



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Thursday, 20th February 2025

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Present:

Sir R. J. McMahon, Esq., Bailiff and Presiding Officer

Law Officers

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

People's Deputies

S. E. Aldwell	C. J. Le Tissier
C. P. A Blin	M. P. Leadbeater
A. H. Brouard	D. J. Mahoney
Y. Burford	L. J. McKenna
T. L. Bury	C. P. Meerveld
A. Cameron	N. G. Moakes
D. de G. de Lisle	R. C. Murray
A. C. Dudley-Owen	V. S. Oliver
J. F. Dyke	C. N. K. Parkinson
S. P. Fairclough	R. G. Prow
S. J. Falla	L. C. Queripel
P. T. R. Ferbrache	P. J. Roffey
A. Gabriel	H. J. R. Soulsby ^{MBE}
J. A. B. Gollop	G. A. St Pier
S. P. Haskins	A. W. Taylor
M. A. J. Helyar	L. S. Trott ^{OBE}
A. Kazantseva-Miller	S. P. J. Vermeulen

Representatives of the Island of Alderney

Alderney Representatives E. Hill and E. A. J. Snowdon

The Clerk to the States of Deliberation

E. Gallienne, Esq. (Deputy Greffier)

Absent at the Evocation

Deputy H. L. de Sausmarez and Deputy A. P. Matthews D (*relevé à 9h 38*);

Deputy N. R. Inder (*indisposé*); Deputy J. P. Le Tocq (*relevé à 10h 08*)

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States of Deliberation

The States met at 9.30 a.m.

THE BAILIFF *in the Chair*

PRAYERS

The Deputy Greffier

EVOCATION

Billet d'État V

COMMITTEE FOR EMPLOYMENT & SOCIAL SECURITY

3. The Need to Stabilise the Private Care Home Market and Incentivise Growth to Meet Demand – Propositions (as amended) carried

The Deputy Greffier: Article 3, Committee for Employment & Social Security – the need to stabilise the private care home market and incentivise growth to meet demand. Continuation of the debate.

5

The Bailiff: Deputy Ferbrache.

Deputy Ferbrache: Sir, I went away with the words of Deputy Prow ringing in my ears. I always enjoy his speeches, but I thought seriously, he made a very good speech at the conclusion of our proceedings yesterday. He said, look I have got concerns about two particular Propositions and he explained those very well.

I have similar concerns to him, but I think I will probably come to a different conclusion. Let me explain why, in relation to Propositions 11 and 12, I think they concerned Deputy Prow, and he said in very understated and constructive terms, look I am suspicious that the hard-working Guernsey person who has bought themselves a house during their lifetime will lose that in the course of the care costs.

But you have got to have reference because what Proposition 11 says, it says have a look at the user cost care Propositions, contributions, as set out in paragraph seven, etc. When you look at number seven in bold black it says, look at the costs and cares and everything else you have got, excluding somebody's principal private residence; that is in bold black.

Of course, the control here would be that in any event any regulations that ESS or anybody else brings back would be the subject of debate in this Assembly. So, it is not as though they are going to come in and then we argue about it. They would have to bring them back the arguments that Deputy Prow has considered would have to be considered.

Deputy Murray also yesterday made a very good speech, where he said, I am not voting for everything because we have really got to look at social care costs and health costs generally

together and he is absolutely right. But we have got to bank the things that we can bank because, I have said it before and I am going to say it, if I speak later in this States' Meeting, which I probably will, that I have no confidence, and I do not mean any disrespect to anybody, but I have got to make judgements on where I think people are.

This Assembly, the majority of them, have baulked at making difficult decisions to date. They have baulked, most of them are going to stand for re-election. Probably a good deal of them, obviously, it depends on the electorate in June, a goodly proportion will probably be re-elected. But if they and the ilk and the candidates who are going to stand are of the same ilk, no difficult decisions are going to be made because the answer will be blowing in the wind, or there will be somebody else to pay for the costs and we will not have to make those difficult decisions because something will emerge, Mrs Micawber, we will be all right; the world will be fine, we do not have to make those difficult decisions.

Well, to use a metaphor that Deputy Helyar, I think I have heard him use 326 times, is we are running out of runway. We have not got any runway now, (*Interjection*) we are over the emergency bit; we are in trouble financially. We have got a structural deficit. So, therefore, Deputy Murray is absolutely right that we have got to have a whole look at where we are.

Now, as I say, Deputy Roffey, who I have got great admiration for and he has many qualities, but I never envisaged him as a poster boy, but he was going to be the poster boy for the SLAWS presentation of the policy letter, which should have been put before the States a year ago. That is what should have happened and it did not happen and it did not happen because people, not Deputy Brouard and not Deputy Roffey, but many other people lack courage in wanting to bring that forward.

They simply lack the courage because they did not want it to be a difficult decision, the election was only about 18 months away, we are dependent upon the emoluments we get from being States' Member, so we do not want to make any difficult decisions because something will emerge, Mrs Micawber, it will all be right tomorrow. But it will not be right tomorrow unless we make decisions.

But the reason I am going to vote for the Propositions, I fully support the content of Deputy Prow's speech, it is just the conclusion I come to, because there are safeguards, and what Proposition 13 says is, we have a whole look at SLAWS very soon indeed. So, therefore, we have got to move forward, this is a good policy letter, it has been amended and I supported all three amendments, even the one that failed and I think they have, the two have vastly improved it I think the third one would have improved it, but there we are. They have improved what is on offer, but I think what is on offer is a good effort and, therefore, I think we ought to support it.

The Bailiff: Deputy de Sausmarez, do you wish to be relevéed?

Deputy de Sausmarez: Yes please, sir.

The Bailiff: Deputy Matthews, can I also ask you if you wish to be relevéed?

Deputy Matthews: Yes please, sir.

The Bailiff: Do you now wish to speak, Deputy de Sausmarez?

Deputy de Sausmarez: Yes please, sir, as no one else seems to be standing.

But actually, I rise mainly to agree with and commend Deputy Ferbrache on his wise words and really I just wanted to make some similar points. Although I understand the perspectives of Deputy Prow and Deputy Murray before him in a previous debate and amendment, I rather think that potentially that way of looking at the proposals could be missing the wood for the trees because, I think, the bigger picture that we have to bear in mind here is that we cannot wait for those broader, those more wholesale changes that Deputy Ferbrache has just alluded to in that bigger piece of work on SLAWS which is, I agree, essential.

80 The immediate problem facing us, as is given away by the title of the policy letter, is the need to stabilise the private care home market and incentivise growth to meet demand and that is a real and present issue. So, we cannot afford a few more years of going round the houses and looking at that bigger picture and waiting till all the different bits of the jigsaw puzzle are going to fit neatly into place before hitting the button to give them some support. They need the support now and I am genuinely concerned that if we cannot provide them that support, then we will be unable to
85 care for the people who are going to need care in the coming years and decades.

So, I would ask Members to keep that bigger picture in mind and, following on from what Deputy Ferbrache was explaining, to Deputy Prow's point regarding his concerns about the principal private residence, I think he mentioned Proposition 11, well that Proposition is there precisely to give
90 reassurance that no Committee for Employment & Social Security will be able to pull a fast one, even if they were minded to, which I can assure him this Committee certainly is not and I suspect future Committees would also think twice before attempting any such effort.

But it is precisely, as Deputy Ferbrache says, to ensure that anything that does touch on capital assets of that kind do come before this Assembly precisely to give Members that reassurance. So, I hope that he can take comfort from that. It is pretty much the opposite of, I think, how he maybe
95 interpreted it. But I would ask Members to keep the big picture in mind and to provide the care homes.

We know that they are underfunded, I hope that the policy letter does set that out. Our care home sector is currently underfunded. It is a problem that we need to address now. It cannot wait for that wider debate and that bigger picture. So, I would ask Members to please give this policy
100 letter and all the Propositions, as amended, their full support.

The Bailiff: Deputy Falla.

Deputy Falla: Sir, the ESS intervention in the care home market is timely. It is certainly not
105 premature and the market forces on the care home sector, not least the ageing demographic, are real and they are increasing. Let us be honest, some of us will require some of that care, statistically, in the future.

It is an unfortunate reality that when we can no longer be looked after in our own homes, we may spend the final 12 to 18 months of our lives in a care home, requiring the sort of care that we
110 read about in this policy letter. I am sorry to hear Deputy Murray say that he will only support Proposition 13 at this point which is, in essence, a complete overhaul of long-term care. I just do not think there is time to wait for that. If we do, there is a big risk that the care home sector will shrink further and with unthinkable consequences.

The title of the policy letter uses the word stabilise and that is the right thing to do now. It is
115 right to intervene in this way to, at least, keep the sector alive and in Proposition 1 it uses the term urgent. So, today is the day and now is the time to make these decisions. I would just like to remind Members that, as I just mentioned, this is the very end of people's lives that they are spending in care homes. It is on average 12 to 18 months, a point when care in their own homes is no longer sustainable and it is a duty of this Assembly to look after that sector of our community.

120 Thank you.

The Bailiff: Deputy Aldwell.

Deputy Aldwell: Thank you, sir.

125 My conscience always affects me and I have to really think about lots of things when I have to make these really difficult decisions and, for me, they are very difficult. I could not go to the presentation so I went to see the officers and they explained to me the problems which we face and I can understand Deputy Prow's thoughts on the matter. I would never agree to somebody giving up their house.

130 But I heard yesterday on the radio a worker at one of the homes and she said, we need to look after them better and, actually, in my manifesto for carers, that was one of my main points that I wanted to make. Our carers, in the homes, they get a really poor wage, they do a wonderful job. Where would we be without them?

135 So, I am going to support this because I really think that it is time now that we have to make some contribution for the lives of the workers who look after our loved ones and we have to make their lives better. There is no other way around it, I think this is a really good policy letter. I thank Deputy Roffey and I thank your staff for really spending a morning with me going through everything.

140 The main point on here is also, if people cannot afford to pay the £10,000, which is only for a few weeks, the first few weeks' years ago, I know my aunts and uncles they had to sell their house to pay for their care, that is not happening today, this is not what this is about. This is making a contribution and if people cannot afford it, then they do not pay. So, I am going to support this because my conscience, again, will not allow me not to.

Thank you.

145 **The Bailiff:** Deputy Dudley-Owen.

Deputy Dudley-Owen: Thank you.

150 At risk of tedious repetition, I too, sir, will be supporting the proposals in the policy letter and appreciate the immense work that has been done, because this has been a very long running, contentious issue and I think that the Committee have done a very good job in setting out the proposals very clearly and it has clearly been a very difficult journey.

155 I was unable to support the previous proposals, which is one of the reasons I stand today, because I am able to support these. But I do have to make a comment on some of the points that Deputy de Sausmarez was making. I do think that, actually, Deputy Murray was articulating the big picture and the bigger challenges that we have got. This is one of the mechanisms as part of that big picture and I too agree that we need to deal with this mechanism.

160 But the much bigger picture that we have got around redesigning, rethinking and reimagining our approach to healthcare, old age care, preventative medicine, all of that big picture stuff absolutely needs to be done. I know that Health have been looking at that this term, but we need to get our heads around it and it is going to cost money and it is going to have to have a mindset shift in the future.

165 One area that is very dear to my heart is about care in the home because not all people want to leave their homes when they become less able to look after themselves and that is one of the reasons why I found that the Spectrum licensing, I think how can we tie that into this? But actually, it is really pertinent to forwarding the advancements to enable our relatives and our loved ones to be able to stay at home for much longer.

170 My mother-in-law was able and lucky to stay at home for the last years of her life and if anyone can have a good passing away, she had a really good passing away. It is that every family wants for their loved one. But great sacrifices had to be made. My sister-in-law had to move in with my mother-in-law and to stay with her. Luckily, she had some medical skills from her previous career as a nurse, not everybody has.

175 But a way that we can enable more families, to empower more families, make them more confident to be able to look after their loved ones and to put those resources and that support in place; it is not just about care in the care homes, but it is also about more people going into the industry as well I think would be really helpful.

180 Deputy Prow and I were talking about how we can incentivise younger people to go into the care sector. There are great courses at the college and the TGI, when we have got our new campus down at Les Ozouets, then that that will come into its own. There are plenty of things and interventions, levers of policy that we can put in place to incentivise more people to go into caring professions and I think that that is where we need to look.

185 Makes it more competitive, makes the rates higher, I heard the same news piece that Deputy Aldwell did and I heard also the charity Care Watch, I think they are called, who were talking about this, about care in the home, yesterday. It is really important this subject and I am just very pleased that the quality of the work coming through from ESS and thank them.

The Bailiff: Deputy Brouard.

190 **Deputy Brouard:** Thank you, sir.
I think Deputy Dudley-Owen has got me to my feet because I heartily agree with what she is saying. I think that my counsel to States' Members, especially if they are going to be here next term, would be if you are going to do a review on the structure and costs do it early in the term, do not wait till the end.

195 My second counsel is when you say review that basically is going to mean it is going to cost more, someone is going to be paying more or you are going to have less services you cannot have it every which way around. So, please be honest with the public that if they want the same services they have got now or better services, it is going to cost somebody somewhere some extra money or you are going to start rationalising certain services or some of the services we have now, you will not have in the future.

200 So, when you say review, it sounds lovely and fluffy, I think somebody came up with a lovely word reimagining healthcare. Well isn't that lovely? I wish I could reimagine healthcare. *(Laughter)* But the reality is we are going to need more healthcare, we are going to need better long-term care for people, we are going to need more people to be looked after in their home, but that comes with a price tag. There just needs to be that reality and I really am grateful for ESS to come forward with this policy. It is a step in the right direction.

205 I would just say for Deputy Murray, if we try and do everything you will end up doing nothing because it becomes too difficult to do. So, you have got to start, if you want to eat an elephant you do it in pieces you do not try and take one big mouthful. So, my advice is, have a plan, do it early in the term but get on with small changes all the way through. But be honest with the public that a review or reimagining of healthcare and long-term care is not going to be without consequences to somebody's pocket.

Thank you, sir.

215 **The Bailiff:** Deputy Burford.

Deputy Burford: Thank you, sir.

220 When I arrived in this Assembly in 2012 and went on to the Public Services Department, we were presented early on with a document that had been commissioned by the previous States, called the Ports Master Plan and this was going to be an overarching solution to everything involving the Ports.

225 It was a dreadful document, frankly, but it still nevertheless cost at that time £100,000, which I nearly fell off my chair when I found that out. But, of course, it never actually materialised. It was a complete waste of money, frankly. But the idea that we could do everything all together has been a running theme through this Assembly in my nine years here and it does not happen. It is a great idea; master planning is a fantastic idea because you do not want to be doing something that you might have to change later. But in reality, and certainly where the States are concerned, I have not seen it materialise in any particular area at all.

230 So, I would really encourage those who are waiting for that overarching plan to nevertheless get on and support this first step so that we are heading in the right direction. It is very unlikely that there is going to be anything that comes back and says, we should not have made this step and there is a lot to say that we absolutely should. I fully agree with Deputy Ferbrache that I am really disappointed that the previous iteration of this was scuppered and we did not get on with that at the time. But we are where we are, so please support the policy letter.

Thank you.

The Bailiff: Is there any Member who wishes to speak against the Propositions (*Laughter*) or some of them?

Deputy Roffey: It says in the letter of comment that you supported it.

Deputy Gollop: Yes, well I will come on to that. (*Laughter*)

The Bailiff: All right, well on that basis, we will take some of those first. Deputy Gollop, you are still standing, so, Deputy Gollop.

Deputy Gollop: I was given, when I joined P&R, amongst other things, kind of responsibility for the SLAWS because of course I worked with it on ESS and I am a little bit like a curate's egg on this because I agreed with some of it and not other parts; including the amended Proposition yesterday. Because, personally, like Deputy Roffey and, I think, the Committee of ESS, I think it goes too far with the 20 years.

It is interesting to how it will be legally interpreted in terms of the – it is a Proposition now – in terms of the transitional period as to whether it will apply on the date that we voted or the date when it comes as legislation, hopefully sooner rather than later so we, in this term, can look at it maybe, or whether it will be a year after the date and I am not too sure about that, but that is for another day and it could well be that there could be amendments at that point.

To summarise what Deputy Brouard said, I thought Deputy Prow and Deputy Brouard made excellent speeches. Deputy Brouard was kind of saying, you cannot have the penny and the bun, to use the point, and I would point out in agreeing with part of what Deputy Burford said, that I was on the Committee too, with then Deputy Michelle Le Clerc, and we worked hard on it. Again, I was ambivalent about a lot of it and I think this iteration has proved to be more palatable to the States.

But I do support, I think, the underlying sentiment behind Deputy Brouard's perspective, that it is all very well to talk about reimagining or defining a new partnership of purpose or universal care offering. It implies to some people we will get more in real political speak it will mean less and, therefore, there will be a greater emphasis on the charges but I will come on to that in a minute.

The other critical point Deputy Brouard made was he said, you risk not doing anything if you try to do everything and you end up possibly doing nothing. Well part of me would quite like to do nothing on all of this. Kick it down the road again, because what we are doing, I am amazed at how well this has been received because I think a lot of States' Members have been going down a rabbit hole on this debate.

There were two rabbit holes. One was the significant opposition that grew about putting it on a principal residence, although Deputy St Pier raised a nuance of people who were cash poor but capital rich in terms of residences. Although I agree that we should not put it on the principal residence, (**A Member:** Hear, hear.) I thought that in doing that you have to take into account the value of the residence and I think there is a material difference between an average house, of let us say, £500,000 to £800,000 and properties that are in the mega millions. But there you go. That issue has been put aside.

Deputy Prow made a very nuanced point that if you go to the text, there is possibly a direction of travel, but there is also, as Deputy Ferbrache reminded us, a safeguard that things will come back to the Assembly, although it is within the power of the Committee to change the nature of capital assets and what is regarded that would come back in a decision to be made by this Assembly.

But that was one rabbit hole. The other rabbit hole is the Members started to get very animated at every presentation I attended about the issue of some people being able to access the long-term care benefit who had not lived here more than five years and we had the two amendments and the half-day debate yesterday was all on that topic and people were talking about what is fair and what is not.

My problem with this is I do not think the solution the Committee have come up with, because they excluded the principal private residence because that was a political desire, (**A Member:** Hear, hear.) has actually made this particularly fair. I would argue it is one of the most unfair things I have ever seen from a Committee, (**A Member:** Hear, hear.) because the arguments that were well made

290 by Deputy Roffey about what goes on in Scotland or Jersey or the United Kingdom, are interesting.

I often make those points at P&R meetings and certain Members, Deputy Murray springs to mind, will say, come off it John, Jersey has a different political economy, the UK is different, we are Guernsey and life is based on what the expectancies are for Guernsey and Guernsey gave this generous benefit 20 or more years ago.

295 If this was being suggested for the first time, probably everybody would be delighted, but this is actually adding new restrictions. We dealt with restrictions of access yesterday, the 20-year rule, and now we are dealing with restrictions of money. I learn something new every day. I did not realise, I concluded that everybody would pay £10,000 but there was an asset disregard of £15,000 and any one with capital assets valued at £25,000 or more will be required to pay the full £10,000

300 user care costs contribution.

But actually, it goes into more detail than that even if they do not have the capital assets of £25,000 or more, whether that includes jewellery, I do not know but presumably money and maybe shares, but if they do not have capital assets at £25,000, they would be required to use some of their weekly income towards their care costs contribution.

305 So, it would be set at the Income Support requirement rate, which is quite low actually, living in local residential and nursing care homes, this would be £390.88 per week. So, they would effectively have to pay more and that is not the contribution that would be on top of that contribution that we are voting to rise and that is before we get on to top up fees.

My problem with it is this, we dealt with Alice and Johnny and all those people. as examples; but

310 let us think about this. Imagine you are Bob. No that is a bad name to choose; I will not choose Bob. Imagine you are Sebastian, say, (*Laughter*) you have a £2 million house, you will pay £10,000. You may have £100,000 in the bank, you may not. You may have more than one house but that is a different matter. Then you would pay your £10,000. You could go private.

315 But if you are Amanda, say, and you have a house of £500,000, that is not included, rightly so actually in one sense, but it is all about assets. But you have £50,000 in cash, then you come up with your £10,000. So, effectively, you have lost 20% of your liquid cash but only 2% of your overall affluence.

But let us just say you are a relatively poor person who has been a tenant and all you have got of assets is £25,000 and you need care; £26,000 to make it simple, and your name is Helena, say.

320 Helena is assessed at having £26,000 and she has to pay £10,000 up front. Now that is 40% of her wealth.

325 So, it is regressive down the tracks because if you arbitrarily exclude affluence, here is another silly example: you have got two people, Bill and Ben. Bill lives in a house of £2 million but only has assets of £30,000 in other ways. He will be excluded because that is his family house but then has three properties on the Island one worth £600,000 and two flats, which is £1.2 million. But he has not managed his affairs so shrewdly, and he has £100,000.

330 So, he would actually pay more than the person with the principal residence because his assets are not there and if he did not have any cash he would be obliged to sell one of the flats. But the person with the large house and no other flats would not be. I am just choosing different examples and, so. I find those problematic.

For those reasons, I will not support those Propositions. I think I have to support, reluctantly, the Propositions relating to co-payments. I think they go up too fast and I suspect a new Assembly will want to reassess them in the light of the kind of work Deputy Murray and others would like to see about a much more fundamental assessment of tax and benefits which is, I think, what we need.

335 But I have in the past, when on ESS, said increasing the co-payment was one of the options to do but I also, probably unlike Deputy Roffey, think there is mileage in increasing the percentages and, actually, because we decided now on the 20-year rule and have supported the Deputy

Kazantseva-Miller amendment towards contributing, we are probably moving now in a different direction.

But I actually thought there was mileage in putting a small percentage on the employer to look at this because we do not have a problem of employing people, we over employ because we cannot find enough people to do jobs and I thought that might have been more palatable way of getting people to plan for their future.

Where I do support it is, I was in a quandary because we needed a majority on Policy & Resources, because there were one or two Members, like Deputy Murray, who I think understandably wants a much more strategic, holistic look at everything in terms of costs and benefits, universal offer, where we are with GST, Income Tax contributions and everything else and I appreciate that.

Like Deputy Prow, I am reluctant to support the later Propositions because I think we need to give a direction of travel. We need to support the growth and resilience of the industry but not at other costs. I will read another little statistic which, funnily enough, is from a Billet that is just coming round the corner, the next policy letter on the Infrastructure Plan.

If one turns to page 2.6 it says, we had an estimated General Revenue net deficit of £20 million for 2024, which is £25 million worse, owing to unforeseen impact on revenues, including weak earnings growth relative to inflation. We have to be aware that there has been weak earnings growth in some areas and, perhaps, one of the sectors involved with that is the care industry and we need to build economic resilience for that which is, I think, why we support this, but I do not feel that this is the whole answer.

There are so many parts of it that are not included as well. We have not looked into the care that is provided by parts of Health & Social Care, like the autism service, I benefit a bit from that, but we have not looked at extra care. There are other kinds of care that are not included, we are almost going on historical silos between what Social Security supported and what Health supported.

Nor does it really give a blueprint for the introduction of care in the home and the anomalies that might arise from that. I think that when this is introduced, I think it will pass today, we will see more grievances in the community about the fact that it disproportionately hits lower middle Guernsey because, for the reasons I have outlined, those with greater affluence will pay not only a lower proportion of their assets but if they are lucky enough to have a principal residence, especially one of some value, they will be in a better off situation than people who have lots of cash assets but no principal residence.

These costs, of course, may go up because you cannot guarantee this is the solution. We do not know and I would hope that we will, actually, not have such a big gap in future funding because we may have a better demographic pyramid than we have. But I think that we have, effectively, here we picked off at random one part of the model because it crosses three Committees and the fact that it took a long time to come, and Deputy Roffey's Committee had the courage to bring it, is because other Committees were a bit worried –

The Bailiff: Deputy Gollop, I am afraid that your 15 minutes are up. *(Laughter)*

So, Deputy Le Tocq, is it your wish to be relevéd?

Deputy Le Tocq: Thank you, sir.

The Bailiff: Deputy Mahoney.

Deputy Mahoney: Thank you, sir.

What a great Rule that was. **(A Member:** No!) I will be far briefer than that.

By the end of the term we will have had not far short of five years to tackle the wider SLAWS issue and, frankly, we have done very little and that is being pretty kind to call it that even. My concern, it has been expressed by others, is that if this passes, which it probably will of course, many will walk out of here with a job done mindset on this, put it in a drawer, we did our bit.

390 It is a genuine fear of mine that this sticking plaster, whilst it will achieve something I do not deny that, will just put back fixing the actual problem that we have got and if the next Assembly is as brave – ha, ha – as this one then the 2029 crew will be having to deal with this rather than the 2025 crew.

395 I do have a specific question, which I would like Deputy Roffey, if he could when he sums up, to answer. Under the 7.13, the anti-avoidance, or anti-divestment I think it is called in there, perhaps he could expand on what exactly that means, what measures will we be taking to make sure someone does not just transfer the money to their brother, wife, daughter, whatever it is, to make sure that suddenly I do not have the necessary money in my account that you cannot now rob.

400 Also under 7.17, no one else has raised it and so it may just be me that has misunderstood this and I apologise to Deputy Roffey if it is. The costs, it is always the costs with us, isn't it? Deputy Haskins obviously has it as well because he is nodding his head. Unless I am reading this wrong, when he sums up how many people a year are we talking about that we will be potentially capturing £10,000 of their savings towards them going into long-term care?

405 Because if this whole thing is going to cost us £100,000 to £150,000 a year to administer, and that is the numbers we are saying now, then that is 10 to 15 people a year that would need to be going in that qualify, that the Government can take the £10,000 off them, before this is not a loss-making thing to do.

410 If the name of this game is to pump up the Long-Term Care Fund, which obviously is a good thing, but it is going to be depleted to the tune of £100,000 to £150,000, minimum per year, before we start collecting any of these £10,000's. I am not seeing the sense. I hope I am wrong and there is a very simple something I have missed. But that would be 10 to 15, do we have 10 to 15 people a year going into long-term care that will have the sufficient savings that we would then capture, and that breaks us even, which does not seem entirely ideal to me?

415 The other thing under 7.17 it talks about a reasonable sum, I think it says somewhere, sorry I cannot find it at the moment and my scribble is on here. It talks about a reasonable sum but, to my mind, whilst £10,000 might be reasonable when you look at how much benefit someone will get out of this, the £60,000 odd thousand, I think it was, someone said a year, then that is good.

420 But in the real world £10,000 to me in any event, perhaps not to others in here, £10,000 is a lot of money. (**Several Members:** Hear, hear.) It is not a reasonable sum of money; it is a very large amount of money. So, I get in terms of the, yes but look what you get for it, but £10,000 to Joe Blow on the street is, actually, still quite a lot of money and if you take that from my bank account that is going to hurt me. So, those couple of questions I would be really grateful if, when he sums up, Deputy Roffey could just clarify those for me.

Thank you, sir.

425 **The Bailiff:** Deputy Trott.

430 **Deputy Trott:** Sir, I want to make a couple of points and the first is the *prima facie* question for me is, will these measures incentivise investment into the care sector? The answer is probably, not absolutely definitely, but probably. But if we do nothing, will the care sector invest in the infrastructure we need in order to ensure our ageing demographic is catered for? Almost certainly not. That is the *prima facie* question and yet most people are talking about the detail.

435 Let me give you an example, I think a strong example, of why I am going to support this and that is because I believe that the Committee has listened to a fundamental concern that I have personally and I am going to reference this matter by talking about two brothers, not Sebastian, but let us call them Peter and Paul.

440 Peter is a hard-working and ambitious chap he finishes his education and he desires owning his own house. So off he goes, he works very hard, he secures a mortgage, he buys his house. Now his twin brother, who happens to be called Paul, decides it is not for him. So, he decides to go to the pub three nights a week and he has still got enough left over, because he has not got a mortgage

or the costs of maintenance, to go on a number of elaborate, expensive holidays. He goes to the Maldives; he goes on a couple of city breaks and he spends a month in France.

Both of them have made choices. Why should the man who has built up an asset in a principal private residence see it compromised in order to pay for his long-term care, when the brother, who
445 had the same opportunities, has it handed to him on a plate by the States? Now, where it is different, and that is why I support the 2003, I think it was, measures with regard to Long-Term Care Fund that gave that commitment to our community and, certainly while I am here, I will not break that, but where it is different is other assets.

We have no idea how that person has accumulated those other assets; that jewellery, those
450 motor cars, that boat, that second home in France and they are fair game and they should be included, in my view, in the equation. So, you leave the principal private residence alone, otherwise you create a behavioural change where we become an Island of renters.

Why would you behave in that way, it is sensible, long-term planning to not own your own house? I do not want that; I want the Guernsey man's home or the Guernsey woman's home to
455 remain their castle. I want to incentivise that and I think that what our colleagues on ESS have done is strike a balance.

I do not think they are very comfortable about it, if I am honest, I think they would have preferred it to have been different than it looks, but I think they have taken people like my views into account and have behaved accordingly and I think they have got it right, all things taken into account.

So, I intend to support all Propositions including, as amended, because I have long been of the
460 view that if you lose a debate or you win a debate on amendments once it becomes, if you like, the substantive Proposition, it should be supported at that time, irrespective of one's own personal views. I hope that is helpful for Members in understanding my perspective and what has driven my decision making on this. I think that view represents a sizeable majority of our community's view
465 and I think that is important to bear in mind, particularly with the proximity of the general election.

The Bailiff: Deputy Oliver.

Deputy Oliver: Thank you, sir.

First of all, I do want to say well done to Deputy Prow because I thought that speech was
470 everything that, actually, I would have said and unlike Deputy Ferbrache, I do not agree that the outcome is any different. In 7.8 it says, anyone with capital assets valued at £25,000 or more will be required to pay a full £10,000 user care cost contribution.

Now, what is a capital asset? Well a capital asset is land and buildings, plant and machinery,
475 motor car, furniture, jewellery, route permit, goodwill, tenancy rights, patents, trademarks and it goes on and on. It still has buildings in there; that is your dwelling. So, I think, this is a really easy way to get this past the line. It is your capital assets.

Now, as Deputy St Pier said owning a house, you can have all the money in the house, but you can be really cash poor and £10,000, has anyone tried saving £10,000 in the real-world? Like lawyers,
480 I know they make that probably a minute, but to most people, like me, like my friends out there, £10,000 is so hard to save when you, at the moment, are scrambling to pay electricity, all your food costs have gone up, everything at the moment has gone up.

