

Public Responses re the Strategic Plan

14 th March	<p>If time permits, I will read the strategic plan and provide you with my thoughts, but I would make one initial comment. Under section 1.4, page 18, it states in paragraph 1.4.1 that the plan will 'provide a customer service centre for businesses by 2007'. I would like to point out that the Jersey Business Venture is already in existence and providing such a service, although perhaps not as extensive as is currently desired.</p> <p>Nevertheless, it seems strange that the JBV is not even mentioned when the majority of its funding is derived from the States.</p>
3 rd April	<p>I note that you have invited comments and/or questions on the above document, and wonder if I might be permitted two questions, to help me understand the draft better:</p> <p>1. Page 13 states that, "The net increase in capital and revenue expenditure proposed in the Strategic Plan is £7m a year. Through to 2011, this will be funded from the £32m balance in the DHLF."</p> <p>The estimates in the immediately preceding table appear to show an increase in combined capital and revenue expenditure, over the 5-year period, of £84m, i.e. an average increase of £16.8m per year, rather than £7m; I can't find an explanation for this apparent disparity, which is probably caused by my misreading the document, and wonder if you could help me.</p> <p>Also, use of the total £32m current balance on the DHLF, over the period, looks rather more like concealing expenditure, rather than funding it: Surely the end result, after 5 years, will be that the Island has sacrificed an irreplaceable £32m asset, in order to partly bridge a spending gap? Or have I misunderstood?</p> <p>2. Section 3.6 sets as a target, "An integrated system of benefits which helps residents to achieve and maintain financial independence, and which provides appropriate financial support for local households and individuals unable to support themselves" - this to be measured, inter alia, by "a reduction in the number of children living in relatively low-income households" and "an increase in the employment rates of disadvantaged groups".</p> <p>As things stand at the moment, a single parent on, say £18,000 p.a. would not be entitled to child care support, which is capped at a gross income level of £14,032. Actual childcare costs for such an individual would be, typically, £12-13,000 p.a. Even if that person was entitled, the maximum level of childcare support would be £3,166 p.a., and would take the form, as I understand it, of tax credits, which seem, on the face of it, not a lot of help to someone who would in any case be liable to relatively low levels of tax.</p> <p>I would be grateful if you could let me know whether any or all of the above background assumptions in relation to the current situation are correct; and whether the final document draft is likely to include any detail as to how the Low Income Support system, to be introduced mid-2007, may be framed in order to assist this, apparently particularly vulnerable, group - thereby reducing the number of children living in relatively low-income households, and allowing this disadvantaged group of adults to remain in productive employment.</p>
4 th April	<p>I understand the approach that has been taken in the 'Focus on Young People' section of the report, as expressed by the introduction to that section -</p> <p>"Measures that will affect young people can be found throughout the outcomes and initiatives set out in the Plan. This is a deliberate departure from the previous strategic</p>

	<p>plan where "Youth issues" were dealt with as a separate Strategic Aim which had arisen out of the Imagine Jersey event and the desire of young people themselves to play an active role in the policy-making of the Island. Young people felt that their voices were not really being heard.</p> <p>We have come a long way since the first Imagine Jersey; the Youth Forum has been established and we have consulted with young people on a number of key issues, including tax and the waterfront development. For the present plan, therefore, we have decided that it is preferable for issues concerning young people to be considered throughout all policy-making and not in isolation. We want young people to be taken into account in everything that we do."</p> <p>However, this explanation of approach comes very late in the draft Plan, and may be too late to erase the impression, given in the Contents structure, that 'young people' are only an afterthought. The explanation of the report's approach, quoted above, is much stronger and more emphatic than the equivalent paragraph in Senator Walker's Foreword, and might usefully swap places with it, in order to get a fundamentally positive message across at the earliest opportunity. Alternatively, a mention in the 'New Priorities' List might help - or, at the very least, some explanation in the Section 'How the rest of this Plan is structured', where young people aren't mentioned at all.</p> <p>The slightly negative, 'afterthought' impression is not helped by the text in the 'Challenges to prepare for' box, "Providing more opportunities, investing in skills will provide a stronger future for young people to participate in the future", which is poor English and really doesn't mean a lot; by the fact that the Focus on Young People section is unnumbered and therefore hard to reference, and by the typo introduced in that section: "2.4.2 Create a Higher Education Development Group in 2006 to c0-ordinate strategically important higher education provision in the Island (ESC)", which may give the unfortunate impression that this section was less worthy of proof reading than the six sections preceding it.</p> <p>I hope this may be helpful.</p>
5 th April	<p>I admit to only glancing at the document but must admit it has to be the most singularly boring and less interactive document I have tried to read this year. If this is an attempt to engage the discerning voting minority it may well have missed its mark.</p> <p>The info is excessively long and tortuous to read, lacks clarity and easily recognised points to be clearly defined. It's a document that lacks clarity of purpose and definition. I realised that there were problems in my understanding at page 6, when the platitudes became difficult to accept - Wonderful, Low, Good, Prosperous. Excellent etc etc. As an immigrant I do appreciate Jersey as a good place to bring up my children, realising that there are issues that leave the island exposed to ongoing unnecessary expenditure and risk. This document does not reassure me in any way at all.</p>
5 th April	<p>We had a look at the Plan at our Amos Group meeting this evening. Below are some initial comments.</p> <p>This is the section of our minutes about the plan.</p> <p>We noted that no comments had yet been made to the Chief Minister on the draft strategic plan. The phrase 'Motherhood and apple pie' was mentioned. We are glad that a particular minister's name has been set against each proposed 'What we will do', with a date for its completion. However there is not a real sense of purpose and direction which highlights the real priorities of the Chief Minister. If we remain a low tax economy, what is core and what is 'nice to have'? We quite agree that the £20m saved by efficiency should be reinvested in health and welfare. In 5.2 it mentions Overseas Aid as a % of Gross National Income, with no commitment to change its level. Jersey is nearly bottom of international comparisons. U.K. has a clear commitment to reach 0.7% of GNI by 2012. This is a recipe for drift.</p> <p>Also there seems to be no mention of childcare/nursery provision. It is a really</p>

	important issue. The deadline for response is May 12th so further input can be made next month.
7 th April	<p>Observations more than comments, below:</p> <p>Section 1.5</p> <p>.2 Is not the air and sea strategy complete? Perhaps some words on the next steps to implement long term.</p> <p>section 1.6</p> <p>.1 you cannot be more effective as there was not any previous control. I suggest the last part of the sentence should read "---leading to monopolies and organisations in dominant positions to act more competitively".</p> <p>Could there be a 1.6.7? "Foster and encourage diversity in Finance, Tourism and the economy as a whole in order to reduce reliance on single products, increase resilience and provide wider employment opportunities."</p> <p>Section 3.8</p> <p>Building standards that are equal to those of the UK. This should read "European Union" not UK. It flies in the face of 1.1.3 which is to improve trade links with Europe. Single country standards often have minor petty differences which preclude other countries. It may be worth examining the Strategy generally in regards to being perhaps a little too tied to the UK standards in other trading areas?</p> <p>2.2.4 Has not the Health Survey been completed? Suggest: "Findings of the 2006 Health Survey to be ----"</p> <p>Add a 5.1.9 "Produce a young (youth) person's information pack explaining briefly how Jersey is governed and what the Strategic Plan means to their Future. Then information about parishes, about the States and different departments, about ministers and about how democracy works via Scrutiny etc."</p>
10 th April	<p>I started drafting some comments but had little to say - very impressed.</p> <p>One concern would be ensure all Ministers attuned to unintended consequences. This thought was triggered partly by being told that 20% of Grainville pupils are Portuguese, some including teenagers have no English and more teachers needed urgently. Many parents low paid in hospitality industry I understand.</p> <p>So: If Philip Ozouf is hugely successful and many more tourists come, this could trigger low paid job creation and then demands on education (Mike Vibert) and housing (Terry Le Main) and so on. A costly multiplier effect.</p> <p>Do all the Ministers consider such effects; do we have the policies in place to manage such consequences.</p> <p>That was it really and generally very pleased to see the disciplines of ministerial government working.</p>
13 th April	<p>Re States Finances</p> <p>I am please that you feel the Strategic plan could be beefed up a little in this area. As a commitment perhaps? Or certainly as a "We will do" under commitment Six</p> <p>Otherwise all in all, I feel it is an excellent well structured strategy. I do look forward however to receiving a little more detail on the size of 0/10 black hole and the proposals to fill it.</p>

18th April

I do have a number of concerns and these are chiefly:

1) That we do not comply with the EU code of conduct on Business Taxation in accordance with the following:

- The opinion of PricewaterhouseCoopers presented to the States of Deliberation in Guernsey
- the legal opinion presented to the Centre Party at the last election,
- the advice presented to scrutiny by Mr Richard Murphy
- and the opinion of senior tax policy advisers at the EU
- a personal review of the wording of the code that there not be a difference in the effective rate of tax between residents and non residents which our tax plans clearly will cause

If the tax plans are not compliant then everything else which one must assume is based upon the projections of income will need to be reworked and thus the whole strategic plan must be considered suspect until confirmation from the UK government that they will support our plans on the European stage is received.

