introduction of limited liability companies legislation will provide a new business opportunity for the Island's finance sector and assist in the Island's economic growth, and I commend this policy letter to the Assembly.

950 Thank you.

The Bailiff: Deputy Gollop.

Deputy Gollop: Thank you very much, sir.

955 We have spent almost two half-days on the fishing issue, which is extremely important to the Island's tradition, heritage, and sense of itself, and for hundreds of people, part-time or full-time. But actually, if one looks at the Island from a different perspective, it is probably more true that our economic development and sustainability is based upon the success of the corporate finance sector, not just collectively – which provides over 50% of our economy – but as Deputy Moakes has ably 960 outlined, innovation and new products and keeping up with competitors and maybe overcoming them, and Guernsey has been a leader.

Deputy Roffey rightly pointed out that I am very much an amateur legislation person; that is true. But I have spent 17 or so years on various parts of the legislation panel, past and present, and so one picks up a bit, and Guernsey has clearly punched above its weight with areas like protected 965 cell companies and entities which have brought growth.

As a senior figure from the Chamber of Commerce who is a legal specialist in this area rightly pointed out to a relatively robust television interview only this week that however great Deputy Inder and the Committee want – and I do too – diversity of our economy, with everything from e-commerce to Guernsey produce to robotics, our corporate financial sector, for realistic people, is 970 the backbone of our economy and has to be sustained and protected in every way, from legislation

and innovation and marketing – as Deputy Trott does so convincingly with Guernsey Finance and other agencies – to not only tax, but new legislation, and this is important.

975 I mentioned I have sat on legislation for 17 years or so; Deputy de Lisle has raised a profile again today, saying we do need clear instructions, and the devil can sometimes be in the detail, and I suppose I need to know, ideally, how these differ, these limited liability partnerships, from limited liability companies, because whether the partnerships – they do seem to be more corporate entities than they are partnerships, but they have elements of people getting involved who are investment managing partners as well. I do not know whether you would be able to see the scenario whereby there were investors or venture capitalists involved with these bodies who were not actually partners, but were maybe friends of partners, retired partners, other halves of partners, children of partners, and so on. The point is, we need to overcome any issues there and provide a credible product that will be first among equals.

980 I also commend Economic Development for having an approach which we have not always seen before, whereby each individual Member has their specialism and key topic, and probably, Deputy Moakes is much more up on this area than most of us, and even perhaps himself would be on the topic of fishing.

985 Thank you very much, I do support.

The Bailiff: Deputy Oliver.

990

Deputy Oliver: Thank you, sir.

When I read this policy letter I thought are we just, actually, adding legislation for legislation and also getting income for the States, which is not necessarily a bad thing? What I would like to hear from the proposer is, is this actually necessary for Guernsey? I know that the Isle of Man have got it and somewhere else have got it as well, but I just thought, do we actually need this in Guernsey? Because everybody always talks about the amount of red tape we have got and if we can limit it, and here we are just adding more red tape in for a limited liability company. I just want to hear from the proposer if it is actually necessary and it will be a real benefit, rather than just adding red tape.

995 Thank you.

1000

The Bailiff: Deputy Kazantseva-Miller.

Deputy Kazantseva-Miller: Thank you, sir. I was not going to speak, but I was compelled to say something.

1005 I think this is a great example of innovation in financial services. This is nothing to do with red tape; this is an innovative way of registering an entity, and this is highly used in the US especially. Specifically with this legislation, one of the aspects we are trying to attract is US clients. This is nothing about red tape; this is about innovation in financial services, this is us opening up to new clients and new jurisdictions, it is an example of great innovation not only on the Registry, but on the whole of the financial services, which will benefit the whole industry.

1010 Thank you.

The Bailiff: Deputy St Pier.

1015 **Deputy St Pier:** Sir, I am driven to my feet by Deputy Oliver's question, because I feel it may be helpful to hear voices from outside the Committee endorsing and supporting this policy letter. It is, as Deputy Kazantseva-Miller has said, not adding red tape, but it is providing another tool in the toolbox for the financial services industry.

1020 Could we do without it? Yes, self-evidently, we could, because we have survived without it for a number of years when other jurisdictions have had it. But nonetheless, there will be clients of the industry who are very familiar with these structures elsewhere, who will not currently be coming to Guernsey, because they have the opportunity to use them elsewhere.

1025 My own expectation is this will be a slow burn, there will not be a rush of these things on Day 1,
but a little bit like LLPs, limited liability partnerships, that were introduced a few years ago, it
increases the breadth of the Island's offer and should be welcomed and supported with that in
mind.

The Bailiff: I turn back to Deputy Moakes, if he wishes to do so, to reply to that short debate.

1030 **Deputy Moakes:** First of all, I would like to thank Deputy St Pier and Deputy Kazantseva-Miller,
because they probably answered my colleague's question far more eloquently than I possibly ever
could have done, so thank you to both of you.

1035 In response to Deputy Gollop's question, I think he probably already knows the answer to it, but
LLPs and LLCs are slightly different in the way that they are structured, so I will not go into all the
nitty-gritty about that.

In summary, I would just like to say I agree completely with what Deputy St Pier says: this just
adds an extra string to our bow and gives us another way of attracting new business and new
opportunities to the Island, and I commend the paper to the Assembly.

Thank you.

1040

The Bailiff: Members of the States, there are three Propositions associated with this policy letter.
I am going to put them to you together.

Those in favour; those against.

1045

Members voted Pour.

The Bailiff: I declare all three Propositions duly carried.

COMMITTEE FOR EMPLOYMENT & SOCIAL SECURITY

X. Implementation of approved rate of Long-Term Care co-payment – Motion carried

The States are asked to decide:

*Whether, after consideration of the Policy Letter entitled "Implementation of approved rate of
Long-term Care co-payment", dated 8th February, 2021, they are of the opinion:*

- 1. To agree that the Long-term Care co-payment is increased from £229.37 to £242.06 per week
from 5th July, 2021.*
- 2. To direct the preparation of such legislation as may be necessary to give effect to the above
decision.*

1050 **The States' Greffier:** Article X, Committee for Employment & Social Security – Implementation
of approved rate of Long Term Care co-payment.

The Bailiff: I turn to the President of the Committee, Deputy Roffey, to open debate.

Deputy Roffey: Thank you, Mr Bailiff.

1055

I probably ought to give some background, because I am aware that although this is really just
putting in place the decisions that have already been taken, I am aware that there are probably
about half the States' Members that were not in the Assembly at the time those decisions were
taken, so I will briefly give some background.

1060 It was on 19th August last year that the States debated a policy letter entitled Supported Living
and Ageing Well Strategy: Extending the Life of the Long-term Care Insurance Scheme. This set out
a package of proposals intended to address some really significant challenges that were facing the
Long-term Care Insurance Scheme in Guernsey. Some of those proved more controversial than
others, but one of these challenges was to address the financial sustainability of the care home
sector itself, because there was a very real risk that was recognised that several care homes would
1065 be forced to close if their income was not increased.

The August 2020 policy letter explained that the Committee considered that in order to ensure
stability in the care home market and to encourage investment – because we are going to need
that sector to expand over the decades ahead – in order to do that, the States’ rate – a colloquialism;
which is a combination of the sum of the benefit rate paid from the insurance scheme and the co-
1070 payment paid by the individual towards the cost of their own accommodation and care – that that
sum combined should reflect the mid-point of the benchmark derived through the LaingBuisson
analysis of care home accounts. The Committee sought, through the Propositions set out in that
2020 policy letter, to achieve this over a two-year period, by increasing both the benefit level that
we will be paying from the fund and the co-payment that the individual will pay.

1075 Given the financial pressure that was facing care homes at the time and the very real risk to some
not-for-profit homes in particular, the States agreed an immediate increase in the benefit rates and
in the rate of the co-payment, and the co-payment rate was increased by £20 per week, from £209
a week to £229 a week with effect from 5th October, last year.

The States at that time also agreed to increase the co-payment further to £280 a week by January
1080 2023, in line with estimates for the cost of providing living and accommodation services, as
indicated by the LaingBuisson analysis. Combined, these measures have brought the States’ rate
above the benchmark in October 2020 and they will transition this to the benchmark mid-point by
January 2023.

I should point out that even further back, in 2016, following consideration of the Supported
1085 Living and Ageing Well Strategy, the States agreed in principle that the Long-term Care Fund should
only be used to meet the care costs and support of individuals, and that individuals themselves
should pay for their accommodation and daily living costs. I am not sure I would have voted for
that, personally, if I had been in the Assembly at the time, but that was the decision of the Assembly,
and ever since, Social Security have been working to that decision.

1090 One thing that the August 2020 policy letter failed to do was make a recommendation on how
the co-payment would be increased to £280 per week over the two-year period; it set that sum for
where we should be in two years’ time, but it did not say how we should get there. This policy letter
seeks States’ approval for the next incremental rise in the co-payments towards that target of £280
a week – that is at 2020 value of money.

1095 The current rate of the co-payment is £229.37 per week. That is £50.63 short of the target rate
of £280 a week. Given that the target date of January 2023 is still about two years away, the
Committee considered that it would be appropriate to phase in that increase, to increase the co-
payment by roughly equal amounts every six months in January and July of each year until that
target of £280 per week, agreed by the States, is reached in January 2023. This will require four
1100 incremental increases of £12.66 per week, plus any inflation in the January increases – I hope
everybody is following this! Therefore, the Committee is recommending increasing the co-payment
to £242.06 per week from 5th July this year.

Members will notice the policy letter does not make any recommendations beyond July this year.
There is a good reason for that: the Committee intends to make proposals for the 2022 and the
1105 2023 rates of co-payment in their Uprating Report in October this year so that the annual increase
in inflation can be taken into account.

It is estimated – I should say this, I should stress this – that the proposed increase in the co-
payment from 5th July this year will add about £70,000 to the Income Support formula-led
expenditure in 2021, because some people will need additional financial support to meet the
1110 increasing cost of the co-payment.

However, the net financial impact to the States of Guernsey of increasing the co-payment is positive, because if we did not the expenditure from the Long-term Care Insurance Fund would have to increase by far more in order to provide the States rate that is required to keep the sector profitable.

1115 I think that has explained the background – I suggest people just vote Pour, actually! (*Laughter*)

The Bailiff: Deputy St Pier.

1120 **Deputy St Pier:** Sir, I do intended to support, but the policy letter does not particularly address and neither did Deputy Roffey in his speech, but I think it would be useful if he could just say a few words about the intentions in relation to the Long-term Care Fund to support people in care in the community, which is something which previous States have considered. I know it is a matter that has been raised with me by a number of new Members in this Assembly, and I think it would be useful for them to hear actually what the direction of travel is in relation to that. I do appreciate that
1125 it is sort of outwith the policy letter but allied to its future development, and so if he would not mind just addressing that in his response.

The Bailiff: Deputy McKenna.

1130 **Deputy McKenna:** Thank you, sir.

I am not sure, Deputy St Pier, if that is what we spoke about over breakfast yesterday. Deputy Roffey, I do not know – if you could help me on this with Deputy St Pier. Do families get a £4,000 a month allowance for care home or nursing home? Is that what I asked you, Deputy St Pier?

1135 **The Bailiff:** Deputy McKenna, Deputy St Pier cannot answer that unless he chooses to stand in his place silently!

Deputy McKenna: Sorry, my apologies.

1140 So what it is, Deputy Roffey – I actually do not know this figure – is just to ask: how much does a Guernsey family get towards a nursing home or care home care?

The Bailiff: I do not see anyone else rising, so I shall turn back to the President swiftly to see whether he can deal with those two points in this short debate.

Deputy Roffey.

1145

Deputy Roffey: I will do my best, sir.

1150 The question from Deputy St Pier goes slightly beyond the focus here, because co-payments are for people who are actually in residential or nursing homes, and Deputy St Pier was asking about the evolution of the scheme, which was approved in principle to also support people who are provided with their care in their own homes. This is going to be a really difficult decision for this Assembly, because there is no doubt that, in principle, there is a perverse encouragement, in a way, for people to go into residential care homes or nursing homes, because that way they can benefit from the payment from the Scheme, whereas if they are buying in that care at home they do not get that level of support. So I cannot argue that the decision in principle taken last year was
1155 absolutely right.

1160 But Members, I am sure, will have read avidly the reports of the Government Actuary that were appended to a Billet a month or so ago, which make clear that the Scheme is currently unsustainable and it will need a fairly significant increase to make it sustainable in its current form. However, the increase will need to be about triple that amount if we are going to see through our determination to pay for care in people's homes in a way that has never happened up to this point. So it will be down to Members. Whether we will bring proposals or whether they will come out of the fiscal

review and be part of the melange of how we pay for everything in the Island, I do not know yet, but this Assembly will have to make that sort of decision later on this year.

1165 I think Deputy McKenna was asking about what the benefit rates are. There are a number of
different ones. There is one rate for nursing care, there is one rate for residential care, there is a rate
in-between for residential care where dementia is an issue. I do not carry the exact sums in my head,
but they are all on the Government website and they change every year; if you go to Social Security's
pages, you will get the exact sums. I would hate to get it a few quid wrong and be reprimanded. It
1170 does depend on the sort of care that they are accessing, and obviously nursing care is higher,
dementia care is in the middle, and straightforward residential care home provision is at the bottom.
I think that was what he was asking me, but if not, I invite him to correct me and I will have a go at
his question.

1175 **The Bailiff:** Deputy McKenna, are you seeking further clarification from Deputy Roffey?

Deputy McKenna: Sir, it was not trying to trip Deputy Roffey up in any way; it was only because
I do work in the care home, the nursing home, and the hospitals, and different families have said
that as carers 24 hours a day, seven days a week, they only get £87, whereas the States are prepared
to pay up to £4,000 for a nursing home or care home. I wondered whether the differential is
1180 something that we could look at, that if we paid more of a carer's allowance, it would then be cost-
saving to the States. As I say, this is not an attack; this was just a debate that may well be in the
pipeline, but I certainly did not want to make this uncomfortable.

1185 **Deputy Roffey:** I am sorry, I misunderstood. I have now got all the figures in front of me, but I
do not think that is what – I think Deputy McKenna knows what they are; he was asking about the
Carer's Allowance and whether we could not pay more.

1190 I would absolutely love to do so. Affordability is the issue. There are a significant number of
people in receipt of that benefit and it will cost a very significant amount if we put it up, but if he is
asking for us to re-look at it, it is the kind of thing that ought to be under constant review and I am
happy to look again at that scheme.

The Bailiff: Members of the States, there are two Propositions. I am going to put both of them
to you together.

Those in favour; and those against.

1195 *Members voted Pour.*

The Bailiff: I declare both Propositions duly carried.

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

**XI. Improving the governance of the States' of Guernsey's investment funds –
Motion carried as amended**

The States are asked to decide:-

*Whether, after consideration of the policy letter entitled 'Improving the Governance of the States
of Guernsey's Investment Funds' dated 8th February, 2021 they are of the opinion:-*

1. *To approve the proposals set out in that policy letter for the constitution of a States' Investment
Board as a sub-committee of the Policy & Resources Committee.*

2. *To agree that the responsibility for the management of the Common Investment Fund currently managed by the Committee for Employment & Social Security is transferred to the Policy & Resources Committee.*
3. *To agree that the mandate of the Policy & Resources Committee is amended to clarify its responsibility with respect to investments by the addition of:
“(b) 11. Responsibility for setting the investment objectives for all States' investment funds and for appointing an independent board to oversee the management of such Funds in line with the States' permitted Investment Rules.”*
4. *To agree that the mandate of the Committee for Employment & Social Security is amended to remove its responsibility with respect to investments by the deletion of:
“(a) 7. Investment of the Guernsey Health Service Fund, Long-Term Care Insurance Fund and Guernsey Insurance Fund”*
5. *In Section II of Appendix II to Billet d'État XX, 2017 (“Rules for Payments to States Members, Non-States Members and Former States Members”) approved on 8 November 2017;
(a) in paragraph 1 to insert “, the States' Investment Board” after “the Development & Planning Authority”, and
(b) in paragraph 2 to insert “or the States' Investment Board” after “the States' Trading Supervisory Board”.*
6. *To approve The States of Guernsey Permitted Investment (Amendment) Rules, 2021 as set out in Appendix One and to agree that they shall replace the States of Guernsey Permitted Investment (Amendment) Rules, 2015.*
7. *To rescind the resolution of the States pursuant to Section 100(4) of the Social Insurance (Guernsey) Law, 1978, Section 1(7) of the Health Service (Benefit) (Guernsey) Law, 1990 and Section 1(7) of the Long-term Care Insurance (Guernsey) Law, 2002 made on the 28th September, 2011 on Article XIII of Billet d'Etat No. XV of 2011.*
8. *To direct the preparation of such legislation as may be necessary to give effect to the above decisions.*

1200 **The States' Greffier:** Article XI, Policy & Resources Committee and the Committee for Employment & Social Security – Improving the governance of the States' of Guernsey's investment funds.

1205 **The Bailiff:** I understand, Deputy Helyar, that you are leading and opening this debate.
Deputy Helyar.

Deputy Helyar: Yes, sir, thank you.

1210 I have the honour to present this joint policy letter to the Assembly in relation to improving the governance arrangements surrounding investment activities, together with the Committee for Employment & Social Security.

The proposals can be summarised into two main parts: firstly, the conglomeration of investment pots into one area of responsibility; and secondly, professionalising the investment management and governance process by the creation of a Guernsey Investment Board.

1215 The Committee for Employment & Social Security has legal responsibility for management of the Common Investment Fund, which comprises the Guernsey Insurance Fund, Guernsey Health Service Fund, and Long-term Care Insurance Fund, comprising approximately £885 million, which is managed through an investment subcommittee. P&R manages its funds through an entity called the Consolidated Investment Fund, which incorporates the Superannuation Fund, the Core Investment Reserve, the General Reserve, the Capital Reserve, and numerous other smaller funds and funds held in a fiduciary capacity.

1220 Sir, I think even just running through all of these different names of funds alone demonstrates part of the issue: there is too much complexity, and we are apparently at risk of running investment strategies which do not match our liabilities, and this should be the cornerstone of any sound

1225 investment policy. At present, we have two independent sets of investment managers and
investment management policies and governance structures, with ESS looking after £885 million or
so, and P&R the remainder of the £3.3 billion. Each of these consolidated pots are run by different
investment managers with different return targets and different levels of risk.

1230 Both Committees in conjunction and discussion – and this has been a slow burn – have reached
the conclusion that this duplication of effort is undesirable and is not conducive to effective
investment management of these substantial funds or to their consistent long-term governance.
Both Committees have therefore concluded that responsibility for all investment funds should rest
with a single Committee, and this is proposed to be the Policy & Resources Committee. There would
be no change to the purpose or legal status of the social security funds and they will continue to
be reported as separately identifiable funds, but the responsibility for their investment management
1235 will change and rest with Policy & Resources. This requires consequential amendments to the
legislation which are detailed in the proposals, as well as changes to Committee mandates, detailed
on page 11 of the policy letter.

The issue as to what returns these moneys are able to make for what level of assumed risk has
a direct impact on our public finances and the potential need to raise additional taxes or social
1240 security contributions. The last actuarial valuation of the Superannuation Fund, for example, showed
the scheme to be 93% funded, but this is based on a number of financial assumptions, including a
return on investment of RPI plus 2.5%. If the actual rate of return on our funds is higher or lower,
this has a significant long-term impact on the surplus or shortfall of the funds and the potential
need for additional taxation or contributions, as is demonstrated by the graph which you will see
1245 on page 10 of the policy letter.

The Consolidated Investment Fund has an investment return benchmark of inflation plus 4%.
The actual return of this Fund has averaged 8% per annum over the last five years. Professionally
co-ordinated investment activity can help to reduce our liabilities and to protect our economy from
the need to raise further tax or Social Security contributions.

1250 Sir, the management and supervision of a £3.3 billion investment portfolio is a specialised
professional task. There is a risk associated with delegating this decision-making responsibility to
politicians, who may change seats every four years, particularly where investment returns are
required to meet long-term liabilities, such as pensions.

In addition to the transfer of responsibility to P&R, the policy letter therefore proposes the
1255 investment process be de-politicised by the creation of a States Investment Board to ensure
adequate levels of investment expertise and consistency as a subcommittee of P&R, made under
Rule 54(3) of the Rules of Procedure. The Board, which would be appointed by P&R in an open
process, is proposed to comprise an external Chairperson, two external members, and the States'
Treasurer. A nominated member of P&R will be entitled to attend these meetings in a non-voting,
1260 supervisory capacity.

The aim of the States Investment Board would be to provide independent investment expertise
and governance of all States' funds to enhance long-term performance and to ensure robust,
transparent and independent governance and oversight in the future. As these functions are already
exercised largely by officers, no additional costs are anticipated, save for fees to be paid to those
1265 independent members, which are suggested to be at the same rate as for non-States' members on
States' Committees.

As well as potentially enhancing returns and reducing risk by matching strategies to liabilities,
there are several potential efficiencies that could be gained from a single experienced management
board, including reduction in investment management fees, the reduction in meeting frequency,
1270 and the consistency of reporting.

Sir, various legislative amendments and amendments to the permitted investment rules are also
proposed. I do not intend to traverse these in any detail.

I would like to personally, and on behalf of the Committee, pass on thanks to Deputy St Pier for
his assistance in completing what was a piece of work that had already been started by P&R, and

1275 to Deputy Roffey and his Committee for their assistance and their collaboration in concluding these joint recommendations.

Sir, I would ask the Assembly to support these proposals.

1280 **The Bailiff:** Members of the States, one amendment has been submitted. Deputy St Pier, do you wish to move that amendment now?

Amendment

At the end of proposition 1, to add:

“and direct the Policy & Resources Committee to publish an annual report on the work of the States' Investment Board and investment performance as an appendix to the States of Guernsey Annual Accounts (or in such other form as it deems most appropriate.)”

Deputy St Pier: I do, sir, and I will read it and introduce it briefly.

1285 *Deputy St Pier read the amendment.*

1290 **Deputy St Pier:** I am pleased to lay this amendment, seconded by Deputy Helyar, and I am grateful to him for asking me to work with him, which I have enjoyed, on finalising this working policy letter – as he said, started in the last term between the Policy & Resources Committee and the Committee for Employment & Social Security.

1295 Having worked on the policy letter together, I should perhaps explain how this amendment has come about. I reviewed and marked up for officers the near-final version of the policy letter, but my comment on this particular issue was not actually picked up in the final published policy letter, and I am therefore grateful to Deputy Helyar and his Committee for being prepared to revisit this particular point.

1300 From P&R's perspective, the proposals as appear in the Propositions, I think, do make perfect sense. But, I think, from individual Members' and the Assembly's perspective, there is currently, without this amendment, a gap in the proposals – namely, that the States Investment Board will report annually to the Committee, but not to the Assembly – and as this Assembly sits at the pinnacle of our system of both government and governance, this cannot be right.

1305 This amendment is very simple; it simply directs P&R to report on the work of the States Investment Board annually, but it is not prescriptive as to how that is discharged – by providing that it may do so as an appendix to the annual accounts, or in such other form as it deems appropriate. In my view – and I have expressed this – rather than having it debated as part of the annual accounts, I think it is possible that a future Policy & Resources Committee might actually choose to publish the States Investment Board's annual report, perhaps in full or perhaps redacted, as an appendix report that may or may not be debated by future Assemblies. It is possible that it may not be appropriate for that report to be published in full.

1310 These are not decisions which I think really need to be managed on the floor of the Assembly, and I do not think they really need to be matters that are debated today. But I think what is important in governance terms is that there is a clear link and line between this Assembly and the work being conducted, ultimately, on behalf of this Assembly by the States Investment Board, and that really is all that this amendment achieves, and I do commend it to Members on that basis.

1315 **The Bailiff:** Thank you very much.
Deputy Helyar, do you formally second the amendment?

Deputy Helyar: I do, sir.

1320 **The Bailiff:** Do you wish to add any comment on behalf – you would be able to speak on this, as leading it for the Committee.

Deputy Helyar: Only to say, sir, that there has been quite a bit of media speculation about the transparency of States' accounts and that any publication of investment policy and criteria and improving transparency must be welcomed by the Assembly.

1325 Thank you.

The Bailiff: Members, is there anyone –? Do you wish to speak on the amendment, Deputy Gollop?

1330 **Deputy Gollop:** Yes.

The Bailiff: I was tempted, at the moment, to run this into general debate as well.

1335 **Deputy Gollop:** I am not going to speak on the amendment and general debate, but the two are interlinked, actually, to a degree.

The Bailiff: Thank you, Deputy Gollop.

1340 **Deputy Gollop:** I am a Member of Employment & Social Security and, indeed, all the Committees, and I do support the amendment, because I think it brings an extra dimension of, as Deputy St Pier said, flexibility to the States to be aware of the work of the to-be-reformed States Investment Board and investment performance as an appendix, and indeed, we have the right, as Deputy St Pier has already outlined, for the Report to be debated, as we did recently with the Prison Reports and the Post Office Utility Reports.

1345 Although political interference in investment matters is not to be encouraged, if one looks at the history of this – and there is a history to be understood – because, although I have signed up to the joint Committee letter and understand where it is going, part of me is a little bit reluctant, because it is a much more major step than, perhaps, some people in the community and some Members of the new States may appreciate, because it opens a new chapter and closes another one.

1350 Twenty to twenty-five years ago, Social Security, the Social Insurance Authority, was a very respected – it still is – and robust institution. But it was a law unto itself, to a degree; it was semi-detached from Advisory in Finance and other elements of the States. I think the philosophy of the day was very much to have a stand-alone insurance account, ably managed by generations of staff and administrators, and it was separate from General Revenue and politics and, to a degree, was meant to be self-supporting, ideally.

