

PM/SC/195

COUNCIL OF MINISTERS

(24th Meeting)

5th July 2012PART A

All members were present, with the exception of Senator A.J.H. Maclean, Minister for Economic Development, from whom apologies were received.

Senator I.J. Gorst, Chief Minister
 Senator P.F.C. Ozouf, Minister for Treasury and Resources
 Senator B.I. Le Marquand, Minister for Home Affairs
 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
 Deputy P.J.D. Ryan, Minister for Education, Sport and Culture
 Deputy J.P.G. Baker, Assistant Minister for Economic Affairs (not present for item B5)

In attendance -

Senator P.F. Routier, M.B.E., Assistant to the Chief Minister
 Senator Sir P.M. Bailhache, Assistant to the Chief Minister
 J.D. Richardson, Interim Chief Executive, States of Jersey
 J. Morris, Policy and Research Manager
 M.N. de la Haye, Greffier of the States (not present for items A3, A4 and B5)
 H. Sharp, Q.C., H.M. Solicitor General
 Mrs. L. Rowley, Treasurer of the States (for item B3)
 Mrs. D. Le Gresley, Director of Financial Planning and Performance, Treasury and Resources Department (present for item B3)
 C. Haws, Head of Financial Planning, Treasury and Resources Department (for item B3)
 P. Styles, Assistant Accountant – Financial Planning, Treasury and Resources Department (present for item B3)
 M. Sinclair, Director of Human Resources, States of Jersey (present for item A2)
 M. Robinson, Head of Service, Customs and Immigration (for item B4)
 M. Cockerham, Assistant Director, Customs and Immigration Department (for item B4)
 C. Keir, Communications Manager
 A. Sugden, Enterprise and Business Development, Economic Development (for item A2)
 J. Morris, Policy and Research Manager
 P. Monamy, Clerk to the Council of Ministers

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

Minutes.

A1. The Minutes of the meetings held on 28th May 2012 (Part B only), 31st May 2012 (Part A and Part B) and 7th June 2012 (Part A and Part B), having been

previously circulated, were taken as read and were confirmed.

Serious fire
emergency
incident:
Gas Works
site,
Tunnel Street,
St. Helier.
1017/5(10)

A2. The Council received an oral report from the Interim Chief Executive regarding the response of the Island's emergency services and others to a major fire at the Gas Works site, Tunnell Street, St. Helier which had broken out just after midday on 4th July 2012.

The Council noted that the burning gas at the side of the gas holder had necessitated the speedy imposition of an exclusion zone of between 400 metres and 500 metres in the immediate area which had significantly disrupted the lives of those living and working there. Furthermore, the incident had been of such a serious nature that the decision had been taken to close all the schools in the vicinity of the ring road, which had been closed from the bottom of St. Saviour's Hill to Wellington Road and beyond. It was noted that those schools had remained closed on 5th July in order to assist the clear-up operations.

Having recognised that Gold Command had taken charge of the incident and that a number of meetings had been held to monitor the situation, the Council was pleased to note that the fire had ultimately been extinguished at approximately 5.10 a.m. on 5th July.

The Council noted that concern had been expressed regarding some of the measures which had been adopted during the incident (e.g. the early decision taken at short notice to close schools nearby and the evacuation of people from their homes in the immediate vicinity). However, the Council accepted that the incident could have resulted in widespread damage and mass casualties had an explosion occurred, and considered that the actions taken had been appropriate in the circumstances. In the event, it was apparent that 2 Jersey Gas employees had been injured by the fire, although it was understood that they had subsequently been discharged from hospital following treatment.

It was recognised that a number of issues had arisen during this real-life incident which might not have been apparent from a training exercise and that lessons had been learned, with appropriate action being taken to address areas where further improvements could be made.

The Council, having noted that a Health and Safety investigation into the incident was underway, asked that its thanks be conveyed to the many voluntary organisations and individual volunteers who had provided assistance in a variety of ways, including offers of accommodation to those who had been temporarily displaced from their homes.

States
business.
1240/7/1(1)

A3. The Council, with reference to its Minute No. A2 of 21st June 2012, noted the list of public business scheduled for consideration by the States Assembly during the remainder of the First Session of 2012. Particular consideration was given to the propositions listed below.

10th July 2012

Vote of Censure: Minister for Treasury and Resources (P.61/2012)

The Council noted that it was understood that the matter was after all to proceed to consideration by the States on 10th July 2012 and it was recalled that the Chief Minister had invited members to support the Minister for Treasury and Resources and that members should vote according to their conscience.