Senator Walker is aware of this concern and that I have sought such an assurance from HM Treasury and if none is forthcoming will have questions asked in the House of Commons or House of Lords.

I have given due consideration to the hypothesis that this was a deliberate ploy, to not comply as a means of deferring the challenge for five years but as our economy is fundamentally dependent on the goodwill of both the UK and the EU and will still be in five years time (though I note that moves have been made to lessen this dependence recently) not even the stated intentions of both Senator Walker and Senator Le Sueur to step down before or around that time could convince me that the long term future of Jersey (beyond their terms of office) was not a part of the decision making process.

The commercial consequences of not having the same taxation package as Guernsey and the Isle of Man will allow the financial services companies to divide and rule the islands and encourage further specialism in their individual economies which whilst generating greater company profits will be to the long term detriment of Jersey. The services will continue to operate and be charged (GST free) from Jersey but the profits will be expensed (assuming sufficient anti-avoidance measures are introduced to prevent a simple transfer) across to the Isle of Man for taxation at a lower rate depriving Jersey of revenue from the taxation of financial services to a greater extent than is predicted.

Having noted that it is not known at this time if capped corporate tax (as planned by the Isle of Man) will be compliant with the Double Tax agreement with the UK but being fully aware that thanks to the VAT sharing agreement the Isle of Man is able to undercut our tax rates. The best interest of Jersey is served by joining with Guernsey to prevent the aggressive tax cutting measures of the Isle of Man through appeals to HM Treasury. This should be done sooner rather than later as if as expected the Cadbury-Schweppes case rules the CFC regulations to be unlawful then one means of controlling the offshore jurisdictions is removed from the Treasury's hands.

2) Assuming that our tax plans are compliant, my concern is with the Criminal Justice Policy. I am afraid that having reviewed the plan last year it appeared to be little more than a civil service job creation scheme which will simply employ another level of senior civil servants and add to the bureaucracy involved in the criminal justice system as each branch will no longer be able to communicate directly but must do so through one of the new positions which will be created.

It matches exactly the process of growth outlined by academics (as early as 175 years ago) to demonstrate how bureaucracy grows unnecessarily and why bureaucratic inefficiency increases with size.

	<p>Again I have previously made Senators Ozouf and Le Sueur aware of my distaste for the proposal though I note that it is to be updated.</p> <p>As a Criminal Justice graduate this falls directly onto my area of expertise.</p> <p>This does not invalidate the strategy as 1) would.</p> <p>As a strategy is appears to be very well considered and addresses most of the issues of the day.</p>
18 th April	<p>To whom it may concern,</p> <p>Having now read the Draft Strategic Plan 2006, I feel that I must let my views be noted in particular with respect to the Early Years Sector.</p> <p>I am a part time nursery management student, a full time employee within the childcare sector for the past fourteen years and a mother to two children, who has lived in the Island for six years. My youngest child was a baby when we moved to the Island, and the availability of the early years care was very poor in comparison to the UK, however the standards of care exceeded many of my experiences within the UK.</p> <p>The system that allows help with nursery payments (child care allowance) that is in place, is not accessible to many working families as it s means tested, with the majority of families joint incomes, exceeding this. However, due to the high cost of living within the Island, the majority of families have no choice but for both parents to seek employment, which has an impact on the children s quality of live!</p> <p>At the time of the 2001 census, 76% of women were in employment, from the response to the JASS 2005 we can see this is now at 78%.</p> <p>There is demand for affordable/assisted childcare places in order for children to receive the very best of care when the parent is not available, but this should not be means tested on the basis of whether you pay tax or not.</p> <p>I feel that it is good that the strategic plan recognises that early year s childcare is a new priority; however I feel that the draft plan does not state how it will tackle the inequalities parents face when choosing childcare. Childcare costs are high due to the excellent standards; however this restricts many parents options.</p> <p>Also can I raise your awareness to the fact that a number of childcare providers have had to close within the last year, restricting parent s choices even more so!</p> <p>All of this is painting a very sorry picture for the future early years care & education that will be available in Jersey. In the UK at the moment there has been a huge sway to turn around the sector as they recognise that many social issues have occurred due to the lack of availability of care & education for young children. With the National Workforce Strategy, availability of more free childcare places and the training of the workforce to ensure graduates are employed in each setting, children and families will have the option to seek and access the very best of care, ensuring a fantastic start in children s crucial early years of development.</p> <p>Jersey, I fell should adopt some of the UK s policies in respect to early years, this may help to tackle possible future social issues, inequalities, improving the environment and giving the Islands children the best that we can!</p> <p>I would hope that the committee addresses these issues and when forming its final Strategic Plan for the Island. I would also hope that it consults and listens to a range of key stakeholders.</p>

<p>18th April</p>	<p>Re the Strategic plan.</p> <p>In your forward you mention your commitment to the people of Jersey. Then you go on and mention good quality of life, everyone in community is provided for etc. Quiet right, you are saying that people are important, but then why do put people second in your Vision?</p> <p>Your first vision is money orientated, yes it is vital, but you cannot grow the economy without people!</p> <p>So please think about changing the order of your vision and putting the 2nd first and vice versa. It may be a very small detail to you, but it will show that you really do care about the people of Jersey first, not money.</p> <p>There are other issues, but I brought them up with our Scrutiny Panel.</p>
<p>22nd April</p>	<p>I have spent a little time looking at the strategic plan. I hope that you can consider a few thoughts which I have which I will briefly describe in this email.</p> <p>It occurs to me that there are opportunities for looking at the St Aubin area of the Island, in the context of some of the aims outlined in the plan.</p> <p>The Plan, para 2.9.4 refers to 'delivering a new parking strategy to incorporate a revised charging system for public parking..'. We usually think of St Helier, but I guess we need to look at other parts of the Island in this, eg St Aubin, previously the Island's capital.</p> <p>Commitment 6 in the plan mentions that '...limited growth has been allowed to support economic growth initiatives, to include funding for a new reclamation site'. St Aubin, the subject of previous reviews as to land reclamation springs to mind. Many of us are aware of previous discussions/ plans put forward for reclamation of a limited area of water west of the Sacred Heart Church St Aubin (the 'Battrick Plan'). This has focussed on the lack of parking at St Aubin for residents and tourists. Many people regard the area under discussion of little use, and literally a backwater. However, in addition to the benefits to be gained from improved parking for St Aubin residents and tourists, I can see opportunities, such as;</p> <ul style="list-style-type: none"> • small bus station/ terminus and information centre being established • wooden jetty(ies)/ including advertising for fishing/ boating trips from St Aubin to complement the (limited) facilities available in town • the new restaurant/ bar at the old 'Battrick's site' is now coming on stream which will be an added attraction- but what about the parking!! • possible 'duck' trips to St Aubins fort/ small tea room facility or bbq at the fort <p>The plan para 4.1 promises ' a diverse working countryside' and an increase in land area supported by environmental initiatives. Para 1.3.1 mentions the encouragement of growth in existing business across all sectors. Tourism, making the best use of the beauty of our coast etc etc must be a prime candidate for growth, and what better than to make use of an already outstanding 'resort' in the shape of St Aubin, making best use of its already established character and facilities. We don't need to alter it much, most things are here, just make it more accessible.</p> <p>If parking can be improved at St Aubin, whether by land reclamation, or other measures, I am sure that this can provide a fit for some of the aims set out in the strategic plan.</p> <p>I understand that Transport and Technical Services are looking at costings for a possible reclamation of land at St Aubin. I hope that you will consider these few thoughts, and will pass them on (to TTS) or whoever as an addition to any other input</p>

	<p>you have had.</p> <p>It is good to see the availability of info on the website; a big change so far as I am concerned on the operations of the States over the years.</p>
<p>24th April</p>	<p>Comments on the Strategic Plan</p> <p>The vision for the future is fine and the six commitments are such that no-one could object to.</p> <p>The top priorities are all important, though two issues are rather obscure.</p> <p>Does 'Criminal justice policy - update and implement' include urgent action on the prison, its facilities, its education and its probation and aftercare?</p> <p>and does 'Strengthen Jersey's international personality' include raising Jersey's Overseas Aid programme somewhere near the international norm rather than being at the bottom of the league table? In 5.2 Overseas Aid is mentioned as an indicator, but no mention of any action to raise the % of GNI that we give.</p> <p>We support the investment of the efficiency savings into Health and welfare rather than lowering taxes.</p> <p>Looking at the detailed plans there is a mix of short term and longer term. For commitment 1 alone there are 35 numbered 'What we will do' bullet points. So without doing a detailed count, some 200 over the 6 commitments.</p> <p>Our question is this, what are the high priority ones? Is there any critical path analysis being done to ensure that there are no bottlenecks in the system, i.e. depts spend the next six months on their plans then all want the law draftsman or Attorney General at the same time. Among our high priority items are:</p> <ul style="list-style-type: none"> • prison improvements • fairer and affordable childcare for 0- 5 year olds • proper employment and consumer legislation • low income support scheme by Feb 2007 <p>With the present layout of the plan it would be possible to announce that you had achieved 50 of your 200 targets in 2006, without doing any of the really important ones.</p> <p>Remember the departing Governor's perceptive comment, in which he said that Jersey was very good at charity but not so good at the tough political decisions that are needed to reduce the need for such charity in the first place. There is a real need to hear the voice of the relatively small number of people who really struggle to live at just above survival level. Business has plenty to say about keeping its costs down but there is a need to look at the problems of those on low incomes. Hopefully the new income support system will be the means of taking action on this.</p> <p>What is the procedure for monitoring the plan?</p> <p>Does each minister report on the results and progress of their department every year, (starting Jan 07?) or every 6 months? Where will the reports be published?</p>
<p>27th April</p>	<p>Apologies for delay in replying to the consultation on the Draft States Strategic Plan. I have the following comments:</p> <p>1) The plan sets out clearly some of the key directions of government policy and includes a list of items that will provide the key focus of effort over the period. I</p>

