



OFFICIAL REPORT
OF THE
STATES OF DELIBERATION
OF THE
ISLAND OF GUERNSEY
HANSARD

Royal Court House, Guernsey, Tuesday, 8th July 2014

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

Volume 3, No. 17

ISSN 2049-8284

Present:

Sir Richard J. Collas, Kt, Bailiff and Presiding Officer

Law Officers

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

People's Deputies

St. Peter Port South

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

St. Peter Port North

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

St. Sampson

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

The Vale

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

The Castel

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

The West

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

The South-East

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

Representatives of the Island of Alderney

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

The Clerk to the States of Deliberation

J. Torode, Esq. (H.M. Greffier)

Absent at the Evocation

Miss M. M. E. Pullum, Q.C. (H.M. Comptroller)
Deputy A. H. Langlois (*relevé à 10h 04*); Deputy L. C. Queripel (*relevé à 10h 19*);
Deputy A. M. Wilkie (*absent de l'Île*)

Business transacted

Evocation.....	937
Convocation.....	937
Thanks for congratulations on recent knighthood of the Bailiff.....	937
Billet d'État XIV.....	937
I. States Review Committee – The Organisation of States' Affairs – First Report – Debate commenced	937
<i>The Assembly adjourned at 12.34 p.m. and resumed its sitting at 2.30 p.m.</i>	969
I. States Review Committee – The Organisation of States' Affairs – First Report – Debate continued	969
<i>The Assembly adjourned at 5.29 p.m.</i>	999

PAGE LEFT DELIBERATELY BLANK

States of Deliberation

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

[THE BAILIFF *in the Chair*]

PRAYERS

The Greffier

EVOCATION

CONVOCATION

The Greffier: Billet d'État XIV. To the Members of the States of the Island of Guernsey, I hereby give notice that a meeting of the States of Deliberation will be held at the Royal Court House on Tuesday, 8th July 2014 at 9.30 a.m., to consider the item contained in this Billet d'État which has been submitted for debate.

Thanks for congratulations on recent knighthood of the Bailiff

- 5 **The Bailiff:** Deputy Lowe, before we start the meeting, I just wish to thank you for those very kind words that you spoke at the start of the last meeting, congratulating me on my knighthood. Thank you, very much.

Deputy Lowe: It is a pleasure, sir.

Billet d'État XIV

I. States Review Committee – The Organisation of States' Affairs – First Report – Debate commenced

Article I.

The States are asked to decide:

Whether, after consideration of the Report dated 23rd May 2014, of the States Review Committee, they are of the opinion:

1. *To agree that in order to provide clear leadership through the co-ordination of policy and resources, there shall be a single senior committee, designated the Policy & Resources Committee, with the following main functions:*
 - a) *policy co-ordination, including leading the policy planning process;*
 - b) *allocation and management of resources, including the States' budget;*
 - c) *facilitating cross-committee policy development.*
2. *To agree that the Policy & Resources Committee shall comprise five States' Members, none of whom shall be members of the Principal Committees.*
3. *To agree that President of the Policy & Resources Committee shall be the Island's senior political office.*

4. To agree that the Policy & Resources Committee shall have responsibility for external relations and constitutional affairs and the Committee shall designate its President or one of its members as the States' lead member for external relations and constitutional affairs.
5. To agree that most of the policy-making, regulatory and public service functions of the States shall be delegated to no more than nine Principal Committees, but when considering the precise allocation of such functions there shall be a general presumption in favour of rationalisation of committees where practicable.
6. To agree that each Principal Committee shall be led by a President of the Committee and the number of other members shall be determined with reference to the range of functions, the workload and the likely number of sub-committees, but there shall be a presumption in favour of Principal Committees containing five States' Members unless there is a wide variance in the breadth of mandates among the Principal Committees.
7. To agree that there shall be a single Scrutiny Management Committee responsible to the States of Deliberation for the scrutiny of policy, finances and expenditure and legislation.
8. To agree that the States shall elect to the Scrutiny Management Committee two States' Members and one member independent of the States whose background and expertise is particularly well-suited to the scrutiny of financial affairs.
9. To agree that the Scrutiny Management Committee shall provide for structured and co-ordinated scrutiny of policy and services, financial affairs and expenditure and legislation by convening Scrutiny Panels along the following lines:
 - a) when the Scrutiny Management Committee identifies the need to undertake a review or examination of policy or services, it shall appoint a 'task and finish' group comprising in the main States' Members especially suited to the scrutiny of that particular area of policy or service but who have no seats on any of the Principal Committees likely to come under scrutiny, supplemented if felt appropriate by persons independent of the States;
 - b) when the Scrutiny Management Committee identifies the need to undertake a review or examination of a financial matter, it shall appoint a 'task and finish' group drawn in the main from among a panel of members independent of the States who are especially suited to the scrutiny of financial affairs, supplemented if felt appropriate by States' Members unconnected to the matters under scrutiny;
 - c) the Scrutiny Management Committee shall appoint a standing Legislation Review Panel to be chaired by the member of the Scrutiny Management Committee who leads in the scrutiny of legislation and with a membership which brings together a number of other States' Members and a number of persons independent of the States with backgrounds and skills especially suited to the scrutiny of legislation.
10. To agree that the number of States' Members shall be determined with reference only to the need to fulfil the full range of States' functions in a way which would properly balance democracy and efficiency, but when considering the precise number of States' Members there shall be a general presumption in favour of some reduction.
11. To direct the States' Review Committee to report to the States early in 2015 with the detailed recommendations necessary in order for the improved committee system to be introduced to coincide with the 2016 General Election.
12. To note that the continuation of the review process will include further consultation with States' Members, officers and the wider public.

10 **The Bailiff:** Greffier, can you announce the first Article?

The Greffier: The States Review Committee – the Organisation of States' Affairs, First Report.

The Bailiff: Chief Minister will open debate.

15

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

I am opening the debate on behalf of the States' Review Committee, as its Chairman, although, as everyone will know, I am very much a newcomer to this review process. In April this year I joined my seven colleagues who have been involved from the beginning of the Review in October 2012: Deputies Fallaize, St Pier, Dorey, Conder, the independent members, Mr Terry Le Sueur and Mrs Claire Smith and, of course, Deputy Harwood, whose continued involvement as an invited adviser to the Committee has been much appreciated and valued, and I want to honour his commitment to that this morning.

20

Despite being a latecomer to the Review journey, I wholeheartedly support the proposals that have been developed. The Committee is unanimous in its support of the 12 Propositions put to you in the Committee's Report. The Committee has received very positive feedback from its various engagement activities over the

25

past couple of months: meetings with States' Members, a public drop-in, public meetings and focus groups. Of course, we know not to count our chickens before they have hatched, but these discussions have suggested that, save for a few periphery issues that will no doubt be discussed and developed in this debate, the feedback we have received suggests to us that we have got these proposals about right.

30 It is heartening to note that the amendments put forward for debate today, for the most part, do not challenge the heart of the Committee's proposed way forward. The Committee would like to thank those colleagues who sought to work with the Committee to ensure that their proposed amendments did not fundamentally disrupt the Committee's proposals which, after all, have been developed and carefully considered over nearly two years of work.

35 What the Committee has been keen to avoid is a *petit déjeuner de chien* of amendments (*Laughter*) that undermine the core benefits of the structure being proposed. After all, what happened in 2003, which some of us do remember, was exactly that and led to the fundamental problems which have been identified in the current system and which the proposals before you today seek to put right.

40 The structure introduced in 2004 brought about significant benefits. But the proposals were inconsistent in two key areas, the first being the role of the Policy Council and the separation of co-ordination of policy and co-ordination of resources into two separate committees – the Policy Council and the Treasury and Resources Department – and the second being the creation of a system of scrutiny more suited to an executive system. The present structure is inflexible and is a block to effective co-ordination. The status quo is not working properly.

45 The Policy Council is neither constituted nor equipped to provide an effective role as co-ordinator of States' activities. The Policy Council are expected to be the first amongst equals, but it does not have the tools to perform that role. It is constituted as if it were a cabinet, but it does not have the authority or collective responsibility that would go with such an executive. The States' Review Committee has identified that there needs to be a decision one way or the other: either commit to a committee system, with a senior committee which is properly equipped to co-ordinate, or commit to an executive system and elect a cabinet that has executive powers along with collective responsibility.

50 The Committee has found that there is little favour either within or outside of the current States for the latter, an executive system. For the reasons set out in this report, it is concluded that it cannot, at this time, recommend a ministerial system of government.

55 So, what is the core of the proposed system that the Committee would urge Members to support? First and foremost is that the proposed structure is emphatically a committee system of government; a continued version, adapted, of the committee system of government that this Island has held for generations. And, so, the States of Deliberation, this Assembly, would remain, as now, the governing body responsible for approving, rejecting or amending policy proposals and strategy presented to them by their various committees. The proposed Policy and Resources Committee, P&R, is not and never could be the executive, as now the ultimate executive is the States and delegation of their executive functions would continue to be divided across separate committee mandates, reporting directly to the States' Assembly. The key difference is that the proposed P&R would have greater capacity than the current Policy Council to provide independent advice to the States on the prioritisation of policy and resources. It would also have greater tools at its disposal to provide monitoring, oversight, of the delivery of the resolutions of the States.

65 For it to do so, the responsibility for co-ordinating the policy and strategic planning process must go hand in hand with the responsibility for managing the budgetary process. These are two sides of the same coin and it is a significant weakness in the current system that they are separated, creating two co-ordinating committees in the Policy Council and the Treasury and Resources Department and significantly undermining the Policy Council's ability to provide leadership through co-ordination. Unlike the Policy Council, the independent membership of the P&R means it will have a mandate and membership focused on corporate co-ordination, rather than on disparate, executive and departmental functions and so we believe it will have the tools, in particular through its treasury functions, to ensure that the will of the States is implemented and it will be capable of being held to account for its performance without disrupting all other committees and departments if it lost the confidence of the States.

75 P&R is first among equals in its relationship with the Principal Committees and with a membership independent of Principal Committees, so that it can focus on strategic co-ordination. The Policy Council has mandated responsibility to develop strategic policy and does so through its sub-groups, which often overlap with responsibilities allocated to other committees. As P&R would not be populated by the heads of each of the committees, it will be much less likely to absorb responsibility itself for policy development, but it will be mandated to co-ordinate between committees, so that ownership of policy is retained by the relevant Principal Committees. It can also be more flexible in drawing upon the skills of any States' Member to oversee particular areas of policy development, rather than relying on its own membership.

80 Where gaps in responsibilities arise, as is inevitable in any system, the flexibility of the proposed structure would allow P&R to set up appropriate governance arrangements to respond. The rigidity of the current structure, with each committee head being an ex-officio member of the Policy Council, means that,

if responsibilities do not fit neatly within the existing departmental mandates, they are absorbed by the Policy Council itself.

90 As is acknowledged in the Report, there is further work to be done following this debate to develop how the relationship between P&R and the Principal Committees will work in practice. Clearly, there has to be close communications between them and the Committee is committed to considering whether more formal mechanisms should be put in place to ensure that this happens. This will be part of the next stage of the Committee's work.

95 I also mention that scrutiny is currently structured in a way more consistent with an executive system of government. The current scrutiny committees have a combined 19 seats for States' Members, elected to three separate scrutiny committees, each reporting individually to the States. This is not helpful for co-ordination of the scrutiny function and would infer that these Members are somehow independent of Government and reporting to Parliament which, of course, if not true in our committee system, in which all Members have multiple roles. Under the Committee's proposals a small scrutiny management committee
100 would be tasked with the co-ordination of the scrutiny function. The Scrutiny Management Committee would also be able to draw flexibly upon all States' Members as well as being able to draw upon a pool of those independent of the States, as appropriate, to the matter requiring scrutiny.

So, in summary, the Committee's proposed structure protects the States as the ultimate decision-making authority. It protects the independence of authority of the separate committees of the States to develop
105 strategic policy under their respective mandates. It gives the senior co-ordinating committee a clear mandate that does not infringe upon the committees of the States, but that strengthens its ability to co-ordinate between them and advise the States on conflicting priorities. It provides for co-ordinated and more flexible scrutiny and encourages more input from those external to the States. It encourages a collegiate approach to Government and to scrutiny and last, but perhaps, most importantly, it increases the flexibility
110 to allow the States and its committees to respond more effectively to emerging demands upon Government.

Mr Bailiff, this Report is asking the Assembly to approve the overall structure. There is yet much to be developed following this debate and for reporting back in early 2015 with final proposals. The contributions that Members make to debate today will help the committee to develop its more detailed proposals and I would like to thank Members for their continued positive contribution to the review process.

115 So, I commend this report and its Propositions to the Assembly today.

The Bailiff: Members, the ambient temperate in here is going to be rather high today. Those who wish may remove their jackets. I do not know what the political temperature will be, but the ambient temperature will be high. *(Laughter)*

120 I have been given notice of five amendments. I understand that the amendments proposed by Deputy Jones and the two amendments by Deputy Soulsby are not likely to be opposed by the Committee. I therefore propose that those three amendments be taken first.

When speaking on amendments, I would ask that all Members restrict what they say to the matters relevant to the amendment on which they are speaking. If people stray into general debate, I may interrupt
125 them and will tell them that they are straying and they may then be denied a speech in general debate.

Deputy Jones, do you wish to lay your amendment? Deputy Robert Jones, this is.

Deputy Jones.

130 **Deputy Robert Jones:** Thank you. Do you need the seconder to speak?

The Bailiff: Deputy Jones will lay it first and then Deputy Soulsby will formally second it.

Amendment:

To delete proposition 8 and substitute therefor:

'8. To agree that the States shall elect to the Scrutiny Management Committee a combination of States' Members and Members independent of the States whose background and expertise are particularly well suited to scrutiny, the number of which will be determined in Stage 2 of the Review with reference to the need to fulfil the full range of scrutiny functions in a way which is both democratic and efficient.'

Deputy Robert Jones: Thank you, sir. It might be useful for those in the Public Gallery and those at home for me just to read out the original proposal, Proposition 8, which stated that we are:

'To agree that the States shall elect, to the Scrutiny Management Committee, two States' Members and one member independent of the States whose background and expertise is particularly well-suited to the scrutiny of financial affairs.'

My amendment proposes to delete that Proposition and my amendment reads:

‘To agree that the States shall elect to the Scrutiny Management Committee a combination of States’ Members and Members independent of the States whose background and expertise are particularly well suited to scrutiny, the number of which will be determined in Stage 2 of the Review with reference to the need to fulfil the full range of scrutiny functions in a way which is both democratic and efficient.’

135 Sir, I am grateful for the support that this amendment has received from Deputy Soulsby, the States’ Review Committee and the support that I have from my colleagues on both Scrutiny and the Public Accounts’ Committee.

I should say that I broadly agree with the proposals that make better use of States’ Members in scrutiny roles and that the proposals encourage more external challenge to the States. I agree with the proposal that
140 the whole scrutiny function is better managed through a single, small focus group of Members, supported by task and finish panels, bring together States’ Members and individuals independent of the States. I also agree that we need proposals that provide for more flexible, less restrictive arrangements for the persons from whom members of panels may be drawn.

At no point in my own deliberations have I thought about keeping the status quo, which was a
145 possibility if we had debated on the original Proposition 8. I am certain that no current or former States’ Member who has sat on scrutiny committees believes that the three standing committees, populated by 19 States’ Members, make efficient use of States’ Members’ time. However, I felt that by making a specific proposal, that the States elected to the Scrutiny Management Committee two States’ Members and an independent member, was a proposal made too soon in the overall process. My colleague, Deputy Soulsby,
150 will talk briefly on that issue from a PAC perspective later on.

A question that has been put to me is why I have not suggested a specific number to sit on the Scrutiny Management Committee. Well, in my opinion, before recommending a specific number of Members for the Scrutiny Management Committee, I believe it is important that the States’ Review Committee examines the issue more closely in the second stage of its review, with reference to the views expressed by our colleagues
155 today in debate in respect of the overall proposals for the scrutiny function. I believe it will also have the opportunity to consider the matter in the light of any decision of the States in relation to the precise number of States’ Members required and, in its own words, ‘to fulfil the full range of States’ functions’ which we must remember – and this point is important – includes the role of the Scrutiny Management Committee and its review panels.

In an effort to make efficient use of the political resources, I am convinced the current proposal leaves us in danger of losing some of the strengths of the current system. I intend to submit to the States’ Review Committee, at stage 2, that the idea of creating all scrutiny panels dynamically to deal with specific issues is unlikely to work effectively. I believe that, in the proposed model, continuity and expertise would be lost. As I said earlier, I would welcome the option to co-opt State Members for specific reviews. However, the
160 constant changing membership of *ad hoc* panels would fail to utilise the skills and experience which develop over time. I believe a standing panel offers a certain balance to the proposed review panels. A panel chosen totally on an *ad hoc* basis may find itself loaded with Members with preconceived outcomes and views. The current Scrutiny Committee works very hard to encourage Members to leave their political baggage at the door.

I also understand, having discussed the issue with current members of staff supporting both the Scrutiny Committee and PAC, that it may also create an additional administrative burden, a point that has already been raised by the Chair of PAC. Without the intention of turning this debate into a debate about the numbers at this stage, I am prepared, at stage 2, to suggest to the States’ Review Committee a smaller standing panel which could be supplemented with either additional States’ Members or persons independent
165 of the States, when appropriate, thus combining the strengths of both the existing and the proposed system. It is, of course, in the gift of the States’ Review Committee to maintain their current stance. However, I do look forward to a further healthy debate with Members of the States’ Review Committee.

In conclusion, considering the number to be elected to the Scrutiny Management at stage 2 of the review will allow any proposals to reflect the composition of the next Assembly and effectively utilise the political
170 resources that are available. Any proposals for scrutiny must be practical when the composition of the next Assembly is finally decided.

Thank you.

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

185

Deputy Soulsby: Yes, sir, I do.

The Bailiff: Does anybody wish to debate the amendment?
Deputy Fallaize.

190

Deputy Fallaize: Sir, on behalf of the Committee, perhaps I could just set out the Committee's position – and I thank Deputy Jones and Deputy Soulsby for working with the Committee in the drafting of their amendment. Deputy Jones has already referred to this, but the Committee is happy not to oppose this amendment and, indeed, the other amendments which are being laid by Deputy Soulsby, because this amendment maintains the principle of combining the scrutiny functions into a single Scrutiny Management Committee and it also maintains the principle the Committee is putting forward of having on that committee a blend of States' Members and people independent of the States.

What Deputy Jones and Deputy Soulsby are asking the Committee to re-examine in stage 2 is the exact balance between the number of States' Members on that committee and the number of members independent of the States on that committee, to include in that re-examination the original proposal, which we will do, and other proposals, including those which will, no doubt, be put forward by Deputy Jones and other members of Scrutiny as well. So, it no way undermines the principles of our proposals and, on that basis, the Committee is happy not to oppose these amendments and, as I understand it, if the amendments are successful, the proposer and seconder of the amendments are then happy to support the Propositions as amended.

The Bailiff: Is there any further –?
Deputy Gollop.

Deputy Gollop: Sir, I am happy to support this amendment. I think the workshops that the States' Review Committee held were useful and some of these arguments were aired and developed.

I would make two comments, however. The first would be that the initial proposals from the Joint Committee seem to envisage a different level of scrutiny for policy as against financial matters and I think that may prove to be an error. They also put specifically that they only wish to see two politicians and one non-politician elected to the Scrutiny Management Committee. That did seem a very small number of politicians.

But my other point would be, I have a slight rational disconnect with one concept within this amendment and I know some among here will be intrigued by this, but it says:

'To agree that the States shall elect to the Scrutiny Management Committee...'

That is where we meet to select committee members, as we often do –

'a combination of States' Members and members independent of the States'

– whether that includes candidates or ex-politicians remains to be seen, of course –

'whose background and expertise are particularly well-suited to scrutiny.'

Well, how can we determine that the candidates who are put up, let alone those who are selected by our system will be particularly well suited? I mean, in the past, it could be argued, some Members elected to Scrutiny were those who were left without other portfolios or those who, perhaps, had changed their role from being a chairman to being a scrutineer or whatever. I do not see what determination that resolution gives, apart from a wish list that the States should act responsibly in that respect and it also opens up the question, how can you determine, in advance, especially with new Members, whether their background and expertise are particularly well suited to scrutiny? Clearly, somebody who has worked as a civil servant or lawyer probably is well suited to scrutiny, but I think in other areas that argument is harder to sustain. So, in a way, we are voting for something that cannot really be justified by evidence. It is a desire rather than a statement of fact.

But, that said, I am happy to support the amendment.

The Bailiff: Deputy Dorey and then Deputy Soulsby.

Deputy Dorey: Thank you, Mr Bailiff.

I will vote for this amendment and, as Deputy Fallaize has said, we are not opposed to the States Review Committee. But I think one of the key questions that we will have to consider in determining the size of the Scrutiny Management Committee is if Members of the Scrutiny Management Committee should be precluded from being members of the senior and Principal Committees.

In 6.12.4 on page 1394, it informs us that the Committee will study these arguments in stage 2 and Belinda Crowe's 2012 report was clear that, if a Member is on the Scrutiny Management Committee, they should not be members of the senior and Principal Committees, because of conflicts of interest.

In 6.11.5, it talks about the central task of the Scrutiny Management Committee which includes planning and publishing an annual scrutiny programme. If we did not have this rule precluding them, it is

245 possible that a member of the Scrutiny Management Committee could then be, because of conflicts of interests, not be able to take part in that process.

Obviously, that has to be discussed later, but, if that was the situation, I think it would be a problem to Members who are on the Scrutiny Management Committee and on senior and Principal Committees.

250 So, I am happy to determine the size of the Scrutiny Management Committee at stage 2 and I am happy to listen to the arguments from the chairmen of the two scrutiny committees about the size of the Scrutiny Management Committee, but I just say that, if we come to the conclusion that they should be precluded from being Scrutiny Management and senior and Principal Committee members, then I could see us concluding on something similar to what is currently in the Billet, but if it is not precluded, then I think it gives you a lot more flexibility to have a bigger committee.

255 So, as I said at the beginning, I think that is the key question in determining the size of it. Thank you.

The Bailiff: Deputy Soulsby.

260 **Deputy Soulsby:** Sir, before I begin, I would also like to thank the States' Review Committee for not opposing this amendment and, in particular, we would like to thank Deputies Conder and Fallaize for their time and effort over the last week in enabling us to get to that position.

Now, I would like to say, at this point, that I am very aware who the last incumbent of this seat was and how it is sad that the late Paul Arditti is not here with us today to participate in this particular debate. (A **Member:** Hear, hear.) However, I am sure he is looking down on us today and critically reviewing what we are saying. But after last week, I am just glad I am not there with him. (*Laughter*) (**Several Members:** Hear, hear!)

270 Members will be aware of a letter I sent, as Chair of the Public Accounts Committee, to the Chief Minister as Chair of the States' Review Committee earlier last week. As those of you who read it may have guessed, it was born as much out of the increasing frustration the Public Accounts Committee has experienced in trying to fulfil its mandate over the last two years, as it was of proposals in the report. I will go into more detail when we debate my amendment relating to powers, resources and impartiality, but I thought it important that I make that point at this stage.

275 So, with regard to the amendment before us now, I would like to endorse what my colleague, Deputy Rob Jones, has said and would just like to make some additional comments. Speaking as Chair of the Public Accounts Committee and Vice-Chair of Scrutiny, like Deputy Jones I do believe the concept of a Scrutiny Management Committee is a good one. This was a Belinda Crowe proposal that made a lot of sense.

280 The current committee structure does not support rapid response to issues as they happen. Certainly, it makes a joint review next to impossible, where you have to get agreement for what can, in theory, be 18 Members. No, I always supported this aspect of the Crowe Report. Indeed, in my speech, when I sought election as Chair, I said how I would like to see the functions merged. This has already happened at staff level, with a joint Principal Officer and works very well – an example being, the organisation of the public hearings held by Scrutiny which will require the input of all staff to ensure they ran smoothly. But, as I stated in my letter, the Committee believes that it is essential that the financial scrutiny function is led by a **Member** of the States who then has the opportunity to speak in the States of Deliberation, challenge financial matters on the floor of the Assembly and is genuinely accountable to the people of Guernsey. It is our belief that the real value of scrutiny is realised when interventions are timely and, given the inadequate professional financial resources at the Committee's disposal, these methods have been used by this Committee to influence debate and raise matters of urgent concern. I refer to questions and comments made about the budgets, accounts, FTP, risk management and the financial controls and, more recently, the waste and transport strategy debates. These have led to Government action, with far greater focus on risk management, the action plan for the Income Tax Office and improved reporting of FTP.

285 I should also like to make it clear that the Committee is not opposed to task and finish panels. Indeed, we operate such a system now and we also like the idea of co-opting Members and non-States' members to such panels, but our concerns relate more to the fact that all panel Members will have to be recruited for each review. Not only will this mean that it will be harder to build up skills and expertise but, also, increase the administrative burden without necessarily adding any value.

300 Now, although we did consider alternatives to resolve these issues, such as three-Member/two non-States' member combinations, it became apparent to the Chair of Scrutiny and myself that it was too soon to be able to determine the exact make-up and structure of the Scrutiny Management Committee until we knew the future shape of Government. Setting out the detail of the scrutiny structure at the same time as Government in 2004 led to the problems we have now.

305 In addition, the make-up of such a committee needs to be considered in terms of how technical resources are made available. I will not go into detail now on resources, I will leave for the specific amendment that deals with it, but it is my view that you cannot look at the membership structure without

knowing what support they will get. The fact we can agree basic principle now is an important thing. That is why we have this amendment before us that enables the States' Review Committee to consider scrutiny in light of what is agreed this week and in the context of having the basic structure agreed.

I will be happy working with the States' Review Committee to ensure that we get a structure that does work and that we have a scrutiny function that matches the system of Government that we want and is fit for purpose. Working together, I believe we can make it happen.

The Bailiff: Incidentally, Deputy Langlois, do you wish to be *relevé*?

Deputy Langlois: Yes, sir.

The Bailiff: Deputy Laurie Queripel.

Deputy Laurie Queripel: Thank you, sir.

Sir, I am going to support this amendment and, in fact, I am going to support all three amendments that relate to scrutiny.

With regard to the original proposals, I like the idea, as Deputy Soulsby and Deputy Rob Jones have said, of including States' Members who are not scrutiny members on some investigations and also non-States' members, because it is making good use of talents from within and outside the States, but I am still of the opinion that a standing Scrutiny Committee is essential and, in my ideal world, it will be made up of unconflicted Deputies, sir, without connection to other Departments or, as they will be, Principal Committees, sir.

As Deputy Dorey said, on page 1394 at 6.12.5, that tells us that this is something that the States' Review Committee would consider further – and this is something that I would strongly encourage them to recommend, sir.

Deputy Fallaize has often... I was going to say, chided, but actually reminded me that, under our consensus system, our committee system, we are all decision makers; we are all policy makers. But, I still believe that having permanent members on scrutiny, who do not serve on Principal Committees, will provide a degree of separation, sir. And I think that will be viewed in a very positive light by Members of the public and by the media, sir.

And the other reason why I think a standing committee is important, is there is a great deal to be said for continuity, sir, and for building up experience, one of the many good points that Deputy Soulsby made in a recent letter that I think all Members saw, sir.

Now, sir, the important thing for me is the mandate of the Scrutiny Committee. It needs to be strengthened. It does not matter how well intended, how keen the Scrutiny Committee are, without the ability to insist, to compel. It is a bit like digging for treasure at night time, with a spoon, by the light of a candle, where what is required, sir, are floodlights and mechanical diggers. We really need to raise the profile, the potency and the effectiveness of scrutiny, sir. I would ask the States' Review Committee, sir, to bear these things in mind, should this amendment and the other amendments, sir, be successful.

Sir, it has to be asked, what are we looking for from Scrutiny?

Well, in my submission, sir, to the States' Review Committee, in my paper, I gave my views on scrutiny, sir, and this is one of the paragraphs:

'The question could be asked in regard to the scrutiny process, what is the ultimate purpose or end goal? In my opinion, effective scrutiny should lead to tangible results. Ergo better government practice, refined, more suitable policies and improved services and outcomes for the public and for the community. If this has not been achieved by the end of a States' term, one could perhaps conclude one of two things: the function, policies and services of Government have been entirely appropriate; or the process of scrutiny has not been effective.'

And, sir, I went on to say in my submission:

'Good, thorough and effective scrutiny will go a long way to ensuring that States' policy, delivery and services are appropriate, efficient and cost effective.'

This should be our administration's, or one of our administration's, top priorities, not just a token effort or something the States pay lip service to. So, sir, it would not be about a witch hunt or targeting one department, sir. As I said, it is about thorough and efficient and effective scrutiny, sir, ensuring that the policies in place and the services in place are appropriate and suitable, sir. And that is something that, as States' Members, sir, we should all want. It is our first duty to act in the public interest.