At the moment mortgages, by the time we get to retirement we will still have a mortgage around our head. So, we will still have to pay that off. So, I just think that, yes and ESS has made out we
485 have done it really fairly, it is only £10,000, well it is really difficult to get there. So, I am really sorry I cannot vote for 11 and 12.

The Bailiff: Deputy Queripel.

Deputy Queripel: Sir, thank you.

On the issue of Islanders being cared for whilst at home, the reality is we cannot get the community nurses we desperately need to visit Islanders in their homes because there is nowhere

for them to live and that major problem is not going to be resolved for several years, judging by the pace we have been going at since the IDP was introduced all those years ago, despite the best efforts of two Assemblies to address that.

So, surely, because we do not have anywhere for community nurses to live the obvious thing to do is provide as much support as we possibly can to our care homes because we need them to succeed on behalf of the whole community, not just on behalf of fellow Islanders who need to become residents of those care homes.

Thank you, sir.

The Bailiff: Deputy Soulsby.

Deputy Soulsby: Thank you, sir.

I think it was Deputy Ferbrache who said that the Assembly baulks at making difficult decisions. Well, some of us did make a difficult decision at the end of last term in supporting the previous ESS's proposals, which I still think was absolutely the right thing to do. It was courageous, but I do recall Deputy Ferbrache did not support those proposals and the majority did not and so we are going round and round in circles with this issue.

It was unfortunate, or possibly intentional, to infer from those proposals that it was about people having to sell their homes, when it was never about that, I think, the maximum anybody would have had to pay out was £35,000 and that was a time when property prices were far lower than they are now. In fact, property prices have gone up 30% since we had that debate. So, I think we need to look at these things in context.

The letter of comment, it is not actually strictly accurate. It did get published before I gave my final nod to it. When it says it is only three Members who support all the proposals, well I think Deputy Gollop has made clear he was a bit, not necessarily supporting all the proposals, but it does infer that I do not support any of the proposals, which is not true.

My issues are with Propositions 10 and 11. Deputy Trott wanted to give the analogy of two people, one who had chosen all their lives, they did not want to have a property and they were going to spend all their money and that is great and not worry about the future and this wonderful person who has bought a house and they have striven to buy their house and how that one should not be touched.

But I would put it the other way. If somebody who has never ever been able to afford a house, and we are seeing that more and more let us not forget, they might have the cash there, which gives them a buffer over the period throughout their lives, in the event of rent increases or something has to be done, they have got a tenant repairing lease, for instance. Then you have got somebody with a lovely, big £1 million house, which given the property prices here, is not like a very small number but those people with a house worth £1 million they do not have any savings, it is all left in their property.

Well, that person who cannot afford a house and they have only got a few thousand pounds, just enough that means that they have to pay out the £10,000, that is exactly as was said earlier, I forget who mentioned it, I think it was saying that 40% of your earnings can disappear overnight. It was Deputy Gollop, whereas that person in the palatial house, which they are rattling around in, worth £1 million, they have not got the cash, they can get Income Support because, remember, their principal private residence is not taken into account when it comes to Income Support and it is not just Income Support.

So, my one issue with the paper, and I never got a satisfactory response when I asked, was about the cost of medical care because if somebody is on Income Support, it is not just the Income Support that they get, it is also medical benefit and we are talking here about people who need to be in a care home, who then have to have medical support and that is where a lot of money is made.

Everybody is seen in the care home by their GP and those might be more expensive treatment as well. That money will all be covered off and will be paid through Income Support. I just find that

juxtaposition, I was not happy with it and that is one reason I am not supportive of just taking off the £10,000.

The other element to this, it is interesting and I think the other thing that Deputy Ferbrache said, it was in the earlier debate on, I think, Amendment 1, he talked about not much is certain but I think he will know the famous quote by Benjamin Franklin: There is nothing more certain in this world 'other than death and taxes'.

I think that is quite opportune when we are talking about this debate, especially when we are saying, look it is all running out, it is really bad, we have got to do something absolutely now when, actually, the Long-Term Care Fund has increased by 50% this term. Now I know, absolutely, that it will be sucked up because of our ageing population the demand is going to go up and it will disappear but that is going to be, I think the figures will show, in 50 years' time.

Which is great I am glad we are planning for that, but at the same time, we put a policy letter into the budget saying, look we really are scuppered on our general revenue, we are making a deficit, under a deficit situation here so, let us have a temporary rise in Income Tax to sort it out, but the Assembly would not support that. But we are now being asked to support something that means it will be better off in 50 years' time, whereas we are having a debate where we say no, we are quite happy running with a deficit right now. So, I find that all a bit difficult to get my head around, actually.

Virtual wards, I think was one thing; Deputy Dudley-Owen was talking about the need for people being able to be cared for in their home. This will not deal with this, of course, it does not cover it, but yes, there are actually opportunities now, which I think if Health could look at and move on it, which are called virtual wards, which are proving to be really helpful just with the use of technology

That technology is there and I know there are people here who are trying to make it happen, but that has not happened yet. But that comes with minimal cost and we could be doing that right now. There are other alternatives. I have felt with the whole of the debate around and being involved with SLAWS, it has all been very much looking in a very linear way rather than more broadly.

That is why I do sympathise with Deputy Murray. We were very much on the same hymn sheet saying, well look we had the Tax Review, which only covered the general revenue and I was not happy at the time and said that I thought it should have covered the elements that relate to ESS, because it is a much bigger picture.

Over this term, we talk about we have got to do things individually but we have done that this term and we have seen a rise in contributions and I was concerned that by doing this and putting something forward, listening to comments from Deputy Trott, that we would just be hiking up employee, employer contributions again and that concerned me.

So, we have got to look at things in the round. We are putting lots of extra costs on people through indirect taxation, we are putting the increase in employer and employee Social Security contributions, we have agreed GST. We have got to sit back and say, what are we doing to the public at the moment? We are increasing taxes here, we are increasing things that are almost like taxes there, we need to sit back and think, what is it that we should do now?

And is it more fundamental than saying, yes perhaps it is GST, but should it be GST as we have got it at the moment? Or should we have the contribution system that we have got or should we consolidate into something that links to our Income Tax? And I think, to me, that is where we are going. We are adding little bits here and there and, perhaps, we need to look at it more holistically. So as I say, it is not that I am going to reject all these proposals, that is not what I said in the first place, but I will struggle to support Propositions 10 and 11.

Thank you.

The Bailiff: Deputy Leadbeater.

Deputy Leadbeater: Thank you, sir.

595 A lot of the debate so far has been about the cost of everything, I suppose, how we are going to pay for it, obviously. I was not going to speak, but Deputy Trott talked about part of the purpose of this work is to, hopefully, I think he said, possibly stimulate the market in the care home market.

600 So, hopefully, is the word that I will use that this will actually stimulate that market because if it does not, we are in a mess, because we can talk about the cost of it all we like, but it is how we are going to deliver this. I think right at the start of the policy letter, if you look at the first bullet point after 1.6 when it says demand for long-term care beds is increasing due to the ageing population, it is projected to increase by 50% in the next 15 years, from 700 beds in 2023 to approximately 1,050 in 2038.

605 That is an increase of 350 care home beds over the next 15 years. That is a 24-bed home every year or a GreenAcres every two years, 47-bed GreenAcres every two years for the next 15 years. We are not going to do it. (*Interjection*) I hate to be able to stand here and say this, but we are not going to achieve this.

610 We cannot, we need we need businesses to step up, number one, we need people to say, right I am going to invest in this sector, I am going to do this, whether that is current businesses operating in the sector or new people coming in. We need planning to grant permission. We need banks to lend money. We need builders to build these places. (**Several Members:** Hear, hear.) We need staff to be able to staff these places and provide the support. It is a massive, collective effort right the way across the *piste* to be able to achieve what we need to achieve over the next 15 years and I do not see us being able to do that.

615 This is a start and I commend ESS for bringing this and I know that people are twitchy about a couple of the Propositions. I am going to be supporting all of the Propositions I do not think we have got much choice, to be honest. Of course, when it comes to taking part of somebody's wealth or property assets that they have built up over a period of their lifetime, it is never going to be easy. It is always going to be difficult.

620 But somebody has got to pay for this care. Somebody has got to pay right from the start to actually build these places, to deliver the facilities that we are going to need over the next 15 years. It is going to be a massive effort and the first step on that ladder is passing these Propositions today. But then the next term, the next ESS, the next HSC, the next P&R have got an even bigger hill to climb.

625 Planning, as I mentioned, are going to be involved in that across the *piste*, the Environment Committee are going to be as well. It is going to be a massive effort and I would encourage Members to try and look at the big picture, a few of us have talked about the big picture today, to look at this big picture, to worry about the points that I have just made about how are we going to deliver this and think about how we are going to deliver this and start the conversation, not just about the cost, about the actual delivery of what we need to achieve.

630 We need to get this in the conversation now. The delivery is very important to this; it is not just about raising money. You can have all the money in the world, but if you have got no care home beds, you cannot put elderly people in a pile of money; (*Interjection*) it does not work. We need to think about the big picture and I really would encourage Members to give that big picture proper consideration and let us get our first step on the ladder by passing these Propositions today.

635 Thank you, sir.

The Bailiff: Deputy Haskins.

Deputy Haskins: Thank you, sir.

640 Ironic isn't it, that even those who are against this policy letter or many of the Propositions are actually in their argument saying you must, Members must, think about the bigger picture. I just find that ironic. We are all wanting to look at the bigger picture. Deputy Leadbeater and Deputy Trott said hopefully well, of course, the original scheme was designed for exactly this, to ensure that the private care home market is sustainable.

645 But it has not worked, but do not worry this one will. In the last one it is obviously reduced, which is unfortunate, but do not worry this will. And as Deputy Leadbeater does highlight, we need IDP, we need builders, we need staff, he did not mention Artificial Intelligence and investments in IT infrastructure, I will get into that.

650 But I am with him I do believe that we need a much bigger, more holistic approach. Now, Members, I am much more in support of Deputy Murray and I think Deputy Aldwell. I also agree with Deputy Gollop and Deputy Inder that the scheme is basically on track. So, we mentioned about the intergenerational unfairness that could happen if the Fund comes to an end or it depletes, but already, especially if we put these proposals in, this is unfair in relation to the numbers of users who have benefited.

655 Now, Deputy de Sausmarez said it cannot wait, it just cannot, but then I find it odd that Members of Policy & Resources in its entirety, said, well actually it can and it should be looked as a wider, more holistic approach. So, Members, we have a structural deficit which cannot wait and yet, where are we? We are still here; we are where we are. We have heard that how many times today?

660 Now, Members, Deputy Prow mentioned Proposition 11. I would like to bring Members attention to paragraph 7.14, 7.15 and 7.16. Now in 7.14, it says:

It is therefore proposed that the Committee has the power to provide for the detail of the definitions of the assessment of capital and income.

So that goes to what Deputy Oliver was talking about, of what is capital. So those definitions can be changed by the Committee. 7.15:

It is proposed that the Committee would also have a power to amend the above principles.

Going back to 7.14:

... subject to the principles of disregarding the entire value of the PPR.

665 Principle and private residence, that principle is in 7.14 and yet in 7.15 the Committee can adjust the principles. Now, do not worry because Deputy de Sausmarez did say, do not worry the Committee is not going to pull a fast one, I use her words, not mine. In 7.16 it does state now:

To provide for scrutiny by the Assembly, it is proposed that any changes to the types of capital assets taken into account in the financial assessment would require approval by the States.

So, the types can, apart from the level. So, the £25,000 whether it is RPI, they can be just decided by the Committee. So, I just wanted to highlight that for Deputy Ferbrache really, because when you look at it, it is a bit more complicated than I think he thinks.

670 Deputy Aldwell mentioned that we do not pay our care staff enough. I actually do believe that to be the case but, Members, we are talking about the private care home market and we are talking about incentivising growth and making sure that Islanders, as a whole, have the number of beds that we will need in the future.

675 But we are talking about standard rate of beds, I do want to stress that. We are not necessarily talking about the wages of the care worker, although it would stand to reason that if the businesses do have an increase in profit, or at least a profit margin that is maintained. Now it does not actually say in the policy letter what that level of profit is, which I would assume is around 5% or 10%, but Deputy Roffey might explain when he sums up.

680 Now, Deputy Mahoney did highlight 7.17, which is the extra staffing that is needed in order to administer this. Now this, to me, strikes me as somewhat of a very inefficient scheme because it is £150,000, (*Interjection*) whereas when you think about it, in six years' time, we are talking about an extra 132 beds. £150,000 a year, that is 132 beds, to me, that does not strike me as being very efficient.

685 But I do understand why because now the threshold is there, the £10,000 that you might need to pay, has to go for every single person that you are looking at, whereas it did not before. So, I understand the increase in staff. But I would say, if you look at the amounts we are talking about in year 2026, I think, £100,000 and the next £160,000. So, we are talking on average about 5%. If I take Members back to the efficiency of what GST is, it is a very efficient way of collecting VAT.

690 Anyway, before I do sum up, sir, I did say to Deputy Leadbeater that I would go into it a little bit more and that is AI. Members, I do not think anyone here would be surprised that I constantly go on about it, but in healthcare it is leading to a decrease in costs. Now, if you look over in Japan where they have really big problems there with the ageing demographic, they are being very good with how they are investing in it.

695 We do not, well not as well as we should and Deputy Leadbeater and I have had some conversations around this. But when you look at Japan they are looking at, they are already implementing things like full detection, prevention, they are looking at predictive staffing so that they know where to put staff at certain times and travel plans, robots, cognitive support for those with dementia, assistance. It is very impressive and it is something that we are going to have to start doing over here.

700 Now, with regards to the private care home I do think that we should probably incentivise that. Which brings me to the final point which is, again, I go back to Deputy Murray and Deputy Soulsby, and Deputy Leadbeater to a point, which is it is my opinion that we should be looking at this as a much wider holistic piece and, therefore, Members I will be supporting, I will be voting in the same way as Deputy Murray.

705 Thank you.

The Bailiff: Deputy Le Tocq.

Deputy Le Tocq: Thank you, sir.

710 I can be brief and I will not repeat things that others have said that I agree with. Particularly, I think, Deputy Leadbeater gave a very helpful speech and I want to commend the President and the Committee for Employment & Social Security for bringing this in this way to this Assembly. I am one of those that has seen various attempts to make steps forward in the past. We have not done so, I shall be supporting all of these Propositions. Now, I am a pragmatist effectively, I want to do that.

715 But I want to underline one point that I think is important and it has been raised before, but I will illustrate that. I think this is only part of the problem we have got going forward and part of the issue that we have today is to do with our lifestyle choices and people have referred to behavioural change and the problems, and there are risks, of negative behavioural changes and we have got to face that and maybe future changes will need to happen as a result of that.

720 But I want to talk about ways in which we could incentivise, that we could actually see some positive behavioural changes. You see, sir, I suppose I am a conservative with a small c. I grew up in an environment where I was certainly taught that we could not expect the sorts of urban living that you might have in a city here in Guernsey, in a largely rural but small, certainly, Island and I grew up in an environment where my family and all the families that I knew, certainly in the 1970s and early 80s, were multi-generational families.

725 One of the problems we have today, to do with our housing crisis and people do not talk about it very much, is household size. It has diminished hugely over the years and that naturally will put pressure on a land mass of 25 square miles. I grew up with my parents looking after my mother's father and my mother's sisters looking after my mother's mother and we were able to see my parents live right into their nineties and only the latter few weeks of their lives did they need to enter a care home. Why was that? Because they lived with us for the last seven or eight years.

730 Now there are sacrifices to be made and my wife had to give up working and, I think, as Deputy Dudley-Owen said before, fortunately she is a trained nurse, so she was able to do things I accept that others were not. Now, I am talking 10-plus years ago, there were not the supports that were

available and because my wife was a nurse, she was able to fight for some things that she knew were available but actually were not generally known and you had to know in order to knock on that door to ask for those sorts of supports.

740 But it meant that my parents actually had, and I think this would be the case if more was done, a much healthier, happier life. They saw their grandchildren grow up, they lived together, it has benefited my children to do that and we need to find ways to encourage more of that. Now, this policy letter does not deal with that, sir.

745 So, I do not want to spend a long time on that, but let us not think that by taking this, effectively, small step forward, but I think that is the way we have got to go forward, Deputy Brouard mentioned eating an elephant before and I think that that is the right way for us to go, not just this Assembly, but I think future Assemblies will have to do that.

750 But we will need to deal with this issue of how we look after the older generation and the fact that it is not just for a pragmatic reason but it is healthier if we can encourage more people to look after their parents and relatives at home. It is better for society, it is better for us and we have lost that, unfortunately, and I just want to make that clear, that is a very strong feeling that I have.

The Bailiff: Alderney Representative Hill.

755 **Alderney Representative Hill:** President, I would just like to say that the States of Alderney and ourselves we discussed this before we came here and we are in favour of these proposals. We have been more than aware that we have a problem on this front and we support them. However, I would like to echo Deputy Mahoney's comment about the administration and I do wonder a bit and I think we need some clarification of whether that £10,000, it goes into a fund, am I right?

760 But, when you join a club or something, you pay £10,000 entry fee so, surely, we could save money on administration and say that if you want to come to this care home you have got to pay £10,000 and you pay it directly when you sign up and that would save this issue of administration, which seems really ridiculous to have all this money going in and just having the money being used to administrate the fund. It is just an idea, but I would like some clarification on how that works.

765 Thank you.

The Bailiff: Deputy Bury.

Deputy Bury: Thank you, sir.

770 Obviously, being on the Committee bringing this paper, I think it has been a useful debate. I am relatively proud of the discipline that has been shown by not going too far down the principal private residence house. So, there has been some discipline shown and not too much election fever. I hope that continues because it is very clear from this policy letter that the principal private residence, the house, is not included. So let us just be very clear about that. In fact, the paper was borne out of a failure of that work, essentially.

775 SLAWS, I beg to differ with Deputy Mahony's point, actually, that very little has been done having sat on two Committees that span this work this term, an inordinate amount of work was done on SLAWS. It is a very complex piece of work, as has been demonstrated by the fact that it has not, this term, last term, we will see next term, reached any sort of satisfactory conclusion.

780 To Deputy Haskins' point who said what is being said is, do not worry, this will fix it. That is absolutely not what is being said and that is demonstrated by the existence of Proposition 13, which says that the work needs to happen and it needs to happen soon next term. So, I think that is widely acknowledged by everybody involved.

785 This is really borne out of, unfortunately, the failure of the SLAWS work to reach any satisfactory conclusion across the three Committees that it needed to and I am grateful to those Members who have used the word responsible in relation to this because, really, that was Deputy Roffey saying to us as a Committee, we have to do something; we really do. We cannot just leave it, it is really irresponsible and, perhaps, a phased small step approach is the better way. Which, again, to Deputy

Haskins' point, only a couple of weeks ago he was presenting a paper to us about education governance that very much was on that principle.

790 Sometimes, we have to take small steps. Sometimes our community is not ready for wholesale change, sometimes we are not. So we have to go small steps. It is not ideal, it is not solving the problem, but it is moving us along somewhat and perhaps might make those decisions further down the line seem slightly less painful. I do not hold out much hope for that, though.

I do think that this is a really knotty subject and my real concern, while the immediate issue is
795 our demographics right now, I also do have real concerns about our younger generations and right now, I do not think this issue even crosses their radar, to be honest, because why on earth would they be thinking about care homes right now for themselves? They might be thinking about university choices, or whether or not they can afford to live here and will they ever get a house here and can they afford to have kids here if they wanted to do that, all that kind of thing.

800 Care homes are so far away from their thought process that they probably do not know that the fund they are likely paying into now and will have paid into their whole lives because they have been working since 2003 will have, potentially, run out by the time they need it. That is a real concern.

So, there is a lot to be bottomed out by the SLAWS work and I think, while I totally understand
805 the principle of looking bigger picture, of Deputy Murray in particular because I know he is consistent for sure on that, but I do wonder where he gets his hope from because there is absolutely no evidence to show, certainly this term, that this Assembly is particularly good at making big decisions, not even one, let alone a whole heap of them all in one go.

But I am by no means trying to persuade him, because I think he is a man of his own volition, as
810 I am a woman of mine. But I just wanted to comment on that. I just do not think that doing everything all at once is feasible and that really brings me back to the title of the policy letter, which this is not about right now.

This is not about how SLAWS is going to work, this is not about the fund, really this is about the very immediate issue that we face with our care homes. It is about trying to give them a bit of
815 stabilisation, trying to give them a bit of incentive to invest. We have already suffered care home closures. We have already had to step in, as a state, to save one and I was on the Health Committee at the time, it is not an easy thing for us to do. We cannot keep doing it. So that is what this is about. It is a small step, it is a sticking plaster, it is the safety net while we try, I suppose next term, to solve the issue.

820 There are a few points that have been raised I think, particularly, people have got concerns about Proposition 11. I can honestly say we had a conversation around the Committee table about making sure we worded that Proposition robustly so that people understood it would not be possible for this ESS Committee or any further ones, we know we do not want to do it, but we do not know what future ESS Committees, that was a safeguard put in place to make sure that the principal private
825 residence issue could not be decided behind closed doors at a Committee table, that it would have to come to the States. That is why we worded Proposition 11 as we did. So, I really hope that people can be reassured by that, sir.

I think that probably covers most things. Ten thousand pounds is a lot of money, I know Deputy
830 Oliver mentioned that, but I do think it is really important to note that it is £10,000 if you are assessed as being able to afford it with a £15,000 limit. So it is essentially £25,000, it is not just you have got £10,000 and will have it, thanks. There is there is an assessment to be done there.

I know there are a few more people to speak and I know that Deputy Roffey will sum up very well. So I will leave it there, sir. But I really hope that Members see that this is an effort from ESS to
835 just nudge us a little way along, unfortunately, borne out of the fact that as an Assembly, or as three Committees at least, we were not able to get the bigger picture as far along as we would like.

Thank you, sir.

The Bailiff: Deputy Meerveld.

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

I was not intending to speak, but actually Deputy Le Tocq's speech made me wish to rise. I would like to start off by saying I agree with Deputy Trott in his compliments to ESS and this policy letter and I thank Deputy Bury for her excellent speech. Their original proposals were rejected when it was looking at the primary residence and taking the equity out of that. This proposal, I think, is, as it

845 says on the tin, to stabilise the sector.

I will be supporting all the Propositions. I think it is a reasonable compromise on what we have previously rejected and it has come back and it takes the steps in the right direction to stabilise a system which, as Deputy Bury says, is effectively going bankrupt and will do over the next generation.

850 But the point that Deputy Le Tocq raised that prompted me to stand is, when I first moved back to Guernsey with my parents from Manchester, where my mother was born, at the age of five I was living *en famille* with my great grandmother, my grandparents and my family and none of those previous generations expected the States of Guernsey to do everything for them. Did not expect them to provide all those levels of care, did not expect all the benefits now are demanded by our

855 population.

My fear is, and we see this not just in Guernsey but worldwide, we have societies becoming more entitled. They are expecting Government to do everything for them. Well that is fine. It is a bit like I have got a headache the Government should do something about it. (*Laughter*) We need to have, hopefully, a society that will grow, has some of our previous generation's resilience and capability

860 to look after themselves and acceptance that they have to deal with their own problems first before they turn to Government.

Or a realisation that if they expect Government to do everything for them, then they need to pay Scandinavian level taxes to fund it. It has got to be one or the other. You either have to compromise on what you expect from Government or you have to pay. I think this policy letter deals with a

865 problem, but I think it will have to be revisited because it is not the complete fix, it does not go as far as raising revenue as the original proposals from ESS.

I will be supporting it but I think, as an Assembly, we need to be going out and talking to our community and explaining that if you have this constant demand for increased services, then it has to be paid for by them and I would hope that the next Assembly would start looking at things we

870 can stop doing, or start saying no when people demand increased services and saying no, Guernsey cannot offer that at our tax base and with that, I will close.

Thank you, sir.

The Bailiff: Deputy Mathews.

875 **Deputy Matthews:** Thank you, sir.

I will not say very much because I think most of the debate has now been covered. But I think I will be supporting all of the Propositions, including Propositions 10 and 11, which are the controversial ones which really introduce a really small element of the user pays principle and I think

880 the main reason that anybody might have for opposing the policy letter or Propositions would be on the idea that might, perhaps, be the thin end of the wedge and it might perhaps grow in future and that there may be subsequent papers that might expand upon that.

I would have to say that, in general, or might go back to the previous proposals that had been introduced, which had been much more significant in terms of the user pays principle. I think that

885 people have struggled with this and how it will be funded and Deputy Ferbrache spoke about, we just needed a lot of bravery to come out and say we need to just go ahead and do this.

Well I think in my view, actually, I simply, in principle, find that user pays principle a difficult one to support because in general the idea that people who need care later in life, who are suffering from conditions such as dementia, the idea that they will pay for their own care from assets that

890 they have built up during their lifetime, such as their life savings and their principal private residence,

is one that I just find difficult and I think we ought to be looking at solutions that do not involve that. (**A Member:** Hear, hear.)

895 This is something that I think SLAWS, when it comes back, will have to approach because it just does not seem fair and all of the examples that Deputy Gollop gave, I think, illustrate that when he was talking about Bill and Ben and Sebastian and how it was much fairer to Ben than Sebastian and that Bill relatively lost more. Actually that also affects, because in a lot of cases when you are talking about people's life savings you are talking about what they are able to pass on to their grandchildren. So, when we take away £10,000 that is taking away some grandchildren's inheritance in a lot of cases.

900 But if we do find ways, and I think that we ought to find ways to look at how we could fund care from general taxation, we will approach this issue, which is mentioned very much in this policy letter, much more of generational unfairness and I think a couple of people, and Deputy Inder, have questioned what generational unfairness really means.

905 Well, up until now the provisions that had been put in place had been supported because we had a different demographic pyramid. We had more younger people than we had older people to support the measures that were in place at the times that they have been in place. So, the greatest and silent generations, which were born between 1901 and 1945, were, to a large extent, supported by baby boomers born between 1945 and 1965 and the and the issues will arise more for Gen X, which is my generation born between 1965 and 1980.

910 There just are not enough generation Y, between 1981 and 1996, and generation Z, 1997 to 2012, to support my generation and subsequent generations. But I think that we do need to look at forms of taxation which will allow us to avoid the user pays principle, because I just do not see care as being any different to acute medical costs.

915 We do not say to people, well you have broken your arm so therefore, you have to contribute to your care and we do not say to people who need a double bypass, well that is very expensive you are going to need a big bill before we get it. I just do not see that we should be making a distinction when it comes to care in that way.

920 But the other reason why we should be looking at this and in Deputy Leadbeater's speech, I think he laid it out incredibly well, is that we just will not have the capacity and I am pessimistic I do not think we will meet the targets that we need to meet to build the level of care that we would need if we were to apply the principles that we have got now going forward.

925 I just do not think we can build that much. I do not think we can provide that much and so we will need to look at new approaches to how we provide care in the future, not just from the point of view of funding it but also from all of the other things like, where will we get the people to work and where will they live to provide the types of level of care in the future?

930 So, I do think we will need to look at new approaches. I looked, there are much more improved approaches there is an example that I passed on to the SLAWS team and I hope they will look at, for Buurtzorg, which is the Dutch model that has been developed. It is the Dutch word for neighbourhood care and it cuts out an awful lot of the administration, provides a lot more care in the in the neighbourhood, in the community to enable people to live much more independent lives as far as possible and we will need to look at new methods in order to be able to deliver levels of care going forward. But, in the meantime, I do support this policy letter and all of the Propositions.

Thank you, sir.

935 **The Bailiff:** Deputy Kazantseva-Miller.

940 **Deputy Kazantseva-Miller:** Sir, I want to speak to a couple of points. I think there is a lot to say that the big picture approach to look at solving the whole thing and stuff like that for many of our issues is the way forward. Unfortunately, I do not think we are set up in the Machinery of Government to be able to solve this big holistic picture in any constructive way.

A Committee system is actually fundamentally against the ability to solve in an holistic, co-ordinated way the big strategic problems that we are facing. So, I think if Deputy Murray and Deputy

Haskins are under the illusion that by the end of 2026, which is when the next phase of the policy letter, that we will somehow, the Machinery of Government will enable us to somehow, solve this problem that we have got is where you have multiple Committees needing to get involved with really complex issues it is just not going to happen.

So, we have got to deal with what is coming to our table at each point in time and today it is a small chunk and as many said, well done to the Committee for actually taking what is specifically within their mandate and bringing it to us, because it has failed this term. It has not worked working with both P&R and HSC to bring a more ambitious policy letter. So, it is just not going to happen within the Machinery of Government what we have and I have only been in the States for four years, but I am afraid that is really my view and nothing is going to change in the short term.

So, I think we should not be hiding behind the illusion that this bigger piece of work will solve it and also there is absolutely, and even with the best case that a more holistic piece of work came forward, there is no guarantee it would be approved. There is absolutely no guarantee it will be approved because it would be so complex and difficult and probably radical. It might be kicked further down the road.

So, we have got to grasp the nettle of when something comes to this Assembly and make a decision and the problem is that if we do not make decisions today and strongly support the direction of travel, we will continuously be trying to play catch up. We had the same problems of inaction on capital expenditure for now years and the bottleneck of what we are facing, we just simply will never catch up. The decision was not made on social care back in 2020 so we are trying to play catch up and the more we delay the decisions we will just never catch up.

Deputy Roffey said we are one of the most generous, remarkably generous model than any other competitor jurisdiction. Literally, we are getting gold-plated, effectively, services for having paid a fraction into the system. That is just the reality. So let us make it happen today and just to the point that has been raised in terms of, is there a back door through Proposition 11 and 12 and 10 that the Committee might have some ability to make decisions behind closed doors regarding inclusion of private properties, I think as Deputy Bury has really clearly explained they do not.

A Resolution will have to come to the States. Any changes to the conditions will have to come to the States through regulations. So, I think there is absolutely, and hopefully that maybe gives Deputy Roffey and Deputy Oliver a bit more peace of mind that any significant changes, any changes will have to come back to the States, especially in relation to any inclusion of private residences. So, hopefully that will allay their concerns and they will also support the Propositions 11 and 12.

Thank you, sir.

The Bailiff: Deputy Blin.

Deputy Blin: Thank you, sir.

Well, I would like to commend ESS for this policy letter recognising the urgency and the growth of our ageing population but the timing as well. The way I see it, I try to see what are we trying to resolve through this and I have broken it down into different areas like, in effect, it is the financial sustainability; it still remains unresolved.