	<p>presume that this list is not exclusive, however, the inclusion of it implies that it forms the priority action list.</p> <p>2) It is pleasing to see the high priority given to encouraging the agricultural industry, and in particular support for the dairy industry recovery plan. I hope it is recognised that this plan is an inclusive package, requiring all its elements to be delivered to achieve success and this should be acknowledged in the States Strategic Plan</p> <p>3) It is pleasing to see the emphasis given to protection and enhancement of the environment in general and the countryside in particular. Bearing in mind the pressure for development of housing it is imperative that more imaginative methods are found to balance the needs of the community with protection of the countryside rather than simply rezone more land for development.</p>
24 th April	<p>I have been asked by the Communications Manager to respond to the Strategic Plan 2006-2011. I realize that such a plan cannot be set in stone with looming crises quite possibly taking over the priorities of island government. In order of possibility/probability I would list these possible crises as:-</p> <ul style="list-style-type: none"> a) rocketing oil prices b) a sterling crisis c) a clamp down on off-shore finance by the international community d) a French nuclear accident particularly at La Hague. <p>To allow for these contingencies I would have expected to see a greater emphasis on local renewable energy resources, the greater use of the Euro to increase trade with Euroland, stronger policies for the establishment of viable alternative industries and closer liaison with the E.U. nuclear monitoring authority to ensure, among other things, that contingency evacuation plans are in place.</p> <p>Many of the policies have already been worked out in detail to a greater or lesser degree by members of the Council of Ministers. I felt the Council of Ministers' Top Priorities were basically sound only in so far as they went. I have detailed my reservations and outlined missing interconnections (joined up Government) which I think should have been made in the main section of the Strategic Report.</p> <p>The Fiscal Strategy has already been largely accepted in detail as has the Income Support Strategy and the Migration Strategy. The glaring weakness in the Migration Policy is the lack of a population limit particularly in view of the figures published in "The Guardian" of the 08/04/06. The crucial factor in determining upper population limits is the health of the islands water resources and the protection of open lands in the natural water supply catchment areas (not to be confused with the much smaller anti-pollution water catchment areas.) It cannot be emphasized enough that, with ever rising energy costs, desalination, even with reverse osmosis technology, cannot be relied upon for the islands basic water supplies.</p> <p>With the income support system to be evolved I hope it will be noted that, although a poorer island, Guernsey has provided a centralized income support system for decades without penalizing home owners and has recently evolved residential old age support without its recipients having to sell up their main residences.</p> <p>The Economic Minister has often exposed his department's policy weakness with the importance placed on the building industry. The time for rapid, massive development has surely come to an end. It encourages immigration and displaces sound export or</p>

"earning activities" for the island. It is also unsustainable leading logically to the ultimate destruction of all of Jersey's open land and natural water resources.

The Fulfilment Industry is built on sand politically and there may not be a long term future for parts of the finance industry. The priority should be to get costs down and then allow the economy to grow without inflationary pressures using the same level of existing resources with immigration limited to key workers. The Waterfront should be geared to tourism and to solving the islands present housing needs particularly category A housing and the reduction of the qualifying period to ten years for renting or buying and not geared to provide speculative development to generate short term employment and profits.

The Control of Undertakings law will continue to be needed to make sure that the best use of resources takes place, particularly local labour. The difficulties experienced in the application of this law has, I think, more to say about the limitations of our civil service and political pressures from local vested interests than about the wisdom of the law.

The rural economy strategy has one major weakness, namely the accommodation of young farmers renting or buying. It seems that the problem was too great for our politicians and civil servants to attempt to resolve. Three measures are needed. Tighter development controls on conversions of agricultural premises, a shared equity scheme to purchase in a very inflated market and a shared equity scheme to allow landowners to build premises to be let at affordable rents. A partly states owned equity scheme could ensure agricultural continuity of dwellings and premises. This could be funded by the properties the States decide to sell off and moreover give the people a stake in the land.

The law needs clarification and updating. Priority should be given for early release and supervision particularly of drugs offenders. It is amazing that a backlog of legislation has allowed the massive overcrowding of the prison. Either the department concerned is underresourced or inefficient. Are we getting the necessary co-operation of the Crown Officers ? Why has the neglect of Jersey customary law taken place ? Is the training and educational standards for lawyers adequate for local needs ? The layman surely expects that lawyers have been willing to master French before they entered the legal profession, yet we have what is very obviously an anti-French language campaign by young lawyers who wish to reap the fat benefits of being a lawyer in Jersey without it seems to me having bothered to master the basics of local law. I am not a lawyer but I can see the need to do so and they are, I suspect, being aided and abetted by the Crown Officers who in their questionably constitutional procedures are anglicizing Jersey Customary Law whenever possible.

There is no reference anywhere in the Strategic Plan for the reform of Jersey law. The anglicization of the law of tort appears to have been quietly carried out by generations of crown officers without States approval in the form of legislation.. We are told in the book, "A Celebration of Autonomy" that conflicts between English Common Law and French Civil Law in the Law of Contract are to be resolved by Legislation. But this important matter is not mentioned in the Strategic Plan. In addition, in the same book, that the Guernsey legal experts, Alisson Ozanne and Gordon Dawes have called for the codification of Channel Island civil and penal customary law, a view echoed by another contributor from Jersey, Alan Binnington. In my view this should be done without delay to stop what could be an unlawful and unconstitutional drift and increasing ignorance amongst the legal profession.

The Integrated Travel and Transport will not succeed unless the use of the motor car is severely reduced by much higher parking charges that will create an economic demand for public transport which could then and only then increase its frequency and lower its fares. Buses trundling through the countryside with one or two people aboard is wasteful. "Park and Ride" Schemes for sparsely populated areas would also help. If

we are to improve the quality of life in the town, traffic restraint must be implemented. The congestion on Jersey's roads is off-putting to tourists particularly walkers and cyclists. I have been told by an individual who organises cycles tours that it is the amount of traffic that puts off repeat visits to Jersey. The volume of traffic makes driving increasingly hazardous and on many intersections onto main highways serious accidents are simply waiting to happen. The main question is whether the politicians have the courage to bite the bullet !

The 14-19 curriculum and higher education development should encourage trade training including for returning graduates who may wish eventually to set up their own businesses and have rejected office work.

The controversial plans for the waterfront is a classic case of putting the cart before the horse. Essentially housing development is needed for Category A housing and for tourist facilities particularly hotel accommodation. I do not think the case for retail accommodation and office development is proven and is largely speculative. The regeneration of St. Helier is dependent on the resolution of the traffic problem.

The proposal for further land reclamation possibly at La Collette is mistaken and is going to be wasteful, expensive and environmentally damaging ! What has happened the proposal contained in the Jersey Mineral Strategy 2000-2020 for the infilling and restoration to woodland and farmland of La Gigoulande Quarry as was successfully carried out at Mont Mado ? Is there a secret agenda for La Gigoulande? Have the problems of lindane emissions and flyash disposal been solved in the plans for the proposed new incinerator ? Would not the siting of the incinerator at La Collette using La Collette Chimney and with an artificial hill protecting Havre des Pas be preferable? What has happened to the plans for the creation of port facilities at La Collette for the importation of sand and aggregate as well as the export of scrap, recycled materials and dangerous waste to be processed elsewhere? Inert waste, suitably processed, may be needed to strengthen sea defences between St. Helier and Gorey, where rising sea levels could flood large areas of Grouville and St. Clement by the end of the century.

The provision for childcare leaves much to be desired. For the parent it is far from user friendly. Ideally it should be centred on the local primary school particularly in rural areas. The provision of nursery education as opposed to childcare should be available above a certain age. It is essential that childcare for out of school hours should be available and charged, subject to fair income means testing to allow the option for all women particularly single parents to work. This should include provisions for shift workers particularly in the health services.

There is a hint in the Strategic Plan of positive discrimination for certain minorities and a large dose of U.K. political correctness. Is there going to be positive discrimination in favour of native islander who in the past have often voted with their feet in the face of difficulties of trying to make a life in their home island ? There is the well known problem when many of the job givers come from outside Jersey and favour those from their areas of origin. In addition there is the harsh penalty for those with no close or documentable U.K. ancestry - namely the inability to settle or work in the E.U. without doing 5 years in the U.K. This exclusion on what purports to be a British and European Passport. A study needs to be made of arrangements for Gibraltar, Andorra and Monaco - also low tax areas. We have a scrutiny panel on equalizing the age of sexual consent when the aggrieved party has to wait only up to two years but the excluded passport holder has to relocate and wait up to five years. Which is the worse discrimination ?

