

PM/MH/320

COUNCIL OF MINISTERS

(90th Meeting)

8th November 2017**PART A (Non-exempt)**

All members were present, with the exception of Senator I.J. Gorst, Chief Minister; Senator L.J. Farnham, Minister for Economic Development, Tourism, Sport and Culture; Deputy S.J. Pinel of St. Clement, Minister for Social Security; and Senator A.J.H. Maclean, Minister for Treasury and Resources, from whom apologies for absence had been received.

Senator A.K.F. Green, M.B.E, Deputy Chief Minister and Minister for Health and Social Services - Chairman
 Deputy R.G. Bryans of St. Helier, Minister for Education
 Deputy S.G. Luce of St. Martin, Minister for the Environment (not present for item B2)
 Senator Sir P.M. Bailhache, Minister for External Relations (not present for item B4)
 Deputy K.L. Moore of St. Peter, Minister for Home Affairs
 Deputy A.E. Pryke of Trinity, Minister for Housing
 Deputy E.J. Noel of St. Lawrence, Minister for Infrastructure
 Deputy G.J. Truscott of St. Brelade, Assistant Minister for Social Security (not present for item B2)

In attendance -

Senator P.F. Routier, M.B.E., Assistant to the Chief Minister
 R. Bell, Acting Chief Executive, States of Jersey and Treasurer of the States
 Dr. M. Egan, Greffier of the States
 M.H. Temple, Q.C., H.M. Solicitor General
 A. Rogers, Director of Financial Planning and Performance, Treasury and Resources Department (for item B1)
 T. Walker, Chief Officer, Community and Constitutional Affairs Department (for item B2)
 R. Jouault, Assistant Director – Social Policy, Community and Constitutional Affairs Department (for item B2)
 R. Johnson, Director – Social Policy, Community and Constitutional Affairs Department (for item B3)
 S. Peat, Director of Digital and Telecommunications Policy, Chief Minister’s Department (for item B4)
 R. Young, Digital Policy Officer – Data Protection, Chief Minister’s Department (for item B4)
 M. Berry, Legal Adviser, Law Officers’ Department (for item B4)
 P. Bradbury, Director - Corporate Policy, Chief Minister's Department
 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 12th and 26th July 2017 (both Part A and Part B), having been previously circulated, were taken as read and confirmed.

States business
14.11.2017.
1240/7/1(1) A2 The Council, with reference to its Minute No. A1 of 18th October 2017, discussed with the Director – Corporate Policy, Chief Minister’s Department the list of public business scheduled for consideration by the States Assembly on 14th November 2017 and commented specifically on the undermentioned items as indicated:

Health and Social Care System: a new governance model (P.60/2017) and Amendment

The Council noted that the proposition sought the approval of the States to the establishment of a 3-year trial period for a ‘Health and Social Care System Partnership Board’ which would inform and influence the decisions taken by the Minister for Health and Social Services in accordance with the governance model for the Health and Social Care system contained within the report accompanying the proposition, to be funded from within the existing Health and Social Services Department budget. Having noted that the estimated cost of the proposal was c. £150,000 for each of the 3 years of the trial period, the Council accordingly supported the proposition and the Amendment of the Health and Social Security Scrutiny Panel that the trial period should commence no earlier than April 2018.

Draft Asian Infrastructure Investment Bank (Immunities and Privileges) (Jersey) Regulations 201- (P.68/2017)

The Council noted that the draft Regulations, which were required in order to enable the extension of ratification by the United Kingdom of the Bank’s Articles of Agreement to Jersey, would confer legal capacity and grant immunities and privileges on the Asian Infrastructure Bank, including its officers, employees, experts and other persons engaged in missions for the bank. Having noted the background to the multilateral institution which had been established to support access to finance for infrastructure projects across Asia, the Council recognised that the Asia region was considered as having considerable business potential for the Island. Within the region particular opportunities were presented by the People’s Republic of China as one of the world’s major economies enjoying a significant growth in investment needs. Having noted that there were no financial or manpower implications for the States arising from the adoption of the draft Regulations, the Council accordingly confirmed its support.

Ratification of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Sharing (P.83/2017)

The Council noted that the Multilateral Convention was one of the outcomes of the Organisation for Economic Co-operation and Development (OECD)/G20 Project to tackle Base Erosion and Profit Shifting, which sought to address the problem of aggressive tax planning strategies that exploited gaps and mismatches in tax rules to artificially shift profits to low or no-tax locations. The Council accordingly supported the proposition.

Elected Speaker and Deputy Speaker of the States Assembly: selection and appointment (P.84/2017) and Amendments

The Council noted that the proposition sought agreement from the States that *inter alia* it should select its Speaker either from amongst the elected members of the Assembly, or by appointing a person who was not a Member of the Assembly but who would be eligible for election to the Assembly. It was also proposed that a Deputy Speaker should be selected from amongst the elected members of the Assembly. The Council recognised that additional support would be required for the Speaker and Deputy Speaker which it was envisaged could be provided from within

the current structure of the States Greffe. A new post at Grade 15 would be needed to ensure adequate executive support and representation for the Speaker and Deputy Speaker, and an appropriate office location would need to be found for the Speaker. The Council noted that because an agreed position within the Council was not required, Ministers would have a free vote in respect of this proposition.