So, incremental increases in the funding of Long-term Care Insurance Scheme, they will all remain unsustainable in the long term. Then we have the lack of immediate incentives for the private sector growth, i.e. there is no discussion of the incentives of the new private operators in care homes. So, if we do not start now, we will have a real problem later. So again, another critical issue we are trying to resolve.

Then, of course, as raised by other Members, the uncertainty of the workforce sustainability. We are very aware of the problems we have got here. So all of these things, and it is a bit like Deputy Kazantseva-Miller is talking, it is that long term to get it. So, there are so many pieces required for the care home operators, for the staffing, for the permits, the license, the training, the costs, all of this. So, this is all part of getting to that stage.

995 The next one I see as a potential issue and hearing my various colleagues, is the risk of inequality and burden on individuals such as the £10,000 user care cost. This one I would like to just try and put a slightly different slant on it. I hear, for example, as my colleague Deputy Oliver is saying, well, it is the £10,000, it could be the heirlooms, it could be certain assets they are going to have to break it up to sell.

1000 But I see it slightly differently. This is not about health care to sort out a cancer operation, an illness, a condition, etc., this is, as was stated by others, is usually 15 months to two years. It is that really last tough part of one's life and I, for one, personally, if you have a relative or a member in a situation like that, that is £10,000 and it was clearly pointed out also by Deputy Roffey this is very generous in comparison to other jurisdictions where there could be a bigger demand.

1005 So it is not about taking those last savings to help. We also heard from Deputy Roffey, what does that £10,000 actually cover, how long? And I think it is anything from weeks to months, it is not for the years required. Also hearing Deputy Matthews saying, well it is not fair to put that cost there. Well, we already know we are in a very tricky situation. We have heard from many Members over the past few years, including myself, we should cut our cloth accordingly to what we do.

1010 So, this is not an onerous out of the question, an impossible one. It is a choice; it is a contribution towards what we are giving. Yes, people have paid in for many years for those benefits and care. But remember, not everyone will go into care home, not everyone will go into that situation. In other words, we are just spreading it as, potentially, fairly as one can.

1015 So this, basically, with this sort of policy letter we are trying to define the well-being of our elderly citizens for generations to come. We have to look at that longer picture and we need to stabilise the private care home market so it remains accessible and sustainable. But we also face that stark reality, the demand is increasing by 50% over 15 years.

1020 These are huge numbers and we are already talking about it and aware of it, but we have to do something about it. So, if we fail to act now it will be an overwhelming impact on our health care system and it will reduce patient choice, it will force the Government to bear even more financial burdens if we do not do this.

1025 So, I commend and I agree with this policy letter with the measured steps to stabilise it and adjusting the co-payments so that those who can afford can do so fairly and we have heard many times, and I am sure in summing up it will be made very clear, that there will be the right checks in place to make sure that things are not done like taking people's homes, as I remember, I think it was Deputy Prow mentioning in the last election campaign, everyone on the door was saying, are we going to lose our home, do you support that, etc.?

1030 So, this policy basically it is not a final solution. It is basically, we agree the larger review will be needed, obviously to express the expansion of long-term funding, but we cannot stand still now otherwise it will collapse beneath us and it will be too late to rectify. So, we come back to we are protecting our elderly, the investment care and preventing a financial disaster which is potentially around the corner if we do not do things about it.

1035 So, I do hope that we will, as an Assembly, support the Propositions. I do feel it is heading in that direction and remember we are always safeguarding our vulnerable citizens, in effect, our families and our community. So, I do hope that we will be standing together in supporting this policy letter.

Thank you, sir.

The Bailiff: Deputy Helyar.

1040 **Deputy Helyar:** Thank you, sir.

1045 I was not going to speak in good old traditional fashion, but I have a distinct smell of Rome burning here and I probably will have to use that analogy again many times. This is another example of it does not really, as far as I am concerned, I am a floater, actually, so Deputy Roffey could have me on side or not on side when he sums up, I am sure, because I do not think it makes any difference which way we vote on this, it is not going to solve the problem. (**A Member:** Yes.)

We have had lots of people standing up wringing their hands over home ownership and this is not fair and that is not fair. Well, the problem is a really simple one, we cannot afford it. We cannot afford it. It is the same problem that we face with most of the decisions that we have to make. We cannot afford to do what we are planning to do and eventually Rome will start to burn. It will not just be the smell of smoke in the distance.

We cannot afford to continue to provide public services at the rate that we are for people that are getting older with what we are collecting from them and people on the doorstep, if you are all going to stand in the election, who say, are you going to take my home away from me? It does not make any difference whether you pay for it out of your cash or your capital or your tax. You are going to have to pay for it if you want it as a public service, it is as simple as that.

So, I really just do not see this as very complex at all. I see it as a fact and, really, I think this is a classic example of Committee Government not working. We cannot resolve these important decisions in a Committee of 40 and it is never going to be resolved until somebody can say, no, enough is enough we are doing this and if you do not like it then you do not get the service; it is as simple as that.

So, I am stuck on which way to go on this. I suspect it will be a no, because I do not think it is an answer, but I completely respect why the Committee have come up with these proposals because they sit within the current framework of what we do. But what we do is not going to work it is not the answer to this problem. We really need to start urgently tackling this because it is only a decade away. Well probably less than that before we literally run out of money in the Island and we need to do something about it now.

Thank you.

The Bailiff: Deputy Dyke.

Deputy Dyke: Thank you, sir.

I have to say, I think this is a good policy paper and I think we have had a very good debate on it. I had not planned to stand, but I think this has been an excellent debate with interesting points raised from all sides. On balance, I am going to vote for all of this. There are the two parts, the one is trying to keep our care homes alive and, if possible, growing and then the second part is to try and do something about funding it all and I think we have to do both.

Yes, it would be great if we could do everything at once and sort everything out at once, but I think we are going to have to do these things step-by-step, take a granular approach to everything and do things where we can. I think this helps in both the main areas. The amendments yesterday and the discussions we had yesterday I hope will help with the issue of newcomers to the Island going straight into a very good benefit system without contributing and I think that is an important point that we have dealt with.

We are excluding personal private residences and I think that is right under the circumstances. It goes with the grain of society, but it is not entirely logical, I have to say that, but I support that principle. It raises all the anomalies we have discussed at length but partly in answer to some of the points that Deputy Gollop made, if you have an Annunziata with her £5 million house at Fort George, she is probably going to be right out of this system altogether and will not be partaking in it. She will be doing it privately and might well choose to sell our house. So, on balance, this does not cure all our problems but it but it takes us farther forward to a point, which is worth doing.

I have got to pick up on something that Deputy Ferbrache said. We josh about this occasionally privately, he said that we have not had the nerve to make the big decisions to do what we have to do either because we are too cowardly or we have got political conflicts or whatever and I think he has got GST in mind.

But there is another set of decisions we had. Deputy Helyar and I both brought amendments on the Budget to try and get a grip on the Budget, get a grip on the headcount and we did not have the nerve to follow through on that. (**A Member:** Hear, hear!) So, I think that is the big point we are

going to need to get back to. So having digressed very slightly, and I apologise, I will support all of these Propositions.

1100 Thank you.

The Bailiff: Deputy Taylor.

Deputy Taylor: Thank you, sir.

1105 He is not in the room now, but I would really align a lot of my views with Deputy Trott and indeed Deputy Leadbeater on the comments they made in their speeches, which is what I was going to major on in my speech, but I will not have to now. There was one point there with Deputy Trott where I did separate from his views, I could not really do a point of correction, but I think when he gave his example of Peter and Paul the twins he might not have been aware, but they actually had

1110 a sister who was separated at birth and she sat somewhere in between in the middle of her brothers.

She got a mortgage but she also went on extravagant holidays she had a Mercedes, but like her identical brothers, she retired aged 65, in 2003, and Alice, like her brothers, would get the full benefit of the scheme without having paid a penny in and I make that point because trying to differentiate between whether someone has bought a property or rented a property as to some way, what they

1115 should be contributing later on in life or have access to in terms of benefits, I do not think is fair.

I say that because renting is not always a choice. I do not think anyone in here would dispute that, historically, buying a property and living in it was a good move compared to renting. Generally the asset goes up, your repayments go down at the same time as you improve your career and your earnings go up, whereas the person who was in a rental property, the chances are the rent has gone

1120 up but they have not seen any benefit that is accruing to them.

That does not mean that they are a bad person or that they are not financially literate, I do not think they will even be ignorant of that particular fact. It is just the circumstances that they were in earlier in their life, they may have then gone on to have successful careers but not necessarily being able to raise that capital to get the deposit, to get onto the ladder and then get all the benefits that

1125 come with home ownership. So, I think if we are talking about where funding might come from in the future I do not think we should necessarily talk about renting in a negative light.

That brings me on to a point which, I think Deputy Prow made in one of the earlier speeches, referred to a buzz-phrase of inter-generational fairness. I do not think it is really fair to call that a buzz-phrase, I think it is a significant issue. But the buzz-phrase that I always raised my eyebrow at

1130 is basic economics.

So, my understanding of economics is it is complicated. Jokingly, I was told it is the art of explaining tomorrow why what you said yesterday did not happen today. (*Laughter*). I do not begin to understand economics, but I know enough that it is not basic and this is a prime example of how complicated economics can be because normally when people talk about basic economics they

1135 then go on to quantify that as supply versus demand, if demand outstrips supply, the costs go up and *vice versa*.

But here, sir, we have a significant demonstrated demand, both now and forecasted into the future, but it is not viable to meet that demand and that demand is very much, this is not an ageist comment, that demand is coming from an older generation and the demand would have to be met

1140 by the younger generation. I think it is this younger generation that Deputy Oliver was referring to when talking about the ability to save £10,000. It is difficult, that is a significant amount of money and this is the inter-generational rub.

In theory, if basic economics was coming through it would be viable to earn a living working in a care home to help to meet this demand. But it simply is not and, actually, if you are working in

1145 the care home, the salary is likely to be so low that you will probably actually, in I think Deputy Trott's terms, detracting from the economy because you are not contributing enough in tax terms, although you are in a social offering.

So, this is where I do struggle. It is the point made by Deputy Trott and Deputy Leadbeater in various briefings. I am really concerned that we will not be able to meet this demand and businesses

1150 cannot because it is simply incredible that there could be demand for four care homes of 33 beds within the next five years, but not viable to do that.

As a business opportunity it should be incredible because it is not like in five years but the customers will have gone, if you build a hotel, yes it might be good now, but in five years there might be somewhere more interesting with better internet connectivity than us. (*Laughter*) But it is not necessarily guaranteed, nothing is guaranteed, but it is pretty damn certain that there will be a massive demand for all these care beds. (**A Member:** Hear, hear.) So, I find it staggering that it is not viable to meet that demand. So, I will be supporting the Propositions. I am not in any way thinking that they are going to solve every single problem we are facing –

But I will give way to Deputy Ferbrache.

1160 **Deputy Ferbrache:** Again, you hear somebody express an opinion about, with great respect, something they know nothing about. I and others have owned a hotel for a long time and years ago we got planning permission to change of use to a residential care home. The cost of it was prodigious. We could not afford it. We would not have made a return if we owned it for 150 years.

1165 So, it is all right to say these are good, but you have got to pay staff, you have got to pay equipment, you have got to refurbish the building, you have got all those things. Just because you open a business does not mean you have a profit. It is a building that Deputy Taylor well knows because he lives next door to it, so to speak in theory when you have got no knowledge is a dangerous thing.

1170 **Deputy Taylor:** Have a day off. (*Laughter*) Sir, I was about ready to sit down but if Deputy Ferbrache thinks for one minute, I am suggesting that it is easy to just go into the care home industry because there is demand and I do not understand the costs involved with building, he is misguided, sir, and the reason I say he is misguided is if he has gone to the effort of seeking to build a care home and getting planning applications and buying a building with that in mind, only to realise it was not viable, perhaps he should refocus his lens.

Sir, I am sorry I had to say that, but –

1180 **Deputy Ferbrache:** Point of correction.

The Bailiff: Point of correction Deputy Ferbrache.

1185 **Deputy Ferbrache:** The building was already owned, and it was trying to make it practical because the tourist industry had declined. So, again, flippant comments with no experience, perhaps in life, are not helpful.

Deputy Taylor: I stand by my comments, sir. But anyway, no, as I said, I will be supporting the policy letter. I do not think it is the answer but it is a step in the right direction. I suppose that is all we can do for now.

1190 Thank you, sir.

The Bailiff: Deputy Moakes.

Deputy Moakes: Thank you, sir.

1195 I have been listening to this debate with great interest and I just had a few points I wanted to make. The first thing is that this policy letter is really interesting, but it is a very narrow focus. It looks at one issue, that is the funding and there are many issues, as we have heard throughout the debate.

We certainly need to look after our ageing population, there is no question about that, and I absolutely believe that we should not be touching people's homes, under no circumstances. (**A Member:** Hear, hear.) This policy letter, it is very likely to be approved, but I just wanted to address a couple of things. I think one of them has been mentioned.

It does not solve a couple of wider issues and there is significant work still to be done, even if this policy letter gets through. So it is not a cause for celebration, it is a step in the right direction but there are a huge number of other steps that need to be taken if this policy letter is to become successful. Let me give you some examples.

Where are all the beds going to come from that are needed? I think a couple of people have mentioned that already. Where are they going to be located, where are the buildings going to be, who is going to build them, when? They do not just happen overnight. If you approve this policy letter today there will be no additional beds tomorrow morning. Where are all the additional health care professionals going to be coming from and where are they going to live, for that matter? We are already in a housing crisis. Where are they going to live? (**A Member:** Hear, hear.)

So two major questions there that need to be addressed and addressed quickly if this is to be successful. I will be supporting this policy letter but, as I say, there is a huge amount of work that needs to be done before it becomes a reality. One other thing I would say and that is please do not set up this new computer system or employ a whole load of new staff until the bed capacity and the staffing are resolved, because nothing can happen until that capacity and those staff members are there, so there is no point in spending money on new computer systems and staff until they are built.

To enable that to happen, I think, as I have said on numerous occasions, Committees have got to work together. It is not a one Committee programme this is a multiple Committee programme. So, it involves everybody working together if it is going to work. As I said, I will support this policy letter but it means very little unless all of those wider issues can be resolved.

Thank you.

The Bailiff: Deputy St Pier.

Deputy St Pier: Yes, briefly, sir, just to add a comment, which has not yet been made in the debate, which is comparison to other jurisdictions and I rise, I think, partly prompted by Deputy Helyar's comments which, I think, will have resonance with many. His summary at the end was that he saw it ultimately as being a pretty simple issue, which was that we simply could not afford the position that we are in and at that level, I think it is a simple issue.

The challenge, of course, is ultimately if there are people on the streets who need care that care will have to come from somewhere and that is the complication; that is the difficult bit. But I think it is worth just spending a moment to note what goes on elsewhere and this is covered in the policy letter but has not been referred to in debate.

Starting with the most miserly of the neighbouring jurisdictions in England, paragraph 7.20, people are expected to pay their full residential care costs unless the value of their assets is below £23,250, which includes the value of their principal private residence. In Scotland a little bit more generous, individuals must pay for their full residential care costs, unless the value of the assets is below £35,000 and in Wales that rises to £50,000.

Then, of course, in Jersey, which has largely copied the outline of our scheme by introducing a Long-Term Care Fund with contributions to it, a single person may be asked to pay up to £72,570 towards their care and a couple £108,860 and as the policy letter notes, Jersey has a much higher asset disregard of £419,000 because the value of a person's principal private residence is taken into account.

The point is, and I suppose this is probably where I align with Deputy Helyar's comment, is that our current scheme is very generous. It was introduced over 20 years ago with the implicit promise that the family home would be protected but it is, ultimately, an unsustainable model. This paper, this policy letter, makes a number of changes to address that, including the very modest, by comparison to any other jurisdiction, contribution of up to £10,000 if, crucially, the individual has those assets available but not otherwise.

I would say that we have no alternative but to support this policy letter and I hope that Deputy Helyar will do so in that spirit of it. Whilst it does not move the needle as far as we need to, which

is recognised by the Committee, it is at least making a start, or it does at least acknowledge and seek to start to address the problem and, therefore, I think is worthy of this Assembly's support.

Thank you, sir.

The Bailiff: No one else is rising. I will turn to the President, Deputy Roffey, to reply to the debate please.

Deputy Roffey: Thank you, sir.

I have to say I, and I think my ESS colleagues, have been delighted by the degree of engagement that Members have shown with the issues that we have been struggling with for years and it has been gratifying to have so many contributions and so many thoughts. (**A Member:** Hear, hear.) I will go through some of those individual contributions in a minute, but just one or two general themes, perhaps, at the beginning.

Some have said that this is not entirely fair and they have cited individual circumstances where different people might be seen to be impacted in slightly different ways. I fess up, there is no scheme that we could have brought forward with the complexities involved that is going to be absolutely, in every individual instance seen as being absolutely equitable between two people who have lived lives in slightly different ways and have different situations financially.

We have struggled with this, not just my Committee, but the Committee before and this is as close as we can get. Particularly when, as Deputy Gollop and Deputy Soulsby have pointed out the desire of, I think, a clear majority of this Assembly and probably a clear majority of our community to carve out the principal private residence from any scheme does inherently introduce a different impact on different people in different circumstances.

We really are, as a Committee, damned if we do and damned if we do not. If we had included it, we would have been absolutely pilloried in this Assembly but when we do not it is pointed out, oh, well that may not be entirely fair then. Well, that is the case, certainly. I am going to go through a few of the individual contributions, starting yesterday with Deputy Prow who harked back to the last election and said when he knocked on doors people were going on about, are you going to want me to sell my family home?

Well, I knocked on 5,000 doors and I have to say I got thoroughly fed up with people with a list of names printed out from somewhere saying, these are the people who want to force you to sell your family home. It was completely and utterly untrue. There was never any proposal to force people to sell their family home.

But anyway, that has now been taken out of the equation because this policy letter makes absolutely clear that the financial assessment will not include people's family homes and Deputy Prow was slightly worried about Proposition 11 because it referred to the possibility of changing the category of asset base.

We put that in, really, deliberately just to give comfort to people who may be worried that this might be a sneaky way to get to including the family home to say, do not worry that will not be able to be done without it being brought back to the States for the States to vote for it. So, I hope that reassures him in that respect.

Deputy Ferbrache said we have been poor at making difficult decisions in this Assembly. I hope he accepts that I probably do not come into that category. I have had an almost some kamikaze approach to politics in many ways, I would say (*Interjection*) and I would have preferred in this instance, I do not accept that we need to bring everything under the sun together in one mega debate because there are slight impacts between them but I would have preferred, as far as SLAWS is concerned, to have brought back the bigger package that had been worked up between three Committees earlier.

But there was a change of personnel in P&R, and this is no criticism of the new P&R, they just did not agree with several key elements of the preferred proposals at the time and when their support was withdrawn, HSC said well, we are not going forward without P&R and, therefore, we had to reassess at ESS what we could do and we could have said, oh, it is all too difficult, let us do

nothing, but we knew that the stability of the market required us to actually be injecting more money into it.

1310 We knew that that would, in turn, make the Long-Term Fund less sustainable and, therefore, we had to start repairing that side of the equation as well. So, within our mandate, we have brought as much as we can and I think it would have been quite wrong to leave it to 2026. In fact, I think, the next debate we are going to have after this, or the next meaningful one – is it meaningful when we cannot decide anything? – is on a green paper about our financial situation.

1315 Well, if we had said over GST Plus, let us leave it to 2026 before making any decisions (*Laughter*) then actually the situation we would be looking at in that green paper would be an awful lot worse than the one we are looking at today, which is going to be bad enough. I think even Deputy Murray actually supported taking that ahead of other considerations and supported GST-Plus. So, it just shows that sometimes you do have to take steps towards a goal and not just wait until everything, the planets all align inside the solar system.

1320 Deputy Aldwell, I have to say thank you for your support but also thank you for recognising the quality of the work that has been done by the staff that lie behind this, not just in my Department and I have got some absolutely cracking staff, I have to say, whose policy work is excellent, but also at P&R. We have had an awful lot of support from trained actuaries, from statisticians and everything in order to tackle this difficult problem and that has gone on for years now so, I just wanted to really put that on record. (**A Member:** Hear, hear.)

1325 Deputy Dudley-Owen, yes, I would have loved, in that larger package that the three Committees were going to bring forward, there were proposals about extending the scheme to formal care at home, the way that Jersey has, and it has spawned quite an industry of accredited carers going into people's homes and supporting them. I regret that has had to be parked until the next Assembly very much indeed, because I agree with her that it is not always the solution that everybody would prefer to go into a home.

1330 Maybe while we are talking about care at home, I will divert slightly to somebody that spoke later, which was Deputy Le Tocq. I agree with his analysis that we should be doing more informal care for our own families but I want to have a reality check, actually to pass the care requirement in order to qualify for the scheme, your level of dependency has to be really very high indeed these days, it is far more than it was 10 or 15 years ago.

1335 There was a time I remember people went into Maison Maritane because they were getting a little bit dodderly on their feet and were finding it hard to cook, that is not where it is now; the level of dependency is really quite high indeed. Deputy Gollop said in some ways he would like to do nothing, well that is so irresponsible. Does he not realise the consequences, he has spent years on ESS looking at this.

1340 We are on a cliff edge and I agree with Deputy Leadbeater and others that I am not absolutely convinced that even if we do stimulate the market, we will get anything like the provision we need. What I absolutely know is that if we do not, we stand no chance at all and yet he would want to sit there, Deputy Gollop, and say, let us do nothing because some of this is not going to be particularly popular, like asking for some contribution from care users towards their own costs. I find that quite astonishing, frankly, quite astonishing.

1345 He, like Deputy Matthews, does not like the idea that care recipients, who can afford it, only those who can afford it, should make any other contribution. Well, fine, but the costs are going to be there whether they do or not. So, if an element, and a small element I have to say, does not come from those receiving the care then it all has to fall on the working population.

1350 So, those Social Security contributions that we have relentlessly put up to the point of becoming really quite uncompetitive, if we take it any further with other jurisdictions, would have to go up further. Bill Clinton's expression, if we damage the economy by becoming completely uncompetitive, then frankly, we will have done nobody any favours, including those that will require care because we will be even less able to afford it.

1355 He said that the increase in the co-payment is too high. Well, I agree it is quite significant, but we are following the agreed policies of this States. They have decided, we have decided, not this

iteration or the last one, but we are finally implementing an instruction that we have taken quite a while to actually get to, which is that the scheme should cover all of the care costs for an individual, in future maybe not the first £10,000 if they can afford it, but that the individual co-payment should cover the hotel cost, the living costs, etc. and that is exactly where we are going.

Deputy Gollop asks when the 20-year rule will come in. Well, it is clear, I think, in the policy letter it will come in one year after the legislation is approved, but it will not impact on people who have lived in Guernsey for four years at the time, they will be protected. Deputy Mahoney is absolutely right this is not job done. That is exactly why Proposition 13 is there.

This is the first step on a journey, that is absolutely true. He asked about anti-avoidance. Well, my Department has really quite a lot of experience in anti-avoidance measures, so we have to do it under other benefits like Income Support, and the details of the anti-avoidance measures will be in the legislation when it comes forward.

I think it might be foolish for me to try and set out those exact details now (*Laughter*) in advance the legislation because it would just be an absolute invitation in that lacuna between now and the Law coming into place for people to take advantage of that knowledge. But it will not be very different from the sort of anti-avoidance legislation we have in relation to other schemes.

He said £10,000 is a lot of money and so did Deputy Oliver; that is true. But as Deputy St Pier has pointed out, it is a tiny fraction of the amount that people in any other comparable jurisdiction would be expected to contribute towards their own social care and you will not have to pay it unless you have at least £25,000 in assets other than your family home at your disposal.

So, you will still be protecting, if people are finding it difficult to save £10,000, well if they have not saved £25,000, they will not be expected to make that level of contribution. So, there is a £15,000 disregard, if they saved £20,000, they will pay £5,000; if they have saved £25,000, they will pay £10,000.

But as I said in my opening, there is no inherently popular way to do this. Somebody has got to come up with the extra money and it is a question of which pocket that you are actually taking it out of. Deputy Mahoney also asked about the cost; yes, the cost will be to administer between £100,000 and £125,000 because if you do not do means assessments for individuals coming through the system, then how can you decide who can pay and who will pay the £10,000 and who will not?

However, I think he has grossly underestimated the number of people that are now going into care and predicted to go into care. So, we do not know precisely the percentage of people who will have to pay £10,000, we can make educated guesses from the statistics but it may well be that at the start, up to say £1.75 million a year, would be generated for the scheme out of the £10,000 contribution and in 30 years' time, at today's cost but far more people, it will go up to something like £3.25 million generated. So, it is way in excess of the cost of administering the scheme –

Yes, I give way.

The Bailiff: Deputy Mahoney.

Deputy Mahoney: I thank you for giving way and for providing those numbers. On the numbers that we have got there under 1.6 and 1.8, the 350 people and 132 new beds in five years, from the numbers, again, the £100,000 to £150,000 if we say it is £125,000, it would still mean that to break even about half of the people that will require a new bed would be caught within the net, or however we want to phrase it. So, if it is less than half then this will be costing us money to do that. 60 people at £10,000 it is £625,000, or whatever. So, I am not sure his numbers are right there. He is talking about raising £3 million-odd from people at £10,000 a pop. I am just not sure those numbers are right.

The Bailiff: Deputy Roffey.

Deputy Roffey: Yes, maybe I know was a long time ago I did A-level maths, but £10,000 times 100 makes I think a (*Interjection*) million and, therefore, if you have, yes, it is roughly, the estimate

1410 is it could be up to a half of people that will be impacted and, I think, that that raises, from the numbers of concern exactly the amounts that I have just given. So, I am afraid I just disagree with Deputy Mahoney's maths. But I will, if my maths is wrong, then I will apologise but that is – I will give way one more time.

1415 **The Bailiff:** Deputy Mahoney.

Deputy Mahoney: It is very quick. If he is saying it is half, then that does cover it off. So, if he is saying that a half of people that will require a bed will fall into the £10,000 net, for want of a better phrase, then that will cover it, but it will only just cover it. So, if the number is going to be less than half, then this is a loss-making scheme and it will be worse off. I think you just said that half people would pay and half would cover it and I have no objection to that but if it is less than that, then this is a loss-making scheme.

The Bailiff: Deputy Roffey.

1425 **Deputy Roffey:** I do not see that at all. If the cost, which is given to be between £100,000 and £150,000, if it is £100,000 it would require only 10 people to be caught in order to break even and it is going to be many orders of magnitude more than that. So, all I can say is that when looking at the impact and the graphs that are in here of the sustainability of the fund, not me, it was a trained
1430 actuary that actually came up with those figures.

So, if Deputy Mahoney does not trust me, my maths – he does trust me personally I am sure he does! (*Laughter*) – then perhaps he will trust the trained actuary that came up with the figures. It does make a material positive benefit to the sustainability of the fund. Deputy Oliver, I think I have already done probably. Deputy Soulsby, I think I have referred to.

1435 Deputy Leadbeater is right, this is one of the most massive social challenges that this Island, and we are not alone there are a lot of Western Europe and other developed countries as well, this is one of the massive challenges we have ever faced. The financing will help and I know it will because when we first brought in the scheme all of those years ago, in 2003, it did stimulate a very big market expansion from what was there before.

1440 But limited staff availability, competing with other jurisdictions for care staff who will probably be looking towards the more beautiful countries and that tends to be Africa, who has still got growing populations, and the same would be true in the healthcare system as well. It is going to be really tough, but if we are going to fall short at least let us get as close as we can and let us take the measures that are likely to actually stimulate some growth. But he is right, it is not going to be easy
1445 at all.

The Alderney Representative asked why there was need for any admin costs, are we not just paying into a club? No, you are not paying into a club, what is happening is that if you are assessed as having sufficient assets or income, then you pay the first £10,000 of your care costs. Making that assessment has some administrative cost and that is the administrative costs that are referred to.

1450 Deputy Matthews, again, thank you for your support, but does not think there should be any user payment. Well, I think I have explained why I think that is nice in theory but difficult in practice. Deputy Helyar says it does not really make any difference how we are going vote because it is not going to solve the problem. Well, he is wrong and he is right.

1455 He is wrong that it does not make any difference how you are going to vote. He is right that it does not solve the problem. It does not solve the problem, but it goes some way, it will make a difference in two ways. Firstly, the standard rates that will go up considerably in payment for residential and nursing care will really help to stabilise the situation in the care market. That is a real difference and that is what, as Deputy Dyke has identified, that is what the first part of the policy letter and the first part of the proposal is all about.

1460 The second part about the user contribution, the higher co-payment and the £10,000, yes, it is not sufficient in itself to solve the situation. It helps but as I said right at the beginning, more heavy

lifting is going to be needed from the next Assembly and they are going to need to show resolve and probably a degree of resolve way beyond what this Assembly has shown at times.

Sir, I think people already know which way they are going to vote on everything. As I say, this has been a marathon effort behind the scenes. It has sometimes been one step forward or two steps forward and one step back, sometimes felt like one step forward and two steps back, to be honest. But I think what we have come up with is a practical way of doing it. If, I think, we tried to go for a big bang approach that cured, forever, the sustainability of the fund and delivered, for the next 50 years the solution, it would have been so unappetising to this Assembly, it would have stood absolutely no chance of getting through.

This moves us into a better place. More work will need to be done. But if we vote against this, if anybody votes against this, then I think they are absolutely guaranteeing that the enormously difficult challenge that we are going to have in catering for our growing number of elderly people is going to become absolutely impossible.

So, I would really urge people who even think that it is imperfect, who think that we should have done better, to vote for every one of these Propositions. I would love to see a unanimous vote because it would show a resolution that we are determined to take that first step and then the next Assembly, hopefully, can take their cue from that and make further progress.

The Bailiff: Well, Members of the States, there are 16 Propositions. Let me explain to you what I am proposing to do and you can tell me why I have got it wrong. Proposition 13A has been inserted by the successful Amendment 3, but it is dependent on there being a positive vote on Proposition 13 first. So, I was going to take the last three Propositions separately.

From the debate I have heard people saying that they want to vote differently on Propositions 12, 11 and 10 and, therefore, I was going to have separate votes on each of those. Propositions 9 and 9A are resulting from the successful Amendment 1, I think they stand together and, therefore, I was going to take both of those Propositions together rather than separately.

The first eight Propositions, potentially, could be taken together but I am contemplating having a separate vote on Proposition 1 first, the general principle, and then batching 2, 3 and 4 together, and then batching 5, 6, 7 and 8 together because they seem to address slightly different issues.