How is access to high quality housing equate with the non-qualified individual bringing his or her family to Jersey, where the availability of family accommodation for the non-qualified is as rare as hen's teeth ?

The call for changes in health and insurance schemes must bear in mind that the elderly and other invalids do not have the means of entering insurance schemes and many of these would not be touched with a bargepole by an insurance company and certainly not at an affordable cost. Do we really want to go the way of the U.S.A. in these matters ?

The security and sustainability of pensions has been neglected too long and painful decisions will have to be made. It should be remembered however that health prevents many people from working beyond present retirement age or indeed before it. As has been already mentioned people should not be penalized for owning their own home.

With the planned reduction of road traffic, should major expenditure on roads be a priority ? Slower speed limits, rigorously enforced with hidden, mobile cameras would make Jersey a safer place. A road system designed for the horse age will never be suitable for high speeds. It is not that the island is so big that high speeds are necessary ! With the fuel crisis ever imminent, should not four wheel drive and other large private vehicles be fiscally penalized ? With the number of highly paid civil servants and voluntary Inspecteurs des Chemins, surely the pothole problem can be kept under control ? One wonders about the lack of political will.

More important is the extension of the sewage system for which funds are not available at the moment, as far too many areas of the island are dependent on septic tanks and cesspits where water pollution is an ever present hazard particularly for wells and streams. Should not the Jersey New Waterworks take over the maintenance of sewers, collect rates for their maintenance and borrow for their extension. This is one reason why the sale of the States control of the Waterworks Company would be ill advised as it would fall into the hands of globalised providers of water who would exploit the Jersey consumer and in future ignore at present unforeseen local needs.

The same concern also applies to the Jersey Electricity Company. Home generation of energy though solar panels is possible and needs to be encouraged. Small windmills attached to houses

and the burning of methane by farmers, instead of environmentally hazardous slurry pits could earn credits for their owners, if the electricity generated is surplus to their own requirements. The facilitation of any feasible scheme for large scale wind, wave and tidal power need actively to be explored by the States.

Leaving sea and air transport links with the U.K. and France in the hands of unregulated operators leaves Jersey vulnerable. The crazy logic of importing most of our supplies from the U.K. over a hundred miles away in a world where strategic energy considerations will be of paramount importance. The shorter route to France would seem more logical. It was so in the past when Jersey 's imports were mainly from France and the island used the Livres Tournois. There are many barriers in the way: business monopolies and inertia, a failure of the education system over generations to maintain bilingualism in Jersey and the inflexibility of the local banking system. Try opening a cheque account in Jersey for Euros ! Why cannot we have two currencies work alongside each other as used to be the case in Andorra to facilitate greater trade with France ?.

The new Privileges and Procedures Committee should not forget the work done by its predecessor under Dr. R. Le Herissier, an acknowledged expert on the constitution. In the calmer atmosphere hopefully now established in the State Assembly the merits of his reform proposals should be recognized. The need of a general election on one day to include the constables, senators and deputies should be recognized whatever the composition of the States. The ability for everyone to choose at least three deputies by dispensing with parish based constituencies, could lead the way for the eventual abolition of Senators and remove what are often described as "rotten boroughs." The

present system leads to unequal representation and apathy.

The Resources Statement by the Minister for Treasury and Resources appears to be sound. I have already commented on the possible sale of the States share in the public utilities of water and electricity. I feel that these are the policies of despair. Overall, until essential decisions are made and the future realities actually materialize, the expenditure forecasts cannot be cast in stone.

So far my comments have been on the much more substantive earlier part of the report which I hope will prove helpful in reassessing overall priorities and policies.

The "Detailed Plan " was in my view characterized by a monumental lack of detail and was, as the Americans say "all motherhood and apple pie" - much of it could be interpreted as spin. This was particularly true of the Major Commitments and their boxed subheadings. They could apply to any period and could be considered to be principles of good government in a modern economy and did not in themselves contain anything very specific. Under each boxed heading there were more specific aims submitted by various departments of the States. It had all the hallmarks of being "cobbled together" by senior bureaucrats in a hurry and mainly obtained from current plans and preoccupations within departments. There were rarely benchmarks to access performance.

The most specific of departmental initiatives or activities were from the Chief Minister's department. For example 1.1.2 aimed to negotiate fiscal agreements with other countries to benefit the finance industry. I hope these will create more double taxation agreements. Similarly with paragraphs 1.7.1 to 1.7.7 and the clauses on migration, there was clearly evidence that some work had gone into the plans and clearly showed specific intentions. On the other hand , 2.10.4 on economic migrants was clearly merely a wish.(see earlier comment on the subject.) Jersey's development of independent international relations need a much better informed public discussion particularly with regards the E.U.

Within this context of international relations the mention of Overseas Aid as an unspecified percentage of Gross National Income should be noted and acted upon. With the ending of the cold war and the controversial involvement in a foreign led invasion of Irak outside N.A.T.O., should the T.A. unit be disbanded and a small Royal Naval reserve formed for fishery protection and an anti-terrorist patrol. This could free resources for more Overseas Aid.

The sale of States' property must also avoid doctrinaire decisions purely justified on economic or financial considerations and the States must be aware of the wider long term interests of the community. The acquisition by the States to shared equity property must also protect the public interest - for example, the States must ensure that supported housing for first time buyers is only resold to other first time buyers.

The Economic Department's proposals are much more vague particularly in their proposals for tourism and outside transport links. Home Affairs proposals have had widespread public discussion because of the delays upon which I have earlier commented. Home affairs recognise the problem of alcohol abuse and drug abuse. It is generally the cause of absenteeism and the internationally low productivity of Jersey's finance industry. Perhaps under 3.5.2 more specific attention should be made to contingency plans for possible nuclear accidents.

Health and Social Services' proposal 2.2.1 and Social Security' 2.2.2 could have an ominous interpretation for the cutting of services and harsher means testing in future. Otherwise the two departments' proposals were more administrative in scope particularly in the Income Support Scheme whose details, rather than already agreed principles, have to be worked out. Most of the Treasury and Resources proposals were

	<p>predicable and of a vague global nature such as not having a deficit and curbing inflation. The latter will be prevented if massive, speculative development takes place in the name of unsound, unsustainable economic expansion. It remains to be seen whether the 0/10 proposals are going to be acceptable under the European Code on Business Taxation.</p> <p>I am glad to read that sea defences are going to figure in Transport and Technical Services' proposals. It will be interesting to see what this will entail in detail in this and in plans for local land transport. We are already mindful of the important decisions yet to be made for the disposal of solid waste. The Planning and Environment's proposal for reviewing the Island Plan could also be ominous - is this a device for the development of more open land ? The proposal for the now Town Park is an attractive one. Like the Howard Davis Park and Springfield it will provide an open area in an already congested area. Whatever happens under Fort Regent's Dome, in its Moat or on the site of the Swimming Pool, the open areas of Fort Regent must be maintained. Fort Regent's future role should be for hotel accommodation and quality housing with much improved public transport access.</p> <p>Education, Sport and Culture Department's and Housing Department's plans and proposals were largely routine and administrative involving existing assets and functions. The outcome of the plans resulting from the Early Years Strategy should have priority. Of the Housing proposals the shared equity plan is the most important but not if they involve more green field development. It should be applied to existing properties or properties developed on the waterfront or other brown field sites.</p> <p>Overall the Strategic Plan offers status quo and laissez faire. It is going for speculative development which is quite possibly unsustainable. The Strategic Plan has not faced the problems associated with population increase namely the provision of more schools, hospitals and, when the waterfront runs out, sites for housing . The old abuses are likely to stay with harsher means testing for public services, increasing difficulties for water supplies and neglect of agriculture in a world that will increasingly penalize environmental profligacy. Even financially, the island may be living on borrowed time. The Strategic Plan has many good intentions but it has inbuilt contradictions and is relying on a large measure of luck for its success.</p>
<p>9th May</p>	<p>I work as an administrator for one of the privately run residential Homes. In my daily work I come across many sad cases of difficulties families face with both the financial and health implications of our ageing society. Many families find that coming to terms with health difficulties of their ageing relatives quite distressing and are at times unsure where to turn for support.</p> <p>As mentioned I work in this environment BUT also my father has suffered numerous mini strokes and subsequently has been diagnosed with vascular dementia. As a family we have tried to support my mother as much as possible in keeping my father at home for as long as possible. Dad is now at Clinique Pinel for respite care and assessment.</p> <p>We as a family are fortunate that we have worked together to care for my father and fortunately my parents have worked hard, and can therefore use their financial resources to 'lighten the load'.</p> <p>However, it causes me to think of how families who do not have such a close rapport and the financial resources, of how they manage.</p> <p>Going through this difficult time personally and experiencing some of the heartache and difficulties that residents in our Homes have, makes me appreciate that it IS A GROWING PROBLEM and with the ageing population much thought needs to be directed in this area.</p> <p>As the document states on Page 6, the best way forward is to harness the creativity</p>