1355 Now of course, Zero-10 changed some of the dynamics of that transfer of money, and for many years, Social Security could boast that it was actually more successful with investment performance, perhaps, than its sister Committee, who were managing the States Civil Service Pension Fund and other funds. In recent years perhaps we have seen a change the other way; Deputy St Pier would sometimes say when he was President of Policy & Resources, 'What a pity Social Security are not doing quite as well,' because then some of the financial discussions would be easier about Long-term Care and all the other things we have just touched upon.

1360 We basically had two separate pairs of political eyes. I am perhaps not renowned for my expertise with money or investments, so although I have sat on the main board for nine years, I have never sat on the Investment Committee. But we have had people on the Investment Committee, many of whom have been involved with corporate pension funds or have had specialist financial expertise as non-States' Members, and one cynic said to me, 'You are just reluctant perhaps because historically, the Committee used to go away to London and meet investment analysts and so on and have an interesting time finding out more on behalf of the people.' I never did that and in fact, generally speaking, investment advisers and analysts would come to Guernsey.

1370 But the board and senior staff took their responsibilities very seriously and diligently and have generally produced solid, relatively risk-free, and robust investments, and they have even outperformed, on occasion, the market in terms of financial crashes and also disappointing times;

1375 and we have had relatively optimistic news even in the last two or three years, when things have
been perhaps uncertain due to COVID, Brexit, and global factors – the Trump presidency and other
factors.

So we have got a lot to be proud of. Occasionally, we have had able Members – like Deputy
Matthew's father and Deputy de Lisle, amongst others – who often questioned investment issues
and whether we had made the right choices over the years. There has not been a culture of political
1380 interference, but there was a culture of political oversight, of political involvement with investment
decisions, and political regulation on behalf of the community, not as limited liability directors or
specialists, but in their political role.

We are moving away from that. I think the States – given the importance of the money to us and
of the challenge of a depoliticised new regime that Deputy Helyar, who comes from a great
1385 background of understanding in this field, is announcing – that, yes, that is probably better than
day-to-day political lay involvement.

But we, as politicians, are fundamentally responsible for protecting the public's assets, especially
pension funds, whether they be employment pension funds or the vital funds we need for our Long-
term Care Fund, pension funds and health. In evolving our Government to a more holistic level, we
1390 are ending the silos, we are ending separate property buildings, we are ending the individual Chief
Officers and all that era; the transformation of the Civil Service and politics is taking place. But as
part of that, we are making this significant step, and we all have to wish it well, but we do need, at
least initially, to understand the transparency of the decisions being made and to appreciate what
specialists and responsible people are doing on all of our behalves.

1395 I think the amendment improves the policy letter, and I do support the policy letter, but I hope
people understand that this is not just a minor piece of material going through the States; it is one
of the most fundamental things we will see in this term.

Thanking you.

1400 **The Bailiff:** Deputy de Lisle.

Deputy de Lisle: Thank you, sir.

I think it is important to note that we are dealing with mega sums here: £3.3 billion, which is a
colossal amount of money. I have been concerned in the past, as Deputy Gollop has related, with
1405 respect to the investment strategy and its workability and so on and so forth, and whether, in fact,
we have got the most efficient and effective system, with all these fund managers that are assisting
us with it. I also have to say that, of course, I am a recipient now, and therefore, I am concerned with
the growth of these funds into the future.

When I look at Section 4.6 of the policy letter, I question there as to how these funds have been
performing for a while. I would have thought that, perhaps, this particular policy letter would have
1410 indicated to some degree and given us some confidence, if you like, and comfort as to how things
have been moving forward with respect to the investment growth, if you like, in these funds. Some
would say, of course, by dividing it up a bit, into the two major areas – the Consolidated Investment
Fund and, through Employment & Social Security, the Common Investment Fund – there might be
1415 less risk with respect to the investment. However, we are being told that we can gain efficiency and
effectiveness, if you like, if we roll it all into one vehicle through this particular Investment Board.

In 4.6, if I can get back to that, they say:

Regrettably, such shortcomings only become fully apparent when something goes wrong, at which point
misunderstandings of risk and/or return inherent in various investment strategies are often uncovered.

1420 I am wondering to what extent – we have got this in front of us today because there are
misgivings in what we have been doing up to this point, but we are not given any details of that,
which is really unfortunate, again with these policy letters. I mean give us all the facts, please, so
that we know where we are at. Is this the reason for this particular policy letter coming in at this

1425 time, because 'regrettably' there are 'shortcomings' with regard to what has been carried out in the past? Please, an indication of how these funds have been doing and how, in fact, in more detail, we can provide greater efficiency and effectiveness through pooling those monies together and having them managed by the States Investment Board.

Perhaps the Deputy providing this policy letter could answer some of those concerns that most people must have with this sort of mega sum that we are dealing with here of £3.3 billion.

1430 Thank you.

The Bailiff: Deputy Trott.

Deputy Trott: Thank you, sir.

1435 I doubt the Assembly will be surprised – and in particular, Deputy Helyar – that I am 100% supportive of the thrust of this policy letter. It was, as he said at the start, in evolution prior to the change of Government, and it was in evolution for all the right reasons.

1440 However, the points made by Deputy Gollop, which I shall come to in a moment, I think are worthy of reference, and I do have two specifics that I wish to address. First of all, Deputy de Lisle, sir, said the report was silent on investment performance; it absolutely is not. On page 6, paragraph 2.12, all you need to know is there. It reads:

In terms of investment strategy and the management of risk, the Consolidated Investment Fund aims to maintain a Value at Risk of 10% or less with 95% confidence.

To some, that is jargon, but fortunately, the paragraph goes on to explain that:

1445

This indicates that statistically there is only a 5% chance of an adverse move in the portfolio value of more than 10%. This level of accepted risk has led to the Committee setting a target return of UK RPI+4% per annum.

It goes on to tell us:

Actual return has averaged 8.0% per annum over the last five years, exceeding the target return by an average of 1.3%.

1450 That is, for that level of risk, a very good performance, but it could have been better, and Deputy Gollop explained, as does the States Report, that we are consolidating all the investment portfolios under one umbrella, and doing it independently. That is important because in recent years, the performance of the Social Security funds, the funds administered by the Social Security Fund, have not been as strong as they were previously, and that does, as Deputy Helyar explained, have a very material effect on the consequences for taxes, particularly around the Long-term Care Fund and the like.

1455

This is a very welcome initiative that I do entirely support. However, there are a couple of issues I would raise. Firstly, on page 12 of the Report, we are told that:

The Board will comprise an external chair, at least two suitably qualified external members and the States Treasurer.

1460

I have no issue with that composition, but I do have slight issue with the way the appointments will be carried out, because the very next line tells us that:

The external appointments would be made by a panel consisting of Members of the Policy & Resources Committee ...

1465 One of the reasons why we are seeking to move to this structure is because successive – both the last Policy & Resources Committee and, indeed, the current one – recognises that it does not have the breadth of investment skills necessary to undertake this governance function. So why on Earth the Policy & Resources Committee believes that it has the necessary skills to select and appoint those independent panel members does, I think, require a challenge.

1470 If it said that the external appointments would be made by a panel consisting of members of P&R *and others*, I would be less concerned, but it does not say that; it says 'consisting of' and it does not give any indication that they will have professional advice alongside them. If they want professional advice, sir, I am very happy to offer one of my firms, *pro bono*, to them, should they – and we can send a couple of PhD's down to give them a hand if they wish.

1475 The reason for that remark – which is a sincere one, although it may have sounded slightly flippant – is because my next point is on page 16, under paragraph 6.1, the very top of 6.1, where – and I think it was both Deputies Helyar and St Pier that mentioned that we would be setting the remuneration for these independent members alongside that that we pay the non-States' members on the States Trading Supervisory Board, at a rate of £8,615 per annum.

1480 Frankly, we would have been better off making it clear that this needed to be discharged entirely *pro bono*, because you would have had, I think – the problem with £8,615 for the level of expertise that we are hoping to recruit is it unfortunately sends out the wrong message; it is somewhat derisory, it is completely uncompetitive. We are, in reality, relying on the public-spirited nature of these people – and in fact, we currently have advising P&R someone of that calibre who does
1485 provide his services for nothing. I think – bearing in mind the opportunity to reduce fees alone runs to the millions, and with the right and consistent advice, the opportunity to exceed a return of more than 8% is enormous – I really do not think we should be too picky about what we pay these highly-skilled and highly capable people that we are hoping to recruit.

I do hope that Deputy Helyar is able to address those thoughts, but I want to make absolutely
1490 clear that I think this is potentially one of the most material decisions the States will make, because the numbers involved and the opportunity for further enhanced returns is, frankly, enormous, and I commend all those involved in bringing this forward.

Thank you, sir.

1495 **The Bailiff:** Deputy Dyke.

Deputy Dyke: Thank you, sir.

I would like to speak very briefly in favour of these proposals, which I think are excellent. Indeed,
1500 back in about 2006, we made very similar recommendations from the Public Accounts Committee, the late and much lamented Public Accounts Committee – at least, it is lamented by me.

I think these proposals to professionalise in a concentrated fashion the investment arrangements as proposed are excellent and they should help, hopefully, avoid some mistakes that were made in the long distant past, including some very sub-optimal investment decisions after the 2008 crash – which was a very long time ago, but something, ideally, we should all remember – and hopefully,
1505 the new arrangements will avoid that.

Deputy de Lisle mentioned that we have 'mega funds'; they are mega funds, but they are not quite as mega as they need to be to cover all the pension and other liabilities that we have, so there is still a lot of work and thought to be done.

The openness and annual reporting proposed by the amendment from Deputy St Pier and
1510 Deputy Helyar are much appreciated. I think that will go a long way to give us better information, and hopefully, alongside that, the long-delayed arrangements to update our accounting system to proper international standards will also be achieved, so that hopefully, in the next few years, we will have an excellent set of accounts all round.

Thank you.

1515 **The Bailiff:** Deputy Roffey.

Deputy Roffey: Thank you, sir.

1520 Firstly, as ESS are the co-sponsors of this policy letter, I should say we have no objection at all to the amendment laid by Deputy St Pier.

1525 I think I ought to set out some of the context here, though, because there has been talk this morning about this as a merging of two funds; for investment purposes, yes, it is but anybody listening out there might get entirely the wrong idea by that terminology. The Social Security Funds, where people pay their contributions, will be preserved, they will have iron walls around them, they will be used only for the purposes that they are meant to be used for. We will not be able to take money out of that Fund and use it for entirely different States purposes. It is an investment merger; it is not a merger of the funds *per se*. I think that it was important to underline that.

1530 Deputy de Lisle asked whether this has been brought about by some kind of emergency concern about events over the last couple of years; not at all. I think Deputy Helyar described it as a 'slow burn', and it is a slow burn, because this proposal was actually brought forward by the Review Committee of Deputies Peter Harwood and Matt Fallaize that brought this forward in 2015, so it has taken us a while, I am afraid, about six years, to actually get it into reality, but that was where it was first raised, so it is certainly not any sort of knee-jerk reaction.

1535 The other thing it is not is a silver bullet. I really do not want States' Members to go away from here thinking – I absolutely support the more professional management of this Scheme, and I will turn to that in a minute, of these funds, but – of course the better returns we have, the less money we have to raise in other ways; that is just a truism. But please do not think it is going to be a way of melting away the difficult decisions that this Assembly is going to have to take.

1540 Just let me give you an example of that: should the investment returns be 1% higher per annum, then the exhaustion of the General Insurance Fund will be delayed by two years. Put another way, the future requirement rate to make that fund sustainable would fall from 11.3% to 11%. Very desirable, but not a silver bullet; it is not going to melt away the difficult financial decisions that this Assembly is going to have to take.

1545 Sir, I see, in a way, a parallel between this debate and one we are going to have, maybe, tomorrow – maybe, some other day. When people elect people to this States, they do not tend to choose them on their expertise in investments. That is not usually what you get quizzed on at hustings – and I am going to make the same point about school governance later on in this debate, but for the time being – it is just totally inappropriate for States' Members to be carrying out that role. Sometimes, by happenstance, we get people in the States that are very well qualified for doing it, but that is a lottery. Very often, you might have nobody that is qualified, and then of course they may not be on the right Committee to provide the oversight anyway. Even if you do get the right people, the investment cycle may not actually tie up with the four-year term that those people absolutely have to do.

1555 So I absolutely support this move to a more professional oversight and less of a political oversight. Deputy Gollop says, 'But we have a political responsibility'. That responsibility will not go; the political responsibility will still sit with the Members of this Assembly. But in many areas of life, the way we discharge that is by employing people with more expertise than us to deliver the things that we are responsible for. So I think this is overdue.

1560 I think it is unfortunate, the way that P&R made it almost a competition and pointed out – and they were quite right to point out – that over recent years, the P&R fund that they have been responsible for has been outperforming the Social Security Fund. It has not always been thus. There have been periods, extensive periods, in our history when it has been absolutely the opposite, and that is what tends to happen with investment strategies: they do tend to fire in different circumstances, and sometimes one will do better than the other. It is not a competition. If it was a competition then I would not be saying today, 'Well done to the P&R fund that so far this year, it has put on 1.8% since the beginning of the year to about the beginning of this week.' It is not a competition. If it was, I would mention that the Social Security Fund has gone up by 3% in the same time at almost double the rate that the P&R fund has gone up, which just shows that it is not always one fund that outperforms the other.

1570 But this is a joint policy letter for a reason: we are all servants of the States. What we need to get for public money is the best return on behalf of the taxpayer, in one case; the civil servants who want their pensions, in another case – that is the taxpayer, because they underscore that – and the

1575 Social Security payer, in another case. I am absolutely convinced that this professionalism, this bringing of – not *merging* of the funds but bringing them – together for investment purposes and really bringing the best expertise over it gives us the best prospect of doing that, and as a result, increases in taxes, which will come, and increases in Social Security, which will come, will be able to be mitigated and be less than they otherwise would be, and I wholeheartedly support this.

1580 Deputy Gollop said, 'It is a big red-letter day'; Deputy Trott said, 'This is one of the biggest decisions we are going to have to take' – absolutely right: big decision, but absolutely, clearly, the right decision.

A Member: Hear, hear.

The Bailiff: Deputy Soulsby.

1585 **Deputy Soulsby:** Sir, I am going to be brief.

Just to endorse what Deputy Dyke said, apart from one point, a point of correction: it was 2016, and not 2006, that PAC did that review. Deputy Dyke was a very valued member of that Committee, and I do agree with him totally that it is unfortunate and it would be better if we still did have a Public Accounts Committee.

The Bailiff: Deputy Falla.

Deputy Falla: Thank you, sir.

1595 I would like to echo much of what Deputy Roffey said. In my few short months as a member of the ESS Committee, one of my roles has been to be a delegated Member in respect of the Common Investment Fund, and I have attended a number of Teams meetings with the investment managers in London – incredibly nice people. But I am not qualified, really, other than any other of you – or many of you, I assume – to really question in any depth or with any level of expertise what they are doing.

1600 I do want to just mention that I saw a media report which suggested that States' Members were running money, that we are making investment decisions. Nothing could be further from the truth; we are very far at arm's length from that. (**A Member:** Hear, hear.) However, I feel it is onerous and I feel, honestly, outside of my comfort zone being responsible for the way in which £1 billion worth of public money is invested, so I am very happy to see that move away from ESS, and it is eminently sensible to move it to the Committee that is better suited to that role.

1605 Thank you.

A Member: Hear, hear.

1610 **The Bailiff:** Deputy Le Tissier.

Deputy Le Tissier: Thank you, sir.

1615 I feel obliged to speak, because this is one area that I am qualified to speak. To Deputy Roffey: yes, I am a fellow of the Chartered Securities and Investment Institute, so this is definitely my area.

I am broadly in favour of this, but I do have some questions that relate to the investments, and specifically, Appendix 1. In my professional life, I can say I have never seen such a wide permitted investments list. I know it does go on in paragraph 2, which I will refer to in a moment, but I would like to ask Deputy Helyar: this list, it is so wide. I will just give you a few examples. On the bonds, there is nothing in there to stop you buying sub-investment-grade bonds, or junk bonds – of any country, as well: Iraq, Iran. One would have thought there would be a list where under no circumstances would we be investing.

1620 There is also the human rights aspect; has there been, or will there be, a risk assessment prior to investing in some of these investments? 'Any company, in any country'; that, to me, seems very

1625 wide. Some of these countries are well known for bribery and corruption, and so I think, maybe, we should have had a little bit more information in the permitted investments list. A further example is that you could put 100% of the Fund into a structured product – I mean you would not, of course, but there is nothing to stop you doing that – which is an extremely high risk.

Paragraph 2 does say that:

1630

The Committee will ... set investment objectives appropriate for each Fund under their control. In addition to risk and return targets, these objectives should detail controls on position, size and quality of all investments ...

That does go some way to giving me some assurance. But what advice will P&R engage to ensure that the limits they set are appropriate? And will they consider publishing some more detailed investment objectives?

1635

Thank you.

The Bailiff: Deputy Kazantseva-Miller.

Deputy Kazantseva-Miller: Thank you, sir.

1640

The £3.3 billion fund is our biggest asset to walk the walk on our commitments on human rights, on climate change, and so on. I hear Deputy Le Tissier's concerns and would like to seek further information in terms of – how does CIF align with our commitments in all of the areas of the policies that the States support? I think that is something we should be looking much more strongly into, and I would like to hear some reassurances from our P&R colleagues on that.

1645

Thank you.

The Bailiff: Deputy Queripel.

Deputy Queripel: Sir, thank you.

1650

My apologies for being behind the curve on this one. Before I ask the question I am about to ask, I also apologise for missing a fundamental point somewhere along the line. I am in need of clarification, please, on an issue that is concerning me and confusing me somewhat. We are told in paragraph 6.6.1, on page 18, the following:

It is proposed that the internal investment fund be used to support one-off projects or short-term initiatives aligned to the following objectives: improving the performance of the criminal justice system ... reducing the crime rate ... and repairing the damage caused by crime, including restorative justice measures.

1655

The Bailiff: Deputy Queripel, when I look at my policy letter, we do not have a paragraph that says that. Are you referring to the correct document?

Deputy Queripel: Good question, sir.

1660

The Bailiff: We have not got to the Seized Assets Fund yet.

Deputy Queripel: I must learn to curb my enthusiasm, sir. Apologies. *(Laughter)*

1665

The Bailiff: Is that the end of your speech? Right.

We have heard, Members of the States, briefly from Deputy Helyar already on the amendment, so what I am going to do now is to turn to Deputy St Pier, if he wishes, to reply to the debate on the amendment.

1670

Deputy St Pier: Sir, I will very briefly, but there is very little to reply to in respect of the debate on the amendment, I think, but I will perhaps use it as an opportunity just to make a couple of points in general debate before Deputy Helyar sums up and we go to the vote.

1675 A number of Members have spoken about the significance of this policy letter and the Propositions before us, and I would absolutely echo those. This is an extraordinarily important decision and move, and that should not in any way be underestimated, given the nature of the policy letter. I have no idea whether the Policy & Resources Committee will want to have me involved in any further way after today, assuming these Propositions are approved, in relation to setting this up; that is not a discussion that we have yet had, and it is perhaps something that we may choose to do after this, if they wish me to be involved.

1680 The key next step, clearly, is the selection and appointment of the members of the Board, and I think Deputy Trott spoke to this in relation to what is Proposition 5 and paragraph 6.1, which is the quantum that is to be offered to those members of the Board. My own view, I think, very much echoes that of Deputy Trott, that I think it is probably too low but the decision was made, which I endorse, that we should proceed on the same basis as the STSB with that quantum fee.

1685 But, importantly, of course, within paragraph 6.1, it does say 'Policy & Resources will keep this under review', and I think that is a very important caveat, because if it is to be revised it will be a decision of the States, it would need to come back in order that the Rules referred to in Proposition 5 are amended, and certainly my advice and counsel to P&R would be to return very quickly if, in the process of appointing the board, it is found that it is a hindrance to recruiting the right quality and skill set. This Assembly should and must, in my view, be prepared to revisit that on the advice of Policy & Resources at the time – and it is not something that we would want to live with for too long – to compromise on quality, if that were to impact us.

1690 Aside from that, sir, I think there appears to be widespread support for the amendment, and indeed, for the policy letter itself.

1695 **The Bailiff:** Members of the States, we will come to the vote on the amendment to these Propositions, to add to Proposition 1, proposed by Deputy St Pier and seconded by Deputy Helyar. Those in favour; those against.

1700 *Members voted Pour.*

The Bailiff: I declare that amendment duly carried.
I will now invite Deputy Helyar, on behalf of the Committees, to respond to the debate.

1705 **Deputy Helyar:** Thank you, sir.
I will take them much in the order that they arose during debate.
Deputy Gollop spoke first. I think it was an endorsement; (*Laughter*) perhaps more of a farewell to arms in terms of ESS running its own investment policy, but thank you for the support.

1710 Deputy de Lisle, I am pleased to say your comments were answered largely by Deputy Trott, for which I am very grateful. Section 2.12, as detailed by Deputy Trott, does say that an 8% return has been achieved on a consolidated basis over the last five years, and I would have been delighted if my own bank account had managed to achieve, I have to say. So I think it is an amazing return and it has been done with a very low value at risk (VAR) ratio, which is incredibly important because that is the key measure for how much risk we are taking with the money.

1715 Deputy Trott: very valid challenges – Deputy St Pier has alluded to them as well – in terms of, are we going to get the right people at this price? I do not know the answer to that, and you are right: to get people who are very highly qualified investment advisers not acting on a *pro bono* basis would cost significantly more than is in the policy letter, and I can assure the Assembly that if we do find ourselves running up on blocking the Suez Canal on this, we will come back to the Assembly to ask for assistance with that.

1720 I thank Deputy Dyke for his endorsement.

Deputy Roffey: I do not want to correct him, but I did use the word 'conglomeration', which is a geological term for a type of rock, rather than merging. But I do understand his point and I just want to add to that, to reassure the public, we are not sticking all the cash in one pot and it is just

1725 sloshing around. Some of those reserves are intended for specific purposes, and they have to be maintained in that way as if they were, effectively, fiduciary deposits, and that will continue to be the case. But it enables them to be governed in one place and with one holistic view as to what the risks are and then how you should invest in them, because investing for a pension scheme is a very different type of investment structure than a general short-term investment might be, for example.

1730 De-politicising the process, I think, came up in debate and I just wanted to reiterate that. If you think of the pressure that we may be under in the next few years to meet the gap that we have in capital, it would be all too easy for a politician in control of that sort of structure to say, 'Let us put all the money on the 4:40 at Haydock'. That really is not the right way to run this kind of structure, with these sorts of numbers. It is very important that we have a high level and a high degree of qualified, independent decision-making. I think that is a very important part of it.

1735 Deputy Falla, yes, I completely endorse your view as well. These are very big numbers – there are nine noughts after them – it is much more of a substantial responsibility than many would want to undertake, I suspect.

1740 Deputy Le Tisser, I have some sympathy for your comments in terms of the – how would I put it? – high-level permitted investments scope; it is very high-level. When we get down into the layer below that – and this goes to Deputy Kazantseva-Miller's point in terms of ESG and our environmental, social, and governance responsibilities – the layer underneath the permitted investments, we have an adviser, IAM, which gives us advice on those particular managers. Those managers are free to choose their own investment policies, 27 of them, based on their own particular plays and they are given wide scope and they are given a target, as I have said in my introduction, of CPI, which is inflation +4% or 400 basis points, and they are able, provided they invest in investment-grade products, to do as they wish within that scope.

1745 I do hope, as part of this process, that the reporting – that Deputy St Pier has suggested will be an appendix, and I think that is probably the best way to deal with it – will provide more granularity on how this works, what the policies are, and I think as well – and Deputy de Sausmarez in these investment meetings has raised frequently – the need to have an open environmental, social and governance policy around the whole of the investment fund, and they should be rightly invested in the type of investments which the public would be assuming that we should invest in to get a decent return. But also, we are not doing things – as most modern investors will not; for example, they will issue side letters in investment funds saying, 'I will not invest if you invest in land mines, and I will not invest if you invest in this particular type of activity.' We have those things in place as well and I welcome the interest in it because I think it is important that we have more transparency about the way this is done.

1750 I do not have much more to say other than that I thank you all for your support –
1760 I will give way.

Deputy Trott: I am grateful to Deputy Helyar giving way.

I did pose a specific question around the governance around the selection process and I think it is worthy of him addressing that.

1765 Thank you.

Deputy Helyar: I would be very happy to accept his offer of professional assistance in creating a proper scope for what we might expect of an individual to sit as an adviser on that Committee, and any other Members who have assistance in that regard. I think it is very important that we do get the right people and that there is a professional scope created for it; I do not think we should just take anybody who wants to apply for the job. I am grateful to him for reminding me of that; I was scribbling a bit at that point and it is difficult to read my writing.

1770 In summing up, I thank the Assembly for its support. This is a very important decision. It is not the end of that road, it is a journey – to use a cliché. But it is a very important first step and I would ask Members to support the policy letter.

1775 Thank you.

The Bailiff: Members of the States, there are eight Propositions. I am minded to take Proposition 6 separately, simply because that is the legislative one, rather than the rearrangement of responsibilities one.

1780 I am going to do Propositions 1 to 5 together first. I remind you that Proposition 1 has been added to by Amendment number 1.

Those in favour of Propositions 1 to 5; those against.

Members voted Pour.

1785

The Bailiff: I declare those five Propositions duly carried.
Proposition 6 in isolation: those in favour; and those against.

Members voted Pour.

1790

The Bailiff: I declare that Proposition also duly carried.
Finally, Propositions 7 and 8: those in favour; and those against.

Members voted Pour.

1795

The Bailiff: I declare those two Propositions carried, and therefore, all eight Propositions, including as amended in Proposition 1, are duly carried.

Greffier.