Draft Road Works and Events (Jersey) Law 2016 (Appointed Day) (No. 2) Act 201- (P.85/2017)

The Council noted that the Law created for the first time a comprehensive framework for the control and management of road works and road-based events on the Island's public roads. Having recognised that there were no additional financial or manpower implications for the States arising from the adoption of the draft Appointed Day Act, the Council accordingly confirmed its support.

Draft Road Works (Embargo Periods and Protected Roads) (Jersey) Regulations 201- (P.86/2017)

The Council noted that the Regulations, to be made under the provisions of the Road Works and Events (Jersey) Law 2016, would (a) specify periods during which certain road works might not take place immediately after substantial highway authority works had been undertaken, except in limited circumstances; and (b) list certain roads in which road works were not permitted except in limited circumstances. Having noted that there were no additional financial or manpower implications for the States arising from the adoption of the Draft Regulations, the Council accordingly confirmed its support.

Draft Road Works and Events (Consequential Provisions) (Jersey) Regulations 201- (P.87/2017)

The Council noted that the Regulations were necessary as a consequence of the Road Works and Events (Jersey) Law 2016 in order to make a minor amendment to the Air and Sea Ports (Incorporation) (Jersey) Law 2015 so as to replace a reference to the Public Utilities Road Works (Jersey) Law 1963 with a reference to the Road Works and Events (Jersey) Law 2016. Having noted that there were no financial or manpower implications for the States arising from the adoption of the draft Regulations, the Council accordingly confirmed its support.

Draft Maintenance Orders (Amendment No. 3) (Jersey) Law 201- (P.89/2017)

The Council noted that the draft Law would empower the Royal Court and the Petty Debts Court to direct the registration of maintenance orders in the Public Registry, and to provide that an order so registered would take effect as a judicial hypothec on the property of a person subject to an order. It was recognised that the proposal, which had been overseen and developed by the Legislation Advisory Panel, would give effect to a recommendation of the Jersey Law Commission contained in its Topic Report of 2008 concerning security on immoveable property. Having noted that there were no financial or manpower implications for the States arising from the adoption of the draft Law, the Council accordingly confirmed its support.

Draft Marriage and Civil Status (Amendment No. 4) (Jersey) Law 201- (P.91/2017) and Amendment

[See Minute No. B3 of this meeting].

Jersey Appointments Commission: re-appointment of Commissioner (P.92/2017)

Having noted that it was proposed to re-appoint Dr. Ed Sallis for a period of 2 years, the Council supported the proposition.

JT Group Limited: restructuring of enterprise (P.96/2017) and Amendment

The Council noted that Senator S.C. Ferguson had proposed *inter alia* [parts (a) and (b) of her proposition] the restructuring of the JT Group Limited into 2 separate entities, so as to separate the wholesale and retail sales of the company, which it was suggested would be in line with the approach being adopted by the UK Office of Communications (OFCOM) to British Telecoms (BT). The Council considered that the proposed strategy was unclear on this point and appeared to be just a prescriptive list of activities and suppliers/equipment to be used, without any justification or evidence to support why such a change would be appropriate or regarding the supposed benefits. In any event, the Island's telecommunications strategy had not yet been formulated, and it was noted that the separation proposed was not required in order to implement a 5G service. It was understood that part (c) of the proposition represented the views sought from a single independent entrepreneurial expert as part of the consultation process in developing the draft Telecoms Strategy set out in the proposition. The Council agreed that it would be inappropriate to give preferential status to those views over a wider industry consultation. It was further noted that part (d) of the proposition requested the Minister for Treasury and Resources, as shareholder representative, to request the board of JT Group Limited to conduct a detailed review of the off-island businesses controlled by JT to evaluate their long-term benefit to the company. The Council recalled that the challenges faced by JT in terms of managing the issues of scale were such that Jersey as a small market in global telecommunications terms would not support the level of investment in infrastructure needed to meet the demands of local businesses and domestic customers. Consequently, it was recognised that the company needed to generate sufficient funds off-island (currently over 60 per cent) to aid this investment in order to maintain the benefits to the local market (e.g. a reasonably priced tariff). Overall, it was considered that the financial and manpower implications of the proposition appeared to have been seriously underestimated and the Council accordingly rejected the proposition. It was noted that a briefing was to be provided to States members in due course, and the Chief Minister was requested to ascertain whether the proposer would be prepared to defer the matter until January 2018. The Council noted that the Minister for Treasury and Resources intended to present a comment on the proposition shortly.

Forthcoming
announcements.

A3. The Council, with reference to its Minute No. A2 of 18th October 2017, discussed with the Director – Corporate Policy, Chief Minister's Department forthcoming announcements.

The Council noted that –

- (a) all public sector staff within scope of Workforce Modernisation were to be notified individually on 8th November 2017 of the outcome of the re-evaluation of their respective posts;
- (b) the Minister for Health and Social Services indicated his understanding that the report by Scrutiny consultants Concerto would shortly be announcing that they had ascribed a 'green to amber' success rating on the Future Hospital project;
- (c) the Deputy of St. Peter outlined her recent engagement with breastfeeding mothers and expressed the hope that relevant consideration would be given to reviewing the States' current employment policies in this regard;
- (d) the Minister for Social Security was to address the next Institute of Directors lunch, to be held on 14th November 2017;

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- (e) the Chief Executive designate, States of Jersey – Mr. C. Parker – was to make a presentation to States members on 15th November 2017;
- (f) the latest House Prices Index figure was due to be published on 16th November 2017; and
- (g) The British Irish Council Summit was due to be held in Jersey during the week commencing 13th November 2017.