	<p>and resources which exist in the wider community. The States cannot be expected to provide everything and States Members can't be expected to be knowledgeable on all aspects of services required. This is where the people at the coalface could provide some of the ideas and solutions to cope with this and other challenges that lie ahead. Indeed it appears to me and others, that some members of Scrutiny think that they are 'the experts' and appear to be heading down the Opposition route, rather than seeking more opinion from outside resources and people with knowledge.</p> <p>The one area that needs to be addressed with the ageing population and also with young children with behavioural problems and/or long term illnesses is 'RESPITE CARE'. I have been advised that at the moment the Health Department is going through a major shake-up of this area, and together with the running down of the Overdale site, there appears to be limited support to island residents for respite care.</p> <p>It would appear to me and from what some of the people who work in this area have said, is that a 'One Stop Shop' facility for Respite Care would be beneficial, more cost efficient and enable families to keep their loved ones at home for as long as possible. This helps the burden in our hospitals etc. and would hopefully prevent health problems for the carers themselves!.</p> <p>To sum up, this is a growing problem with our ageing society and I am sure that those that work within this area would be only too delighted to be consulted in what ever format the Council of Ministers and for that matter the Scrutiny Committees may suggest. Apologies for the delay in responding.</p>
9 th May	<p>There is much in this document that I agree with, some matters I agree with but have not mentioned.</p> <p>I have picked out what for me are key omissions or areas needing revisiting, key points I agree with and occasional "quickies" where in a few sentences I thought I could say something of use.</p> <p>Of particular importance to me are my comments on the vision page , P7, P27 and P33.</p> <p>I would however, welcome a response – including answers to my specific questions.</p> <p>I only knew the consultation period was coming to an end when I saw the bit in the JEP about your meeting this Thursday on the subject of the Plan.</p> <p>I hope these comments can be taken on board and considered.</p> <p>P1 – Vision Self-sufficiency: I hope you mean this, I suspect you don't.</p> <p>No mention of sustainability – but this is a duty of all civilised communities. There is no option – sustainability <u>has</u> to be part of the vision, otherwise we can have no pride in ourselves, and we are in danger of losing international credibility.</p> <p>"Recognised identity" – I think we should above all focus on how <u>we</u> feel about ourselves and the island community and sub-communities of which we are members, and have a lot less emphasis on how we are seen by others. Please put substance over image.</p> <p>"the services they need" and "a good standard of living". Nowhere in the vision is there a mention of the <u>quality</u> of the services to which we will all have access. In fact, a "good standard of living" includes – and is reliant on – good quality public services, but this should be made explicit.</p> <p>Something is missing – the Aims stated are all means to an end. The end itself is omitted. This is a serious omission.</p> <p>P7 "High levels of criticism of the States" and "Public engagement". These two issues</p>

are linked, and extremely important. If government and governed become separated by mistrust or resentment, real danger follows, witness the BNP's fortunes at the recent local elections in the UK.

The key is communication. Real communication is two-way and it is honest. It also, in this context, has to be correctly and honestly structured, otherwise it becomes biased extremely quickly and /or manipulative.

P.41 – These are difficult issues. Page 41 has the proposed nuts and bolts on this area. My comments:

1) In the 6 bullets, no mention is made of encouraging citizens' input at policy formation stage and continuously, and at implementation also. Senator Cohen's new heritage advisory panel is a model for one kind of involvement. There is a lot of scope here! It is not, repeat, not enough to "issue documents for consultation". Add another bullet: "level of public contribution to policy formation and decision-making". Well of course! Operationally, all projects or documents coming to the States should have a formal statement of public involvement or lack of it attached. This should include type of involvement (public meeting/exhibition/road-show/standing advisory body/stakeholder meeting etc), number of responses, key points made and number making them etc. It should be a standard format, making it easy for the States members, and the public, to see what's what and verify what is said.

2) Serious advice should be taken as to how public participation can and should be made to work. There is extensive literature and plenty of practical experience too in generating and managing real, effective, honest stakeholder dialogue.

This is not an optional extra – it is essential if we are to build the social capital on which, more than anything else, our success as a community depends, in every way, that is, however success is measured.

P7 – second box

"voluntary opportunities" "investing in skills"

Both are critically important to maintaining and enhancing our social capital. A thriving and skilled voluntary sector is vital for social cohesion and resilience, two qualities which allow us to cope with change successfully.

The Strategic Plan should indeed state clearly the importance it attributes to encouraging and supporting the full range of voluntary sector activity, and should act on it. It is in everyone's interest, individuals, sub-communities, community as a whole, the States, if this is done in a whole-hearted, properly funded way. One small example: an active cycling group or groups would have pre-printed cards to report pot-holes to the authorities. Everyone gains from a tiny investment.

P19 - para 1.4.4

I do not think the branding for Jersey as a tourist destination and the branding needed to market Jersey as a Finance Centre are the same and I am extremely dubious of the attempt to collapse them.

By all means avoid obvious clashes. By all means ensure that visitors on finance business are made aware if the island's beauty and heritage and its role as a tourist destination.

This is not the same as coalescing the branding!

P23 - 3rd Bullet

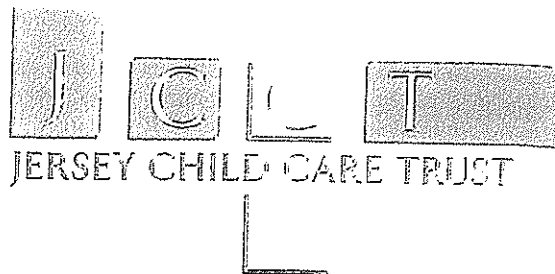
Will the encouragement of savings be seen as part of the anti-inflation strategy? (taking demand out of the economy and storing it for later consumption at a low point in the cycle).

P25 – 3rd Bullet

	<p>Meaning unclear. If it means what I think it means there are the work/life balance issues here. The assumption is, I think, "we need the workers to fill the jobs". My assumption is "what do you need for a happy and fulfilled (family) life?"</p> <p>P27 – para 2.9.1. – when can I see a draft? Also, add after funding "and personnel". Without dedicated policy and implementation resource, not a very large resource admittedly, progress on cycling, walking and public transport will be hard to achieve.</p> <p>In other words, these goals have to be wired into the structure of the department.</p> <p>P27 – 2nd Bullet Aha! 1% per annum x 85,000 population gives 102,700.</p> <p>Have you calculated the requirement for additional schools, hospital beds, swimming lanes, policemen, etc. etc. which the extra 17,000 people will bring? Have you made it clear to the people of Jersey that this is what is envisaged? Remember the requirement I stated above for honest communication if we are to remedy the issues you so correctly highlight on your page 7 top box.</p> <p>P 33 – 5th Bullet It is astonishing that in an island where at a "stroke of a pen" land quadzillions in value – that is when it ceases to be farmland and becomes zoned for building – that we still have no tax on speculative increases in land value!!!</p> <p>It is a license to print money – for some –while the rest of us watch in amazement at the "cost of land per unit!" which lie at the foundation of Jersey's hugely expensive housing market.</p> <p>P34 – Last sentence Delighted!</p> <p>P36 - 2nd Bullet Is this above below or same as Kyoto? I have a feeling it is below. In any case as a small, well governed in the main and prosperous island, we should aim for higher. Kyoto was the absolute minimum.</p> <p>P36 – Box 4.6. Bullet 1 Why so low? We are nearly there already! The public is far ahead of the Strategy here.</p>
10 th May	<p>My comments as an individual member are as follows- It stands as a vision and, as such, is to be commended.</p> <p>Cross cutting issues need much more attention egg what is the actual commitment to environmental thinking? How does this underpin relevant policies? The issue of migration remains ambiguous. As does that of the nature of development. While the CM has stated that Social Objectives are to take more priority, what are the key policies that will underpin this-beyond a collation of existing ones?</p> <p>The nature of the proposed policies varies enormously from a Water Law ready for debate-albeit with contentious underpinnings- to a Transport policy which is a framework at present and has no indication of its core thinking.</p> <p>Resourcing. While I accept that the work has yet to be done, we need a better understanding of how services are to be financed and, indeed, of what new financing are required.</p> <p>Procedural- One of the factors proving a major inhibition to members is the fear that by approving the Plan, you essentially approve the follow up policies. "You approved it in principle".</p>

7

	<p>There is far too much implicit or potentially contradictory thinking embodied in the Plan for members to give it unconditional support. I suggest an in committee debate to gauge members' responses.</p>
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St Helier
JE4 8QT

Our Ref.: GCP/AMV

5 April 2006

Dear *F. Walker*


Draft Strategic Plan 2006-2011

You will recall that when I wrote to you in 2004 I was concerned that the Strategic Plan was too silent on the value of "investment" in children, and in particular those in the 0-3 years age group, an investment that research carried out in many countries has shown can pay handsome dividends for the future.

I concluded my letter in September 2004 by saying that, on the assumption that the Strategic Plan was a "living document", I hoped that action could be taken to better cover the points I had made. In your reply of 10 September 2006 you agreed that the Strategic Plan was a living document, which as I say gave me cause to hope that a future document would better cover the matters with which I was concerned.