POLICY & RESOURCES COMMITTEE AND THE COMMITTEE FOR HOME AFFAIRS

XII. The future governance and operation of the Seized Asset Fund – Motion carried

The States are asked to decide:

Whether, after consideration of the Policy Letter entitled "The Future Governance and Operation of the Seized Asset Fund", dated 8th February, 2021, they are of the opinion:

- 1. To agree that receipts from seized assets will be first used to support cost recovery, victim compensation and asset sharing.*
- 2. To agree that any remaining assets will be divided between a new Seized Asset Fund and a fund for community purposes, with an allocation of 80% to the Seized Asset Fund and 20% to community purposes (as set out in section 6.5 of the Policy Letter).*
- 3. To agree that the Policy & Resources Committee will have the authority to approve the use of assets in the Seized Asset Fund for distinct initiatives aligned with the Fund's purpose (as set out in section 6.6 of the Policy Letter).*
- 4. To agree that the Policy & Resources Committee will consult the Committee for Home Affairs before approving any funding from the Seized Asset Fund.*
- 5. To approve the immediate transfer of 20% of the uncommitted balance of the current Seized Asset Fund to the Social Investment Fund.*
- 6. To agree that the new arrangements for the governance and operation of seized asset distribution should be introduced on a policy basis as soon as practicable and to direct the Policy & Resources Committee to liaise with HM Receiver General in respect of the implementation of the new arrangements ahead of the introduction of legislation.*
- 7. To direct the preparation of legislation as necessary to put the seized asset arrangements on a legislative footing.*

1800 **The States' Greffier:** Article XII, Policy & Resources Committee and the Committee *for* Home Affairs – the future governance and operation of the Seized Asset Fund.

The Bailiff: I understand, Deputy Prow, that you are going to open debate on this matter. Deputy Prow.

1805

The Bailiff: Thank you, Mr Bailiff.

Sir, the Committee *for* Home Affairs is pleased and it is, indeed, an honour for me to present to the Assembly this joint policy letter with the Policy & Resources Committee.

1810 Sir, this Assembly – and indeed, the previous one – will be aware – at least, I hope so – of my drive to promote, support, and champion this Bailiwick's effort to combat economic and financial crime. I mention the previous Assembly because it is important to recognise the work done by the former Home Affairs and the Policy & Resources Committee to bring us to where we are today and the proposals before us. I endorse and thank both the previous Committees for putting us in the position where we are today.

1815 Sir, whilst the global effort is driven by the Financial Action Task Force, who set up the international standards across the whole spectrum of combating financial crime, my drive in supporting that effort is because it is absolutely the right thing to do. It is beyond doubt that the global initiatives over the last few decades to put financial crime at the cornerstone of cross-border co-operation and Law Enforcement effort has globally reduced the evils of crime from the levels
1820 they would have been by vigorously attacking the proceeds. (**A Member:** Hear, hear.) The Financial Action Task Force recommendations apply to the total framework of responsibilities of Government that they have with regard to combating economic crime and money laundering. But, sir, today, I wish to concentrate on just one aspect: identifying the proceeds of crime, tracing assets and initiating asset confiscation measures.

1825 As Members of this Assembly, we all have responsibilities – and I quote from the Financial Action Task Force – to urge political buy-in to promote and adopt strategies and become accountable. Sir, the Seized Asset Fund forms an important part of the Bailiwick of Guernsey's asset recovery regime. Recovered criminal proceeds without an alternative claim are deposited into the Fund, where they can be distributed to the Island's benefit. Under the present arrangement, the contents of the Fund
1830 are assigned to specific initiatives, led by Law Enforcement, or the Law Officers' chambers, or to the social initiatives aimed at the community's support and crime reduction.

The balance of the Seized Asset Fund has risen over the last few years. The policy letter, when written, the amount stood at around £15.3 million, and I have been informed by the learned HM Procureur that today, it stands around £15.9 million. The scale of the funding involved emphasises
1835 the need to ensure that the Fund has an appropriate governance structure and an effective mechanism for funding beneficial initiatives.

In 2018, the States agreed that a review of the governance and operation of the Fund would be carried out by the Committee *for* Home Affairs and the Policy & Resources Committee. I commend both Committees for starting this initiative at that time. Following the States' decision, our HM Procureur wrote to both Committees on 7th May 2019. Specific in that letter to the Seized Asset Fund, she said this:

It would be possible to increase the oversight and governance to some extent by continuing with the Fund as set up in 1995, but changing the membership of the Seized Asset Fund Committee to include direct political representation, ideally from the Committee *for* Home Affairs and the Policy & Resources Committee. However, this would still fall short of meeting modern standards of transparency. I consider that the better option would be to introduce legislation, placing the status and the purpose of the Fund on a statutory footing. The legislation could also include the power to enact secondary legislation governing the Fund's administration, management, use, and application.

Sir, as you would expect, this, in my view, is very sound advice.

1845 So this policy letter sets out a new seized asset distribution model. This model addresses the limits of the current approach and reflects international obligations and good practice. This policy

1850 letter proposes that under the new model, seized assets would first be used to recover the cost of asset recovery and to support victim compensation, and to fulfil any asset-sharing agreements with other jurisdictions. Remaining assets will be divided between an Internal Investment Fund and a fund for community purposes. The presumed split of 80% Internal Investment and 20% community purposes would be applied. The Internal Investment Fund would be available to projects aimed at improving the performance of the criminal justice system, particularly asset recovery and initiatives aimed at addressing economic crime, reducing the crime rate and repairing the damage caused by crime, irrespective of the lead Committee involved.

1855 Also, to further good governance, it is proposed that the Internal Investment Fund be governed by a States' Committee, as I have described. By including appropriate States' Members in the Fund's governance, the Seized Asset Fund's visibility will be enhanced, and the Fund would be in line with a wider States' governance structure. This would help ensure applications are not agreed without consideration of the wider budget implications and strategic priorities.

1860 The Social Investment Fund will be used to distribute the funds intended for community purposes. A separately constituted body acting as a States' partner, the Social Investment Fund uses public and some private funds to invest in the Bailiwick's charitable and community sector organisations. Distribution in this way will mean that Seized Asset Funds are more easily accessible to the third sector organisations. As said, these proposals are consistent with the Bailiwick's international obligations and reflect the importance of a sustainable asset recovery regime.

1865 The Committee wishes to thank Her Majesty's Procureur, in her capacity as Receiver General, for the work that she and her predecessors have delivered to the Seized Asset Fund. This Assembly is indebted to her skills and diligence in the administration of the Fund and for her invaluable professional advice and guidance.

1870 Sir, I urge this Assembly to fully support this policy letter.
Thank you, sir.

The Bailiff: Members of the States, we will now adjourn until 2.30.

**Procedural –
Resume the sitting at 2 p.m. –
Proposition carried**

1875 **Deputy Ferbrache:** Just before we do, sir, I just want to raise...

The Bailiff: Well, let us all sit down again, then! *(Laughter)*

Deputy Ferbrache: I should have said before, really; I think I was a bit confused...

1880 Is there any chance of us coming back earlier than 2.30? Because clearly, we still have to finish this policy letter and that is about it for this Billet. I do not think I will be more than two hours on the States' Schedule of Business, so that should take us through. That was a joke, by the way! We should be finishing this Billet relatively soon, I would have thought, but we still have all of the next Billet, with all of its several amendments, some of which may take time. Could we come back at 2 o'clock?

1885 **The Bailiff:** Members of the States, I will put to you the proposal that we return after the lunch adjournment at 2, rather than 2.30.

Those in favour; those against.

1890 *Members voted Pour.*

The Bailiff: In that case, we will now adjourn until 2 o'clock, rather 2.30.

Deputy Ferbrache: Thank you, sir.

*The Assembly adjourned at 12.33
and resumed its sitting at 2 p.m.*

**The Future Governance and Operation of the Seized Asset Fund –
Debate continued –
Propositions carried**

1895 **The Bailiff:** Good afternoon, Members of the States.
Who wishes to speak on the Seized Asset Fund? Deputy Gollop.

1900 **Deputy Gollop:** Senior figures say we have to curtail our speeches if we are going to finish and
get through our business as quickly as possible. One point I would like to make, though, is whilst I
support everything Deputy Prow and Home Affairs are doing, building on the work of the last
Committee, it is important we find a way, whilst trimming budgets where appropriate, to ensure
that we do have a robust and proportionate expenditure on law and order, which includes long-
term work on financial surveillance and the kind of meticulous detailed projects that lead to us
having a robust reputation as a place that does not tolerate in any way any form of financial or
1905 other crime.

But I would hope to get an assurance from the President and Committee *for* Home Affairs that
not only will they use the money wisely, each and every year, but that some of it can be put into
preventative work that might include looking at some of the issues Deputy Dudley-Owen and others
have talked about, which are attitudinal changes in society.

1910 Some of that might not directly relate to drugs or financial crime but if it could be used to
minimise the number of perpetrators and change attitudes and encourage initiatives that make us
not only better regulated but a more cultured and well-mannered society, I think that would also
be considered useful from a law and order and community perspective.

1915 **The Bailiff:** Deputy de Lisle.

1920 **Deputy de Lisle:** Yes, sir, I am very supportive of the policy paper and the 80% and 20% split. I
just would like to make a point about the wider purposes, the social purposes, the 20% there and I
noted the way Scotland treated it. I thought that was the way that we should be looking at it. In
other words, that the money should go into supporting not only young people but the older
generation as well, in the communities most affected by crime. So, I would like to make sure that
that social element, actually that 20% for the common purpose, if you like, goes into those people
that are affected by crime, whether the working population, the young people or the retired
generation.

1925 I also wanted to ask where community policing might fall into this because I just thought that,
perhaps, and I know budgets are very keen at the moment and lean, and I just thought that perhaps
through this, either through the 80% or the 20% social, some of the money could go into community
policing.

1930 Because that in itself, the bobbies on the beat, so to speak, it has always had an effect of keeping
criminal activity down and I sometimes feel that we have not had enough of that in Town, even. You
know, I am not seeing the Police patrolling as much in Town as I would like, particularly in the
evenings. Whereas we had community policing and we had a community police officer sharing a
number of the parishes in the west, I am not seeing that going on at the moment. So, I think that is

1935 an area and I would like to ask is there anything that can be done through this policy paper in terms of supporting community policing as well.

So, two points. One, make sure that the social element goes to people that have been perpetrated by crime and, secondly, let us bolster community policing a bit and perhaps there might be some element in here that might work towards that.

Thank you, sir.

1940 **The Bailiff:** Deputy Burford.

Deputy Burford: Thank you, sir.

1945 In the time-honoured phrase I was not going to speak. I did speak very briefly to Deputy Helyar yesterday about paragraph 6.6.1 in the policy letter, which says:

It is proposed that the internal investment fund be used to support one-off projects or short-term initiatives aligned to ...

– a list of criteria. I just wanted to really, perhaps for the benefit of *Hansard*, to have on record as to what it is considered actually qualifies as short-term.

Thank you.

1950 **The Bailiff:** Deputy Queripel.

Deputy Queripel: Sir, thank you.

1955 My apologies for being behind the curve on this one and before I ask the question I am about to ask, I also apologise if I am missing a fundamental point somewhere along the line. I am in need of clarification, please, on an issue that is concerning me and confusing me, somewhat. As there are occasions in the States, in my experience, when things just do not make a lot of sense, so I am trying to make sense of this one.

We are told in paragraph 6.6.1 on page 18 the following:

It is proposed that the internal investment fund be used to support one-off projects or short-term initiatives aligned to the following objectives: Improving the performance of the criminal justice system ... Reducing the crime rate, and repairing the damage caused by crime, including restorative justice measures.

In paragraph 6.6.5 on page 19, we are told:

1960 ... this will enable the Committee for Home Affairs to apply financial support to criminal justice measures more widely ...

And in paragraph 1.10 on page four, we are told that:

The Committee for Home Affairs has clear policy and advisory responsibilities for justice policy, crime prevention and law enforcement ...

And in paragraph 1.6 on page three, we are told:

The fund would be available to initiatives that are not technically criminal justice matters ...

1965 So, sir, on that note, in response to a question I asked of Deputy Prow yesterday, regarding the progress of the Justice Review, he said something along the lines of Home Affairs needs resources and funding in order to be able to progress that review and that the Committee would be asking for those resources and funding in the forthcoming Government Plan debate and it would be up to this Assembly to decide if they wanted that review funded and resourced or not.

1970 So, bearing in mind all that we are told in the paragraphs I have highlighted, I am wondering why Home Affairs have to lay themselves at the mercy of the Assembly by asking for funding and resources for the Justice Review during the Government Plan debate. As I said earlier, I appreciate I

might be missing a fundamental point, but could they not just acquire those resources and funding from this internal investment fund?

1975 Is this not a prime example of where this money could be used in the future to accelerate processes and procedures of the States where justice and crime are concerned, to benefit the public? Especially to progress such vital pieces of work like the Justice Review, which, as I have been assured by Deputy Prow, will include the issue of parental alienation, which does need to be looked at in this Island. So I leave that question with Deputy Prow, sir. Could Home Affairs not acquire the resources and funding they need for the Justice Review from this Internal Investment Fund?

1980

Thank you, sir.

The Bailiff: As no one else wishes to speak, I will turn back to the President, Deputy Prow, to reply to the debate on this matter.

1985

Deputy Prow: Thank you, sir.

I thank all the Deputies for their contribution to the debate and I will take the questions and comments in order.

1990

Deputy Gollop brings out, I think, of our existing budget and our ability to fund Law Enforcement. He used the expression 'using money wisely'. Well, I can assure him that for the Committee for Home Affairs, and I believe every Committee and P&R, that is a rule of thumb. If there are pressures on the budget and if more funding is deemed to be necessary then we, like any other Committee, will have to make a case.

1995

What the Committee does always ensure is that we listen to the needs of Law Enforcement and we engage with them at Committee meetings and other opportunities, so we are acutely aware of the pressures.

2000

Moving onto Deputy de Lisle, I thank him very much for his support. He has highlighted the 80%-20% split and, in particular the 20% that goes into social purposes. I think the first thing I would say, one of the motivations behind the policy letter and the view of Home Affairs and Policy & Resources is that the amounts that have gone into the Fund have dramatically increased in recent years.

2005

So we are talking about significant sums of money. HM Procurer informed me that there is nearly £16 million, which is a considerable sum of money. So, the 20% that is going into the amount for social purposes is in itself a large sum of money. This is money that, as the paper highlights, can be used for those community third sector initiatives that help reduce crime and so that is a very important element of the funding.

2010

Moving onto Deputy Burford's question, she talks about the short-term aspirations and the amounts paid in the Fund and also Deputy Queripel has alluded to one-off projects. The issue with the Fund is although there is a considerable amount of money at the moment and we would envisage that that amount of money will increase over the years, you cannot be sure of exactly how much funding is going to be available at any one time.

2015

So, the aim of the Fund at this moment in time, as we set out on reorganising it and reorganising the structure is to point out that the best use of the money at this moment in time is around short-term projects and one-off projects, simply because we do not know, in five years' time, how much of this Fund will be available.

I give way to Deputy Burford.

Deputy Burford: I thank the President for giving way to me.

2020

I fully understand and accept what he is saying on that point and that makes eminent sense. I was just really trying to get a rough indication of what short-term meant, whether it was months or years, just a rough ballpark. I know he will not be able to be specific.

Deputy Prow: I thank Deputy Burford for that interjection.

2025 Short-term certainly means, let us say, a one or two-year project. I would say that fits quite comfortably. What it would be wrong to do is to commit the Fund to an expenditure of, say, several million ongoing over five years, because we simply do not know how the fund is going to perform.

Obviously, with the 80% investment, there is a much greater chance that we are able to seize and confiscate more money. So, one would expect and hope that the Fund will progress as it has, in fact be even more value to it, to the States.

2030 Deputy Queripel, I did get a bit of *déjà vu* when he started to speak. We need to concentrate on what the Seized Asset Fund is all about and what it is trying to do. Obviously, the international expectation for this jurisdiction, where we have a considerable finance industry, internationally we are expected to police that and it is very expensive. We only have a small population and limited tax take, so I think it is absolutely right and proper that where we do identify the proceeds of crime, that we can reinvest that money in the 80% back into the Law Enforcement effort.

2035 That will go predominantly – I think the first port of call is economic crime, but that can go into initiatives, be they neighbourhood policing, frontline resourcing and this is now an amount of money that the Committee *for* Home Affairs, together with P&R, can look at the amount of funding available and spend it, using Deputy Gollop's words, as wisely as we possibly can. That will include initiatives around the justice piece.

I give way to Deputy de Lisle.

Deputy de Lisle: Thank you for giving way.

2045 I did ask about community policing and whether any of this money can be directed in that direction? Thank you.

Deputy Prow: I thank Deputy de Lisle.

2050 What I think it would be wrong for me to do is to speculate around how the 80% of funding that is available will be used. But the answer to the questions, both from Deputy Queripel and Deputy de Lisle, are that we have to look at our budget in the round and we have to look at what sorts of projects, where they are in the justice police, whether they are community policing, neighbourhood policing, what projects we can justify to come out of this Fund and what must come out of General Revenue. That is a task for the Committee to do and to liaise with P&R.

2055 So, sir, it is proposed that the Bailiwick's model for seized assets distribution be amended to place it on a statutory footing and bring it into line with modern good governance practices. These proposals take into account domestic and international developments concerning the recovery and use of seized assets.

2060 Like the existing model, the proposed arrangements prioritise, firstly, the recovery of operational costs; two, fixing compensation; and three, asset sharing. These uses are common across jurisdictions and are strongly encouraged by international agreement and guidance. By ensuring that funding is allocated to these first three uses, the Bailiwick will continue to be able to fulfil its international obligations and preserve the sustainability of its assets recovery regime.

2065 The Committee *for* Home Affairs and the Policy & Resources Committee believe that the proposed system of the governance and operation of the Seized Assets Fund will be more flexible and efficient, while retaining the key link with the performance of the criminal justice system and remaining proportionate and pragmatic. I recommend these proposals to the Assembly.

Thank you, sir.

2070 **The Bailiff:** Members of the States, there are seven Propositions. Unless there is a request for any to be put discreetly I am going to put them all to you together. Propositions 1-7, those in favour; those against.

Members voted Pour.

The Bailiff: I declare all seven Propositions duly carried.

POLICY & RESOURCES COMMITTEE

**XIII. Schedule for Future States' Business –
Proposition carried**

Article XIII.

The States are asked to decide:

Whether, after consideration of the attached Schedule for Future States' Business, which sets out items for consideration at the Meeting of the 28th April 2021 and subsequent States' Meetings, they are of the opinion to approve the Schedule.

STATES OF DELIBERATION SCHEDULE for FUTURE STATES' BUSINESS

(For consideration at the Ordinary Meeting of the States commencing on the 24th March 2021)

Items for Ordinary Meeting of the States commencing on the 28th April 2021

(a) communications by the Presiding Officer including in memoriam tributes;

(b) statements;

(c) questions;

(d) elections and appointments;

P.2021/27 – Presiding Officer – Election of Member of the Priaulx Library Council

P.2021/28 – States' Trading Supervisory Board – Appointment of a Non-Executive Director – Guernsey Electricity Limited

(e) motions to debate an appendix report (1st stage);

(f) articles adjourned or deferred from previous Meetings of the States;

(g) all other types of business not otherwise named;

The Merchant Shipping (Bailiwick of Guernsey) Law, 2002 (Commencement) Ordinance, 2021

No. 18 of 2021 – The European Union (Competition) (Brexit) (Guernsey) Regulations, 2021

No. 19 of 2021 – The Electoral Roll (Public Inspection) Rules, 2021

No. 117 of 2020 – The European Union (Patent Co-operation Treaty) (Brexit) (Bailiwick of Guernsey) Regulations, 2020

No. 118 of 2020 – The European Union (Performers' Rights) (WPPT) (Brexit) (Bailiwick of Guernsey) Regulations, 2020

No. 119 of 2020 – The European Union (Registered Designs) (Hague Agreement) (Brexit) (Bailiwick of Guernsey) Regulations, 2020

No. 147 of 2020 – The Trade Marks (Madrid) (Bailiwick of Guernsey) Regulations, 2020

*P.2021/25 – The Terrorism and Crime (Bailiwick of Guernsey) Law, 2002 (Amendment) Ordinance, 2021**

*P.2021/26 – The Gambling (Channel Island Lottery) (Bailiwick of Guernsey) (Amendment) Ordinance, 2021**

*P.2021/29 – The Companies (Guernsey) Law, 2008 (Miscellaneous Amendments) Ordinance, 2021**

*Amendments to the proposed meeting dates and order are permitted only for those items marked with an *.*

Ordinary Meeting of the States commencing on the 26th May 2021 (N.B. A Meeting of the States of Election will be convened for this date prior to the meeting of the States of Deliberation.)

Items for Special Meeting of the States commencing on the 16th June 2021

P.2021/xx – States' Accounts

Items for Special Meeting of the States commencing on the 29th September 2021

P.2021/xx – Policy & Resource Plan

Items for Special Meeting of the States commencing on the 2nd November 2021 P.2021/xx – States' Budget

2075 **The States' Greffier:** Article XIII, Policy & Resources Committee – Schedule for Future States' Business.

The Bailiff: Is there anything to say in respect of this, Deputy Ferbrache?

2080 **Deputy Ferbrache:** Only one thing, sir, in relation to the Policy & Resource Plan debate set for late September. The intent is that that will not happen and we will undertake such changes as we need to any Rules and Regulations to make sure that it does not keep coming up on the Agenda.

The Bailiff: I have not received any amendments to the Schedule for the next meeting, so I am going to put the Proposition to you, Members of the States. Those in favour; those against.

Members voted Pour.

2085 **The Bailiff:** I declare that duly carried.

**Procedural –
Move into Special Meeting –
Proposition carried**

2090 **The Bailiff:** Now, at this point, we have concluded the business for the Ordinary Meeting and we would close with the Grace, we would all wander out and we would then reconvene shortly thereafter and go through the start of the Special Meeting. But I am going to put a motion to you that we dispense with closing this Meeting and dispense with opening the next Meeting but do as we did in December, and that is to mark everyone who has answered to the Roll Call at the start of today and who has been relevéd since, which is all 40 Members, so everyone is present and we can just start the Special Meeting on the Government Work Plan without further ado. Those in favour; those against.

Members voted Pour.

2095 **The Bailiff:** Therefore we will move seamlessly now into the Special Meeting and I will ask the Greffier to call the item of business please.

Billet d'État VI

POLICY & RESOURCES COMMITTEE

I. Government Work Plan – Stage 1 – Debate commenced

Article I.

The States are asked to decide:

Whether, after consideration of the 'Government Work Plan – Stage 1' policy letter dated 12th February 2021, they are of the opinion:

1. To agree that the three main priorities of Government at this time are:

- Responding to the Covid-19 pandemic;*
- Managing the effects of Brexit; and*
- Delivering the recovery actions;*

2. To agree the recovery outcomes that are intended to be delivered by the Government Work Plan, as set out in Appendix 2, and to endorse the approach to measure, monitor and report on progress, as set out in section 10 of this policy letter

3. To note the emerging recovery actions as set out in Appendix 6 of this policy letter, recognising that some of these actions are subject to resourcing decisions not yet made and that identifying the resourcing requirements to discharge extant Resolutions, legislative drafting, capital and public service reform projects remains work in progress and will all be considered by the States in Stage 2;

4. To direct all Committees of the States to recognise and give due consideration to the States' resource constraints by prioritising the progression of its' agreed three priorities above other work streams (as set out in Proposition 1), and to agree that it may not be possible to progress all recovery actions during this term;

5. To direct the Policy & Resources Committee, working with the Committees of the States, to bring a second policy letter on the Government Work Plan to be considered by the States at a Special Meeting to be convened on 21st July 2021. That policy letter will include:

- confirmation of the resource commitments and allocation for each of the three priorities of government;*
- the measures and targets for each recovery action and anticipated timeframes for delivery as far as can be determined; and*
- the scheduling of the recovery actions, revised as necessary to reflect resource availability;*

6. In line with Proposition 2, to direct the Policy & Resources Committee to establish a pragmatic and proportionate monitoring framework to report annually to the States on the three priorities set out in the Government Work Plan, and to direct all Committees of the States to work within this framework and report through the Policy & Resources Committee;

7. To rescind or transfer the extant Resolutions in Appendix 3;

8. To delete and replace Rule 23 of the Rules of Procedure of the States of Deliberation and their Committees, as follows: 'Policy planning and reporting 23. An annual Special Meeting for the reporting and review of the States' policy planning and its implementation shall include: a) commentary on progress and emerging issues; b) identification of States' Resolutions which remain outstanding and updates from responsible Committees; and c) a proposed order of priority for the drafting of significant items of legislation for the year ahead; and must be included by the States' Assembly & Constitution Committee when setting the Schedule for future States' Meetings.'; and

9. To direct the Policy & Resources Committee and the States' Assembly & Constitution Committee to bring revisions to Rule 4 of the Rules of Procedure of the States of Deliberation and their Committees for consideration as part of the Government Work Plan – Stage 2.

The Greffier: Billet d'État VI, Article I, Policy & Resources Committee – Government Work Plan – Stage 1.

2100 **The Bailiff:** I invite the Vice-President of the Committee, Deputy Soulsby, who I understand is going to open the debate.

Deputy Soulsby: Thank you, sir.

2105 I am absolutely delighted to be able to open debate on the Government Work Plan in person and in front of fellow Members today. Whilst democracy continued through virtual meetings, this Plan will have a crucial role to play for this Assembly over the coming term and it was felt we really should debate such an important policy letter together, even if it means we cannot contribute with a cup of tea and a biscuit on our desk or gaze in wonder at Deputy Meerveld's shed!

2110 Before continuing, I should like to thank the officers who did make the virtual meetings work. Their good humour and patience was much appreciated. This is the Assembly's Plan, not Policy & Resources' and I would like to thank all Presidents, Committees and Members for their contributions and feedback. That collaboration has made such a difference in getting us where we are. I would also like to thank the officers for the work they have put in getting us here today. We have done things differently, at speed and with the heavy lifting done in lockdown.