One final suggestion, sir, if the States' Review Committee have not already looked carefully at the Jersey model of scrutiny, I would ask that they do so, sir. I do not know much about the Jersey model, sir, but only what I have read on the States of Jersey website, but they seem to have a number of panels that look at very specific areas of Jersey States' policies and services, sir. They have a Corporate Services Panel,

an Economic Affairs Panel, an Education and Home Affairs Panel, Environmental Panel and they have Health, Social Security and Housing Panels, sir.

360 So, on the back of all that, I would suggest that the Jersey model is worth a closer look on behalf of the States' Review Committee, sir, and should these amendments be successful, these three amendments, including the one we are debating now, sir, I would ask the States' Review Committee take on board those points and take on board the points I have made, sir, particularly in regard to the kind of Scrutiny Committee that I would like to see, sir, of unconflicted members and particularly in regard to the mandates.
365 The mandates really do need to be strengthened, sir, so that the Scrutiny Committee can compel, can insist, so its work can be really effective.

Thank you, sir.

The Bailiff: Deputy Storey.

370

Deputy Storey: Thank you, sir.

I will be very brief. There is only three points I wanted to raise in regard to this amendment. The first one is in relation to the proposed number of members of the Scrutiny Management Committee and I do feel that there is, with only three, a danger of them having a fairly narrow field and focus and that could end up with the Management Committee, in effect, reacting to events rather than planning their scrutiny arrangements in a deeper way and I think the point that has been raised about conflicts of interest is a real one and, at the end of the day, what the Committee's objective should be is improving the standard of governance within the States as a whole.
375

Having a single committee seems, to me, to be a very sensible approach to going forward, because for a period when I was on these committees, there was always a problem of deciding which panel or which committee should be dealing with particular problems, because the mandates were not really specific enough to direct who should be responsible for investigating a particular area and I think, having this single co-ordinating arrangement would help in that area.
380

I would like to reiterate the point that I have made before and Deputy Soulsby has made this morning and that is that it does not really matter how we reorganise the scrutiny function, if we do not provide the scrutiny function with adequate resources to carry out their task and, in my opinion, in the past the resources that have been available to the scrutiny committees have been inadequate for them to do a really good job and what I am concerned about is with what we are looking at here is what the structure looks like and not how the structure is going to be able to work. And I would like the Review Committee to look a little more deeply into how adequate resources are going to be provided for these committees in order that we actually get effective scrutiny of the States' affairs.
385
390

Thank you.

The Bailiff: If no-one else wishes to speak... Deputy Brehaut.

395

Deputy Brehaut: Sorry, sir. I thought I had caught your eye. I beg your pardon.

I think, on some occasions, we talk up the conflicts in a way that the assumption is that a conflict cannot be managed. Now, the Scrutiny Committee that I chaired produced, I think, a very good piece of work on the school exclusions for example and that was chaired... or the small group within scrutiny that oversaw that- had no conflict with the Education Department. So, I think we exaggerate, sometimes, where conflicts exist.
400

So, in exaggerating that conflict, you then arrive at a remedy, which I think produces another potential for conflict or at least leaves you with something of an accountability conflict. As the former Chair of Scrutiny, dealing with the former PAC, when we met with them on occasions with the non-States' member, without wishing to offend any Member of the last PAC, but at times it felt that there was a small political hand on the tiller, but a much larger hand of independent members pulling in a different direction. Now, if a Scrutiny Committee does a review, that leaves politicians exposed or that has findings that can be contested and actually, later on, disproved, where is the accountability of the independent member who is on that committee, who never faces an election, who has never stood an election? Who is accountable to whom, exactly?
405
410

So, we always have this problem. When you seek independence in a small community setting, it is more difficult to achieve than I think we appreciate, because people who want to take part, people who volunteer with a specialism in a certain area already make that their own agenda and I think we need to be aware of that and guard against it at times.
415

Thank you.

The Bailiff: Deputy Conder.

Deputy Conder: Thank you, sir.

420 I will, again, be very brief, but I would like to compliment the Chairman of PAC and the Chairman of
Scrutiny for the way they have worked with the States' Review Committee members. I think this
amendment, if passed – and I will certainly support it – will improve the Propositions as presented to the
Assembly.

425 Just to cover things, I think we need to remind ourselves throughout this debate, that this is the first
stage and stage 2 will allow the Committee to engage with all members in terms of finessing what will be
the final recommendation, depending, of course, on what sort of Government this States determines it
wishes at the end of these debates.

I think one needs to bear in mind that in looking at that specific amendment, that the objective is to raise
the effectiveness and impact of the scrutiny function and whether or not, as the report and the Committee
430 have suggested, that we see merit in precluding members from the senior and Principal Committees of
scrutiny, it will, as I think Deputy Dorey said, entirely depend upon the size of the pool of members that we
can call upon and, indeed, the size of the Scrutiny Management Committee, because the benefit of
impartiality will be achieved by having the whole of the States available to take part in scrutiny. It will not
be limited to the number of individuals who actually, at the moment, sit on Scrutiny or PAC.

435 So, finally, sir, I think what I would like to say, throughout this process, this is about giving broad
outlines in terms of what we, in this case, want Scrutiny to look like and then enable us to finesse the fine
details at the second stage, but I would like to, again, compliment our colleagues for the way they have
engaged with the States' Review Committee and I think it is an example of the strength of our system of
government.

440 I urge Members to support these amendments.

Thank you.

The Bailiff: I see no-one else rising.

Deputy Rob Jones, do you wish to reply to the debate?

445

Deputy Robert Jones: Thank you, sir.

I will keep it brief. I thank Members for their support. A couple of Members did stray into the other
amendment which deals with the power and resources, so hopefully their comments... well, they will
probably have to repeat themselves in that particular debate. I hope that Deputy Soulsby will address those
450 in her opening address.

Deputy Brehaut raised a very important point about the impartiality and the conflicts of interest and, as
we know, most conflicts arise, I guess, through the information and knowledge we gain from being on a
Principal Committee or Department. Well, actually, Deputy Brehaut is right. Each committee, as his does,
deals with that. The current Committee have devised their own code of conduct in how we manage and deal
455 with our conflicts, whether we recuse ourselves from meetings and, of course, what will overcome that is
not necessarily the fact that we have a standing panel, but the fact that we can pick members from a pool, a
bigger pool, that can supplement review panels and hopefully we can deal with that, but I do look forward
to discussing further any other ways that we can strengthen that perception of impartiality, but otherwise, I
have nothing really further to add, but I hope that everybody can agree with this amendment.

460 Thank you.

The Bailiff: Before we vote, Deputy Bebb, do you wish to be *relevé*?

Members, we vote, then, on the amendment proposed by Deputy Robert Jones, seconded by Deputy
Soulsby. Those in favour; those against.

465

Members voted Pour.

The Bailiff: I declare it carried.

470 Now, we have two amendments proposed by Deputy Soulsby and seconded by Deputy Robert Jones. It
seems to me it might be possible to debate both those amendments together or, Deputy Soulsby, would you
wish that they be taken – ? Obviously, they will be voted on separately, but do you wish there to be
separate debates on the two amendments or are you happy that they be debated together?

Deputy Soulsby: I am happy to, but I have done two speeches!

475

The Bailiff: Well, in that case, I do not want to cause any inconvenience. We will take the two
separately, then. We will take first your Amendment A which adds the following to the end of Proposition
9(b):

'but also to acknowledge that some tasks which are currently undertaken by the Public Accounts Committee require continuous scrutiny and will need to be organised and co-ordinated by the Scrutiny Management Committee on that basis and the most appropriate structure for fulfilling such functions will be determined in Stage 2 of the Review;'

Deputy Soulsby will open debate.

480

Amendment A:

To add the following to the end of proposition 9b:

'but also to acknowledge that some tasks which are currently undertaken by the Public Accounts Committee require continuous scrutiny and will need to be organised and co-ordinated by the Scrutiny Management Committee on that basis and the most appropriate structure for fulfilling such functions will be determined in Stage 2 of the Review;'

Deputy Soulsby: Sir, this amendment relates to a lesser known, but no less important, aspect of the work currently done by the Public Accounts Committee and, whilst I do not want to take up a lot of Members' time, I think it is worthwhile that I highlight aspects of it, given what is being proposed.

485

Whilst many only think of Scrutiny Committee work in terms of reports and hearings, i.e. what they see, an invaluable part of the mandate of the Public Accounts Committee relates to its interaction with and questioning of both internal and external audit.

490

Members will be aware that this Assembly elects the external auditors, on the recommendation of the Committee, every five years. The Committee is then responsible for agreeing a contract with the auditors. However, this is only where our involvement starts. The Committee has appointed an Audit Panel, which is in regular contact with the auditors throughout each year, as they prepare for and then undertake the annual audit. In reality, the audit of an organisation of the size and complexity of the States is a year round job.

495

The Committee has a crucial role to play in the process as, not only can it inform auditors of potential areas that they may wish to focus on, but also learn from the auditors, areas of concern to follow up with officers and political boards. It also has a duty to monitor the performance of the auditors and to inform this Assembly, should it believe that they are not performing their duties adequately. It is the part of its role that this Committee has taken very seriously from the moment it took office and has made significant improvements, ensuring we get value for money from the external audit process.

500

This role has taken on even more importance over the last 18 months as a consequence of the SAP implementation in December 2012. It would be an understatement to say that the implementation did not go entirely smoothly and this had knock-on effects for the audit. In this regard, the Committee has taken a very active role as part of fulfilling its mandate to ensure States' bodies operate to the highest standards in the management of their financial affairs.

505

We have regularly called in the States' Treasurer to panel meetings to seek assurance that issues raised by the auditors were being resolved and probed the auditors on their findings from their audit closure report. We have also, this year, introduced a detailed questionnaire, sent to Finance Directors in each Department to obtain their feedback on their experience of the audit and how the auditors conducted their work. The responses have been invaluable and will be used to follow up on issues and further improve the process.

510

This work and specifically the monitoring of risk management and controls is one of the most important roles a Public Accounts Committee actually undertakes and, if anyone here doubts that, I would like to remind them that the States of Guernsey was defrauded of £2.6 million in June 2012, and the subsequent report by Ernst & Young made it clear that this was an incident waiting to happen.

515

I make no apologies for the fact this Committee has focused on risk management during this term. Indeed, we will be releasing details of our review into financial controls since the SAP implementation shortly. After all, a major reason advocated for spending £7.9 million on the shared services model in 2011 was that it was expected to lead to better information governance through strong internal process controls and States-wide application of policies, processes and procedures.

520

This leads to the PAC's role *vis-à-vis* Internal Audit. The Committee meets the Head of Internal Audit and Assurance on a regular basis and we also receive an annual report of activity during the previous year, as well as planned reviews for the next 12 months. I will speak more about our relationship with Internal Audit in my other amendment, but I would say here that this interaction is extremely important, especially when the Head of Internal Audit also shares the role of Head of Assurance, where there is a potential for conflict of interest. It also informs the Committee of areas that it may wish to review or follow up where concerns have been raised.

525

Now, I know Deputy Fallaize said on the phone-in on Sunday that the organisation of the States' affairs was not a sexy subject, and I readily accept that talking about internal and external audit probably confirms it. After all, auditors make economists seem exciting – although not actuaries. *(Laughter)* However, I hope this gives a flavour of why the Committee believe this amendment is necessary and why we believe

530 consideration needs to be given to this work when finalising the new scrutiny structure. I thank the States' Review Committee for not opposing it, and hope all Members will be willing to support it.

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

535

Deputy Robert Jones: I do, sir.

The Bailiff: Thank you.

Does anyone wish to speak? Deputy Fallaize.

540

Deputy Fallaize: Well, thank you, sir. Just briefly, to outline the position of the States' Review Committee, again. Our proposal 9(b) we felt did recognise that there are some tasks, particularly related to the scrutiny of financial affairs which are continuous, which is why we propose maintaining a panel of members, but I do accept that it is not explicit. Deputy Soulsby's amendment makes it explicit and adds these words to the end of our Proposition, while maintaining the other parts of the Proposition and, therefore, the Committee has no reason to oppose the amendment. I will support it and I think other Members of the Committee will too.

545

The Bailiff: Deputy Le Clerc.

550

Deputy Le Clerc: Sir, I would like to support Deputy Soulsby's amendment as Vice-Chair of Public Accounts. But I think it is really important to stress what was highlighted, perhaps, in the previous debate, was the fact that, as it stands in 9(b) at the moment, it says, 'independent of the States' and I think the critical thing is here that we have to have a Member of the States that can come back to this Assembly and argue before this Assembly and put the point across and if we have just totally independent financial scrutiny, they will not have the ability to do that. So, I just want to emphasise that point to everyone here today.

555

Thank you.

The Bailiff: Anyone else? I see no one rising.

560

Deputy Jones, then, do you wish to reply to – ? Sorry, Deputy Soulsby, do you wish to reply to the debate?

Deputy Soulsby: No, I do not think I have much to reply to there, sir.

565

The Bailiff: Thank you. I agree!

Members, then, do you wish to vote? We will vote on the amendment. Those in favour; those against.

Members voted Pour.

570

The Bailiff: I declare it carried.

Next, we have another amendment from Deputy Soulsby, seconded by Deputy Rob Jones and appropriately headed, 'Amendment B'.

Deputy Soulsby.

Amendment B:

To insert a new Proposition between Propositions 9 and 10 as follows:

'9A. To note that the effectiveness of the States' scrutiny function depends in part on the powers, resources and impartiality of the Scrutiny Committees and panels, and to direct that, prior to implementation of the improved committee system in 2016, the States' Review Committee shall propose to the States ways of strengthening the powers, resources and impartiality of the scrutiny committees and panels.'

Deputy Soulsby: Sir:

575

'No system of government guarantees effective scrutiny and without the proper culture, organisation, systems and processes in place, scrutiny will not be effective in any form of government.'

These are not my words. This is a quote from the Report on Financial Scrutiny by Jim Brooks Consulting, published in early 2012.

580 Now, a lot of publicity has been given to the Belinda Crowe Report of the same year into the Scrutiny Committees. However, less attention – wrongly, in my view – has been given to the Brooks Report that dealt specifically with financial scrutiny. In many ways, I think it was superior, as it considered the scrutiny role in the round, whereas the Crowe Report was focused far more on its structure. It is this quote that sets a background for this amendment, which reads as follows:

‘To insert a new Proposition between Propositions 9 and 10 as follows:

“9A. To note that the effectiveness of the States’ scrutiny function depends in part on the powers, resources and impartiality of the Scrutiny Committees and panels, and to direct that, prior to implementation of the improved committee system in 2016, the States’ Review Committee shall propose to the States ways of strengthening the powers, resources and impartiality of the scrutiny committees and panels.”’

585 Now, when I became Chair, back in May 2012, when the sun was shining and the sign of spring was starting to blossom – yes, it seems a long time ago, now – I knew that not everything in the Public Accounts Committee garden was rosy. Two reports into the scrutiny function and a motion of no confidence in the last term made that clear.

590 However, I started to realise there were real underlying issues that needed resolving, when a certain Deputy said to me on the steps of the Royal Court, right after my appointment, that I really did not know what I had taken on. I then went to the Public Accounts Committee offices at Sir Charles Frossard House and, let us just say, it was quite apparent that it had not been a happy ship.

Then, to cap it all, I got the run down from a previous Member of the Committee about his experiences that did not exactly fill me with the joys of spring. So, it did not take long for me to realise that change was needed.

595 But, things began to look up. Firstly, I managed to persuade a fantastic bunch of people to join the team. I know Deputy Le Clerc’s arm took time to recover after I had bent it so much. Seriously, I am very lucky to have an excellent group of people with me. With minimal technical support, the members have been very hands on and contributed to making positive change in the States, much of which has happened out of the public eye – and more on that in a minute.

600 Secondly, the ‘Berlin Wall’ between the Public Accounts Committee and Scrutiny Committees was knocked down and staff were together in one room. Finally, we heard all the right noises about getting more staff. At this stage, we had two and an acting Principal Officer and it is resources I wish to cover first.

Two years on and we just have three full time equivalent staff and it has not been for the want of trying on the part of the Vice-Chair and myself. Heads and brick walls come to mind and it has certainly led to a few headaches.

605 However, we are, in many ways, in a better place than we were in May 2012 and I would like to thank the staff for their perseverance and support over the last two years. The Crowe Report advocated producing reports in-house, rather than always using outside consultants, which had been done before. We published our first internally produced report on HSSD’s financial management earlier this year and staff are working on two reviews as we speak. So, the foundations are there, but we still have a long, long way to go.

610 The first paragraph of our mandate states that PAC’s role is to ensure proper scrutiny is given to the States’ assets, expenditure and revenues, to ensure that States’ bodies operate to the highest standards in the management of their financial affairs. With three staff? It is not about relying on staff to do all the work. The members roll their sleeves up and get involved above and beyond the call of duty, but practically they cannot do it all themselves. This is particularly the case for non-States members who also hold down jobs.

615 I look on enviously at the Public Accounts Committee in Westminster, which is basically fed reports every day by the 800-strong workforce at the National Audit Office, but I know we need a solution that fits a small island of 60,000 plus, not 60 million plus. Am I proposing an Auditor General? No. I think it would be another expensive office that is created, which, if it is like any other similar quango created by the States, could cost upwards of £½ million to run a year.

620 All we really need is technical expertise, supporting a Scrutiny Management Committee, enabling it to operate in a timely and efficient manner. Any solution also needs to consider the relationship With Internal Audit as I believe there are opportunities to simplify and streamline and enhance the current processes. Oh, but that detail is not for now, but I would be happy to work with the States Review Committee to ensure we get the support structure that works for Guernsey, as it certainly does not at the moment.

625 I now explain why the powers of the Committees need to be reviewed. As a Member and now Vice-Chair of Scrutiny, I am delighted that the Committee has undertaken public hearings and think that, whilst we can learn how we can approve how they operate, it is a fantastic start. It also required co-ordination with PAC, as all hands were needed on deck to run them, which also meant PAC work was put on hold as a result.

630 Now, we will be holding a public hearing later this year in relation to the budget and possibly combining this with the Personal Tax and Benefits Review. However, we have been trying to hold one before now and at every turn we have been prevented from doing so, through issues surrounding disclosure

635 of financially sensitive information. It is no coincidence that all three Scrutiny Chairs opposed the new Code of Access to Public Information when it was debated last year. It is basically a list of reasons why not to disclose information. One such excuse relates to commercial confidences.

We will, in the next few months be issuing a report that links to the work being done on the States' capital investment portfolio, in advance of the debate on funding for a new school building at the Mare de Carteret. However, we are told we cannot make preferences to issues on specific capital projects due to matters of commercial confidentiality. How can that be right? It is not. It is completely unacceptable.

640 The Committee believes that a future financial scrutiny function would benefit from the following changes: be able to compel witnesses to attend, be able to enforce requests for information and be able to release confidential information where appropriate.

645 The financial scrutiny function is different from the political scrutiny function in that it may be inappropriate to review certain topics in the public forum. Therefore, it is essential that the above powers are available.

I now briefly refer to the final issue of concern to the Committee: impartiality. This does not relate to dealing with conflicts of interest. I believe that these are handled pretty well. No, this is more about staff reporting lines.

650 We are currently in the ludicrous position that our Principal Officer has a reporting line to the Head of Internal Audit Assurance and, ultimately, the Chief Executive. Now, I would like to make it very clear that all parties do act with the utmost integrity. I do not want Members to think I am implying otherwise. However, the perception it gives is not good, particularly when the Internal Audit function reports to the Public Accounts Committee.

I could go on, but would like to end on a positive note.

655 As, I said earlier, the letter we sent to the Chair of the States' Review Committee was born out of frustration and, hopefully, Members have now got a better picture of where that frustration came from. I believe the role of the financial scrutiny function is to act as a critical friend. Like a good teacher, we should highlight good practice, as well as areas that can be improved and provide recommendations on what those improvements could be. This has been the approach taken by the Committee over the last two years.

660 But, as I have hopefully made clear, we are limited in how much help we can give, which ultimately slows down how quickly Government can improve and demonstrate to the Guernsey people that the services they pay for really do represent value for money and that extravagance and waste have been eradicated. By supporting this amendment, therefore, we are a step nearer to not only improving our scrutiny function, but also Government as a whole. A win-win situation that I hope all Members will support.

665 However, now we have a real chance of doing something about it and I really do believe that if we can work together as well as we did last week, we really can put in place the foundations for an effective and efficient scrutiny function.

670 Now, Disraeli stated that 'a fool wonders and a wise man asks'. Now, I am not a man and whether or not I am wise, I will leave others to judge, but I am asking you all to support this amendment that will give us a chance of removing the shackles that bind the current scrutiny function in its job of ensuring good corporate governance in the States of Guernsey.

675 **A Member:** Hear, hear.

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

Deputy Robert Jones: I do, sir.

680

The Bailiff: Deputy Fallaize, do you wish to speak first?

Deputy Fallaize: Just on behalf of the Committee, sir.

685 The Committee agrees with Deputy Soulsby that the States' scrutiny function does depend, in part, on the powers, resources and impartiality of scrutiny committees and this amendment, obviously, does not seek to take out anything that is being proposed by the Committee. It seeks to add an additional Proposition. So, in no way does it undermine the proposals and, again, on that basis, the Committee is happy to support the amendment and I think, if this amendment is approved, together with the other two amendments which have been approved, we will have a set of proposals which, as I understand it, as far as scrutiny is concerned, the three existing scrutiny committees and the States Review Committee effectively will agree on and then that will provide us with a basis to work together in the second stage of the review to come to the States with detailed recommendations.

690 So, I will support this amendment, sir, and urge Members to do so.

The Bailiff: Deputy Gollop.

695

Deputy Gollop: Thank you.

In one sense, I am possibly the States' longest serving scrutineer, having sat on two of the three committees, one for over ten years now and another one for eight – despite the late, great Mr Arditti saying I was not cut out for the Scrutiny role, because I had too much passion to get policies through.

700

And that is a question, of course, how you appraise this, because we have heard a very powerful, very strong speech from the Public Accounts Chairman and I would agree with almost every aspect of it. I certainly will support this amendment. I think the decision of the previous Public Accounts Committee not to be given an Auditor General and the current one to abandon the plan is a mistake, because I think the Audit Commission did a first rate job and an Auditor General, even if he or she was highly paid, would have more power and status to gain access to results.

705

Powers are important. For reasons I never fully understood, previous Scrutiny Committees were reluctant to go to the States demanding more powers, but I think that powers are essential in a system as small as this, where people are naturally concerned about confidentiality and upsetting the apple cart and the powers of presentation have to be...

710

There is a speed too. I mean, we hear today a very senior Home Office civil servant will be interviewed by a select committee in Westminster, just two or three days after a particular revelation. With one exception, that was the short review last year, we tend to take weeks or even months to arrange that and that is partly because of a lack of powers.

715

Impartiality, I think has really been dealt with already and resources are very important, because we started life as a scrutiny committee with just one member of... well, we did not even have a member of staff initially, but after a month we had Deputy Domaille and he did everything. He rang up members, he made the tea, *(Laughter)* he tried to cajole us, people who are used to a previous system and we did a lot of work in that respect –

720

Deputy Domaille: Sorry, if I may, sir, I also made most of the mistakes. *(Laughter)*

Deputy Gollop: Yes, but former Deputy Jean Pritchard and Deputy Domaille, they did achieve one innovation. We did have panels that met in public and, on one occasion, there were two non-States members on a panel to do with milk – just for the record.

725

I have to say, picking up where Deputy Soulsby left off, I am not suggesting there would be any pressure ever brought to bear on any members of staff who served Scrutiny or Public Accounts over the years, but I do believe that something the States Review Committee should take away from this debate and look at is the firming up of a separate parliamentary assembly staff commission that is independent of the functioning Civil Service that serves Committees, Departments and Policy and Resources and the Treasury. I do not believe it is easy for people in the same management hierarchy to be doing both functions and I think, whereas we clearly have a division with CICRA, to a certain extent with St James' Chambers, and the Greffe, we do not at that level and we need it.

730

And I look across the sea to Jersey and, although they have had their adventures and misadventures with Scrutiny, one can commend their enormous output and that output is as a result of not only Members also doubling up as assistant Ministers or Deputy Ministers, but a very large quantum of staff. I think, at one point, they had 18 staff serving the scrutiny function. We, at the most, never had more than five or six and, clearly, as we have heard from other Members of the Public Accounts Committee, the lack of staff resource holds them back enormously from the public reviews and the questioning we need to do and it should be pointed out that a really effective scrutiny and Public Accounts role would save the Island potentially millions in financial management.

740

So, I support this amendment, but I think the States have to have the beef to look at real work from the SRC on strengthening the powers as soon as possible.

The Bailiff: Deputy Rob Jones.

745

Deputy Robert Jones: Thank you, sir.

I am not going to repeat a lot of what Deputy Soulsby said, since this amendment is likely to be passed without too much opposition. Much of what Deputy Soulsby said in relation to PAC refers to the Scrutiny Committee as well.

750

What I would like to acknowledge is the amount of work and progress that the Scrutiny Committee has made in the last two years without any significant increase in its powers or its resources. What we have achieved is two reviews: an urgent business review into the AFR and the recent report into the security of electricity. Both reviews were time consuming and had resource implications.

755 We are following the Westminster style of scrutiny, which enables us to go out to call for evidence. The important thing is that what we do with that evidence, we then examine that evidence in public, with public hearings and then we produce evidence-based recommendations. So, those are great strides that the Committee has made in two years and that has been done through a change of mind-set and culture. But this amendment can only add to the strength of what the SRC is proposing.

760 Finally, I would just like to say that we should not forget Legislation and, bearing in mind that we are primarily legislators, that Committee has no resources whatsoever in terms of cash. We have support from St James' Chambers and we have support from the Greffier, but that Committee should not be forgotten. It is one of the most important Committees and I hope this amendment... and the wording of the amendment does include it – but do not forget legislation. It is an important committee and I am glad that the SRC will move forward into the second stage and I hope that I can get involved with other members of Legislation who have strong opinions too on the way that legislation should progress, but it is important – I cannot emphasise that any more.

765 Thank you.

The Bailiff: Deputy Brehaut.

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

Deputy Soulsby referred to, if you like, a tougher scrutiny, a more focussed scrutiny, a more determined scrutiny and, I suppose what is wrapped up in that is perceived failings of how scrutiny has operated in the past. I just wanted to read something from the Review Committee report on page 1369. I will read it out, Members do not need to look it up.

775 'However, the Centre for Public Scrutiny has dismissed claims that the committee system is inherently more democratic and has suggested that notions of leadership, accountability, scrutiny, democracy and co-ordination in government have more to do with behaviour and culture than with structure.'

I think, sometimes, when criticisms are levelled, even at the old PAC or any scrutiny committee that came before the new, revised, improved Scrutiny that we see, it is working in a structure where the culture and the behaviour are the issue rather than, sometimes, the chosen subject matter or review.

780 You have to get beyond – again, within the small community confines – those adversarial relationships, which will not evaporate incidentally in the morning sunlight after we have a new type of scrutiny.

Again, just to refer to the existing scrutiny mandate, it says:

'Holding reviews into such issues and matters of public importance that the Committee may determine from time to time.'

I think that is probably... What a fantastic line to have in any mandate for any scrutiny committee, because it does actually give you a great deal of scope. So, I do not think that the confines of being on Scrutiny, if that is the perception that some people hold.

785 Just, in closing, sir, because Deputy Soulsby referred to it, members of the last Scrutiny Committee will know that we were determined to take down the internal partitions that we were in between PAC and Scrutiny. It made no sense to have two parliamentary committees with a wall between them when staff contacted one another on e-mail. It was simply ridiculous. The fear, however, from the former PAC was that, if you have the staff in one room, they may lose that staff resource, which they did not want to lose, because that was their perception. But again, as was then and as will be in the future, we need an adequately resourced scrutiny function if it is to succeed.

790 Thank you.

The Bailiff: Anyone else? No.

795 Deputy Soulsby, you may reply to the debate.

Deputy Soulsby: Thank you. I will be brief, sir.

Thank you, Deputy Gollop, for your comments. Regarding an Auditor General, well, I think we will have to agree to disagree. I do think it is going to be a huge cost and my experience of seeing other similar offices created, I can see it being a bottomless pit.

800 But, I do totally agree with you in regard to the parliamentary staff function. I think having our staff sat in Sir Charles Frossard House, right opposite the Policy Council room, does seem rather strange, and I would like to see that.

805 In terms of Jersey, yes, it is very well staffed. They have got a separate building, I believe, for themselves and I think aspects are very good, but let us just say, I think, probably it is a bit over the top for Guernsey and what they have comes with a very hefty price tag.