There are real benefits to be obtained from an investment in children, and this applies from the earliest years. These benefits include -

- improved academic performance;
- enhanced social skills;
- reduced requirement for support in special needs;
- a reduction in crime and antisocial behaviour;
- improved life skills and job satisfaction.



Working towards better, more accessible and affordable childcare for Jersey's children

7

The Draft Strategic Plan in 2.6.1 states that proposals will be brought to the States in 2006 for an early years strategy which will increase the number of children with access to affordable early years education and care. This policy which is concerned with the 3-5 year old children deserves the greatest possible support – and I would earnestly hope that the proposals will be brought to the States in the first half of this year, adopted and fully funded. They have already been too long delayed. However the proposals do not cover the under 3's. In my view the Strategic Plan should include a general statement to the effect that an investment in children is an investment in the Island's future, and this investment should cover children over the whole age range.

An example of where it is important to address the needs of children covering the whole age range is to found in Section 1.3 of the Draft Strategic Plan which sets as an objective that the potential of the Island's workforce is maximised. In the list of "what we will do" there is a need for a specific reference to the importance of maintaining high female activity rates. This calls for investment in/support for child care facilities for the 0-3's; early years education and child care for the 3-5's (as proposed by the Minister for Education, Sport and Culture); and child care (after school / school holidays) for the 5-12's.

Section 3.6 in the Draft refers to an income support scheme. A very important feature of this Scheme which should be mentioned is support for those who would wish to work but who are presently disincentivised by the high cost of child care, or by the lack of after school/school holiday facilities. Enabling parents to support their families through work rather than through benefits is also an important objective to secure from which the economy as well as the individuals will benefit.

The Draft Strategic Plan gives a proper focus to the position of young people. What is required is an equally strong focus to the position of the children. Research has shown that many of the problems surrounding the activities of young people (e.g. anti-social behaviour) have their roots in the lack of adequate investment/support made available for children in their formative years. As Chairman of the Jersey Child Care Trust, and with my work with the NSPCC Pathways Centre at Le Squez in mind, it is disappointing to see that in the section of the Draft Strategic Plan headed "Vision for the Future" there is no reference at all to the fact that the children of the Island are the Island's future, and that an investment in the children from their earliest years is as important as investment in the Island's key industries.

On behalf of both bodies with which I am involved can I ask that before the Draft Strategic Plan is presented to the States it is amended to include the message that "adequate investment in the Island's children from the earliest years is recognised to be an important and necessary investment in the Island's future".

Kind regards,

Yours sincerely,



Colin Powell
Chairman

cc Senator Mike Vibert, Minister of Education, Sport & Culture
Fiona Breen, Executive Director, Jersey Child Care Trust
Nola Hopkins, Pathways Centre

DRAFT STRATEGIC PLAN 2006-2011

COMMENT

Page 5. The Plan is not based on cost cutting; £20m p.a. of efficiency savings by the end of 2009 will not reduce budget deficits but spent in other departments.

Page 7. Implement Fiscal Strategy. The plan gives no figures whatsoever on administration and other costs of implementing GST, zero-ten, other taxation, nor indeed does it give any idea of the cost of all the other things which the Plan seeks to do.

Page 11. Resource Statement. In order to have a sound economy, the anti-inflation policy is to keep RPI (x) at or below 2.5%, yet we are to have a 3% GST on everything, which would immediately nullify that policy. The cost to the average household will be over £800 p.a., according to the Crown Agents.

With no transfers since 2001 and no expectation of transfers to the Strategic Reserve up to 2011 at least, the intention is to bolster it by selling the States-owned JT, JEC and JNWW utilities. These public utilities have served us well over the years. If ever sold, we must expect increasingly higher charges thereafter to pay for acquisition, directors and shareholders, very likely foreign; a great disservice to the Jersey people, indeed.

Page 12. Revenue and expense forecasts 2006-2011. Three years ago we were told that GST would be needed to partially reduce the zero-ten deficit in 2010, but we see that it is wholly needed right from its planned introduction to prevent £13m deficits in 2008/9. Furthermore, with black hole predictions of anything from £80m - £100m p.a. from 2010 onwards, what confidence can we have in deficit forecasts of only £29m in 2010 and £33m in 2011 and, with increasing States expenditure with unknown rates of inflation ahead, what deficits thereafter?

Page 14/19 Commitment One rightly says that we have a strong, internationally competitive finance industry, that we are a world-class business centre for all the reasons given therein, being totally in line with other major advantages given in the May 2002 Oxera Report, with its overall conclusion that Jersey's current tax rate appears to be sufficiently

competitive. Our finance industry continues to prosper and expand for all those reasons, despite some lower rates elsewhere, so what need is there to halve the current rate *in case* at some time in the future the loss of business more than offsets the large profits in its domestic business and major diversification elsewhere, particularly so as we are running serious deficits now.

Page 21. Monitor EU developments. With Gordon Brown having made it quite plain at a finance ministers meeting in Brussels over a year ago that he will not tolerate any interference in tax matters, unwelcome pressure from the EU is now unlikely. We are now an autonomous jurisdiction, anyway, and we will participate in the OECD global forum on taxation to safeguard our interests.

PROPOSED ZERO-TEN CORPORATE TAX

The proposed zero-ten corporate tax, said to be necessary to keep the Island's finance industry competitive and avoid pressure or sanctions from the EU/OECD, the £80-£100m shortfall to be partly made up by a 3% Goods and Service Tax in 2008 to raise £40-£45m annually. Yet we read all the time of how well the finance industry is doing, major banks increasing their presence here, funds with Jersey banks at record levels, new initiatives to bring in more business of various kinds, that Jersey has all the financial expertise required, excellent location, communications, political stability, future success and profitability assured.

The May 2002 Oxera Report, while mentioning competition from other jurisdictions, emphasised Jersey's key advantages over them. Their overall conclusion was that Jersey's current tax rates appear to be sufficiently competitive to maintain the financial services sector at its present level and this is amply borne out in our highly successful and expanding finance industry today. The hundreds of English-named companies which have gone over the last 18 months must have been mainly due to determined offshore anti-tax avoidance measures announced in the July 2004 UK budget.

A zero-ten tax regime will be far from simple or administratively easy in operation. For example, in the case of law and accountancy firms, how will net profit be split between zero rate on their domestic business and 10% on their offshore operations when they share the same partners, office buildings, communications and maintenance etc?

The same problem of dual offshore and domestic business involvement applies in large measure concerning the long-established Jersey banks with extensive local business and private deposits, loans, mortgages, insurance, etc., and now also heavily engaged in offshore banking and finance activities. Should they not be taxed separately on their domestic and offshore profits, and how could that be done?

No estimate of the loss in tax revenue and interest thereon which will result with a zero tax rate on non-financial corporations trading in Jersey has been made known but it must be a large figure, indeed. In addition to the well-known UK names must be added A. de Gruchy, Guiton Group and Jersey Gas which no longer have Jersey shareholders, and so no tax to the Tax Office will be payable.

Departing from the traditional regime of all Jersey corporations paying tax on annual audited results direct to the Tax Office to taxing Jersey resident (only) shareholders according to their percentage ownership will be an onerous time-consuming administrative task which will in many cases require staff at a senior level, with delays in payment for many reasons to be expected. Again, no estimated figure of collection costs under the proposed zero-ten tax regime has been made known but that too, must be a very considerable figure indeed.

In addition to these problems, taking into consideration that for a wide range of finance-related concerns with offshore and domestic involvement a two-tier tax regime would also be difficult and costly to operate, is zero-ten even feasible?

One thing is certain, Gordon Brown will be pleased if we have zero-ten.

27th March 2006



Dear [REDACTED]

Jersey draft strategic plan

Thank you for sending me a copy of the draft plan. As one would expect it contains a large number of laudable aims and objectives and were our government able to deliver all it aspires to then our Island would undoubtedly be the better as a result. I would emphasise that the opinions I express here are my own and in now way reflect the opinions of WEB as a Company.

I do not question the motives that lie behind the ambition as set out but I feel I must question whether much of this report is appropriate for an Island with such a small population with the limited access to land and labour that is required.

To help you put my comments in context, I have spent most of my working life as a financial professional in Jersey and have worked in both the Tourism and the Financial Services Industry at a senior level. In the last two years I have worked for WEB an organisation that sits on the interface of the public and private sectors. I have five children in an age range of 16 to 4 and their interests over the longer term, and whether Jersey will offer them opportunities in which they can flourish, colour\$my comments as much as the sum of my experiences to date.

In the course of my career I have come to realise that, whilst the majority of management teams are capable of formulating a credible strategy very few of them are competent to implement it successfully. This is generally because organisations are usually not joined up enough to understand the critical success factors, measure progress and flex plans to ensure a successful outcome and/or because the balance of the short term and longer term factors that are so important to success are mixed up. This is true of the private sector even where a profit motive is a key, unifying driver but, inevitably I suspect, is even truer of government where the motives for action are even more diverse and complex.