2115 I am very grateful for them embracing new ways of working and really helping to move things along. This has been a clear example of everyone thinking differently and working differently and this is the underlying theme in our approach because it is a necessity and it bodes well for the future.

2120 Now, I know that there is a track record of the States of Deliberation producing strategic documents and under-performing against them and some think, as a consequence, this Policy & Resources Committee, as a consequence, is not leading with a vision. That is not correct. The vision is not a 20-year horizon, as set out in the Rules, that Members have already told us they do not think are right for today, and which we are addressing through Proposition 8.

2125 The Government Work Plan vision was established by the previous Assembly last June. We summarise the Recovery Strategy in Appendix 1 of this policy letter. It remains recovery focussed for the immediate programme of work and therefore more measurable within our existing suite of measures. The actions will be those brought forward by individual Committees and important legacy work in extant Resolutions and legislative drafting programme.

2130 This Policy & Resources Committee believes the vision remains relevant but has taken a different approach to phasing activity and importantly to tackle resourcing actions. We are not just making Resolutions but structuring an approach to this term of Government to make it happen. So, the vision from Revive and Thrive remains. We will work in partnership to recover our economic prosperity, build on our inclusive community values and capitalise on our many strengths to make Guernsey a safe haven based on sustaining health, wealth and community.

2135 The Assembly needs to decide in Stage 2 where its first focus will be on the basis of the approach set out in Stage 1, while also building resilience by ensuring longer term actions are fully considered too, or how else do we address sustainability? Perhaps, if we get this done, we can look further into the horizon later in this term. There was nothing wrong with the previous vision, being among the happiest and healthiest places in the world, but it is not right for today's context. It is just about timeframe and today's context, right here, right now.

2140 The Plan is not going to be preserved in aspic but will evolve if circumstances change. So this is the first time we are developing a Plan that brings the work of Government together, resulting in integrated actions, phased and resourced, to meet the immediate need and the longer-term needs of the Island. A virtual circle is introduced.

2145 We need the economy to grow and it remains the overarching outcome of the Government Work Plan that:

Guernsey has revived the large majority of economic activity in 2021 and exceeded the previous growth path for the economy within three years, which allows our community to thrive.

But the thinking has now further matured and we are recommending recovery outcomes that reflect the wider role of Government and set out the expectations against which any action should deliver. These are supported by wider statements in Appendix 2.

2150 When 2020 began we faced global challenges such as climate change and shifts in employment and opportunity due to digitisation and automation. We were seeing growing inequalities in living standards among Islanders and the impact of an ageing demographic facing real pressure on our health and care services, as well as reducing our tax base.

2155 These challenges still exist. And then, of course, we had Covid-19. The global pandemic's sudden and sustained impact has raised the challenges that we face to unprecedented levels. Thanks to our community effort, we have fared better than most other nations but let us be in no doubt that this has impacted our economy, the States of Guernsey itself and, last but not least, the lives of Islanders.

2160 A significant amount of evidence was gathered on the impact that the 2020 lockdown had on our community and it is very clear that it adversely affected employment, finances, health and wellbeing, although some Islanders reported what they perceived as positive impacts, such as greater connections for people, nature and our unique Island heritage and culture.

2165 These are important when we take time to consider what actions we need to prioritise in the early phases of our Work Plan. We also know that, despite the shorter lockdown we have experienced second time around, it will have had a negative economic impact. The expenses associated with battling both the virus itself and its economic impact on Islanders have added and continue to add enormous pressure to States' finances. Our response to and the challenges of Covid continue as we consider variants of concern, future vaccination programmes and how we manage our borders.

2170 We face unprecedented fiscal, social, environmental challenges. Some that we know and some that will materialise. We foresee dealing with coronavirus variants, the pandemic's long-term effects on public health and wellbeing and the seriously windy global economy. We have also got Brexit and Deputy Le Tocq spoke eloquently about that yesterday.

2175 It is against that background that we need the Government Work Plan – a plan that resources phased actions – and we need it now. We now know that when we put a focussed and joined up programme together, based on evidence and good practice, resourced properly, monitored and reported transparently, and work with our small community, we are up there among the best in the world.

2180 It is a massive task and, whilst we are moving quickly, it is impossible to do everything at once, which is why the policy letter today is what I like to describe as the *amuse-bouche* to the *entrée*, or the main meal, that will be the debate in July. But we must take what has worked well and do it again because the need is great as time is short and finances are tight.

2185 There are 46 recovery actions that have evolved since the Revive and Thrive document was approved last year. Hundreds of lines of potential pieces of work that were put together from then and through this term, engaging with Committees, and these have been filtered based on the 16 key outcomes linked to the UN sustainability goals.

Initial political engagement has shown strong consensus for recovery actions that support the economy and improve living standards, support the protection of Guernsey's natural environment and that address the more pressing social impacts of the pandemic, centred on health and wellbeing.

2190 There is a virtual circle here. I mentioned it earlier. It is important. It is a different way of thinking, borne from working together with Committees. We have established that the urgent need to recover and enable further economic stability and prosperity will provide employment and secure the revenues to fund important social, environmental policies. Implementing those social, environmental policies supports Guernsey's resilience and competitiveness, which in turn supports economic recovery.

2195 Ensuring we have an appropriately skilled resilient workforce will enable Islanders to thrive and the economy to grow. The inter-connections between the economy, people and environment are

critical and if balanced in the right way will help Guernsey build a competitive, sustainable, safe and secure wellbeing economy.

2200 It is for that reason that, unlike Revive and Thrive, we are not separating actions between social, environmental and economic. That is because they are so inter-linked. You might call it a golden circle, rather than a golden thread.

2205 The Members of Policy & Resources are really pleased that we are already seeing the action on the ground. Environment & Infrastructure and Economic Development are working on blue and green economy options. Education, Sport & Culture and Economic Development are exploring skills and human capital needs, supported by the inclusion agenda fostered in phase one of the Anti-Discrimination Ordinance diligently being delivered by Employment & Social Security.

2210 The Development & Planning Authority is progressing development frameworks to inform the work of Employment & Social Security and Environment & Infrastructure on the priority matters and the Housing Strategy and on other policy areas that its work will catalyse,

Health & Social Care and Education, Sport & Culture continue to look at early intervention and prevention, supported by the work of Home Affairs on the States' refresh of the Domestic Abuse Strategy, and identify the highest priority work streams within the justice framework.

2215 Sir, this is an important policy letter. One that will enable the Assembly to agree the key building blocks before we join things together in the next stage. Often, with such policy letters, Members are faced with a plethora of Propositions, some of which, as we found out, remain extant for an awful long time. But again this is where we are thinking differently and working differently. Today, we are only asking you to consider nine. I think it is worth me just going over them now.

2220 The first two Propositions ask Members to agree what Government priorities should be, the recovery outcomes, and the approach to measure, monitor and report on progress. When it comes to measurement it will not be focussed on GDP. We will continue to work with the OECD Better Life measures and the outcomes are based on the UN sustainable development goals.

2225 However, this is not about what Policy & Resources thinks the KPI should be. We want to work with interested parties on widening those KPIs if we can and develop them over the coming months, but within the bounds of what we currently monitor. We do not want another industry developing to sap resources. Officers are already meeting within interested stakeholders to further these discussions for us.

2230 The third Proposition just asks that emerging recovery actions are noted. Now last term this was always a cause of endless debate in itself. 'Note' does not mean 'to approve', so what is the point of it? Well, that kind of sums up last term. Anyhow, the purpose of this 'to note' is really to make it clear that we are all aware of the emerging actions but also that these are not set in stone and are subject to change, as we consider resourcing of everything in the Plan, including extant Resolutions, legislative drafting, capital and public service reform projects in Stage 2.

2235 Now Proposition 4 really is another way we are doing things differently. We are basically saying to Committees that we cannot do everything and this is not actually all about the money. It is about having the people. There are already more extant Resolutions than can be discharged with the resources we have and on top of that we do not know how long we will need to keep public sector staff redeployed on Covid-19 response and future planning and indeed new service provision may be required to keep everyone safe, such as the annual vaccination programmes.

2240 Same too with Brexit. We know what we have recently signed means that we are going to have more work thrust on our shoulders here than we have done before. This all significantly impacts what we can achieve elsewhere. This does not mean resources will not be brought in where it is necessary to complete agreed actions, nor that current resources will not be redeployed where needed. But it is to recognise we cannot do everything this term.

2245 Proposition 5 simply states that the Stage 2 policy letter will come to the States on 21st July 2021 and I will speak more about Stage 2 in a moment. Proposition 6 is to make it clear that we do not want to repeat previous mistakes but instead have a proportionate framework for monitoring and reporting. Now it is important that we can monitor progress and ensure that what we are doing

2250 is having an effect and that is what Proposition 6 is about. But we need to do so in an appropriate and proportionate way.

Then we come to extant Resolutions. Before we began this process there were 535 extant Resolutions spread across the various Committees of the States. That is 535 pieces of work that previous States have resolved should be undertaken but have not yet been completed. Many date back beyond the last term and the oldest goes back to 1996.

2255 Now I am very grateful to Committees for having gone through their lists, which has resulted in 133 – at the last count – Resolutions being put forward for rescission. The remaining 400-odd will be considered further in the next stage, working with Committees as we determine the work that Government will be focussed on for the rest of this term. This could result in some work moving out from this term but in a managed and transparent way and only with the support of the Assembly,
2260 which will be a task, if it agrees recommendations brought by Policy & Resources, based on the availability of resources and urgency for society.

Now whilst undertaking the review it became apparent that many Resolutions were such that it would be impossible to discharge them as they place an ongoing commitment on various parties to do certain things. Effectively, they are setting out Government process. Some of this is
2265 operational. Some sets out the policy framework for future Government decisions but it is not currently very visible.

As such, we have been discussing with the States' Assembly & Constitution Committee how those such Resolutions can be treated. Their support for the change to Rule 23 is welcome and we believe that the new Rule is more proportionate but also more permissive than the current Rule
2270 that runs to three pages, being replaced by one that fills just a few lines. It is worth emphasising again that the Plan will not be static. It will be reassessed annually. Stuff happens, as we know all too well right now. There will be a need to be able to respond to those unknowns in a local and global context.

Finally, numbers 8 and 9 in relation to housekeeping matters. We are delighted that SACC is reviewing Rule 4 and I have already had a very constructive meeting with that committee on our
2275 thoughts. Indeed, we are very thankful for the input of SACC in relation to matters that impact its mandate. The last Proposition simply asks the Assembly to agree that this work continues.

So those are the Propositions that provide the means for us to develop the Plan in Stage 2 and report back on 21st July. That brings me to the issue of amendments. The Committee has worked
2280 with States' Members to get this far. We shared our workings very early in the process on concepts that were not well-developed and this was deliberate because, as I have said and will continue to say, this is the Assembly's Plan and for that to be the case we have to work together.

Committees received a single working list back in October after we had reviewed the work commenced on three recovery action plans required by the Recovery Strategy and decided this
2285 needed to be tackled differently. Correspondence and meetings continued through to early December. Then we facilitated a workshop for all States' Members only a week before Lockdown 2.

The regular meeting of Presidents, chaired by the President of Policy & Resources, has been invaluable in testing our thinking all the way through and individual conversations with Members
too numerous to list have also been very helpful and have influenced the final recommendations.

2290 If Stage 1 of the Plan does not fully meet the needs of the Assembly, the debate will demonstrate that. The voting record will tell us if we are doing a good enough job leading, facilitating a refreshed approach to strategic planning. The limited number of substantive amendments addressing core recommendations for the Plan was a great initial measure.

So the Stage 2 policy letter will contain a phased list of actions, their measures, targets and inter-dependencies where that is possible, given the nature and maturity of the action and the time we
2295 have available. We will include Stage 2 recommendations on extant Resolutions and legislative drafting, capital priorities, part of the overall direction of the Plan, where they support most strongly the policy direction, or indeed are simply must-do.

It will also integrate public sector transformation projects and address options for medium-term
2300 resourcing, funding and investment requirements. Between now and June, we will consider the

myriad factors that would help us arrive at a refined action list. This will include assessing each action, considering them within the evolving global and local context and gaining a better understanding of our constituents, our community's priorities, as best as we are able in the time available.

2305 We should have, after the debate on 21st July, a plan of action for the next four years. Detail for year one and ambition for later years, which will mature and we will continue our annual reviews to conclude work, consider new needs and refresh allocation for resources. Now that all sounds great but we always know fine words do not actions make.

2310 How are we going to make this work when so many have fallen by the wayside? Well, for the sake of all Islanders, this States must work together in partnership, synergise, be agile, stay informed, be responsible, accept risk and take action. So what does that really mean? Firstly, working together. We need to navigate quickly and decisively to steer the Bailiwick into a stable, sustainable position. It is vital that this Assembly works as a united team to direct the Committees of the States to take effective, co-ordinated action. There is no room for working in silos or having Committee turf battles.

2315 My colleagues on Policy & Resources and myself have been holding meetings with Presidents of the Committees to talk through our thoughts on the evolution of the Plan and seeking feedback. We have also met with all the Principal Committees at least once and had a meeting, as I mentioned, of all States' Members, to advise progress and obtain input on recovery actions. This engagement will continue.

2320 But we are going to do more than that and it is something Deputy Ferbrache alluded to in his statement on Wednesday. We are also setting up a subcommittee of Members from across the Assembly who can provide strategic planning support to inform the Government Work Plan's strategic direction, consider actions proposed to be prioritised, stopped or paused and thereby inform the recommendations that Policy & Resources will bring to the Assembly.

2325 I am very grateful to Deputies Aldwell, Bury, Moakes and Fairclough, who have all agreed to join me on that subcommittee, together with Advocate Peter Harwood. An excellent team who are up for the task and I thank you all very much because it is a demanding task, for the policy letter must be published in 12 weeks' time; that significantly impacts how we can engage, which makes the role of this subcommittee and its role in the desire of the Assembly even more important.

2330 We must partner appropriately. There is much Government does that could be better done by others, be it the Third Sector or other private organisations. However, at the moment, we have a scatter gun approach to turning policy into action. We often identify work that needs to be done but do not think it was best to deliver it or appreciate the cost envelope we are working on.

2335 The default is often to create a co-ordinating role, a new strategy function, a new service area. We need to synergise and by that I mean select actions that complement and supplement one another to deliver the maximum impact and value for money. So we are not developing actions from Committees up but from the outcomes we are seeking to address. The starting point is the actions Committees have identified.

2340 For it to work we really must be agile. The next few years will present an evolving picture of threats and opportunities and as an Assembly we need to be agile enough to react quickly to get the best results for the Bailiwick so we are looking at the bureaucratic barriers that stop things getting done.

2345 We must stay informed, have a collective understanding of relevant data, evidence, context and opinion. So we are showing data on subject matter expertise across the Assembly to inform Members and help us to make evidence-based decisions and not those based exclusively around ideology.

2350 We must be responsible. This Assembly will need to make prudent, responsible and – possibly – unpopular decisions to achieve its goals with limited resources. And we must have a greater risk appetite, understand that things do not need to be honed to perfection. I very much feel we need to consider the 80/20 rule, it is called the Pareto Principle, that 20% of your input is great, 80% your

output. Government historically tries to avoid risk rather than understand it with the result that a lot of time is spent on stuff that provides little added benefit.

2355 Now, I say that as someone who is a perfectionist by the way, as I can say that. As anybody who has been on a Committee with me knows, I am the one that picks out all the spelling mistakes. But we have to change our approach because if we do not, we have not got the luxury of time.

2360 Last but not least, we must take action and understand that success is not a series of Resolutions of the States, but as Islanders seeing real positive change happen. I say again, ultimately the Government Work Plan will only be a success if it is owned by this Assembly. Whilst Policy & Resources is directing the work and facilitating its development, it does not belong to the Policy & Resources Committee. Neither is it just a Plan of the Committees of the States. To succeed, this has to be the Government's Plan of integrated actions. A Plan that the Assembly owns and its Committees execute together.

2365 I have been heartened by the positive approach of Members and the understanding of what we need to do. So in closing, as I present these Propositions to the Assembly, I must reiterate that the next few months are going to be crucial. They are going to be extremely hard and very difficult decisions are going to have to be made. But we should not be frightened by that. We need to embrace it. After all, that is what we have done over the last year.

2370 But we must remember, on this anniversary of that dark time we went into lockdown a year ago, this very day, that many of our people have made huge sacrifices over the last 12 months, to enable us to be present together here today to debate this policy letter. As someone who has been at the heart of our response throughout, who has seen the emails of those who have faced incredible difficulties, this is something I will not forget.

2375 We owe it to them, our people, our fantastic community of which we should all be proud to represent, who have shown just what working together, Guernsey Together, is all about, to demonstrate strength, determination and selfless service. Not only hope and optimism in these difficulties – yes, of course – but most importantly demonstrate that we too can work together to make a really positive difference to their lives and those of future generations. Sir, I commend this policy letter to the Assembly.

2380

The Bailiff: Members of the States, the first thing I will do is remind you, as if you needed reminding, that Table A3.1 on the original publication has been replaced by the corrected one and it is that corrected one to which all references in future should be made. Eight amendments have been submitted and you will have a running order of how these will be dealt with and, although she has just sat down, I am going to invite Deputy Soulsby as the proposer of Amendment 8 if she wishes to move Amendment 8 first.

2385

Deputy Soulsby: Yes, I do, indeed, sir.

Amendment 8.

1. To delete Proposition 1 and replace with the following: "To agree that the four main priorities of government at this time are:

- Responding to the Covid-19 pandemic;*
- Managing the effects of Brexit;*
- Delivering the recovery actions; and*
- Right-sizing government"*

2. In Propositions 4, 5 and 6, to delete "three" and replace with "four".

2390

The Bailiff: Do you wish to have the amendment read at all?

Deputy Soulsby: Yes, could I ask the Greffier to?

The Bailiff: Can you read the amendment, please, Greffier?

The States' Greffier read out Amendment 8.

2395 **The Bailiff:** Deputy Soulsby.

Deputy Soulsby: Thank you, sir.

2400 Firstly, I would like to thank those Deputies who have helped inform this amendment today. In particular, I am grateful to Deputies Kasantseva-Miler and Fairclough for meeting with me and expressing their concerns regarding, not so much what is in the policy letter, but what is not. They made the accurate assessment that there was little in it about public service reform. They also said that this was an issue for many newer Members and this is true, based on what was set out in the manifestos. They wanted assurance that this would be considered a priority as part of the Government Work Plan.

2405 I did advise that public service reform is an integral aspect of the Plan as set out in figure 3.2 and that there would be increased focus, as part of Stage 2, which is referenced in Proposition 3. It is true that there has been very little provided on public service reform since the term began, other than that which I gave in my statement to the Assembly in February. Public service reform is not just a general term but a programme of work consisting of a significant number of public sector transformation projects, some of which may be continued and others not.

2410 As part of the development of the Work Plan, we are looking at what should be continued and what should be paused. The reason why it was not considered a fourth priority was that it was seen as an enabler to the recovery actions and was too narrow in focus. Now whilst Deputies Kasantseva-Miller and Fairclough decided on the basis of our meeting, and also I think having a chat with Deputy Le Tocq, not to lay an amendment, our discussion did get me thinking. Whilst the public service reform programme should not specifically be a priority, naturally we need to decide what within that programme is a priority and phase it because it is people-hungry.

2415 What we need to consider is the workings of Government, which is a wider issue. What should Government do, what should it not do any longer and what would it be better doing differently, including by building on example of great practice, such as commissioning? How can we improve our commissioning function and work in greater partnership with external parties, be it the private or fourth or third sector? How can the political Machinery of Government be improved to make Government more effective? What about the establishment and operation of arm's length bodies?

2420 These are all things that are being considered and have been discussed already but are not necessarily picked up as directly linked to recovery. Public service reform will need to be supported by other enabling work such as establishing a commissioning function, identifying and progressing commissioning opportunities and consideration of the Machinery of Government.

2425 This amendment ensures that those actions will be integrated into a managed programme, the phased and resourced proposals for which will be returned to the Assembly for its consideration in the Stage 2 policy letter proposed to be scheduled for 21st July 2021. So this amendment seeks to introduce and broaden the focus of the new priorities as set out in the amendment from Deputies St Pier and Oliver, who similarly have concerns centred on the function of Government.

2430 The Policy & Resources Committee amendment incorporates related work that supports a reset as much as right-sizing of Government. Not limited in focus to public service reform alone, which in isolation will not provide a rounded programme of work. The intended outcome is of course efficient and effective Government that we can afford overseeing policy development, modern legislation, capital infrastructure projects and services, through the most appropriate and successful channels of the community.

2435 So what do we mean by right-sizing, or resetting Government? It is not about slash and burn. I have heard some concerns from those who think that is what is meant. But it is not. It is about rebalancing, repurposing and ensuring resources are put where they are needed for what we want Government to do. Again, as I say, thinking differently, working differently. How can we do things more effectively and efficiently. For me, I found out both in business and in Government that if we get the processes and procedures right, the finances will follow.

2445 Digitisation, automation and property rationalisation, etc. Yes, but also how we make our decisions, approval processes and service delivery options. Exploratory conversations with the Guernsey Community Foundation and on the back of the Guernsey Commissioning Academy work undertaken 2017-18, which was with members of the public, third and private sectors have informed the Committee's view that we can together achieve change for the better. We already have a successful exemplar in the Health Improvement Commission.

2450 All this will help us get things done. I said in my opening speech that this Plan was the Assembly's Plan and this amendment has very much evolved as a result of listening to members of this Assembly. It has not been about P&R trying to take the credit, but the Policy & Resources Committee acting as a facilitator to make sure that we all have a Plan, which we the Assembly believe in. I thank those Members who have contributed to discussion and ask Members to support this amendment.

The Bailiff: Do you formally second the amendment, Deputy Ferbrache?

2460 **Deputy Ferbrache:** I do, sir.

The Bailiff: Thank you very much. Deputy Kasantseva-Miller.

Deputy Kasantseva-Miller: Thank you, sir.

2465 I really appreciate Deputy Soulsby's amendment and recognition that it came from some of the conversations we have had with myself and Deputy Fairclough as well. I think it is a great testament of the Committee of P&R listening and indeed engaging and adopting the feedback. I think that is fantastic.

2470 I did have a slight concern with the language used of 'right-sizing' because to me, right/wrong suddenly introduces some kind of morality into it and let us look at what is the right size of, you know, clothes, dieting and stuff like that. It does not really mean anything. But I really appreciate the description that Deputy Soulsby has given because obviously it is much wider and all-encompassing. But I would urge P&R to reconsider the choice of words because actually language is very important and this will become a catchphrase and that will be used and abused for the wrong reasons, like perhaps 'action today' is already becoming.

2475 So I just urge us to look at the correct, not correct, better choice of words to make sure we are speaking the language but also something that we can monitor and when we do get it right, when we do achieve the right outcomes, we know that we have achieved them and we will never probably know what a right-sized Government is because it is so ambiguous. So, it is an encouragement to continue working on the language and the terminology.

2480 Thank you.

The Bailiff: Deputy Roffey.

2485 **Deputy Roffey:** Thank you, sir.

One of the problems with Government work plans, or resource plans or whatever else plans we have had over the years, is they have tended to be motherhood and apple pie and nobody could really vote against them. That worries me a bit about this amendment. Why would we not vote for right-sizing when presumably the opposite is wrong-sizing and who wants wrong-sizing?

2490 But all of us sitting around the Chamber will mean, in their own head, something entirely different by right-sizing. Some people might think Government in Guernsey is 10% too small, we do not do half the things that they do in other communities for their people. Other people would take absolutely the opposite view and say the nature of our economy is that we have grown too much as a Government and we need to retrench. Both sets of people will vote enthusiastically for a right-sizing of Government because they do not want the wrong size of Government.

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2500 My presumption is probably about, given our financial situation, finding ways of reducing the size of Government but again there are all sorts of ways of doing that. Some of us will be saying 'great, we want to provide the services we do now,' which are fairly basic actually, for a western, modern economy, in a more efficient way, better use of ICT, things like that, in order to drive down the cost of delivery.

2505 I know there are other Members of the States who will vote enthusiastically for this because they do actually want to reduce what the States do or think they do too much and that we have been just taking on – particularly on the social agenda – far more than we should have done. So, I think we will probably have a unanimous vote for this and I do not think it will mean a darned thing.

The Bailiff: Deputy Ferbrache.

2510 **Deputy Ferbrache:** It is always interesting to speak after Deputy Roffey. I appreciate he is going to, I think, vote in favour of this. But I think he took a negative view, really. I really do commend the input of two new Deputies, credit to the Assembly, Deputy Kasantseva-Miller and Deputy Fairclough, because they have looked at and thought this is an important topic.

2515 I am sure Deputy Roffey listened, because it was not one of his written speeches, it was one of his impromptu speeches, so he has probably altered what he was going to say, but what Deputy Soulsby said is it is not slash and burn it is rebalancing of the public sector, of the size of Government etc.

2520 Now rebalancing, the detail of that, will be fleshed out to a degree between now and 21st July and people will be able, those that want to reduce the size of Government, will be able to put that forward, others that want to increase it will be able to say what they are going to do. But it is looking at something. It is like a business, really. If your business does not rebalance itself three, four, five years after it has been formed, then it is an inefficient business, because businesses tend to go like that, when sometimes they should go like *that*. I do not know how you put that in *Hansard*, I do not really mind.

2525 But in relation to all of that the point in connection with ... Deputy Trott is doing his usual Tommy Cooper impression, which he does so well. But in respect of all of that this shows already, just a few months into this Government, this new States' Assembly, how things are working well. So I commend the colleagues who were the initiators, really, of this amendment. Deputy Soulsby and I are just the mouthpieces of it and I ask the Assembly to approve it.

2530 **The Bailiff:** Deputy Inder.