Just to say thanks to Deputy Jones for his comments.

810 Deputy Brehaut, yes I totally agree: behaviour and culture are incredibly important, and the structure, well, I believe that we do need to make sure we do have the powers and resources, which will help that behaviour and culture. If we do not have them, we will never be able get out of the starting blocks.

I think that is all I have to say. I will just ask all Members to support the amendment.

815 **The Bailiff:** We vote, then, on Amendment B, proposed by Deputy Soulsby, seconded by Deputy Rob Jones. Those in favour; those against.

Members voted Pour.

820 **The Bailiff:** I declare it carried.
Next, we have an amendment that is proposed by Deputy Lowe and seconded by Deputy Dave Jones.
Deputy Lowe.

Amendment:

To replace Propositions 4 and 5 as follows:

“4. To agree that in order to provide clear leadership in external relations and constitutional affairs, there shall be a committee, designated the External Relations and Constitutional Affairs Committee, with the following main functions:

- a) to lead the development of external relations and constitutional affairs policy;*
- b) to co-ordinate the conduct of external relations and constitutional affairs;*
- c) to facilitate cross-committee external relations and constitutional affairs activity;*

which Committee shall comprise five States’ Members, none of whom shall be members of the Policy & Resources Committee or the Scrutiny Management Committee, but any of whom may be members of other Committees.

5. To agree that most of the policy-making, regulatory and public service functions of the States shall be delegated to no more than 10 Principal Committees, one of which will be the External Relations and Constitutional Affairs Committee, but when considering the precise allocation of such functions between the other Principal Committees there shall be a general presumption in favour of rationalisation of committees where practicable.”

Deputy Lowe: Thank you, sir.
The amendment is as follows, sir:

‘To replace Propositions 4 and 5 as follows:

‘4. To agree that in order to provide clear leadership in external relations and constitutional affairs, there shall be a committee, designated the External Relations and Constitutional Affairs Committee, with the following main functions:

- a) to lead the development of external relations and constitutional affairs policy;
- b) to co-ordinate the conduct of external relations and constitutional affairs;
- c) to facilitate cross-committee external relations and constitutional affairs activity;

which Committee shall comprise five States’ Members, none of whom shall be members of the Policy & Resources Committee or the Scrutiny Management Committee, but any of whom may be members of other Committees.

5. To agree that most of the policy-making, regulatory and public service functions of the States shall be delegated to no more than 10 Principal Committees, one of which will be the External Relations and Constitutional Affairs Committee, but when considering the precise allocation of such functions between the other Principal Committees there shall be a general presumption in favour of rationalisation of committees where practicable.”’

825 Sir, Members will be fully aware that Deputy Dave Jones, who is seconding this amendment, has been an experienced member of External Relations more than anyone else in this Assembly. Deputy Jones’ seconding of this amendment speaks volumes to me and I hope to other Members and I would like to thank him for doing so.

Sir, in the Report of the States’ Review Committee on 6.4.17:

‘The Committee believes that the efforts of the Policy & Resources Committee to manage States’ finances and other resources, co-ordinate policy across the States and take responsibility for external relations would be aided greatly by its members being independent of the Principal (spending) Committees and therefore able genuinely to stand above sectoral interests and take, and be seen to be taking, a States-wide view.’

830 Now, bearing in mind that this Committee has a budget of nearly £1 million, I cannot see how that could be separated away from the Policy and Resources Committee.

835 The Report also states that the Policy Council has exercised an oversight role, largely through a sub-committee and the policy agenda has been driven by a small number of elected Members, supported by a small team of advisers. And I will read that out now, because I am going to be referring to it again later.
Just remember, this is driven by a small number of elected Members. It goes on to say:

‘The nature of Guernsey’s economy and the increasing inter-dependence of the modern world mean that the need for the States to apply resources – both time and money – to the Island’s relations with other jurisdictions is likely to grow rather than diminish.’

And I repeat that: ‘is likely to grow, rather than diminish.’

‘The vast majority of submissions [...] made reference to external relations recognised that they are an essential area of States’ activity if the Island’s economic prosperity and self-government are to be maintained and strengthened.’

And, again, the word, ‘strengthened’.

It is odd, then, sir, that in the next paragraph in the States’ Review Committee, they say:

‘The Committee sees no merit in recommending the creation of a separate States’ committee for external relations.’

840 If we look currently at the membership of the External Relations Group – and I just go back to what I said just before – it is not a small team, as it says in the Report, and it also says in the Report that they see that there is going to be an increase and it is recognised that in both time and money will be needed, because this is likely to grow rather than diminish. And yet the current membership of external relations consists of eight people.

845 They consist of the Chief Minister. They consist of the Deputy Chief Minister. There is also, by virtue, the Minister of the Home Department and, by virtue of being the Minister of Commerce and Employment Department sits on that as well. The Minister of Social Security Department, also the Minister of Housing Department and they have two non-voting Members, Deputy Michael O’Hara who is also the Minister of Culture and Leisure Department and Deputy Roger Perrot. So, eight of the eleven Policy Council Members are clearly a majority of Members, rather than a small team as is referred to in the Report.

850 In 2005, sir, there used to be five Members on External Relations Committee. It used to be the Chief Minister, the Deputy Chief Minister, the Minister of Culture and Leisure, the Minister of Commerce and Employment and the Housing Minister, and they saw the benefit and necessity to increase the membership and also ask other Members, apart from the eight that I have named here, who would also represent States’ committee outside of this Island. So, we have eight, plus others, who currently help with the work of the External Relations Committee.

855 So, back to the Report from the Review Committee, they say in here that:

‘ - One member of the Policy & Resources Committee, though still able to contribute to all other parts of the committee’s mandate, would be able at all times to afford priority to the Island’s external relations;
- The Policy & Resources Committee would designate as lead member whichever of its members it considers to have the skills and interests best-suited to dealing with external relations;
- If the member with designated responsibility for political leadership of external relations was indisposed, another member of the Policy & Resources Committee would be able to deputise and, therefore, the States’ capacity for external relations would be resilient...’

Really? How would that work out?

‘There is a close relationship between external relations and constitutional affairs. In referring to constitutional affairs, the Committee includes the Island’s much-valued relations with the other Islands of the Bailiwick. There seems every likelihood that in the years ahead the importance of these relations, too, will grow rather than diminish and it is considered essential’

– their wording, not mine –

‘that responsibility for them should sit, as with external relations...’

860 Sir, the Chief Minister mentioned just before that Members discussed with the Committee their amendments so as not to disrupt the proposals and I am glad he said that as well, because I think it is important and I, too, chose to discuss with the Vice-Chair of the Committee, if he saw that this amendment of separating the Committee, the dedicated Committee, it would actually disrupt the process for the make-up of this as the way going forward and I was given assurances that no, that would not actually be a problem, in his view, because that would be for the States to decide, but there was nothing really changing too much, we were just actually separating what was already in existence. We were not bringing in a new service or a new set-up for the States. We do have an External Relations Committee already.

865 And it was interesting that Jersey have seen the benefit of forming an External Relations Department – and it works. For the conduct of the Jersey’s external relations in accordance with the common policy of the Council of Ministers, they all work together and that is also fed through to the Chief Minister of the system that they have in Jersey. So, they all work together.

870 This amendment seeks to give the External Relations and Constitutional Affairs Committee the recognition that this States is frequently acknowledged. We need to ensure the right and consistent message, Guernsey takes external relations and committee affairs very seriously, and believe having a dedicated

875 committee, rather than a sub-group, endorses external relations is not a side-issue, but given the gravitas that it deserves.

I ask Members to support this amendment.

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

880

Deputy David Jones: I do. Can I speak now to it?

The Bailiff: Yes.

885 **Deputy David Jones:** I have spent most of my political life on this particular Committee and I agreed to second this amendment because of the importance of our external relations and the fact that the elephant in the room appears to grow bigger every year.

Now, I am very interested, actually, in the make-up of the External Relations Committee and the future make-up of that Committee. At the moment, it has ministers on it, because they are heads of different departments, but not in my case, actually. At that election I was elected by the Policy Council onto it, because of my real interest and my knowledge of the European Union and many of the functions of that particularly august body and other issues. The interesting thing is, over the years, many of the predictions I made ten years ago about the ratcheting up of the tax on us, about the moving of the goal posts by the British Government and others have been proved to be true (**A Member:** Hear, hear.) and many of the Members now acknowledge that that is the case.

I do get into trouble from time to time from several Chief Ministers and others when I make public utterances about the EU and others and I understand, because they are trying to build relationships and we have done that in the past very successfully, without too much trouble when it comes to some of my views. I think any parliament or any organisation recognises that we are not all clones of each other and some of us will have more diverse views.

900 But this particular Committee, going back to the amendment, sir, (*Laughter*) is the fact that I am extremely worried that this new structure will not give External Relations the gravitas, as Deputy Lowe has said, that it deserves.

Now, the amendment does not actually do everything that I want it to do, because I would want External Relations to continue to be headed up by our very capable Chief Minister and for that to continue and for, indeed, the role of Chief Minister to continue, but that is for a different debate in a minute. So, from that point of view, I do not necessarily believe, for instance, that the person that I would choose to head up the Policy and Resource team may necessarily be the same person that I would want standing in the Cabinet Office of Number 10 Downing Street, representing the very, very strong views of this Island's constitution and its democracy.

910 There are two different roles. Somebody to head up Policy and Resource, for instance, I would want them to be a monetarist, somebody who understands our economy and how it all hangs together. The person I want in Number 10 Downing Street is a bit of Rottweiler actually and somebody who will defend our constitutional position against attacks from all others and stand firm when we are often bullied, as we often are, by those who have a completely different agenda to the States of Guernsey. You are the Government of this Island. It is your job to protect the rights and freedoms and the constitution of this Island so hard fought for and as was written large on documents that are held in special temperature-controlled vaults beneath this building and, to me, that is a different job altogether.

920 So, I hope you can support this amendment. One of the reasons I have agreed also to go with it, because, although it does not actually give me everything I want, we know that the nuts and bolts of what is being decided on this new review are going to be sorted out later on and I think that there will be quite a lot of tweaking between then and now. I understand what Deputy Fallaize and his Committee are trying to do. They want to get a structure in place that delivers better government for Guernsey. Now, I am not sure whether this structure will and I will have some views on that later on.

925 But certainly on this particular amendment, our constitution and our relationship with the outside world are a hugely important issue, and I do not believe it should be left to a couple of people on a very busy committee where I believe it will wither and die, quite frankly and many of the relationships that have been built up over the years will fall, I believe, by the wayside.

930 Now, not all those relationships are... We do not always get along and we have had several Secretaries of State who have come from different political colours, different political parties, to visit us at Policy Council and ERG and we have not always agreed, but that work has to continue.

935 We have a Brussels' office. I was totally opposed to that when it was first envisaged, because I did not think that we should have one. However, I have shifted my position on that, because I believe now it is better to be more proactive than reactive. (**Several Members:** Hear, hear.) We were always having things coming at us down the pipe that we had to react to and we had to start thinking very quickly and be very

fleet of foot. That is not the case so much now, because we do get quite a lot of stuff out of the Brussels office that flags up potential dangers for us and potential conflicts that may be coming at us.

940 So, I do hope that you understand where I am coming and where Deputy Lowe is coming from on this particular amendment and you can find that you will support it. I cannot express to you how important our external relations are and we have got an ex-Chief Minister in the room and others who will know from vast experience the amount of work that they did at the time, and I feel so passionately about this that I feel you should support this amendment.

Thank you.

945 **The Bailiff:** Deputy Fallaize, then Deputy Conder, Deputy Gollop.

Deputy Fallaize: Thank you, sir.

The Committee's proposals for dealing with external relations and constitutional affairs are set out as section 6.6 of the policy letter, page 1382, and are then carried forward into Proposition 4:

'To agree that the Policy & Resources Committee shall have responsibility for external relations and constitutional affairs and the Committee shall designate its President or one of its members as the States' lead member for external relations and constitutional affairs.'

950 Now, the alternative proposal put here in this amendment, laid by Deputy Lowe and seconded by Deputy Jones, seeks to address what are, in a sense, two separate issues. One is which committee of the States should have responsibility for external relations and the other is what should be the membership of that committee, and I want to deal with those two issues separately.

955 One of the main findings of the States Review Committee is that the structure that was agreed in 2004, although it had advantages and has clearly delivered some benefits, introduced a very major weakness at the heart of the States and that was that it separated responsibility for policy co-ordination from the responsibility for the allocation of resources when really, in a committee system, they are two sides of the same coin. That inevitably inhibits the capacity for co-ordination and does create two centres of leadership, which the Chief Minister has already referred to in his opening speech.

960 Now, a major concern that the Committee has about this amendment is that it will introduce a new division right in the heart of the States between domestic policy co-ordination and external relations. It immediately removes from the Policy and Resources Committee one of its key leadership and co-ordinating functions, by taking it out and putting it into a separate committee. And, for the first time, if this amendment is successful and the structure is built around the concept of a separate committee, it would be
965 the first time in many decades that the responsibility for external relations has not sat in the States' senior committee. That has been the case right after the reforms of 1948 and is still the case today with the Policy Council, and Deputy Lowe wants to take responsibility for external relations out of the senior committee and put it into a separate committee.

970 Now, far from strengthening the focus on external relations, the States' Review Committee thinks that that will weaken the States' focus on external relations. So, the Committee's conclusion, in that regard, is at paragraph 6.6.3. Deputy Lowe has already read it out, but it is that responsibility for external relations should not sit with a separate distinct committee, but with the senior States Committee, which in the case of the structure being proposed by the States' Review Committee is the Policy and Resources Committee.

975 Now, I think there is a misunderstanding about the present arrangements. Certainly, I thought Deputy Lowe's opening speech suggested a level of misunderstanding about the present arrangements. The External Relations Group is not a States' committee. It is a sub-committee of the Policy Council. Responsibility for external relations does not rest with the External Relations Group; it rests with the Policy Council. It is in Policy Council's mandate and all 11 members of the Policy Council are responsible for external relations policy.

980 The proposal of the States' Review Committee does not in any way take away the flexibility of the senior committee to arrange its responsibility for external relations in whichever way it sees fit. The Policy Council has chosen to establish an external relations group as a sub-committee and to populate it as it sees fit and there is nothing in the proposals of the States' Review Committee which preclude the Policy and Resources Committee from doing exactly the same thing.

985 It has almost been inferred in Deputy Lowe's opening speech that External Relations Group is a standing States' committee, which the States' Review Committee is trying to abolish. It is not. Responsibility for external relations at the moment rests with the Policy Council and we are proposing transferring it to the proposed new States' senior committee, the Policy and Resources Committee. So, our proposal is far more consistent with what is happening at the moment. It is Deputy Lowe who is seeking a
990 completely new model by introducing a completely separate States' committee, detached from the senior States' committee.

Also, Deputy Lowe spoke, I thought, enthusiastically, about the work that has been done by the External Relations Group, but then said external relations is too important an issue to leave to a sub-committee, and I think there is an inconsistency in that. The proposals – I am not going to read through paragraph 6.6.7 which explains what the Review Committee believes are the proposed benefits of its Proposition 4, but, in summary, what we are proposing is that responsibility for external relations, accountability for external relations, would sit with the States’ senior committee, but that it would nominate one of its members to be the States’ lead member, because many people who gave evidence to the Committee said to us, and I am paraphrasing, but something like, ‘There needs to be a person in the States who, when they wake up every morning, their first thought in relation to the States is external relations.’ Not that that is the only work that they necessarily carry out and not that other people cannot supplement external relations, but that there needs to be a person whose prime function is external relations.

But clearly, under what we are proposing, it would be perfectly possible for that person or for the Policy and Resources Committee to draw in resources from around the States, in other words, other States’ Members, either the lead members of the Principal Committees or the other members of the Policy and Resources Committee, to assist in actually undertaking external relations activities as and when the circumstances require that.

Now, as ever with a committee, and Deputy Jones referred to this in his speech, there are different shades of opinion on the States’ Review Committee. We are unanimously of the view that our proposed structure is preferable to this amendment, but I have to say, personally, I am less hostile to the concept of a distinct States’ Committee.

However, this amendment has to be taken as a whole and what should defeat this amendment – even for those Members who might have some sympathy for a separate States’ committee dealing with external relations – what should *absolutely* defeat this amendment is the words after the list of a), b) and c) in the amendment, because what this amendment proposes is that the separate committee which Deputy Lowe and Deputy Jones want shall comprise five States’ Members, none of whom shall be members of the Policy and Resources Committee. So, the proposer and seconder of this amendment want to preclude all of the members of the States’ senior committee from sitting on the committee which has responsibility for external relations.

Now, they do not want to change our Proposition 3, which is to agree that the President of the Policy and Resources Committee shall be the Island’s senior political office, but they want to stop that Member from sitting on the committee which is responsible for external relations. Now, that is about the most effective way we could find of undermining both the person we have identified as the Island’s senior political office holder and the way in which the States discharges external relations. In fact, Deputy Jones said, in his speech, ‘I want the Chief Minister or the successor role of Chief Minister to take the lead in external relations’. Well, he is seconding an amendment which expressly precludes the successor role to Chief Minister from sitting on the committee with responsibility for external relations.

Now, why on earth would we want to agree to a particular office being identified as the States’ senior political office and then immediately take away from that person any role in external relations and constitutional affairs? That is bonkers. *(Laughter)*

In fact, Deputy Lowe wants to take all of the members of the Policy and Resources Committee away from sitting on this External Relations and Constitutional Affairs Committee. She prays, in support of this proposal, that we are proposing that members of the Policy and Resources Committee should not sit on principal policy-making committees, but there is a complete difference between all of the States’ committees which are involved in making domestic policy and our view that we could do away or we would benefit from a senior committee which is at arm’s length from all of those committees co-ordinating domestic policy... There is complete difference between that and suggesting that the Senior Committee should be precluded from involvement in external relations and constitutional affairs. The two really cannot be linked in any way.

So, I would say to Members, even for those Members who are sympathetic to the principle of a separate States’ committee having distinct responsibility for external relations and constitutional affairs, please do not undermine the Policy and Resources Committee that is being proposed. Please do not undermine the holder of the Island’s senior political office and please do not weaken the States’ focus on external relations by voting for an amendment which tries to preclude all the members of that senior committee from involvement in external relations.

Thank you, sir.

The Bailiff: Deputy Conder.

Deputy Conder: Thank you, sir.

Colleagues, there is a real danger, which I will try to avoid, that the few words I am going to say will almost be a repeat of Deputy Fallaize, and you do not want to hear that. The problem is that we have

worked so close together for the last years, months and days that we are a bit like clones with the difference is the younger version is much brighter, much more energetic, in many ways much more mature. (*Laughter*)
1055 So I will do my best to put a slightly different slant upon it.

I regret and I do vigorously oppose this amendment, and I regret opposing it, because the two authors are two colleagues for whom I have such a high personal and professional respect and affection.

1060 Having lived SRC for the last two years, I think the most distinct issue that has imprinted itself in my mind is the disconnect between resources and policy development and, of course, what we are trying to do here is to address that major disconnect which causes such a problem in developing policy. External affairs is no less a part of policy making and policy delivery than resources. How could any government extract external affairs, foreign affairs, from its core Policy and Resources Committee, from its core cabinet and exclude those key Members from that deliberative function? Imagine in another jurisdiction, if the Foreign Secretary, if the Prime Minister, was denied access to the Foreign Office, was denied influence and
1065 involvement with the development of foreign policy. It beggars belief and I cannot really get my mind around why our colleague –

Sorry, I give way, of course.

The Bailiff: Give way to Deputy Dave Jones.

1070 **Deputy David Jones:** I am grateful to Deputy Conder, but you are presupposing that the States will support the Report.

Deputy Conder: Deputy Jones is quite correct (*Laughter*) and I certainly hope that is the case, and that
1075 is the basis on which I am speaking!

So, I have real concern, on the basis that this Report is supported, that we should remove external relationships from the core policy and decision-making body. Policy and Resources of which external affairs is a part is responsible for developing overall strategy, which has to include external affairs, co-ordinating that policy which has to include external affairs and monitoring delivery of policy which has to
1080 exclude external affairs and, as I said, I am sorry on a personal basis that I have to oppose it, but I urge colleagues not to put us... *if* we support the policy letter and resolutions, do not put our next government in a position where external affairs are excluded from the key policy-making function.

In other speeches I might make, I will use this term and I have in all the other debates we have had and meetings with colleagues, the structure of Policy and Resource Committee, as with most of these
1085 resolutions, is permissive. Deputy Fallaize has already indicated at the last bullet point of 6.6.7 on page 1383 illustrates that the External Affairs Committee, that individual who is designated responsible for external affairs, can call upon other members of the Policy and Resources Committee, can call upon other members, political heads of Principal Committees to take the lead or assist whenever particular circumstances require. So, indeed, the objectives – with the exception of excluding external affairs from
1090 policy development – of this amendment can be achieved and can be delivered through that permissiveness under 6.6.7.

So, the last point I would like to make, without the danger of repeating Deputy Fallaize, is when I listen to Deputy Jones and he, quite rightly, applauded our Chief Minister and his role he takes in external affairs, if Deputy Le Tocq was our Chief Minister under this new relation, Deputy Jones could not achieve that.
1095 Deputy Le Tocq, the Chief Minister, would not have direct involvement in the development of the mandate of external affairs. For me, it beggars belief.

So, I finish as I started. I know the intentions of the authors of this amendment are good. I know they have much, much more experience than me, particularly of external affairs, of which I have none, but I would urge colleagues –

1100 Sorry.

The Bailiff: Giving way to Deputy Lowe.

Deputy Lowe: Thank you very much.

1105 I do not know if Deputy Conder misunderstood what I was actually saying or indeed what is in his own Report, because all the Principal Committees will be meeting with Policy and Resource Committee on a regular basis, something like quarterly, more or often as they choose to do so, so indeed the External Relations Committee would be meeting with Policy and Resources Committee – all five members, I would hope.

1110 **Deputy Conder:** Thank you, Deputy Lowe, but external affairs, as I think both Deputy Lowe and Deputy Jones said, is a day-to-day function. It is strategic, it is operational, it is day-to-day, so in response to Deputy Lowe, that would not answer that difficulty – whatever they are: monthly, quarterly. External

1115 affairs has to be part of central leadership and we have all acknowledged, and Deputy Jones and Deputy
Lowe have acknowledged, how important it is. It has to be at the heart of government. It has to be at the
heart of strategy and policy development.

1120 Finally, in closing, sir, this is a minor point, but under the resolution 5, one of the objectives of the
policy letter is to make us more flexible in terms of the structure of committees, the number of committees.
If we approved the second Proposition, the amended Proposition 5, External Relations and Constitutional
Affairs Committee would have been embodied in perpetuity of one of the Principal Committees. The new
government would not have the flexibility to change that. Because of that Proposition, the only committee
of the States which would be locked in, in perpetuity, would be this committee. So, again, I would
obviously recommend there is some disconnect there.

1125 But, colleagues, I would urge you, in order to maintain the integrity and the objectives, if you support,
as Deputy Jones says, if you are minded to support the overall Propositions, this amendment does need to
be rejected.

Thank you, sir.

The Bailiff: Deputy Gollop, then Deputy Le Clerc, then Deputy Harwood.

1130

Deputy Gollop: Sir, to a degree, on this day, compared to some earlier constitutional debates, we have
not yet seen too much fire or interest, but maybe it is because this is clearly a work in progress. I think one
has to accept the amendments in that context too and I certainly can support this amendment in effectively
nine tenths of it. Yes, I do have a slight reservation about the view that they cannot be a member of the
Policy and Resources Committee, but I can justify that too and I will explain why in a minute – and not just
for the reasons Deputy Lowe has given.

1135

Deputy Lowe and Deputy Jones, between them, are very long-serving politicians who have done 34
years of service in this Chamber and I think to the extent you have to consider carefully their experience in
seeing how matters evolve in the States.

1140

I argue here that external relations are utterly vital to our system of government, but at the same time are
not the only game in town. We have seen, in the past, one or two candidates stand to be Chief Minister and
get very close to the mark of being successful, who were not specialists in external relations and did not
pretend to be. Their reasons for standing were much more to do with social policy, the policy agenda and I
think if we embed in our system the view that the Island's leading politician is *de facto* the Island's off-
shore, roving, global ambassador, that robs our political system of drive, of speed, of tenacity and that is
one of the many dangers contained in these proposals.

1145

It should also be borne in mind, whilst we have had a Chief Minister who has been first amongst equals
in an 11-member group, this would be a Chairman in a five member group. Jersey, as we know, after a
variety of experiments, initially adopted no external affairs specialist. Then they effectively had a system of
Assistant Chief Ministers and now they actually have in the context of a former Judge, I think, of the
Guernsey Court of Appeal, in Senator Sir Philip Bailhache, a very able and erudite External Affairs
Minister. They have made that judgment. He does not necessarily agree with everything the States of Jersey
does, but he represents the Island extremely ably.

1150

I believe and have believed for many years, going back, indeed, to the time when Deputy Domaille was
Chief Scrutiny Officer, when we discussed the matter, that the Island, on balance, needs a Foreign Secretary
or an External Affairs Minister or leader, because that would free up the Chief Minister and enable us to be
clearer. That is the issue here. I also believe that we have created an External Affairs Group for the Policy
Council and a Constitutional Relationship Group and we might as well combine them into one organisation.

1155

The point was made earlier that the external affairs sub-group of the Policy Council – Deputy Fallaize
made this point – is effectively a sub-group of an existing group. That is a well-made point, but I would like
to point out that, as I understand it, the External Relations Group consists of five or so Ministers of an 11-
member body. What we are suggesting, and that is the core principles here, are a five-member super-group,
combining everything and so it would not be a sub-group. It would be the entire committee.

1160

Actually, my main reason for supporting this is not just the primacy of external affairs, but it is the
realities of politics. As I understand it, the States' Review Committee are proposing that the Policy and
Resources Committee will be a combination of the bulk of the Treasury and Resources mandate – human,
property, financial and taxation – mixed in with strategic policy co-ordination, particularly, presumably
with regards to social and economic. I am a little concerned that environmental policy could be
downgraded, but that is another issue.

1165

The third area is constitutional external relations, but not just a super-group. They would require super-
people to serve on it, because they are effectively trebling their mandate. I cannot see you will easily find
five Members of States who will be able to fulfil that function in every way, and let me just give you a little
scenario. Let us imagine a new States met and a certain person is elected to the Policy and Resources
Committee on a second vote, who is regarded as quite knowledgeable on certain aspects of social and

1170

1175 environmental policy, but then, because of a shortage of Members on the group of five, he is delegated to go to Whitehall and offers the European Union Commissions a hard cheese sandwich from his pocket. (*Laughter*) I give that as a potential example of how we are bound to choose people for different roles, (*Laughter*) depending upon their range of abilities.

1180 I would not necessarily choose Deputy Jones' language about 'Rottweiler' and 'monetarist'. I could probably find one or two candidates in the current States who might fulfil both descriptions, but let me put the example, the difference in another way. We might need a difference between a policy wonk and somebody who is a suave diplomat. They would not necessarily be the same person.

1185 I think it is long overdue to separate external relations from the overall collective of policy and we can overcome the one questionable aspect of this amendment, that they should not combine both roles in a variety of ways. For example, I would hope that the Chairman of External Affairs, the leader, would be co-opted onto the Policy and Resources Group from time to time to give an update. That would mean that he or she would be a non-voting, but contributing member, who might attend an hour of a four hour meeting. That would be a way around this.

1190 I believe that if you, by necessity, have to have the External Relations Team as members of the Policy and Resources Team, what you will end up with is an over-powerful elite of people that have too many jobs, with the rest of the States looking on baffled. (**A Member:** Hear, hear.)

I support this amendment.

The Bailiff: Deputy Le Clerc.

1195 **Deputy Le Clerc:** Thank you, sir.

I am not going to say very much. When I first read the Report, I did feel that with the Policy and Resources Committee, the workload was immense. However, I cannot support this amendment. I think it is divisive. It will cause friction between the two Committees and, as my grandmother used to say, 'You'll rue the day', if you agree this amendment. (*Laughter and interjections*) So, I ask you not to agree this amendment.

Thank you, sir. (*Interjection*)

The Bailiff: Deputy Harwood and then Deputy Hadley.

1205 **Deputy Harwood:** Thank you, sir.

I would urge Members to reject this amendment. External Relations cannot exist in a vacuum. It goes to the very heart of Government and, for that reason, the responsibility for external affairs rests, currently, with Policy Council. Going forward, if the States are minded to accept the recommendations of the Review Committee, it should logically rest with the Policy and Resources Committee – that being the senior committee of the States, if the States so elect. For the reasons already referred to by Deputy Le Clerc, it would be divisive to remove that responsibility for foreign affairs to a totally separate committee.