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05.07.12

Disciplinary Panel of the Law Society of Jersey: re-appointment of lay members (P.50/2012)

The Council recalled that it had previously endorsed the proposition.

Tourism Development Fund: assistance to the private sector (P.26/2012)

The Council recalled that a report on this matter had been presented to the States on 3rd July 2012 by the Corporate Services Scrutiny Panel and that a joint comment thereon was to be presented by the Ministers for Treasury and Resources and Economic Development.

Draft Employment Tribunal (Amendment No. 3) (Jersey) Regulations 201- (P.51/2012)

The Council recalled that it had previously endorsed the draft Regulations.

Draft Petroleum (Amendment No. 3) (Jersey) Law 201- (P.52/2012)

The Council recalled that it had previously endorsed the draft Law.

Draft Petroleum Substances (Jersey) Regulations 201- (P.53/2012)

The Council recalled that it had previously endorsed the draft Regulations.

Draft Fire Precautions (Amendment No. 2) (Jersey) Law 201- (P.54/2012)

The Minister for Home Affairs outlined the rationale for the draft Law and the Council accordingly reiterated its endorsement of the projet de loi.

Public Employees Contributory Retirement Scheme: Committee of Management – appointment of Member (P.58/2012)

The Council recalled that it had previously endorsed the proposition.

States of Jersey Development Company Limited: appointment of Non-Executive Director (P.59/2012)

The Council recalled that it had previously endorsed the proposition.

Transfer of Undertakings Protection of Employment (TUPE) legislation (P.60/2012)

The Council, having recalled that the proposition was in 2 parts, reiterated concern previously expressed that the proposal could stifle business transfers – particularly in the scenario of a failing business - as there would be little incentive for a potential new owner to take on existing staff on current terms and conditions which might have contributed to its downfall. The Council reaffirmed its belief that legislation of the type envisaged was not necessarily appropriate for a small jurisdiction such as Jersey, having recalled that in any event TUPE was presently under review in the United Kingdom. The Council, having noted that the Minister for Social Security would be commenting separately on the proposition, considered a comment which was to be presented by the States Employment Board and, apart from suggesting the removal of Annex 2, endorsed the Board's proposed comment and agreed that it too opposed the proposition.

K2 Investment Scheme: Chief Minister statement – further adverse media comment.
1448/2(5)

A4. The Council, with reference to its Minute No. A3 of 21st June 2012, received an oral report from the Chief Minister regarding further adverse media comment subsequent to his statement about the Island's position *vis-a-vis* the "K2 Investment Scheme" whereby he had confirmed that Jersey had "*no wish to be associated with such tax evasion schemes.*"

The Council recognised that comments which had been made by Senator Bailhache in his capacity as an Assistant to the Chief Minister (with responsibility

for external relations) in an interview given to a journalist from *The Guardian* newspaper some 6 weeks prior to the Chief Minister's statement, had been used by the paper out of context in order to give the impression, falsely, that it was the policy of the Island's government to seek "independence" from the United Kingdom. The Council, with reference to Minute No. B1 of 12th June 2008 of the Council as previously constituted, recognised that it had then been established that the 2nd interim report of the Constitutional Review Group did not constitute a recommendation to pursue independence; rather it had outlined specific issues that would be faced by the Island in the event that it became obliged to seek independence as a result of external pressure.

Senator Bailhache, having outlined the background to his interview, confirmed that much of what had been reported by the journalist concerned was substantially accurate but presented entirely out of context given its juxtaposition with more recent events which had led to the Chief Minister's unconnected statement. In particular, the headline associated with the article: "Jersey threatens to break from the UK" was completely inaccurate and did not reflect Jersey's position. The Senator had subsequently clarified in the local newspaper that Jersey wanted to continue its constitutional relationship with the U.K. and that it was working very hard to ensure that relationship remained good.

The remainder of this item is recorded in the 'Part B' Minutes of this meeting.

Assistant
Ministers:
informal
discussion.
1444/1(59)

A5. The Council, with reference to its Minute No. B3 of 26th April 2011, recalled that it had committed to meeting with Assistant Ministers on a quarterly basis and welcomed the under-mentioned additional Assistant Ministers for informal discussion –

Deputy R.G. Bryans, Assistant Minister for Education, Sport and Culture
Connétable J.M. Refault, Assistant Minister for Health and Social Services
and Assistant Minister for Housing
Senator L.J. Farnham, Assistant Minister for Home Affairs
Deputy S.J. Pinel, Assistant Minister for Social Security
Deputy E.J. Noel, Assistant Minister for Treasury and Resources.

Apologies for absence were received from Deputy J.A. Martin, Assistant Minister for Health and Social Services.