2535 **Deputy Inder:** I concur with Deputy Ferbrache. Sometimes we need newer people to look outside or look into Government and certainly Deputy Kasantseva-Miller and Deputy Fairclough have effectively coalesced some thinking that needed to happen. I remember over the last couple of years that some of us fought for this on our committee, we do need a public service reform.

2540 As part of our policy direction we will be right-sizing our own Economic Development Department, as I said in my speech, and I reference – what is the name of the Chief Executive? Deputy Whitfield. Not Deputy Whitfield, Mr Paul Whitfield; everyone is a Deputy nowadays! – Paul Whitfield and over three/four years he has always said that Government should only do what it needs to do.

2545 What Government does not need to do is provide marketing services for tourism. It does not need to do that. I did not public service reform for that, the Committee does not need a public service reform document, we are just going to get on with it. So I think it is the right thing to do. I do not actually know what right-sizing means, but it feels right to me and I know in which direction it would go. So thank you.

The Bailiff: Deputy de Sausmarez.

Deputy de Sausmarez: Thank you, sir.

2550 I very much echo the concerns raised by Deputy Kasantseva-Miller or, as she seems to have been
renamed today, Casanova-Miller, and Deputy Roffey about the ambiguity over the term right-sizing.
It was certainly the first thing that jumped out at me and it reminded me quite a lot of Brexit and
the referendum in the UK in 2016 because, without a clearly defined explanation of what that meant
it meant all things to all people, leading to something of a disappointment further down the track.
2555 But we have had a little bit more meat on the bones, through Deputy Soulsby's opening speech
and from Deputy Ferbrache.

Really my comment on this is that the public service reform that has taken place today, my
observation is that has been, in my opinion, too divorced from the outputs that we are trying to
achieve, as a political body, and so I very much hope that this is something that can be addressed,
because actually, it is a fundamental factor affecting what we can do, as a Government, as to what
2560 roles there are. Not who is in those roles but what roles there are, what resources we can draw upon.
Those human resources are all important.

I think, whether consciously or subconsciously in some cases, decisions have been made over
the years that really fundamentally affect the resources therefore available to us as a Government
and I do not think that has necessarily been carefully married to the outputs that we are trying to
2565 achieve and so I hope this is something that can be redressed. I hope that we can establish a much
more direct relationship between what we are trying to achieve and the resources that we need to
achieve it, with respect to public service in particular.

Thank you.

2570 **The Bailiff:** Deputy St Pier.

Deputy St Pier: Sir, briefly, Deputy Soulsby did not reference me and the conversations we had
on this topic before these amendments were lodged and I think I perhaps ought to do so myself to
explain the context of Amendment 5 because I too had the same concerns about the absence, the
2575 inclusion of public service reform as one of the priorities for this term of Government, and indeed
had also been speaking with Deputy Kasantseva-Miller amongst others.

I had explained to Deputy Soulsby that obviously Members, unlike the Committee, do have a
strict constraint of the Rules and the timeline for lodging amendments, and therefore Amendment
5 was effectively lodged in the absence of P&R having at that point reached a decision and a
2580 conclusion and producing its own amendment.

I think Deputy Soulsby is aware that, having produced this amendment, Amendment 8, it is not
my intention and that of Deputy Oliver to lay Amendment 5 because we do recognise that
Amendment 8 is effectively a response to the dialogue that the Committee has had with a number
of Members.

2585 I too do have some concerns about the language and the terminology. That has already been
expressed by others, I am not going to repeat that. But I think the point about reflecting on that
and its application in the future is probably valid and hopefully it will be one that the Committee
will take away and give some consideration to. But it is really to advise Members that it is not
intended, if Amendment 8 is successful, to lay Amendment 5.

2590 **The Bailiff:** Deputy Queripel.

Deputy Queripel: Sir, thank you.

2595 I am all in favour of right-sizing Government, as long as it does not result in frontline workers
losing their jobs, whilst potentially superfluous line managers and manageresses retain theirs. So, I
support the direction of travel and I will wait for the detail to come back to us at the next stage.

I give my colleagues advanced warning I will rally against any motion to dispense with the
services of workers who do all of their work responsibly and do it well, to the best of their ability. In
my experience, almost nine years' experience as a Deputy, I have worked with some extremely

2600 competent civil servants at the top but there were questions raised a long time ago by my brother, former Deputy Laurie Queripel, and I about the possibility of there being too many chiefs and not enough Indians.

Thank you, sir.

2605 **The Bailiff:** Deputy Burford.

Deputy Burford: Thank you, sir.

I share the sentiments expressed so far about the wording of this amendment, particularly the term right-sizing, because I am quite sure if we took a poll it would mean 40 different things to 40 different people in this Assembly. I think, more broadly, whether this amendment passes or not, and I suspect it will, it probably does not really matter because I do not think it is going to get in the way of Policy & Resources bringing work to the States on the public sector or indeed if they are so minded on the Machinery of Government and it is probably that latter part that concerns me more, insofar as we are barely one term out of a major reorganisation of the Machinery of Government and it is not perfect, what we have and I would not have or did not support all the various parts in it.

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2620 Nevertheless the temptation to keep changing it uses an immense amount of resources that could actually be used for simply getting on with things. So that is my main concern, that it wraps up the Machinery of Government desire in there, which I would not support. But, like I say, whether the amendment passes or fails is probably pretty irrelevant.

Thank you.

The Bailiff: Deputy Meerveld.

2625 **Deputy Meerveld:** Thank you, sir.

I actually commend the amendment and I am not too worried about the terminology. It is the start of a conversation. It is a conversation we need to have. We have to have a chat about the size of Government and there will be some people in this room who will want a bigger Government doing more and some who will want a smaller Government, doing less. So that conversation has to be had and putting it into this Plan, in this way, regardless of terminology, starts that conversation.

2630 Also, the right-sizing, going back to I think Deputy Ferbrache's comment about balancing and organisation, every organisation needs to look at the organisation, decide what it wants to deliver. That is another conversation we have to have. What is the Government actually going to do for the people of Guernsey? Then rebalance its resources appropriately.

2635 I think right-sizing is better than down-sizing, or smaller, because in some cases, some areas of Government may have to grow. If we decide there are areas of being under-manned at the moment, we may need to put more human resources or financial resources into those areas to deliver what we want for the community.

2640 Other areas may be over-staffed or over-budgeted or, for that matter, irrelevant. We may decide we do not want to pursue those areas, so they may want to be down-sized or changed. Removed. But I am happy to see this amendment go through. I am happy to support it and I am looking forward to the bigger conversation when we start looking at the detail. But I certainly do not want to worry too much about the semantics.

Thank you, sir.

2645 **The Bailiff:** As no one else wishes to speak on this amendment, I will turn to its proposer, Deputy Soulsby, to reply to that debate. Deputy Soulsby please.

Deputy Soulsby: Thank you, sir.

2650 I note Deputy Kasantseva-Miller's and various other comments regarding right-sizing. Perhaps we could have used resetting, that might have been a more acceptable term. But right-sizing, I think,

is what we have. Deputy Roffey, I said in my speech, he was asking what did we mean about right-sizing, I said it is about getting what we want done effectively and efficiently.

2655 He also said, and I think Deputy Burford did as well, that some believe right-sizing means this and others mean that. Well that may be, but it will be the Assembly that will decide what we mean by right-sizing Government. I think that is something that Deputy Ferbrache alluded to earlier. Deputy de Sausmarez, absolutely, totally agree with her regarding public service reform being felt like divorce from the rest of Government. That is why we have put it, we have already had that, within the Government Work Plan. It was intentional so it was seen as part of the Plan.

2660 The main reason I wanted to go on Policy & Resources was around public service reform because I could see how much more we could do and I know it is something that fellow Members on the Committee have got their eager eyes on as well and work has already started on that.

2665 Deputy St Pier, yes we did have a conversation. It was initiated by me, because I did find out indirectly that Deputy St Pier was looking at laying an amendment on public service reform. We did have that chat. It got very late in the day and I suggest – I could not persuade him not to lay it – but lay the amendment and see what we have got because time had run out for us at that particular moment.

2670 Now Deputy Burford's comments regarding Machinery of Government. I know Deputy Burford's views on the Machinery of Government are probably slightly different from mine. But I have to say, from what I have experienced, the political Machinery of Government does slow down what we try to do. We saw that last term. We saw issues around having them, whatever it was called, the GRIP, or GRAP, that weird committee that was formed on the back of Covid that never really worked properly. (*Intervention.*) CRAG, thank you Deputy Dudley-Owen. The one word I did not say would be CRAG, so yes!

2675 Last term I did try to lay a requête on things I think we could change, with a lot of input from Members here. I think Deputy de Sausmarez and Deputy Prow were involved in that as well. We thought we could make changes. They were not that wholesale. Some here might think we are absolutely dealing with wholesale change. We went where we thought we could really speed up the working of Government, make it work more effectively.

2680 But then I received the most snottiest letter of comment from the then Policy & Resources Committee. It was a funny old time and it just felt there was a lot going on, let us use it for another time. Perhaps now its time has come. And on that point, sir, I think my time is up on this and I would just like to ask people to support the amendment.

2685 **The Bailiff:** Members of the States, we go to the vote on Amendment 8, proposed by Deputy Soulsby, seconded by Deputy Ferbrache. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare Amendment 8 duly carried.

Amendment 6

In Proposition 1:

a) To delete "three"

b) To delete "and"

c) To insert after the last semi-colon " • Investing in the Island's infrastructure"

d) To make consequential changes to the references to "three priorities" in propositions 4, 5 and 6

2690 **The Bailiff:** The next amendment to turn to is that numbered six, which is being proposed by Deputy St Pier and seconded by Deputy Oliver. Are you in a position to lay that amendment, Deputy St Pier?

Deputy St Pier: I am, sir. I do not intend to read it because I do not think that would add much other than to merely explain that it inserts a fourth bullet point in Proposition 1, 'investing in the Island's infrastructure' as one of the priorities for this term –

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The Bailiff: Will it be a fifth bullet point now, Deputy St Pier?

Deputy St Pier: Correct, sir, thank you.

2700

I would ask Members to turn to page 14 of the policy letter and figure 3.2, which is entitled Components of the Government Work Plan. That diagram in the four o'clock position, shows a bubble with the funding and investment plan including the capital portfolio feeding into the Government Work Plan and the narrative is these components will describe the funding requirement that needs to be 'progressed, informed by longer term priorities'.

2705

It makes no sense to me and, I think more importantly, I think it will make little sense to many outside our own bubble here in the Assembly that investment in infrastructure will not be recognised by Government as a priority in and of itself for this term of Government in Proposition 1. We have, I think, all recognised for some time that our capital programme has for a whole host of reasons – political, organisational, financial, and process – failed to move at the pace required to ensure our infrastructure is maintained or improved.

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The explanatory note to Amendment 8 that we have just debated, said that:

The Committee will resist the Amendment to isolate capital investment in infrastructure from policy development for the reasons set out above.

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But the only reason given above is an explanation that the third priority catches all other work of Government and provides for it to be evaluated and prioritised for resources to ensure actions are delivered. I would suggest, sir, that by resisting this amendment in those terms, Policy & Resources is saying that capital investment in infrastructure is not a priority in this term in and of itself, which is the key point of seeking to bring this amendment.

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Passing this amendment does not mean that every capital project will proceed. They will of course all need to be prioritised in their own right and then the resources, both financial and non-financial, such as project management, will need to be found to enable them to proceed, which I think in essence is the point the narrative on page 14, around that bubble, seeks to explain.

All this amendment does, this very simple amendment, is say at the very highest level in the planning process that we are serious about our capital programme and that we are serious about investing into infrastructure during this term of Government and we feel that is an important message to communicate as part of the planning process.

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The Bailiff: Deputy Oliver, do you formally second that amendment?

Deputy Oliver: Yes, sir.

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The Bailiff: Thank you very much. Deputy Soulsby, you wish to speak at this stage, do you?

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Deputy Soulsby: Yes sir. Just to say that Policy & Resources does not support this amendment. To separate policy development from capital investment, accepting that not all capital investment is policy led, is counter to the intentions of the Committee through its approach to developing the Government Work Plan.

Whilst it may seem attractive to have another priority investing in the Island's infrastructure, this is already embedded in several emerging actions, such as the second inter-connector to improve electricity generation and energy resilience. It is also a fundamental requirement to achieve many of the proposed outcomes, particularly the resilient and sustainable infrastructure and connectivity outcome.

2740 Investment in the Island's infrastructure, *per se*, should not necessarily be a priority, but should
be seen in the round. Not all capital projects should be prioritised. No we have not seen capital
works being undertaken. Things have not been built that should have been built. But that has been
2745 more of an issue around process rather than just about where we put it as a priority. Education, for
example, some of the problems on buildings, we have had a hospital modernisation, how long that
has taken. It is not that they are not considered a priority, it is for all manner of other reasons.

The funding and investment planning workstream will inform the Government Work Plan by
setting out the medium-term resourcing, funding and investment requirements for the term, and
that will guide annual Budget, addressing all funding for the work of Government. Infrastructure
2750 projects will either be a preferred solution to a policy need, be a matter of important compliance or
perhaps replacement of obsolete or fading assets and will be assessed on merit and not because
infrastructure itself, *per se*, has been afforded a priority within the Plan.

The Bailiff: Deputy Oliver.

2755 **Deputy Oliver:** Thank you, sir.

High quality public infrastructure supports growth, improves wellbeing and generates jobs. Yet,
infrastructure investment is complex and getting from the concept to the construction and
operation, is a long road fraught with obstacles and pitfalls. This is why I think it should be a priority.
So I ask that this Assembly supports this amendment.

2760

The Bailiff: Deputy Gollop.

Deputy Gollop: I think I support the amendment, too. I think it is a bit more purposeful than
'right-sizing'. People might say I am the wrong size, we will not go into that one! The point is one
2765 of the philosophies of the Election, of the reformation of Government, of the new teams, regardless
of independence or parties or groupings, has been, I think, virtually everyone in the Chamber has
committed to more action and less talk and less process and planning to do things, planning to get
things done.

We certainly have a lot of infrastructural challenges and as Deputy Soulsby reminded us: energy
2770 resilience to transportation to air transport of course, to harbours and airports and seafront
developments, all kinds. I actually think the infrastructure, especially the bandwidth, is to a degree
a goal in itself.

Because any infrastructural development, you do not want to dig a hole for the sake of it, or
create a quarry for the sake of it, but almost any infrastructural project on Island should produce
2775 labour, employment, materials, use of skills, use of architects, use of professionals, use of finance,
spend in the economy.

Also, infrastructure is a tool for economic regeneration and, ironically, maybe whether in IT or
more material ways, Government repurposing and reshaping and resizing because we all know that
2780 post-Covid we probably need more emphasis on artificial intelligence and bandwidth and
telecommunications and technology and on connectivity that is not just about physical transport
links.

But we also know that we would be doing even better as a community if we attracted more
onshore wealth through Locate Guernsey, Guernsey Finance and other bodies, high net worth
people with skills. But particularly what we need to look at is not only making our lifestyles better
2785 but infrastructure that is not just about the States and Government, let alone Douzaines, doing
things. It has got to be a partnership with occasionally the third sector, but more often than not,
the corporate and financial and business and construction and hospitality and development sectors.

So I do not quite understand the argument – Deputy Soulsby and Policy & Resources might go
into this more – why it is totally wrapped up in policy, because it is not just wrapped up in
2790 Government. It is actually about Government facilitating, encouraging and working with other
providers to develop infrastructural goals that we probably could not achieve just by doing it

through a conventional Civil Service, pre-STSB type route. So I think as far as it goes, we should actually put this. If it has to be nuanced when we get to the next stage, so be it. But I think it is very much one of the key themes we should be working towards.

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The Bailiff: Deputy Inder.

Deputy Inder: Just briefly. It reminds me of amendments to the policy letter that we have only just gone through. It does not really do anything. I think Deputy Soulsby is absolutely right. In Question Time, yesterday, I can tell Deputy Roffey now, that if we have a sensible capital investment programme in the harbour, that I can see coming to the States, I will vote it through now. I want to see the slipway fixed. I want to see the bridge fixed at Castle Cornet. I would love to see something done with the Fish Quay. I would love to see capital expenditure at Vallette done tomorrow. But we, as Members, we cannot invest in it until the individual Committees bring these forward.

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The concept of investing in the Island's infrastructure is just a bit wet because until we see these projects coming forward there is nothing we can do. I would have invested in La Mare de Carteret three years ago, but that hit the buffers. It is one of these things that I can again take or leave. As these projects flow through either under minor capital projects or above that, then I am likely to support it. But I do not see any point in saying, 'investing in the Island's infrastructure', because it just does not mean a thing. Nothing at all.

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The Bailiff: Deputy Ferbrache.

Deputy Ferbrache: Deputy Inder has said, more graphically perhaps, what I would have said. It is a meaningless phrase. Why do we vote for meaningless phrases? What has happened over a succession of Assemblies is that not enough money has been invested in capital projects. Why that is, there are a variety of reasons, as Deputy St Pier rightly said when he opened. But I think the prime reason is because the process is stopping it.

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You have almost got to learn Latin backwards and be a nuclear physicist to get some capital project through the States. There is always another Rule to look at, there is always another form to fill out. There is always another report to consider. What this Plan overall is seeking to do, the Government Work Plan, is to do something practical. It is to ensure that people have houses, they have schools, they have other things. I must not run too much into the general debate.

2820

Meaningless words, because it makes us feel better, are not going to take us anywhere at all. Any business, and Government is a business with a social conscience, that is the point of it. How many times have we heard people say, 'Guernsey should be a PLC'? No, it should not. It should be run in a business-like manner but it is run for social purposes. It is run so people can have pensions, so that kids can have schools, so that there is a decent hospital, so that we have got roads, so we have got police forces, so we have got lots of things.

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That is it. So it is a mixture of revenue because you have got to pay people's wages, and capital, because you need to improve your capital stock. What we collectively over the last X number of years – Deputy Gollop has been in the States nearly 24 years now so he has seen lots of changes – I was in the States in 1994, then I was away for 16 years from 2000-16. I can remember walking around the Castel parish when I was first a Deputy and looking at the schools in the Castel and seeing there was no maintenance on the schools because it did not fit into some process. So the failure of process has not just been the last few years, it has been over, to use a Guernsey phrase which I am proud to use, it has been over donkeys' years.

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So to just come up with meaningless things and say nod it through, 'It is alright, it is okay,' I do not see the point of that. What we are trying to achieve here is a purposeful Plan. We can call it whatever title you want. We need to invest in capital. Does one not think that this States over the next four and a bit years will not want to invest in capital? But it needs to look at the resource. It needs to do practical things and not theoretical things from a textbook.

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The Bailiff: Deputy Trott.

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Deputy Trott: I rise primarily for a Point of Order, sir. I am sure you have noticed that the amendment seeks to delete three priorities. We now have four. I thought it was worthy of mention. We now have four in the sense that the substantive Proposition is now for four rather than three.

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The Bailiff: Yes, Deputy Trott. I think we will just read it as adding an extra bullet point, if a bullet is to be added, and then the consequential amendments flow from that.
Anyone else wishing to speak? Deputy Roffey.

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Deputy Roffey: Sir, I always struggle with policy planning, generally, because I am not sure. I think every Assembly invests huge amounts of energy in developing their big issue policy plan and then they just behave the way they want to behave for the next few years, whether or not it says in the Government business plan or not, as long as they can make a strong enough case, they will carry a majority with them and the majority of the public will say yes, we have got to do that, and it is therefore what will happen.

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But I am going to suspend that cynicism and say that actually, ideally, the things that Committees should bring forward over the next year or so, should be ones that support the Government business plan. So I am a bit struggling with Deputy Inder's stance of we do not need to say that capital development and infrastructure and renewal is important in the business plan because, if people bring forward projects, we will support them.

2865

But if it is not a remedy in its own right to regenerate our infrastructure, what business have they got bringing those forward because it has not been included? I do not think whether this amendment is passed is going to make a great deal of difference to Committees bringing forward capital projects.

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But I am tempted to vote for it because I have been appalled over the last 12 years how successive Assemblies have utterly failed to renew the infrastructure of Guernsey and how neglectful they have been at what previous generations left for them, how they have not modernised, and I think it has made Government more expensive. I think it has made Government less effective and therefore, if this is a statement up front saying this has got to stop, this Assembly really has to repair, renew or modernise its infrastructure then I think it is worth voting for, for that reason alone.

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If you look at every Government in every western country at the moment, thinking how do we stimulate our economies again, after what has happened with Covid, just about every single one would say that an injection of capital spending is an important part, not just to achieve the other things they want to do – and it does not mean you building something, as Deputy Gollop said, that is of no purpose, of course you choose the things that you want to do – but the spending in itself stimulates, creates economic activity. The building industry is important, the ancillary industries around there. So on balance, even though I am cynical about this whole debate, tomorrow or maybe Saturday, when I should be getting my Covid jab, debate, I have got to try and take it seriously and I think the capital renewal is so important that I will vote for this amendment.

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The Bailiff: Deputy Le Tocq.

Deputy Le Tocq: Thank you, sir.

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My friend Deputy Roffey gets me to my feet. If he is not going to be cynical I will be. I was in this Assembly when the first attempt at a Government business plan, as it was called in those days, this has one word slightly different in it, was put forward and I think initially there were some 40 or so Propositions. We narrowed them down to nine and then they got added up to 14. There was certainly something on infrastructure and investment in those days. So that was back in 2006-07. We did not do anything with it.

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I think the problem is this. I obviously support the Government Work Plan but I do also remember that we spent a good chunk of last term debating and agreeing and talking about how

many angels on pinheads of various parts of a Future Guernsey Plan, and then a Revive and Thrive plan, both of which are now gathering dust.

2900 What we do need is some action and I do feel that spending time discussing whether we should have this as another point or not is really not helpful in the end. We do need to see some action and I am even willing to make some mistakes. That is the thing. In some ways, it would be better to have a mistake that you could correct than do nothing at all.

Thank you.

2905 **The Bailiff:** Deputy Queripel.

Deputy Queripel: I rise to invoke Rule 26(1) please.

2910 **The Bailiff:** Very well, Deputy Queripel. In respect of Amendment 6, will those Members who have not yet spoken who would like to speak in debate on it please stand in their places. Deputy Queripel, do you still wish to invoke Rule 26(1)?

Deputy Queripel: I do, sir.

2915 **The Bailiff:** Very well. Members of the States, I will put to you the motion that debate on this amendment, subject to hearing from the proposer in reply to the debate, Deputy St Pier, be curtailed at this stage. Those in favour; those against.

Members voted Contre.

The Bailiff: I will declare that lost. Deputy de Sausmarez.

2920 **Deputy de Sausmarez:** Thank you, sir.

I think this will be quicker than that particular motion. I actually agree with all the people who have spoken about the reasons we have not managed to invest in infrastructure over the last political term and beyond. So, I just wondered whether Deputy St Pier, when he replies to debate, could advise us his view about if we prioritise investing in the Island's infrastructure in this way, will that force some attention on those very problematic processes?

2925 Thank you.

The Bailiff: Deputy Taylor.

2930 **Deputy Taylor:** Thank you.

I do not really have much to add but I just wanted to justify why I am going to be voting against it. People will know I am quite into investing in infrastructure. Deputy de Sausmarez probably cringes any time she sees my name flash up on her email, because it will be pestering her about the slipway, but I just do not see having this amendment doing anything. With all due respect to Deputy St Pier, I just see it as a headline in the *Guernsey Press*. I do not see it making any difference and I just think we should all vote against it.

2935 Thank you.

The Bailiff: I will now turn to Deputy St Pier as the proposer of this amendment to reply to the debate.

2940 **Deputy St Pier:** Thank you, sir, and thank you to those that have contributed to the debate, particularly to Deputy Oliver for seconding it, for Deputy Gollop for his support, along with Deputy Roffey.

2945 The purpose, really, in replying to the debate is to explain why we are doing this at all. Actually I am delighted that Deputy Inder raised the point that he felt that this does not do anything and indeed Deputy Ferbrache saying it is a bunch of meaningless phrases, because that really brings us to Proposition 1, which to be frank is a bunch of meaningless phrases.

2950 If you were trying to summarise in an elevator pitch what are the priorities of Government, at the moment we have three, we have just added a fourth. We are going to say we are going to respond to the Covid-19 pandemic. Well – (*Interjection*) Exactly, what is the alternative? Not responding to the Covid pandemic?

2955 We are going to manage the effects of Brexit. The alternative is not to do that either. So that really has not added a great deal to our planning process. Then the really big thing we are going to do, summing this up in one phrase, is we are going to deliver the recovery actions. What are those? We have to turn to Appendix 6 and find 46 of them.

2960 Proposition 1 is a collection of meaningless phrases, as Deputy Ferbrache well knows. And we have actually added another to it. We have added we are going to re-size. Actually we are not sure we are going to re-size, because we actually think it now sounds better to re-set or possibly maybe rebalance is a preferred term.

2965 So, what is this about? This absolutely is, as Deputy Roffey says, a statement of intent and if you are walking out of this Assembly and you are stopped by a member of the public walking down Smith Street saying, 'what did you do today?', we decided that our priorities for this term of Government can be summarised as responding to the pandemic, dealing with Brexit, dealing with recovery, resizing Government and investing in our infrastructure. It is a statement of intent.

2970 In terms of the things that have stopped infrastructure before, Deputy Soulsby identified process, as indeed I have. But I need to challenge Deputy Ferbrache's explanation that that was the only reason for a number of significant projects not proceeding in the last term. The biggest projects did not proceed because of political decision-making in this Assembly. Obviously, schools is the biggest one, where decisions were made to go ahead and then made to stop going ahead.

2975 Inert waste was another, we sent the Committee *for the* Environment & Infrastructure and others to go off and look at a different site and to do an environmental impact assessment that was going to cost hundreds of thousands of pounds looking over a quarry. P&R refused to provide the funding for that because it was completely pointless and it came back and we then had a requête that said no we need to look at the harbour instead.

