

PM/SC/106

COUNCIL OF MINISTERS

(73rd Meeting)

9th April 2014**PART A**

All members were present, with the exception of Senator I.J. Gorst, Chief Minister and Senator Sir P.M. Bailhache, Minister for External Relations, from whom apologies for absence were received.

Senator B.I. Le Marquand, Deputy Chief Minister - Chairman
 Senator P.F.C. Ozouf, Minister for Treasury and Resources
 Senator A.J.H. Maclean, Minister for Economic Development (not present for item A2-A4)
 Senator F. du H. Le Gresley, M.B.E., Minister for Social Security
 Deputy R.C. Duhamel, Minister for Planning and Environment
 Deputy A.E. Pryke, Minister for Health and Social Services
 Deputy K.C. Lewis, Minister for Transport and Technical Services
 Deputy A.K.F. Green, M.B.E, Minister for Housing (present for items A2-A4, B1 and B2)
 Deputy P.J.D. Ryan, Minister for Education, Sport and Culture
 Senator L.J. Farnham, Assistant Minister for Home Affairs

In attendance -

Connétable J.M. Refault, Assistant Minister for Housing
 J.D. Richardson, Chief Executive, States of Jersey
 T. Le Cocq, Q.C., H.M. Attorney General
 L. Rowley, Treasurer of the States (for items A2, A4 and B3-B5)
 R. Glover, Planning Performance Manager, Department of the Environment (for item B2)
 R. Bell, Controller of Social Security (for item A3)
 S. Duhamel, Policy and Strategy Director, Social Security Department (for item A3)
 S. Woods, Policy Principal, Social Security Department (for item A3)
 Dr. D. Gibaut, Chief Statistician, Chief Minister's Department (for item A3)
 V. Page, Assistant to the Chief Minister
 C. Keir, Communications Manager, Chief Minister's Department
 P. Monamy, Clerk to the Council of Ministers
 A. May, Graduate Student

Note: The Minutes of this meeting comprise Part A and Part B.

Minutes.

A1. With reference to the Council's Minute No. B1 of 15th January 2014, the Minutes of the meetings held on 13th and 27th November 2013 (both Part A and Part B), having been previously recirculated, as well as those for 12th February 2014 (Part B); and the Minutes of 12th (Part A and Part B), 20th (Part B only) and 26th March 2014 (Part A and Part B), having been previously circulated, were taken as read and were confirmed.

States
business.
1240/7/1(1)

A2. The Council, with reference to its Minute No. A2 of 12th March 2014, noted the list of public business scheduled for consideration by the States Assembly on 29th April 2014. Where indicated particular consideration was given to certain propositions listed below –

29th April 2014:

Elected Speaker of the States (P.160/2013)

The Council recalled that Lord Carswell had made a presentation to all members of the States on 27th March 2014.

Draft European Union Legislation (Implementation) (Jersey) Law 201- (P.164/2013)

Interim Population Policy: 2014 – 2015 (P.10/2014)

Draft Passports (False Statements and Forgery) (Jersey) Law 201- (P.14/2014)

The Council, having noted that a minor amendment had been proposed by the Minister for Home Affairs, confirmed its support of the draft Law.

States Housing: arrangements for new tenants (P.19/2014)

The Council, having recalled that the Minister for Housing had undertaken a preliminary review of the arrangements for new tenants made by his department, reiterated its rejection of the proposition.

Committee of Inquiry: planning applications by the Channel Islands Co-operative Society Limited (P.20/2014)

Channel Islands Lottery: allocation of profits for 2013 (P.22/2014)

The Council supported the proposition.

Grouville School: parking facilities (P.24/2014)

Health and Safety Appeal tribunal: re-appointment of Chairman (P.25/2014)

The Council supported the proposition.

Draft Referendum (Amendment) (Jersey) Law 201- (P.26/2014)

Draft Jersey Mutual Insurance Society, Incorporated (Alteration of Rules) (No. 7) (Jersey) Law 201- (P.27/2014)

Draft Financial Services Commission (Amendment of Law No. 2) (Jersey) Regulations 201- (P.29/2014)

Draft Road Traffic (No. 60) (Jersey) Regulations 201- (P.30/2014)

The Council supported the draft Regulations. The Minister for Transport and Technical Services reported that the Environment Scrutiny Panel had invited him to defer debate on the proposition on the basis that the Panel proposed to call the matter in for scrutiny.