Does anyone wish me to take any of the other Propositions separately from those that I have said that I am going to batch? *(Interjection)*

Okay so, on that basis we would have a vote on Proposition 1, a vote on Proposition 2, a vote on Proposition 3, a vote on Proposition 4 and then we take 5 to 8 collectively. That is what I am proposing to do.

So, Greffier, can we have a vote on Proposition 1 up first, please. Can we now please open the voting on Proposition 1 on its own, please Greffier.

There was a recorded vote.

Proposition 1.

Carried – Pour 39, Contre 0, Ne vote pas 0, Did not vote 0, Absent 1

POUR

Aldwell, Sue
Blin, Chris
Brouard, Al
Burford, Yvonne
Bury, Tina
Cameron, Andy
De Lisle, David
De Sausmarez, Lindsay
Dudley-Owen, Andrea
Dyke, John
Fairclough, Simon
Falla, Steve

CONTRE

None

NE VOTE PAS

None

DID NOT VOTE

None

ABSENT

Inder, Neil

Ferbrache, Peter
 Gabriel, Adrian
 Gollop, John
 Haskins, Sam
 Helyar, Mark
 Hill, Edward
 Kazantseva-Miller, Sasha
 Le Tissier, Chris
 Le Tocq, Jonathan
 Leadbeater, Marc
 Mahoney, David
 Matthews, Aidan
 McKenna, Liam
 Meerveld, Carl
 Moakes, Nick
 Murray, Bob
 Oliver, Victoria
 Parkinson, Charles
 Prow, Robert
 Queripel, Lester
 Roffey, Peter
 Snowdon, Alexander
 Soulsby, Heidi
 St Pier, Gavin
 Taylor, Andrew
 Trott, Lyndon
 Vermeulen, Simon

1500 **The Bailiff:** So, in respect of Proposition 1 there voted in favour, 39 Members; no Member voted against; no Member abstained; 1 Member is absent and, therefore, I will declare Proposition 1 duly carried.

Now we will have a vote on Proposition 2 on its own please and I will invite the Greffier to open the voting on Proposition 2.

1505

There was a recorded vote.

Proposition 2.

Carried – Pour 36, Contre 3, Ne vote pas 0, Did not vote 0, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	Haskins, Sam	None	None	Inder, Neil
Blin, Chris	Mahoney, David			
Brouard, Al	Murray, Bob			
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
De Lisle, David				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Helyar, Mark				
Hill, Edward				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Le Tocq, Jonathan				
Leadbeater, Marc				
Matthews, Aidan				

McKenna, Liam
 Meerveld, Carl
 Moakes, Nick
 Oliver, Victoria
 Parkinson, Charles
 Prow, Robert
 Queripel, Lester
 Roffey, Peter
 Snowdon, Alexander
 Soulsby, Heidi
 St Pier, Gavin
 Taylor, Andrew
 Trott, Lyndon
 Vermeulen, Simon

The Bailiff: In respect of Proposition 2, there voted in favour, 36 Members; 3 Members voted against; no Member abstained, still the same Member absent and, therefore, I declare Proposition 2 also duly carried.

1510 Now Proposition 3 on its own please. I will invite the Greffier to open the voting on Proposition 3.

There was a recorded vote.

Proposition 3.

Carried – Pour 35, Contre 4, Ne vote pas 0, Did not vote 0, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	Gollop, John	None	None	Inder, Neil
Blin, Chris	Haskins, Sam			
Brouard, Al	Mahoney, David			
Burford, Yvonne	Murray, Bob			
Bury, Tina				
Cameron, Andy				
De Lisle, David				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Helyar, Mark				
Hill, Edward				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Le Tocq, Jonathan				
Leadbeater, Marc				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Moakes, Nick				
Oliver, Victoria				
Parkinson, Charles				
Prow, Robert				
Queripel, Lester				
Roffey, Peter				
Snowdon, Alexander				
Soulsby, Heidi				
St Pier, Gavin				
Taylor, Andrew				
Trott, Lyndon				
Vermeulen, Simon				

The Bailiff: In respect of Proposition 3, there voted in favour, 35 Members; 4 Members voted against; no Member abstained; 1 Member absent and, therefore, I will declare Proposition 3 also duly carried.

1515 Now, Proposition 4 as well please on its own. I invite the Greffier to open the voting on Proposition 4.

There was a recorded vote.

Proposition 4.

Carried – Pour 37, Contre 0, Ne vote pas 2, Did not vote 0, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	None	Haskins, Sam	None	Inder, Neil
Blin, Chris		Mahoney, David		
Brouard, Al				
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
De Lisle, David				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Helyar, Mark				
Hill, Edward				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Le Tocq, Jonathan				
Leadbeater, Marc				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Moakes, Nick				
Murray, Bob				
Oliver, Victoria				
Parkinson, Charles				
Prow, Robert				
Queripel, Lester				
Roffey, Peter				
Snowdon, Alexander				
Soulsby, Heidi				
St Pier, Gavin				
Taylor, Andrew				
Trott, Lyndon				
Vermeulen, Simon				

1520 **The Bailiff:** In respect of that Proposition there voted in favour, 37 Members; no Member voted against; 2 Members did abstain, 1 Member not present and, therefore, I would declare Proposition 4 also duly carried.

We would like to batch 5, 6, 7 and 8 together, four Propositions collectively next please, Greffier. I invite the Greffier to open the voting on Propositions 5 to 8, inclusive.

There was a recorded vote.

Propositions 5-8.

Carried – Pour 35, Contre 4, Ne vote pas 0, Did not vote 0, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	Haskins, Sam	None	None	Inder, Neil
Blin, Chris	Helyar, Mark			
Brouard, Al	Mahoney, David			
Burford, Yvonne	Murray, Bob			
Bury, Tina				
Cameron, Andy				
De Lisle, David				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Hill, Edward				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Le Tocq, Jonathan				
Leadbeater, Marc				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Moakes, Nick				
Oliver, Victoria				
Parkinson, Charles				
Prow, Robert				
Queripel, Lester				
Roffey, Peter				
Snowdon, Alexander				
Soulsby, Heidi				
St Pier, Gavin				
Taylor, Andrew				
Trott, Lyndon				
Vermeulen, Simon				

1525

The Bailiff: So, in respect of Propositions 5 to 8 inclusive, there voted in favour, 35 Members; 4 Members voted against, no Member abstained, the same Member absent and, therefore, I will declare Propositions 5 to 8 carried.

We will now have Propositions 9 and 9A taken together please and I will invite the Greffier to open the voting on Propositions 9 and 9A, which came from Amendment 1.

1530

There was a recorded vote.

Propositions 9 and 9A

Carried – Pour 36, Contre 3, Ne vote pas 0, Did not vote 0, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	Gollop, John	None	None	Inder, Neil
Blin, Chris	Murray, Bob			
Brouard, Al	Queripel, Lester			
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
De Lisle, David				

De Sausmarez, Lindsay
 Dudley-Owen, Andrea
 Dyke, John
 Fairclough, Simon
 Falla, Steve
 Ferbrache, Peter
 Gabriel, Adrian
 Haskins, Sam
 Helyar, Mark
 Hill, Edward
 Kazantseva-Miller, Sasha
 Le Tissier, Chris
 Le Tocq, Jonathan
 Leadbeater, Marc
 Mahoney, David
 Matthews, Aidan
 McKenna, Liam
 Meerveld, Carl
 Moakes, Nick
 Oliver, Victoria
 Parkinson, Charles
 Prow, Robert
 Roffey, Peter
 Snowdon, Alexander
 Soulsby, Heidi
 St Pier, Gavin
 Taylor, Andrew
 Trott, Lyndon
 Vermeulen, Simon

1535 **The Bailiff:** In respect of Propositions 9 and 9A, there voted in favour 36 Members; 3 Members voted against; no Member abstained; 1 Member is absent and, therefore, I will declare both Propositions duly carried. Proposition 10 on its own, please. I invite the Greffier to open the voting on Proposition 10.

There was a recorded vote.

Proposition 10.

Carried – Pour 32, Contre 7, Ne vote pas 0, Did not vote 0, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	Gollop, John	None	None	Inder, Neil
Blin, Chris	Haskins, Sam			
Brouard, Al	Le Tissier, Chris			
Burford, Yvonne	Mahoney, David			
Bury, Tina	McKenna, Liam			
Cameron, Andy	Murray, Bob			
De Lisle, David	Soulsby, Heidi			
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Helyar, Mark				
Hill, Edward				
Kazantseva-Miller, Sasha				
Le Tocq, Jonathan				
Leadbeater, Marc				
Matthews, Aidan				
Meerveld, Carl				

Moakes, Nick
 Oliver, Victoria
 Parkinson, Charles
 Prow, Robert
 Queripel, Lester
 Roffey, Peter
 Snowdon, Alexander
 St Pier, Gavin
 Taylor, Andrew
 Trott, Lyndon
 Vermeulen, Simon

1540 **The Bailiff:** On Proposition 10 there voted in favour, 32 Members; 7 Members voted against; no Member abstained; 1 Member absent and, therefore, I will declare Proposition 10 also carried.

Next Proposition 11 on its own please and I will invite the Greffier to open the voting on Proposition 11 please.

There was a recorded vote.

Proposition 11.

Carried – Pour 29, Contre 10, Ne vote pas 0, Did not vote 0, Absent 1

POUR

Aldwell, Sue
 Blin, Chris
 Brouard, Al
 Burford, Yvonne
 Bury, Tina
 Cameron, Andy
 De Sausmarez, Lindsay
 Dudley-Owen, Andrea
 Dyke, John
 Fairclough, Simon
 Falla, Steve
 Ferbrache, Peter
 Gabriel, Adrian
 Helyar, Mark
 Hill, Edward
 Kazantseva-Miller, Sasha
 Le Tocq, Jonathan
 Leadbeater, Marc
 Matthews, Aidan
 McKenna, Liam
 Meerveld, Carl
 Moakes, Nick
 Parkinson, Charles
 Queripel, Lester
 Roffey, Peter
 Snowdon, Alexander
 St Pier, Gavin
 Taylor, Andrew
 Trott, Lyndon

CONTRE

De Lisle, David
 Gollop, John
 Haskins, Sam
 Le Tissier, Chris
 Mahoney, David
 Murray, Bob
 Oliver, Victoria
 Prow, Robert
 Soulsby, Heidi
 Vermeulen, Simon

NE VOTE PAS

None

DID NOT VOTE

None

ABSENT

Inder, Neil

1545 **The Bailiff:** In respect of Proposition 11 there voted in favour, 29 Members; 10 Members voted against; no Member abstained; 1 Member absent and, therefore, I will declare Proposition 11 also carried.

Next Proposition 12, please on its own. I will invite the Greffier to open the voting on Proposition 12 now.

1550

There was a recorded vote.

Proposition 12.

Carried – Pour 31, Contre 7, Ne vote pas 1, Did not vote 0, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	De Lisle, David	Soulsby, Heidi	None	Inder, Neil
Blin, Chris	Gollop, John			
Brouard, Al	Le Tissier, Chris			
Burford, Yvonne	McKenna, Liam			
Bury, Tina	Murray, Bob			
Cameron, Andy	Oliver, Victoria			
De Sausmarez, Lindsay	Prow, Robert			
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Haskins, Sam				
Helyar, Mark				
Hill, Edward				
Kazantseva-Miller, Sasha				
Le Tocq, Jonathan				
Leadbeater, Marc				
Mahoney, David				
Matthews, Aidan				
Meerveld, Carl				
Moakes, Nick				
Parkinson, Charles				
Queripel, Lester				
Roffey, Peter				
Snowdon, Alexander				
St Pier, Gavin				
Taylor, Andrew				
Trott, Lyndon				
Vermeulen, Simon				

The Bailiff: In respect of Proposition 12, there voted in favour, 31 Members; 7 Members voted against; 1 Member abstained; 1 Member was absent and I will declare Proposition 12 also duly carried.

1555 Proposition 13 next on its own please and I will invite the Greffier to open the voting on Proposition 13.

There was a recorded vote.

Proposition 13.

Carried – Pour 38, Contre 1, Ne vote pas 0, Did not vote 0, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	De Lisle, David	None	None	Inder, Neil
Blin, Chris				
Brouard, Al				
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				

Ferbrache, Peter
 Gabriel, Adrian
 Gollop, John
 Haskins, Sam
 Helyar, Mark
 Hill, Edward
 Kazantseva-Miller, Sasha
 Le Tissier, Chris
 Le Tocq, Jonathan
 Leadbeater, Marc
 Mahoney, David
 Matthews, Aidan
 McKenna, Liam
 Meerveld, Carl
 Moakes, Nick
 Murray, Bob
 Oliver, Victoria
 Parkinson, Charles
 Prow, Robert
 Queripel, Lester
 Roffey, Peter
 Snowdon, Alexander
 Soulsby, Heidi
 St Pier, Gavin
 Taylor, Andrew
 Trott, Lyndon
 Vermeulen, Simon

1560 **The Bailiff:** So, in respect of Proposition 13 there voted in favour, 38 Members, 1 Member voted against, no Member abstained, 1 Member is absent and, therefore, I will declare Proposition 13 also carried.

Now 13A, which comes from Amendment 3, on its own; all alone. I invite the Greffier to open the voting on Proposition 13 please.

There was a recorded vote.

Proposition 13A.

Carried – Pour 39, Contre 0, Ne vote pas 0, Did not vote 0, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	None	None	None	Inder, Neil
Blin, Chris				
Brouard, Al				
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
De Lisle, David				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Haskins, Sam				
Helyar, Mark				
Hill, Edward				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Le Tocq, Jonathan				
Leadbeater, Marc				

Mahoney, David
 Matthews, Aidan
 McKenna, Liam
 Meerveld, Carl
 Moakes, Nick
 Murray, Bob
 Oliver, Victoria
 Parkinson, Charles
 Prow, Robert
 Queripel, Lester
 Roffey, Peter
 Snowdon, Alexander
 Soulsby, Heidi
 St Pier, Gavin
 Taylor, Andrew
 Trott, Lyndon
 Vermeulen, Simon

1565 **The Bailiff:** In respect of Proposition 13A there voted in favour, 39 Members; no Member voted against, nobody abstained, but 1 Member is absent. So, I will declare Proposition 13A also duly carried. Do I need to go to Specsavers, I could not see that to start with! *(Laughter)*
 Finally, Proposition 14, if you do not approve Proposition 14, this will all have been for nothing.

1570 **A Member:** Do not tell them that! *(Laughter)*

The Bailiff: I now invite the Greffier to open the voting please.

There was a recorded vote.

Proposition 14.

Carried – Pour 37, Contre 2, Ne vote pas 0, Did not vote 0, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	Murray, Bob	None	None	Inder, Neil
Blin, Chris	Prow, Robert			
Brouard, Al				
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
De Lisle, David				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Haskins, Sam				
Helyar, Mark				
Hill, Edward				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Le Tocq, Jonathan				
Leadbeater, Marc				
Mahoney, David				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Moakes, Nick				
Oliver, Victoria				

Parkinson, Charles
Queripel, Lester
Roffey, Peter
Snowdon, Alexander
Soulsby, Heidi
St Pier, Gavin
Taylor, Andrew
Trott, Lyndon
Vermeulen, Simon

1575 **The Bailiff:** So, in respect of Proposition 14, there voted in favour, 37 Members; 2 Members voted against; no Member abstained; 1 Member is absent and, therefore, I will declare Proposition 14 also duly carried, which means that all 16 Propositions from the Committee's policy letter, as amended, have been approved.

Greffier, can we now lay the one item from the statutory instrument, please.

LEGISLATION LAID BEFORE THE STATES

The Marriage (Bailiwick of Guernsey) (Amendment) Regulations, 2025

1580

The Deputy Greffier: The following legislation is laid before the States. The Marriage (Bailiwick of Guernsey) (Amendment) Regulations, 2025.

1585 **The Bailiff:** Well, once again, Members of the States, I have not received any motion to annul those regulations, but there would be another opportunity at the next Meeting. Next item please, Greffier.

LEGISLATION FOR APPROVAL

STATES' ASSEMBLY & CONSTITUTION COMMITTEE

4. The Advance and Super Polling Station Ordinance – Proposition carried

Article 4.

The States are asked to decide:-

Whether they are of the opinion to approve the draft Ordinance entitled "The Advance and Super Polling Station Ordinance, 2025" and to direct that the same shall have effect as an Ordinance of the States.

The Deputy Greffier: The States' Assembly & Constitution Committee, the Advance and Super Polling Station Ordinance.

1590

The Bailiff: And Deputy Meerveld, is there anything you wish to say in respect of this draft ordinance?

1595 **Deputy Meerveld:** No, sir, I think it is self-explanatory, both this and the next item and I do not want to protract proceedings.

Thank you.

The Bailiff: I do not see any Member rising, so I will simply put to you the draft ordinance as to whether you are minded to approve it and invite the Greffier to open the voting on that Proposition, please.

There was a recorded vote.

Carried – Pour 36, Contre 1, Ne vote pas 0, Did not vote 2, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	Le Tissier, Chris	None	Brouard, Al	Inder, Neil
Blin, Chris			Roffey, Peter	
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
De Lisle, David				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Haskins, Sam				
Helyar, Mark				
Hill, Edward				
Kazantseva-Miller, Sasha				
Le Tocq, Jonathan				
Leadbeater, Marc				
Mahoney, David				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Moakes, Nick				
Murray, Bob				
Oliver, Victoria				
Parkinson, Charles				
Prow, Robert				
Queripel, Lester				
Snowdon, Alexander				
Soulsby, Heidi				
St Pier, Gavin				
Taylor, Andrew				
Trott, Lyndon				
Vermeulen, Simon				

The Bailiff: So, in respect of the single Proposition, there voted in favour, 36 Members, 1 Member voted against; no Member abstained, 3 Members were absent at the vote and, therefore, I will declare that Proposition duly carried.

STATES' ASSEMBLY & CONSTITUTION COMMITTEE

**5. The Postal Voting Amendment Ordinance –
Proposition carried**

Article 5.

The States are asked to decide:-

Whether they are of the opinion to approve the draft Ordinance entitled "The Postal Voting (Amendment) Ordinance, 2025" and to direct that the same shall have effect as an Ordinance of the States.

The Deputy Greffier: Article 5, States' Assembly & Constitution Committee – the Postal Voting (Amendment) Ordinance.

The Bailiff: Deputy Meerveld, I gather you do not want to say anything further.

Deputy Meerveld: No, thank you, sir.

The Bailiff: Nobody appears to be rising to debate this matter and, therefore, I will invite the Greffier to open the voting on this draft ordinance as to whether you are minded to approve it.

There was a recorded vote.

Carried – Pour 38, Contre 0, Ne vote pas 0, Did not vote 1, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	None	None	Brouard, Al	Inder, Neil
Blin, Chris				
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
De Lisle, David				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Haskins, Sam				
Helyar, Mark				
Hill, Edward				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Le Tocq, Jonathan				
Leadbeater, Marc				
Mahoney, David				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Moakes, Nick				
Murray, Bob				
Oliver, Victoria				
Parkinson, Charles				
Prow, Robert				
Queripel, Lester				
Roffey, Peter				
Snowdon, Alexander				

Soulsby, Heidi
St Pier, Gavin
Taylor, Andrew
Trott, Lyndon
Vermeulen, Simon

1620 **The Bailiff:** So, in respect of that draft ordinance there voted in favour, 38 Members; no Member voted against; no Member abstained, 2 Members were absent at the vote and, therefore, I would declare that Proposition also duly carried.

POLICY & RESOURCES COMMITTEE

6. Major Projects Portfolio Review – Debate commenced

Article 6.

The States are asked to decide:-

Whether, after consideration of the Policy Letter entitled "Major Projects Portfolio Review" dated 17 January 2025, they are of the opinion:-

1, To note the update following the Policy & Resources Committee's review of the Major Projects Portfolio including that the successor States will have a maximum of £150m of funding to deliver its Major Projects Portfolio with demand likely to be in excess of £1bn.

2, To note that both the Alderney Airport Runway Rehabilitation and the Our Hospital Modernisation programmes will be subject to separate policy letters ahead of the schemes being finally approved.

3. To note the intention of the Policy & Resources Committee to return to the States with proposals for a Fundamental Services Review following engagement with all Committees of the States.

The Deputy Greffier: Article 6, Policy & Resources Committee – Major Projects Portfolio Review.

1625 **The Bailiff:** And I will invite the President of the Committee, Deputy Trott, to open the debate, please.

Deputy Trott: Thank you, sir.

1630 I will start by reminding the Assembly of the context of the green paper. The Policy & Resources Committee considered it essential to update the States on the implications of the 2025 Budget debate on public finances and the affordability of the Major Projects Portfolio. Now, sir, not only will this debate provide reassurances that there is a plan to deliver the current portfolio, building businesses and community confidence, it will also alert potential candidates of the difficult decisions that the next Assembly will need to make. However, no formal decisions are needed at this time, which is why it is being presented as a green paper.

1635 Now, sir, I would like to talk about our financial position for a moment. The forecast general revenue deficit for 2024 remains at *circa* £20 million, a statement will be provided at the 5th March Meeting confirming final year-end figures, so it may move slightly but not materially. The agreed 2025 Budget is for a general revenue deficit of £1 million. Had the temporary increase in Income Tax been agreed this would have been a £26 million surplus. The structural deficit, as I think we all know, is currently calculated at £57.5 million.

1640 Without surpluses being generated, the States' already low reserves are being depleted to cover deficits and capital investment and, therefore, continue to be reduced. This is against States' direction. At the same time as the cash position has worsened, the investment required by the Major

Projects Portfolio has increased. There is a £62 million shortfall between the amount approved by the States to fund the portfolio and current cost estimates.

Now, sir, as we explained would happen in the Budget debate in the absence of the temporary increase in Income Tax, a review of the Major Projects Portfolio has taken place. It was not possible, nor appropriate to revisit the 2025 Revenue Budget mid-year and after its overwhelming approval in November the only option available to address the shortfall is to look at capital expenditure.

Now it is vital that we invest in assets and infrastructure, that is part of how we deliver growth and capital investment has for too long been the balancing number in trying to make the States' finances add up. The next Assembly will need to implement tax reform in order to be able to continue to do so. Without tax reform, there will be almost no funding at all for the next major portfolio and borrowing would then not be an option either.

The approach to capital investment over recent years and the capacity constraints on the Island have led to a backlog of investment requirements. Now, sir, that backlog, along with the new schemes being identified, will need to be carefully prioritised in future to balance the need to maintain public infrastructure and the need to invest for growth.

The tax reform agreed by the States will be sufficient to fund investment at a level averaging 2% of GDP *per annum*, but that might be needed to keep pace with new requirements, which is in addition to clearing the backlog. Now, we are seeing the impact of a lack of investment around us, it is our responsibility as States' Members to address that for the benefit of our community.

Now, I would like to talk for a moment about the review of the capital portfolio. We believe that having examined the projects within the portfolio, the Policy & Resources Committee concludes that all are essential and should continue. The portfolio was last reviewed in 2023 and the projects, which could be deferred without significant detriment, were already moved to pipeline at that time.

Removing any further projects would just add additional risk and in the longer term, cost. Now additional borrowing is not a meaningful option due to the need to implement tax reform before being able to service additional debt. Also, unfavourable current market conditions make that undesirable.

The only way of addressing the shortfall is to limit the funding available to some or all of the projects and/or allow the portfolio to complete over a longer period, thereby reducing funding available for the next States. By extending the portfolio of funding into 2027 some projects may take longer to complete, but all should have started by then. It will be possible to use surpluses generated in those additional years to fund the commitments. However, this is subject to the tax reform previously approved by this Assembly being implemented in order to generate those surpluses and that is uncertain.

The costs of two schemes within the current portfolio have increased significantly above the portfolio estimates and will be subject to their own States' reports, policy letters. It is anticipated that there will be a policy letter later this year on hospital modernisation which will, reflecting on recent value engineering, divide Phase 2 into two phases, progressing Phase 2A at a cost more in line with the previously agreed amount and progressing Phase 2B when further funding is available.

There will be a policy letter before the end of this term on the Alderney Runway Rehabilitation Project, noting that the best and final offer for the project as scoped following the States decision in December 2022 has come in £13 million above the project's budget. The Committee continues, with colleagues from the STSB, in revisiting options for a smaller scale and more affordable solution that meets safety requirements and provides resilience whilst staying within the original funding allocation.

Now I am going to move, lastly, to the next Assembly because it is absolutely essential that those who are standing for election understand this. While the proposals allow the progression of the current portfolio, there will remain a backlog of work which will take considerable time to clear. There is no magic bullet to funding or capacity to clear it.

The next States will have a maximum of £150 million to deliver the next Major Projects Portfolio, with demand likely to be more like £1 billion. So, it will have £150 million demand, will be a staggering 85% more than that. Now, this is clearly going to need a careful consideration and

prioritisation, taking into account the funding available, the affordability of additional borrowing and additional capacity; capacity being a big issue.

1700 Now, the Committee has noted, sir, the concerns raised regarding the growth in public sector services and expenditure and is proposing it commence a fundamental services review in collaboration with Committees of the States and proposals will return to the next Assembly. The review will differ from the multiple spending reviews undertaken over the past 15 years and instead look at more fundamental questions surrounding what services and benefits Islanders should be entitled to. Whether some services might be better commissioned externally, where Islanders
1705 should be asked to pay for services and which services should be stopped altogether.

Lastly, the conclusion we reach is that the tax reforms agreed by the States should, if implemented in full, ensure sufficient surpluses are generated in the future to fund capital expenditure. But dealing with the backlog of demand will be a significant issue that the next Assembly will need to tackle.

1710 Sir, we will not be raising revenues to replenish our reserves that is a point to retain from this debate. We spend less than similar jurisdictions on public services. That is a fact and it is not sustainable if this beautiful Island is to remain a great place to live and work. I look forward to the debate, sir.

**Procedural –
Welcome to visitors from Masnières**

1715 **The Bailiff:** Well, Members of the States, what I am tempted to do is to open general debate after lunch, rather than ask somebody simply to fill a few minutes at the moment.

But can I just point out that we have some visitors in the public gallery from the town of Masnières, which is in France, and during the First World War, as many of you will be aware, soldiers from Guernsey, forming the Royal Guernsey Light Infantry, went across to Masnières, many of whom
1720 did not come back from the conflict during the First World War.

We have been building a good relationship with our friends in Masnières and it is a great pleasure, in particular, that there are educational exchanges between schools in this Island and schools in Masnières and some of the people who are here today are involved in those educational exchanges.

1725 It gives people from Guernsey and also from Masnières a greater understanding of the relationship between the two places where so many family members of people who are still here, will have lost their lives during the First World War. They are very welcome and I hope you will also welcome them in the accustomed way. *(Applause)*

We will now adjourn until 2.30 p.m.

*The Assembly adjourned at 12.27 p.m.
and resumed its sitting at 2.30 p.m.*

1730

POLICY & RESOURCES COMMITTEE

**6. Major Projects Portfolio Review –
Propositions carried**

The Bailiff: Deputy Fairclough.

Deputy Fairclough: Thank you, sir.

1735 I know there was talk of a *sursis* to this review and, personally, I would have supported that because I really cannot see the merit of this green paper. (**A Member:** Hear, hear.) Although I understand the intended purpose of green papers, generally, I question the value of them, especially this late in a political term, rendering them, for me, largely meaningless. So, sir, I will not add too many words that will be lost in the ether.

1740 Speaking to Propositions 2 and 3, I would ask how many times projects can be re-scoped and reassessed and what is the often-hidden cost of doing so? Something that never shows up in the accounts. In the useful response from the Fiscal Policy Panel I draw Members attention to the second paragraph:

Stopping and starting large scale infrastructure projects is inefficient and costly. Frequent and unpredictable changes to the public investment pipeline – as experienced in recent years – harms delivery and raises costs.

1745 And yet, it seems to me we have made an art form of doing exactly what is described this political term, be it on harbours, Alderney Airport, the Hospital or schools. In the last budget debate it transpired that, not necessarily intentionally, that I voted for every possible mechanism for investing in our infrastructure. I have supported every capital scheme we have put forward. I even got a little bit excited that we might be building a new bridge, albeit at a huge cost, at the Castle Emplacement. Yet it often seems we are no further forward.

1750 I was trying to think of something that has been built this political term and my list, more or less, began with fibre rollout and ended with the steps at the Cow Horn. Have there been any or many others? We have knocked a few things down, but where are the cranes on the skyline that Deputy Trott has referred to previously?

1755 I also question whether all the projects in the portfolio are essential and believe that P&R could, and possibly should, have been more ruthless in their prioritisation. Instead, we are told in paragraph 1.14:

There will need to be a robust prioritisation exercise in the next term to decide the most important schemes in which to invest.

And I completely take the points that Deputy Trott raised in his opening about the availability of capital.

In section 5.20 and I quote:

... some tough decisions will need to be made by the successor Assembly with regard to which projects to prioritise ...:

1760 Is this the sum of this Assembly's ambition? We are also told in 5.2 that next term's Major Projects Portfolio is indicative only and should not be considered a definitive view of projects that will be put forward by successor Committees in the next prioritisation round. That other schemes may emerge over the coming months while some known schemes may not be put forward.

1765 So what, then, is the point of even trying to summarise all this information, let alone prioritise it? We have to find another way, to my mind, and this, to me, has been one of the fundamental flaws of the GWP process. It has been unwieldy, time-consuming and resource intensive and so resource-hungry that by the time it is published it is often already out of date, at the cost of significant officer time. It is like this green paper is only ever a snapshot at a point in time and I feel

we need to be more nimble and fleet of foot and any Machinery of Government review must tackle this head on.

1770 As for the fundamental services review, we are left largely in the dark as to how this will manifest itself, what resources will be needed to implement it or how much it will cost. Although I appreciate that work is going on in that area at the moment, that much became clear following a recent scrutiny management review. All work, though, ultimately for another day or another Assembly.

1775 There are only so many times you can ask Committees which services we could do without, when it seems, to me, we have not even implemented the scores of suggestions submitted by Members of the public. We are told in paragraph 2.23, the earliest any budget restrictions might be realised is 2026, but more likely 2027.

1780 Call me a doom-monger, and many do, what I think is that even more likely is that there will not be any service reductions at all and the whole exercise will just consume resources which, instead, should be used, for example, to implement GST, something which the Senior Committee told us at that recent scrutiny hearing is already delayed by six months.