2975 I will give way,

Deputy Soulsby: I thank Deputy St Pier for giving way. But isn't all that he is saying to do with process? The political process as much as the public sector process.

2980 **Deputy St Pier:** Absolutely. It is about the political process and the political will of this collective Assembly to deliver infrastructure. That ultimately brings us back to the purpose of this because if we are determined to sweep away the barriers, if we are determined to direct civil servants to prioritise looking at process, then actually saying: investing in our infrastructure in the next four years is one of our priorities, we want you to tell us what we need to do to get rid of all of this process so we can get on with the investment, make it one of our priorities.

2985 Instead, we are saying: no, we are not going to do infrastructure and if you want to know where it is, as Deputy Soulsby said, it is embedded in the emerging actions. That again is meaningless to anybody outside the bubble of what this process is about. It is embedded in the emerging actions.

2990 I think I have hopefully summarised and responded to Deputy de Sausmarez. I have sought to explain that it is about a statement of intent. Clearly, Deputy Soulsby has explained in responding to this after I opened the debate, provided the Committee's explanation of their view of this. It is a different philosophy if you like, but on the basis that Proposition is all about very high level, by its own admission, high level statements of what we want to do, it feels entirely appropriate. It is of course entirely a matter for this Assembly to accept or reject as it sees fit.

2995

The Bailiff: Members of the States, we go to the vote on Amendment 6, proposed by Deputy St Pier and seconded by Deputy Oliver. Those in favour; those against.

Members voted Contre.

The Bailiff: I am going to declare that lost.

3000 **Deputy Oliver:** Can we have a recorded vote, sir?

The Bailiff: We certainly can, if you request it, Deputy Oliver. So we will have a recorded vote. Greffier please.

There was a recorded vote.

Not carried – Pour 14, Contre 25, Ne vote pas 1, Absent 0

POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy de Sausmarez	Deputy Cameron	Deputy Dyke	None
Deputy Fairclough	Deputy de Lisle		
Deputy Falla	Deputy Dudley-Owen		
Deputy Gabriel	Deputy Ferbrache		
Deputy Gollop	Deputy Haskins		
Deputy Oliver	Deputy Helyar		
Deputy Parkinson	Deputy Inder		
Deputy Queripel	Deputy Kasantseva-Miller		
Deputy Roffey	Deputy Le Tissier		
Deputy St Pier	Deputy Le Tocq		
Deputy Trott	Deputy Leadbeater		
Deputy Brouard	Deputy Mahoney		
Deputy Burford	Deputy Matthews		
Deputy Bury	Deputy McKenna		
	Deputy Meerveld		
	Deputy Moakes		
	Deputy Murray		
	Deputy Prow		
	Alderney Rep. Roberts		
	Alderney Rep. Snowdon		
	Deputy Soulsby		
	Deputy Taylor		
	Deputy Vermeulen		
	Deputy Aldwell		
	Deputy Blin		

3005 **The Bailiff:** Members of the States, in respect of Amendment 6, proposed by Deputy St Pier, seconded by Deputy Oliver, there voted Pour 14, Contre 25, one abstention, and that is why it is still declared lost. We will skip over Amendment 5, because Deputy St Pier has already given an indication that that is not to be laid and the language is it gets submitted in advance of a meeting and laid at a meeting, just for future reference.

Amendment 2

In Proposition 7, to delete the semi-colon and substitute therefor:

“, with the exception of the resolutions listed immediately below, as referenced in Table A3.1 in Appendix 3, which shall remain extant and be subject to the changes here specified:

- Resolution 124, where the words “before the end of 2020” shall be removed and substituted with the words “as soon as practicable but no later than 10th May 2021”;*
- Resolution 126, where the words “shall be restricted to” will be removed and substituted with the words “shall include”;*

• Resolution 127; noting, for the avoidance of doubt, that the Committee for Education, Sport & Culture can include any such models and criteria as the Committee sees fit, in addition to those already listed.”

3010 **The Bailiff:** We come to Amendment 2. Are you ready to lay your amendment, Deputy Bury?

Deputy Bury: Yes, sir.

The Bailiff: Would you like it read?

3015

Deputy Bury: Yes, please, sir.

The Bailiff: Greffier, can you read Amendment 2 please?

The States' Greffier read out Amendment 2.

The Bailiff: Deputy Bury.

3020

Deputy Bury: Thank you, sir.

The motivation behind this amendment is quite simply transparency, good governance, informed decision-making and choosing a decision-making process that will prevent further delay and delay is ultimately what I am trying to avoid with this amendment.

3025

Because, while I do not come to this debate with any political battle scars or pre-judged ideas on what the best way forward is, I do come to it with some parental scars. I am a parent who, due to the continual delays, has now accepted that whatever our new secondary school system is, it will not be something that my daughter benefits from, despite it having been hanging over us for at least five or six years. It is worth noting that my daughter is only 11, so it has been hanging over us for half her life.

3030

So that is why what I do come to this debate with is an intense motivation to make sure that that delay does not happen to the hundreds more families coming up behind us in the state education system and I genuinely believe that a transparent and comparative review is the only way to achieve this. We need to choose a different process to that which has been chosen previously.

3035

The States and the ESC Committees that have gone before us have tried it the other way, several times, and it does not work. All of our recent history shows us that because when the real details start to come out of any chosen model, usually when we are quite far down the line, they are never perfect. Questions start to get asked and when there are not robust, evidence-based answers to those questions, the foundations start to shake, they get rocked and, before we know it, it all falls in on itself, grinds to a halt, and we are back to square one.

3040

Already, those questions are being raised. Since the ESC Committee published their proposals, we heard from the President herself in a media interview that she did not know if class sizes would have to increase in her Committee's chosen recommendation. Class sizes have been one of the hottest topics in this debate. So the fact that Deputy Dudley-Owen could not answer that question has to lead us to challenge and question the Committee's decision-making process if that sort of high priority data has not been considered or included in it.

3045

Sir, I need to remind my colleagues, through you, that this amendment was laid before the Committee published their proposals. It is not a reaction to their recommendation, it is just a request to transparently show us how they got there and how it compares.

3050

We all know that there is no silver bullet, there is no one perfect answer. If there was, it would have been found by now, and we would all have a much easier time ahead of us. So, that means that there are pros and cons to each option and that whatever we go with, there will be trade-offs. But we need to be clear and honest about those trade-offs from the start, give our community, the key stakeholders that have been feeding into this review for almost 12 months, and importantly

3055 ourselves as the decision-makers, the opportunity to assess those trade-offs and decide which ones we think are acceptable.

The history shows us that an ESC Committee solely being the judges of that does not pan out. In fact, Deputy Dudley-Owen herself, in her November President's Statement, said:

I today urge States' Members, mindful of what is at stake here, not to sit on the sidelines simply watching our Committee get on with it. Each Deputy has a part to play in making sure this work is a success.

Although I am starting to think that perhaps I have misinterpreted what she meant by that.

3060 Without a like-for-like comparison, the ESC Committee are asking us, despite them not being able to answer some very key questions, to blindly trust that after all this time they are the ones that have managed to find the right option. It is unfortunate for them that so much water has gone under the bridge on this matter.

3065 The community's faith in Government's ability to make this decision is practically non-existent, so we need to show them why we are making any decision that we do and show them the information we use to make it. The Committee will say that they intend to show us their workings out but it is imperative that my colleagues take into account, sir, that without this amendment passing, the Committee are under absolutely no obligation as to what information they provide us.

3070 So, while they may show us some workings out, we will have left ourselves with no reassurances at all as to what they will be or what criteria they are based on. And the States assuring themselves of getting the correct information is something that Deputy Dudley-Owen herself has called for in the fairly recent past on this very subject.

3075 In December 2019, a letter from the President, co-authored by Deputy Prow, was published in the *Guernsey Press*, and this related to a *sursis motivé* they had laid in relation to the then ESC plans. Part of that letter stated:

We sought to persuade the States, to assure itself that the preferred options set out by the Committee represented the best value for public money.

And this is the important bit.

We asked for proof beyond reasonable doubt to be presented by the Committee.

3080 Well, sir, perhaps Deputy Dudley-Owen and I are not so different, as here I am, not 18 months later, asking the States to do that very same thing. But this time, not just in relation to value for money but also quality of education, as well as infrastructure and organisation. That is what this amendment calls for and without it we will be left with a void, where the Committee are able to provide us with only the information that they deem to be relevant.

3085 I am deeply concerned that we will find we have boxed ourselves into a corner and will realise too late that our only options will be to go with their plans, despite not feeling informed, or that is right, call for a delay while we ask to see some more information. I apologise if I come across as untrusting with such statements. I would like it on the record that this is not a reflection of my confidence in my ESC colleagues' ability or integrity.

3090 But as I have alluded to, I as a parent, along with so many other parents in the community, have unfortunately had my trust in this process, bluntly, shot to pieces over the last few years and I fully acknowledge that my lack of trust is not a direct result of this Committee's actions. However, my faith is a little shaken as Deputy Dudley-Owen stated the following in her speech when standing for ESC President in October:

One of the first jobs of the Committee will be to look at the draft review that was circulated late last week by the outgoing Committee, to understand the underlining assumptions, principles, facts and figures upon which it is based. I would like to work this up into a presentable format to deliver this informally to States' Members and communicate it widely to stakeholders, teachers, support staff, their unions, the students, parents and the wider community, as soon as possible.

Something has clearly changed since the President made that statement and all I am seeking to do with this amendment is provide the insurance that no further changes in what we have been promised will come about.

3095 The Committee will also argue that the review is biased and, as we have seen in this week, will say that it is trying to bring the two-school model back to the table. But that is simply not true. The amendment, because of technicalities, is a fairly blunt instrument. The Proposition was to rescind. The only real option without going further than the original Proposition, is to not rescind.

3100 So it was not possible to create a brand new, all-singing and all-dancing Proposition so you will have noted that to ensure the Committee can progress unfettered by constraints, that there is flexibility in the amendment that allows the Committee to broaden the scope of the review in both models and criteria. Surely that is the best of both worlds? The information that was promised plus anything else that they want to include or base it on. What is not to like? On this monumental decision, surely the more information the better?

3105 So, let us not just set ourselves off down the same well-trodden path. We know where it leads, it leads us right back to where we are now. Let us try a different path. Let us try what was promised by the ESC President's own requête, what was voted for in this Chamber, what was marched for. A transparent and informed process is the only way to take people with us and prevent us repeating the mistakes of our predecessors.

3110 So that really is it. Despite the tangents that this debate will inevitably go off on shortly, it really is a very simple request for us to do this the right way, to make sure that we get there this time and that when we do, we know that we have made an informed decision. I am hopeful, sir, that all my colleagues want to work in an informed manner and that they recognise that in order to do so they need to support this amendment and I will ask them to do so.

3115 Thank you, sir.

The Bailiff: Thank you. Deputy Gabriel, do you formally second the amendment?

Deputy Gabriel: Yes, sir, and I would like to reserve my right speak.

3120

The Bailiff: I am going to call Deputy Murray to make what will be his maiden speech. So, Deputy Murray.

Deputy Murray: Thank you, sir.

3125 Time to get the monkey off my back, so to speak. Just for the avoidance of doubt, I am talking about my maiden speech and not the amendment. Of course, if I had been, I think I would probably have likened it to a boa constrictor but of course I am not, so I will not mention it.

3130 I wish to speak in opposition to this amendment, which seeks to retain the opportunity for bringing the one school on two sites back as a potential viable option. Furthermore, it seeks to retain that model as the benchmark against which all other models should be compared. In relation to it being a viable option, it is in my opinion entirely discredited by numerous stakeholders including, I would suggest, the majority of the electorate. In terms of it being used as a benchmark, the suggestion is ludicrous, not only because it is discredited, unwanted and therefore untenable, but because it never existed.

3135 We have no idea, therefore, whether it could ever have been a credible alternative to the actual operation of our four current secondary schools, which has to be the only real benchmark that any future configuration can be measured against. That is my contention but I wish to provide context to my position.

3140 Therefore, with your permission, I should like to briefly repeat a small section of the discourse at the seminal States' meeting held on 19th March last year, and it is available in *Hansard* on page 925, itemised at 1440/45, in which the then President of ESC, who was Deputy Fallaize, said the following:

Proposition 9, current Resolutions, contains a timeline which in our view sets up the Committee, whether it is our Committee or a different Committee, for failure. It requires a review to be completed in the next 15 weeks and then it requires the next Committee to have many weeks fewer than that to decide what it thinks the future structure of secondary education should be and the timeline is even more unrealistic as the result of the circumstances around the coronavirus. We are proposing a timeline, which would see the review completed in about a year's time –

– which would be April this year –

– which is still challenging even in normal circumstances but is particularly challenging given current circumstances but it is realistic.

3145 So, sir, that ESC felt that undertaking a substantive and realistic review of secondary provision would require many, many months of work and yet the same ESC chose to publish to States' Members an incomplete report prior to all Members of the said Committee, bar Deputy Roffey, exiting the States altogether. One therefore has to question what the motivation could possibly have been in publishing an incomplete report, considerably in advance of a timetable that they themselves had suggested was unsuitable, and we are all now well aware of the subsequent and various interpretations, suspicions, and expectations that this single act of desperation has caused.

3150 Let me remind Members that two of those now ex-ESC Members had been Deputies for a considerable number of years, Deputy Fallaize and Deputy Dorey. Yet they were still rejected by the public in last year's election. Deputy Tooley, who was actually a former teacher, was not successful in being re-elected either. Deputy Graham chose not to stand at all.

3155 May I further remind Members and with my grateful thanks to Deputy Trott, whose assiduous examination of the 2020 manifesto promises inspired me that, given no successful Member of the last Assembly had even proposed a one-school, two sites model in their manifestos of 2016 they therefore did so without a public mandate.

3160 That notwithstanding, however, Deputy St Pier's P&R Committee at the time still saw fit to advance that ESC millions of pounds of taxpayers' money to fund what was effectively an educational experiment. So Members may make of the electoral outcome what they will but I have absolutely no doubt that the Island rejected the entire concept of one school on two sites, along with its architects and supporters in the last election.

3165 But despite this, sir, the current ESC has committed to publish the remaining elements of that report, along with our own recommendations, in May. Because, whilst the two schools model has now been comprehensively dismissed by great swathes of the public and indeed many Members of the profession, the engagement that the previous ESC were forced to conduct under pause and review and most particularly with the profession, has been of considerable benefit. Indeed, sir, it has greatly informed this Committee's thinking, particularly in respect of our proposals to maintain a complete sixth form and on a separate site. The survey views on that were unequivocal.

3170 Let me now turn to the nonsense of maintaining a comparison with this theoretical education experiment as a benchmark. What many new Members in this Assembly may not know is the criteria that the previous ESC determined would consist of a like-for-like comparison of models and then relied upon in establishing a benchmark.

3175 Bearing in mind, then, that although the one school model had never actually existed, ESC were careful to get enough Members of the previous Assembly to give them permission to use that as a base model for comparison purposes, instead of the actual real model of the existing four schools. Unbelievable as it may sound, compare all previous models with a conceptual one, along with the same theoretical concepts and constructs it was based on.

3180 Frankly, an exercise in unreality and so it proved to be, since in order to interpret their view of like for like they instructed officers to undertake an expensive exploration, not with existing schools as they are today, but with considerable, theoretical, physical alterations and building additions to provide exact room sizes, exact facilities and much more that also did not exist. Imaginary concept compared with illusory versions of it.

3185 It has therefore created fictitious, nonsensical comparison costs, given none of these models were ever actually a reality. The intent, however, was to establish and use criteria designed to ensure

that they compared much less attractive financially to spending the £60 million-£70 million that they had been gifted for their two sites experiment.

3190 By comparison, our proposals are based on today's schools and today's financial reality. Our policy letter will contain all of the justification that we believe is absolutely required to demonstrate why, with only 14 Members of this Assembly not having previously expressed a preference in their manifestos, this Committee believes it is self-evident that there is no appetite for a revisit to any comparison with a model that has no future.

3195 For the absence of doubt, sir, if you will allow and since it is actually in the public domain, I should like to name the only Deputies who left their options open and did not mention a three-school preference or a complete opposition to one school on two sites in their manifestos. Those Deputies were Bury, de Sausmarez, Falla, Gollop, Kasantseva-Miller, Roffey, Soulsby, Taylor, Trott, St Pier, Dudley-Owen, Prow, Meerveld and McKenna.

3200 For those in this Assembly, including Deputy Roffey, the only former Member of the previous Committee – who perhaps surprisingly did not put themselves forward to undertake this educational challenge and yet continue to espouse what they believe is some abrogation of responsibility by this Committee for not seeking to be bound by this Island-wide rejected notion of one school on two sites – at least 24 Members of this elected Assembly have already declared their preference. Or put it this way, none of the 38 Guernsey Members of this Assembly actually expressed support for one school on two sites in their manifestos at all.

3205 I have to ask, therefore, why would the current ESC expect that coming forward with any of the various proposals associated with a one-school, two-site model could ever gain any possible traction in this new Assembly? The bitter exchanges between a number of Deputies in the last Assembly in relation to the future of secondary education in Guernsey, many of whom are no longer here today, and let me re-emphasise three of those deposed were actual Members of the last ESC, must not be repeated again.

I therefore have to respectfully suggest that the desire by Deputy Bury and particularly Deputy Gabriel, himself having stated to be in favour of not just three or four schools but also a support for the Grammar School, that seeking to retain provisions for assessing Guernsey's secondary educational future upon what clearly has to be regarded as a defunct model by virtue of the expressed preferences of at least those 24 Members of this Assembly in their manifestos, is a complete waste of this Assembly's time and taxpayers' money.

3220 I personally would rather see that same taxpayer money invested in improving educational outcomes rather than clinging doggedly to the precepts of an ideologically driven concept, which despite the roaring of foul by a small handful of Deputies here today, active across social and other media at every opportunity, presumably already canvassing for re-election in four years' time, cannot possibly be resurrected, save by the wholesale dismissal of those 24 Assembly Members of the firm commitments they gave to the Guernsey electorate.

3225 I ask Members of this Assembly to therefore honour those undertakings you have expressly given to your fellow Islanders a matter of months ago and vote against this amendment. Thank you, sir, and I would like to reserve my right to speak in open debate. May I request a recorded vote?
[Applause]

The Bailiff: A choice between the two next ones to make their maiden speeches. I am going to go alphabetically and call Deputy Cameron before Deputy Matthews, but I will take Deputy Matthews next if he rises again. Deputy Cameron.

Deputy Cameron: I have no doubt that Deputies Bury and Gabriel have laid this amendment with good intentions. But, and with genuine respect for both these Members, I do doubt whether they fully understand its implications. If this amendment succeeds, the Committee for Education, Sport & Culture will be required to compare its preferred model:

... against the benchmark model of two 11-18 colleges ... for which the baseline assumptions shall be those used in the model of two 11-18 colleges in order to provide a genuine like for like comparison.

3240 So, if this amendment succeeds, the Committee will have to compare its work against a model that does not exist and which has shown itself to be so unpopular with its stakeholders that it is surely undeliverable? If we are to be forced into comparing fictional school models, I suggest we start with one that would be even less popular with stakeholders: the one school on one site model. It will undoubtedly provide better value for money due to economies of scale than its one-school, two-site cousin.

3245 It will likely provide four lanes of traffic congestion, an increase of overweight students because they and their parents will be too fearful of them cycling or walking the longer distances to and from school on the heavily congested roads and with fewer opportunities to compete in sport against other schools.

3250 The two-school model is only a moderate improvement on this school model. Distances are simply too far and the amount of traffic around the schools too much to encourage most students into active travel. By the time our students start secondary education, the Health Improvement Commission studies show that over one third of them are overweight or obese. For this reason alone, and there are countless more besides this, we need to approach the once in a lifetime policy decision that this Assembly will have to make in the coming months over how best to arrange our non-selective education system from a different angle.

3255 The public has spoken and they made it completely clear with the election vote that they do not want the one school on two sites model. So I have to ask why anyone would want to keep that model alive by comparing everything else against it? Sir, I said a moment ago that we will in a few short months from now face a once in a lifetime policy decision on how best to organise our secondary/post-16 education system. Except, sir, somehow we, Guernsey's Government, over successive terms have wavered on this subject and indecision over the right model for Guernsey has already cost the taxpayer well over £5 million.

3260 The former Committee estimated it would need up to £2.5 million just to undertake the review, based on the terms of reference this amendment seeks to reintroduce. Although, I hasten to add, the request for P&R to find that £2.5 million to fund the review was roundly rejected by the Assembly a year ago.

3265 This amendment is not free of charge. If extra work is needed, somebody or more likely somebodies, will have to be paid to do it. I ask Members, have we not spent enough money on this already? Please do not make a decision today that will mean we have to spend even more. Please do not make a decision today that would mean even more delay and even more uncertainty for students before we can agree and implement a solution that will work for Guernsey. Please do not support this amendment.

3270 Thank you, sir. *[Applause]*

The Bailiff: And now Deputy Matthews to make his maiden speech. Deputy Matthews.

Deputy Matthews: Thank you, sir.

3275 This amendment would restore the comparative review of the two-school model against competing three-school alternatives but even without a review I already know that I would not support the two-school model. The two-school model simply does not work for Guernsey. It does not suit our geography, our population distribution or transport infrastructure.

3280 Compared to our existing schools, the sites selected would be cramped and overcrowded and merging all our Island's secondary schools into one super school named Lisia School, spanning two sites, intentionally removes all variety within the state system. It would destroy any possibility of introducing choice and competition from the future of Guernsey state secondary schooling.

3285 This is important because expanding choice and competition is the best way to raise standards. The two-school model only offers one choice to those who cannot pay school fees. For those who could afford it, independent grant-maintained colleges could yield up to four schools to choose between. Quite an array of choices to make. But the majority of Islanders, with no choice at all, could

only accept a standardised education with even the same school uniform imposed universally and Island-wide.

3290 It is as if the school uniform helped us visualise what this misguided quest for equality would really result in. Not excellence, as was claimed, but drab conformity. On the subject of education, I know that Winston Churchill is often quoted in this Chamber, as is Margaret Thatcher. I have a quote here from Ronald Reagan. I am not going to do the accent.

Excellence demands competition among students and amongst schools. And why not? We must always meet our obligation to those who would fall behind without our assistance but let's remember without a race there can be no champion, no records broken, no excellence – in education or any other walk of life.

3295 That quote is from 1982. In 1988 the Education Reform Act brought choice to the UK. It has been supported and expanded by every government since, Conservative and Labour. Regular inspections and competition show how well each school is really doing. In the long-term, choice helps drive up outcomes because parents demand higher standards.

3300 Many English and American parents would be horrified at the thought of a system where the Government decides which school your children go to and you have no say. Now the subject of parental choice in schooling has not yet been considered by ESC. Since the two-school model absolutely precludes any possibility of choice, it is just one of the very many reasons I would not support it. I would not choose to have no choice. Further, it is quite clear that since the election the majority of States' Members would also not support the two-school model, just as an overwhelming majority of parents, taxpayers and voters do not support the two-school model.

3305 However, a question remains unanswered. Which of the remaining three-school models to implement? Schools often teach, when answering a question it is very important to show your working and not simply answer the question without an explanation of how that answer has been arrived at. For that reason, on the face of it, this amendment seems like a good idea. It would require the Committee to provide the Assembly with the information that is needed to make an informed decision about the preferred option for secondary schools.

3310 That seemed to be the course the Committee was on when all Deputies were invited to view and comment on the four options being worked on, labelled A, B, C and D, on 17th December last year, The Committee confirmed shortly afterwards, on 18th December, that the review would compare models with the existing provision, rather than use the two-school model as a benchmark.

3315 This sounds entirely reasonable. To use an analogy, if you were buying a new house, you would compare your options against the home where you currently live, you would not compare against a specific option that had not yet been decided, such as the two-bedroom house I actually looked at once but then decided I did not like.

3320 The Committee has already provided its answer to the question of which model to implement. On 8th March, a media release declared that it would like to focus on an option for three 11-16 schools, with a separate Sixth Form Centre. There are two variations, one of which closes La Mare de Carteret, and a second, likely to be prohibitively expensive, which does rebuild La Mare de Carteret but sacrifices the Grammar School building instead.

3325 This is the point where I feel the Committee is in danger of throwing out the baby with the bathwater. I understand why there is no appetite to include the two-school model with any comparison. I understand that the comparison, as previously set up, has some significant flaws, but it is far better to openly demonstrate the weaknesses in the two-school model than simply brush aside the whole review.

3330 Now, regardless of whether or not the review includes this in its criteria, it is clear how each model would score on its potential to introduce choice and competition in the future. The one school on two sites model with no choice comes in dead last. Moving on, the existing *status quo* and the option for one 11-18 school and two 11-16 schools would score poorly, due to serious imbalances in the provision on offer, which would certainly see the 11-18 school over-subscribed, whilst the remaining 11-16 schools would struggle to attract applications.

3335 The top option would be three 11-18 schools, all equal in status with each other and with the independent grant-maintained colleges. Equal in status does not have to mean identical. Each could develop its own strengths and weaknesses, giving each school an individual character. But what of the Committee's preferred option, three 11-16 schools and a separate sixth form? This option has some merit.

3340 It offers the potential for three schools to compete at GCSE but it is not without some significant drawbacks. By separating all the Island's sixth form students into one single location it creates a monopoly for States-provided education at post-16 level and, by removing the sixth form from all of the Island's state schools, for the first time since 1950, there would be no school on the Island with an attached sixth form other than the independent, grant-maintained colleges. Many parents would see this not as levelling up but equalising down.

3345 There is nothing particularly special about the 11-18 age range that makes it better but in the UK system, which we use, whenever there is a choice, a school with a sixth form is usually top of the list. That is why league tables of top UK comprehensives are dominated by schools with a sixth form. Nearly all independent schools have a sixth form.