Draft States of Jersey (Amendment No. 7) Law 201- (P.31/2014)

The Council supported the draft Law.

Draft Treason (Jersey) Law 201- (P. 32/2014)

The Council supported the draft Law.

Draft States of Jersey (Amendment No. 8) Law 201- (P.33/2014)

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International Criminal Court Act 2001: extension to Jersey (P.34/2014) and Addendum

The Council supported the proposition.

Draft International Court (Jersey) Law 201- (P.35/2014) and Addendum

The Council supported the draft Law.

Draft Public Elections (Expenditure and Donations) (Jersey) Law 201- (P.36/2014)

The Council supported the draft Law.

Residential rental property: minimum standards and a register of landlords (P.42/2014)

The Council supported the draft Law.

Snow Hill car park: parking for States members, Jurats and Law Officers (P.43/2014)

Chief Minister and Ministers for external Relations and Treasury and resources: Island-wide mandate (P.44/2014)

Chief Minister election: Island-wide vote (P.45/2014).

Social Security
Fund: Report
by the
Government
Actuary as at
31.12.2012.
1058/1(38)

A3. The Council discussed with the Controller of Social Security, together with the Policy and Strategy Director and the Policy Principal, Social Security Department, the Chief Statistician, Chief Minister's Department and Dr. D. Grenham of the Government Actuary's Department, the "Report by the Government Actuary on the financial condition of the Social Security Fund as at 31 December 2012."

The Council received a presentation from Dr. Grenham on the results of the review of the Fund which had been undertaken, from which it was noted that contributions in 2012 had been more than enough to finance expenditure from the Fund. It was recognised that there had been a transfer of £10.3 million to the Social Security Reserve Fund during 2012 and that the excess of income over expenditure in the Social Security Fund had fallen from £31.1 million in 2010 to £22.5 million in 2012. The Council noted that in 2012 the average size of the Combined Funds had been 4.9 times the expenditure in that year from the Social Security Fund.

It was further noted that the review had concluded that based on the assumptions used by the Actuary, the financial outlook for the Fund remained healthy up to the 2030s. After that time, it was considered that the contribution rate would need to be raised to at least the break-even rates. It was suggested that changes to benefits, such as further increasing the pension age, could help delay the point at which contributions would need to be increased as well as limiting the size of any required increase. It was recognised that, in practice, part of the Fund balance was not readily convertible into cash (for example, the part which related to fixed assets and debtors) and that therefore it would be necessary to increase the contribution rate before the balance was fully extinguished. The Actuary suggested that it might be considered prudent to increase contribution rates earlier still in order to maintain a reasonable working cash balance. It was recommended that, as the option existed to take action earlier, the situation should be reviewed at the time of the 2015 review of the Fund.

The delegation, having been thanked by the Chairman for its attendance, withdrew from the meeting.

Housing
Transform-
ation
Programme:
amendment to
Medium Term
Financial Plan
2013-2015 -
report and
proposition.
447/1/1/7(1)

A4. The Council discussed with the Treasurer of the States a report, dated 26th March 2014, prepared by the Projects Director, States Treasury, concerning a possible amendment to the Medium Term Financial Plan (MTFP) 2013-2015 arising from the adoption by the States on 16th May 2013 of “The Reform of Social Housing” (P.33/2013 refers). The Council noted that this would be required in the event that the ‘Draft Social Housing (Jersey) Regulations 201-‘ to be lodged ‘au Greffe’ on 22nd April 2014 by the Minister for Housing (which would give effect to the commencement of Andium Homes on 1st July 2014) were to be adopted.

It was noted that Article 9 of the Public Finances (Jersey) Law 2005, provided for the Council only to propose an amendment to a Medium Term Financial Plan. The Council accordingly considered a report and proposition which sought the agreement of the States to amend the MTFP as a consequence of the transfers made by the Social Housing (Transfer) (Jersey) Law 2013 in respect of –

- (a) the total amount of States’ income;
- (b) the total amount of States’ net expenditure;
- (c) the revenue head of expenditure of the Housing Department; and
- (d) the revenue head of expenditure of the Social Security Department.

The Council approved the proposition and accompanying explanatory report and decided to lodge the projet ‘au Greffe’ on the same date as the abovementioned draft Social Housing (Transfer) (Jersey) Regulations 201-.