1785 All in all, the line, since no decisions are required at this stage, this policy letter is being presented as a green paper, is hugely underwhelming and uninspiring and, if I am honest, and that is all I ever try to be, I was hoping for more leadership and direction from P&R, no matter how late in this political term we are.

1790 It is a case of we might as well leave it all to be dealt with in the next political term and I ask Members how much attention the next Assembly will pay to the Propositions we will pass, probably, here today or the speeches that we deliver, including mine. We must all take collective responsibility as an Assembly for the failure to invest in our infrastructure and economy this term, and, if nothing else, make improvements to our governance mechanisms to ensure no more opportunities are missed or wasted to invest in the very fabric of our Bailiwick.

Thank you, sir.

The Bailiff: Alderney Representative Hill.

1795

Alderney Representative Hill: Thank you, President.

1800 Obviously, the issue in this policy paper, one of them, is the Alderney Runway; thank you all for considering it. I would like to quote Deputy Trott who twice said vital, vital. You could not get more vital in terms of Alderney than its runway. Without the runway, Alderney will be unable really to carry on its existence.

1805 It is essential and I appreciate that you are bringing this up in this policy paper but, however, I think this is an example, as Deputy Fairclough has just mentioned, that delays have cost serious money. 2012, I think it was £12 million, and now if you read the document here, it has drifted up to £38 million. If that is not an example of delays cost money, I do not know what is.

1810 However, I just want to allay some of the fears about the paperwork that you have just seen because, as it happens, there is still a great lack of detail and a very unclear range of what, actually, the product is really going to be, because is it going to be a runway 18 metres by 877 metres, is it going to be 1000 metres long, is it going to be 30 metres wide?

1810 It is still very wide open and there is no clear project definition and, I think, it is time that we actually started to define exactly what sort of runway it is going to be and there needs to be an appreciation of realism, particularly in the regulatory department, of what really is achievable on an Island three miles by two miles with 2,000 people. (**A Member:** Hear, hear.)

1815 So, we need to work out what is vital and what needs to be done now and, maybe, put aside some of the other expenses, such as the fire thing and the control tower and the terminal but, actually, just make sure the runway is safe and in full working order. Also, until we have an idea of what runway we are going to have it is impossible, really, for Aurigny to make any future plans reference Alderney.

What planes should they use? It is impossible for them to know. We cannot give them an answer because we do not know exactly what type of runway we are going to have. So whilst you look here

and it says £38 million, I actually believe that could be a bit of a red herring figure and, actually, it could end up being, hopefully, a lot less.

Much has been made also about what is Alderney's potential contribution. Yes, there has been a figure out there of £3.5 million, however, in the discussions that we have had a lot of the tenders seem to have a huge fear of the risking costs, for instance accommodation, transportation of materials, the road repairs, the water and infrastructure and, actually, those are things also that Alderney could provide and is prepared to.

So, when we were talking with the powers that be we were asking them, well, if you are able to de-risk the project on the mobilisation side, what would the quote be? So, the most important thing is that we seem to be going round and round in circles, if you pardon the airline pun, and we really need to have a clear agreement of what are the financial parameters. I know it says £24 million there and I think if we could try to work together to make that the goal, but we have got to cut the cloth according to the money that is available.

Yes, you have a big financial squeeze and we are more than aware of your financial situation but we also, from our side, have to be more than aware that our Island's existence is in serious jeopardy. So, it would be much more useful if we could actually decide on what the product is going to be, what are the financial parameters and the timescale and then we can all actually work to that.

But at the moment, and I think all of us here including those who are involved, we do not have that and, I think, that would help allay some of the fears when people see headline figures as £38 million, next time it will be in the *Press* at £43 million, it is just causing more and more uncertainty and unnecessary because, I think, if we could have the certainty, what is the product, what is the timescale and what are the financial parameters?

And, of course, in that document it mentions a review of services and, probably, by that you mean transferred services. Yes, we do want to cut costs more than you probably do. We will do everything we can to look at those costs and see how we can help and we would be open to an impartial commission to have a look at the relationship. But it cannot be linked to the runway because that the former will take a lot longer in any discussion and the runway is in a very serious, urgent issue.

Thank you.

The Bailiff: Deputy Dyke.

Deputy Dyke: Thank you, sir.

I will not say too much as, at the end of the day, we are just going to note the thing and everyone is going to ignore everything. But I think, looking at the paper, it is clear that we are looking, at the moment, at more projects than we can possibly afford. Getting up to £1 billion is pretty much out of the question.

We are going to have to be a lot more granular in what we do and, I think, we have failed in this States to deal with some of the projects. We have made a good decision, we have made a decision that The Guernsey Institute will go ahead, that is clearly done and, hopefully, we will have good news about when that is going to start fairly shortly.

So, that will happen. Part of the Guernsey Institute will be training nurses that will free up a lot of space currently used at the Hospital site for training nurses and I think the figure is something like 1,400 square metres, or something like that; quite a sizeable spot. So, when we have got The Guernsey Institute up, we will have some space at the Hospital which will allow us, possibly, to take that into account and rethink exactly how the new phases of the Hospital will go.

We are going to have to delay the new phases of the Hospital. A, because we can only build so much at once; B, because we can only spend so much at once; and C, because we cannot take on a project that requires 100 or 200 more nurses, 180 I think the figure is, until we have got nursing accommodation, which we have not done. So, everything is going to have to be sequenced so that we avoid a huge crush of work and a huge crunch in cost and then we have to look at some of the projects individually.

The Hospital Project Phase 2 is, probably, mostly, very necessary. It may be that we could rethink it given the new space that would be freed up, but something like the nursing accommodation is not solely expenditure, you get something for it, you get nursing accommodation which has value and, in this case, double or triple value because it allows us to hang on to nurses and have fewer agency nurses.

So, for that, you can easily justify borrowing because the return from the project will more than cover the costs of it, or at least roughly cover the costs of it. Obviously, I have not got the figures in my head because they have not been done, but those projects do not count as a giveaway, as an expense.

They are probably saving us money, so we must do them and then if you come on to housing, we have we have got a shortage of housing. We have got a ton of different sites now where the IDP is being changed to bring forward more sites. We have got all the area around Castel Hospital and the George VII Hospital, all of which we can start developing and, again, a lot of this, if it is producing housing, it will produce an income.

So, we can actually justify borrowing against it without being irrational or sloppy with our finances. So, that sort of thing we and, in this case, can start building houses. We have got the issue in housing that we have got too many three-bedroom houses but we need more. We need more two- and one-bedroom units –

I will give way.

Deputy de Sausmarez: I thank you for giving way.

it is just a minor point, but he is talking as though the IDP has already been changed. One of our frustrations is that it has not yet been changed.

Deputy Dyke: Yes, it is one of my huge frustrations as well, but it is in the process of being changed and, hopefully, we will come forward with the changes we are envisaging. So, my point there was that some of these projects can be self-funding and not come out of current expenditure.

I was talking about another housing issue, the surplus of three beds versus smaller units in social housing, well if that is the case, and from the figures I have seen that is the case, then there is an easy thing to do there. We could start selling off some of the three beds and use the money to build the one and two beds and maybe we need a bridging loan to cover the gap because, obviously, we cannot throw people out of their oversized houses until the other ones are built.

But a lot of this can be self-funding; the best projects can be self-funding. If we organise it right and if we organise the sequencing right, we do not have to send ourselves massively into debt. Then we can go through looking at some of the other projects, new vehicles will push those back a bit, new buses, electric buses, no push that back a bit.

Then we have got the amount of money that the electricity company is spending on net zero and we can look at that again in terms of timing. The whole world is looking at this again and I think we should, to avoid unnecessary –

I will give way because this is a debate.

Deputy de Sausmarez: Thank you, Deputy Dyke for giving way.

I would just like to remind him that the Electricity Strategy is a far more cost-effective option than extending the *status quo*. So, that is an exercise in saving money.

Deputy Dyke: Well, that is probably a whole new debate in itself, isn't it? But part of it envisages a lot more in terms of electric vehicles, air source heat pumps and electrifying the whole Island, which is quite expensive in terms of cabling. Do we need to do it as fast as we are doing it? That is a debate in itself. My point is, a lot of this can be self-funding, some of it can be delayed and what concerns me is we have a doomsday attitude towards this that is not actually necessary.

I think if we get a grip, plan things very carefully, then we can sequence and borrow to a limited extent where the costs are covered and not have to panic ourselves, I can see where this is leading,

panic ourselves into GST in circumstances where it is not absolutely necessary if we can get a grip on this capital expenditure. So that is my general point on it.

Thank you.

The Bailiff: Deputy Gollop.

Deputy Gollop: Thank you.

It was pleasing to hear a nice speech from Mr Hill from Alderney and I certainly think we need, in the future, a greater partnership with Alderney. There was a telling letter in the paper today, it is not true that Guernsey has it in for Alderney because, of course, as the Members in Alderney know they receive a lot of support from us, financially and in other ways.

Speaking entirely personally there is part of me, if it was possible, bearing in mind Alderney is still a separate parliament and a separate community, if they could not take on the entire airport runway project and do the procurement and we would then contribute to it because, maybe, they could get a better deal than the States of Guernsey. Who knows?

But that is a conversation for another day and some of the issues Deputy Dyke has raised, again like the buses, we have been waiting for those new buses, as Deputy de Sausmarez knows, for a long time but instead we have been using mini buses which are not fit for purpose on certain routes at certain times. (*Interjection*)

But yes, you can possibly lease them and who knows what will happen, but the new contract is starting. But I raised the point because Deputy Dyke indicates that we have a clean sheet of paper and, I suppose, the new Assembly will, in a way, but we have already made the decisions to go for all of this. This is our collective goal.

In a way, apologies for earlier today, I think I have a hard time, not only was I the first Member to fall foul of the Bailiff suppressing me because I would gone on for 15 minutes and I had run out of time, which is the Rule, so there you go, but I also had Deputy Roffey dressing me down a bit for being irresponsible, in that I was just talking about kicking the can down the road.

It is more than that though. I think when we make decisions here, I will not say it is better to do nothing, although one is sometimes tempted, but it sometimes is more advantageous to do nothing than make the wrong decisions. Interestingly, this morning we crossed a line in two ways, not only did we restrict access to a current generous benefit because of the amendment that was passed, but we also stressed a new model of user paying more than the collective State.

Now those are very pertinent to what we all agree, P&R and everyone, for the fundamental services review, not the fundamental savings review, but the same thing. It will open up, and I know some Members will say we should have done this before, but a lot of the responses we had at the last iteration of this were to put up charges, to raise taxes and things, or to implement efficiencies that were either small scale, States' Members pay comes to mind, but we are coming on to that later, or things that actually are not practical for various regulatory reasons.

A fundamental service review, I believe, there is scope for reimagining, there is scope for commissioning and even more positive work with the third sector, that Deputy Soulsby and her team are certainly working on, but I do not believe it will be the panacea everybody wishes and hopes for.

Deputy Dyke's view that we can avoid GST by being a bit more careful might be great if we have got millions and millions coming round the corner. Even Pillar 1, Pillar 2 is not certain at the moment, but let us actually look, for example, at the summary. The agreed budget is a deficit of £1 million, instead of a £26 million surplus. Our reserves are already exceptionally low and they are based upon the stock market and all capital expenditure must be funded through use of the Guernsey Health Reserve and borrowing and the existing bond or new borrowing.

Going back to where we were this morning I did not, perhaps, make myself very clear, but I was surprised to hear Members talking about the Long-Term Care Fund running out, not anytime soon, maybe 40 or 50 years in the future and worries that the young generation, some of whom we saw this morning, will not be able to benefit from that.

But that is all a curious way of looking at life because it is funded through a discreet and distinct contributory fund, we can say, oh, the money will run out. But in one sense, it does not matter if the money runs out, because in other areas, like going to hospital, which is our biggest single use of money on the health and social care, it is paid for by the taxpayer of the day.

1980 We do not say, how can we afford health services in 40 years' time? Because it is not funded like that, it is funded in a different way, through Income Tax, and that has actually got to be one of the ways we look at what pots of money we are spending it on because one thing this report says, which is controversial, I have already alluded to it, is that we will use, have got the figure right, £90 million to support the Hospital. Well, that is £90 million from what was a contributory fund.

1985 So, again, we are crossing the line between a contributory fund to spend and I think the report makes clear, and Deputy Trott always makes clear, that this is not a great time for borrowing. It is certainly an opportunity missed from maybe a few years ago, (**A Member:** Hear, hear.) because we have reached a point where it will cost us money. It is an argument about the delay and yet these perspectives are there.

1990 Members who say we can overcome this by cutting back a bit on capital and not having extra taxes, the figures are really stark. The consequence is the next Assembly, I am not sure I envy them, will have a maximum of £150 million of funding, 0.9% of GDP, for major projects that will likely demand over £1 billion.

1995 Now, that does include energy, it includes the pool harbour, it includes all sorts of things. It may even be an underestimate because, of course, when we had the abortive policy letter on the Longue Hougue Harbour, if I remember, it was about £348 million then. You go through the report and it is absolutely full of many projects, from technology to large projects, affordable housing, we are talking about £150 million there. East coast strategic flood defence, pathology, digital healthcare, electricity strategy, regeneration.

2000 Then with the medium projects you have got, obviously, OHM, you have got the TEP, primary education review, maybe future harbour requirements as mentioned in the media, electric vehicle charging, multi-storey car park, the Dairy, well we will come to that. There is a lot and I do not see easily, even with a larger tax flow, where that money is coming from.

2005 Deputy Ferbrache's evaluation that we were, actually, in need of an earlier decision in this term has proved to be correct. The report from the Fiscal Policy Panel makes clear that they urge the States to take prompt action to increase funding to public investment and put the funding on a surer footing because they emphasise the point of £62 million, but also that we need, maybe, a capital expenditure target of 3% of GDP, rather than the current 2% target.

2010 Plus we have to build that capacity and that capacity probably needs a competitive market, as the Chief Minister has stressed, in building because one of the reasons, I believe, we have had cost inflation is that the former economic model of building has not been followed. We do not have the capacity, not always the competitive prices in our sector, and so we definitely need a strategy for construction as well.

2015 So, there is no point, well a strategy to enlarge the construction so it can actually deliver in a timely manner –

I will give way to Deputy Vermeulen.

Deputy Vermeulen: I am grateful for Deputy Gollop giving way.

2020 But I have to say, on behalf of the construction industry, which I am the lead for, they can gear up just like that. What has been lacking has been a pipeline of work from the States and here we have a fantastic list which could have been done but is now a work in progress for the next Assembly. So, I do not think the construction industry can be blamed for our lack of willingness to address these problems.

2025 **Deputy Gollop:** Apologies if I am blaming the industry, I am not, although, of course, there was at least one significant firm that restructured two years ago. But the feeling was that in the beginning of this term, which was the COVID era when our population expanded as well, that the construction

sector was constrained at the time because of limitations of size and if Deputy Vermeulen is right and the industry is ready to go at any moment on current rather than uprated prices then, surely, it is incumbent on us to vote for an income stream that will allow these projects to proceed as quickly as possible.

It is welcome news if, indeed, the construction industry is able to work in partnership with us but, of course, we are aware that for one reason or another, there are other stakeholders here might be developers, landowners, planning systems, whatever, we have not seen the construction even of large housing sites, both private and social affordable, that we would like to see.

So, all of that has led to a certain price inflation and I think we would get better value for money if we were able to get on with these jobs as quickly as possible, maybe the Members who say our system of Government is not ideal for that, but nevertheless, I would say the reason to support this green paper now is it provides a springboard for the future, for the next States to have the energy and urgency that some Members today wish we had.

The Bailiff: Deputy de Lisle.

Deputy de Lisle: Thank you, sir.

There is little doubt that the States are spending well above their means and it is a matter of cutting revenue spending as well as capital project development. It worries me to see that already on many capital projects pre-feasibility studies have been already taken with spending already and that seems, to me, to be a concern with a number of the projects.

One thing I do agree with here with the Committee is their conclusion that a review should be undertaken examining the scope and extent of services now delivered by the States, including whether they are all necessary and whether they could be carried out in, perhaps, a different way. But I certainly agree with the Committee that a fundamental services review would help define which core services must be delivered by Government resulting in some sort of universal entitlement, which services might better be commissioned, perhaps by others, and which services should become user pays and which should be stopped altogether, and I like that last one.

In considering these options, I think, the Committee is absolutely right to begin this process as quickly as possible. There is no reason why this should not be started this term and some Resolutions should be taken in terms of the escalating cost too of many of these projects. That Phase 2, for example, in the Hospital, that is horrendous the way it has gone from £45 million up through to £130 million and then up through to £150 million and then, now, it is sounding like £179 million.

It goes on and on. There has to be some constraint in the capital project developments and I call for, as quickly as possible, a fundamental services review of the capital programme and it would not hurt either to take a good look at revenue spending as well.

Thank you.

The Bailiff: Deputy Taylor.

Deputy Taylor: Thank you, sir.

If no one else is going to stand up, it will not surprise anyone the topic of conversation I am going to pick; bridge regeneration, anyone? There are the sighs again. *(Laughter)* I have just got to ask because, just to repeat, Deputy Ferbrache told us that people would be moving in here, to these units completed down at the Bridge, in May of 2025, a deadline we have established was incorrect.

But it is still sitting in here and there is £33 million that is ring-fenced there and I am just wondering if we cannot lay amendments to this, but we can make suggestions, if P&R were to come back with a different proposal and I just wonder, there is a lot of completed units already on the market, new units have been completed that are not tenanted because the developers have not been able to sell them. An example would be the church at the top of the top of the Grange, is it Ebenezer Church? There are quite a few empty units in there. I think the developer is quite keen to

2080 shift some of those and perhaps we could have bought some of those and then they would become active residential units.

But maybe we cannot lay amendments, so I cannot make that suggestion, but if that is something P&R could bear in mind, if they actually want to get people into units in a different way because, I think, we are all aware that Leale's Yard is not going anywhere. It just represents a fairly large sum of money; it is larger than the Alderney Runway at £24 million; basic maths. So, perhaps we could lend some of that money over to Alderney and it would actually be doing something.

2085 So, that is the main bit I want to raise. There was another point in the temporary construction village, it is down as costing, or temporary village construction workers, a £5 million cost and further down the table we see about a £5 million saving. But the same has not been applied for the temporary housing village for just key workers and I wonder if there would be any saving forecast for that or is the inference that it would be £5 million gone and there would not be any saving further on from that? There must be some benefit to doing that financially. So that is the few bits that I would like to raise there and hopefully Deputy Trott can pick up on those.

Thank you.

2095

The Bailiff: Deputy Parkinson.

Deputy Parkinson: Thank you, sir.

2100 This seems to be a very low energy debate and there have been some fairly damning comments already about this being a waste of time and coming too late in the political term and so on and so forth. So, it is hard to find anything really to get terribly excited about. Clearly, the fundamental problem here is a lack of resources, lack of public resources, and this is a debate we have had on many occasions during the life of this States and we have not really resolved the issue.

2105 I know a decision was taken back in November to introduce a GST, I fear that will probably not survive the upcoming General Election. Members will be well aware that I believe that the first step on the road to restoring financial stability to Guernsey is corporate tax reform and I think that message has now got quite a bit of traction out there.

2110 Incidentally if any potential candidates at the election are listening in to this debate and support that view, I would urge them to get in touch with me. We would like to understand how much support there is likely to be in the next Assembly for that. But we could spend hours debating all the projects that we probably will not be able to afford to do, there are lots of issues around all of them.

2115 Alderney Runway, for example, I thank the Alderney Representatives for their contributions on that and I am sure the States of Alderney could play a bigger part. But it is actually, like many of these other projects, quite an intractable problem. A large part of the cost of any major capital project in these Islands is the cost of mobilisation and, actually, just getting firms to come here and establish, set up the concrete batching machines and all the other stuff they need to do it.

2120 Once those machines are there and running, it almost does not matter how long the runway is because, actually, the cost of running the machine for another week or so is relatively trivial compared with the costs of mobilisation, but these are discussions that will rumble on and debates really for another day. I do not have the temerity to advise Members which way to vote on the Propositions here because they are substantially meaningless and so, vote any way you like. But let us hope that the next States get on with tackling the real problems.

2125 **The Bailiff:** Deputy Ferbrache.

2130 **Deputy Ferbrache:** Sir, it is Deputy Parkinson that has brought me to my feet because Deputy Trott made it clear in his succinct opening remarks that any financing next time around has taken into account what the States have already approved. By that I think, and Deputy Trott can correct me if he replies to the debate, that it includes the £30 million from Pillar 2 and it includes whatever receipts might come in from GST.

What Deputy Trott has said is something I said ages ago and he voted against it then, but it is nice to see that he has changed his mind in relation to where we are about GST. Now, Deputy Parkinson may well be right that GST does not survive the election in June, if so that takes out millions from the States' finances and I would like to know, please, where that is going to come from.

I am not critical of P&R because of where we are, but the report that we have got, and I do not mean this as a criticism, is pretty uninspiring. It is pretty depressing, really, because as one of the oldest Members of this room, I was born just six years after the Occupation, and Guernsey was a pretty cool place in those days, forget me but I am just talking about, it was a place where you could look forward with optimism, where you think you could better your life and we have.

Deputy Inder is not here today, I hope he is well, is saying in relation to that the next generations may not be as well off as the previous generations. He may well be right, but I hope he is wrong because we should always be reaching for the stars. We should also be doing something.

Deputy Trott has outlined the figures next term on the basis that we get the receipts that he has anticipated and he can only make a reasonable estimate and he has done that. We are going to be £850 million short of things that we really need and they are not a wish list; they are things that we really need to develop our economy.

Because the panel that reported recently that I and my colleagues in P&R reinvigorated or re-established said something that is not new economics. They said, you have got to invest in your infrastructure and we have not invested in our infrastructure and our infrastructure is creaking compared with other places. Even that £1 billion, that £1,000 million, in my view, is not aspirational enough. We have got to be looking for growth.

I am not in the corporate trust sector to the same extent as Deputy Helyar and Deputy Trott currently are, but I am on the board of certain matters and I was at a board meeting this week. We had 350 pages of material, 330 pages of that were compliance, data protection and review of all the procedures that we have got to proceed. Twenty pages were to do with the business; 20 pages out of 350. That is what we have got ourselves into.

The growth industry of the finance sector is compliance officers. Our finance sector, and I commend the efforts of Guernsey Finance, I commend the efforts of our industry; it is declining. It is in a decline, now that does not mean it needs to be in a terminal decline because industries can wax and wane, but ours is on the wane at the moment.

If our finance industry gets to a tipping point, well, we could talk all we like, we will be going round in handcars. We will have 47 children in every classroom and people will be leaving school at 14 to try and earn a living. That is, perhaps, a slight bit of a hyperbole, but I think people understand what I mean. That our golden days will be behind us and I want our golden days to be in front of us.

Now Deputy Parkinson has spoken much over several years, at more than one Assembly, about corporate reform. Now, my fault, I said just before he was going on holiday, I would like to catch up with him for a chat, he then went on holiday and we have not caught up since. But I would like to sit down with him and have a chat about such matters, because it may be that I cannot agree with him in the whole and I have not only heard it from Deputy Parkinson, I have heard it from others.

There are people in this Island who are acting perfectly legitimately and lawfully but they are wealthy people and they are paying little or no tax. (**A Member:** Hear, hear.) Now, they have got the benefit of living in this society and I do not think it is good enough that they spend money in restaurants or build houses or buy themselves Rolls-Royces. All of that is wonderful. They have got to contribute more to our society.

I have not got the wherewithal, the experience to be able to say, corporately they should do this, that or the other but there are people that, perhaps in this Assembly, but certainly in our Island who should be addressing that. I do not want to frighten off the rich. I do not want to make sure that we impoverish this Island. But those people should be contributing more and I think there are pretty easy ways, I have looked at the tax statute, I have looked at the Jersey tax statute, I do not actually think it is that difficult to change it, particularly, and I do not pretend to be a tax lawyer.

2185 But we have got to look forward. We have got to be realistic. Deputy Helyar's mantra, which is a truthful one, is that we cannot afford any of this, is absolutely right, but we have got to get on and do things. So, I would like to hear, I do not necessarily mean today, but I would like to hear how with President Trump of the United States who makes some, I think I would say, dramatic statements which, frankly, have caused, and as I said I was born shortly after the Occupation, for the first time in my life I am shivering my spine is shivering because of what might happen in Europe as a result of certain pronouncements made by the most powerful politician in the world.

2190 They cause me real concern. I do not think we will have attacks here like we had with the Germans, but Europe could be, Estonia, the Baltic states could be at risk. Poland could be at risk. They could be at risk. If they are at risk, there is no point saying that Guernsey would be free from that in a sense it would be an economic disaster for the world, an economic disaster for these Islands.

2195 So, we have got those extraterritorial things that we can do nothing about but we are just going to keep our eyes on. But we have really got to be saying to the world, to our community, that times might be difficult but we can get there if we try. But also, we have got to have a look at the review and Deputy Trott mentioned the review today.

2200 Now, with no disrespect, and I do not mean any disrespect to anybody, that review has got to be conducted by business people. People who actually run a business, not by civil servants, that is not a criticism of civil servants, because if you are in the Civil Service, you are not a business person. That is not meant as a criticism. You are doing a valuable job. I have worked with the civil servants that Deputy Trott has work with and they are good people doing good jobs.

2205 So, I am not in criticism of them, but they have not got the wider commercial experience and we need business like principles adapted into the way that we operate. So, sir, I am looking at the 15 minutes, I think I am still just on the right side of it, but I think I have made my points.

2210 **The Bailiff:** Deputy Helyar.

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

2215 Thank you to P&R for bringing this. I was one of the people suggesting a *sursis* because I did not think there was much appetite for it and neither did Deputy St Pier, but we have allowed those people who want to speak, obviously, to have their day in court. There is one thing, I was not going to speak but Deputy Parkinson brought me to my feet.

2220 I do not think that we are going to have a GST election. The people that I am speaking to, and that are speaking to me, are saying they are not going to vote for people who say no GST. Quite the opposite, I think the bulk of people in the Island understand that we are in a really precarious position and that this forthcoming election is possibly an inflection point in the Island's future and anybody who stands up and says we cannot have GST and we can do something else, either does not understand the problem or thinks that it is okay to blow up our economy at the same time.

2225 So, I really just do not think that there is any traction for anything else. There is one opportunity though and I think, probably, if Deputy Parkinson were to intervene, he would probably agree with me, which is that we should look at Zero-15 and I think we should look at it urgently because the GST-Plus package that we have nominally accepted to do and which really has to be implemented by the next States. We will be in peril (**A Member:** Hear, hear.) next time if we do not implement it.

2230 We have an opportunity there because we will be reducing the tax rate and the Social Security burden on a substantial part of our working population. We will, actually, be more competitive than Jersey for a major part for our working population and Jersey, I suspect as some of its politicians have already said, will need to respond to that by reflecting it in their own tax and structure –

I shall give way to Deputy Parkinson.

Deputy Parkinson: I thank Deputy Helyar for giving way.

2235 My understanding of his proposal for Zero-15 is that this would only go ahead if Jersey and the Isle of Man went on the same basis at the same time with Guernsey. My understanding is, from

conversations with other senior colleagues, that Jersey and the Isle of Man have no interest in doing so, and I see Deputy Trott nodding.

2240 **Deputy Helyar:** Yes, that was the position when I was the Treasury Minister, it is not what I am proposing now which is that we do it anyway. I do not think it will make a vast amount of difference and we will have arbitrage, unfortunately, in our main sector because there will be, say, fiduciary companies, for example, that are owned by large international conglomerates that will fall within Pillar 2 and there will be businesses next door to them that do not fall within that definition because of the way in which their turnover is calculated, will be paying 5% less in tax and that is not fair on those businesses.

2245 There is an unlevel playing field now that we have created as a result of Pillar 2 and there is an opportunity for us to move into that and that tax can be collected almost immediately by pressing the button on the rate. It is all in place and ready to go. It is the same argument as you would use for Income Tax.

2250 So, because this is a discussion about what I would like to see in the mix going forwards I would like to see the numbers in that and I would like that possibility to form part of the discussion that we have during the election period because there are other opportunities. They also include things like, unfortunately, paid parking and tax on motor vehicles and so on. We should have done those three years ago when we said it, but we just made it too complicated again. Really, we just need the cash in the door. We need to stop worrying about behavioural change and all of the other things that go with it and just get on with it.

2255 Thank you very much, sir.

Deputy Le Tissier: Sir, can I ask for Rule 26(1), please?

2260

The Bailiff: Yes.

Can I invite those Members who wish to speak in debate on this matter to stand in their places? Deputy Le Tissier, is it still your wish that I put a motion to the Assembly?

2265 **Deputy Le Tissier:** Yes, sir.

The Bailiff: Well, the motion is that there be no further debate other than hearing from Deputy Trott in reply. Those in favour; those against?

Members voted Contre.

The Bailiff: I will declare that lost.

2270 Deputy Kazantseva-Miller.

Deputy Kazantseva-Miller: Thank you, sir.

2275 In 2021 when we first debated the first Government Work Plan and the Funding & Investment Plan, I actually brought an amendment, together with Deputy St Pier, which said that we could not have the debate on expenditure for the rest of the political term without having the debate on tax which, at that point, was due to come in September of 2021.

2280 My argument was that, well we cannot be committing to a large amount of expenditure because if our revenue was not sorted, then we would leave the following Assembly with nothing to spend and we are exactly in that situation five years, four-and-a-half years on. So, I think if you had to take anything away from this debate it is that you should listen to Deputy Kazantseva-Miller a bit more next time! *(Laughter)* **(A Member:** Hear, hear.)

But to just give you a bit more context to this debate, why we are having this debate, obviously it came out from the Budget debate and we were, at the very last minute by the Chief Minister, were given the impression that we absolutely had to vote in the expenditure because otherwise the

2285 economy, the public services could not continue and that is simply not, I think, true because budgets are not voted through in other parliaments.

So, it would have been unprecedented territory, but it would have been something we would have had to deal with and also in the way the compromise amendments, that was a compromise amendment in the end, were structured is that it was not a whole amendment which included
2290 revenue and expenditure together and this is one of the problems we have got in that we can selectively vote for the things we like on expenditure and selectively not vote for the things we do not like on revenue measures and this is what we have had, consistently, this political term.

We have consistently voted for expenditure, which we cannot afford, and we have consistently voted for not raising revenue measures or not progressing revenue measures on the other side. I
2295 think this leads me to one of the fundamental problems we have got is that we make the decisions in separate forums, while we should really be making them in the Budget.