1210 People, when giving evidence to the Review Committee, and one of my colleagues on the Policy Council urged that we should have somebody to wake up every morning whose focus should be on external relations. I cannot speak for other Chief Ministers or former Chief Ministers, but certainly every morning, one of the first things I did, when I arrived at Frossard House was to liaise and to review, with the External Relations Team and, thank heavens, we do have a team at Frossard House that actually has that function, because it is critical to Government. Every morning I would check with them and we would consider any external relations matter and I believe, I am sure, my predecessor and I am sure the current Chief Minister would do likewise.

1215 Deputy Lowe suggests there will be co-ordination and there can be three monthly meetings between the Policy and Resources Committee and individual committees, other committees of the States, but external relations has to react. You have to be on the front foot. Suddenly getting a letter coming in from 10 Downing Street – which Department is that going to go to? Is that going to go to the Policy and Resources? It should come to the Policy and Resources. It should come to the Senior Minister of Policy and Resources. You cannot divide the two.

1225 Mention has been made of the Jersey structure and I think Deputy Gollop referred to Jersey, because Jersey has a ministerial system. Yes, you can have an External Relations Minister, but he is also part of the Council of Ministers. He is at the heart of Government, not as a separate committee. And, of course, in Jersey, they do not work through committees, so it is very much the individual and it is that individual personality.

1230 Here we are proposing... Are we seriously proposing creating yet another committee, when we are talking about trying to rationalise some of these committees – creating a committee of a Minister or whatever you want to call him, or Chair and four other members who are going to be sitting there every

1235 fortnight, considering matters purely on external relations and possibly constitutional relations? They cannot exist in a vacuum.

If you look at the current system and the External Relations Group, that we created, we have Commerce and Employment as an essential part. Part of its mandate, it actually has an interface with External Affairs, with external countries. You cannot ignore that and the Home Department has an interface with External
1240 Affairs and also, although, sadly, the Minister of Treasury and Resources is not on the External Relations Group, but clearly Treasury has an interface with External Affairs on tax matters. So, to divorce those functions from the senior committee of the States, which is responsible for co-ordinating States' policy, beggars belief and so I would strongly urge all Members to vote against this amendment.

1245 **The Bailiff:** Deputy Hadley and then Deputy Luxon.

Deputy Hadley: Mr Bailiff, one of the problems in not catching your eye early enough is that a lot of what I would have said has already been said, but suffice to say, that we have got before us today a very good, well-argued report which hangs together and, were this amendment to be passed, it drives such a coach and horses through the whole Report, that one would have to think whether it was worth supporting
1250 any longer, because you cannot separate external affairs from internal affairs.

If we are having a committee to be in charge of overall strategy, it *has* to support and be involved in external affairs as well. So, I urge everybody to reject this Report and, in fact, in concluding, I think Deputy Jones has let the cat out of the bag. This amendment emasculates the Report so that it is less likely to get
1255 through, as he is prepared to oppose it.

The Bailiff: Deputy Luxon.

Deputy Luxon: Thank you, Mr Bailiff.

1260 Sir, I totally support the thrust behind Deputy Lowe and Deputy Jones' amendment, but absolutely cannot possibly support this amendment and I think Deputy Dave Jones and Deputy Gollop actually make the point why we cannot.

Deputy Gollop talked about the primacy and the importance of external relations and constitutional affairs and Deputy Jones made the point that absolutely the leading Member of the States, the Chief
1265 Minister at the moment, the President of the Policy and Resources Committee, assuming the changes are approved – to actually preclude that person from this key area of Government business would just be insane.

Principles, yes. The thrust, the importance, the increasing importance of external relations, the need for proactive engagement, the need not to be reactive. The need, as Deputy Dave Jones said, to fight our corner
1270 and, if Deputy Dave Jones is right in saying that the current External Relations sub-committee of the Policy Council is configured well, with the right people, the right balance, we would preclude those people that currently sit on that sub-committee, looking after external relations on behalf of the Policy Council and we the States' Members, we would preclude those people from being able to sit on that body in the new regime.

I am afraid, Deputy Dave Jones and Deputy Gollop absolutely made the point why, although the principle and thrust behind what this amendment was trying to do raises the profile of external relations and its importance within the new regime, if we do accept the proposals, it simply would be the exact opposite of joined up Government. It would undermine the efficiency and improvement that we are looking for in terms of the States' Review Committee's work.

1280 So, I would urge Members to not support it, but absolutely support the importance of external relations and constitutional affairs in our business.

Thank you, sir.

The Bailiff: Dave Jones.

1285

Deputy David Jones: Point of order, sir.

The whole point is that the new Policy and Resources Committee, the members will have no other portfolios. The Departments that Deputy Harwood mentioned – Home, Commerce and Employment – they will not be sitting on them, because they will not be Ministers of those Departments, so all that knowledge
1290 that we say we need them for now will not be there.

Deputy Fallaize: Sir, on a point of order, the point is that the proposals of the Review Committee allow the Policy and Resources Committee to arrange external relations in whichever way they see fit. The amendment prescribes that it has to be the responsibility of a separate External Relations and Constitutional
1295 Affairs Committee which precludes members of Policy and Resources.

The Bailiff: Chief Minister – oh, sorry, Deputy Luxon.

Deputy Luxon: Sir, could I just thank Deputy Fallaize for answering Deputy Jones' point of order for me.

1300 Thank you. (*Laughter*)

The Bailiff: Chief Minister.

The Chief Minister (Deputy Le Tocq): I was going to thank Deputy Fallaize for his point of order speech, on taking half of my points away. (*Laughter*)

1305 Sir, I respect Deputies Lowe and Jones' reasons for wanting external relations to have a high profile in our Government. It is my experience that it is increasingly the case that we need to focus more on our identity and explaining our identity and promoting Guernsey values, interests and business, and defending our position externally and it is a very difficult one to manage, because most of the people we represent do
1310 not experience that on a daily basis and so they cannot see the importance of those things until something occurs, or a crisis, or it is taken away, like the low value consignment relief, for example.

Now, I think, whilst I respect that and I would want to support a high value for external relations, I cannot support this amendment because it is too prescriptive. What we need is actually greater flexibility in the future. We need to have people who are ready to respond quickly, because, as Deputy Harwood has
1315 mentioned, these are issues that occur on a daily basis. I calculated a little while back, sir, that I have, on average, since the election in 2012, received on average 180 e-mails a day. Over 40 of them, even when I was Deputy Chief Minister, had to do with external relations. It is a vital part of what we do and to have what is effectively a two-headed beast that is separated between those responsible for co-ordinating policy and working with the different departmental Committees or the Principal Committees, who will have to
1320 find some way of reporting and interfacing with the new Policy and Resources Committee, it seems to me that, if this was passed, they would also have to find some way of reporting to and interfacing with the External Relations Committee and so there would be a lot of extra work, unnecessarily in that area and you would end up, effectively, with two heads.

I think Deputy Dave Jones, in trying to persuade me that the reasons for supporting this amendment, he
1325 said it was because he wanted the replacement for the Chief Minister, whoever he might be, to be heading up our external relations. So, I said to him, 'Well, your amendment expressly precludes that from occurring.'

But, it seems to me, from what is being said by both him and Deputy Lowe is that they would see the new head of or the new chairman of External Relations, this new committee, as being *de facto* the new
1330 Chief Minister and I think the problem with that is we then have two senior heads of Government, and I do not want to go that way. It is already difficult in terms of the tools that – those who have held this post will know – we have got in our possession to enable people to work together.

I think the flexibility issue is one that we do need to have and I think the Committee's proposals enable the new Policy and Resources Committee to have someone who is designated as the main responsibility for
1335 external relations and then that committee can decide how that person works on particular issues. We have some flexibility at the moment and I am able to exercise that. So, for example, Deputy Al Brouard is Deputy Commerce and Employment Minister, he is deputising for me in representing the States at an event to be held in the French Embassy in London in a week or so's time, because I am not able to go and others are not able to go. There is no reason why that should not happen. (*Interjection and laughter*) It is not an
1340 execution, no. (*Laughter*) And, similarly, Deputy Dave Jones deputised for me recently on a French naval vessel that was here in St Peter Port and, unfortunately, they did not do what I asked them to do to him. Anyway... (*Laughter*)

So, we can work within those areas, but there needs to be someone and a group of people whose responsibility it is to see how the interface between our domestic policy co-ordination and responsibilities
1345 are effected in the outside world and to have two committees that are doing that, that are standing committees in that way, is going to cause some big problems.

I just want to correct some misinformation that Deputy Lowe, I think she has said today and I heard on the radio. There actually are five voting members of the current External Relations Group. There are two
1350 non-voting members at the moment. We are reviewing these sub-groups as well, because, as Deputy Fallaize pointed out, they are just tools for the Policy Council in order to outwork its mandate, the mandate remains with the Policy Council, but there are currently five voting members and two non-voting members, one being Deputy Mike O'Hara and the other being Deputy Roger Perrot, who is not a member of Policy Council, but was co-opted as a non-voting member onto the External Relations Group.

The reason I think Deputy Lowe comes up with eight and not seven as result of that is because the
1355 Deputy Chief Minister, of course, is also a Minister as well as one of the voting members, so he is not schizophrenic when he is on the committee. (*Interjection and laughter*) Well he is not here today, but

anyway. But, the reason for that is, just to be clear, we have got some flexibility at the moment, but we have some members whose responsibility is, in the main, to consider external relations' matters.

1360 **Deputy Lowe:** Thank you, sir. Thank you for giving way, Deputy Le Tocq.

On the Government website, which you might like to perhaps update then, it does actually say that, by virtue the Minister of the Home Department also sits on there alongside or as well as the Deputy Chief Minister, making a total of eight.

1365 **Deputy Le Tocq:** The Deputy Chief Minister at the moment is the Minister for Social Security and so he wears both those hats and sits on External Relations.

It is true that we need, in the second phase of the Committee's consideration, to look at how the interface with Principal Committees will work and that will enable us to report back to this Assembly as to how, in the end, external relations will work. But, I imagine and I would hope that there will be more opportunity for Members of this Assembly, more generally, to have an opportunity to be involved in external relations in a more flexible way. We need far more flexibility, not more prescriptive rigidity, because our Government suffers from doing that and, so...

1370 Well I have one final point, sir, on constitutional affairs. Currently, of course, somebody mentioned it – it was Deputy Gollop – we have got a Constitutional Affairs Committee. We have got a Review Committee that is taking place at the moment and that has, obviously, an end in sight. In terms of constitutional affairs, it is also the Policy Council that is mandated for that and it comes under external relations, because it deals with, obviously, our relationship with the UK, which is a good chunk of the work in which we are involved, in terms of external relations.

1375 I think the new senior committee must have the mandate of external relations, because in this world we need to respond very quickly to things and, if we are going to retain a committee system, that in itself delays matters, so we need to be able to be far more fleet of foot – as fleet as foot as we possibly can in many areas.

1380 As a result, sir, I do urge the Members of the Assembly to vote against these proposals, because it really would damage the overall effect of the Committee's proposals to this Assembly.

1385 **The Bailiff:** Deputy Storey.

Deputy Storey: Thank you, sir.

1390 I have a problem. I am still trying to make up my mind about this amendment and the reason is because both the Review Committee and the author of the amendment have made some very good points and I am struggling to reconcile those points and reach a decision.

1395 First of all, I felt quite strongly that, from looking at Guernsey from outside, when talking about relations between Guernsey and other jurisdictions, because Guernsey is such a small jurisdiction, the other party would expect to be meeting with the head of Government, but that is not necessarily so with other jurisdictions. A lot of the work that is done before the final meeting to agree something or other is done at a lower political and administrative level. It is quite common for Foreign Affairs Ministers to be involved at the development of agreements at policy stage and then the Prime Minister or the Chief Minister or the head of Government gets involved at the final stages and signs the agreement on behalf of the jurisdiction. So, I do not see really why Guernsey should be so completely different from other jurisdictions in this respect.

1400 Now, one of the concerns that has been expressed is about foreign affairs policy being developed outside the Policy and Resources Committee. Now, that concerns me – the idea of the Policy and Resource Committee not being responsible for developing the policy. If that is a concern to the authors of the Review Committee's Report, then I have the opposite concern, because I agree that foreign affairs and foreign relationships have become more important to us as a jurisdiction over the past 10 years or so, and I agree with the predictions that other people have made that these concerns are going to be of more importance to us, going forward into the future. So, the question is, is foreign affairs more important or less important than the other affairs of state which we deal with? And when it comes down to it, we need some form of continuing programme of action in relation to external affairs, as we do with any other departmental activity within the States.

1405 So, I would ask myself, why is foreign affairs so different from Commerce and Employment or Housing or HSSD, where the policy is developed within a Committee responsible specifically for that area of the States' interests?

1410 At the moment, Policy Council and under the proposals, the Policy and Resources Committee would have the task of co-ordinating. Now, if co-ordinating means actually developing the policy, then where does that leave the boards of the other domestic Departments in this Government? Why should certain Departments be responsible for developing policy and others not? Because, I certainly do not want to be a

1420 member of a Department, where we are not in a position to develop the policy that that Department is expected to pursue. If the whole thrust of this is that co-ordination means development of policy, then I cannot support the Review Committee in this section of their Report. So, it would be helpful if, in response to this debate on this amendment... where the Review Committee stands on this area of the structure.

1425 Several Members have already talked about, if we had a separate committee responsible for external affairs, it would create division, it would be divisive between that committee and Policy and Resources Committee. Well, why should it be any more divisive than the relationship between Environment or HSSD or SSD and Policy and Resources going forward, anyway? The whole point is that the function of this Policy and Resources Committee is to co-ordinate and so I do not see any strength in the argument that having a separate foreign affairs department or committee would be any more divisive than any other committee.

1430 So, I would like, perhaps, in the reply to this debate – and I appreciate the authors of the review document that we are discussing have already spoken – but that that is an area where I am most concerned about their proposals and it would help me to make up my mind which way to vote, if one of the members of the Review Committee who have not yet spoken could actually address that particular problem.

Thank you.

1435 **The Bailiff:** Deputy Stewart.

Deputy Stewart: Thank you, Mr Bailiff, fellow Members.

I do urge Members to vote against this and listen to the speeches from Deputy Harwood, Deputy Luxon, Deputy Conder, Deputy Fallaize and our Chief Minister.

1440 Policy and Resources will be at the centre of our Government. External Relations is at the centre of the Government and, as Deputy Fallaize pointed out, they will be able to have the flexibility to direct and work out what groups are involved in external relations as they see fit. The thing is that external relations now is a very, very fast changing beast. Both threats to us and opportunities are things that have to be acted on quickly, speedily and Policy and Resources need to be in the position to be able to deal with that in a very efficient manner.

1445 If I am thinking of certain issues we are dealing with at the moment, they do not lie within just one committee's mandate. What we have are threats and opportunities in front of us that cut across several Departments and this is why you need a central committee of Policy of Resources co-ordinating this. I do urge Members to vote against it. I have been involved, very heavily in external relations over the last couple of years and part of what we have, I think, achieved is this flexibility. No one has been particular precious about what they do. We have all covered for each other in various different ways and involved a lot of different Members.

1450 So, I urge Members to vote against this. Please give Policy and Resources the flexibility and the ability to be able to deal with some very complex issues in external relations.

1455 **The Bailiff:** Deputy Trott.

1460 **Deputy Trott:** Sir, I, from the start, have welcomed the laying of this amendment, because I believe that without it we would not have had the mini-debate on the fundamental importance of external affairs that we are having.

1465 Sir, the States' Review Committee, themselves, in doing an exceptionally good job, have admitted on the top of page 1334, in paragraph 1.7, that in no way does the Committee suggest that its proposals are a panacea or without imperfections and limitations. The Committee is realistic in recognising what can and cannot be achieved through structural and organisational reform alone and they believe, as do I, that the reforms proposed are pragmatic, proportionate and achievable, respecting and seeking to build upon existing strengths while addressing the most serious shortcomings in the present arrangements.

Now, I will repeat that final sentence, because that, for me, is the thrust of what this debate is all about: seek to build upon existing strengths, while addressing the most serious shortcomings in the present arrangements.

1470 Now, sir, if Members are able to turn to page 1382, they will see that I will quote from paragraph 6.6.1. That paragraph advises us that:

'In the opinion of many submissions received by the Committee external relations is an area of activity which has for a number of years been discharged very competently.'

And so it must, because whether we are dealing with jealous neighbours or simply keeping our friends sweet, it is more important for an isolated island jurisdiction like ours, I would argue, than any other single aspect of Government business. And what should have been obvious to anyone listening to this debate is

1475 that there is a genuine fear, a genuine fear that external relations might, *just might*, due to these proposed reforms, play a less significant role potentially in our structure of Government, going forward.

Now sir, I advised Deputy Lowe that I did not think that her amendment, her and Deputy Jones' amendment was likely to succeed, but I think it has served an extremely worthwhile purpose and, unlike others, I do not feel able to criticise her for bringing it, but rather to congratulate her for doing so.

1480 Thank you, sir.

The Bailiff: Deputy Perrot.

1485 **Deputy Perrot:** Well, we sniff the breeze. We feel the air on our cheeks. (*Laughter*) In this Chamber, the hot air, but nevertheless, we feel that air on our cheeks and it seems clear to me that this amendment will fail.

I am going to suggest to Deputy Lowe that, if it does fail, perhaps she might care to introduce another amendment. My problem is, of course, that I do not come to the States with a pre-prepared speech, so I could well forget that I have intended to do that. So, if I do forget, perhaps somebody could remind me, just in case I am having a senior moment.

1490 But, my heart goes out, not just to Deputy Lowe, but to Deputy Jones, because for very many years, it has been very easy to laugh at him, to sneer at him, the *bien-pensants* have sneered at him, because they have always felt that he is there crying wolf. Other people feel that they are much more sophisticated than his crude railing against the privations of first Europe and second the United Kingdom. But my goodness me, don't we know now how right he has been over the years!

1495 We still see Europe and its currency on the point of implosion, at least some parts of Europe in the south, and make no mistake about it, Europe cannot abide us. We are far too successful. We do not have the same deficit-financing business model which the bulk of Europe has and they cannot stand success in other jurisdictions.

1500 As for the UK, well, people will tell you that all is absolutely tickety-boo. I can understand why people say that. I mean, quite recently, we met the new Minister in charge of us, Lord Faulks. We have met the new Permanent Secretary. They were very well briefed and it appeared that we had nothing at all to fear from the way in which they regard us, at least in present, but of course, we always wonder how long that is going to last. What is going to happen at next year's election, in May? What is going to happen if there is a yes vote in the Scottish referendum? How is that going to change, if at all, the view which what is left of the United Kingdom will have towards us?

1510 Those are some of the reasons why I think we need a strong external relations team. It is not just because of Europe or just because of the United Kingdom, although in the past those have been the worse serial offenders. We have had a problem, only recently, with the United States in relation to FATCA. The problem was compounded significantly by the attitude of the UK towards our negotiating our own treaty, but that was a problem with America.

1515 So, we do need a very strong external relations body. It needs to be unafraid to be a member of the awkward squad. It needs to make sure that its staff do not find themselves a subject of Stockholm Syndrome, so that they are too close, for example, to Europe. And I also think, at the moment, and I am sorry to have to say this, but I think that whatever plaudits may have been made about the External Relations Group, of which I am a non-voting member, I do not think that group, frankly, is terribly strong. There are some of us who keep raising anxieties about external relations. Lip service is sometimes paid to those anxieties, but eventually we are patted on our heads and told, 'There, there. Everything, actually, is going to be fine.'

1520 I also have to say that the other body which I am on, which is the Constitutional Investigation Committee is not very strong and it is not working well or properly. I have to say that I have spoken to the Chief Minister about this and he agreed with me in some aspects of that and I have to thank him that he has encouraged me in my capacity as the Deputy Chairman of the Investigation Committee, perhaps, to be a little bit more vigorous and to go against my natural character. (*Laughter*)

1525 Because of these things, I think that it is good to have a degree of separation between what will now be the new Policy and Resources body and an external affairs body. But that does not mean to say that they are going to be working in opposition. Deputy Fallaize used the word, 'division'. I do not think that there is necessarily going to be that, because if we look at other countries, admittedly those with ministerial systems, they do work together.

1530 We see the Prime Minister, obviously chairing the Cabinet Office, but he works together with the Foreign Affairs Minister or the Secretary of State for Foreign Affairs. The same is true of the United States of America. We have the President who is in overall charge of absolutely everything. He is the complete Poobah, the Lord High Executioner, but there is a separate Secretary of State and the holder of that office, she, is responsible for the external affairs of the United States of America. So, the two can work together.

1535

The Bailiff: Giving way for Deputy Hadley

Deputy Perrot: No, I will not give way to Deputy Hadley. (*Laughter and interjections*)

1540 **Deputy Harwood:** Point of clarification, sir.
Actually, in America, I think it is a *he* now.

Deputy Perrot: I am sorry, my deafness means that I did not hear what Deputy Harwood had to say, and he spoke rather quickly for me –

1545 **Deputy Harwood:** I would be happy to repeat that for your benefit.
The person in the United States now responsible for foreign affairs is actually a man, not a woman.

Deputy Perrot: I am sorry. Yes, that is the trouble with living in St Saviour's – (*Laughter*) It is so hard to keep up with these things, but yes, I entirely accept that. My silly oversight.

1550 Could I say, also, that if there were any real problem in practice between what is being laid down by the Policy and Resources Committee and what would happen, as laid down by the External Relations Committee, that of course anybody with sense would refer this matter back to the States for resolution.

1555 Could I just take up a point, raised by Deputy Gollop, that the fact is that this is work in progress. What is happening with the Review Committee is that it wants to get a steer of how to come back to the States with its full Report. I would hope that the steer which is given would allow it to think again as to whether there might be a separate external relations representation, so I disagree with Deputy Le Clerc, I do not think, if we pass this resolution, that we would at all rue the day, because the chance will be, next time round, for us to make the final decision.

1560 Can I just demonstrate that I have not forgotten what I was originally thinking about and it is this: if this amendment is not passed in its current form, I suspect that the real reason will be for the words which are in the antepenultimate line of the first paragraph 4. These words are, 'none of whom shall be members of the Policy and Resources Committee of'. Could I suggest to Deputy Lowe and to Deputy Dave Jones that, if this amendment fails, that it is resubmitted but with those words excluded?

1565 Thank you.

The Bailiff: Deputy Langlois.

Deputy Langlois: Thank you, sir.

1570 It seems only appropriate, as the only member of ERG not to speak, that I need to just give some input at this stage. Like I think the majority of the members of that group who have spoken, I do not think this amendment quite does the job that it is intending to do. I have certain sympathy in the sentiment of it, but I do not think it quite does the job.

1575 In fact, I believe it was probably me that an earlier speaker was referring to about talking about somebody waking up each morning worrying about external relations, because it is a favourite organisational phrase of mine and I think it does very much matter.

1580 My experience on External Relations Group, which I was very keen to join when first on the Policy Council, has been an interesting one, because as a member who I believe was reasonably well connected in terms of how the States work and a broad experience of different Departments before, I have never experienced so many surprises, as a States' Member, as I have working through the ERG agenda and the reason for that is that of necessity, a lot of what ERG does can only emerge when you are well down the road of various relationships and so on with the people outside of this Island. It is the most sensitive, it is the most delicate set of negotiations that often takes place and, therefore, it is very, very important that we have a solid group of people working on that.

1585 The surprises which I experienced about the extent and complexity of the work also stress the need for caution and I am going to follow that need for caution here and now today, by not listing the items which have really shown that over the last year or two. Although one has been mentioned and so, for example, in the whole business of working through the FATCA proposals with the United States, the delicate nature of those negotiations – and I hope that we have got to best position we possibly could – all the time was there and without a doubt the threat, which Deputy Perrot so eloquently put: the threat from Europe, the threat from other jurisdictions who are just plain jealous on occasions, is significant.

1590 Now, sir, I had to apologise and ask to be *relevé* this morning, because I was on the first flight back from the UK. I was on ERG business and – name dropping – when I was speaking to Lord Faulks last night... (*Laughter*) Actually, that is the main reason for my speech. I felt I should stand up and say that!
1595 (*Laughter*)

1600 When I was speaking to Lord Faulks about Guernsey and various parts of the relationship last night, I could not have held my own in the conversation without a broader policy appreciation gained from general Policy Council business, and I think that is my biggest concern and that is why I say I do not think this quite hits the mark. Deputy Perrot may be absolutely right, and I am not suggesting he is not usually, but I think on this occasion, he may be absolutely right that those key words are saying, these must be different people from the ones involved in Policy and Resources. That is the real criticism of this one.

1605 I think the Review Committee proposals actually... If we accept that the Review Committee proposals leave scope for fine tuning, for detail and so on and so forth, I think the wording they have at the moment on this matter actually leaves the scope to take account of some of the concerns that have been expressed this morning and I would ask them to confirm that and to really take note of it rather than passing this amendment, because I think the content of this amendment could be very dangerous.

The Bailiff: Deputy De Lisle.

1610 **Deputy De Lisle:** Sir, from my point of view, this is a very important area of Government, with respect to external relations and constitutional affairs and the development of policy in that area. There has never been, really, a more important time to have a committee actually concentrating within this dimension in Guernsey, because the Island's relations with other jurisdictions is likely to grow, rather than diminish in the future.

1615 I would like to ask Deputy Fallaize or some of the other Committee members that have been working within this area, as to what the responses have actually been that came in the submissions to the Committee. Because when I read the sections in 1382, I find that, really, in reading between the lines, it would appear that the public have been asking for this area to be looked at in even more detail than it is at the current time.

1620 Now, I note that Deputy Harwood alluded to a discrete group already in existence in external affairs and external relations. He also made the point that the first group that he visited in the morning when he came into the Chief Minister's office was that particular group of people. We have now gone ahead in supporting an office in Brussels and now another one in Caen. Whether next it will be Paris and London, who knows. But the fact is that those points have actually indicated the importance of external relations and constitutional affairs policy development and the fact that, already, it is being dealt with in quite a discrete manner in Policy Council.

1625 Now, my question then to the Deputies is: just what did come up in the many submissions received by the Committee with respect to external relations? Because, there is an indication in terms of page 1382, in 6.6.1 and 6.6.2, that the vast majority of submissions to the Committee which made reference to external relations recognised they are an essential area of States' activity in the Island's economic prosperity and self-government, and that is to be maintained and strengthened according to the public.

1630 That being the case, sir, I believe that we should be supporting this particular amendment, which seeks to give prominence, if you like, to external relations and the constitutional affairs policy. So, I would encourage Members to support this amendment.

1635 Thank you, sir.

The Bailiff: Anyone else? No.

Deputy Lowe. It is for you, then, to reply to the debate.

1640 **Deputy Lowe:** Thank you, sir.

Interesting debate. One that I was expecting from hearing the feedback, because when you look at the Members that have spoken, most of them are Policy Council members who were against this and, indeed, a couple of the members of the States' Review Committee.

1645 It saddens me that they are thinking in a silo mentality and that, in actual fact, the External Relations Group would naturally be working or consulting with P&R. I thought we had got rid of those days. I thought we had got rid of the days of the B-division. I would have liked to hear them stand up and say 'This is really good. Yes, we will be part of it'. Perhaps we would have liked to have been part of it or on it.' However, the Review Committee's recommendations are saying that Policy and Resources must be completely separate and on nothing else. So, if some of the train of thought of listening to the members of Policy Council who are responsible for External Relations Group – of which I am fully aware, Deputy Fallaize, and I had not got it mixed up; I was involved with Policy Council at the time it was set up – was the fact that they did not actually try to amend it themselves. If they really believe that External Relations is important and there should be somebody part of that, then why did they not bring forward an amendment and we are starting to see that.

1655 But the thrust of it, for me, is that this huge concern that there will be no consultation or no feedback into the P&R Committee – that they have this great fear that the inability or even the credibility of those

1660 who have been elected would work in silos and would not work with any other Departments or future committees and, indeed, the P&R Committee, because it makes it very clear, as well, under the existing proposals for the Review Committee, that the Review Committee will be working and meeting with the other committees who will be setting their own policies, and I would imagine, if Members start to get a little bit tetchy or nervous, that this famous P&R are going to be sorting out policies as well, well I think the whole lot would be thrown out. Because you are elected onto a department currently – which will be a committee in the future – to make the policies. That will be fed up through into the P&R, exactly the same as External Relations.