The under-mentioned Assistant Ministers were not present -

Deputy C.F. Labey, Assistant Minister for Economic Development and
Assistant Minister for Planning and Environment
Deputy J.P.G. Baker, Assistant Minister for Economic Development
Deputy R.G. Le Hérisier, Assistant Minister for Education, Sport and
Culture
Deputy J.A.N. Le Fondré, Assistant Minister for Transport and Technical
Services.

Gas site fire

The meeting received an oral report from the Interim Chief Executive regarding the response of the Island's emergency services and others to a major fire at the Gas Works site, Tunnell Street, St. Helier which had broken out just after midday on 4th July 2012.

The meeting noted that the burning gas at the side of the gas holder had

necessitated the speedy imposition of an exclusion zone of between at least 400 metres and 500 metres in the immediate area which included a number of schools. The seriousness of the incident was initially unclear, but it had later transpired that the gas holder was almost full of gas and that there was a real risk of a major explosion. However, joint discussion between the Fire Service and Jersey Gas led to the decision to allow a ‘controlled burn’ which enabled the height of the gas holder to be reduced. The meeting heard that at a Gold Command meeting at 8.30 p.m. on 4th July it was reported that the Fire Service considered the fire to be under control, with the fire subsequently being extinguished at about 5.10 a.m. the following morning. Most of those who had been evacuated from their homes as a precaution had been directed to 2 reception centres – the Queen’s Hall at Fort Regent and the Town Hall – with 80 being accommodated overnight in local hotels. Most people had been allowed to return to their homes the following morning, except for those who lived within 150 metres of the gas holder. The area around the site had been closed and the Health and Safety Executive had started its investigation into the incident. The meeting was appreciative of the efforts of all those concerned who had volunteered their services to assist during the incident, including the Honorary Police who had helped to maintain a cordon around the roads leading to the incident site.

Policy on Constitutional Relationship with the United Kingdom

The Meeting received an oral report from the Chief Minister regarding further adverse media comment subsequent to his statement about the Island’s position *vis-a-vis* the “K2 Investment Scheme” whereby he had confirmed that Jersey had “*no wish to be associated with such tax evasion schemes.*” It was noted that a series of meetings with finance industry representatives would be held in due course.

The meeting recognised that comments which had been made by Senator Bailhache in his capacity as an Assistant to the Chief Minister (with responsibility for external relations) in an interview given to a journalist from *The Guardian* newspaper some 6 weeks prior to the Chief Minister’s statement, had been used by the paper out of context in order to give the impression, falsely, that it was the policy of the Island’s government to seek “independence” from the United Kingdom. The policy of the Council was noted as continuing to be that it did not wish to actively seek independence from the U.K., but that it considered that there needed to be contingency plans in place.

Medium Term Financial Plan (MTFP)

The meeting noted that the Council had earlier this morning agreed the final draft of the Medium Term Financial Plan (MTFP), and that the States Treasury had offered a series of meetings with States members, Chief Officers, staff representatives and others to explain the rationale which underpinned it. It was confirmed that the MTFP had been discussed in detail with Scrutiny and that it was expected that it would be lodged ‘au Greffe’ on 23rd July 2012. The meeting addressed some of the questions it was considered were likely to arise following publication of the MTFP, and it was noted that statements were currently awaited from the Fiscal Policy Panel (FPP) and the Economic Adviser. It was agreed that such a 3-year plan was preferable to the annual budgeting undertaken hitherto and would enable time previously spent on annual budgets to be redirected to other important tasks.

Allocation of duties

The Assistant Ministers outlined their views on the present arrangements for the allocation of duties to them by their respective Ministers. The view was expressed that previous service by Assistant Ministers on Scrutiny was desirable given the different viewpoint from which the work of the Executive could be seen. It was also suggested that Assistant Ministers should be able to serve in areas of Scrutiny not associated with their Executive areas of responsibility; and it was further suggested that when seeking appointment as Assistant Ministers, the *curriculum vitae* (c.v.) of the member concerned should be available to the States.

Terms of Reference and Funding for the Committee of Inquiry into Historical Child Abuse

Senator Le Gresley, as the initiator of the original proposition in March 2011, outlined his wish to ensure that any funding necessary for the costs associated with the Committee of Inquiry into Historical Child Abuse would be provided through the Medium Term Financial Plan (MTFP), and that the proposition relating to the Terms of Reference for the Inquiry should be finalised without further delay. The Chief Minister confirmed that consultant Mr. Andrew Williamson, from whom advice was being received, was to travel to the Island during the week commencing 9th July 2012.

The remainder of the discussion of this item is recorded in 'Part B' of these Minutes.