That is how it works in the UK. In your budget, in the autumn, you discuss everything. This is your revenue, this is your expenditure, this is your capital, etc. Right now, the way we treat capital expenditure, I think, is absolutely untenable because capital expenditure was not even in the Budget;
2300 it was not. It did not feature in any shape or form in our budget. This is the reason why we are having the debate today, because it had to be brought separately. This is absolutely untenable, I think, going forward it has to be front and centre of future budget proposals.

The way we treat capital expenditure is that it has all been taken away from the responsibility of, effectively, the cost centres to the centre. It does not appear on their balance sheets, effectively,
2305 and it is dealt through the Funding & Investment Plan, as I said. So, something really fundamentally has to change.

So, having been, I would almost say, forced into accepting expenditure in the budget I think there was a real expectation that the Policy & Resources Committee would come back with slightly, at least somewhat, amended expenditure or revenue generating proposals. There was a real
2310 enthusiasm from Members to say, listen, okay, this really was not acceptable, that we had an inflation busting expenditure agreed but we did not have the measures approved.

So, there was a huge amount of expectation that something would be done and one would expect that our senior leadership Committee would actually listen and do something. But what we have got instead is, I feel, a complete waving of the white flag to any control of public sector
2315 expenditure and a complete hospital pass to the next Assembly when actually making the decisions. I think this is completely, really, we have been really let down, I must say. So, I think what is the point of this debate? Really, very little point.

So, instead, having waved the white flag and given us the hospital pass and also if you read through the policy letter, the green paper, I think there is also a bit of a waving of the flag on the
2320 savings work. The savings work that was undertaken this political term and the plan and the scope of work for, potentially, looking at £10 million to £16 million worth of savings was undertaken, right, and that seems to have completely disappeared from the radar.

So, instead of really focusing and saying, well, how are we going to deliver that piece of work that was undertaken about this Assembly, how are we going to put the wind in the sails behind that
2325 work, instead what we get is a proposal for another shiny solution, now called the fundamental review, which is perceived as it will solve all of our problems.

But why are we not delivering what we have agreed to deliver? Why do we not just continue and do what we have delivered, what we have agreed to deliver? One of the biggest areas that will have to be considered are out of any fundamental review, or whatever you call it, is health. Well, we know
2330 that is already underway or it should be underway.

The work stream around sustainable health, we are supposed to have allocated additional resources for that. That is where that work is going to come from. So, I feel very suspicious about these calls for a fundamental review. I feel it is a diversion tactic away from, actually, delivering on
2335 what is on track and really making sure that that actually happens and not waving the flag on that.

So, I think, just going back to capital expenditure, I also feel the way we look at different capital projects is misguided because I think we should have a very clear split between what are capital

projects that will be income generating and, effectively, self-funding compared to projects that have to be funded through the taxpayer, and those projects often relate to education, health, etc.

2340 So, for example, just to give you some examples from the portfolio listed, as well as potential future projects. The construction village well, in my view, you are going to get rent from, surely you are not going to be giving those units for free. You will be generating rent. It should be a self-funded project.

2345 Instead, it is listed as a £5 million project. There is a line which says, oh, savings might be delivered thanks to this project down the line, but that is not the point. It should absolutely be a completely self-funded project and possibly even generating revenue on itself. So, why are we listing it in the same list as Health and Education?

2350 Also, funnily enough, somehow, we now have two village projects, one for construction workers and one for temporary accommodation. That was not my impression of the amendment that Deputy Taylor led. My understanding was that one village could be used for construction or other workers that we would not have, suddenly, two villages. So, I do not know why we have got two projects listed because that was certainly not my interpretation of the amendment that Deputy Taylor brought.

2355 Then just to give you a few more examples of how we look at and how we list capital projects. So, if you look on page 18 at some of the future potential pipeline projects, in the larger portfolio you have got regeneration infrastructure developments. So, potentially, very much linked to the GTA.

2360 Again, the expectation is that these projects will be income-generating and self-funding down the line. So, I think we have to be looking at them in a separate bucket, not as funded through taxpayer funding. There is a large amount of projects listed from the Committee *for the* Environment & Infrastructure, electric vehicle charging infrastructure and public car parks, a major active travel mobility hub, multi-storey car parking.

2365 Again, I think all of these projects, my expectation is, that they should be self-funding and income generating. Why are we listing them in the same portfolio as Health and Education? So, I think, to me, they are self-funding, that is a matter for looking for commercial funding options. That is very different than looking at taxpayer-funded options, which links into how much revenue we generate, through which taxes and so on. If we have got self-funding income generating projects we should, potentially, be looking and we should be developing them through different channels, through a different model, because they should not face the same constraints that taxpayer-funded projects currently face.

2370 So, I guess this is my frustrated contribution to the debate, whether it means anything or not, but I think we have to have a completely fundamental review, whoever is there next political term, of how we look at capital projects, how they are managed at the centre, whoever is dealing with the capital portfolio, how we look at income and self-funding generated projects, but also, probably most importantly, that we have got to make all of these decisions in one place through the Budget and that is the Machinery of Government changes we have got to move to where we are considering expenditure and income in one and, unless you agree to both, you cannot have it all. I really hope those are the kind of things the next political body will take forward.

2380 **The Bailiff:** Deputy Gabriel.

Deputy Gabriel: Thank you, sir.

2385 First off, I would like to caveat to Members that I am certainly no accountant and was not a great maths scholar at my high school in Guernsey; they are now called high schools, of course. But I would like to ask P&R and, specifically, Deputy Trott a question around the table of reserves and borrowing on page seven and it is described in 2.1.

I will rewind a little bit because I remember he used to sit very close to me down here and very early on in the term we were talking about investment returns and the former P&R were heralding that there was a £5 million investment return available and that it was to be counted and included

and, I think, Deputy Trott quite wisely asked Deputy Ferbrache how that was to be realised or was it reinvested?

I recall, perhaps incorrectly, because, again, I am no accountant and certainly the bean counting I like to do are the ones covered in tomato ketchup. But I recall that the returns were reinvested and then subsequently lost when the market position changed and they were not able to be achieved. So, it says in the right-hand column of that table that there is £50 million available to be used from the 2024 estimated investment returns.

So, I would just like to clarify, will those returns be actually realised or are they returns on paper? Will that actually be hard cash, or is it going to be reinvested back into the fund again to be, potentially, lost or to the vagaries of any markets which our investments follow? So, other than that, I am not going to repeat what other Members have said, but I do really feel that we are in a difficult position and that, yes, we want all the pennies and, yes, we want all the buns.

But again, that is not achievable we are going to have to do something very difficult next term. If, for those Members that are here and those Members that want to sign up to do that, we are going to have some difficult decisions, prioritisations or different amounts of borrowing and how we are going to pay for that. If Deputy Trott could answer me that in his summing up, or just call me a stupid boy and say, of course it is not like that, it is like this, do you not know anything about investments?

Thank you very much,

The Bailiff: Deputy Queripel.

Deputy Queripel: Sir, thank you.

I commend P&R for all the work they have put into this well-intended document. But like others I would prefer to have seen Propositions that could have been amended should any Members felt the need to pursue amendments. But we are where we are with three Propositions that ask us to note and this is where I do a Deputy Trott, sir. I am going to ask a question I already know the answer to, which he has done many times in the past.

Now, I believe I am right in saying that even if the majority of the Assembly decide not to note these Propositions, this will all go ahead anyway. So, I would just like clarification, sir, from Deputy Trott when he responds on that point.

Thank you.

The Bailiff: Alderney Representative Snowden.

Alderney Representative Snowden: Thank you, sir.

Could I just, I think I will repeat it and the States of Alderney did say as well but thank you to Policy & Resources for the support for Alderney Runway, up to £24 million. I know it has probably taken a few of the Members to get there. Listening to debate, it feels that everyone is a bit frustrated, actually. It just feels like we have not really moved forward much and we are not really getting anywhere and it almost feels like being at a bit of a funeral.

But I think it is an important document. The problem is it does not bind us to anything, we are talking and everyone is putting their view across, which is really interesting, but we are not actually moving forward and I think that is the frustration that is coming across in the Assembly quite a lot. There are lots of really important projects in this document, Alderney Runway included, hospital modernisation, education, lots of others but we do not see the implementation of it and the frustration of it actually not happening and the Members do not seem to be getting there with, actually, the projects that we are all pushing, individually or as Committees, are not being implemented.

I understand the tax situation and I think it is a really concerning position that we now, potentially, give to a new Assembly because it is a really difficult situation where there is not an agreed tax plan and we do not actually know what we are moving forward with, apart from a GST

package that the new Assembly could endorse or throw out or edit, let us see what happens with that.

But I think we are, I do not like to say it, but in one way I think we have failed the next Assembly that takes over already. So, I think, how can we really turn this around? So we need some certainty about what is going forward but the time has literally run out. We have got so many policy papers coming forward that I do not really know how we can turn it around.

So I will endorse, to note, that actually does not get us anywhere with any of this, but I will endorse, to note, what has happened on the three Propositions here. I would just like to ask Policy & Resources regarding the review of services to be delivered, and I know it is referred to in the paper quite a bit, but it also says about cuts and potentially savings.

What does that actually mean? Because I think that is quite important for your election coming up, that if there is not a tax plan agreed, what sort of cuts would that look like for the community of Guernsey and Alderney and would those cuts potentially be acceptable to the public or not, or is the only way really to get out of this is to agree some sort of tax plan to move forward?

I will just touch on, I know Mr Hill touched on Alderney Runway, but you have heard it quite a lot from Alderney. I think everyone is a bit fed up of hearing it, but it is an end-of-life project. Personally speaking, on behalf of the States of Alderney, I think the risks are increasing considerably with Alderney Runway and we do need to get spades in the ground and get that project implemented as soon as possible.

Also, I have talked with the Alderney States' Members and the Alderney States' Members do understand that a tax plan does need to be implemented to try and get that money in. So, I am going to thank Policy & Resources but I think, collectively, we are not in a good place at the moment and hopefully things will turn around. I really do hope so otherwise things are going to get a lot worse. But let us be positive, I am sure Deputy Trott will be as well. (*Interjection*)

Thank you.

The Bailiff: Deputy Dudley-Owen.

Deputy Dudley-Owen: No, Deputy Trott, I am not Jesus (*Laughter*) and I will endeavour to be brief. I think that there have been some really pretty good points made during the course of the debate and I think that it is disappointing to hear, still, us being brought back to the same old arguments about GST or not to GST.

The decision has been made. It has been moved forward. I am disappointed to hear that there is a six-month lag on that and I would just encourage P&R, as much as possible (a) to keep us informed about that but also (b) to see where those blockers can be moved, those complexities, because, I think, that the sooner that comes back to the Assembly, the better.

Like Deputy Helyar, I am not hearing, on the ground, obviously we move in different circles, but I am not hearing on the ground that this is going to be a big election issue around GST. I think that the penny has dropped with a lot of people and, certainly, hearing the tone around the Assembly I think that that has changed, the narrative has changed, in the last two years.

We are where we are and there is little point in covering old ground. The would have, should have, could have that we landed on a sticky wicket in between two significant shocks to our economy and our community in the form of COVID and that is forgotten. I know that some people hate to be reminded of it but we have not had an event like that since the Second World War. Yet we are pretending that it never happened, or that we could carry on as usual and that was, obviously, in the face of Brexit and the Ukraine War and these other significant world events, global events that happened in the last 20 years that had not happened in the preceding 20 years at the end of the last century and we have not actually come to terms with that.

So, what we did not do, as a Government, was come in thinking, how do we actually recover from this, in the same way that they would have done in a post-war position following the Second World War about how to rebuild? We talked about how do we rebuild, how do we bounce back but we actually did not grasp the nettle in building back, rebuilding the economy, the community, the

threads that had appeared in the community, but also at a time that we had gone through decades of complacency and had not actually invested to keep up in the capital infrastructure, invested to keep up in education and the way that the world was changing and the changing needs of the workforce, the changing health and the demographic of our Island.

So, there was a huge amount of work that needed to be done and anyone who came in the 2020 Election under the illusion that it was going to be an easy ride, was absolutely naive and I do apologise for that unparliamentary language, sir, but it really is the case. I remember my mum, who was a former Deputy saying, oh it is going to get difficult, it really is and I said absolutely, this is a completely different time.

We have moved; the past is now a place that no longer exists yet we are still looking for solutions by looking over our shoulder and it is not going to work. We have got to look forward and we have got to be optimistic as well, because there are a lot of good things in this Island. In actual fact, there are a lot of amazing things in this Island and us working together is going to ensure that that happens.

In actual fact, I feel like we are working together better as an Assembly in these last few months (A Member: Hear, hear.) than we have done in the last in the last few years, I really do, and possibly it has taken some difficult, challenging debates to push us into that position. But the last thing that I would like to focus on, sir, is around some comments made about P&R bringing the green paper.

I do not criticise them for that, they have done what they have done, but they have also determined using the power that they were given in their mandate. They have made certain determinations and that is why we are noting them rather than, actually, giving them directional action.

So, it seems to me an entirely logical way that they have approached this particular green paper and I had no desire to make amendments and enter back into those debates from the F&IP that would have opened it all back up again. They were totally at liberty, in my view, and within the bounds of their mandate to make the determinations that they have to bring to us, for us to note those decisions and I thank them for doing so.

Thank you.

The Bailiff: Deputy Matthews.

Deputy Matthews: Thank you, sir.

I really did not have an awful lot to say on this and I am sure Members would be pleased about the fact that this is not going to be a line-by-line breakdown of the green paper and, actually, part of the reason for that is because I wondered, as I am sure many of us may have wondered, why we are here debating a green paper in the first place.

That was my first point really; that it seemed to be almost an unusual use of the form of a green paper. A green paper, to me, is a document that can be provided as a discussion that can provide some input, which the Committee who presents it can then take away to develop a policy letter.

In this case, we are in the slightly odd situation where we are having a green paper at the end of term, which will not be developed into a policy letter by this Committee, it will be a different P&R who will bring the proposals forwards in the next term or will action it at least. This green paper is really just restating the policy that we, I guess, had adopted during the budget and the response to it.

I do not think it really provides, I suppose it provides a degree of legitimacy in that it has been to the Assembly and has been debated, but it is not an opportunity to set policy and I have quite often seen that green papers seem to have been used in that unusual way because purely for the fact that they cannot be amended and so this is not an opportunity to present any amendments and, I think, that is probably an odd use of a green paper. I think that the debate today has probably shown that it could have been simply a report that was presented in order to inform the electorate and future candidates of the difficult situation that we have got going forwards.

2545 But while I am on my feet, I would just respond to a couple of things from Deputy Kazantseva-Miller's speech, which I thought was quite useful, and I agree entirely with the idea that the way that we do financing is very strange and we really should bring together capital and revenue in one place and deal with them in one go.

2550 It is a very strange situation where we have these policy letters that come and say, well we are going to spend this money and then later on will work out how we are going to finance it and that, actually, feeds into the strangeness of the Government Work Plan process that we all go through, where we try and decide which bits are going to go in and we are mixing up spending with other resources, like policy resources at the same time.

2555 I do not think this really needs a Machinery of Government review to correct, I think this is something that could be changed, this could be something that P&R could just bring in terms of the working practices about how this is managed. I am sure the budget process is just done like that because it has always been done like that and it could easily be integrated into one debate, which would make life a little less confusing.

2560 But on the subject of a green paper that cannot be amended, of course, at the budget one of the amendments that was successful was the amendment to allow temporary construction worker villages to be also used for local workers as well, which was Deputy Taylor and myself. I ended up presenting it because Deputy Taylor was away on more important business, taking care of his young child.

2565 Actually, I think that was possibly, and it is almost presented in this paper, as a bit of a side note and the main business of the paper is setting out the very big numbers of the Budget going forward and this is just a side issue. But this is actually something that could be quite fundamental to how we are able to, at least, start to try and achieve some of the goals that we would like to be able to do, because the thing that is really blocking us, at the moment, is the fact that we are really having a hard time getting any construction done and that has really been the story.

2570 We know we have got a housing crisis and that has not moved forward nearly as quickly as we would like it to. We have progressed, of course, our Hospital Modernisation Phase 1, but Phase 2 is now in the offing and that will need to progress and I think that the amendment to look at, I see it has been presented and I know Deputy Kazantseva-Miller said it was not clear from the amendment or certainly her interpretation was that not that it was for temporary villages.

2575 I do not think we really specified, we left it open, intentionally, in such a way that it could be implemented in a number of different ways and this is the way that it has chosen to be implemented. I am not sure if it is, necessarily, the best way to implement it, but I think that both the construction worker village and the ability to be able to provide some temporary emergency housing could be, actually, some of the most standout features of this green paper and I really hope that is something that P&R are able to drive forwards with, because we know that we have seen instances of homelessness in the Island, which is something that we have never seen before.

2580 We know we have got real struggles with accommodation and anything at all that can be done would be incredibly helpful and this is something that could be done quickly. Much of the other plans that are on the table could take years and years to come forwards and this is something that could happen very soon. So I would urge P&R, what looks like a small part of it, actually, I think is an important part and I commend it for that reason. But I think that probably brings me to the end of my comments on the rest of it.

2585 So I thank you, sir.

The Bailiff: Deputy Prow.

2590 **Deputy Prow:** Thank you, sir.

2595 I shall be very brief. I thought the standout speech in this debate was that of Deputy Fairclough. I am not going to repeat it, but I have to say I agree with every word he said. I also agree with Deputy Helyar and Deputy Dudley-Owen on GST and the realisation of the reality of the need for GST.

In this debate both Jersey and the Isle of Man have been mentioned and I think we have got to recognise that they, economically, are our competitors and in a conversation I had quite recently with Deputy Trott I think we have to accept that Jersey are prepared to eat our breakfast, lunch and dinner if we let them.

2600 That brings me around to one point. I have made it before and I am not ashamed to make it again; Jersey collects £1 billion in nine years on GST. The Isle of Man collects £1 billion in three years. I think that really needs to be taken into account. Where those sorts of sums in tax can come from, from elsewhere, I really do not know.

Thank you, sir.

2605

The Bailiff: Deputy Le Tocq.

Deputy Le Tocq: Thank you, sir.

2610 I will be brief, this debate, if it proves anything to me, it proves how we should have made decisions to affect our economic position two years ago and, probably, there are some in this Assembly that are showing some degree of regret over that. It shows me also, sir, how we cannot afford to continue to be slow in responding to signs that are clearly there.

2615 Some people have mentioned, sir, not just in this debate but to me, that to run with a budget deficit is no big deal, other Governments do that. Well, of course, they do and particularly in this day and age, but they normally then rely on reserves or they make huge cuts in spending or they cease to, or they print money and we cannot do that latter one certainly.

2620 But it is not wise to do that. Whatever the case, most of us would criticise other Governments for doing such things in circumstances that we find ourselves in. Furthermore, I think we forget that we have been eating through our reserves quite significantly during the COVID years and, sir, I have been long enough in this Assembly to know that our predecessors put significant amounts in reserves to undertake for unforeseen circumstances, to enable capital to be invested, even though that was not done, perhaps, as much as should have been done and we have not replenished those that we have used during the move to Zero-10 and then, subsequently through COVID.

2625 So, it seems to me it is a useful wake up call to us as, indeed, some Members have mentioned, that we are in a new culture, a new season now and we cannot continue to operate in this way and it is, therefore, a useful signal to the electorate and to potential candidates that we need to operate far more swiftly and be far less risk averse and I do think it comes down to that, that is a big ingredient today in that we could afford to be like that in the past but, I think, now we have to deliberately not put off decision-making and make some decisions that will, at least, be some steps forward.

2630 I accept some of them might be small steps forward. So this green paper, essentially, outlines the predicament that we find ourselves in. I think it makes it clear where the risks lie and it will be up to the next Assembly to decide what their risk appetite is and I hope it is bigger than ours has been.

2635

The Bailiff: Deputy Vermeulen.

Deputy Vermeulen: Thank you, sir.

2640 So at the beginning of the opening speech, the Chief Minister touched on taxation and had we adopted that Income Tax rise, he said, we would not be in the red, we would be firmly in the black. Then later on in the speech, I have listened to all the speeches by the way, paid good attention to it and I think we have missed the point.

2645 But later on in that debate, somebody said that GST was very efficient. Well, I do not know, call me old fashioned, but I think Deputy Trott's suggestion would have been more efficient and probably would not have needed another hundred people employed by the States to collect. But that is just me being, perhaps, old fashioned, I do not know.

So what do I make of it? Well, this is without doubt a very good paper. It is very detailed, all broken down. It all makes perfect sense, but we have not done it and it is, essentially, what I would call or any business would call, a wish list. Now, what businesses usually do when they are presented with a wish list is they look at it and they work out what they are going to do and how they are going to do it. How they are going to achieve all those things, how they are going to afford those things.

So yes, tax, which has been touched on in the debate, is a huge part of it. We cannot do those things if we have not got the wherewithal and we have not done many things to collect more. But what I feel is what is lacking from this whole of Government agreement is a Guernsey strategy for growth.

We have not bought in how we are going to all agree, how we are all going to agree, what we are going to pay out in Social Security, all the rest of it, what we are going to spend on education. We have not bought into an overall strategy for growth and Governments do have them. We do not seem to have one and please do not do the following.

Please do not say, well hang on Simon, yes, it is all very well for you to say that you are on Economic Development, it is your job. (**A Member:** Hear, hear.) I have heard that one said before. We have all got to buy into it. We have all got to realise that to achieve these things we have to create the growth. That might involve making some savings along the way and that involves everybody buying into it.

Deputy Helyar popped up and very quickly said an awful lot of common-sense things. He felt we should have had the motor tax. Let us look at the UK, what they are doing with motor tax. There is a car I like, a Ford Mustang, a V8 five litre. It is a beautiful two door sports car; love the car. The tax on that vehicle and Range Rovers or whatever, same engine, has just doubled and if you own one in the UK you have got to pay £5,000 per year, motor tax. We have not got a motor tax in Guernsey. So, there is an opportunity there, there are other opportunities for us to buy into.

The other thing I do not want you all to turn around and say is, oh come on Simon, we have not got a strategy for growth, what about the Government Work Plan? That clearly cannot be a strategy for growth because we have not afforded to do, let alone half the things which are on the list.

We have rolled out the fibre and that is a huge achievement. We have set the foundations for education at the College of Further Education, the new site at Les Ozouets Campus and we have done Phase 1 of the Hospital. So, I am not as downbeat as Deputy Fairclough is. It was quite a dour take on things. I am a bit more upbeat and I think in future that is what is missing. A firm strategy for growth, which is deliverable, which we have all bought into and how are we going to achieve those things.

We are going to make the savings here, we are not going to be losing loads on operating this airline or that airport because we are going to do this, that and the other. That is what we have got to be looking at across the *piste* and that is the missing link, which I have noticed from today's debate. On that note, sir, I am going to sit down.

The Bailiff: Deputy Leadbeater.

Deputy Leadbeater: Thank you, sir.

I am not going to make a speech on this green paper at all. I just want to seek some clarification from Deputy Trott when he sums up. Just looking at table three on the major projects forecasts, we have got a temporary housing village in there for £5 million and we have also got a construction village in there for £5 million. So, are we having two villages, one a temporary housing village for £5 million and one a construction temporary housing village for another £5 million?

Just noticing this in this table, I do not know if there has been duplication in there and the table is incorrect. Just while I am talking on the on the construction village notion, there have been some concerns in the industry about how this is actually going to work and if the foreign contractors are going to be treated more favourably than local contractors? I understand their concerns.

2700 The way I see it is there will be units of accommodation but they are not going to be given free to contractors. Contractors will have to pay per room per night or however it is worked out. I presume that and I would just like some reassurance from Deputy Trott just to allay the fears of those in the construction industry that were unclear on that.

Thank you very much.

The Bailiff: Deputy de Sausmarez.

2705 **Deputy de Sausmarez:** Thank you, sir.

I will see if I can be even more brief than Deputy Leadbeater. I just wanted to address a couple of points that have come up. Some of them are recurring themes during debate and, perhaps, inject slightly more optimism because I agree with Alderney Representative Snowden, it has been rather dirge like so far and there is certainly no avoiding the fact that failures to make some big decisions, such as on harbours, for example, which I think was June 2021 from memory, has really limited our ability to make any progress on major infrastructure.

2715 But I think it is worth pointing out that in lieu of, certainly, that decision there has been an awful lot of other work that, although has not resulted in tangible infrastructure yet, has done an awful lot of helpful things in terms of preparing the ground for infrastructure. So, hopefully the next Assembly because I am slightly worried that there are a whole bunch of candidates, potentially, listening to this thinking, I just will not bother, there is no point, that actually, their jobs will be made slightly easier.

2720 So, of course, we have got the Local Planning Brief work that is being led by the DPA and the Guernsey Development Agency has been doing a huge amount of work on regeneration and plans and, E&I is going to be bringing a policy letter on the future of Les Vardes, which also impacts on that.

2725 We have also got plans underway for flood defences at the Bridge, which is an enabler, not least for housing. There is a huge amount of work going on in housing. We have got a strategic vision and we have got a lot of more granular work going on to unlock sites at a really practical level. Of course, the Electricity Strategy was something that this Assembly approved in September 2023.

2730 Deputy Vermeulen has just been talking about a strategy for growth. Well, the Electricity Strategy is, indeed, a form of a strategy for growth. I appreciate it is looking at it from one particular perspective. But already we are seeing the results of that and we are seeing that it has enabled an awful lot of infrastructure upgrades and a lot of investment and actually has sparked quite a lot of interest in some more innovative quarters as well. So, there are some sort of brighter sparks on the horizon.

2735 Also, quite a lot of the boring day-to-day infrastructure, there has been a lot of work to improve the quality upgrade, our utilities networks which, actually, explains some of the very frustrating roadworks and things like infrastructure in terms of our coastal defences. We do have a very proactive management of that kind of infrastructure and it does pay dividends because not only does it do its job in terms of things like road resurfacing and coastal defences but, actually, it is a much more cost-effective way to work than waiting for everything to break down and then and then react accordingly.

2740 I would say one point of frustration; there was an outbreak of laughter from the Committee for the Environment & Infrastructure when Deputy Helyar bemoaned the fact that we have not moved anywhere on transport taxes because it was his P&R that really was not very receptive to any of our efforts to try to raise that issue with his Committee.

2745 So, I agree, many of these things would have been better to tackle earlier in the term. Some of them not for want of trying. Really, just one tiny little point other than that, Deputy Dyke talked about various opportunities. I think he is right in terms of sequencing is important when it comes to things like housing and Deputy Kazantseva-Miller is right in that there are some revenue streams associated with some of these infrastructure projects and things like affordable housing.

2750 But I do think we have to bear in mind, Deputy Leadbeater used a lovely phrase earlier on in relation to care homes and he said, it does not matter how much money you have got, you cannot care for people in a pile of money and the same does go for affordable housing. So, it is no good selling off affordable housing stock from under the feet of the people that are living in it if that gives you money to build them more appropriately sized units. They cannot live in those piles of money, to coin Deputy Leadbeater's phrase, in the interim –

2755 I do give way to Deputy Leadbeater.

Deputy Leadbeater: Point of correction.

The Bailiff: Deputy Leadbeater.

2760 **Deputy Leadbeater:** I did, actually, specifically acknowledge that we could not throw people out in the streets whilst the new more appropriately sized social housing was built and I specifically alluded to the fact that we may need some sort of bridging loan to get between the two. So, I was not suggesting we would chuck them out and leave them in the garden.

2765 Thank you.

Deputy de Sausmarez: No, I am glad and, actually, Deputy Roffey and I's amendment, I would bring Members' attention to the fact that Deputy Roffey and I's amendment did specifically enable borrowing to be used for such purposes. So, hopefully, there would not be any need to do anything like that.

2770 But really, I just wanted to try to inject slightly less depression into the debate, I do not know if I succeeded or not. But there are some things that this Assembly has done and various other sort of infrastructure related things, but I do not think anyone has got the appetite for me to stand here and read out a list.

2775 Thanks.

The Bailiff: Deputy Murray.

2780 **Deputy Murray:** Sir, the irony is not lost on me that here we are discussing the fact that we can afford nothing and yet this morning we very happily took ourselves down a road that we knew was unsustainable right at the point. So, I have to wonder, in answer to – he is not here – Deputy Matthews' question, and I think Deputy Le Tocq mentioned it, this was a wake-up call.

2785 This was a wake-up call for the next people that will sit in these seats because I have to say, and I am sorry to be negative about it, what we have here, the Committee system we have here, cannot work going forward. (**A Member:** Hear, hear.) What confronts this Island and its limitations is huge and we cannot do that with 40 people pulling in different directions. (**A Member:** Hear, hear.)

2790 We cannot even do it with a Policy & Resources of five people who are supposed to try to marshal all of the ideas that spring up from every Committee. This is where these capital projects come from. They come from individual Committees and we cannot prioritise and so we bring them to the floor of the Assembly, independently, and we make decisions about them, independently, and then the guy down the road has got to bring one as well and we get ourselves into this position whereby we have got a shopping list of over £1 billion and, frankly, I think that is about half because when you bring in the trading boards as well, with the amount of infrastructure that they have to put in, I think you could easily double that.

2795 So, we have a real challenge. This Assembly is not going to solve it. The wake-up call is for the people coming in to recognise they are coming into a system where, probably, both hands are tied behind their back and they will not be able to achieve success if we do not change the consensus system.

2800 What the consensus system is, is the lowest common denominator, which is what the GWP ends up. That is the only thing that 40 people will agree on. How do you expect us to move forward when

we are in that situation? We cannot. I want to put on notice the people who are coming in, not just the work that we have actually agreed and probably some of this was agreed by Assemblies before us, that they are going to have to get to the Machinery of Government.

2805 Deputy Fairclough has said several times, apologies, and I agree with him because it is only the Machinery of Government that will change the Committee system and it has got to change, in my opinion; it has got to change. (**A Member:** Hear, hear.) This used to be excellent when we were throwing off money in the early 2000's and before.

2810 It would not have mattered if we were all monkeys, it would still have worked. (*Laughter*) It would have worked; we had that much money. People seem to have lost the plot here we do not have money anymore. We are burning through reserves that we actually created all those years ago.

Our revenue, we have got no revenue surplus, so we cannot borrow, so we cannot fund these things and once we have actually got through those reserves, and I would just remind people that if we do not get GST in, or something that raises as much money, by 2032 those reserves have gone and then we are into permanent deficit.

2815 It is painful. It is very painful what we have actually got to do here and it takes courage to make decisions that are painful. (*Interjection*) I am afraid there are too many people unwilling to take those decisions and there are competing priorities that we have no forum but this room to make those priorities and you cannot possibly get 40 people to make priorities. It is not going to work.