1665 There is not anything to stop External Relations meeting with P&R and the President of P&R on a daily occurrence if he wishes to. They are not saying, ‘do not meet with anybody’, in the same way that they would make up the membership of that committee, co-opted members of that committee as they deem appropriate. In exactly the same way, they have now got the External Relations Group. We know that Policy Council thought it appropriate – goodness knows why – for ten years to exclude the Minister of T&R on there! Most of the things we have got are to do with finance and yet he is not a member of the External Relations Group. If we are talking about barking, how barking is that! The major committee within the States is actually excluded as a member of the External Relations Group, Policy Council at this current moment in time and yet I am pleased to say they do utilise his experience and ask him to go and attend where appropriate, but why is he not in the core of it all, to start with? If it is that important – and it is, and do not underestimate how important it is – he should have been part of that.

1675 Now, because, obviously, this is sort of saying that the make-up of this committee will be those who we feel will be the right ones to drive that through. They will not be working in silos. They will be working very closely with P&R and I would expect P&R to be working exactly the same as closely with the External Relations Group and that will be working, as well, the External Relations Group with the other Departments or future committees, which, again, is in here. They are saying the same, that they will actually be working with other committees, once they are formulated.

1680 I mean this is not set in stone at all. This is to direct the Review Committee to go away, if this amendment is successful, and to come back and they will be coming back with how they deem it appropriate to fit this into.

1685 Now, I hear mutterings from Deputy Fallaize behind, but he needs to be reminded, actually, when I did speak with him and say I was going to put an amendment. He said, ‘Well, why do not you actually direct the Committee to go away and have a look at it?’ Hang on a minute. I have read the Report. The Report makes it very clear that they were unanimous that they did not want one. So, why would I actually do an amendment today to say, ‘Go away and look at it.’ He would stand straight to his feet, saying ‘Deputy Lowe, you have not even read the report. Scrap it.’ Actually, I did read the Report and they were not supportive of it. So, why would I produce an amendment to ask them to go away and look at it?

1690 I did an amendment saying, as I have said for many years... and Deputy Gollop is right, 20 years in fact, I have been around and Deputy Jones has been here for 14 years. And right from, probably, the first couple of years, I have always maintained we should have a separate committee for external affairs. Call it what you like. I am not precious over that.

1695 But, I am delighted, actually, that Jersey have led the way. Jersey have not gone the down the route as being proposed by our Chief Minister, that we will be divided and there will be no communication. Jersey send out a message of clear strengths when they go away, because their Chief Minister and their External Relations or Foreign Affairs Minister, whatever they call him, they go together and they often go away together. (*Laughter*) Now, that is working. Well, for the States, of course – I am not alluding to anything else! (*Interjections and laughter*)

1700 So, that brings strength to Jersey and shows that they are working together, shows that that is how it operates and Deputy Perrot explained very clearly how it operates in other jurisdictions. You have got your Foreign Affairs or External Relations and Constitutional Committee, because it is important. Constitutional affairs are extremely important and so there is just one small paragraph about this constitutional affairs in this Report and yet we hear more in this Assembly about how we must work with the Isle of Man, Jersey, Gibraltar, etc., and yet there is only one small paragraph in it and yet this would address working, making sure they were part of the external relations as that separate committee.

1710 Now, I did not face any questions at all. I just faced, ‘Don’t touch us, we are untouchable and it must be all P&R and, if we need more than £1 million, well we have got the pot, so we can cherry pick. So, we will not be away from the spending Principal Committees, because we can just ride roughshod over you all and take your money if that is the way it wants to go’, because they are going to be the ones making that decision.

1715 Again, I know that many in this Assembly – and, indeed, I put Deputy Fallaize in that bracket – where they have stood up previously and said, ‘We need a separate committee for that.’ There has been criticism of Policy Council for many years that you have been allowed to elect who is on External Relations Group, because it was sub-committee of the Policy Council. So the Policy Council as a whole have to take the rap

1720 for it, but actually it is eight of them that are in the External Relations Group and none have you have been
 able to say, ‘Do you think they are the right people to be on the External Relations Group? Do you think the
 mandate is right?’ Because, you have been denied that. This Assembly has been denied that opportunity to
 do that. This gives it back to exactly how many of us were in the past, to have that opportunity to say, ‘We
 will, as the Assembly’ – I cannot remember the exact wording and I do not want to waste time going
 1725 through the pad here, but it was something Deputy Harwood said and it was repeated by another Member,
 about the core of external relations must be at the centre. Well, actually, the centre is here. The centre is not
 a little executive group. This is the centre of the States: 47 Members of this Assembly make decisions of the
 way we go forward with things, not pass it up to a group of four who have not been elected by this
 Assembly for a dedicated job or position to represent us outside of the Island. This Assembly should be
 doing it.

1730 Today, this amendment gives you that opportunity to correct that. You can elect the Members that you
 think are appropriate to actually represent you outside of this Island, and there is no doubt that whoever is
 elected onto this in the future – and we have no idea who they will be... We have got an election before this
 actually starts, so, try not to look at this as who is sitting this Assembly now and ‘Do I want this person or
 that person to be on it?’ Strip that out of your mind. This is going to be a committee in the future, a very
 1735 high profile committee, a very responsible committee and it is for this Assembly to make the decisions on
 the mandate and who may wish to represent you outside of this Island and to ensure that they actually work
 with, on a regular basis, daily or hourly, I do not really care, but as soon as we hear the future States that
 they are not working with P&R, the next Assembly, I have no doubt, will have a vote of no confidence
 before you can say Jack Robinson, because it is so important and, if they are not working with P&R, they
 will be coming back to the States to get rid of those that are on the External Relations and Constitution
 1740 Committee.

So, I urge you, Members, put the power and the authority and the accountability back into your hands
 today and not be put off by those that are existing members of the External Relations who think that they
 actually know better and we should not be involved with it. It is in your hands. If you want actually to be
 represented and be able to give the direction to the External Relations and Constitution Committee, I urge
 1745 you to support this amendment.

Could I have a recorded vote, please?

The Bailiff: Okay. We have a request for a recorded vote on the amendment placed by Deputy Lowe,
 1750 seconded by Deputy Dave Jones.

There was a recorded vote.

The Bailiff: Well, Members, we will get the formal record of the vote when we return after lunch. We
 will rise now and resume at 2.30 p.m..

*The Assembly adjourned at 12.34 p.m.
 and resumed its sitting at 2.30 p.m.*

**I. States Review Committee –
 The Organisation of States’ Affairs –
 First Report –
 Debate continued**

*Amendment by Deputy Lowe and Deputy David Jones:
 Not carried – Pour 11, Contre 35, Ne vote pas 0, Absent 1*

POUR

Deputy Trott
 Deputy David Jones
 Deputy Lowe
 Deputy Le Lièvre
 Deputy Paint
 Deputy Perrot
 Deputy De Lisle
 Deputy Gollop
 Deputy Storey
 Deputy Bebb
 Deputy Lester Queripel

CONTRE

Deputy St Pier
 Deputy Stewart
 Deputy Gillson
 Deputy Le Pelley
 Deputy Ogier
 Deputy Fallaize
 Deputy Laurie Queripel
 Deputy Spruce
 Deputy Collins
 Deputy Duquemin
 Deputy Green

NE VOTE PAS

None

ABSENT

Deputy Wilkie

Deputy Dorey
Deputy Le Tocq
Deputy James
Deputy Adam
Deputy Brouard
Deputy Burford
Deputy Inglis
Deputy Soulsby
Deputy Sillars
Deputy Luxon
Deputy O'Hara
Deputy Quin
Deputy Hadley
Alderney Rep. Jean
Alderney Rep. Harvey
Deputy Harwood
Deputy Kuttelwascher
Deputy Brehaut
Deputy Domaille
Deputy Langlois
Deputy Robert Jones
Deputy Le Clerc
Deputy Sherbourne
Deputy Conder

1755

The Bailiff: Members, I can announce the result of the vote on the amendment proposed by Deputy Lowe and seconded by Deputy Dave Jones. There were 11 votes in favour and 35 against. I declare the amendment lost. (*Interjections and laughter*)

1760

Deputy Jones would like to lay another amendment, (*Interjections*) which I think has not been circulated. It is the one that Advocate Perrot suggested could be laid. It is the same as the amendment that has just been lost, but with the words in the antepenultimate line of the fourth paragraph deleted – the words, ‘none of whom shall be Members of the Policy and Resources Committee or’.

So, the amendment reads:

To replace Propositions 4 and 5 as follows:

“4. To agree that in order to provide clear leadership in external relations and constitutional affairs, there shall be a committee, designated the External Relations and Constitutional Affairs Committee, with the following main functions:

- a) to lead the development of external relations and constitutional affairs policy;
- b) to co-ordinate the conduct of external relations and constitutional affairs;
- c) to facilitate cross-committee external relations and constitutional affairs activity;

which Committee shall comprise five States’ Members, the Scrutiny Management Committee...’

I think there needs to be a word there, doesn’t there? (*Interjections and laughter*)

‘...which Committee shall comprise five States’ Members, none of whom shall be members of the Scrutiny Management Committee...’

1765

So, I think the only words that have been deleted therefore are the words, ‘the Policy and Resources Committee or’.

Sorry, I will just read that bit again:

‘...which Committee shall comprise five States’ Members, none of whom shall be members of the Scrutiny Management Committee, but any of whom may be members of other Committees.’

And then Proposition 5 remains as previously drafted.

So, are you wishing to lay that amendment, Deputy Jones?

Amendment:

To replace Propositions 4 and 5 as follows:

‘4. To agree that in order to provide clear leadership in external relations and constitutional affairs, there shall be a committee, designated the External Relations and Constitutional Affairs Committee, with the following main functions:

- a) to lead the development of external relations and constitutional affairs policy;
- b) to co-ordinate the conduct of external relations and constitutional affairs;
- c) to facilitate cross-committee external relations and constitutional affairs activity

which Committee shall comprise five States’ Members, none of whom shall be members of the Scrutiny Management Committee, but any of whom may be members of other Committees.

5. To agree that most of the policy-making, regulatory and public service functions of the States shall be delegated to no more than 10 Principal Committees, one of which will be the External Relations and

Constitutional Affairs Committee, but when considering the precise allocation of such functions between the other Principal Committees there shall be a general presumption in favour of rationalization of committees where practicable.'

1770

Deputy David Jones: I would like to have a go sir.

The Bailiff: Deputy Jones, then to open the debate.

1775

The Procureur: Could I enquire, is there a seconder?

Deputy Lowe: Yes, I formally second.

1780

The Bailiff: Deputy Lowe is seconding.
Deputy Jones.

Deputy David Jones: Thank you, Sir Richard. *(Laughter)*

1785

Just when you thought it was safe to go back in the water – I think that there was a deal of support this morning for the thrust of what we were trying to achieve, except that you did not like the idea that certain people should be excluded from being on that committee and I understand that. I listened carefully to all your arguments about why –

The Bailiff: Through the Chair, Deputy Jones.

1790

Deputy David Jones: Sorry, sir. I listened to all your arguments *(Laughter)* about why that should not be and I understood some of them. *(Laughter)*

1795

I go back to where I was this morning. External relations is such a hugely important part of what our Government does that it just cannot be allowed to become part of a work-stream of a 'super committee' that is going to have so many more items to think about and that is where I really feel that it needs to be a stand-alone committee. I go back to again, what I said this morning, the person who I would want to head up a robust Policy and Resources Committee may not be the same person who would be suited to heading up an External Relations Group. It does not always fall that those two personalities would be compatible and that is an important point.

1800

At the moment, we have people who are on external relations, almost by default because of the Departments that they head up, not necessarily the right people for the job and I include myself in that. As Minister of Housing it does not give me any more kudos to be on external relations than any one of you, but I do go back, also, to something that Deputy Lowe said this morning. It should be a matter for this House to choose who makes up that very important committee and you know, amongst you, certainly after two years, who those personalities you would want to be. It may not be anybody, for instance, who heads up any other senior role in the States. I refer to my friend, Deputy Perrot, who has huge amounts of diplomacy skills – that I do not possess – *(Laughter)* and who has a huge amount of knowledge, I have to say, about this Island's constitution and its relationship with much of the rest of the world through his previous life as a senior, respected Advocate in this Island. So, you have to think about that.

1805

1810

Of course, this is not going to happen until 2015, by which time we will all be – those of us who want to, I suppose – trotting off to the polls again and we will have a new Assembly made up of who knows who those people will be. You might have some rising stars coming into the States who you would want to put on to that committee.

1815

So, I beg you not to just dismiss this out of hand. I understand what your arguments were this morning. I have done something to try and address those arguments and to say to you, I would just ask you, I do not want a recorded vote, just go and try and support this for this stand-alone committee that is of huge importance to the future of this Island.

Thank you.

1820

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

Deputy Lowe: I formally second the amendment sir.

The Bailiff: Deputy Fallaize, Deputy Hadley, Deputy Luxon.

1825

Deputy Fallaize: Thank you, sir.

This is an amendment on the hoof and I will tell you why, for two reasons. First of all, if Members turn to page 1439, which is the start of the Propositions, Proposition 2 reads:

‘To agree the Policy & Resources Committee shall comprise five States’ Members, none of whom shall be members of the Principal Committees.’

1830 Deputy Jones is laying an amendment to create an External Relations and Constitutional Affairs
Committee as one of the Principal Committees, but Proposition 2, if it is approved, will still preclude
members of the Policy and Resources Committee from sitting on the External Relations and Constitutional
Affairs Committee, because Proposition 2 completely contradicts Deputy Jones’ new Proposition 5. So, this
revised amendment will not reflect the concerns that were raised by Members in this morning’s debate. If
this package of Propositions is approved, with Deputy Jones’ amendment, then Members of P&R, including
the holder of the senior political office, will still be precluded from sitting on the External Relations and
1835 Constitutional Affairs Committee.

The other way in which this amendment is flawed, from a technical perspective, is that it precludes the
members of the Scrutiny Management Committee from sitting on this committee. Now, nowhere else in
these proposals, in the Propositions, is there an attempt to preclude the members of the Scrutiny
Management Committee from sitting on any other committee. That is a matter for consideration in stage
1840 two and we had a debate this morning in which the States unanimously approved amendments laid by
Deputies Jones and Soulsby in which it was recognised that one of the issues for consideration in stage two
is the balance between the numerical strength of the Scrutiny Management Committee and the need for
impartiality and it seems to be that, certainly, there is some mood in the States to increase the size of the
Scrutiny Management Committee from the three members which were proposed by the States’ Review
1845 Committee originally and the more we do that, the more difficult it will be to preclude them from being
members of other committees. So, there may be a proposal back before the States not to preclude Members
of Scrutiny from sitting on other committees, but we will still have this Proposition pursuant to Deputy
Jones’ amendment preventing Scrutiny Members from sitting on the External Relations Committee. How
does that fit with any of the other amendments?

1850 The problem with this kind of amendment is that it does not fit with the other Propositions and this is
the risk of trying to do this, effectively, at the eleventh hour. My mind goes back to 2002 when the States
last debated the machinery of Government and there was a whole pile of amendments submitted and some
of them were submitted very much at the eleventh hour and the States did get involved in a sort of
instinctive debate about what felt right on the day and I think there is great risk in approving this
1855 amendment of creating serious inconsistencies with the other Propositions.

Now, I know there are some Members who are keen on amending these Propositions to the extent that
they cannot hang together when we go to the final vote – and potentially it then makes it easier to kick them
out – but that is really not a responsible way of going about it. If these Members, respectfully, want to have
a separate committee, then they really have an obligation to try to fit their amendment, make sure that their
1860 amendment fits with the other Propositions that they are not proposing to amend, otherwise the States
Review Committee will be left with a complete and utter mess when we try to leave this debate and piece
all of this together and it is a major problem that the relationship between Scrutiny and the External
Relations Committee is suddenly made totally inconsistent with the relationship between Scrutiny and the
other Committees and Deputy Jones’ amendment completely contradicts the existing Proposition 2.

1865 The States’ Review Committee never disputed, and hears from Deputy Jones and Deputy Lowe and
other Members, that external relations are key. There is no dispute that the States need to invest time and
resources and attention in external relations. If you look at the membership of the States’ Review
Committee, the Chief Minister chairs the committee. The Treasury Minister is on the Committee. We have
asked Deputy Harwood, a former Chief Minister, to continue sitting with us. It is hardly very likely that the
1870 States’ Review Committee is taking a cavalier approach to external relations and acting as if external
relations do not matter, but the proposals of the Committee provide for external relations to be sat in the
right place, in the States’ senior committee which is where they have been for decades. It maintains that and
it provides flexibility for that Committee to arrange oversight of external relations in whichever way it sees
fit, whether it is similar to what happens at the moment, whether it is drawing in the political leads of other
1875 Principal Committees, whether it is including all or some of the members of the Policy and Resources
Committee, nothing is precluded in these proposals. They are a permissive set of proposals. We are simply
suggesting that responsibility for external relations should rest, as it always has done, in modern times at
least, with the senior committee of the States and this amendment does create inconsistencies with other
Propositions and I would urge the States to reject the amendment, knowing that there will be a debate in
1880 stage two. The States’ Review Committee in stage two will ensure that there is proper attention falling to
external relations, but please do not try to impose that on the new structure via this amendment, because it
is not going to achieve what Deputy Jones said it would achieve. It will still keep the Members of Policy
and Resources off this committee.

Thank you, sir.

1885

The Bailiff: Deputy Hadley, then Deputy Luxon and Deputy Perrot.

1890 **Deputy Hadley:** Mr Bailiff, I suspect that most of us that voted against the amendment which was very similar to this will find all the same reasons for voting against this amendment. Now, I was not quick enough on my feet, when Deputy ‘P’rrot’ was speaking, because, of course, he gave – (**Deputy Perrot:** *Perrot.*) Whatever his name is! (*Laughter*) Of course, he did give way, which you confirmed, so I should have actually battled through and said, ‘Sorry, you cannot change your mind, now.’ But, anyway, I will get another chance now, because the point I was going to make that Deputy P (*Laughter*) was referring to the United Kingdom, which he does not normally do very often. He normally likes us to forget and realise we are different from the United Kingdom. The point I was going to make was the fact we are different from the United Kingdom, because he is talking about a situation where there is cabinet government, which we have not got and what we are now proposing, what the Review Committee have proposed, fits with what is right for this Island and so the last thing we want to be doing is having another go at messing around with very sensible proposals by amending it out of existence.

1900

The Bailiff: Deputy Luxon.

1905 **Deputy Luxon:** Mr Bailiff, very briefly, I understand that Deputy Jones and Deputy Lowe have tried to address some of the issues, one of them from this morning, but without repeating all of the arguments that I and others shared of why the importance of external relations and constitutional affairs deserve to be a given serious place within this new system. This particular change only amends one particular facet of those issues that we raised this morning, so I am comfortable that external relations will get the credence and primacy that this deserves in the new system without this amendment and I will not support it.

1910

Thank you.

The Bailiff: Deputy Perrot.

1915 **Deputy Perrot:** I am afraid I have to take issue with Deputy ‘Hadleye’ (*Laughter*) – oh, I said ‘Hadleye’, did I? I certainly did not mean to bring in the idea that we should have cabinet Government, but the reason why I am standing on my feet is that normally somebody like Deputy Fallaize, who when he has got it in his mind to be keener on form rather than substance, when the vote might be going against him, manages to whisk an amendment out of the bag which saves the day.

1920 I am conscious that I think that people do understand at least the tenor of what is being said by Deputies David Jones and Mary Lowe. I do not know what the proprieties are about this, but, if I were Deputy Fallaize and I wished to save this amendment, what I might be saying would be something along the lines of adding words to the end of Proposition 4 to the effect, ‘any of whom, notwithstanding the wording of Proposition 2, may be members of the Policy Council.’ Now, I am not putting that forward as a brand new amendment, but I leave it with you, sir, whether this might be placed before the Members to see whether that is the sort of thing which they have some appetite, which may save the thrust of this amendment.

1925

The Bailiff: I am not sure I can put it before Members unless there is an actual amendment there for me to lay.

Deputy Gollop.

1930

The Procureur: I do not think so, sir. The Rules provide for debated amendments which have been laid. This amendment must be laid. If somebody subsequently wants to move yet another one that is slightly different, the Rules do not preclude that.

1935 **The Bailiff:** Thank you, Mr Procureur. I was not actually looking at you. I was about to call Deputy Gollop. But, thank you for that anyway.

1940 **Deputy Gollop:** If you want more amendments, I am happy to oblige. (*Laughter*) I have been discussing with various sundry Members today the possibility of an amendment which would extend the membership of the Policy and Resources from five to seven, but I do not know that there is much demand for that. (*Interjections*) And, of course, that would partially resolve some of the anomalies in this discussion, because my principal reason for being enthusiastic and supporting the new Jones/Lowe amendment is that, whilst this would give the flexibility, subject, I appreciate, to some work by the SRC in ensuring all the Propositions were consistent, it would give the flexibility that eventually, if we get to this system, we might be able to say, have a Member in common between the Policy and Resources Committee and the External Relations who would act as a link, maybe in a senior role.

1945

1950 My main reason for supporting it is a pure technical issue on workload. If you look at the States' appendix that we have had recently on Members' attendances over a half-year period, there were some interesting insights there. Public Accounts Committee, although I appreciate they have many sub-committees, were down to four or five meetings in this period of six months. Most boards were going between, sort of, 10 and 11 to 13, 15. Treasury and Resources, astonishingly, had 29 full board meetings. By that calculation, they are having a board meeting every week and maybe two a week. Once you include External Relations and other policy co-ordination into the mix, it will be a staggeringly busy committee and for that reason I think some discretion as to how you apportion the workload, especially as no doubt, some newer members will go onto this body, who might not necessarily know the risks involved. I think we will be wise to be cautious and support this approach.

The Bailiff: Deputy Brehaut and then Deputy Laurie Queripel and Deputy Harwood.

1960 **Deputy Brehaut:** Thank you, sir. I do not have a great deal to say.
I think this amendment, as did the one before it, fundamentally misunderstands what is contained within these proposals. The policy and resources element is the very centre of the new Government. It is the beating heart. It is the pulse. It is that important that you have to have external relations in there and to talk about forming a sub-group or a committee, I think fundamentally misunderstands the thrust of the document. So, then, why would we want to do this? Who do we feel may not have a platform within Policy and Resources? Who would like a platform somewhere else on the fringes, on the margins, in a role that is equitable with that type of role? Why don't we form a sub-committee that tries to capture some of those people who believe that they have got something to offer? That concerns me as well. Whilst we have that type of situation, you will have conflict, as Deputy Michelle Le Clerc referred to – you will have conflict, you have division, people will be seeking difference, there may be confusion between what Policy and Resources are trying to achieve and what External Relations and the direction External Relations Group may be going. So, please dismiss this amendment as we did the one earlier, please.

The Bailiff: Deputy Laurie Queripel.

1975 **Deputy Laurie Queripel:** Thank you, sir.
I was not really rising to speak. I was just rising to say that –

The Bailiff: Oh, well. I will call Deputy Harwood, then.

1980 **Deputy Laurie Queripel:** – if there was an appetite for it, that we could, perhaps have an adjournment, if there was a need to shape this amendment in such a way that addresses the point that Deputy Fallaize has made, sir.

I just wonder if I could propose an adjournment so that this amendment could be refined to address the point, sir. (*Interjections*)

1985 **The Bailiff:** I do not think there is any appetite for an adjournment, Deputy Laurie Queripel. Deputy Harwood.

1990 **Deputy Harwood:** Thank you, sir.
Whilst I congratulate Deputy Jones and Deputy Lowe on their brave attempt to try and rescue something, a phoenix flying from the ashes, I have to say, sir, this does not address the fundamental objections that I expressed in my speech, when we were debating the original amendment to the whole proposals. Essentially, they are still proposing that there should be a separate committee to deal with external relations matters. I do not see how that would work. It will be divisive. The responsibility for external relations should rest firmly and solidly with the principal committee. Yes, that principal committee can, by all means, create an advisory group, which may be some way for the SRC, when it goes away and comes back with phase 2, to suggest or possibly even actually recommend that should be built into the system. But, by all means, no, we must retain responsibility for external relations with the principal committee of the States.

2000 And I mentioned this morning, a letter comes in from No. 10 Downing Street, addressed to the Chief Minister or whatever *appellation* we are going to give to the head honcho, he will have to pass it to another committee. He has no control over what that committee is going to say. He may not even be a member of that committee, because there is no guarantee that, even if this amendment is approved or the revised amendment is approved, that actually any member of Policy and Resources will be a member of the external relations committee.

2005 So, I would urge all Members to resist the siren call of this revised amendment and reject it.

A Member: Hear, hear.

The Bailiff: Chief Minister, Deputy Le Tocq, and then Deputy Bebb and Deputy Conder.

2010

The Chief Minister (Deputy Le Tocq): My predecessor has actually highlighted the main point I wanted to raise and that is that it may have removed one of the obstacles, but it has left it hanging there and very open in that there is no guarantee that the issues that Deputy Jones has said to me that he wants to see, which is that the future holder of this *appellation contrôlée*, Chief Minister or whatever he is called, will be the representative, the States could choose someone else. This just opens it up to all candidates and I think that is very loose. So, at the same time as being quite prescriptive, it is also quite loose and I think as a result of it, it is a sort of *petit déjeuner de chien* that I was talking about earlier this morning. (*Interjection and laughter*)

2015

I think, however, what we can say and I did say, in my opening speech and it has been highlighted by others as well, is that because of the amount of debate that is taking place on this issue, the States' Review Committee can take very seriously the concerns of Members and come up with something that is appropriate and flexible, which are the two things that we need to do in light of everything else that is decided or not decided today.

2020

So, I, too encourage Members to reject this amendment, but to note, obviously, the concerns which I think we all share with regard to the importance of external relations.

2025

Thank you.

The Bailiff: Deputy Bebb.

2030

Deputy Bebb: Thank you, sir.

I think that this amendment, realistically, will be lost, but I think that it does start to lay open some of the problems with regards to the general Propositions in the Report. I think that the statements that the shroud waving as to, 'We cannot possibly have a whole system created by amendments. We cannot have this and that and the other and just remember how dreadful it was the last time we actually did this', when yet, at the same time, we still want this Assembly to be the primary sovereign of all the States' debates. The idea that we actually have a Policy and Resources Committee that we are going to co-opt certain people in, on occasions, we are going to have a whole system that is flexible, but it is so flexible that it cannot possibly accommodate a different committee that it might have to have an *ex-officio* member of Policy and Resources and that is actually the problem. I do not think that the system is that flexible, if it is so fragile that such a small amendment would actually cause such a catastrophic change as is being suggested by some of the supporters of the States' Review Committee's Report. I think that the idea that if a letter arrives from 10 Downing Street and we do not know where it goes... In all honesty, do we believe that the same situation is true when a letter arrives at 10 Downing Street from someone else and it goes to William Hague or it goes to David Cameron? The idea is nonsense and the idea that people cannot work together is nonsense.

2035

2040

2045

I will personally support this amendment and I think that it actually has merit, because the greatest and most important point is that we have the ability to choose our representatives abroad. We have the ability to choose, from this Assembly, those people whom we deem to be the best face for Guernsey in our external relations. No-one is disputing the importance. It is a question of how we structure it and I believe that this is a better option than what is being proposed within the States' Review Committee.

2050

Thank you.

The Bailiff: Deputy Conder.

2055

Deputy Conder: Thank you, sir.

I do not want to repeat what I said earlier in the last amendment; in response to the last amendment. I think it is important to recognise that the SRC Committee is recommending the improved committee system, so the creation of whether it is a committee or an office for foreign affairs is more appropriate for cabinet Government and we are manifestly not recommending a cabinet Government. I think if we reflect on what I think many Members of this Assembly – and certainly the feedback to the Committee demonstrated – was the frustrations and the concern about lack of policy development in our existing committee system, lack of policy co-ordination and lack of ability to bring policies together in a coherent way.

2060

So, at the danger of repeating myself, what we are recommending is a senior committee that have a primary responsibility for presenting a strategic plan for a term of Government. One thing the policies that come from Principal Committees to ensure that those policies are being presented and delivered in the context of the strategic plan, and the co-ordination of those policies to ensure that they are all congruent and

2065

2070 are coming forward in a timely and coherent way. Now, external affairs is manifestly part of strategy. It will
be part of the strategic plan. It will be part of overall policy and, in the absence of being able to develop a
strategic plan by the senior committee, there is a large part of strategy left out and just the same way as the
moment, resources come from part of our Principal Committees and policy is supposed to be developed by
another. All we would be doing is putting resources into combining Resources with Policy and on this
occasion taking External Affairs out. So, my biggest concern and I urge you, colleagues, not to vote for this
2075 amendment is, in effect, we will be creating the same dilemma we have now, the same weaknesses in
assessment and instead of excluding resources from strategic development and policy planning, we will
exclude External Affairs. It cannot work and it is a recipe for another dysfunctional senior policy
committee. So, I urge colleagues to reject this amendment.

2080 **The Bailiff:** I see no one else rising. Deputy Jones, do you wish to reply to the debate?