3350 So, I am afraid the Committee's preferred model does not fare well. The Committee has chosen this model after establishing for itself a guiding principle that the existing sixth form should not be split across more than one site. In many ways the Grammar School had already become a separate sixth form centre, which just happened to be attached to a selective 11-16 school.

3355 The two-school model, of course, involves splitting the sixth form in two halves but a three-school model does not have to split the sixth form in thirds. Launching new, smaller or specialised sixth forms at existing schools does not necessarily have to have a negative impact on the main site or on overall subject choices or flexibility.

3360 There is an irony that the Committee has rejected a model, which kept the existing Sixth Form Centre in operation in its current location on the basis that this would be unfair as the former Grammar School would be too popular compared to the other 11-16 schools. Instead, the Committee has embraced a model which effectively picks up and moves the Sixth Form Centre 500 metres down the road at great expense.

3365 But will this really be successful at separating the Sixth Form Centre from the 11-16 school? The two sites are very close together; 500 metres is a six-minute walk, much less time than, for example, walking to a departure gate at Gatwick Airport. My concern is these two sites could be considered for all intents and purposes as one campus, which returns us to selection by postcode.

In contrast, a modern, all 11-18 system offers the possibility of three schools with equal status, and that helps to level up the offer at each school. A three 11-18 system already operates on the Island in the three independent colleges. Placing state schools on an equal basis can help maintain and build the social cohesion that we have enjoyed in Guernsey.

3370 I have set out the values that are important to me: choice, diversity, educational outcomes and social cohesion. Other Members may have another view and may prioritise other features differently, such as cost, the merits of co-locating sixth form with further education, transport requirements or many others.

3375 Rejecting this amendment will mean that this Assembly will end 11-18 schooling for the majority of children in Guernsey whose parents cannot afford school fees. Supporting this amendment will allow the States to have the debate with the evidence to make informed decisions. This decision is for Guernsey's future. Even though there has been much delay, it would be wrong to give the available options insufficient decision because you want to show decisiveness. I urge Members to support the amendment. *[Applause.]*

3380 **The Bailiff:** Deputy Prow.

Deputy Prow: Thank you, Mr Bailiff.

I rise to oppose Amendment 2 and my speech, I am going to actually concentrate mainly around the wording of the amendment. I start by pointing out where I believe the wording of it is

3385 misleading. I do not suggest that it is deliberately so as I have huge respect for both movers of the amendment. But I need to make a few matters clear.

I draw Members' attention to the explanatory note, which refers to making adjustments to existing Resolutions and I quote from it, it says, 'as proposed in the Requête submitted by ...' Deputy Dudley-Owen and six others. I was one of those six. What the Requête debated in this Assembly, 3390 between 27th February and 3rd March, and actually asked for and indeed on that day the States agreed, was contained in Proposition 2 of that Requête, and I quote from it:

To direct the newly constituted Committee to revert to the States with a policy letter and suitable propositions to implement what it believes to be the best model for secondary education.

That is what the Requête in Proposition 2 was asking. I supported that then and also now in this term, having been given the honour to serve as a Deputy following the Island-wide election. I believed that to be right then and also right now. The Requête was deliberately flexible. It is worded 3395 in terms of comparisons and viable models of non-selective educational delivery. Most important of all it promoted working with the stakeholders and professionals and, crucially, leaves the decision-making on what comes back to the States in the hands of the extremely capable Education Committee we all elected in this Assembly in this term.

However, it is not the proposals of the Requête that this amendment seeks to change, but it is 3400 the Propositions, which were resolved by the States, contained in policy letter 8/2020, from the previous Education Committee, on 12th March 2020, brought back to the States, in my view, sir, with indecent haste, only some 16 days after the Requête's success.

The Requête consisted of only two Propositions, the first being the pause bit. But the ESC policy letter contained no fewer than 12 Propositions. In particular, I refer to Propositions 5 and 6 of that 3405 letter, which drastically amends and restricts Proposition 2 of the Requête. It outlines 'benchmark reviews' – this is a matter that Deputy Murray has alluded to and I am going to speak more about that in a minute – benchmark reviews, which are highly detailed and very prescriptive.

In addition to Proposition 1, that ESC letter describes a single state secondary school operating across a number of yet to be determined sites. Sir, references to the Requête throughout this 3410 amendment are, frankly, meaningless, and in my view unhelpful. The sensible, flexible, pragmatic request Proposition 2, as only amended by Amendment 4 at that time, making it beyond doubt that it applies to a non-selective system, is radically altered and the whole Requête Resolution replaced by 11 new Propositions – one failed, sir.

I voted the majority of those ESC Resolutions at that time, so I am being entirely consistent. Sir, 3415 may I refer to the *Hansard* record of that debate. The ESC proposals and this amendment prescribes the benchmarking review, I said this at that time and I repeat it, sir, today. I refer to the Propositions:

I cannot at all agree with these Propositions as they completely alter the effect of the Resolutions passed in the Assembly earlier this month. They introduce a totally new concept of benchmarking. This is a concept in which I am very well-versed, due to my previous career. Sir, the National Audit Office led such an exercise of border controls of the three Crown Dependencies and they were all benchmarked. Sir, you can only benchmark by comparing outcomes, including key performance indicators, resources and demonstrating value for money.

Sir, you cannot possibly benchmark concepts as none of the outcomes are yet attained. Business cases can only give a view of how each model might compare against each other. Sir, that is why stakeholder engagement is so vital in this process, the end users will stand and deliver the outcomes in the classrooms. They need to have the input into comparing the models the only benchmarking 1730 that could be done, and only in the future, is the current four school selective model against the results and other educational outcomes of whatever model is moved forward. Sir, the proof of the benchmarking outcomes is in the pudding, you cannot measure aspirations in this way. These Propositions, sir, are not worth the paper they are written on.

Sir, I have a habit sometimes of referring to *Blackadder* series in speeches and I am reminded of one where Blackadder was betrothed to the Spanish *Infanta* and Lord Percy says:

My Lord, they say the Spanish's *Infanta's* eyes are bluer than bluest stone of the Galveston.

Blackadder replies:

'Have you ever seen the Spanish *Infanta's* eyes?'

'No sir.'

'Have you ever seen the bluest stone of Galveston?'

'No sir.'

'So what you are saying then is that the Spanish *Infanta's* eyes, which you have never seen, are bluer than something else you have never seen?'

3420 I think Lord Percy then gets a poke in the eye. So, sir, it was collegiate, collaborative and flexible aims of the Requête to allow the new Committee to return to this Assembly, having the benefit of a review of all the viable options that were available to it. It is the former ESC's obliteration of it. It is completely unhelpful to the aims of the Government Work Plan.

3425 However, I do agree with some of the words in the report attached to this amendment. First, I support the comment 'it is also accepted that the success of the Requête and the subsequent General Election may have made one 11-18 school on two sites politically undeliverable'. Except I would use the word 'has' instead of 'may'.

Second, I agree with the quotes written in bold:

In order that States' Members can make an informed decision about the future structure of secondary education, given the tortuous history, the most likely – arguably the only – way to conclude nearly a quarter century of debate about the future structure of secondary education remains exactly as proposed in the requête submitted by Deputy Dudley Owen and six ...

– others. As said, sir, all the rest of it, I do not agree with it.

3430 The Government Work Plan before us says in the relevant appendix, in relation to the ESC policy letter 8/2020, to which I have referred in detail, that this is what it is referring to, not the Requête and I will quote:

The ESC wants to have flexibility to develop its own strategic policy in this area. It considers it unhelpful, particularly given the changed fiscal landscape, to be limited by this Resolution and therefore proposes it for rescission.

I completely support Policy & Resources in rescinding 124, 126 and 127 and I ask all Members of the Assembly not to support this amendment.

3435 Thank you, sir.

The Bailiff: Deputy Ferbrache.

3440 **Deputy Ferbrache:** Sir, although I am going to come to a different conclusion to her, I thought Deputy Bury's speech was excellent. Superb speech. She delivered it with passion, it was full of good content, it was balanced and it put forward views and that is why we are a democracy and a debating Chamber, because we can do things in a civilised, constructive way, and still come to a different conclusion.

3445 I would like to apologise to her daughter and to the many other thousands of daughters and sons who have been through turmoil over the last five or six years because of the mess that successive States have done in relation to an education system. People took down an education system without having any idea what they were going to put in its place. That was morally and politically unacceptable, irresponsible and despicable. I make no apology for using all of those words.

3450 Deputy Bury said, 'my daughter is 11'. Just over half of her life, her and her daughter, have lived with this uncertainty. It is worse than that because that is nearly all her school life. She and other 11 and 12-year-olds will, because of the time it has taken to do what we should have done before, in relation to getting together an education system that was fit for purpose, by the time they end their school life or come to the end of their school life, the situation still will not be completely resolved.

3455 It is a disgrace and I apologise to her and the thousands of parents and the thousands of children that have been left by appalling decisions made by Assemblies previous. It is a disgrace.

3460 But in relation to the particular amendment, as Deputy Murray has said, the people have overwhelmingly spoken and we live in a democracy. Now, when it came to the debate, I was always pro-selection. That has gone now and I accept that. I accept it with reluctance, but it has gone. It is too important to have a *Groundhog Day* in relation to children's education.

3465 But what I do say is this, and I did actually, because we had effectively – I know the terminology might be wrong – three votes on the two-school model in the last Assembly. The first I voted for because I thought we have got to get on with this, we have got to do something. Because Deputy Bury has made the point, that she made so well, that was made previously that there has been too much delay. But then I realised I could not vote for it further because it was not appropriate for our community.

3470 I did not quite realise just how overwhelming the force and will of our community was against a one-school on two sites system. It was overwhelming. It was 80%-90% in my view. Now I do not go out and gather evidence and say can I have a tick for it please and will you do that. I use what I believe is my judgement, which we are all here, we are elected here, to use our judgement.

3475 But it was overwhelming. So you do not say to the people of Guernsey we are going to impose upon you an education system that the overwhelming majority of you do not want. We do not have time. We do not have money. We do not have resources to waste on Resolutions that have now been overtaken by events.

3480 The Resolutions that are sought to be rescinded by this policy letter, but very much supported by the Education, Sport & Culture Committee, are because they realise that that has been cast asunder. We have moved on from that. There is no point wasting another pound, there is no point wasting another minute. There is no point wasting any energy in relation to all of that. We should just move on.

3485 I have total and absolute confidence in the Education, Sport & Culture Committee that they are going to do what is right. We have been told by Deputy Murray and it has been made clear by the President in a previous discourse, that we are going to have a policy letter, it is going to come to the States very soon. We know what they are going to say. We do not know all the detail because that has not been disclosed yet, but we know the conclusion that they would like to do.

3490 Deputy Bury said, I am trying to restrict this debate to just the amendment but I know it will go off on tangents, and it has gone off – to a degree – at tangents. But I think people have got to explain their rationale for either voting for or against the amendment. My rationale for voting against the amendment is that when we have three schools, 11-16, and a separate Sixth Form Centre, whatever we have – and it is going to be three schools of some model, so let us get on with it – that is the first stage in the process.

3495 We have got to have better kit. We have got to have a better system. Because all we seem to be doing is following the broken English system, which has let down thousands and thousands of ordinary kids whose parents cannot afford to pay for them to go to posh public schools, who have got to go through the state system. Most parents, like Deputy Bury, and like thousands of others, have got skin in the game. It is their child's life and we have let them down.

They cannot afford for their children to go to posh schools in England or posh schools in Guernsey, private schools in Guernsey. They want their kids educated now. We have let them down. Let us get on with it. Let us vote against this amendment and move forward.

3500 **The Bailiff:** Deputy Aldwell.

3505 **Deputy Aldwell:** During November and December of 2019, as a Constable of Torteval, I had many emails, telephone calls and messages from parents and teachers who lived in the upper parishes, along with the Constables of St Andrew's, the Forest and St Martin's, all extremely concerned about the plans for a one school on two sites model for secondary education.

With our Douzaines' full support, the parishes stood together against the proposals, which was an unprecedented step that speaks volumes for the strength of feeling conveyed to us at that time. The protest took place in February 2020, when thousands marched and the Island saw the parishes

3510 covered in green ribbons. Petitions were signed and these set the mood, along with the surveys from teachers' unions, showing a high percentage of staff were against the plans for a one school on two sites model.

3515 Nobody could be in any doubt about how people were feeling. Walking areas around the 10 parishes during the run-up to the election, it became very evident, from conversations with people I met, that the one school on two sites model was most certainly not wanted. I can recall very few subjects that have prompted such a reaction.

3520 Sir, many of my colleagues in this Assembly were elected, at least in part, because of their stance on education, which was obviously a hot topic, if not *the* hot topic. During the run-up to the General Election, many candidates purported, via their manifestos to support, as I did, and still do, a three-school model. Many also identified, as I did, that the separate sixth form was needed.

3525 I am certain that if it was a stance in education that was influenced in many here today, winning so many votes and I am just as certain that the same people whose votes resulted in the make-up of this Assembly I see before me and those votes resulted in some notable departures. They will be counting on me to keep my manifesto promise and, through you sir, I call on the others here today to do the same.

3530 Despite the obvious strength of feeling and despite the manifesto pledges of so many who were successful in the General Election, this amendment looks to bring the one school on two sites model back on the table. This does not simply reinstate the position to the position of the successful pause and review Requête, it simply overlays the terms of reference as imposed by the then Committee, that is to say the Committee led by the then President and Deputy Mr Fallaize.

3535 Sir, the ESC Committee has looked at the comparisons of various school models, some of which were detailed in an unfinished, interim report circulated to the incoming States' Members immediately after the election by the last ESC Committee and leaked to the local media. We will share the details as an appendix to our policy letter. None of that work will be lost. But, as a Committee, we are very concerned at any suggestion that we should focus our attention on comparing any model against the untested and unpopular one school on two sites model, which is exactly what we will be required to do if this amendment is successful.

3540 The one school on two sites model is not a valid model to benchmark against. It has never existed. The model that is in operation today clearly is tried and tested. Its revenue costs are beyond doubt and therefore offer a more sensible comparator. This Committee has worked extremely hard over the last few months to fully understand the system we have today, what works well and where things need to be better. We are no less ambitious than our predecessors when it comes to promoting the highest possible standards within our schools and when it comes to striving for the best possible outcomes for students and, something very close to my heart, support for students with special educational needs and disabilities.

3545 But of course all of these should be at the heart of any education system, which is why we are starting to make changes now and not waiting for the new model before we start to make the incremental improvements that are needed. That is why we want to separate out the operational changes that will happen, regardless of the model, and are matters for us the Committee to oversee, from the policy decisions that should be made by this Assembly.

3550 The Committee have not had 18 months, as the previous Committee did, to work up towards an outline business case and it would not be realistic to have to work up more models or different levels of detail in the short time we have. The costs incurred in doing this would be very high. Guernsey has already wasted too much valuable time and money on this subject without reaching a workable solution that is an appropriate fit for Guernsey, one that ensures our young people leave school equipped for wherever their lifelong journey takes them and ready to be active participants within this community.

3555 We will be having engagement sessions over coming weeks, firstly with school staff and the unions, to take on board their feedback as we finalise our policy proposals. We will propose a strategic policy direction in the forthcoming policy letter and all we ask this Assembly for is a clean

3560 starting point from which to do it, mindful of just how much Guernsey has changed – and the world – since this previous Assembly last debated this subject.

Sir, through you, I ask all my colleagues to please allow ESC Committee to get on with the task, moving this debate forward, without pulling us backwards to comparisons against a model that has proven itself to be undeliverable and should be consigned to history. Please let us get on with what we promised the electorate we would do without further delay. I urge Members to reject this amendment.

The Bailiff: Deputy Falla.

3570 **Deputy Falla:** Thank you, sir.

The part of Deputy Murray's speech that I completely agree with is that I personally made no promise or pledge in my manifesto or offered an opinion on which school model I thought would be the best. In fact, during my campaign I promised voters that I would like at the evaluation of the various models and make a decision based on the information and evidence available, using that judgement which Deputy Ferbrache has referred to, and taking into account the views expressed by stakeholder groups.

3575 ESC's move to rescind the Proposition requiring them to report back with comparable models would leave me disenfranchised by the lack of the opportunity to do this. I have great respect for the Members of ESC, four of whom, like me, are newcomers to Guernsey politics, and I do not doubt that they are making this move with the best of intentions. But, for me, the future of secondary education is too big a decision for States' Members to be led by the nose by just five Members of the Assembly.

3580 It will be a decision for the whole of the Assembly and they must have access to all the information required to give this matter proper, informed consideration. The future education model is also a matter of great interest to many in our Island community, if not all, which will result in major costs to the taxpayer and those stakeholders have a right to see the promised pause and review comparison.

3590 If we are to be accountable to them, this amendment is a no-brainer. This amendment is not a move to bring back the two-school model. That is some kind of smokescreen, which is being used to cloud judgement today. In paragraph 1.4 of the Government Work Plan policy letter it states that the Resolutions for rescission are either:

... no longer reflective of the needs of today or have been superseded.

Sir, I do not believe that this matter falls into that category and I will be supporting this amendment.

3595 **The Bailiff:** Deputy Kasantseva-Miller.

Deputy Kasantseva-Miller: Thank you, sir.

3600 I came into politics and the education debate with no baggage. Like many people in our community I was a witness to the education debacle that unravelled but I never made any public remarks, as Deputy Murray has very well found, as to the preference of any education model before the election, as I wanted to keep an open mind.

3605 One thing I knew for a fact was that the education saga had been going for a long time. Far too long. So, I welcomed the principle of the like-for-like review that came about after the Requête of Deputy Dudley-Owen. Who could argue with an approach that wanted to leave the politics aside and look pragmatically at how different models could compare with each other, based on criteria such as educational outcomes, infrastructure requirements and value for money?

So I would really like to draw Members' attention to Resolution 127 on page 75 of the Government Work Plan and the list of criteria. This list of criteria places a heavy focus on the quality of education and includes things such as average class size, promotion of the highest education

3610 standards and outcomes, curriculum breadth, range and quality of facilities, recruitment and retention of staff, support of students with special needs, ease of transition between different phases of education.

Sadly, Guernsey is not quite in the top league for outstanding secondary education standards and outcomes and so a review focussing on criteria, not buildings, that drives positive outcomes seemed an essential foundation for making such a decision. So, I went into the election with a clear conscience that I would wait for the outcome of the review part of the pause and review, to make an informed, evidence-based decision.

I was realistic that three out of the four models of the pause and review were three-school models and there was a much higher chance for a three-school model to be chosen and something which I would have been absolutely fine with. However, I also knew that the three-school models were fundamentally different from each other and would have trade-offs and in order to make an informed decision I would need to see a like-for-like review.

So, fast forward to today and, less than six months after the election, we are told that everything has changed. The election is being used as a reason to justify that we no longer need the review part of the Requête. Now, I fully accept and support that every Committee has a mandate to develop their own ways of thinking and come up with their own recommendations, but I am not naive to know that any new thinking will be underpinned by their own prioritisation of certain guiding principles and that trade-offs will be made.

Every model under consideration will have trade-offs. There is no simple, perfect model that will tick all the boxes. We must have a grown-up conversation about the trade-offs so we have a collective, informed decision about what is being prioritised. So just to clarify, all models in the review were fictional. None of them exists. So an element of estimation is required for all. So, to say that the two-school model is fictional and should not be used in comparison is nonsense. The new proposed model is fictional. It does not exist, not only in Guernsey but nowhere else in the world on the scale of an Island jurisdiction like ours.

Deputies had one engagement session with the Committee *for* Education, Sport & Culture on this subject in December. We were asked to evaluate certain guiding principles, provided by the Committee. I was astonished to see that the educational outcomes were not present in any of those guiding principles and Members would remember I asked that question to the Committee.

I and others were reassured that this was something that remained top of the Committee agenda. However, the guiding principles announced as part of the new preferred model again failed to mention quality of education as guiding principles. As a reminder, those new principles include keeping the sixth form intact, no postcode lottery through equitable access, operating within the current financial climate, and delivering within a realisable timeframe.

Perhaps you will say that the quality of education is explicit in any choice of models. Well, the only way to tell and to have an objective view, is to compare those drivers against different models, as proposed in Resolution 127. This amendment has nothing to do with bringing back the two-school model. In the way the Government Work Plan policy letter has been presented to us, including a long list of Resolutions to rescind, the only way to shape an amendment was to ask for Resolutions not to be rescinded.

This amendment is all about ensuring that there is a transparent, evidence-based approach to ensure the public and teachers' trust in the decision-making of this Assembly. It is seeking exactly what pause and review was seeking in its time. This is simply good governance. An election is not an excuse if we no longer need this level of transparency, good governance and public trust.

Sir, we all want education to succeed. We all need education to succeed. This amendment is trying to help education to succeed, by reminding them of the importance of full, objective transparency. It would be simply double standards if we did not aim for the same.

The latest press release from the Committee *for* Education this week, mentioned that it had committed to publishing all 'relevant' work to evidence why its recommended plans were the best option. Well, here lies the problem. If the Committee only publishes the relevant data to prove their

model and does not transparently publish a like-for-like review of all models, including their new model, well how can we make an objective comparison?

3665 It is easy to collect data to prove your point. What we need is a grown-up and transparent conversation looking at objective like-for-like data and understanding where the trade-offs are. In a lengthy email exchange with a parishioner in which all Members were copied in, a Deputy this week said that the Resolutions such as 127 were designed to compromise, restrict and bias pause and review towards a two-school model.

3670 Please, Members, look again at Resolution 127. Could you tell me how that restricts, how those sets of long criteria restrict anything towards a two-school model. If the Committee *for* Education did not think those types of criteria were any longer relevant, instead of rescinding these Resolutions through the Government Work Plan and providing an alternative, they could have come back to the Assembly with a new list of criteria.

3675 The motion by the Committee to rescind this extant Resolution is a way to strip out the layer of criteria that we need to make an informed decision when the policy letter comes to us. The public has a fundamental right to this information to ensure they have trust in our decision-making. After all, millions of pounds and many years have now been spent researching the best possible options. It is nothing less than in the public right to have this information.

3680 Deputies are now not alone in asking for this transparency. This week the National Education Union sent a clear signal that they want exactly the same. They call upon ESC to take a leaf out of the Civil Contingency Authority's playbook by sharing all the review data upon which key decisions have to be made.

3685 As Deputy Ferbrache said in one of his CCA addresses, the good and the bad. It is only by doing so, the National Education Union said, that the Committee is likely to command the confidence of those working in education of politicians committed to good governance and of the wider Guernsey public.

The NEU goes further to say that they have noted ESC's continued pledge to engage with the key stakeholders before finalising plans for their policy letter. However, with that engagement still to take place, NEU reps have concerns about the extent to which engagement and employers and debate in the States can be meaningful or informed in the absence of those crucial details.

3690 Sir, I would urge Deputies to consider very carefully whether you can put your name today to the rescission of these Resolutions. I urge Members to support this amendment that simply seeks to bring a transparent, evidence-based approach to selecting the preferred secondary education model. It is the least we could ask for and it is unfortunate we have to be in a position of needing to ask for it, because it is going to be too late in May.

3695 Thank you.

The Bailiff: Deputy Brouard.

Deputy Brouard: Thank you, sir.

3700 I would have rebuilt La Mare de Carteret School. I lost that. I would have kept the Grammar School. I lost that vote as well. I then wanted three schools and I voted for that, but I lost that as well because we went for the one school on two sites, which won the day. The only thing I actually won was the pause and review and that is what I want to see, the warts and all of the pause and review.

3705 Now, my understanding is it is only an 11-18 school that can give the best educational outcomes, so I want to see that review where the best educational outcomes are mapped against all the different alternatives and I am exactly in the same camp as Deputy Matthews, who did an astounding speech – thank you for that – and I am with him, I want to see why an 11-18 school is not the best because I think it probably will be.

3710 Thank you.

The Bailiff: Deputy Dyke.

Deputy Dyke: Thank you, sir.

3715 As an ex-Grammar School boy myself I come to this debate with a degree of sadness and regret that we have lost our Grammar School here but, like Deputy Ferbrache, I understand that we have to let it go. Turning to where we are now, it seems to me that logically the only options, for all the reasons given by various people, the only options on the table are three 11-18 schools, or three 11-16 year schools with a separate sixth form. I think that is all that is left that makes any sense if we are to press on with making a decision.

3720 So I am inclined to vote against this amendment because I do not want to tie the Education Department down to comparing against models that cannot exist and cannot happen and will not happen. It will cost time to do that, it will cost a lot more money to do that and it will delay things generally. So I believe that our Education Committee is neither inept, nor is it incompetent. I think they are capable of doing a good job and we should, effectively, release them from the dead hand of the last States in going about their business. So I will look forward to the policy paper that we can all discuss.

3725 Thank you.

The Bailiff: Deputy Le Tocq.

3730 **Deputy Le Tocq:** Ah, the dead hand of the last States. Was it not always thus? Because I have a little bit of skin in the game here. When I was first elected in 2000, the problems were all the dead hand of the previous States then. I bought into that to a certain degree. There are still Members still here today from that time.

3735 I was appointed to the then Education Council, which I think in those days had seven political Members and three non-States members. There were a lot of people around the table and we had a good cross-section of different people and I had some background in education myself, having first wanted to study to be a teacher and so I had some opinions.

3740 Like Deputy Dyke, the selection system had served me well. I got a special place at Elizabeth College, I enjoyed my time there and it did me no harm, so I thought why not? Why change? We were presented with evidence that made me change my mind and, as I have said before, particularly for me, personally for me, getting involved with the then 11-plus borderline panel made me see that the system was broken completely and no longer fair.

3745 This debate, and I am unfortunately not helping in this regard, is getting exactly into the sort of place I did not want us to get into. Because we have not got papers on these things in front of us. We have not got evidence in front of us. We are debating a Government Work Plan and we are debating a rather strange section of it, which is asking us to rescind Resolutions that were made in the past.