2820 So, I am afraid this might be a very disappointing paper for some people, but it is presenting and warning the next people coming in to occupy these seats, (**A Member:** Hear, hear.) that we require major change in the way Government functions and we can achieve growth, we could achieve growth, we have to achieve growth.

2825 We have already got more business than we can cope with, but we have not got the houses to put the people in to actually maximise that. (**A Member:** Hear, hear.) We have got technology coming around the corner, AI, that could improve productivity, yes, and at some point, it will put people out of work and you have got to wonder what we will do with no reserves if we end up in that position where we cannot redeploy them into useful jobs.

2830 That is all there on the horizon. We do not look far enough ahead. We never do, we look for a four-year term and, even then, that is difficult. So, I have to say, I completely understand people's disappointment with what you have got in front of you but you cannot argue with the facts. Somebody made decisions to have all these things on the shopping list.

2835 All P&R has tried to do is to tell you that you cannot have all of this in the timeframe that you would wish it, well that we would all wish it, and you cannot have it if you do not raise more revenue and yes, of course, we have to be as efficient as we possibly can and that is what the transformative review is to look at, because it will mean cutting services.

You will get some efficiencies through technology and productivity increase, you will get some efficiencies through, actually, making sure that everybody is doing what they are employed to do. But, in reality, what that review will do will say, well we will not do health anymore or, I do not know, we will not do ports anymore, we will privatise it.

2840 In a subscale economy you have very big limits about what you can privatise without making it far more expensive for the users and I am very concerned about us going down the route of user pays, (**A Member:** Yes.) and I think, in particular, in the Electricity Strategy and if we start looking at the commercialisation, privatisation of water, you will get to a point where user pays and they will not be able to afford it because the costs of the investment is huge and you have got to get a
2845 payback.

So, we have to subsidise, in a subscale economy, a lot of these provisions just to make it affordable for people to be able to access them and that requires taxation surplus rather than what we have got at the moment, which is deficit. So, be in no mind, make no mistake, if we do not generate more revenue, then, the cuts will be savage. They have to be savage.

2850 I do not want that. I do not want that for one moment. But do not be under any illusion that we can get away with not having any form of revenue increase; we cannot. It just does not stack up,

Members. So, please, a bit of realism and I am an optimist by nature, generally, but I am also a pragmatist and I realise that this cannot go on.

This is my first term and it has taken me this long, and maybe it is because I am on P&R, I see a lot more, maybe, than perhaps individual Members see in their own Committees and I do not like what I see because I cannot see the longevity for Guernsey in this if we do not make a change.

Thank you, sir.

The Bailiff: So, I will turn to the President, Deputy Trott, to reply to the debate please.

Deputy Trott: Thank you, sir.

I want to start this debate and I am going to finish this debate with the same sentence. The opening sentence is, we spend less per capita on our public services than any other comparable jurisdiction; we spend less. Now, I am going to start with Deputy Fairclough, who is a man for whom I hold in the highest regard, an incredibly able Member of this Assembly.

He knows that the main reason this is presented in this way as a green paper is for new candidates. We want those who will replace those of us that are leaving, and others who will fall at the ballot box, to be able to have a definitive document in front of them to understand the extent of the challenges that we face.

So, I understand why he would prefer more leadership and direction but what I would say to him and others through you, sir, is that the 40 Members of this Assembly are the Executive. What we are doing is we are condensing, into a single document, decisions that the 40 Members of this Executive have made and it reads uncomfortably. I think many contributions have made that clear.

Now, the next to speak was Alderney Representative Hill. Well, he was certainly next to speak that I noted comments from. He reminded us that he believes that the Alderney Runway is essential and he said this is an example of delay costs money. Well, this is an example of us not fully appreciating the risks, is what I would say by contrast.

Now, the Policy & Resources Committee is an organ of this Assembly but it has not been responsible for tender negotiations, which have been held elsewhere. But some of the things that we have learned, as a consequence of these tender negotiations, is that there have been complications with the site, I think he referred to some of them, and we understand that the batching plant, which is a pretty fundamental part of a runway rehabilitation, is too large to be lifted ashore with the existing crane.

Now, this is pretty fundamental and I do not think that risk was understood beforehand and I do not think it was priced appropriately. So, that is an example of an unforeseen factor that has presented itself during this process. One of the things he and other people in Alderney need to understand is that money costs.

Now £24 million, we would be lucky if we could get that sort of cash in through the door for 5%; but let us assume we were lucky. Five per cent costs about £1.2 million a year to service. However, historically it has only cost us an average of £400,000 to repair. So, you have got £400,000 worth of ongoing revenue expenditure against a cost of capital of £1.2 million.

I will tell you what a business would do; it would behave in a very different way than the States. But the States has got to take into account all of the various factors in its decision-making. It cannot operate exclusively like a corporate, but there is an example of the challenges that we face. Now, my good friend Deputy Gollop said that maybe the States of Alderney could do a better procurement job. Well, with respect, I doubt it. They would use the same advisers, both legal and technical, they would be paid by the same people, i.e. the taxpayer of Guernsey and they would, almost certainly, arrive at very similar outcomes.

Deputy de Lisle advises us that the States is spending above its means. Well, it clearly is otherwise, we would not have recorded a £20 million revenue deficit last year. But more importantly, we have a structural deficit of nearly £60 million ongoing. Others have mentioned the figure, it is in the report, £57.5 million or possibly a little bit more. It is a very significant sum of money and, again,

this report is so that new Members are aware by reading a single document of just how challenging the future is.

2905 Now, Deputy Taylor has talked about a key worker housing and wants to know why the cost will be neutral. Well, the cost on the construction village, the £5 million, and I think this may address Deputy Leadbeater's question as well, will be recovered, it will be net in terms of the advantages that it brings both on-Island contractors, should they have to import labour, or off-Island contractors if they have to import labour. But it will be of a benefit to this community.

2910 The same is true of the other £5 million that we may incur *vis-a-vis* key worker housing. At the moment, if we can find key worker housing, it is extremely expensive and this might be an appropriate short-term decision, but in both cases, it will benefit the taxpayer, not further compromise the taxpayer.

Deputy Ferbrache wanted confirmation that the number includes Pillar 2 and GST-Plus, the answer to him is yes, it does. So, in many respects, we think Pillar 2 is about right, it remains to be seen whether this Assembly will introduce GST Plus. But if it does not then the situation will be materially worse than we are showing in these numbers –

I think Deputy Taylor might want me to give way, which I am happy to do.

2920 **Deputy Taylor:** Sir, I am very grateful to Deputy Trott for giving way. Just to see, he has picked up on the one point I made about the construction and temporary villages, but there was another question about Leale's Yard and the £33 million Bridge regeneration allocation and if it could be considered in another way of buying completed units that are already completed?

2925 **Deputy Trott:** Well, the cost of doing of various sea defences work does not, of course, exclusively impact on Leale's Yard, but other parts of that area. But a detailed response is not something that I am able to give because this debate has moved quite quickly. But if Deputy Taylor would prefer me to provide him with an analytical answer on that number, then I am happy to undertake to do that.

2930 Deputy Ferbrache wants to see growth and he is absolutely right to want it. You do not stand still economically, you either shrink or you grow and the reality is that a shrinking economy is far more difficult to manage than a growing one. But this is where, I hope Deputy Helyar will forgive me, because he has told this Assembly on a number of occasions that you cannot tax yourself to prosperity.

2935 Of course, he is completely right, but you also cannot under invest yourself to prosperity and that is precisely what we have done over a number of years. Further out than this Assembly and this Assembly alone and it is one of the reasons, you have heard me say it before and I will say it again, one of the reasons why our near neighbour and competitor, Jersey, has outperformed us in recent economic terms, because its investment in infrastructure has been to a greater amount.

2940 I think that is a really important factor to take away from this debate. Investment in infrastructure is a positive thing, both in terms of the facilities that this community enjoys and, importantly, economic growth, which is absolutely essential. Deputy Ferbrache wants higher earners to pay more. He gave us some of the history behind the clever tax planning.

2945 Now the clever tax planning years ago would have been a part of the everyday job of quality people in this Assembly, like Deputy Parkinson and Deputy St Pier. Now they have asked questions, I have been in the room, of Revenue Service staff on this matter, and they have been reassured, at least twice possibly three times, that the numbers that people talk about are nowhere near as large as they are. There is some breathing of this policy, but it is normal in terms of the manner in which we undertake our revenue collection.

2950 Deputy Helyar, when he spoke, talked about Zero-15 and I think somebody intervened and made the point that it is important that we move in unison with our competitors. Now, our competitors, primarily the other two CDs, have made it very clear that they have no intention at this time or any time in the near future of moving away from the Zero-10 regime and my advice is that we should not be an outlier.

There are many businesses for whom 15% will become the norm but there are a significantly larger number of businesses for which 15% will not be the norm and it will mean that we will be at a significant competitive disadvantage. Now he talks also about paid parking and motor tax, well both are regressive in the sense that it makes no odds to he and I and many other Members in this Assembly, whether we pay to park or whether we pay to tax our motor cars. But there are many in our community, the majority, for which these taxes would be, if they were reintroduced in the case of motor tax or implemented in the case of paid parking, that would be regressive. (**A Member:** Hear, hear.)

The one speech that really bothered me was my intelligent friend, Deputy Kazantseva-Miller and I think she did it for impact. She certainly had that effect on me, but it was rubbish (*Interjection*) pretty much from start to finish! (**A Member:** No!) She said that we were forced into accepting the Budget.

Now, the Budget on the expenditure side was overwhelmingly supported by this Assembly and she says it was because I said, or Members of this Assembly said, that it would put us in a very precarious position if we did not authorise our expenditure; it would have. Our staff made that very clear to us.

We would not have been able to pay our staff. This Executive would have defunded our public sector, which meant that the 5,000 or so public workers would not have got paid. Now, we could have paid them, I suppose, and then you could have sacked us the following day, but the truth is that the Policy & Resources Committee would have been acting *ultra vires* –

Deputy Kazantseva-Miller: Point of correction.

Deputy Trott: I am happy to give way in a moment.

The Bailiff: It was a point of correction.

Deputy Trott: Then I will sit down, sir.

Deputy Kazantseva-Miller: The point of correction is that the decision in the debate we had would not have, in that moment, defunded the public service. It would have triggered a sequence of events which could have culminated in an emergency budget in December of the back of which other Propositions could have been made. In the instance when that Proposition was accepted, not accepted, it would not have defunded. So, that I felt compelled to correct Minister on that specific point.

Deputy Trott: The trouble with that intervention is that it was, if this happened and if that happened and if the other happened, it would have had no predictability. Would we have been able to get back in time? I somehow doubt it; I do not think our processes would have allowed it. Would it have caused us significant international negativity; would the international press have picked up on it? Of course it would. It would have sent out a message that we cannot organise our own affairs. It was extremely dangerous and I am delighted that the States, this Assembly, decided to avoid that.

What I think it did do though, it is a positive, I will give way in a moment, is it sent out a message that politicians are actually in control. This Assembly is in control, because had it have decided not to approve the Budget then we would have demonstrated that we are not in control. However, we made the right decision and we are.

Now, we cannot print money, I think Deputy Le Tocq made that point. So we are very different to a sovereign nation and we are not a sovereign nation and we do not control interest rates. We have no impact on influence over monetary policy and so on. So, there are a lot of outside factors that make us a different from a true sovereign nation. Fortunately, we avoided that problem by agreeing our Budget expenditure –

I give way to Deputy Brouard, sir.

Deputy Brouard: I thank Deputy Trott for giving way.

3010 Just to help him on one of the points he mentioned about paid parking we do, in fact, have paid parking via the fuel levy (**Deputy Trott:** Yes.) and to give some indication, up till last year it had raised £6,086,000 towards the Government and in 2023, it raised £462,000. So, Islanders are already paying for paid parking through the fuel and I thank him for giving way, but I think that supports his argument.

3015 **Deputy Trott:** I think it strongly supports the argument and, of course, he is right, we do not pay for it through paid parking, but we do pay a paid parking premium through fuel. With the exception, of course, of the extortionate rates that we incur when we park at the Airport – I give way to Deputy de Sausmarez. (*Laughter*)

3020 **Deputy de Sausmarez:** No, I would just like to point out that I agree that it is very regressive and, actually, very unfair because, actually, it is only people who are paying the fuel duty that it is and that is why, I am sure Deputy Trott would agree with me, that there are ways that are not regressive of raising money equitably and why reform of the system would actually be welcome to make it less regressive.

3025 I know Deputy Murray has probably got some views he is, maybe, quite happy with the regressiveness but, certainly, the regressive nature of some of the transport taxes is one of the reasons that I would, personally, have liked to have seen that issue grasped by P&R earlier in this political term.

3030 **Deputy Trott:** Well, to give you an example of how challenging some of these issues can be, we have sent a proposal to Deputy de Sausmarez's Committee for consideration. It has not been welcomed, but it nonetheless features motoring costs.

Now, Deputy Gabriel wanted some clarification on investment returns and, I think, I am able, having consulted with colleagues, to confirm, it has been a good year in international markets; 2024 was a good year.

3035 Whether it will remain so in 2025 remains to be seen, but the way in which our cash is managed, it all goes into one pot, it is called the States' Investment Fund, and it is controlled by an independent board. But cash management is a crucial part of that and they are well aware of our commitments as an Assembly in terms of our capital expenditure in particular. So, I hope that is reassuring for him.

3040 Deputy Queripel wants to know, does it matter whether we note these proposals or not? Well, the answer is, I suppose, posed in that way, not particularly, other than, in other words, it will happen, the work with regards to looking at what we provide will continue. But I would much prefer it if this Assembly was able to show a unified front and that it accepted that the information that it was being asked to note was accurate so that future candidates, in particular, would understand that
3045 this was not in any way manipulated to create a worse position than we are actually in but it is a factual document that they can rely on.

Deputy Dudley-Owen believes this Assembly should be kept apprised on the GST introduction process and I agree. Now, one of the key decisions that the new Assembly will need to make is whether or not to levy GST, if it wishes to continue with GST, whether it wishes to levy GST on food,
3050 because if it does not levy GST on food then the rate will need to be higher.

Now, I have been criticised in some quarters for suggesting the rate is insufficient. I believe it is insufficient, I think it needs to be higher if we are to adhere to an extant Resolution that wants us to replenish our reserves. In other words, to prepare for another rainy day. That makes complete sense to me and as a consequence the rate might need to be higher in the future. I believe it is
3055 better to be honest with our community than provide them with any surprises.

Deputy Prow made clear that Jersey and the Isle of Man are our competitors and he reiterated that GST is a very material income source in both of those jurisdictions. That is a fact, they are incontrovertible. Deputy Le Tocq has made a plea, he wants us to be bold and brave and have an

enhanced risk appetite moving forward. I could not agree with him more. I think that is a problem for an Assembly that has 40 Members of an Executive, that you have got this LCD, this lowest common denominator, approach to many policy decisions.

Now, Deputy Vermeulen says we have not got a strategy for growth, we need it. I think we have got a partial strategy for growth. If we do not invest in our infrastructure we will continue to fall back. I do not want that; I want us to properly invest in our infrastructure. I want us to spring forward. I want us to grow by a figure that exceeds recent trends.

I look at the Assembly when I make this point, I think I have dealt with all of the questions. There were some comments I may not have addressed, but I think I have dealt with all the questions, and I would very much hope that the Assembly will agree to note all of these proposals.

Thank you, sir.

The Bailiff: Members of the States, there are three Propositions. I am tempted, just because it gives some direction to the Policy & Resources Committee, to take them individually so that there will be votes on each of the three in turn.

So, the first Proposition is numbered one and I will invite the Greffier to open the voting on Proposition 1 please.

There was a recorded vote.

Proposition 1.

Carried – Pour 31, Contre 4, Ne vote pas 3, Did not vote 1, Absent 1

POUR

Aldwell, Sue
Blin, Chris
Brouard, Al
Burford, Yvonne
Bury, Tina
Cameron, Andy
De Lisle, David
De Sausmarez, Lindsay
Dudley-Owen, Andrea
Fairclough, Simon
Falla, Steve
Ferbrache, Peter
Gabriel, Adrian
Gollop, John
Helyar, Mark
Hill, Edward
Le Tocq, Jonathan
Leadbeater, Marc
Matthews, Aidan
Meerveld, Carl
Moakes, Nick
Murray, Bob
Oliver, Victoria
Parkinson, Charles
Prow, Robert
Queripel, Lester
Snowdon, Alexander
Soulsby, Heidi
Taylor, Andrew
Trott, Lyndon
Vermeulen, Simon

CONTRE

Dyke, John
Le Tissier, Chris
McKenna, Liam
Roffey, Peter

NE VOTE PAS

Haskins, Sam
Kazantseva-Miller, Sasha
Mahoney, David

DID NOT VOTE

St Pier, Gavin

ABSENT

Inder, Neil

3080

The Bailiff: So, in respect of Proposition 1, there voted in favour, 31 Members; 4 Members voted against; 3 Members abstained; 2 Members did not participate in the vote, but I will declare that carried.

Now Proposition 2 please and once again, I will invite the Greffier to open the voting on Proposition 2.

There was a recorded vote.

Proposition 2.

Carried – Pour 35, Contre 0, Ne vote pas 3, Did not vote 1, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	None	Kazantseva-Miller, Sasha	St Pier, Gavin	Inder, Neil
Blin, Chris		Mahoney, David		
Brouard, Al		Prow, Robert		
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
De Lisle, David				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Haskins, Sam				
Helyar, Mark				
Hill, Edward				
Le Tissier, Chris				
Le Tocq, Jonathan				
Leadbeater, Marc				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Moakes, Nick				
Murray, Bob				
Oliver, Victoria				
Parkinson, Charles				
Queripel, Lester				
Roffey, Peter				
Snowdon, Alexander				
Soulsby, Heidi				
Taylor, Andrew				
Trott, Lyndon				
Vermeulen, Simon				

3085

The Bailiff: So, in respect of Proposition 2, there voted in favour, 35 Members; no Member voted against; 3 Members abstained; 2 Members did not participate as absent and, therefore, I would declare Proposition 2 carried as well.

Now Proposition 3 and, once again, I will invite the Greffier to open the voting on Proposition 3.

There was a recorded vote.

Proposition 3.

Carried – Pour 33, Contre 0, Ne vote pas 5, Did not vote 1, Absent 1

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	None	Dyke, John	St Pier, Gavin	Inder, Neil
Blin, Chris		Helyar, Mark		
Brouard, Al		Kazantseva-Miller, Sasha		
Burford, Yvonne		Mahoney, David		
Bury, Tina		Prow, Robert		
Cameron, Andy				
De Lisle, David				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Haskins, Sam				
Hill, Edward				
Le Tissier, Chris				
Le Tocq, Jonathan				
Leadbeater, Marc				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Moakes, Nick				
Murray, Bob				
Oliver, Victoria				
Parkinson, Charles				
Queripel, Lester				
Roffey, Peter				
Snowdon, Alexander				
Soulsby, Heidi				
Taylor, Andrew				
Trott, Lyndon				
Vermeulen, Simon				

3090

The Bailiff: The voting on Proposition 3 is that 33 Members voted in favour; no Member voted against; 5 Members abstained, 2 Members were absent and, therefore, I will declare Proposition 3 duly carried, which means all three Propositions have been carried.

POLICY & RESOURCES COMMITTEE

7. Independent States' Members Pay Review Panel – Final Report 2024 – Debate commenced

Article 7.

The States are asked to decide:

Whether, after consideration of the policy letter entitled 'Independent States' Members' Pay Review Panel - Final Report 2024' dated 13th January 2025, they are of the opinion:-

1. To note the Independent States' Members' Pay Review Panel's Final Report and that the Policy & Resources Committee whilst recognising the work of the Panel, has decided that, in the post-budget environment, alternative proposals would be more appropriate.

2. To agree that the current pay for States' Members should be reduced by 3% across each band at the beginning of the next political term.
3. To agree that an additional band should be added to create a four-tiered system which reflects the level of responsibility with each role, and which provides a differentiation between Presidents and Members of Committees.
4. To agree that the pay for Alderney Representatives should reflect the structure recommended for Guernsey States' Members with an additional band and a 3% reduction in pay across each band.
5. To agree that RPIX should be adopted as the mechanism of calculating annual pay increases for all States' Members, Alderney Representatives, and Non-States' Members in place of median earnings.
6. To agree that the date of the adjustment for RPIX should be aligned with the start of the political term on 1st July by using the RPIX figure at the end of the preceding March.
7. To agree that, in the event that proposition 6 is carried, remuneration for the current term should not be adjusted by median earnings in May 2025, as outlined in the current Rules for Payments to States' Members, Non-States' Members and Former States' Members, and the Rules should be updated accordingly.
8. To agree that the pay for Non-States' Members (both voting and non-voting) should remain the same but with an uplift annually by RPIX.
9. To direct the States' Assembly & Constitution Committee (SACC) clearly to define the role of non-voting Non-States' Members ahead of the commencement of the 2025 political term. Any review of pay for these roles should only take place after this has been completed.
10. To agree that the States' Investment Board (SIB) should be removed from the Rules for Payments to States' Members, Non-States' Members and Former States' Members and be reviewed separately from the other roles covered by the Rules.
11. The remuneration of the States' Investment Board (SIB) should be delegated to the Policy & Resources Committee and the Committee should seek to utilise appropriate knowledge and expertise prior to making any recommendations.
12. To agree that one month's basic salary should be provided, upon application, to States' Members who lose their seats at an election or who have to stand down during a political term owing to ill health.
13. To agree that payment should not be available for States' Members who stand down at the end of a political term.
14. To agree that a further review of loss of office payments should be undertaken by an independent panel established by the Policy & Resources Committee once any implications of the one-month payment are known.
15. To agree that a review of States' Members' pay should occur every eight years unless there is a significant change in the machinery of government or the States' Assembly otherwise deems it necessary to trigger a review.
16. To agree that the 15 per cent pay in lieu of pensions included as part of the remuneration should be continued and this should be made clear to States' Members to encourage its use to make personal pension arrangements.

3095 **The Deputy Greffier:** Article 7, Policy & Resources Committee – Independent States' Members Pay Review Panel – Final Report.

The Bailiff: I will invite the President, Deputy Trott, to open the debate on this matter, please.

3100 **Deputy Trott:** Thank you, sir.

The independent panel did a very thorough job that included seeking feedback from a range of parties, including the general public and existing States' Members, as well as researching systems of remuneration in other jurisdictions. The Policy & Resources Committee believes they came up

with sensible proposals, including uplifting Members' pay by RPIX, rather than the change in median earnings.

Moving the effective date for pay uplifts to the 1st July to align with the start of new political terms and introducing a loss of office payment available on application, so not automatic, to anyone who loses their seat in an election or has to stand down because of ill health, something that is common elsewhere.

Normally, the Committee would not seek to amend the findings of an independent body charged with reviewing Members' pay. However, given the outcome of the Budget debate the Committee believed that, exceptionally, it had to take steps to change the proposals. It believes that in light of the severe financial pressures facing the States, Members must be seen to be acting responsibly and taking some of the pain that is undoubtedly being felt by other members of our community at this time.

It does not doubt that the panel's proposals were made in good faith and, therefore, the Committee has tried to tinker with them as little as possible whilst simultaneously ensuring that the effect on the public purse is neutral compared to the situation today. Sir, the Policy & Resources Committee would like to place on record our appreciation and gratitude for the independent panel's deliberation and recommendations.

The Bailiff: Well, Members of the States, I would often take a Committee amendment first, but on this occasion, I am not going to do so and we will go to Amendment 2, proposed by Deputy Burford.

[Amendment 2](#)

To delete propositions 2, 3 and 4 and to substitute therefore:

To agree that States members' pay commencing 1 July 2025 as detailed.

Deputy Burford: Thank you, sir.

It is with reluctance that I bring this amendment. Discussing our own pay is an uncomfortable matter. (**A Member:** Hear, hear.) However, in order to correct what I consider to be two significant anomalies in the proposals from P&R, while staying fully within the existing cost envelope, Deputy Oliver and I believe this is a necessary move.

The P&R Propositions are not particularly clear. They do not refer to any specific table within the policy letter and, therefore, Members could be forgiven for not being entirely clear about what is being proposed. Therefore, in this speech, in the hope of adding clarity, I will state where what I am proposing, differs from what P&R is proposing.

Essentially, there are four different tables of pay proposals. There is the *status quo*, against which all potential changes are measured and that *status quo* is what Members are being paid today. Secondly, the panel's recommendation, which both P&R and I agree are totally untenable proposing as they do a £200,000 a year annual increase in current pay.

Thirdly, P&R's proposals, which can be found on pages nine and 10 of their policy letter and, finally, the proposals contained in this amendment, which are similar to P&R's but differ in three respects. I will briefly outline each of those differences with the reasons as to why I think they need modifying.

Firstly, the pay of the Presidents of what, for ease, I shall call the three minor Committees; the DPA, SACC and the SMC. At the moment the Presidents of SACC and SMC receive the same as the Principal Committee President, I think, that is too much. Conversely, the DPA President receives the same as an ordinary Deputy, I think that is too little.

The amendment, therefore, seeks to reduce the SACC and SMC Presidents' pay by 14% from current levels and increase the DPA President's by setting all three at a midpoint between an ordinary Deputy and Principal Committee President. In contrast, P&R is proposing that these three Presidents each receive the same as an ordinary Member who sits on a principal Committee.

This completely fails to recognise the additional responsibilities that come with being a President of a minor Committee, which include, but are not limited to, chairing the Committee meetings, meeting frequently with officers to discuss and progress matters relevant to the mandate, leading on public consultations, undertaking media interviews, delivering updates to the Assembly and being questioned, sometimes at length, on the work of the Committee in the Assembly, responding to and being questioned on Rule 11 questions in the Assembly. For the SMC President, chairing public hearings and chairing numerous review panels. For the DPA President, attending President to President meetings and chairing open planning meetings.

By way of comparison, an ordinary Member on a Principal Committee will, generally, attend between two and four Committee meetings a month. They do not generally chair meetings, undertake media interviews, liaise with senior staff on a regular basis and they do not present updates to the Assembly or answer questions on their mandate in the Assembly.

In short, they do not have to put their head above the parapet in the same way as a President and I do believe that additional responsibility deserves some acknowledgement. I have had the advantage of having held the presidency of the DPA, in its former guise under the Environment mandate, I have been President of the SMC for the last four years and I have been a Member of SACC for the last eight months or so. I was also an ordinary Member of two Principal Committees and a President of one in my last term.

So I feel I have a comprehensive understanding of the workloads and, more pertinently, the responsibility involved in all of those positions. I believe it is true that of the three minor Committees the workload is lowest on SACC. However, I do not believe that there should be yet another presidential band for that, as the responsibility, the fronting up and being questioned, is essentially the same.

I would also stress that these proposals are not about who holds these particular roles this term, whatever anyone might think about Deputy Oliver, Deputy Meerveld or myself. This is about next term and ensuring the structure is sound going forward. I think it is also important that the minor presidential roles are sufficiently attractive to Deputies with some experience. Setting these roles at the same rate as an ordinary Deputy on a Principal Committee will not achieve this.

The second issue is that this amendment seeks to correct is the proposal by P&R to introduce different rates for ordinary Deputies. P&R are proposing a higher rate for Deputies with a seat on a Principal Committee, as opposed to those on minor Committees or who do not have a Committee seat at all.

I cannot support the principle of paying a Deputy extra for sitting on a Committee as an ordinary Member, whatever Committee that is, P&R excepted of course. This was done in the past and it was stopped as it engendered perverse behaviour with Members standing for Committees simply for the extra money.

It should be an absolute given that a person standing for the role of Deputy expects to do Committee work, although theoretically P&R's approach might speak to workload, in practice it often will not. Imagine for a moment a situation where a Deputy takes a seat on all three of the minor Committees; SACC, Scrutiny and the DPA. Under P&R's proposals that person would receive approximately £3,500 less than a Member who only takes a seat on Employment & Social Security, for example.

Can it really be argued that the latter, on one Principal Committee, is doing £3,500 more work than the former on three smaller Committees? And irrespective of the number of Committees the Member is on, there is no way of measuring how much that Committee Member engages, contributes or prepares.

I also believe it is a mistake to penalise those ordinary Deputies who are not on a Principal Committee or on any Committee at all. Although there should be, as mentioned, a basic assumption that becoming a Deputy will involve Committee work, back benchers and those on minor Committees of the DPA, SACC and the SMC have more time to participate in other States' work, such as Scrutiny public hearing panels, Scrutiny review panels, various *ad hoc* subcommittees and

constituency work, as well as undertaking general scrutiny, all of which are vital parts of the role of a Deputy and all of which have been overlooked in P&R's proposals.

3205 There is simply no way of measuring any of this workload with any degree of accuracy whatsoever and to suggest membership of a Principal Committee means a person is working harder than a Member of several minor Committees, or even a person with no Committee role at all, but who may have a much greater participation in other aspects of the job, is simply not based on any evidence at all.

3210 The biggest factor in determining achieved workload is the work ethic and ability of the individual, not which Committee they land on. Furthermore, a Deputy may be without a Principal Committee position, not for want of trying, but because, for whatever reason, the States will not elect them to such a position or, indeed, has removed them from it. They should not be penalised for this, as P&R is proposing to do.

3215 To be fair to P&R, this two-tier system for ordinary Members was brought forward from the panel's recommendation, although they were proposing a jaw-dropping £8,000 penalty. Reading the panel's rationale it seems they gave significant weight to policy making functions and no weight at all to parliamentary and scrutiny functions or, indeed, the work of the DPA.

3220 They suggested that the minor Committee President should only be paid the same as an ordinary Deputy, due to the fact that their role was not policy making. Now, whilst this is true that there is much less policy work in the parliamentary Committees to suggest the DPA, responsible for the IDP, is not making policy is simply wrong and suggesting that Deputies not on Principal Committees are not involved in policy making when policy is ultimately made and amended by the entire Assembly, again, belies a lack of understanding of the breadth of the role of a Deputy.

3225 It should be remembered that we are not just a Government, we are a Parliament too and the parliamentary roles should not be totally devalued. This amendment accepts that a pay cut for parliamentary Presidents of 14% can be justified, but a pay cut of 23% and a refusal to acknowledge the responsibility which comes with being a President, even of a minor Committee, is simply not.