Deputy David Jones: Thank you, Mr Bailiff.

I agree with Deputy Fallaize on one thing, there is a danger always of trying to do amendments on the
hoof, but I have to say that, given some of the reaction from some senior Members and others in this States
today, I am even more worried now than I was before about the future of changing the whole of our
2085 machinery of Government. I thank Deputy Bebb who I think has hit the nail right on the head. It seems to
me that, if we are going to have a future Government that cannot accommodate having an External
Relations Group in it, because it might somehow fall foul of something that a Policy and Resources group is
doing, which, by the description of that title, does not necessarily lead you towards external relations, then I
am even more worried. I accept that this amendment is lost. We could have adjourned, I suppose, had you
2090 had the will to do it, but I think even a third amendment laid today along these lines would have probably
lost also.

I have to say, I am not sure that I am going to support any of this Report at the moment, because of the
way that this has been handled, quite frankly. I thought –

2095 **The Bailiff:** Are you going into general debate?

Deputy David Jones: No, I am not getting into general debate, *(Laughter)* I am talking about this
amendment. Sorry, sir. *(Laughter)*

I thought that the Committee said that this was about a work in progress. So, okay, we did not have all
2100 the i's dotted and the t's crossed on this particular amendment, but the Committee could have took it in
good stead and made it into a functional working Proposition if they had wanted to. Clearly, they have other
agendas in mind and I have had this fear from day one. I have tried to put it to the back of my mind, but it is
very difficult and I think that sometimes it is because of the inexperience of many Members who have not
served under any other form of Government, other than the one they have had for the last two years, but
2105 that has not helped the situation, because they have no history to fall back on. It is all very well for
Members to say, well, of course, we do not want another dysfunctional Government and all the rest of it. I
do not think our Government is dysfunctional. I think it is a special kind of Government. It works for
Guernsey. It has done for decades and we are in danger, I think, here of dismantling a system of
Government that will make matters worse, will create a senior cabal.

2110 I am straying now, sir, so I will stop there. I would just go to the vote, sir.

The Bailiff: Have you signed a copy of the amendment? You have. Thank you.

2115 **A Member:** A recorded vote, please, sir, if we could.

The Bailiff: All right. A request for a recorded vote then on the amendment proposed by Deputy Jones,
seconded by Deputy Lowe.

There was a recorded vote.

2120 **The Bailiff:** Well, Members, while the votes are being counted, we will move on to the final
amendment which is proposed by Deputy Duquemin.
Deputy Duquemin.

Amendment:

To delete Proposition 4 and to substitute the following:

*'4. To agree that the Policy & Resources Committee shall have responsibility for external relations and
constitutional affairs.*

4A. To direct the States Review Committee to investigate and report back to the States early in 2015 with detailed recommendations to ensure, as far as reasonably practicable, that the States' Members who sit on the Policy & Resources Committee, the States' senior committee, have the requisite individual and collective skills and experience to provide clear leadership across the Committee's mandate; such investigation and Report to include, but not be limited to, the merits of the four ordinary members of the Committee each being designated as the States' lead member for one of the committee's main functions along the following lines:

- a) Policy co-ordination and planning;
- b) Financial resources (including the States' budget);
- c) Internal organisation and cross-committee relations (including human resources);
- d) External relations and constitutional affairs.'

Deputy Duquemin: Thank you, Mr Bailiff.

2125 I will start by reading the amendment for the benefit of those listening on the radio, if, indeed, there is anybody who has got the will to be still listening to the radio. (*Laughter*) It says:

'To delete Proposition 4 and to substitute the following:

"4. To agree that the Policy & Resources Committee shall have responsibility for external relations and constitutional affairs.

4A. To direct the States Review Committee to investigate and report back to the States early in 2015 with detailed recommendations to ensure, as far as reasonably practicable, that the States' Members who sit on the Policy & Resources Committee, the States' senior committee, have the requisite individual and collective skills and experience to provide clear leadership across the Committee's mandate; such investigation and Report to include, but not be limited to, the merits of the four ordinary members of the Committee each being designated as the States' lead member for one of the committee's main functions along the following lines:

- a) Policy co-ordination and planning;
- b) Financial resources (including the States' budget);
- c) Internal organisation and cross-committee relations (including human resources);
- d) External relations and constitutional affairs."'

2130 Sir, this is the first amendment that I have been involved with since being elected, just over two years ago, but do not assume that I have agreed with every single policy letter or supported every single Proposition that I have read and voted on in the last 24 months. Where policy letters and Propositions are concerned, I take the view that the total is often greater than the sum of the parts. Up to this point, I have been reluctant to put forward an amendment where there is a risk that it will devalue rather than add value to the original suite of Propositions being laid.

2135 So, what is different with this Report from the States Review Committee and the Propositions starting on page 1439? Sir, it is somewhat perverse that my first amendment has been reserved for a policy letter where I concur with virtually every word and where I could wholeheartedly support all of its 12 Propositions unamended. Sir, the difference with this report is that I am certain there is no risk at all that this amendment that I have proposed and Deputy Trott has seconded will devalue or derail the suite of interconnected Propositions before us. To the contrary, I am 100% confident that this amendment has the power to add significant value.

2140 Mr Bailiff, I hope to convince Members to support this amendment with a speech that is going to be in two halves. Firstly, I am going to explain how this amendment can add value and, then, secondly, I will explain why there is no rift to the good work of SRC if and, I hope, when Members support the amendment today.

2145 Let us start with the positives that it can bring, the difference it can make. Sir, I first introduced the concept of this amendment to Members when I sent each of them an e-mail on 18th June. I will repeat one paragraph of the e-mail now, as I think it best sums up what has persuaded me to place the amendment. It reads:

'I would like to ensure that enough of our most able deputies, if they have the right skill base, see the reality that a seat on P&R is where they can achieve most for our Island, rather than the perceived prize of being President of one of the Principal Committees. Whoever they might be after 2016, in my opinion Guernsey needs its A-Team on P&R.'

2150 SRC's Report seeks to create Policy and Resources, a single senior committee of five members, one of whom will be its President: the Island's senior political office. Mr Bailiff, if we are going properly to recognise the important scope and workload of the single senior committee, I believe that, as well as the role of the President of P&R being acknowledged as the Island's senior political office, the other four positions on the committee must similarly be afforded an appropriate status to encourage the right individuals with the right skills to fill these roles.

2155 On page 1375, paragraph 6.3.11, right at the top of the page, the Billet reads,

‘Of course the committee would need to develop its political standing and earn the respect of the States...’

Sir, this is vital and it is my opinion that P&R’s political standing and the respect that it will be afforded by the States will be directly related to which individuals and which skills make up the five strong team.

Section 6.6, which culminates in SRC’s key proposals, Proposition 4, concentrates on external relations. Paragraph 6.6.5 explains how P&R would –

2160

‘... designate its President or one of its members to be the lead for member for external relations.’

Paragraph 6.6.7 highlights the benefit of this lead member for external relations having responsibility affording priority and having the skills and interest best suited, but it also makes clear that they would still be able to contribute to all other parts of the committee’s mandate and, if indisposed, another Member of P&R would be able to deputise.

2165

Sir, I could not agree more; an excellent proposal from SRC, eminently sensible, workable and crucially it will make a positive difference, but why stop there?

A key proposal, Proposition 3 clearly identifies three other specific areas of P&R’s proposed mandate and together with external relations, all four are important, not just external relations, all four are equally important as interconnecting cogs at the centre of our machinery of Government or, as Deputy Brehaut recently eloquently put it, ‘the beating heart of our Government’.

2170

This amendment puts forward the idea and asks SRC to investigate that, as well as a lead member for external relations and constitutional affairs, there is also a lead member for policy co-ordinating and planning, financial resources, including the States’ budget and internal organisation and cross-committee relations, including human resources. Sir, to repeat the point in paragraph 6.6.7, surely there are benefits to a lead member for finance, including the budget, and if that person had the responsibility, was able to afford priority and had the right skills and interests best suited to that role, but, obviously, was still able to contribute to other areas of the mandate and so on.

2175

If 6.6.5 and 6.6.7 ring true for external relations, it surely follows that the same should be true for all other areas of the mandate. Sir, there is no reason that external relations should be the exception. There is every reason that it should be the rule. To borrow the phrase first used by Deputy Fallaize earlier, I want there to be somebody in the States that wakes up in May 2016, like there is now, and the first thing they think about is the States’ budget. I want that to happen.

2180

In paragraph 7.6.5 on page 1412, when SRC talk further about the structure of other Principal Committees, they state:

2185

‘It might be useful for committees to pursue the concept of “lead member” for particular sections of their mandates.’

The Billet continues:

‘There is no reason for members not to assume lead member status for several sections of a committee’s mandate. While the full Committee would at all times retain responsibility for everything which falls within its mandate, the concept of lead member would provide for a degree of specialisation among members, for the work of the committee to be divided between members and for the States and the public to have an identifiable point of contact for each of the major areas of the committee’s activities.’

That is what SRC said in the Billet and that is why I would like SRC to investigate how the five Deputies on P&R might be selected for their particular skills and would be clearly mandated to share out equally and effectively the responsibilities and workload, as well as working as a single team.

2190

If lead member status is afforded to the four ordinary members of P&R, I know that some might think that there would be little left for its President to do. I challenge this most vigorously by making two points.

Firstly, I do not think for one minute this would be the case. In our current system of Government, questions persist as to the scope of the Chief Minister’s role and the extent of their mandate and influence and yet, as I am sure Messrs Le Tocq, Harwood and Trott would testify, it is a role that absorbs as much of your time as you are able to give it.

2195

Secondly, in actual fact, it would be beneficial if the President of P&R is not overwhelmed by workload and responsibilities and, as the leader of the team, with a fairly clear desk and a fairly clear mind, is able to provide assistance to his or her four colleagues on the Committee and also deal with the unexpected. If there is one thing we can expect to be the new norm, it is to expect the unexpected.

2200

I struggle with the concept that the current workload of the Chief Minister and T&R Minister will effectively, prior to any delegation, become the workload of just one person, the P&R President in this new system. My concern is not power *per se*. I am simply concerned with manpower or womanpower.

One thing in my e-mail to Members that certainly started a dialogue was my suggestion that the four ordinary members of P&R might be called Vice-President (Resources), Vice-President (External Relations) and so on. As I explained in the e-mail, I was not and I am not terribly hung up on the Vice-President

2205

moniker, but within the suggested framework of the chairs of committees being given the title of President, it was at least a starting point for a discussion.

2210 The important point is that it would be of great benefit if the titles of P&R's ordinary members, and possibly their remuneration too, could somehow reflect the extraordinary importance of their roles in our system of Government. This, in addition to the political challenge provided by the specific mandates, would, I am sure, help seduce the right candidates to come forward for the roles, pre and post-election. Indeed, it was interesting to read paragraph 6.6.6 – I guess the devil is always in the detail (*Laughter*) – that referring to the lead Member for External Relations SRC proposes that the member so designated should be able to take advantage of the sort of flexibility to adopt nomenclature and appellations which was referred to in an earlier paragraph which discussed when the President of P&R might be called off-Island. Fine-tuning names is something that can be done later.

Post-2016, five people on P&R, our single senior committee, must be our A-Team. We need to find ways to make certain this happens and realise that this will be a game changer.

2220 I would now like to move on to the second part of this speech and quickly highlight why there is no risk to the excellent work of SRC if, I hope when, Members support this amendment today. As I said at the outset, it is not in my ethos to lay an amendment that has any potential to derail the work of a Department or Committee. I have been extremely upfront with Members and staff of SRC right from when I first considered the amendment to when I eventually lodged the final wording. Indeed, individuals on SRC and wording from the original policy letter and Propositions have contributed greatly to the final version of the amendment. (A Member: Hear, hear.) Sir, through you, can I thank everybody on SRC for both their time and patience.

In the amendments, original Proposition 4 is largely retained in the new Proposition 4, before the addition of 4a). New Proposition 4 states,

‘to agree that the Policy & Resources Committee shall have responsibility for external relations and constitutional affairs’,

2230 which in my opinion signs off the important stage 1 decision that P&R will be responsible for external relations and constitutional affairs. That is the meat of the original Proposition, all retained, all still intact. Fully aware that there is a stage 2 to this process, when SRC report back in early 2015, I have made certain that this amendment, whilst being suggestive, is certainly not prescriptive. I will repeat that as I think it is a crucial point. I have made certain that this amendment was being suggestive and putting forward what I and I know others consider a solid suggestion, it is certainly not prescriptive. Looking at the words of the amendment in some detail, it asks SRC to do their own investigation before reporting back with their own recommendations. Whilst it does ask SRC to consider the merits of the four ordinary members of P&R, each being designated as the States' leads for one of their committee's main functions, it says very clearly that the investigation should include this, but not be limited to this. They can, and perhaps should, explore other options.

2240 Mr Bailiff, I know that Wimbledon has finished, but if you forgive the analogy, the ball will be very much back in the court of SRC.

I would also like to reiterate that I am not and the amendment is certainly not committed to the titles of Vice-President (Policy), Vice-President (Internal Relations) and so on. Looking again at the words of the amendment in some detail, it borrows the exact wording of SRC's original Proposition 4 and refers only to the States' lead member. In the amendment, there is no reference to Vice-Presidents of anything.

2245 Sir, one Deputy told me that that the mention of Vice-Presidents made him think that structure I was putting forward was better suited to an American bank, not Guernsey's Government. Of course, the naming convention and it is important, should be perfectly suited to the Charroterie and not Chicago. I accept that and repeat, the amendment is not prescriptive in terms of titles, whatsoever.

2250 Mr Bailiff, I hope that I have conveyed to Members the two things that I set out to do this afternoon in this short speech. Firstly, I hope everybody is aware of the potential to be gained from creating a system which encourages whoever they might be after 2016, the right individuals with the right skills, to serve and flourish on Policy and Resources, our single senior committee. Let us all focus on the up-sides. And secondly, I hope everybody is aware that this amendment does not and will not derail the excellent work of the States' Review Committee. Proposition 4A in the amendment is suggestive, not prescriptive.

2255 Let us all realise that there are no downsides to the original Proposition 4 being amended and replaced with Proposition 4 and 4A.

This amendment can make a difference and I hope it will be a real game changer. Sir, through you, please, Members, support this simple, logical and I will say it, common-sense amendment.

2260 Thank you, sir.

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

Deputy Trott: With conviction, sir. *(Laughter)*

*Amendment by Deputy David Jones and Deputy Lowe:
Not carried – Pour 10, Contre 35, Ne vote pas 0, Absent 2*

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

2265

The Bailiff: Before I call the first speaker, I will formally announce the vote on the Deputy Dave Jones/Deputy Lowe amendment. There were 10 votes in favour and 35 against. I declare it lost. Deputy Fallaize, then Deputy Hadley.

2270

Deputy Fallaize: Thank you, sir.

Just to set out the Committee's position, if I may. I would like to thank Deputy Duquemin, first of all because he did work with the Committee's member of staff and members of the Committee and he advised us very early on that he was going to propose an amendment along these lines, so I accept that the amendment has been thought through, in that sense.

2275

I think it is only fair to point out the amendment does raise one or two legitimate issues which will have to be considered and examined more thoroughly by the Committee in stage 2 – if indeed, there is a stage 2, if the States do not reject all of these Propositions at the end of the debate – and so it is the case that Deputy Duquemin has brought to our attention or emphasised some of these issues that have to be considered.

2280

Also, as he has said, the amendment is not prescriptive in that it does not ask the States today to agree to any particular model. It proposes that the States' Review Committee should go away and investigate something – and for that reason, we cannot say it seriously undermines the Committee's proposals.

2285

However, I do have three observations to make, which will advise the States why the Committee cannot warmly endorse the amendment. The first is that Proposition 4 in this amendment, our Proposition 4, is weakened slightly by this amendment, because our Proposition 4 is to agree that Policy and Resources shall have responsibility for external relations and constitutional affairs and the Committee shall designate its President or one of its members as the States' lead member for external relations and constitutional affairs. Now, the Committee's preference is to get that nailed in this debate, so that we can leave here with the certainty – hopefully, if the States agree – that the States want external relations to sit in the Policy and Resources Committee which, presumably they do, given the votes on the last two amendments and that we know the States want to have a lead member for external relations nominated by that senior committee.

2290

So, I think our Proposition 4 goes slightly further. Deputy Duquemin's amendment actually takes out the proposal to agree that one of the members of P&R shall be designated as a lead member of external relations.

2295 In Deputy Duquemin's Proposition 4A, the second observation I have to make is that it directs the States Review Committee to report back on the matter of members of the senior committee, the Policy and Resources Committee, having:

'the requisite individual and collective skills and experience to provide clear leadership across the Committee's mandate'.

2300 Now, I agree that the membership of the Policy and Resources Committee is clearly going to be very important. We recognise in the Report that putting in place the right structure is not an end of itself. Any structure or any system is heavily influenced by the people who are serving within it.

2305 But, we also have to accept, I think, that the matter of determining the appropriate members to sit on States' committees, is a matter for the States and this issue of requisite skills and experience is very subjective. What I may consider to be the requisite skills and experience to sit on a committee may not be what is considered to be the requisite skills and experience by another Member of the States and, ultimately, we have to accept that whatever structure we put in place, the members who are elected onto whatever the committees are will be determined by the 47 or however many Members it will be of this Assembly. So I do not really think that it is going to be possible, for example, to add into, let us say, the Rules of Procedure anything which guarantees that in the opinion of a particular Member all the members of P&R will have the requisite skills and experience. It is just something that we initially have to leave up to the electorate, because it is the electorate who will determine which candidates are elected in 2016 and then it has to be for the States to elect members onto their committees. We cannot control or manoeuvre the States in any way, in respect of who it wishes to elect onto its committees.

2310 The third observation I have to make which stops the Committee from warmly supporting this amendment, notwithstanding what I said at the beginning of this speech, is the concept of allocating particular functions to specific members of Policy and Resources. Now, it is true that we are proposing a lead member for external relations, but in the opinion of the Committee, external relations and constitutional affairs are a sufficiently discrete and different function to require an identifiable lead member and we do not think necessarily that the same can be said of the other functions of the Policy and Resources Committee. If every function of the Policy and Resources Committee is allocated to one identifiable member of that Committee, there is a risk – and I put it no more strongly than that – of internal dispute and division inside that Committee.

2315 I will give you an example. Deputy Duquemin dismissed the fears about what does the President of P&R do under the model proposed in his amendment – and I do hear what he says, that the President of the Committee clearly is going to need a lot of support. However, what is not clear under this model is, if there is a lead member of P&R, who is not the President – because that is what is suggested in this amendment; we would have a President without specific portfolio, as it were and then four ordinary members with specific portfolios – one of the portfolios suggested is Financial Resources, including the States' budget. Now, who is going to present the States' budget? Is it going to be the President of the Committee or is the President of the Committee going to sit there, effectively out of the game as it were, while the lead member for financial resources proposes the budget?

2320 Now, if we move into that sort of direction, we are not that far away from where we are at the moment, where we have a Chief Minister who is chairing a committee which is a group of *ex-officio* members, but it is not really the Chief Minister's own committee. The Chief Minister in our present structure is almost sat there in glorious isolation and I think there is a risk, if we adopt the sort of model that is proposed in this amendment, that the President of the Committee will be in glorious isolation while the other members of the committee will have identifiable portfolios.

2335 So, I presume that when the Strategic Plan comes before the States under this model proposed in the amendment or suggested in the amendment, that the Member with responsibility for policy co-ordination and planning would propose that to the States, but I have to say, I think that is the job of the President of the committee. I also think that that the presentation of the States' budget is a job for the President of the committee, because, if we want a cohesive committee, bringing together policy co-ordination and resources, it has to be chaired in the conventional way, like all States' committees are and that chair has to be the identifiable spokesperson for that committee.

2340 So, I do have a slight fear that we would be re-creating, without wishing to sound disrespectful to the post of Chief Minister, the almost ceremonial nature of the current role.

2345 Now, I did say that the amendment raises one or two legitimate issues and primarily it raises how the Policy and Resources Committee should best discharge its various functions. That is clearly something which the States' Review Committee is going to have to take into consideration in stage 2 and Members can be assured of that. We do not need this amendment to require the Committee to give consideration to

2350 how Policy and Resources will carry out its functions, because that is inevitably going to have to be a job of work anyway.

The key issue, really, is going to be in stage 2, if the States approve these Propositions, what is the mandate of the Policy and Resources Committee? That will be key. That will determine the... I do not really want to use the word 'power', because I think it is a misplaced word, but the authority and the role and the functions of the Committee. It will be set out in its mandate and that is a task for the second stage.

2355 Now, Deputy Duquemin said that we want the A-Team on the Policy and Resources Committee and I sort of know what he is driving at, but I would put it slightly differently. From the time that we, on the Committee, had started to develop the revised or improved committee system that we are proposing, we identified that the role of leading a committee which delivers services and oversees public services and develops policy in those specific areas of its mandate is a different role from that of policy co-ordination. 2360 One of the shortcomings of the present structure is that it combines those two functions in the same people. It assumes that the people who head committees which oversee services or deliver services are inevitably the right people to co-ordinate policy, but I think they are different functions.

I do not express it in the sense that we need the A-Team on P&R. What I would say is we need on the 2365 Policy and Resources Committee the members who are best suited to policy co-ordination and leading the States' budget and external relations. It is not a question of whether they are the A-Team or the B-Team or the C-Team or any other team. It is a question of looking at the functions of that committee and trying to ensure that the functions of the committee are reconciled with the skills of the members elected onto that committee.

2370 So, we are not proposing any new concepts. The concept of policy co-ordination has existed for a long time, for decades in the States. We are trying to provide the committee with that responsibility with the tools to carry out that task, but I would certainly stop short of saying that we want the A-Team on the Policy and Resources Committee, because I think that suggests that the Policy and Resources Committee perhaps is the executive and it definitely is not. This is a committee system.

2375 I also think – and I know it is not prescriptive and that is why the Committee is not opposing this amendment as strongly as it opposed the previous two amendments – that there is a risk in this amendment of recreating the *ex-officio* nature of the Policy Council. I think there is a risk of the States saying, 'Well, okay, the first task is we need to elect a Member who can deal with policy co-ordination; then we need to elect a Member who can deal with the budget; then we elect a Member who can deal with external relations.' Then, they happen to come together on this Policy and Resources Committee and that starts to re-create some of the shortcomings of the Policy Council, where, at the beginning of a four-year term, the States says, 'We want that person to head up Education; that person to head up HSSD; that person to head up Environment. Oh, and then, incidentally, they will all come together to form the senior committee of the States.' That is a shortcoming, in our opinion, of the present arrangements and there is a risk of taking us in the similar sort of direction if the model in this amendment is pursued to its logical conclusion.

2385 So, I accept it is not prescriptive. We did look at this. I am not saying we looked at it exhaustively, but we did consider this sort of model many, many months ago, and we decided not to propose it, for many of the reasons which I have outlined.

2390 It is fair to say that this sort of arrangement might, in time, develop. It might be that the Policy and Resources Committee actually says, 'We consider that our range of functions are best delivered by, perhaps, setting up sub-committees and identifying one of our members to chair each one of our sub-committees', but there is no reason to make it prescriptive. There is no reason to require the committee to do that. If it develops organically, that is because the Policy and Resources Committee will have decided to discharge its functions in that way but, again, I think if the model in this amendment is pursued to its logical conclusion, we could be in danger of making things more prescriptive when we want more flexibility.

2395 The last point I would make... Of course, if the States approve this amendment, the Committee will try, objectively, to re-examine this sort of model and come back to the States with an analysis of that, after our stage 2 considerations.

2400 But the final point I would make to the States is: the timetable here is quite tight. It is doable, but the stage 2 timetable is quite tight. We will have to come back to the States in the early months of 2015 and, therefore, I would say to Members, if you really believe that in stage 2, you could foresee yourselves voting in favour of the kind of model that is set out in this amendment, okay, we will go away and carry out some more work and examine it. But if you really do not believe that you could support this sort of model after stage 2, please do not send the committee away to examine it, simply because it seems like a fairly innocuous thing to do, because it will take up staff time. It will take up Members' time and the timetable for 2405 stage 2 is quite tight.

Thank you, sir.

The Bailiff: Deputy Hadley.

2410

Deputy Hadley: Mr Bailiff, I spent about 35 years being active in politics and most of that under a system very different, where we had party politics. I am quite passionate about the democracy that we have here. I like the system of government we have got and when the Committee first started to review the system of government, I thought, well, I am not going to take much notice, because I am quite happy with what we have got. But in fact the Review Committee have rejected ministerial government and come up with a system of government which I think is an exciting move forward.

However, we do not quite know how it is going to work and I think one of the last things we want to do is be too prescriptive about how the President organises the new Policy and Resources Committee. The new President may decide that he or she wants to have particular leads in particular Departments, but they might not. Having chosen particular leads in particular areas, they might want to move them around and I think one of my criticisms of the current system is that we are too reluctant to move people around that fail in this parliament.

So, I would want the new President to have the freedom to choose the leads he or she wants for particular areas and, if they are not performing, move them around. If the Review Committee examined these proposals, they could – it would be horrible if they did – come back and say, ‘These individual posts should be elected.’ And then that would really be putting the whole system in a straitjacket.

I very much latch onto the last point that Deputy Fallaize said. I want to see this review. I want to see the new system in process within the term of this parliament and the last thing I want them to do is to look at an amendment like this, which will take up valuable time and which I am almost certain to oppose if a recommendation comes back to this Assembly.

So, I would urge people to vote against this amendment.

The Bailiff: Deputy Gollop.

Deputy Gollop: Thank you, sir.

We cannot go into the general debate issues now, because of your quite correct ruling, Mr Presiding Officer, sir, (*Laughter*) but I would say that I am likely to vote against the whole thing if this amendment is not passed.

I think this amendment is the nearest thing we will have today to a progressive way forward, (**A Member:** Hear, hear.) and the fact that it is supported so vigorously by our distinguished retired Chief Minister and Treasury Minister only perhaps points the way forward.

I could not disagree more with what Deputy Hadley has said. You can interpret this in a variety of ways, the amendment, I appreciate that, and I do appreciate Deputy Fallaize is warning that, if we are minded to support it, we should do it now, rather than top and tail in a year’s time. But Deputy Hadley envisaged, would there be separate elections for each of these positions? I assume, really, the sensible way forward, if it is carried, would be that the President of Policy and Resources would be chosen in a manner perhaps a bit less dignified than the way in which the Chief Minister is chosen, but still as the primary appointment of the new States, and then the other four positions would be chosen as if they were Ministers with an opportunity for speeches and for questions and answers, like we saw recently when Deputy Burford was elected the Environment Minister.

It seems to me, logical, that if you are selecting four people in that way, the normal way we would do it is to elect *en bloc*, and, say, there were four places, six candidates and then you get the lowest common denominator passed. If, however, we adopt this amendment, the logical approach, surely, will be for each position to be taken separately.

The reason I say that is because, if we have, let us say, 10 people stand for four seats, we would be likely to get some very close calls and the figures would be, maybe we will have 38 Deputies then, I do not know – 37, 36, 32, 31 and so on. But we would end up with a mixed bag of people on the committee. It is the luck of the draw who we get, to a degree. It is a lottery in one sense.

Under this system, you would not end up with a committee, hopefully, of four accountants unless they were all brilliant in every other skill, or four, we will say, lawyers, or four policy co-ordinator specialists. This would implicitly suggest that after you have chosen the President who he or she would be an all-encompassing, if you like, Poobah, the rest of them would be – or Pooh Bear, even! – chosen for their specific merits. You would have one person who was the desired choice of this Assembly, for policy co-ordination, another one for resources lead, another one for internal relations lead, and another one for external relations lead. I think if we allowed the committee to just distribute their own portfolios, we would effectively run the risk of the committee being unbalanced from the start.

I must admit, listening to what Deputy Duquemin said, he brought up some of the arguments that were made by the Institute of Directors and other lobbyists many years ago, that one of the reasons for the report that was put before this Assembly, which was called the Harwood Report of course, in 2000-01 was, the argument was made we needed a systemic change, then, to encourage the best people, however you define them – the A-Team, the premier division, I do not know – to stand for the States and the argument was the

motivation would not be salary or money, or necessarily even the pleasure of being an elected representative or the honour. It would be the self-satisfaction of working for the Island, having a defined role that you could deliver systemic Government improvements in service delivery and outcomes. That was

2475

the thinking of how it would appeal to people from the commercial and other sectors.
Now, I do not believe the model that the SRC have come up with achieves that at all, but this does. Deputy Duquemin made the point.

It has to be said that the elephant in the room that has not yet trumpeted itself, is that this amendment is very close to a Guernsey system, I would suggest, of more executive government. *(Interjections)* That is my personal view and I could go into great detail as to why that is, but I will not.