Despite the move to ministerial government and other reforms that have taken place I have seen little evidence that overall ability to successfully implement strategy has

risen. On the contrary the pressure on government finances might actually reduce rather than increase the ability to implement – no organisation can hope to achieve successful implementation unless it can commit sufficient resource and sustain it over the longer term, align itself to its strategy thus motivating its staff to implement by cascading the high level strategy down through the organisation in a way which copes with the distortions that occur at the operational level and overcomes the inevitable lack of clarity over prioritising between conflicting pressures. These are major organisational challenges that require great leadership and organisational ability to overcome.

In simple terms I don't think that the Island can command or afford to commit to a centrally planned and controlled economy and society and nor do I believe it should do, since the available resources are scarce and the government could easily erode the competitiveness of the productive economy by over drawing on the available resource.

I think the best way the government can contribute to the Island's success is by minimising its intervention in people's lives and allowing markets to operate efficiently. Intervention should only take place in circumstances where a market mechanism is incapable of delivering a policy objective without government intervention. I think that this principle should be extended to allow citizens to choose for themselves where they buy services from. If government wishes to redistribute wealth through the tax and benefits system to enable less advantaged citizens to enjoy a better standard of living then this should be done without the government also becoming the service provider. For example there is no need for the States to provide the majority of housing, and education on the Island as well as providing the funding to make it affordable for the majority of citizens. I would prefer to see these separate issues de-coupled which would be no different to allowing patients to choose their own GP and a subsidy being paid against the cost of the service. There should be a presumption against government service provision unless there is an overriding need for the government to do so. Equally public sector commercial assets should be sold off and the funds applied to deliver strategic investment projects and resources that the market would not otherwise provide.

In terms of strategic management the government should focus its efforts on improving the supply side of the economy. This in part could be accomplished by encouraging markets and reducing the size of the public sector. Another key issue is the reduction in the number of policy constraints on economic performance. The government should encourage the efficient use of land through the planning system and the matching of labour supply and demand through the labour market, providing incentives to citizens to improve their skills base and to work.

Above all, government should adopt a more honest approach to migration policy. I do not believe that a two class citizenship is in the long term interests of the Island and I believe it is inherently wrong to give unequal rights to taxpayers in terms of residential status although I accept that reforms in this area have to be managed and phased over time. More fundamentally I don't believe that economic prosperity can be indefinitely sustained unless the working population is allowed to grow to meet the needs of the industries generating the wealth. The government should be positively encouraging economically active and skilled people of working age to come to Jersey

and should offer them full citizenship rights in order to attract the best candidates. If managed correctly, the growth created in the wealth of the Island will exceed the additional cost of sustaining the increased workforce and their dependants.

I believe that the finance industry has become indispensable to Jersey's wellbeing and that if the Island wishes to reduce this dependency over time then the best route is to encourage the private sector to build a much more robust and modern tourism industry. By definition I believe that this will happen only when the industry weans itself off of government subsidy and the planning system recognises the need for change in both the urban and the rural environment.

As you might expect, given the role of WEB, I believe that a more flexible use of land and especially of St Helier and other brown field sites is a fundamental pre-requisite of success in the long term. The planning system should have a presumption of consent for development unless a proposal can be seen to challenge any strategic objective. Without wishing to diminish the importance of quality in the built environment, I think too much emphasis is placed on matters of design and form and not enough on utility, civic and commercial value. Citizens should be free wherever possible to enjoy their propriety without government interference. I believe that the lack of appropriate balance here lies in the freedom given to individuals to make, what in some instances are, key development decisions without a management system capable of taking those decisions through a wider more balanced consideration as I have described.

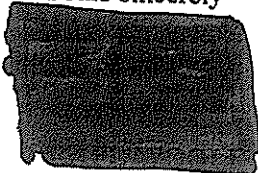
These problems are at risk of being compounded by the pressures on government finances. With budgets under downward pressure, innovation and quality will be under threat. I believe that these pressures could be alleviated if the government were to stop squeezing budgets across the board and instead to fundamentally review the scope of its activities and exit from those which could be done by others at less cost.

Finally I would criticise the strategy for failing to set out a simple and concise balanced scorecard of key performance measures that take account of both long terms and short terms needs and for which ministers could be held personally accountable by the electorate.

I hope these comments are useful and find common voice with other you may receive.

With kind regards

Yours sincerely

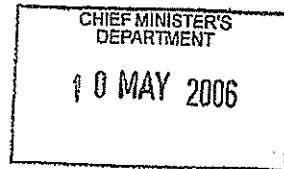
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The Jersey Chamber of Commerce and Industry Incorporated

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Senator Frank Walker
Chief Minister
Cyril Le Marquand House
PO Box 353
The Parade
St Helier
Jersey, JE4 8UL



8th May 2006

Dear Senator Walker

STATES STRATEGIC PLAN, 2006 – 2011

Chamber's views concerning the strategic plan have broadly been communicated to yourself and the Council of Ministers over the past few weeks either through face to face meetings or via our online newsletter. I enclose the article prepared by Clive Spears, vice-president, for the March edition for your reference. Overall we welcome this initiative by your Council of Ministers setting the agenda for the next few years in a clear and cogent form. It is, however, worth briefly re-iterating the following points:

- Chamber is very concerned about the additional expenditure outlined in the plan. Whilst you make a case for why this additional expenditure is necessary and continue to stress that meaningful cost savings have been made, and progress is clearly reported. It is essential that the savings that have been made are clearly visible and open communication of achievements versus targets is essential to maintain confidence in the plan.
- Whilst we appreciate that you have indicated that the financial projections in the plan are a 'worst case scenario' it seems apparent that the Island must aim for an economic growth target greater than 2% to avoid a structural deficit post 2008. The development of an enterprise culture, whilst minimising red tape and government interference is key. Government can also assist by being speedy in decision making whenever possible especially in major projects such as the Waterfront.
- We welcome your efforts to identify opportunities to save money by cooperating with Guernsey, we believe that there are numerous opportunities to further both islands mutual interests and would urge your Council to pursue this objective at all levels. In our view both Jersey and Guernsey have much to learn from each other.
- We are keen to see the development of a small business agenda which will support and develop new businesses as well assist existing businesses to grow. We are pleased to note that there are proposals contained within an enterprise and business development strategy which start to do this (small firms loan guarantee scheme, business angels, access to venture capital, business incubators etc), all due for implementation in 2006. We would also like to see a more flexible approach to small businesses in respect of the "five year" rule under RUDL and a lower threshold for social security when someone leaves employment to start up their own business.
- The Island must in particular support businesses that generate export earnings (like financial services, tourism and agriculture) or provide import substitution (through food production and light industry). We are aware that no statistics are published in relation to the Island's balance of payments position, but nevertheless it is important that appropriate emphasis is given to this issue. One important contribution to this is through the States own procurement policies recognising the importance of ensuring that local suppliers are given the opportunity to tender for business and highlighting the value of keeping money in Jersey when ever possible. A tangible example of "Pride in Jersey" is using local goods and service providers after all.



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- We welcome the potential outsourcing proposals alluded to on page 3 of the plan, "*....An essential part of our vision for the future is recognising that Government should only intervene in the workings of the Island where necessary and we will continually check whether public services are best provided by directly employed staff, by another provider, or through a partnership arrangement....*" A key thrust of our letter to Senator Le Sueur late last year was a focus by Government on its "core business" as a way of saving money and being more efficient so we are pleased to this point being taken on board. We would suggest that this objective be pursued through a formal review perhaps informed by groups such as Chamber and the IOD.
- We are pleased to see the intention to pursue more active management of States property holdings, although the target of incremental benefits of £22 million over a five year period do look quite modest. With such a substantial portfolio, and with a number of assets clearly under utilised we hope the achieved benefits will be substantially higher.
- We welcome a review of States businesses with a view to privatisation and believe that this is the optimum time to be taking such action not only to maximise efficiencies but optimise capital returns before erosion of market share caused by competition policy and of course to maintain an appropriately diversified investment portfolio.
- We welcome the pursuit of more transparent financial reporting and the adoption of GAAP and look forward to the positive contribution of the PAC and Auditor General in identifying waste and other cost reduction opportunities.

As you have publicly stated, investment is necessary in the Island's social programme in order to maintain the high standards of living enjoyed and expected by the local population. We believe that investment in the business programme is just as essential and would trust that funds are available to deliver some of the positive proposals being suggested. I think we should also fairly point out that given the perceived budget loosening in the social area, our previous somewhat abstemious outlook on expenditure to support business, in the belief of a net reduction in States expenditure, has altered to a degree. It will be our intention to pursue a wider range of support for small business start ups than first envisaged which we expect to table with the Economic Development Minister in due course.

Chamber are happy to collaborate at a strategic level in the appropriate forum, but also look forward to receiving and having input into detailed plans to support a thriving business community, and therefore a thriving economy for Jersey. To this end the anticipated regular meetings with Phillip Ozouf and the improved communication programme between us as touched upon by Bill Ogley will be invaluable.