3230 Finally, and I think this bears mentioning, for many candidates considering standing in June, existing and new, the pay will naturally be a consideration they will need to ensure that they can afford to meet their financial obligations if elected. Under P&R's proposal, there may be some candidates for whom, provided they get a seat on the Principal Committee, the pay would be adequate. But if they only get seats on minor Committees or no Committee seat at all at £3,500 pounds less, it would be too tight.

3235 However, until elected, they will not know for certain that they will be able to secure a Principal Committee seat, so they will have to base their decision on the lower rate, which could well influence their decision on whether or not to stand at all. A single rate for all Deputies who are not on P&R or not Presidents also removes this significant uncertainty.

3240 So, those are the two main areas I am looking to change and as mentioned, I have also incorporated the uplift for Housing President, something which P&R are proposing to do at an additional cost via the amendment they have lodged. However, if my amendment is successful, P&R's will not be needed and, indeed my amendment will save £50,000 of taxpayers' money over the next term, in addition. (*Interjection*)

3245 Sir, I have had the opportunity to discuss this amendment with some of my colleagues in the lead up to this debate. What a couple of people have said to me was that they liked my proposals but, in addition, they think X or Y should be changed as well. Sir, this amendment is not a choice between these proposals and the additional tweaks that individual Members might like to see, but which are not on the table.

3250 It is a choice between these proposals and the P&R proposals and with genuine respect to my colleagues and as tempting as I know it may be, I would urge them in debate to resist spending time illustrating all the myriad other options which are not on the table.

So, in summary, the two aspects of P&R's proposals I am looking to amend are the rates for the minor Committee Presidents and retaining a single rate for all ordinary Deputies and, in addition, I have added in the uplift for the new Housing Committee President, all within the existing envelope.

3255 The rates for the President of P&R, the Members of P&R and for Presidents of Principal Committees and the STSB and for our Alderney Representatives are absolutely identical to what P&R is proposing and, therefore, not the subject of this amendment or this debate. Finally, sir, I want to thank P&R for their extensive and constructive engagement with me over this matter and also Deputy Oliver for seconding. I will be pleased to respond to any and all questions and comments Members may have.

3260 Thank you.

The Bailiff: Deputy Oliver, do you formally second Amendment 2?

Deputy Oliver: I do, sir, and reserve the right to speak.

3265 **The Bailiff:** Of course. Deputy Trott.

Deputy Trott: Sir, I speak now rather than later because I want to make two points. Members will consider these matters and vote as they see fit. Only the two Alderney Reps are guaranteed to be here in July; no one else is. They might want to consider whether it is appropriate to abstain under the circumstances.

3270 But I do want to make this point. We have, the Policy & Resources Committee has sought to simplify and the suggested remuneration package to within the appropriate cost envelope. So, we have simply sought to reduce it. Now Members will note that we have *pro-rata-d* in line with the independent panel's recommendations.

3275 So, I would ask that you only accept this amendment if you are certain that the independent panel has got this wrong, because it sets a precedent that this Committee is prepared to tinker in a way that is potentially conceived by those who watch our activities as inappropriate. That said, Members will consider these matters and vote accordingly.

3280 **The Bailiff:** Deputy Meerveld.

Deputy Meerveld: Thank you, sir.

3285 I am going to make a very short speech. Basically, I do not think that this is necessarily tinkering with the recommendations of the panel. It is also worth noting that last term the panel's recommendations were not upheld and were amended. I would just like to speak as President of SACC and say that I fully support the Burford amendment and that means, with myself and Deputy Oliver seconding, and Deputy Burford, proposing, the three Committees directly affected, most directly affected in this amendment, are supportive of this measure and recognise the logic that Deputy Burford has put forward.

3290 Thank you, sir.

The Bailiff: Alderney Representative Hill.

3295 **Alderney Representative Hill:** Thank you, Mr President.

3300 As the lowest paid here felt rather duty bound to make a comment about Proposition 4 and if this debate is about cost I would like to point out the rather facile comment on this little note here, that if I became President of Policy & Resources, it would only cost you £53,000 (*Laughter*) and if Deputy Snowden was to join as President of P&R Committee, it would only cost you £34,000 and, in fact, you would make all the savings that you wanted (*Laughter*) because we come cheap. (**A Member:** Hear, hear.)

However, I would like to point out something which I do think is important to note. Of course, I am aware that Alderney, *pas de le la*, but please, when I first came here it was pointed out to me by the Greffier that I was a full Deputy and I carry the same responsibilities as you lot, okay. I have to

3305 declare my interests. We come here, we attend and we actually do spend three days of our week every two weeks here in a hotel.

So, we actually give quite a lot of our life to this organisation and, please, I would really be grateful if that would be acknowledged. I am not asking for a pay increase, but I think it is a little bit hard from my paltry £15,747 to have to get a 3% reduction and I would just ask you, please, that
3310 I do not really think that is fair.

We have to pay Social Security on it; we have to pay 20% tax and a further 3%. Really? Come on and I would politely ask that Proposition 4, that the Alderney Deputies, we get paid one fourth of what you do, but we have the same responsibilities, we have the same workload, we have to read all the documents and we have to contribute. Yes, we get paid a bit by Alderney States but, please,
3315 I will be honest with you, the net of that is £900 a month, that is it, and I really feel that to knock 3% off, is a little bit unreasonable.

Thank you.

The Bailiff: Deputy Aldwell.

3320 **Deputy Aldwell:** Thank you, sir.

I was quite pleased with the proposals, actually. Funding from salary has never bothered me really, that never bothered me. I have not had a rise since I have been in here, I have not taken it. I did not feel that I could; so I did not. The reasons for that are that I am a carer and I get carer's allowance and I thought that was wrong to take that as well.
3325

Looking at these proposals, I wanted to just make a point. Everybody on Education, Sport & Culture we have weekly meetings which are five or six hours. When we are progressing our policy work that will be another week's meeting, which we did for another 18 months on that, extra meetings.

We have several subcommittees, we are on interview panels, I have done about 12 interview panels and I do Liberation fortnightly. Deputy Cameron does Sport, Deputy Haskins, he also does museums, he does Beau Séjour, he does several things. We have done radio, we have done media and we do prize givings as well, we do go to performances and we have a huge amount of work and I just wanted to make this point.
3330

This is what our Committee is like and I have not mentioned governing boards because they will not be there, probably, next term, or they were not when we first started. We have only done those for two-and-a-half years that was 60 of them for us to do. So, compared to SACC, I think, we do a bit more work and it is not for anything else, but just to say for Deputies coming in, this is the workload that you are going to have to do. It is not a meeting once a month.
3335

The same in Home Affairs, there are extra bits of work that we have to do. Lots of presentations, prize givings, passing out, those are all very enjoyable but they are all giving up time and, also on these Committees, the papers are extremely technical and it is hours of preparation for a meeting. It is five or six hours for meetings and there will always be extra.
3340

When we had Moneyval, there were huge amounts. So, when other pieces of work come in there is a huge amount. So, I am not going to support this. The only person's position I would have liked to have had the uplift was, actually, the DPA because I know really the President of the DPA has had had a very rough term.
3345

She has had a lot of work to deal with. (**A Member:** Hear, hear.) She has had a considerable amount of problems that she has had to deal with, with the media, whatever it might be and she has got a lot of work to do, the whole team will have a lot of work to do next term. So, that would have been the only difference that I would have made.
3350

But it is not about us as Members now. I just wanted the people that are thinking about standing, it is not all about coming into the Assembly for a Meeting every month and coming in for a day once a month or once a fortnight. There is a lot more work to it and people should be aware. That is all. (**A Member:** Hear, hear.)
3355

Thank you.

The Bailiff: Deputy Roffey.

Deputy Roffey: Thank you, sir.

3360 I certainly support this amendment. First of all, can I declare a lack of interest? (*Laughter*) Deputy Trott said that the two Alderney Reps were the only two guaranteed not to be here, to be here rather, well; there is small *cadre* of us who are guaranteed not to be here. So, this will not affect me one way or another.

3365 But I have always felt that we have got it wrong a couple of reviews ago over presidential allowances. With due respect, not only to Deputy Meerveld but his predecessors, which include me, by the way, I feel it is absurd that the President of SACC has been paid the same presidential uplift as the Presidents of the Principal Committees.

3370 On the other hand, it is not a black and white between that and nothing, I think the smaller Committees, and the same is true I think of Scrutiny, should get something in recognition of their presidential duties, which are different from ordinary Members. But the one thing I have always felt was ludicrous, well the two things actually, one was that the President of the STSB got no uplift whatsoever and that has been rectified in this review and that is good, but also that the President of the DPA does not get any presidential allowance.

3375 Now, as long as I have been in this Assembly whoever is in charge of planning, whether it is DPA before them, the Environment Department, before them the IDC, I was not actually here at the time of the Beauties Committee, but I am sure it was true then as well. It is one of the most unenviable roles you can possibly imagine. It really is a tough gig and I think, for them, I have no problem with tinkering with an independent report if I think it is wrong in some aspect and, actually, saying that person the public face of Planning deserves not a penny more than an ordinary Member of this
3380 Assembly is just wrong.

The fact that it has been done inside the same price envelope, in fact, when you add on housing it is actually going to be cheaper than the proposals from P&R, as I understand it, I think it is laudable. I do agree with Deputy Aldwell that Committee Members do an awful lot of hard work, but I think that is implicit in just the Deputies' pay.

3385 When people come in here, they expect us to try and take on busy Committees and work hard and, yes, there are one or two who do not and maybe there should be a minus amount for that, I do not know. But usually, there are very few cases where they do not want to, they sometimes do not get it. So, I think that just goes with the territory.

3390 So, I am not sure that this is perfect, I am not sure what is in the P&R, who have already tinkered with the proposals to some extent, of the panel is perfect but I think this is better. Even if it was just to say that it is perverse to have one of the most difficult roles inside this Assembly as President of whoever is carrying out planning, getting no recognition for what comes with that is a very good reason, I think, for voting for this amendment.

3395 **The Bailiff:** Deputy Gollop.

Deputy Gollop: I have got a few things to say because I am a veteran of many of these pay reviews and they are always interesting. I do thank the panel for the thorough work. In some ways I think this panel have been more thorough, and the officer team that supported them, than many
3400 of their predecessors, although they were good too, because they really took their time in surveys, opinion polls, meeting the public, even in the Salvation Army, etc.

I am being a bit wobbly on all of this. But Deputy Trott, of course, has made a powerful point that, really, we should stick with the panel. Actually, we often talk here about difficult decisions and I was one of the first to suggest, when the report was finally published, that we had to keep within
3405 the pay envelope.

Deputy Trott is absolutely correct that the budgetary issues of last year were a factor. For me, a factor that influenced me in reducing the pay a bit, although that goes against, actually, my beliefs

that we should open up the role to people of all incomes and that, to a certain extent, the current structure favours retired, semi-retired or prosperous people over others.

3410 But for me, having taken on this role in negotiating pay rates with diverse groups, it really is a difficult look if States' Members appear to be paid over the head and I note that they are going down the RPIX route rather than median rate, well that goes beyond the Amendment.

My problem with the amendment is I do actually support parts of it. I think Deputy Burford has made a convincing case, and not just because he is President of Scrutiny, that the parliamentary and scrutinising roles should be on parity at presidential level, really, or at least very close to and I think previous panels went out of their way to suggest that we, actually, should have a good payments for roles on those Committees because we did not want to see them as second best options for Members when we select people.

3420 That is not the way this panel went. But had the amendment just confided itself to a slight downturn for the other positions and an uplift of Scrutiny and the DPA I could fully endorse it. I agree that Deputy Oliver is underpaid for everything she does. I have to point out here that every time there has been a pay review, until at least I got on P&R, I have always lost out.

I remember they had a review when I got to be President of Legislation, the pay went. Planning, when I started, not quite natural beauties but IDC, was a major Committee, grade A, and then it became without any payments at all as the DPA and we can go on about that.

3425 But my problem is that there are two elements of the amendment I do not like. One is, like the main Propositions, it repeats the pay reduction for the Alderney Representatives because although they get income in three different ways as politicians, because they are paid to be here, occasionally they can be paid an uplift for a Principal Committee, they are paid is it £900 net, it is higher gross, for being a Member of the States of Alderney and they get expenses. Their package is still a lot less than a backbench Deputy here, which seems, to me, a degree of discrimination and this amendment replicates that.

3435 But that is not the main line of this, I think, to take the money away from the Principal Committee membership is not an ideal thing to do. The panel clearly made a decision that Principal Committees bring in extra work. The example Deputy Burford gave of an individual only doing ESS and an individual who was hard on a Scrutiny Committee and SACC could have been me, but I was doing both at the beginning of this term

3440 I admire Deputy Aldwell and a number of other Members because as soon as she became a Member she got straight in to an enormous and demanding workload and it has to be said that the number of meetings, the number of papers that she would read and the subcommittees would be greater than a President of, in some cases, a more medium weight Committee, but definitely a minor Committee.

3445 I take the point Deputy Roffey made, and others, that you cannot guarantee that somebody who gets into the Chamber, which is why I did not always like the attendance allowances that we used to have, gets on those Committees and we as a body, I am afraid, sometimes do not choose people to be on Committees, which is regrettable that you get some outsiders and outliers.

3450 But given the fact that we just created a new Housing Committee there should be enough jobs for most people and I think that although sometimes the States will, I am afraid, prefer established names or people with great CVs to newer, younger Members who come in, that is another issue, but I think, what is the basic principle here?

3455 I actually would like to see a more thorough and radical look at the whole business of Members' pay, because I think it is part of the Machinery of Government and, I think, you actually do need, probably, to consult with other parliaments and, maybe, professional HRM people. Maybe our pay should be done by an independent commission or linked to Civil Service in some ways; they are topics for another day.

But we have had a thorough report delivered by a panel that we chose and we accepted and I think, on balance, we should stick with the Propositions with the 3% reduction rather than the Burford amendment, because the Burford amendment goes too far in changing two, if not three of the approaches of the panel.

3460 **The Bailiff:** Deputy Dyke.

Deputy Dyke: Thank you, sir.

I, of course, respect the fact that we have had an independent panel and we have looked at their recommendations, but I do not believe we must slavishly follow them. I think P&R took the view that they could tweak them a little bit and I think Deputy Burford has taken the view that she could tweak them a tiny bit more.

On balance, I think I am in favour of the Burford/Oliver amendment and I would say, certainly having been a Member of Development & Planning with the pleasure of working with Deputy Oliver as President, I can see the huge amount of work that she does, and it is totally unfair that that is not recognised. So, I do think, that as a general point, the President of D&P should be treated rather better and, I think, Deputy Burford has pretty much hit the right balance there. So, I think I will be voting in favour of this amendment.

Thank you.

3475 **The Bailiff:** Deputy Le Tocq.

Deputy Le Tocq: Sir, I would just commend Deputy Burford for bringing this amendment. We should not really, generally speaking I am with Deputy Roffey, be even talking about this sort of thing. I do not think it is appropriate, I do not want to spend any more time on it, I think it is a pragmatic way forward, in the circumstances, but I hope we note that we should not generally be talking about our own (**A Member:** Hear, hear.) pay and spending a load of time on it.

The Bailiff: Deputy Oliver.

3485 **Deputy Oliver:** Thank you.

I would just say that I do feel very uncomfortable about this, particularly that it is my Committee that you are generally talking about and SMC and also SACC. The big problem is, I think, the States have had absolute great value out of me, to be honest, because I am one of the most qualified people here for this role and, I think, you have got to think about next term, that next term the DPA has a huge amount of work to do.

It is not a small bit, we keep saying housing is the most important thing and yet the DPA, which pretty much says yes or no to whether that housing can be built under this, is not recognised. Now, I pretty much have one of the hardest jobs out of the three smallest Committees because whatever planning applications come in, if it is passed or failed, normally 50% of the population will absolutely hate me because it has gone the wrong way.

I think that if it is not even recognised with any amount of pay and, in fact, you would be, actually, better off just sitting it out almost, because it is a huge amount of work for a huge amount of hassle and I just think that next term, and I do not know if I am standing again or not, I think I am leaning to the not, but you need someone in this position that is willing to take this flak and your planning not to remunerate them to pay them a portion of the funds. I just think you are making a massive mistake.

Deputy Burford and I, and I would say Deputy Burford has worked very hard on this and we have tried to look at the fairest way to do it. I know a lot of people have already come up to me going, well you are on a President's wage, no, I am not. (**A Member:** No, you are not.) I am not paid any more than any of the back benchers that just turn up to the meetings. So, I do think for next term, I think that the DPA President needs to be paid.

Thank you.

The Bailiff: Deputy Matthews.

3510 **Deputy Matthews:** Thank you, sir.

I largely agree with Deputy Le Tocq, we should not really be spending an awful lot of time here discussing pay and I think to some extent we should not be thinking about it in terms of ourselves, we should be thinking about it in terms of how it might affect candidates who might not be us in the next Assembly.

I largely align with Deputy Gollop's views on this, in that I entirely actually support Deputy Burford or certainly agree with Deputy Burford's view, and have a lot of sympathy especially for the DPA Presidency position, but I think that the panel which we appointed had put this four band system in to recognise that Members of Committees do an awful lot of work that I do not think the public see. I think an awful lot of time people just assume that Deputies are elected and the only part that is public is this Meeting. (**A Member:** Hear, hear.) So, there is an awful lot of people and there is a general view –

Deputy Oliver: Point of correction.

The Bailiff: Point of correction, Deputy Oliver.

Deputy Oliver: OPMs are also public as well.

Deputy Matthews: Yes, I accept that point, that open planning meetings they are public meetings and there are other aspects such as the Scrutiny meetings, actually, that are public. The main meeting that is public that we hold is this Meeting. We do not hold Committee meetings in public and so, there is a widespread view that Deputies are elected and just turn up once a month for a meeting and that is all they do and that the Committee Members do not have a huge amount of work to do, as Deputy Aldwell pointed out in her speech.

I am a Member of two Principal Committees. There is an awful lot of work that goes on that is unseen. So, I think, regretfully, I would probably not vote for the amendment on that aspect, not on the other aspect of separating out of the DPA and Scrutiny from the other Committees. If they had been separated, I would have supported them.

Thank you.

The Bailiff: Deputy Bury.

Deputy Bury: Thank you, sir.

Similarly to Deputy Matthews, but reaching a different conclusion, I think I will support this amendment because it does reflect the exact thoughts, really, that I fed into the panel around the three presidencies that are being primarily discussed here. Particularly I had pointed out Planning, as has been said, because it is a very public role, it does take a lot of flak and as Deputy Oliver has said, in her circumstances, brings with it a lot of expertise.

But that might not always be the case but I do think, in terms of the public facing nature of that presidency, in particular, but the others too, that it is necessary to show a differentiation in the pay. The part that addresses other Deputies, I think, I could probably take or leave that and on reflection, because I feel so strongly about the presidencies, I will support the amendment.

I do see the principle that the panel were suggesting, however, I think the point that is really key is that really no Member has any control over whether they get a place on a Committee. Obviously, they may not put themselves forward for any but I do not think that happened at all at the start of this term.

I think rather the opposite was the case where people put themselves forward for plenty and got nothing and I do not think the principle runs true in terms of reflecting workload, because we do not do that anywhere else. A President with two presidencies does not get two uplifts and you do not get three, the suggestion is not that you would get three uplifts if you were on three Committees, so I do not think the principle of reflecting the workload really works.

So, even though I do take Deputy Aldwell's point and having been on two Principal Committees and now on one, there is a higher workload, but I agree with Deputy Burford's point, it really is all down to the individual. Some people in here work their absolute socks off with maybe not many Committee positions and others do not as much and that is all about individual work ethic, self-application, diligence, whatever you want to call it, without getting into any personal realms. But people apply themselves differently and I do not think it is possible for us to create a banding system that is going to exactly reflect that. So, on balance, because I do think it is really important to reflect those presidencies, I will support this amendment.

Thank you, sir.

The Bailiff: Deputy Brouard.

Deputy Brouard: Thank you, sir.

I am going to go, probably, along the same lines as Deputy Bury. I am going to be, probably, supporting the amendment. I would probably like to see another amendment come in. The difficulty I have, although it has dragged out the minor Committees' Presidents, which is great, the bit that I struggle with and is not in there, is all the other Deputies, the £49,151. I would like to have seen that split into three, using the same envelope of funds, but i.e. those with the seat on a principal Committee having a slight uplift, those with a seat on any Committee, a slight uplift and those with no seat at all, either through desire or by imposition from the Assembly –

I will give way.

Deputy Gabriel: Deputy Brouard might also want to consider the Presidents, which are not named, of the Overseas Aid Committee and the Transport Licensing Authority, which are going into the X and Y realms, which Deputy Burford (*Laughter*) started off with her speech.

Deputy Brouard: Thank you.

So going back to my point, I think the envelope of the £49,151 should be further split to reflect a little thank you to those who are on Principal Committees as an ordinary Member and those who are on an ordinary Committee as a Member and also those who have no seat at all because, I think, the idea that those who have no seat at all for four years of a term and those who are, say, sitting on Health or sitting on Home, or one or the other Principal Committees, is chalk and cheese for the amount of work that you get and it is just not reflected in the pay. But that is my thoughts.

Thank you.

The Bailiff: Deputy Leadbeater.

Deputy Leadbeater: Thank you, sir.

I am not going to be supporting the amendment. I am not going to be supporting any amendment. In 2019, the States resolved to direct the P&R Committee to set up an independent review (**A Member:** Hear, hear.) of the pay for the next political term and P&R duly, accordingly, established the Independent States' Members Pay Review Panel to review the remuneration of the States' Members and Non-States' Members and appointed the following Members; Mr Richard Hamilton, Mr Michael Fooks, Mr Ed Freestone.

The terms of reference were as follows, as set out in four bullet points, the panel worked closely to the terms of reference and provided and concluded the following. Now, what is the point in having an independent review panel if we are going to take their findings and completely take them apart? Drive a coach and horses through them.

I accept P&R's position and I will support P&R's position, I do accept that. (*Interjection*) But I am not going to support any other amendments, they are going to come and say, oh, well, we think this position or we think that position. We can all have our own opinions this is why we set up an

independent panel to avoid this car crash debate and here we are. So, I am not going to be supporting any of the amendments.

Thank you, sir.

The Bailiff: Deputy Taylor.

Deputy Taylor: Thank you, sir.

I suppose I echo the comments just made by Deputy Leadbeater. I do not feel comfortable about this particular debate or having amendments. But I feel I do need to address one of the points here, because I understand Deputy Burford's argument about the difference between having the presidential responsibility, carrying more weight or whatnot, than being a Member of a Principal Committee. There are different considerations which, I think, Deputy Aldwell has outlined.

But I think there is a bit of confusion here about the amendment against the *status quo* and the amendment versus the proposal. Because, I think, if you look at the proposal, the P&R amended proposals, not the original proposals, then the DPA President would be getting £50,000 per annum, whereas a Member would be getting £46,000 per annum.

So that seems to address the issue, in my view, it addresses the issue of the DPA President carrying slightly more responsibility. But it is putting them level pegging, yes, they have some responsibility but they might not have the same workload as Members of the senior Committees. So, I do not think this is strictly necessary, in my view, I do think, although I do not like the fact that P&R have amended the proposals, I do think the suggestion of a higher salary for Members who are Members of a Committee is appropriate and I think it, actually, would apply to a lot of Members because they are only a very few who are not on Principal Committees.

But I can see a parallel between the work that is done on Principal Committees and the work that is done by the DPA President. So, I think, sir, on balance I will be supporting the original proposals. I will be voting against this amendment because I think that £4,000 uplift for the President of the DPA is sufficient.

Thank you, sir.

The Bailiff: Members of the States, it is just approaching 5.30 p.m. Nobody else is rising to speak in debate on this amendment. I am minded to invite Deputy Burford to reply to the debate and have a vote on this amendment this evening. So, I will put a motion to you that we sit to deal with this amendment: those in favour; those against?

Members voted Pour.

The Bailiff: In that case, I will invite Deputy Burford to reply to the debate please.

Deputy Burford: Thank you, sir, and I thank everybody for their contributions.

Deputy Trott, I think it is the same point about tinkering with the proposals. P&R is tinkering with them, I support them in doing that completely, but to suggest that just to default to P&R's proposals means that we are solidly with one with the Pay Review Committee; we are not. We are turning down £200,000 and that £200,000 is not on the table here today. I am not even quite sure what happens if everything gets rejected, but I do not think it will. But the other point that Deputy Trott said, is that –

Deputy Trott: Point of correction.

The Bailiff: Point of correction, Deputy Trott.

Deputy Trott: I do not believe P&R is tinkering in any way, shape or form. (*Interjection*) P&R is reacting in the appropriate manner to decisions taken by this Assembly. That is very different.

The Bailiff: Deputy Burford.

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Deputy Burford: The point that Deputy Trott did make was he said that he had brought forward the proposals from the panel for the minor Committee Presidents. But if you look on page 11, there is a slider and they have slid that right down. So, that is not correct. Under the panel proposals these Presidents would have been much closer to being in the middle.

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Alderney Representatives, I take on board what was said but, ultimately, my amendment and P&R's proposals are identical on Alderney, so it does not really have relevance to which way anyone votes in terms of the Alderney remuneration. Deputy Aldwell, like Deputy Aldwell I have not taken any rise this term and I am currently at a £11,000 less than I would otherwise get. But this is not about my pay or the pay of people sitting here today. This is for the next term and I also take fully on board the comments that Deputy Aldwell made about how busy Committee work is and I am quite sure that she is one of the busiest with the two Committees that she is on.

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But it was also about the added responsibility of a President in terms of having to stand up and front up to questions and update statements and be the one that the media always calls on. It does not mean that other people do not do media interviews, but there is that additional level with presidential responsibility.

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Thank you, Deputy Roffey. Deputy Gollop, I am going to still try and persuade him on, really, the same point which has come up time and again, is that whether this amendment succeeds or whether P&R's proposals succeed, neither of them is what the panel is proposing. Deputy Gollop did not like the pay reduction for Deputies, but P&R does that too, so that is going to happen regardless. P&R is taking money away from individual Members and mine is only marginally different.

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So, thanks to Deputy Dyke, I appreciate his support and, indeed, special thanks to my seconder, Deputy Oliver. We have spent some considerable time on this over the last few weeks, meeting up and trying to get it exactly right and reasoned. Deputy Matthews, I found that a little confusing because he wanted to make sure that all Deputies were recognised for the work that they do outside of this Assembly and my amendment –

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Oh, I am sorry, that is how I interpreted it.

Deputy Matthews: Point of correction.

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The Bailiff: Point of correction, Deputy Matthews.

Deputy Matthews: The panel proposals, to my mind, recognised the work on Committee and the amendment would not do so successfully.

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Deputy Burford: Okay. Deputy Bury, thank you for your support. Deputy Brouard, three levels for ordinary Deputies. It is not on the table, but at least you have had the opportunity to state your view on that. A mention in an intervention there about the TLA and the ODP. Yes, they have the role of President, it is not considered in this because it really is such a minor role that they just are with ordinary Committees.

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If Deputy Leadbeater does not want any tinkering with the panel's proposal and the panel is sacrosanct then I would say, in that case, he cannot vote for either P&R's proposals or my amendment because they both represent a change. I will come away from the emotive word tinkering, they both represent a change –

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Deputy Leadbeater: Point of correction, sir.

The Bailiff: Point of correction, Deputy Leadbeater.

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Deputy Leadbeater: I did not say that I thought the panel's position was sacrosanct and I would prefer to support the Propositions if they are in front of us by the independent panel. The

Propositions from the independent panel are not in front of us. The Propositions from P&R are in front of us and I understand the reasons for their Propositions as articulated clearly by Deputy Trott.

Deputy Burford: Okay, thank you.

3720 Finally, Deputy Taylor, almost every single Member of this Assembly, now that we have seven Principal Committees from July, will need to be on a Principal Committee because there will be 28 Principal Committee seats for ordinary Members and there will be 22 Deputies available to fill those roles.

3725 So, therefore, the split that you are seeing on ordinary Members with P&R, where Deputy Taylor is saying that, well, these three Presidents will be getting more than a Deputy who is on the back bench, Deputies on the back benches are a vanishing species in the next Assembly with additional roles.

3730 So, therefore, the three minor Committee Presidents will be being paid the same as almost every other single Deputy, because there will be two or three. So, it is not showing an increase for that added responsibility and I think, hopefully, I can persuade Deputy Taylor round to that point of view. So, I would like to thank everybody for this debate. I will bring it to a close now because I am sure we all want to go home and I would really ask Members to support these proposals.

Thank you.

3735 **The Bailiff:** Well, Members of the States, it is now time to vote on Amendment 2, proposed by Deputy Burford, seconded by Deputy Oliver and I will invite the Greffier to open the voting on Amendment 2, please.

There was a recorded vote.

Amendment 2.

Carried – Pour 19, Contre 8, Ne vote pas 8, Did not vote 4, Absent 1

POUR

Brouard, Al
Burford, Yvonne
Bury, Tina
Cameron, Andy
De Sausmarez, Lindsay
Dyke, John
Gabriel, Adrian
Gollop, John
Kazantseva-Miller, Sasha
Le Tissier, Chris
Le Tocq, Jonathan
McKenna, Liam
Meerveld, Carl
Murray, Bob
Oliver, Victoria
Queripel, Lester
Roffey, Peter
Soulsby, Heidi
St Pier, Gavin

CONTRE

Aldwell, Sue
De Lisle, David
Fairclough, Simon
Ferbrache, Peter
Helyar, Mark
Leadbeater, Marc
Mahoney, David
Taylor, Andrew

NE VOTE PAS

Dudley-Owen, Andrea
Falla, Steve
Hill, Edward
Matthews, Aidan
Moakes, Nick
Prow, Robert
Snowdon, Alexander
Trott, Lyndon

DID NOT VOTE

Blin, Chris
Haskins, Sam
Parkinson, Charles
Vermeulen, Simon

ABSENT

Inder, Neil

3740 **The Bailiff:** So, in respect of Amendment 2, proposed by Deputy Burford, seconded by Deputy Oliver, there voted in favour, 19 Members; 8 Members voted against; 8 Members abstained; 5 Members did not participate in that vote and, therefore, I will declare that Amendment 2 is carried.

3745 Can I, therefore, check, Deputy Trott, that there will be no need to move Amendment 3, because it has already been incorporated in Amendment 2, because the Committee for Housing is referred to?

Deputy Trott: As ever, sir, you are correct.

The Bailiff: Thank you very much indeed.

3750 So in the morning, when we resume at 9.30 a.m., we will turn to Amendment 1 and then get into general debate. I close the meeting for today, please.

The Assembly adjourned at 5.39 p.m.