2480

But, I would say that it will have the effect, if it is passed, of creating five people who will have clearly defined roles and possibly, although I think this is yet to be fully developed, would be like not just champions in a vague sense, but czars or czarinas. They would have powers throughout the States leading on... The policy lead, by implication, would be there on social policy as well as economic policy. Resources' lead, surely, would encompass not just human resources and staff and so on, but also property resources and logistical IT resources. 'Internal relations' suggests a diplomatic person who would have the power to bring together two chief officers, two committee chairman, whatever, to say to these people, 'You – get it sorted!' – whatever disputes there are about rebate rates or whatever.

2485

And these five people, you might not call them Minister for Policy or Minister for Resources or Minister for External Relations, but that is what they would be, in a much more real sense than our so-called Ministers are today, because there will be one person chosen on their skills by this Assembly who would represent a division of our States.

2490

Actually, because I believe in the long term that is the way we should be going, I support it over the other model and what does seem to me on a bad day a bit like a Politburo, because you would be creating an ill-defined team of people who would not have specific roles, but would just be an overall controlling committee.

2495

So, perhaps for unusual reasons, I do support this amendment and it also, to a certain extent, gives us an external relations guru or ambassador who would focus on that and make a meaningful difference for the Island.

2500

The Bailiff: Deputy Bebb, then Deputy Trott.

Deputy Bebb: Thank you, sir.

I have to say that I lost track of exactly where Deputy Duquemin's speech was going, but nothing persuaded me more of the need to support this amendment than Deputy Fallaize's speech, because in all honesty, Deputy Fallaize's assertion that the role of presenting the budget, as well as presenting every other major report, should fall to the President of the Policy and Resources Committee will by default cause us to have the fundamental failing that everything will be viewed through financial eyes, because, quite rightly, we would expect anybody presenting the budget to be that interested within the resources within our Treasury, that he or she devotes that time to that endeavour. And I do not believe the idea of having a committee without defined roles would actually be of benefit to any form of social policy progression.

2505

I think that this provides us with sustaining the idea of a committee, but defining the roles clearly so that we do not end up with this mishmash, where certain policies are actually discarded in favour of other priorities. I think that we all know that, historically, we have not funded social policy to the extent that we should have and I think that unless we pass this amendment, we will perpetuate that.

2510

Thank you.

2515

The Bailiff: Deputy Trott.

Deputy Trott: Thank you, sir.

Sir, Deputy Fallaize told us that the Committee cannot warmly endorse this amendment and I immediately thought to myself, that translates to 'cannot think of any plausible or convincing reasons to reject it'! *(Laughter)* I have to say, sir, having listened to his speech, I was not disappointed. *(Laughter)*

2520

Sir, the amendment is about as anodyne as you can get, but what it does do is it keeps a strong focus on what we are trying to achieve, collectively, with these Propositions.

2525

The amendment asks SRC to investigate and report back as part of its process with a set of considerations as to how we could go about having the requisite individual, collective skills and experience to provide the clear leadership that is needed on this committee. Now, it may well be that, after further considerations, sir, Deputy Fallaize is able to put forward, along with his Committee members, a convincing set of arguments as to why this is not a good idea and we are certainly giving him the opportunity to do so.

2530

I suspect, though, the contrary will happen. On reflection, he and others will quickly realise that for this committee to succeed, and succeed it must, it is absolutely essential that the right round pegs are in the right round holes. Otherwise, as others have said, most recently Deputy Gollop, we run the risk of having a large number of accountants, without necessarily, as Deputy Bebb alluded to, anyone with any particular social conscience, (*Laughter*) who is prepared, if you like, to drive forward... I am sure few Members would disagree with me, sir! Accountants are not known for their social conscience, with the possible exception of those that are in this Assembly today. (*Laughter*)

Sir, I found Deputy Hadley's contribution fascinating. He told us how he supported the SRC's proposals and that there was no place for cabinet government in a place like Guernsey. Then he said he wanted the President of this department to have the opportunity to reshuffle his cabinet and move people around as he sees fit. Well, you cannot have it both ways. If you want that sort of power vested in that person, then let us have a proper debate about ministerial government. Otherwise, leave it to this place, that is sovereign, to ensure that the right people are doing the right job.

Sir, the harsh realities of a debate like this is – and this is why so many times, over my time in this States, I have heard people use that expression, 'square pegs in square holes; round pegs in round holes' – is because most Members simply do not have a broad spectrum of skills. Most Members in this Assembly have some very specific qualities, which are harvested by this Assembly to great benefit, but not all Members have the spectrum of skills needed to discharge the mandate of the Policy and Resources Committee as proposed.

Sir, without a strong focus on roles, we do run the significant risk of like attracting like, and us ending up with a number of people with, let us say, strong fiscal skills, strong understanding of balance sheets and, maybe, even a strong understanding of the law. We have been blessed over the years with a number of eminent advocates in our midst. But, we do seriously run the risk of not having the right balance. I do not think we can afford to leave it to chance.

But, in any event, that is not a decision for today. This is a decision for the future, when the States' Review Committee come back and give us good reasons why we should either support it or reject it, and I am sure my good friend, Deputy Fallaize, would be the first to admit that he has not achieved either of those objectives so far today, and let us give him another chance to convince us in the future. (*Laughter*)

The Bailiff: The Chief Minister, then Deputy Harwood.

The Chief Minister (Deputy Le Tocq): Sir, I must commend my good friend, Deputy Trott, for a logical and surprisingly sensible speech, (*Laughter*) which made a lot of sense to me.

Sir, unlike my Vice-Chairman, Deputy Fallaize, I am agnostic, as such, in this. I am rarely agnostic on anything. Whilst I might not be a convert, particularly on this, I would not be agnostic, particularly because the Latin version of agnostic is ignoramus.

But, what I will say is this: I think what we are tending to do, on both sides of this debate is to read things into this which, to me, do not seem to be necessarily there. So, I do not agree with what Deputy Gollop said, because he is reading into it how he would like the future to look. But neither do I agree, particularly, with what Deputies Hadley or Fallaize said, because I think, also, there is a tendency to read things into this.

I warm towards it in many ways, because when I was Home Department Minister, we found, within the mandate of that Department, that it was appropriate and helpful, when you have got a team that will work with you in that way, to have some delegated responsibility to liaise in various, particular areas and become lead members within that particular departmental team. It seems to me that is going to happen anyway, but the danger is with arguing your views on how that should happen, or each one of our views and how that should happen, into some sort of straw man in this amendment, either to knock it down or to support it strongly, is that actually that is not what it is asking us to do. It is asking the States' Review Committee to investigate and to report back with recommendations to ensure, as far as is reasonably practical... and so there is a quite a measure of leniency there.

I could not see this operating in a way that would be rigid and, bearing in mind the office that I now hold, I espouse greater flexibility and, even the things that Deputy Hadley spoke of, I think it is important that this Assembly recognise, whatever its views on methodology, that we need to have mechanisms in our future structures that enable our particularly most senior leaders to act as swiftly as possible wherever possible. It seems to me that in this what is being suggested is that we should investigate whether there should be more direction in terms of the individual members of this particularly senior committee.

In some ways, sir, if I was to be asked how I view the senior committee, I see it more as the Chief Minister's department that we never had, in the past, and certainly the States' Review Committee has decided that one member of that committee should have – it might be the future President – a particular role and of course, in our sister island, Jersey, that had been the case in the Chief Minister's Department there for some time and that role has now actually even got a higher visibility than before.

2595 But I am sympathetic towards this amendment, because it enables us, as a committee, to look seriously at how this senior committee is going to interface with the Principal Committees who will be involved in policy making and delivery of policy, but will maintain effective co-ordination. I am not sure whether I will vote for it or not yet, but I am certainly not against it in any way, but I think what we have here is not something that each one of us can be reading things into it. If we read things into it as a straw man, we are doing more than this particular – I cannot remember what the word, Deputy Trott used – innocuous? – amendment is.

2600 **Deputy Trott:** Anodyne, sir.

Deputy Le Tocq: It is only asking us to report back and, so I just wanted to caution States' Members, before we read too much one side or the other into this particular amendment.

2605 **The Bailiff:** Deputy Harwood.

Deputy Harwood: Thank you, sir.

2610 I am not sure whether I am agnostic, atheist or what I am on this one, but Deputy Trott laid down the gauntlet and said, 'Well, Deputy Fallaize has not really come up with any overriding reason why we should reject the amendment'.

I can suggest one and this goes back to the whole saga that the States went through between 2000, 2002, 2003, when essentially the outcome was 'the fudge'. I think it is the first time we have used that phrase today, but I am sure it will come up again in general debate.

2615 The outcome was a fudge and I have serious reservations about this particular amendment, because as Deputy Gollop has already identified, the natural way this is going to unravel is that you are going to end up coming back to the States and the States will say, 'We want to have the right to nominate each of these leads.' So, there will be separate elections for each lead and, thereby, you actually will achieve – and Deputy Gollop has admitted this is what he wants to achieve – quasi-executive government, because he will have identified particular leads and particular roles, and therein I think, sir, does lie the fudge.

2620 I would urge States' Members, and I appreciate the Chief Minister said, we should not necessarily read too much into this, but I think, for that reason, and there will be other reasons, I would urge States' Members to vote against this. Yes, clearly, as the Chief Minister has said, once a Policy and Resources Committee is constituted, it will naturally tend to identify people within that Committee for particular roles. And that should be the function of that Committee, not something that is imposed by the States, so I would actually urge States' Members to vote against this amendment.

The Bailiff: Deputy Conder.

2630 **Deputy Conder:** Thank you, sir, colleagues.

Sir, I would like to join Deputy Fallaize in complimenting Deputy Duquemin on a very well-crafted amendment and also, most importantly, for his courtesy in his engagement with SRC, which I think has made this debate much more interesting and much more challenging, in some ways, really, for those who oppose it.

2635 And I do oppose it, but, in just the same way as Deputy Fallaize, as you can tell already, it is not an opposition of passion. It is just one of logic, I think.

2640 My main concern is that – and perhaps Deputy Gollop inadvertently strayed into this area – both the practicality and where it takes us. My journey through this process, over two years, has been from I suppose being an advocate of executive government to being a passionate author of our existing committee system, which was certainly reflected in our Report that I hope colleague will support later on.

2645 Now, that committee system has, at its heart, the appointment of chairmen of committees who sit on our Policy Council *ex-officio* and that creates its own problems. Well, then, those chairmen appoint or recommend to this Assembly their four other members. In doing so, they do not identify specialisms that they expect those individuals to undertake. I reflect on the committee I spent a lot of time on: Education. I was not put onto it because I advocated myself as having any expertise in university education. Deputy Sherbourne did not, in terms of secondary education, Deputy Green in terms of law or Deputy Le Lièvre in terms of social policy. We came together because we happened to have some skills and knowledge which we had to bring together, but we did not put ourselves forward as bringing any special expertise to those committees.

2650 Because I think if we did and, if this amendment is approved, it is one step – I must say Deputy Gollop did hint at it – towards executive government. I think we have a unique form of government which is the sort of process that I described just now in terms of the way Deputy Sillars and other, of course, brought together their own committees. So, I worry if, for this committee – and in the new model, it will be only one

2655 committee; yes, a senior committee, but just one committee alongside the other Principal Committees – if, for this one, we uniquely determine functions for each post holder, because I think it will be restricted, in terms of their ability to move into other areas. It will have the danger – which I think Deputy Fallaize picked up – that we see in Policy Council despite their very best efforts to make it work, the inherent dangers of *ex-officio* members inevitably focusing mostly upon their own areas of responsibility.

2660 I feel that is a retrograde step in terms of where we are trying to get. I want to protect what I think is the extraordinarily valuable, unique, Guernsey system of government, based around committees and, as I said, having started in the position where I believe that executive and the distilled-type government associated with collective responsibility is right I have come to really, *really* value what we have got and I think I want to preserve that and I hope this Assembly will want to preserve that.

2665 I am reluctant to see the senior committee being exceptional in terms of – it will be exceptional, I hope, in terms of its delivery – but an exception in terms of the way its Members are appointed.

I think it is right that we have senior members of committees who identify their team, bring them together and through a process of working together, they identify specialisms, but, collectively, they run their committees with the chairmanship of whoever is appointed to chair that committee.

2670 So, I do have a sense of reluctance in opposing this, inasmuch as I recognise and thank Deputy Duquemin and his seconder, Deputy Trott, for their great courtesy to the Committee and applaud them on the way in which they have constructed this non-prescriptive amendment, but I really worry and I would urge colleagues to think about this very carefully. I really worry that there is a danger that we will be creating one model for this specific committee and putting, perhaps not one foot, but a couple of toes, into the arena of executive government and I do not want to go there.

2675

The Bailiff: Deputy Dorey.

Deputy Dorey: Thank you, Mr Bailiff.

2680 I think the key thing about the proposals from the Review Committee is flexibility and I think what this does is remove some flexibility which I think will not benefit Government in the future.

2685 When I heard some of the speeches today, I sometimes think that we are talking about job interviews, rather than political offices. People have mentioned lawyers, accountants... This is a political process. We need to make sure that the people we elect reflect the political views of the day. There is no point electing the person who has got the best experience of accountancy, if their views are totally out of line with the political views of the Assembly, because they will come back with something that is wrong.

I know we are all independents and we do not have party politics, but I sometimes think that people forget that this is a political process and political views must be key in deciding who gets what job or what function within our Assembly.

2690 Also, I think people forget the process that we would go through, if these proposals are passed. We envisage that the first election, post the General Election, will be for the President of the Policy and Resources Committee. He will then, at the next sitting of the Assembly, propose the four members of his Policy and Resources Committee, and he will be well aware of the responsibilities and the functions of the Policy and Resources Committee, when he proposes those four members. So, he will make sure that he has a balanced team, knowing the responsibilities of the Policy and Resources Committee.

2695 Again, I am saying, let the President, whoever is elected, come up with a team that he thinks he needs. I will come back to flexibility in a minute, again.

Deputy Gollop spoke about – and it is, perhaps, attractive for me as a member of the Review Committee, to support this amendment, because he said, if you support it, you probably support the proposals, but I am not going to do that. (*Laughter*)

2700 He said, in his speech, about ‘this will create an external relations guru’, I think were the words that I wrote down that he said. Well, that is precisely what the proposals from the States’ Review Committee are, and, hence, the two amendments we had either side of lunch. Proposal 4 does allow the committee to decide who is their external relations member.

2705 So, going back to flexibility, what I want to see is a President put forward four members, then this Assembly will elect those four members. It might be those four. Seeing what happened in 2012, we seem to be very keen to elect the four members proposed by Presidents, but we could differ from that but then allow that committee to allocate the roles as it sees fit and one four-year term might allocate the roles differently. For example, here we talk about financial resources and human resources in two separate people within that committee, but you might find there is, in a particular term – and if that committee decides to allocate those functions to a particular person – one person who is ideal to do financial and human resources. They might be grouped together. In another term, it might not. So, I do not think that we should – although I fully accept that this amendment allows the department to come back and it is not prescriptive – but I do not want the Review Committee to spend time on this particular work from this amendment if you are not

2710

2715 committed to it, because I think that, as others have said, it is not a good use of the time of the Review Committee and the time of the staff.

2720 And the other reason why I would like, again, the flexibility, because during a four-year term, the committee might decide that, because of people's interests, because of people's performance, because of whatever reason, that they want to change the functions around. We know in the UK that allocation of ministers in the Cabinet change quite frequently. So, and he might think that he needs to change it around, just to freshen it up. So, all I am saying is flexibility. Allow that committee the flexibility. Do not be prescriptive which is what this amendment will lead to. Allow them to allocate the functions as it seems fit. Include the President in those functions, because I think that person is the key person in that department and he might be ideally suited to some of those functions. He might decide that he does not want to allocate functions and they are just going to work as a team. Give him the flexibility to deliver the mandate of the Policy and Resources Committee and I think this will not deliver that. This amendment will lead to something that is too prescriptive.

2725 So, I ask you to reject this on the main ground of flexibility.

Thank you.

2730 **The Bailiff:** I see no one else rising.
Deputy Duquemin, you may reply to the debate.

Deputy Duquemin: Thank you, Mr Bailiff.

2735 I would like to thank everybody who has contributed to the debate, especially those that spoke in favour of the amendment. Thank you for your support. But I will start by focusing on those Members who either spoke against the amendment, or at least raised concerns about certain aspects of it and I do hope, in the brief comments that I make, to provide those Members with the requisite peace of mind for them to be able to support the amendment.

2740 Sir, I take heart from what I would call the half-hearted objections to the amendment. Even, I think, the Members of the States' Review Committee, as Deputy Trott mentioned in his speech, did see many merits.

2745 I will start with Deputy Fallaize, who did raise a number of points. Firstly, he spoke about how Proposition 4 would be weakened slightly, I think was his phrase, without the additional element of the resolution concerning the lead member status. I do not feel that it has been weakened. I think, as I said in my opening speech, the substance, the meat of the Proposition is still there and the States today has sent a clear message to the States' Review Committee that it wants external relations to be a part of P&R and that, by supporting this amendment, the lead member's role would be a workable one.

He also spoke about the experience, as far as reasonably practical, on the amendment, not being very difficult to achieve and I would refer back to the words of the amendment, if I can find it here, where it does talk about those,

'who sit on the Policy & Resources Committee, the States' senior committee, have the requisite, individual and collective skills and experience to provide clear leadership across the Committee's mandate'.

2750 And, as I think it was Deputy Le Tocq that mentioned, it was as reasonably practical. So, it is asking that we do look at that in terms of actually making certain that the people, the lead Members have the skills necessary for all elements of the mandate and not just the pre-highlighted external relations. I really struggle with the fact that external relations can be seen as any more important than a £330 million States' budget. I struggle to know that we would be seeking, yes, to have, I think the phrase before was 'an external relations guru', but we would not want a financial guru as part of the team to look after the budget. That, for me, does not make sense.

2755 We spoke about the President without portfolio. I think, in many ways, it will be an all-rounder that is needed to sit in that role and, I repeat, in this amendment we are not trying to dictate at all exactly how it manifests itself, it is just asking that it is investigated.

2760 I think there was talk, obviously, about the A-Team and the B-Team and its words that were described are not important because they are not in the actual words of the amendment.

2765 Deputy Hadley also mentioned the fact that it was too prescriptive, but, once again, I mention that external relations was mentioned as a lead member and I think that can extended. We would then also look – and I think he spoke about whether... and I mentioned it in the e-mail – whether they could be elected on a single ticket, that people would come, the President would come and actually say 'this is the team that I would like to be elected' and that, in a sense, is what I am trying to shine a light on.

2770 It was Deputy Harwood that first mentioned, very categorically, the quasi-executive government issue and I suppose there was a certain irony to Deputy Harwood voting against it, because of this quasi-executive government, bearing in mind the history. But what I wanted to say, it was alluded to by many, that this amendment could be seen as creating executive government by the back door. Sir, this is not the case. I think it would be more accurate and I would prefer it to be seen as an attempt to create *effective*

government by the front door. (A Member: Hear, hear.) The Policy and Resources Committee will operate in, as the name suggests, a committee system and that will not change, but we should give it every chance of succeeding and I would refer Members back to paragraph 6.3.11, where it does mention the need to

2775

develop its political standing and earn the respect of the States.
P&R will not have executive powers. It will not. As Deputy Lowe said this morning, this Assembly is the executive and that will not change. So this is not in any way, shape or form, executive government by the back door. But I do hope that they will have the power, P&R – or should we call it the ability, the credibility – to lead the States and provide the clear leadership that is highlighted in SRC’s key proposal, Proposition 1. Executive government by the backdoor, no. Effective government by the front door, yes.

2780

I thank Deputy Conder for his nice words, his kind words. I was waiting for the ‘but’ and he did say that he was reluctantly opposing the amendment. I would say that it is asking. It is not prescriptive and I think if Deputy Conder or any Member here today, equally any SRC member, see benefits or positives in it that they could and perhaps should give it a chance to be looked at.

2785

Deputy Dorey mentioned that it removed the flexibility and he also went on to mention how it sounded like a job interview. What I scribbled down on my notes here was that it sounded like a job interview, but partly because there is a job to be done for the people of Guernsey and to use the phrase, I think, that I will probably will repeat, that Deputy Trott mentioned, we do need round pegs in round holes as far as possible and I think, in many ways, it is vitally important that that is the case.

2790

I will now move on and concentrate for a moment on those that did support the amendment and hopefully highlight some of their eloquent points, because they were far more eloquent, particularly Deputy Gollop, than I could ever have been in hopefully convincing Members to support the merits of the amendment. What I highlighted from Deputy Gollop’s speech was he said that there was a danger that it could be a mixed bag, that we were relying on the luck of the draw and I think Deputy Gollop even used the word ‘lottery’, and that the P&R Committee could be unbalanced from the start. That is exactly what this amendment is trying to avoid. It is too big a risk, in my book, that we do leave it to chance, the luck of the draw or a lottery and we do all that we practicably can to ensure that we have the right people on the team.

2795

Deputy Ellis Bebb, thank you. I am sorry it was Deputy Fallaize’s speech that persuaded you and not mine. I must try harder. (*Laughter*) But, I think the point that Deputy Bebb also made was the fact that it was to avoid a ‘mishmash’ and I think that is the key point.

2800

Deputy Trott, thank you for both seconding the amendment, but also for your words. It is, perhaps, bizarre that in another eloquent speech, the bit that I did highlight was the round pegs in round holes, because I think that just cuts to the chase of the whole amendment and is what is trying to be achieved with this amendment.

2805

I took the gamble of putting Deputy Le Tocq’s comments in the support section of my notes when he said that he was warming towards it and said he did not know how he was going to vote. His real life experience on the Home Department, I thought, was valuable in how they had apportioned responsibilities and I think he reiterated and I will reiterate again, this is to investigate and report back. At this stage, we are being suggestive, not prescriptive. And that is what I would like to highlight, is the fact that it will be suggestive, not prescriptive.

2810

I repeat the phrase that I used earlier. I would like to ensure that enough of our most able Deputies, if they have the right skill base, see the reality that a seat on P&R is where they can achieve most for our Island, rather than the perceived prize of being President of one of the Principal Committees. That is at the centre of this amendment.

2815

In paragraph 1.7 of the executive summary on page 1334 of the Billet, SRC stated:

‘In no way does the Committee suggest that its proposals are a panacea or are without imperfections and limitations.’

I think that was a very honest comment and, sir, SRC’s proposals might not be perfect, but they are a substantial improvement on where we are today and I believe the suggestions contained in this amendment can, if they are investigated, only improve things yet further and make a positive difference as to how our Island is governed. That is the upside.

2820

Once again, please remember that there is no downside. I hope that Members will support the amendment today and reiterate the point that was made by Deputy Fallaize himself, when he said there is no risk of derailing the excellent work that SRC has completed so far.

Sir, this amendment does build on the good work and I do hope Members will see it as a logical progression and will support the amendment. May I have a recorded vote, please, sir?

2825

The Bailiff: Recorded vote. Members you asked for a recorded vote on the amendment proposed by Deputy Duquemin and seconded by Deputy Trott.

Greffier.

2830 *There was a recorded vote.*

The Bailiff: Well, Members, while those votes are counted, we can move into general debate. Who wishes to speak? Deputy Trott and then Deputy Bebb and Deputy Kuttelwascher.

2835 **Deputy Trott:** Thank you, sir.

Sir, I think the time has come to congratulate our colleagues on the States' Review Committee for what is simply an excellent, well-written and cleverly balanced States' Report, as evidenced by the number of amendments that have been placed and, indeed, even a fewer number that have been successful. Congratulations.

2840 Sir, this is arguably the most significant piece of policy direction to come before this Assembly this term. It is particularly telling that on page 1375, under paragraph 6.3.12, the Committee remind us that, essentially, the Policy and Resources Committee would have the same role and functions which were envisaged for the, albeit somewhat mistitled Chief Minister's Department in the Joint Committee's proposals back in 2002.

2845 Sir, the last decade-plus years, we have had a real missed opportunity. There was an amendment brought at the time by someone who went on to become Deputy Chief Minister, Deputy Flouquet, that removed the Chief Minister's Department from the proposals and, in doing so, completely ruined any chance of there being effective co-ordination at the centre of Government. So, these Propositions are extraordinarily welcome from my perspective.

2850 Now, sir, I have become less self-indulgent over the last few months. I am sure Members would agree, *(Laughter)* but I am going to say something now that comes from both the head and the heart and that is that I feel almost completely vindicated as a result of the Propositions that my friends on the SRC have come up with, because throughout my four years as Chief Minister... and I notice, sir, that there have been five over ten years. I appear to have been in that office for 40% of the time, and ironically, as a member of
2855 my constituency advised me the other day, if these proposals go through – and I agreed with him on the first two points, sir – I will be the youngest and longest serving Member to hold this office. I think her point that undoubtedly the most handsome as well is a matter of some conjecture. *(Laughter and interjections)*

I give way.

2860 **The Bailiff:** Is this a point of correction?

Deputy Kuttelwascher: I think Deputy Trott is misleading the House. He has just told us he is not self-indulgent. I wonder if he could define what he means by self-indulgent? *(Laughter)*

2865 **The Bailiff:** Deputy Trott.

Deputy Trott: Well, listen carefully, sir! *(Laughter)*

No, seriously, having held the office of CM for four years and the office of Treasury and Resources Minister for four years prior to that, I have understood, in great detail, the weaknesses of our existing
2870 structure of Government and I wholeheartedly believe that these proposals go almost all the way towards correcting that. They have my unmitigated support.

Now, there was something else. Let me just find it... Oh, yes, it is the thorny issue, sir, of mid-term elections. I have considered carefully raising an amendment, considered that it was unnecessary, because I know that my friends on the SRC will, I am sure, revisit this as part of the second stage. The importance of
2875 having mid-term elections, I think cannot be over-emphasised. What it does, it is not a case of necessarily re-arranging the deck chairs, it is far more a case of being able to provide to the office holder, if you like, the continued endorsement of this Assembly – being able to say, 'you are doing a good job and keep it up', because those of us that hold significant office in this Assembly do, on occasions, experience self-doubt and mid-term elections are a perfect opportunity to – *(Laughter and interjections)* You are right, I never did
2880 personally sir, but I know that some Members have, and it cannot be a very nice feeling!

It is important that we have that valve, but it is more important, I think, that we offer an opportunity to reaffirm those that have significant office within this Assembly that we believe that they are doing a good job and we wish them to continue in the manner in which they are. So, I do hope that my friends will take that on board on SRC and, once again, well done. This is a thoroughly accomplished piece of work and you
2885 should be very proud of it.

The Bailiff: Deputy Bebb.

Deputy Bebb: Thank you, sir.

2890 Paragraph 1.1 of the Report states:

‘The States’ Review Committee was established in 2012 to review the organisation of States’ affairs and to make any recommendations for reform which it considered necessary.’

And there in a nutshell is the problem with what we have before us.

2895 The Committee is comprised of five Deputies and one politician from another jurisdiction. They have busied themselves with what politicians busy themselves with, rather than an objective view as to the fundamental failings of the States. Consideration of this Assembly as a legislature and the role of Deputies as legislators is so unattractive that it does not even receive mention in paragraph 7.12.1 as to forming part of our duties and paragraph 7.12.2 states that the Committee will develop its thinking on the aforementioned key roles of Deputies, evidently omitting or more likely forgetting that we are elected as legislators.

2900 We are all guilty of our scant consideration of legislation. In 2013, out of a total sitting time of 168 hours and six minutes, legislation was debated for a total of two hours and 22 minutes. To put this shaming figure in perspective, statements to the Assembly took up nearly double that time, at four hours and one minute and questions consumed three times the parliamentary time, at seven hours and 23 minutes.

2905 Just in case these figures mean little to you, just think of how many pristine legislation booklets are on view in the course of our monthly debates. When was the last time an amendment was placed against a piece of legislation? Our legislative process is inadequate and the Committee knows this.

2910 At SACC we frequently discussed the problem of encouraging debate on legislation but it is all too unattractive for us to put the time and effort to resolve the problem. Far more attractive is a debate on how many committees should sit pontificating about what and how many should sit on each committee. What we lose sight of too easily is the long-term lasting effects of our legislative actions.

2915 The Mental Health Bill was a perfect example: because we all knew the old law to be outdated and inadequate, any new law was preferable and got passed with few having read it. We now have a list of amendments, merely one year after its passing. For those whose interest is commerce, our Companies Law was so poor that Advocates actively encouraged some of their clients to open companies in Jersey since our law was an active barrier to business. This is now thankfully resolved, but at what cost to our Island’s commerce?

2920 But, no, the States’ Review Committee, despite knowing these facts, despite recognising the problems, concern themselves, as we all do, with the bits they like, the stuff we want to talk about, and put the legislation question in a box labelled, ‘Too Difficult To Deal With.’