Yours sincerely

KEVIN C KEEN
PRESIDENT

Cc: Senator Philip Ozouf
Senator Terry Le Sueur

Chamber



on-line

Here is a comparison of the net revenue expenditure for the Budget published last year and the new Strategic Plan:

Net revenue expenditure (£ million)	2006	2007	2008	2009	2010	Total
New Strategic Plan	441	452	479	492	504	2,378
Year on year growth	3.8%	4.8%	3.7%	2.7%	2.4%	
2006 Budget	441	454	467	480	490	2,322
Year on year growth	3.8%	2.9%	2.9%	2.8%	2.1%	
Additional spending (£ million)		8	12	12	14	46

I still believe that savings in government expenditure could be achieved without neglecting the conditions of our roads or housing stock; we made some suggestions to Treasury Minister Terry Le Sueur in a letter late last year, but have still not had a reply. Taking up our recommendations would have meant some tough decisions, but the longer they are put off the more difficult it will be.

In response to the Jersey Evening Post's campaign, publicpurse@jerseyeveningpost.com, Senator Le Sueur has now said that a committee will be set up to look at other opportunities to save money. My nominee for chairman of this committee would be Constable Simon Crowcroft, who has demonstrated what can be done in local government with the right motivation (very angry ratepayers) and preparedness to make tough decisions. We will monitor this new committee's progress.

Chief Minister Frank Walker will be speaking at our lunch on 26 April about the new Strategic Plan, which will give members an opportunity to question him about how this new 'black hole' is going to be filled. Book early to avoid disappointment.

Kevin Keen

Strategic Plan reveals a second 'black hole'

One important thing I have learned about planning is that it should be an evolutionary process, building on what has been done before and carefully thinking through the all-important strategic steps to follow. Qualities of communication and integrity have to be high to win confidence.

The latest States Strategic Plan is a step in that direction, but what has gone before is another story, which unfolds below.

I do not think the latest plan is finished yet. It cannot be left as it is, because a lack of further action will inevitably cause greater problems in the future. We cannot excuse ourselves through the expression of 'balanced cyclical management', and I will question below the cyclical approach advocated in the plan so far.

But first we should remind ourselves of the last published plan, which we at Chamber were asked to support and the key components of which were as follows:

- Raise an additional £60m pa through new taxation.
- Save £20m pa in government expenditure.
- Promote economic growth at 2% pa to generate £20m pa.
- The above to fill a 'black hole' of circa £100m pa.



Chamber



on-line

As members know, Chamber has generally accepted tax proposals to date on the basis of their being the 'least of all evils', and on the understanding that the plan was one of shared pain for both private and public sectors, with a real commitment to growth to successfully take the economy out of its current difficulties.

Chamber's position has been conducted since then as follows:

We have facilitated an in-depth consultation with business and States on the tax package.

We have continued to pressure for a tactical economic growth plan, and although this was slow initially, more recent developments and dialogue are encouraging.

We have searched for the net government expenditure savings of £20m, but have not found them and have continued to ask where they are.

The new plan now says:

The tax package as originally conceived will be driven through.

Economic growth at 2% will be, and is being, developed.

Net government expenditure savings of £20m pa are not possible because, although savings can be found in some areas, to equate with this figure the savings need to be spent on a much larger structural problem in the economy covering health, an ageing population, residential care and pensions. In other words, there are two black holes and not just the one articulated in the original strategy.

We are told that there are two choices: either to engage in a defensive and cutting strategy or go for growth to trade out of these difficulties. Not unsurprisingly, the latter choice has been taken, but as you will see below, a good deal more thinking is required to make this work, let alone assuage the disappointment members must be feeling over how rapidly the original plan has changed in the case of government spending. Now an even greater onus sits with the private sector.

This demonstrates that winning support for policies can be so easily undermined and confidence tested if plans are ill conceived in the first place, for clearly the first plan was transfixed on the effects of 'zero-ten'. Meanwhile, another problem of considerable dimensions, anywhere upwards of £20m pa as my best estimate on figures available, was in fact far more pressing.

The table here is extracted from the draft plan, where GST is seen to be required a lot earlier than is zero-ten in order to balance the books.

	2006 £'m	2007 £'m	2008 £'m	2009 £'m	2010 £'m	2011 £'m
States Revenues (2006 Budget)	472	488	501	514	462	471
Anticipated States Revenues - GST, 2020			47	49	51	53
Potential States Revenues	472	488	548	563	513	524
Revenue Expenditure Forecasts	441	462	479	492	504	518
Capital Expenditure Forecasts	39	39	42	42	45	46
Total Net Expenditure Forecasts	480	501	521	534	549	564
Expenditure growth	2.8%	4.4%	4.0%	2.5%	2.8%	2.7%
Contribution from Dwelling Houses Loan Fund		4	7	7	7	7
Expenditure growth after Dwelling Houses Loan Fund	2.8%	3.5%	3.4%	2.5%	2.8%	2.7%
Projected Surplus/(Deficit)	(8)	(9)	34	38	(29)	(33)

Without GST..... (13)
Before Zero Ten



Chamber



on-line

Finally, and most disconcertingly, observe that 2010/11 shows net deficits which are explained as 'a balanced approach to managing the economic cycle'. In other words, the GST surpluses of the previous two years can cover the deficits of the next two.

But what of the next five years? The plan does not address this, beyond implying that the next economic cycle might be more favourable than the present one.

There are by contrast a number of positive points arising from the plan, many to be considered for the first time, such as:

It is a plan for growth, for this seems to be the only way to go if we are to maintain living standards and public services without additional taxation.

For the first time privatisation of at least the States-owned utility companies is under consideration. This is something we have called for since last year and we are delighted to see the issue will be progressed, although placing proceeds to the Strategic Reserve will hardly be an answer to our problems.

It is acknowledged that outsourcing of public services is worthy of consideration.

The Small Firms Loan Guarantee Scheme is formally adopted, along with Business Angels and enhanced business advice services.

GAAP-standard public accounts are planned.

A strategic partnership is proposed with Chamber. How this is to be developed is yet to be understood, but at least it puts business more at the centre of developing the plan, which can only be a good thing.

Yet despite the above, there are real fundamentals that need further attention, and which hopefully the offered consultative process will drive out. These key issues are:

If, notwithstanding our recommendations below, the required saving cannot be found in public expenditure, it leaves just two alternatives: higher taxation or increased growth. Given the burden already being placed on the taxpayer in this plan, it is inconceivable to look for more tax. This means economic growth will seemingly have to be targeted above 2% pa, more like 4% by my estimation.

Additional stimulus for growth will have to be found, requiring population policy to be re-examined. Further latitude will be needed to achieve the rates required and have the right skills in place.

A vigorous venture capital fund programme, with appropriate tax relief for private sector investors, will be vital. Don't lock up the proceeds of the utility companies in the Strategic Reserve, but find more creative ways of stimulating growth and at the same time get some return on our investment.

There remains a serious credibility gap on the question of public expenditure. Inevitably, there will be lingering doubts over whether any savings programme has been properly addressed, and in many cases these doubts will raise emotions. One way or another, therefore, this ghost has to be laid to ensure that the private sector does buy into the plan, because without this the purpose of consultation will have failed.

I simply propose the implementation of rolling, external value-for-money audits, the results of which are publicly discussed. This will drive out the savings that some at least believe are there, or confirm that opportunity is maximised and costs are controlled. In this open and public manner, the doubts that stand in the way of the constructive collective effort required to make a success of this plan can be removed and all can work for the greater rewards the plan seeks. Good communication, both through the consultative process and regular updates, will be essential.

Chamber looks forward to working with the States on developing an economic growth plan that will drive out required targets, which are probably twice that proposed to date, if we are to avoid additional taxation and retain the level of services we enjoy.

And although, admittedly, this article is critical of the plan in the key areas of growth and public expenditure, hopefully these criticisms, as part of the consultation effort, will be constructively received, as will the issues raised and the recommendations made.

Clive Spears
vice-president



Page 10	4	Does this mean that a scheme for old age care is contemplated?
Page 10	5	Strategy for an ageing society – remember that the aged are staying younger longer – this places more emphasis on sustainability of pensions rather than providing care homes.
Page 12		The public perception is that there will be a permanent cut in States spending. This implies that we shall still be spending the same but just on different things.
Page 12		This implies that items in the current capital expenditure plan will be axed. What are they?
Page 13		Do the terms of the Dwelling House Loan Fund allow for the spending of this money in dissimilar areas – or is the spending earmarked for something. If so, what.
Page 19	1.3.6	The International Business School. We have a broad idea of what it will do but in order to achieve something it needs to be monitored by people from the industry and run by people with knowledge of business and higher educational qualifications – preferably by holding these themselves.
Page 24	2.4	Increased employment rates in ages 50+ - need to start with HR and then re-educate the HR officers in the private sector – maybe joint programme with Age Concern?
Page 26	2.8	Team games support the critical skill of working together. There must be team games for the rabbits as well as the stars.
Page 26	2.9	Registration system for bicycles.
Page 48	2.5	Local graduates in relevant subjects.
Page 48	2.6	Maintain proportion and profile of people entering higher education – conflicts with 2.4.3 re vocational options. Or, alternatively, are we offering degrees in plumbing.
Page 48	2.6	School performance – only if they know the 3Rs. The Universities are increasingly fed up with having to provide remedial courses for undergraduates.

7

Page 49	3.6	Reduction in the number of children etc – I assume this means increasing income and not advocating birth control?
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