3750 Now there are some positive things about that because I think a tidying up exercise, if there is anything you can say in counselling to people that are suffering from depression, the first thing to do is to tidy your room, because you will feel a lot better once you have done that. This States has been, the States generally has been pretty hopeless at tidying its room so we have got an opportunity to do that.

3755 The trouble with debates like this, however, is that when it comes to tidying things, we could end up having mini-debates on the little issues that we want to tidy instead of getting on with tidying the room. Unlike Deputy Brouard, and I thought he spoke excellently, not only the content but the shortness of it, the brevity of it was very good indeed, but unlike Deputy Brouard I did not vote for pause and review, so why on earth would I want to keep it now?

3760 In the debate last year, because I have some skin in the game and because I had become convinced that there were, I think there are more options than – I think it was Deputy Dyke who gave options but, whoever did before. Yes, you could go for three 11-16 schools and one post-16 school, which is sort of what the Education Council of 20 years ago that I was on came up with, lo and behold, having looked at all of the options there. You could go for three 11-18 schools, which was the amendment that I laid last year to stop the pause and review from taking up unnecessary

3765 amounts of time, which it has done, irrespective of what we feel about it here because many of us here supported it at the time. In fact we have all said a majority of Guernsey supported it at the time.

I laid that amendment with Deputy Brouard seconding one of those amendments and they narrowly lost and I remember Deputy Ferbrache at the time saying it was probably where we were going to end up, three 11-18 schools, but we had to go through the process to get there. Now I accepted the democratic decision of that Assembly at the time, and it was a close vote. But, nevertheless, and I think there was a certain peace in the community and I certainly had been involved in trying to find some way through there.

3775 I am not proposing, although I did vote for one school on two sites, because I was so fed up with this issue, much like paid parking, going round in circles in this Assembly and choosing to do one thing and then changing our mind all the time. I felt we just needed to get on and do something, for the sake, exactly, as Deputy Bury has said, for the next generation of children.

3780 My eldest daughter was just taking the 11-plus at the first time and I said, 'You might have a brand new school and new school system at the end.' I have got grandchildren now and they still have not. It is funny but in another sense it is totally not funny at all because that also represents a huge amount of money that is being wasted here.

3785 Now, we could argue over minutiae. I was convinced 20 years ago, by educationalists and by information we had at the time, that three schools and a tertiary college was the best system for Guernsey. Since then, as Deputy Brouard alluded to, we have been provided with evidence, by the experts in this, that 11-18 schools provide the best. I was persuaded by that but I still am aware that in France, a country not that far away from us, they separate the ages generally speaking in most of their schools. That is what they are used to. They move from one school, from *lycée, college*, they are separated like that. They produce good results as well.

3790 So, I am not stuck to one particular system. What I am fearful for –and I do trust the President of ESC and Members of ESC, I voted for them to take that position – what I am fearful of, because we have been here before, is that they pin all their hopes on one particular solution and they end up getting stymied, because we have seen this happen so often before, because there are as many different ideas in this Assembly as there are ideas out in the teaching profession, let alone anything else.

3795 Now we are not going to find a perfect solution but I do think it is incumbent upon the Committee for Education, Sport & Culture, to bring to this Assembly a number of options. I am very happy for them to say this is our preferred option and maybe that is what they are saying at the moment. They have looked at some evidence and they believe that is their preferred option. But at least give this Assembly the opportunity to say, look, we have listened to you, but we think, on the basis of the evidence that you have given us – and they must give us that evidence and I do not mind whether it is through this pause and review, in the end, which was voted through, or in some other means but we need to have that option.

3800 I certainly do. Because at the moment, if they were to proceed on the basis of what I know at the moment, with their preferred option, I would want to bring an amendment, as I did last year, because I am still convinced three 11-18 schools will be better. I am willing to be convinced otherwise but they need to do that and I think there are others in this Assembly that also are worthy of having that option. So, I want some assurance that whatever happens with the vote on this amendment, that we have that option as an Assembly, because it needs to be this Assembly that decides in the end.

3810 Thank you, sir.

The Bailiff: Deputy Inder.

3815 **Deputy Inder:** Sir, Members, I think some exceptional speeches. Definitely from the proposer of the amendment, Deputy Bury, Deputy Murray and Deputies Cameron and Matthews. Now, I did

have a prepared speech but the truth is it is only probably going to be fairly inflammatory so I am not going to bother. (*Laughter*)

3820 Through you, sir, I think most of you received it via email a couple of weeks ago, so you know what my position was historically. I do regret the end of selection. I do think it was a mistake. But that was three or four years ago and the only sensible thing that nearly had me clapping Deputy Fallaize on the now much-maligned two-school model, I cannot remember what it was called, the alternative model. What he actually said was politicians should get out of education. He absolutely said that. It is the only thing I agreed with him on anything he has ever, probably ever said ever, to be perfectly frank with you – including football teams amongst others.

3825 So, that is where I am. I was quite convinced that selection was the way to go. Now I ignored all of the multiple emails that we got from teachers but I have moved away from that ... not entirely moved away from that. At some point you have just got to drop the attitude, drop the thinking and move on.

3830 If we believe that the teachers are effectively in part going to guide the model, where I part company with Deputy Le Tocq, with the greatest respect, is that he has designed in his head that he believes, as a non-educationalist, that three 11-18s are the best model and that is what he wants to see and he is probably going to make that kind of decision based on what he wants as a non-educationalist.

3835 Do you know what? I have practically gone beyond caring. Because what I would like to hear from Deputy Dudley-Owen when she does sum up, and we have not heard much from her, is where she is with the unions and professionals. That is what I really want to hear. Because I saw what happened in pause and review and it was the weirdest of things. Your arch selectionist in the Assembly had the unions coming to him, asking for help. That is actually what happened and Deputy Ferbrache will remember that they were so in fear of the culture within the old Education Committee they felt they could not go to their senior management team and they could not go to their old Education Committee and they came to myself and Deputy Ferbrache.

3840 That is absolutely telling that they had to come to what would effectively be their educational nemeses to assist them to get to their own Committee. And that is what happened. Deputy Murray made the point then we got Island-wide voting and all new people, you are not on a parish basis, you have been all voted on an Island-wide basis. Actually, no one challenged Deputy Dudley-Owen for her position and I do not think there was one – was there a challenge, I am not even entirely sure – I cannot remember if there was a challenge for her Committee.

3845 Now, Deputy Murray has seen things that we have not seen. In fact, it goes further than that. He believes that all Committees are seeing things that did not even exist. I am unlikely to support the Bury amendment but what I really want to hear from Deputy Dudley-Owen that as part of this process I want to know, as you move towards whatever the solution will be, that she has the profession by her side.

3850 Because I do not want to go through this again. I have been here before. They did not want selection. I voted for it. That was lost. They did not want three schools, they wanted two schools. That was won. Now they did not want two schools and they want three schools again. You know what? I have given up. I genuinely have given up.

3855 I really want to know that the profession have to take responsibility and the unions, work with Education, so what I am going to do, I will not be voting for the amendment but not for any other reason because I think there is a heck of a responsibility now and all of that weight is on that Committee now to deliver something that looks like an education that is fit for the future. So that is where I am at the moment, thank you.

The Bailiff: Deputy Gabriel.

3865 **Deputy Gabriel:** Thank you, sir.

Let me take you back to July last year and one of the questions from the many people around me was why? Why are you standing? My answer to them was I want to represent the people. I am

hoping Members will see and feel how much passion I have for this amendment and how I believe it will affect the people of Guernsey. I also believe that this amendment supports the decision that was taken last year to pause and review. We have certainly seen the pause, plenty of them, plenty of delays. Let us have the full review we were promised.

Again, I have seen and heard endless comments about the provision for education, by students, like Members have over the last 10 years or so. We have to stop procrastinating and get some momentum. My focus is the impact this will have on our people, the people of Guernsey. They put all of us in this room into this fortunate position to represent them and trust them.

I am supporting this amendment to help them show that and the depth of feeling that I feel is out there. The decision to rescind this extant Resolution to me overrides the trust the general public has placed in us, as it was debated and voted on to pause and review, and again that review has to include all the facts, the costs, the pros, the cons, the class sizes, the space standards, the educational outcomes and special needs provision.

If approved, the Committee *for* Education, Sport & Culture, will be unencumbered in its bid to find the very best solution to this long-awaited educational reform our community so desperately needs and has been promised by different versions of Education, Sport & Culture Committees. I respect that there are many more people more qualified than me to comment on and deliver on education and I appreciate the immense amount of hard work the officers and education professionals have spent on this and the time that has gone into the review, which is why this amendment calls for all of that information to be distributed in a comparable way to make an informed decision.

Please, give us this full review, with all the information. The whole Chamber can decide with an open mind and make good use of the good work that has undoubtedly been spent on the review. To rescind this extant Resolution will, I believe, undo some of that good work that was voted on successfully by the last Assembly. We do not need unresearched comparative models to be brought into the discussion a lot later down the line, as we have seen previously, again leading to further delays.

I have no axe to grind against the Committee *for* Education, Sport & Culture and I have respect for the current Committee. Also, I have no children of school age but I believe that this amendment will give the new Committee flexibility to deliver to the Chamber a review that will give Members the information to decide the shape of education.

At least 50% of Members here today were not in the Chamber last year but will have seen or heard some of the debate, if not a headline. Those Members, and indeed others, will need all of the information of the review, in order to make an informed decision. Many years ago, when I was at school, I was taught to show my workings in the margin. We have heard that phrase earlier today. That is all I am asking for. To see the workings in a like-for-like fashion, to be able to make an informed decision.

Let us not forget this is a momentous decision as well as we will, with all the information available to us described in the extant Resolution, be able to shape our Island's future. We will be enabling a system of education. Not where or in how many buildings but how our students are educated. Our Island's future.

We can, with all the facts and as the Government Work Plan describes, build back better. Deputy Le Tocq hit the nail on the head for me. This is not an education debate, this is a Government Work Plan debate. It is not about how many schools, what model, but the information we need to make that decision to move forward. Please give us the opportunity to make that choice for ourselves and not to have to make a binary choice in the future of mediocre over lacklustre. Please deliver the review in full.

We do not need the Education, Sport & Culture Committee to take complete ownership of the review and be judge, jury and executioner, and bring its own watered-down report to the Assembly in May. We need to see the warts and all information, to make that decision. Sir, Members, please join me in my support for this amendment and see the Committee *for* Education, Sport & Culture deliver what was promised to us and the people of Guernsey as short a time ago as March 2020.

3920 Thank you.

The Bailiff: Deputy Roffey.

Deputy Roffey: Thank you, sir.

3925 In some ways I am almost scared to speak on this because I think in some people's eyes there, as a Member of the dreaded Fallaize Committee I am tainted goods and I should not have the temerity to even open my mouth. However, I do not feel that way. I have always, from way before the 2001 debate that Deputy Le Tocq was talking about, had one view in mind, which was to try and deliver the best educational system for this Island and like Deputy Dyke, I am a former Grammar School boy. Unlike him, I am delighted we have seen the back of secondary modern schools. Which is, of course, the other side of the coin. You cannot just have a grammar school system, you have to have secondary modern schools as well.

3930 I can tell Deputy Inder one thing, if he is waiting for a broad consensus on the right way forward from the teaching profession, that 80-90% of them sign up to, he is waiting for Godot. It is not going to arrive. The only consensus we have always had from the teaching profession is there is something wrong with what is in front of us today. That is not what we want, because of this, that and the other, there must be a better solution out there somewhere. The only way we can actually pin down and make sure that people are making informed choices over the least bad option, the best option because it has got the least flaws in it, because all of them have flaws, is by having a side-by-side comparison.

3935 On reflection, Deputy Dudley-Owen was absolutely right in that respect. Deputy Dudley-Owen was absolutely right in that respect because, so many times, one proposer has come forward and it has always been, 'There must be something better out there.' It is Einstein's definition of insanity to keep trying to do it the same way, the same way and expecting that everything is going to be different.

3940 So, I support very strongly the common sense amendment from Deputy Bury to try and get some sort of side-by-side comparison. I am confused slightly with Deputy Cameron saying it is going to cost a lot of money, it is going to take a lot of time. Has this not been done? It is what the States asked for. I know it was being done when I left office at ESC and I presume it has now been, if not complete, almost complete. All I think Deputy Bury is asking for is to publish it. Let us see it. Let us help. Let us see it so it can help us and help the other stakeholders in coming to their decision about what the best way forward may be.

3945 But of course we cannot do that because there is a bogeyman. Vote for the Bury amendment and the two-school model will get you. Well I do not believe that it will. I do not believe it is politically deliverable in any way. Not for the reasons that tend to be given normally. Not because the election was some kind of referendum on our education system. If that was a key for criterion for people voting, to try and stop that, then I must have been heading to top the poll by a country mile before I lost all of those thousands and thousands of votes as a consistent supporter of the two-school model.

3950 Now, that is a flattering idea but I do not actually believe that it is true. Not because philosophically the teaching profession in Guernsey are against the two-school model. Actually, when the idea was first put forward there was a lot of enthusiasm for it. What they did not like was that the space requirements, the space standards, although they were a lot more generous than the UK, were going to be a lot less generous than had been traditionally enjoyed in Guernsey. Quite understandably, teachers said, 'We do not want less space than we used to have.'

3955 Then it lost an awful lot of support when the teachers at the Grammar School were stunned to find out that their site was not going to be one of the sites chosen. Then you have got embroiled in all sorts of things like rolling lunch hours and longer days to have enrichment, etc. So I do not believe that the professional workers, philosophically were against, they were against the detail.

3960 But it is undeliverable for one reason and Deputy Murray has very ably highlighted it this morning. A clear majority of this Assembly has promised that that is not what we are going to get.

3975 So do not be scared of the bogeyman. It is not going to get you if you vote for the Bury amendment. So why leave it in? Why leave the comparison in? Because this is the review that presumably has been done, or almost done, and by comparing a range – just saying you are not going to do the two-school model is only 10% of the decision-making, you have then got to decide which three-school or, and ESC seem to be going for a four-school model you want to choose.

3980 By comparing them all against the benchmark of the not going to happen two-school model, you actually see the relative values of the other models. You see the relative values of three 11-18 schools. You see the relative values of three 11-16 schools and a standalone sixth form. Now, ESC are saying you cannot have the single sixth form attached to one of our 11-16 schools, because it is not equitable enough. I tend to agree but what price equity? This is going to come at huge extra revenue costs, doing it with a totally separate, standalone sixth form college than it would be attaching that sixth form college to one for the 11-18 schools.

3985 These are the sort of trade-offs we need to make and to make those trade-offs we need to see the side-by-side comparisons. So, why would we want to rescind this Resolution? We presume the work has been done. If it has not, it must be nearly done. Why would we want to put our hands over our eyes and say, 'That was another age and therefore we do not actually want to see what the outcome was'?

3990 I do. Not because I want to go back – I actually do see, and I do say now, I saw a lot of strengths in the two-school model but it is dead, it is not there. It is gone. But I want to know what to go for instead. To do that I need to look at all of those other alternatives compared against each other and if Members do not want to do that, if they just want ... When that work was started it was never being done in order to give background information in a policy letter that proposed a single solution. It was always going to be a standalone report that came out in advance of that so that everybody could see the comparisons and that would set the ground for them deciding where we were going to go after then.

4000 So, I think Deputy Bury put it forward outstandingly. It was crystal clear. She could have tried to avoid this bogeyman of being waved in her face to say, 'I want the review of the other models side by side but without the two 11-18 schools.' Well, that would have meant starting again presumably, because of different benchmarking and then the costs that Deputy Cameron was referring to would have come in. But also her amendment would have been ruled out of order today because it would have been bringing forward a new Proposition rather than trying to keep in an old one, when the old one would actually do the job, when you know one of those models that is being compared has been politically slaughtered. It has. There is no question about that.

4005 So, if people are voting against this because they are scared of the two-school model then I just do not believe that. I think it is disingenuous. I think really the only reason they would vote against this is because they do not want to make that fully informed, side by side decision seeing all of the data. Why would you not want to do that, Members of the States? Absolutely extraordinary.

4010 **The Bailiff:** Deputy Leadbeater.

Deputy Leadbeater: Thank you, sir.

4015 Just like Deputies Murray, Falla and Kasantseva-Miller, in 2016 when I was first elected, I did not have a firm opinion on secondary education. Back then the hot topic was selection, before anybody had ever mentioned one school over two sites. I sat on ESC back then, along with former Deputy Paul Le Pelley, who was President, Deputy Meerveld, Deputy Dudley-Owen and Deputy de Lisle. It soon became clear to me that because of factors such as 11-plus coaching, the incumbent selective model of education was no longer fit for purpose. The vast majority of the teaching profession were all of the same opinion and for the very same reasons as I am.

4020 I am drawing the same comparisons here, sir. Five years ago, the teaching profession, by majority, did not want selection to continue. Thankfully that Assembly, by majority, listened. Now, the teaching profession, by a vast majority, do not want the one-school, two-site model to continue.

Are we listening or have we heard but decided not to listen? Have we forgot what the people and professionals told us categorically in the run-up to the pause and review debate?

4025 Sir, we heard Deputy Bury in her great opening speech, I must say, and Deputy Falla also both tell us, through you sir, that this amendment does not seek to bring the one-school, two-site model back into focus. Well, if it does not do that, what does it do? If we have all agreed that the currently fictional one-school, two-site model is dead in the water, which I sincerely hope we have – and if
4030 Members have not they should have said so in their manifestos – but if we do agree with the vast majority of teachers, parents and students that that model should be consigned to history, what will be the gain and what will be the benefit that this amendment seeks to bring?

Thank you.

4035 **The Bailiff:** I am going to turn now to the vice-president Deputy ... Do you want to speak Deputy de Sausmarez?

Deputy de Sausmarez: Yes, please, sir.

4040 **The Bailiff:** Alright, Deputy de Sausmarez.

Deputy de Sausmarez: Thank you, sir.

I am aware it is the end of a long day so I will try to keep it as brief as I can. Deputy Ferbrache invoked *Groundhog Day* and I agree. Actually, Deputy Inder said something not so long ago that is what I am worried about. He said, 'I am almost beyond caring.' That is exactly what I am worried
4045 about. I am really worried we might find ourselves in a position where we feel that any decision is better than a good decision and we just do that. That is what I really want to avoid, because I do think that is the worst of all outcomes.

So, I welcome this amendment. I think it serves a very useful purpose and it will help us to make a much better informed decision. I should probably declare a personal interest in this as well in that
4050 I have got four children of my own who are either in state education or are going to be at some point and, like Deputy Bury, my oldest is in year seven and like Deputy Bury as well, I too am resigned to the fact that he is unlikely to see the benefits of whatever model we subsequently agree.

But I do think it is important to keep the focus on why we are doing this at all, why we debate this over and over again, what is the purpose of this exercise? That is surely, to get the best possible
4055 outcomes, the best possible educational outcomes and we are a responsible Government so we cannot divorce that from value for money as well.

Those are vitally important factors and that really is what the Deputy Dudley-Owen Requête sought to do, to bring a report looking, comparing those factors and it was actually that Requête that introduced the one-school, two sites model as the baseline. It was, 'a report that must include
4060 a comprehensive comparison of the structure and implementation of the one school and two sites plan with other viable models of non-selective educational delivery'.

So, there is no perfect model, as Deputy Roffey has rightly said, but I think it is incumbent on us to get as close as possible to perfect, to get the best we can possibly do, or to get as close as possible to the politically deliverable ideal and I have been rather surprised by the Members of the
4065 Education, Sport & Culture Committee who have spoken, almost exclusively, on the one-school, two sites model, as though that is the only thing that was in that review. Well, far from it. I mean it was the benchmark, as discussed, that is what the Requête instructed, and that is how the work itself has been structured. So, that is why, that is the most –

4070 **Deputy Meerveld:** Point of correction, sir.

The Bailiff: Point of correction, Deputy Meerveld.

4075 **Deputy Meerveld:** The original Requête, which I helped to author, said a comparison must be done with, it did not say that the two schools should be the benchmark for comparison and that the comparison should use the assumptions the two-school was based on.

The Bailiff: Deputy de Sausmarez to continue.

4080 **Deputy de Sausmarez:** I have quoted from the Requête, and it is from the Requête 'to direct the Committee for Education, Sport & Culture to prepare a report before the end of the term of the current States that must include a comprehensive comparison of the structure and implementation of the one-school on two sites plan, with other viable models'. So that is comparing other viable models against that.

4085 Anyway, we do not have time to go down that particular rabbit hole. The point is, that is the basis on which the review was done, on that direction, and why this amendment is the path of greatest ease in order to deliver that because, as Deputy Roffey rightly pointed out, to use another benchmark would require presumably an awful lot more work and especially because the suggested benchmark is the current transitional arrangements. I am not sure we can really call it a model, it is more of a sort of accident of evolution than anything else.

4090 But how do you use that as a benchmark when there are such wild variations in our current set-up? Do we use the breadth of curriculum currently available at the Grammar School at Les Varendes site, or do we use the curriculum breadth available at Les Beaucamps, which is a lot smaller? Do we use the facilities available at La Mare de Carteret or at St Sampson's? These are wildly varying factors and I do not actually see how they are a very useful benchmark at all. So, I think it is a really problematic assumption, actually.

4095 But I would agree with Deputy Roffey that political undeliverability is absolutely Education, Sport & Culture's friend if they are determined to categorically rule out one school on two sites, because so what if the data shows that it delivers the best educational outcomes or the best value for money? That is an absolutely fantastic defence, that is politically undeliverable. That is that. So there is nothing to fear, absolutely nothing to fear.

4100 The point is the quality of education and value for money are not inherent, they are products of a variety and combinations of different factors and so we need to understand the full spectrum of those factors in order to make a decision, in order to draw insight from what would produce the best outcomes.

4105 Actually, there were not just four models, in that I understand there were actually, due to the different variations, eight models reviewed. So, it is a significant spectrum and worthy of full understanding, I think.

4110 When we look at political undeliverability ... has been understandably a theme and I think it is a valid one, but it is important to understand what was considered politically undeliverable and really the main themes that I heard loud and clear were the fear of too many children being cramped into too small a space and the fear of class sizes going up and that kind of thing.

4115 So, I think it is those kinds of factors that really do need to be examined objectively and we do need to understand their implications because the superficial logic certainly would dictate that, actually, if we are delivering education on four sites, rather than two, your budget is going to be much more squeezed and we are going to have to make those trade-offs that Deputy Bury referred to and those are the things that are likely to come under most pressure. So, we really do need to understand the dynamics and a like-for-like comparison would be really helpful in that.

4120 Also, in terms of political deliverability, the Committee has given us an idea of their proposed plans and it reminds me of several others that we have seen in this very long history and the interesting thing about the separate sixth form is, to me, that rings warning bells in terms of political deliverability, because if you think about, at the moment, the teachers who teach in the sixth form currently teach not just the two sixth form years but actually across the full range of seven.

4125 So if you take five of those away, really, you have got two options. Either you need to ask for your teachers teaching sixth form to go part-time or you need to spread them out across the other

schools and that was a feature of one of the other plans that was also considered politically undeliverable, bussing teachers between different sites.

4130 I would say that we do need to have this kind of objective analysis and look at all these trade-offs and all the different factors in order to really understand what is going to give us the most politically deliverable ideal.

4135 Also, another reason why, apart from the fact, as Deputy Cameron said, we do not really have time to go redesigning the review let us just publish the one we have got ... another factor is that actually there are two cohorts of children who are now in secondary school, mine and Deputy Bury's children among them, who were told that was what they were going to get. So there is a certain level of expectation around curriculum choice, for example, that I think it is relevant. As I say, we do need to understand what those factors are and how close we can get to that ideal.

4140 So, really, it comes down to the crunch. What information are we likely not to see if this amendment does not go through? So I leave it, really, for Members to decide whether any of these factors are factors that they consider worthy of taking into account when making a decision about the future of our secondary education. I think the information that certainly I do not think any of us outside of the Committee have seen are the comparisons of the revenue costs for each model and indeed what we might be able to get for different budgets.

4145 The teachers' feedback on what was presented to them because we know that there has been consultation that was started in the previous political term and I understand carried on into the beginning of this one; breadth of curriculum, this is a really important one for me, really important and I do have concerns about the proposed plans about what that might do to curriculum breadth. For me, as a parent, invoking Deputy Matthews, that choice is something that is fundamentally important, something absolutely fundamental to the quality of education we can offer our students.

4150 The extra-curricular and enrichment opportunities, the transition model and this probably will affect several of my children. Especially the SENS resources, special educational needs. Very dear to Deputy Aldwell and I am so glad she is on the Committee championing that, but it is another thing. It is an absolutely crucial factor that we need to incorporate and put, I think, really quite centrally into our education system. So we need to be able to make an informed decision and put that squarely in the mix and make sure that we are going to do our absolute best to deliver the best we possibly can.

4155 The transition model, pupil-teacher ratios, class sizes, the pastoral arrangements and the effect on teacher recruitment and retention as well. I think these are all, to me, very important aspects. It is information that, as Deputy Bury has explained, I do not think we can necessarily expect if this amendment does not carry and that is why I think this amendment is absolutely vital.

4160 For me, I think those kinds of factors are absolutely essential and I just think it is our responsibility. I have got a personal responsibility to my children. I have got a professional responsibility to everyone else's children and for future generations to make an informed decision. That is what we are paid to do. We are paid to look at the detail. That is our jobs. We are just asking, through this amendment, to see that detail so that we can be absolutely sure that we are making a well-informed decision and I thoroughly commend this amendment.

4165 Thank you.

4170 **The Bailiff:** Well, Members of the States, it is 10 minutes past half-past five. After yesterday, I am almost not tempted to test your appetite to sit late but can I just invite those Members who have yet to speak on this amendment to stand in their places, who wish to speak? I think on that basis (*Laughter*) we will adjourn until 9.30 in the morning then.

The Assembly adjourned at 5.41 p.m.