2925 There are a number of options available to deal with our legislative failings, none dealt with in the Report, of course. No mention of a bicameral system. Section 5 on the ministerial system makes no mention of how such a system would increase scrutiny of legislation. There is passing mention in paragraph 5.1.3 of how such a ministerial system would provide for clear separation of the legislature, but it makes no mention of how this would affect legislation.

2930 It is evidence that if a majority of this Assembly are able to effect policy through legislation, legislation will become the tool used to effect policy. That would increase our legislative scrutiny, but the effects may be unattractive in the number of additional members of St James Chambers we may need to employ. Is this a price worth paying? Your guess is as good as mine since the Assembly are not afforded any consideration of the pros and cons from the Committee’s Report.

2935 Both options that I have presented would be fundamental changes to the current make-up of the States, but both have been summarily dismissed. So, what do we have before us? A proposal to resurrect bits of the States before 2004 and to tweak changes in the current States. Policy and Resources could, more rightly, be called a reformed A&F, presented through rose-tinted glasses. I personally do not believe that the solution to our current problems is found in a wistful and romantic view of the past.

2940 One’s concern as to the ability of the States to be quicker in its reaction: we have mention in paragraph 6.7.5 of provision for:

‘far greater flexibility in setting the number of committees simply because the matter can be determined on its own merits without having any bearing on the size of the senior committee.’

But, then, following a number of circular arguments, paragraph 6.7.15 concludes:

‘the Committee is proposing that there should be no more than nine Principal Committees...’

2940 Flexibility is evidently only in one direction – surprising from supporters of the creation of two current committees of the States.

2945 Few failings are mentioned in the Report as to the committee system but, for fairness and balance, I would like to explore a few.

During the first few weeks in May 2012 there was a talk given by the then Deputy Chief Executive listing a number of items that would be beneficial to us as new Members. Whilst I remembered midnight oil, since I would be burning it a few times, one item was not listed: aspic. The committee system is geared

2945 towards the status quo and the comfortable position of incremental changes. Decisive action is quickly quashed and original thinking actively discouraged. Resistance to change does not take much and is assisted by the increasing numbers of decisions we have handed over to technocrats.

When was the last time a committee took note of legal advice, but acted to the contrary due to its conviction? When do we at HSSD make a decision that is contrary to Professional Guidance Committee?
2950 Can we conceive of an Education Department that would have survived disputing the Mulkerrin Report? Decisive changes can only be effected by external consultants, paid handsomely for their services. Deputies are relegated to rubber stamping.

Just as I despair to such a vision, I see that the States' Review Committee encourage such a constitution by proposing more non-States' members. Why do we feel these external bodies, who do little to stand the
2955 test of accountability that the Report obsesses over, are such a good solution? If people want to effect change surely they should stand for office and face the electorate, but, no. Another item where accountability is only relevant to Deputies, with technocrats facing no such test.

I recognise that it is not within the Committee's mandate to look at why these people feel they would like to make a contribution and will not stand for election, but resigning ourselves to that position is
2960 defeatist. I will explore this further in SACC, but I will also make a plea to the Policy Council to include it in the terms of reference for remuneration of States' Members.

There is logic to the proposals, when viewed in the cold light of logical thinking. They are a coherent set of proposals born in theory, but we do not live in a logical world, neither do we live in a theoretical world and logic found of itself is no solution to the questions posed. Indeed, government by committee
2965 begat government by committee by a process of logic. Reality requires a different solution. Reality requires decisiveness.

Having said all the above, I cannot really blame members of the States' Review Committee. The chances of getting anything fundamentally different past this Assembly would be too difficult. We shy away from decisive action and jump at the opportunity to criticise when someone takes it. Aspic and status
2970 quo are the natural course of consensus.

To paraphrase the Gospel of St John, God so loved the world that he did not send a committee, (*Laughter*) but we could not take the leap to do without it. It is our security blanket, excused as a check and balance on individuals not tied to a party system. It is the fundamental expression of fear as to the
immaturity of this Assembly.

And that is where I quibble in my argument. I am unsure of my faith in the maturity of this Assembly. Debates and reports compiled by statutory officials are reduced to minor gripes and groans. A recent debate on the introduction of responsible officer legislation, essentially for the maintenance of healthcare systems on Island, is seized upon as an opportunity to *kvetch* and vent our frustration about some pet HSSD subject or other. Introducing paid parking, which is surely minor in its effects, compared to the loss of most
2975 medical practitioners from the Island, turns into an orgy of shroud waving and a marathon of a debate.

I made reference shortly after being elected to the Assembly's ability to self-harm. That view has hardly changed. It is only further vindicated by our poor debate and lack of discipline.

So, given my despair as to the Assembly's ability to accept change, I suppose the States' Review Committee have done the right thing in not expending too much energy on proposals that simply would not
2985 go through. If that is where we are, then where should I vote? I do not believe that the proposals today offer change. These are proposals for minor adjustments. At a cost of circa £215,000, we have a report on how to rearrange deckchairs.

Some may question why there is no amendment or no *sursis* forthcoming. The answer is that I doubt an amendment would alleviate my concerns; a *sursis* has scant chance of surviving, given that Members have
2990 booked four days into their diary and given the opportunity to make a change that ticks the Reform of Government box, included in so many manifestos.

I suppose I have lost faith in this Assembly to make real change and I do not feel that I can be party to what I consider to be window dressing. I think the time has come for us to put a stop to the Committee and reject the proposals. How much time and money are we to spend on incremental changes? How can we
2995 reconcile our desire to use public money efficiently and support a committee for tweaks?

I do believe that this is an opportunity lost, but it is not lost as a result of five, but as a result of 47 who simply will not by majority support real change. I avoid making personal attacks and I hope the foregone speech will not be viewed as personal, but unless we look in the mirror and recognise our failings, we have little chance of resolving them. I just do not believe we are capable of being so brutally honest. That lack of
3000 honesty is why I do not think we need to pursue the recommendations in the Report. That is why, with a heavy heart, I will vote against all Propositions.

Thank you for your time.

*Amendment by Deputy Duquemin and Deputy Trott:
Not carried – Pour 16, Contre 30, Ne vote pas 0, Absent 1*

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

3005 **The Bailiff:** Members of the States, I have not declared the result of the vote on the Deputy Duquemin/Deputy Trott amendment. There were 16 votes in favour and 30 against. I declare that amendment lost.

Deputy Kuttelwascher, you caught my eye next, and then Deputy De Lisle and Deputy Hadley.

3010 **Deputy Kuttelwascher:** Mr Bailiff, Members of the Assembly, my colleague on my left, whose name I have now mastered, Deputy Harwood, (*Laughter*) has in the past referred to our current system of Government as a fudge and he did it again today, but not quite in the same way. So that begs the question, is this Report doing nothing more than perpetuating the fudge or is it trying to de-fudge the fudge? (*Laughter*) More on that later.

3015 I think, to date, this Assembly has been somewhat unstable in nature. At the last count and I think I have got it right, we have had 28 changes in membership of departmental positions and, indeed, five changes in position holders on the Policy Council. I think that is a record and I am not perfectly sure that I think that is a good record to have and we are only half way and a bit through this States' term.

3020 I think the Policy Council also has exhibited, on occasions, some disfunctionality and I will give you two examples. Way back in 2012, during December and the budget report, an amendment was laid by the Education Minister – sorry to interrupt! – and it was basically to reverse a proposal in the budget to extend the capital prioritisation process by a few months. At the time, the Policy Council I believe unanimously opposed it, except for the Education Minister. Now, when it came to the debate, the opposite happened, the Policy Council voted against its own appended letter in relation to that particular amendment. Now, what credence can one give to Policy Council's appended letters, if a majority then vote against their own recommendations?

3030 A similar thing happened recently over Education's pre-school education. When you look at the Policy Council's appended letter, it was quite hostile. The majority of them did not want it. On the day, only three members of the Policy Council voted against it. So, once again, you wonder what credence can one give to appended comments of the Policy Council. That demonstrates the weakness of the Policy Council. This is why I am quite happy to support what is in the proposals today in this new Policy and Resources Committee. I think that structurally, the Policy Council, as it stands, has got a problem. It is not working.

3035 The best thing that came out of this proposal, and I almost put it aside, this Report, was that it did not suggest that we would have as an alternative, the possibility of executive Government. Now, that would frighten me for a number of reasons. One of the reasons is that – and others have stated it – we, as a reservoir of talent, would have a maximum of 47 or maybe less people to choose an executive Government from. Now I do not think that is enough. I have said, in relation to the last Assembly, I could not mention five people in the last Assembly who I would put my pension fund in their hands, my personal savings or my financial future in their hands. I do not think that a group of 47 necessarily has enough capacity and

3040 capability to produce the sort of talent you need for executive government. So, I am pleased that is, for now at least, buried and I hope buried for a long, long time, especially if we reduce the number of Deputies.

My personal view is that when this group go away... is to consider the number of Departments we have. I think we can get by with six. I would like to see a reduction in the bureaucracy that we operate at Frossard House. I think the FTP so far has essentially been very much a tinkering process and the big money saving proposals are yet to come, including things such as our property portfolio and the way that will be managed and arranged. There are a lot of very large savings to be had.

3045 So, back to this fudge. I do not think our system of government was a fudge and I am very pleased that Deputy Harwood has been converted from his views on executive government. So we did not really have a fudge in the first place. What we had was a far less than adequate system of government in place, but it was a learning curve and now, I think, we have got the opportunity to actually improve the system to maybe its optimum level by supporting these proposals. So, I ask Members to support all these proposals, as amended.

Thank you, sir.

3055 **The Bailiff:** Deputy De Lisle, then Deputy Hadley and Deputy O'Hara.

Deputy De Lisle: Thank you, sir.

Two comments: one on the recommendations for reform with respect to a Policy and Resources Committee and the other on the scrutiny policy thrust.

3060 I see a Policy and Resources Committee as a hybrid towards executive government which would inevitably concentrate power in fewer hands and lead to poorer decision making and weaken our democracy. It would draw Government even further from the people and isolate Deputies even further from Government.

3065 The proposed committee of five would not be empowered or elected by the people to lead. The Government of Guernsey is a consensus Government and not ruled by a few or even one. During election, there is no vote given for a ruling party or views or mandate of a group. So, one has to be very wary of a few people having too much power. It would risk giving authority to impose a strategic focus and affect the executive power resting with the States as a whole.

3070 What we have now: the Chief Minister, Ministers, the Policy Council and the T&R Committee, to be replaced with a Policy and Resources Committee, essentially a team of 11 reduced to five, a narrowly based team of four, with a chairman, with a very broad mandate, overseeing tax and budget, policy planning, external and constitutional affairs, with a cross-committee policy function as well. That would lead to marginalise Principal Committees and isolate ordinary Deputies even further, with committee Presidents divorced from the inner workings of Government.

3075 I cannot see why co-ordination, as a function, cannot be done within the Policy Council as originally intended, involving Members of the States more often. The new proposals risk a danger of two distinct autonomous groups. One, the Policy and Resources Committee and secondly, Committee Presidents and their deputies project planning for departments and the potential for the resulting arguments and distrust. It is a matter of strengthening what we have, sir, currently, and using the Policy Council as intended.

3080 I see the proposed methodology as one that has been applied by Government Departments seeking change, against the wishes of division heads, by forming a secretariat to drive policy change at the top which leads to isolation of Department section heads and frustration and low morale in the Department as a whole. The same, I believe, would happen to Principal Committees.

3085 However, the emphasis on a more robust scrutiny process, to save taxpayer money and create accountability, is commendable. During the CPA 2012 in Sri Lanka, in a workshop session entitled 'Ensuring Adequate Parliamentary Scrutiny of International Affairs', four speakers addressed the scrutiny issue from Australia, Canada, Jamaica together with Jersey's Chief Minister. Delegates sought ideas to improve the scrutiny process, particularly how to keep the scrutiny process in government current, timely and relevant and what means of scrutiny the delegates felt most meaningful and effective. There followed an interesting discussion with respect of ways and means of holding governments to account. The delegates emphasised effective scrutiny through oversight committees, parliamentary questions and the budget process. In fact, the member from Australia saw the Senate estimates process as the most powerful means of scrutiny, whereby three times a year, two full days are devoted to questioning ministers on departmental budgets in parliament.

3095 As I say a robust scrutiny process is extremely important and parliaments today are facing greater public scrutiny and pressure than ever before with fundamental questions on their ability to hold governments to account. The first global parliamentary report which examines the changing nature of parliamentary representation argues that parliaments must stay closely attuned to public needs and expectations of the institution, and ensure sustained and strategic efforts are made to meet them if they are to help address the very low levels of trust they currently hold. The report argues that to address the current

3100

low level of trust in them, parliaments must engage with citizens, stay closely attuned to their needs and make every effort to meet them. It cautions that if faith in parliament is not to be undermined further, the initiatives must deliver on giving the public that influence.

3105 Sir, strengthening the scrutiny process should go some way in making the States more accountable to an increasingly demanding electorate, and I commend the efforts that have been made by the States' Review Committee in this area.

Thank you, sir.

The Bailiff: Deputy Hadley.

3110

Deputy Hadley: Mr Bailiff, I would first all like to start by praising the speech of the Chief Minister in which, for me, he laid down the logic for the implementation of the proposed new committee system. I was going to say the present system is a fudge, but other people have got there first.

3115 Ministers who are not really Ministers in the generally accepted meaning of the term are members of the Policy Council, which is like a Cabinet but not quite the same thing. Ministers cannot be dismissed by the Chief Minister, who is not really a Chief Minister in the generally accepted meaning of the term. The new system will allow departmental Presidents to focus on the good running of their Departments, not being distracted by other roles of the Policy Council, so that the new Policy and Resources Committee can focus on overall strategy and finance and its important role in external relations.

3120 I, unlike most of this Assembly, believe that we should not be afraid to remove Ministers or, in the new term, Presidents that do not perform well and I hope that one outcome of the new system will be that Presidents of committees who do not perform well are more easily removed. Under the present system, the Policy Council usually closes ranks behind one of their own. In the new system, a vote of no confidence in a President of a Department will not disrupt the role of the Policy and Resources Committee and may be more readily accepted.

3125 I do not believe this is window dressing or rearranging the deckchairs. I think this is a progressive move forward and, for me, I do not think it does put too much power in a present committee. For me, it would seem to spread the power rather further and I think the last speaker forgets that, whether it is the Policy and Resources Committee or departmental Committee, they will have to come to this Assembly to get anything approved that they want done. This Assembly is the final decision-making authority.

3130 So, I would urge Members to support this recommendation wholeheartedly.

A Member: Hear, hear.

The Bailiff: Deputy Domaille, then Deputy Storey, then Deputy Green.

3135

Deputy Domaille: Thank you, sir.

3140 I think we should start by remembering that democracy is not always effective or efficient. Criticism of past and present States have been centred on lack of leadership and inaction. It is not surprising. We have got 47 individuals of differing failings, differing abilities and different skills, and it is important to realise the real strength of our system is that differences are aired in the open, when compared to other jurisdictions at least, where differences are aired privately and minority views are steamrollered to give a false impression of unanimity and action. I consider our system to be better and it has served us very well over the years and I would not really want to see us move away from the basic consensus system.

3145 That said, I accept that, if practical, improvements should be made, and while I sort of wistfully harp back to the days prior to 2004 when we had high levels of economic growth and an increasing standard of living with the then Guernsey way of government, I recognise today's world with litigation, human rights, differing expectations. The former Guernsey way would simply not be appropriate.

3150 However, I remain to be convinced that the proposed framework will, in fact, be a significant improvement on our current system, and that the associated risks outweigh any potential benefits. I am concerned that democracy, openness and transparency will suffer. This first report is intended to establish broad principles and I commend the report for recognising the extent and importance of the further work that needs to be carried out. In this regard, I support the comments of the Policy Council, particularly with regard to its cautions on the considerable issues that have to be resolved. The devil is very much in the detail.

3155 And just by way of example, I will raise a few of them that have gone through my mind and some that I have referred to in the Report.

Exactly what powers will the Policy and Resources Committee in its President have? What resources will it require and what work currently undertaken by the Policy Council and/or the Treasury and Resources Department will be included in its mandate and what will not? And who will do that work?

3160 Given that it is a very significant portfolio of responsibilities, I personally do not consider that five members are sufficient to carry out that volume of work. I think we need to consider what safeguards will

be in place to ensure voids are not created and what controls will be in place to make sure the Civil Service's powers do not further increase and it does not use its considerable skills to lead rather than follow.

3165 Reference is made to a Central Policy Unit which the Policy and Resources Committee will control. Who will allocate its priorities and decide which Department can access the resources and when? This is a very important point. That is where the allocation of resources will be a tap that can be turned off or on by this new committee.

3170 Reference is also made to most of the policy-making being delegated to the nine Principal Committees. We have to ask, well what is not being delegated and who will carry out that work? I agree with the single scrutiny committee and proposed amendments put forward this morning. I think they are very good. I think it is important to ask, 'what safeguards will be in place to ensure the independence of staff?' At the moment, the staff links – as was explained this morning – are not the best. And what safeguards will be in place to ensure individual Members can have meaningful input into the work of the Scrutiny Committee? Again, I think Deputy Soulsby touched on that. For what it is worth, actually, at this moment in time, I do not consider the number of States' Members should be reduced. I think that needs to be looked at.

3175 It is pretty clear: I am not convinced or I remain to be convinced that the proposals will be a significant improvement on our current system. However, I do accept that further work should be carried out and, as such, I will be supporting the proposals.

3180 Can I just finish by saying that, actually, whatever the form of government, it is the qualities and abilities of the politicians and government employees that determine how successful or otherwise any government is?

Thank you, sir.

The Bailiff: Deputy Storey.

3185

Deputy Storey: Thank you, sir.

3190 First of all, I would like to echo Deputy Bebb's concern about the amount of time that we give to legislation and the significance and importance that we give to legislation in this Assembly and I, like him, am rather disappointed about the lack of inclusion of changes to the legislative processes that this Assembly might adopt to improve that situation.

3195 Perhaps part of the problem in the past has been due to our poor understanding of the legislation that is being proposed in the pamphlet. Quite often it is presented purely as an amendment to existing legislation and when you read what is on the page, it is absolutely meaningless unless you have the original legislation and understand how the amendment is going to affect the existing legislation and that is never provided for us. So, it is not surprising that people give up at an early stage trying to understand what they are being asked to approve and that is not right. It never can be right. If we are going to approve something, we have got to fully understand what we are doing, and we do not.

3200 So I join with others in congratulating the Review Committee on the Report that they have produced. I think it has been extremely well crafted to the extent, possibly, that in some areas it has led us by the nose through certain muddy waters to the green banks on the other side and, as a result, I am very uneasy about the thrust of some of the proposals. Now, we are told right at the beginning that the *raison d'être* for the report is a lack of leadership under the current structure. Well, that is all very well, but there is a difference between leadership on one hand and democratic process on the other. If one goes too far away from that side of the democratic process into leadership, one tends to get into rather more dark waters.

3205 So, anyway, under the banner of providing leadership, the States' Review Committee is proposing the creation of – to use current parlance – a Chief Minister, plus four Deputy Chief Ministers. That is a very powerful committee. It might possibly provide leadership, but it is definitely providing a great concentration of power into one body and one might even consider it to be a democratically elected junta because there is always a danger of a situation of where there is too much power vested in one place, and that concerns me.

3210 What also concerns me is uncertainty in my own mind regarding the resolutions. Have a look at resolution 1: the first one is to agree in order to provide clear leadership through the co-ordination of policy that there shall be a single committee designated Policy and Resources Committee 'with the following main functions'. Not with the requirement to advise the States on something; it is 'with the following main functions'. And the first function is policy co-ordination including leading the policy planning process. Now, I am not really sure what 'leading' means in this context. I can understand the need to co-ordinate policy, but I am not quite sure what leading the policy-planning process means and I have real concerns about what that means in terms of what planning processes are going to be maintained within this new committee and what will be delegated to the Principal Committees.

3220 The second function is the allocation and management of resources including the States' budget. Again, I might allow myself to assume that that really means 'advise the States in respect of', but that is not what it says, and I am being asked to support that resolution and I have concerns about that.

And c), the other main function is ‘facilitating cross-committee policy development’. Now, that assumes that committees are incapable of organising themselves in co-ordinating their efforts and it concerns me that what it really means is that where a policy development crosses the mandates of individual Departments or Principal Committees, it will, in fact, become a sub-committee of this all-powerful committee to actually develop these policies and I am not sure that that is what I would want to support.

So, I think we have had some talk earlier today about the setting up of a separate committee for foreign affairs and constitutional matters. It was said that, having a separate committee would be divisive in relation to this central committee. Well, I cannot think of anything more divisive than the situation where there is a difference of opinion on the priorities for policy between a fiscal committee and the central committee.

I would like some further explanation in the second... I appreciate this is only a first draft, if you like, of the proposals and I would hope that the differences, the boundaries of responsibility in these areas, we more properly set out in the second draft of these proposals.

Furthermore, sir, the scrutiny function has been well discussed in this Report and I support the points that have been made in this Report concerning the scrutiny function, but I would emphasise once again the fact that, in the past, this States’ Assembly has allocated pitifully small resources to the function of scrutiny. It is no good trying to give the scrutiny function more powers if you do not give them the resources to exercise those powers, and I think that that is something that this Report, in its second stage, should also address.

Finally, sir, to wrap the thing up, the problem for me is, because this is an early draft, what would make the situation clearer to me and I think to other Members of this Assembly, is if we understood what the mandates for the respective committees will be, because that is fundamental to how the structure that we are being asked to support will be able to function. So, again, when the committee comes forward with its second draft, I hope that it would include some detail regarding the mandates and the limits of responsibility of the various committees that are proposed for the final structure, because I, for one, will find it very difficult to be able to vote through some proposals which do not go into that sort of detail at that stage.

So, I hope I am not being too negative, because I think I have only mentioned the things that concern me. I think, as a whole, the Report has been very helpful in setting out what the problems are and setting out a potential solution to some of those problems, but I hope that the authors will take note of the comments that I have made and they could be addressed in the second draft of the proposals.

The Bailiff: Deputy Green, then Deputy Paint.

Deputy Green: Thank you very much, Mr Bailiff.

I will try not to be too negative either. I will be supporting most of the Propositions, if not all of them. The package of reforms certainly will address the most substantial shortcomings that our system has and I think that should be welcomed. It is a quality document and, like many other speakers, I do congratulate the members of the Committee on an excellent report and the analysis of the main problems of our system of government is very thorough and very impressive. I think, if we do pass this, today or tomorrow, whenever it is, I think this will be a shot in the arm for accountability in our Island and a shot in the arm in terms of co-ordination of policy making.

Many comments have already been made about the added value, the extra effectiveness of bringing together policy with resources. I think that will inevitably create a rather more potent system of government in terms of co-ordination. I think it will be a beast of accountability in contrast to the present set-up that we have. As we know, there is no actual way to hold the Policy Council to account separately from the other States’ Departments and, as it stands, the Ministers that we elect are not elected to the Policy Council *per se*. They are there *ex-officio*.

But the opportunity to have best co-ordination of policy with resourcing together must be the single biggest potential great leap forward with these proposals and I absolutely welcome that.

I did not agree with what Deputy Domaille said a moment ago when he described the Policy and Resources Committee as a step in the direction of executive government and a few other speakers who talked in those terms on some of the amendments before. We have to remember that the Policy and Resources Committee is actually not going to have executive powers. It is not going to have collective responsibility. It is not going to have any of the elements that you would classically see in a ministerial system of Government and the committee here is saying very clearly that the States has to make a binary choice and they are recommending an enhanced committee system of government.

So, I think we should be careful and we should not exaggerate what this is and we certainly should not mischaracterise it as a step towards executive government, because I just do not think that follows. I would actually make the point that we should not exaggerate the extent to which the new senior structure, which is suggested here, will actually offer better leadership, in my view. I am not convinced that Policy and Resources will necessarily be that much more potent in terms of leadership. It is one thing to have a better

3285 facility to co-ordinate policy across the piece and, to some extent, that will allow leadership through co-ordination, but that is rather different from leadership properly so called. So, I do not think we should exaggerate the alleged extra capacity for leadership argument in this new structure.

Of course, nothing in this policy letter is actually going to do anything to touch the somewhat confused separation of powers that we have in our system. I did actually have *some* sympathy with Deputy Bebb, who is no longer there, with some of the comments he made. (*Laughter*) But some sympathy with some of the frustrations he articulated. Of course, the Committee has not favoured ministerial government and that is not a surprise to anybody really, because an executive system is rather like Marmite. But I do tend to agree that ultimately executive government would not work in Guernsey without political parties. I think that was a proposition I took a while to think about, to be perfectly honest, and eventually I do concede that and it would be such a fundamental break with our current political tradition that it really would not be acceptable to the vast majority of people in the community. I think we have to accept that.

3295 It is also worth saying that it would have been intellectually incoherent for this Committee to have come up with some form of hybrid monster of a system, combining some parts of an executive system with some elements of a committee system. So, on balance, I see the logic of trying to stick with a committee-based system and trying to enhance that and I accept that as a proposition, but we have to accept at the same time, 3300 that many of limitations that the committee system of government, system of consensus has, will remain and we should not be afraid to acknowledge that. Many of the problems will continue.

I do think there are still some perfectly legitimate questions that need to be resolved by the Committee in due course and, no doubt, when they come back with the second report, one of the things I would like them to expressly deal with is what kind of formal mechanisms and connections are there going to be 3305 between the main, key spending Departments in the States and the Policy and Resources Committee. I do not quite see at the moment any detail on that, and that has to be vital. One of the key reasons for having the Policy Council in the first place was to get people round the table from the key spending Departments. If that was not the intention, that was possibly something that proposes a practical advantage through the years. So, I do think some focus on that needs to be addressed.

3310 On scrutiny, I do agree with Deputy De Lisle, Deputy Storey, others. I think the time has definitely come for this Government and this community to accept unambiguously that the scrutiny function in our Government has to be beefed up significantly, considerably, in terms of better resourcing, more powers, the ability to put people on oath, to cross-examine them and to really beef up that side of things, because we have just been treading water, I think, since 2004, since that whole structure was developed. I think we need 3315 to definitively say that we do not want scrutiny to be a paper tiger. We want it to be a real tiger, with claws. Deputy Laurie Queripel made the point some time ago now, that he felt that members of Scrutiny should only sit on those scrutiny panels and I tend to agree with that. I think the time has come for real consideration of that.

A few other points, the Committee is advocating the presumption in favour of five members per 3320 committee, but I would have thought that, potentially, a majority of States' committees actually could manage, quite effectively and efficiently with only three. So, I hope the presumption is a rebuttable one given that some committees have a substantially lighter workload than others and I hope that is the logic behind that presumption. I would not mind clarification on that. I do not think that every Department needs five members on it.

3325 The other point is – and I agree with what Deputy Domaille said about this a moment ago – I have some concern about the recommendation number 10, about the reduction in the number of States' Members. Originally, before I was actually in the States, I was very much broadly in favour of reducing the number of States' secretaries, but, increasingly, I feel that we need to tread with a lot of caution in that regard. I think the expectations on the workload for an individual Deputy seem to be only going in one direction and that is 3330 upwards, not downwards. I suspect that a reduction in numbers which is too big could lead to less scrutiny and it could end up tipping the scales too far in the direction of efficiency and too far away from democracy, and I do not think that would be in the public interest.

I know it is superficially very popular to say we should have a cut in numbers – it should be five; it should be seven – but actually, the unintended consequence of that would be that you will gradually have, 3335 perhaps, less scrutiny of important decisions. The actual experience of that, I think, could be counter-productive. We are here to represent people. If people's queries and concerns go unanswered or there is more of a delay in Deputies responding to our constituents' concerns on issues, then that cannot be in the public interest. So I think we need a sober reassessment of whether we actually want fewer Deputies or whether we actually want a better, more representative democracy. I think there are some issues there for 3340 the committee to consider.

So, I am actually slightly uneasy with the presumption at the heart of Proposition 10 in terms of where that will take us and I think there is a bit of disconnect between the common-sense things that Deputies say about the workload that we have, but the actual experience of the job we do and that particular Proposition.

3345 So, I am probably going to vote against that Proposition, but otherwise I will support most, if not all of
the others.
Thank you.

The Bailiff: It is very nearly 5.30 p.m. How long do you think you will speaking for, Deputy Paint?

3350 **Deputy Paint:** Five or ten minutes.

The Bailiff: Well, Sir Geoffrey Rowland is going to be unveiling his portrait in a ceremony commencing at quarter to six, which I think many Members will be attending. So, can I suggest that we adjourn now and we will resume at 9.30 tomorrow morning.

3355

The Assembly adjourned at 5.29 p.m.