

# HOUSE OF KEYS OFFICIAL REPORT

RECORTYS OIKOIL Y CHIARE AS FEED

# PROCEEDINGS

## DAALTYN

HANSARD

Douglas, Tuesday, 10th May 2016

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#### Present:

The Speaker (Hon. S C Rodan) (Garff); The Chief Minister (Hon. A R Bell) (Ramsey); Mr G G Boot (Glenfaba); Mr L I Singer (Ramsey); Hon. W E Teare (Ayre); Mr A L Cannan (Michael); Mr R K Harmer (Peel); Mr P Karran, Mr Z Hall and Mr D J Quirk (Onchan); Hon. R H Quayle (Middle); Mr J R Houghton and Mr G R Peake (Douglas North); Mrs K J Beecroft and Mr W M Malarkey (Douglas South); Mr C R Robertshaw and Mr J Joughin (Douglas East); Hon. J P Shimmin and Mr C C Thomas (Douglas West); Hon. R A Ronan (Castletown); Mr G D Cregeen (Malew and Santon); Hon. J P Watterson and Hon. L D Skelly (Rushen); with Mr R I S Phillips, Clerk of Tynwald.

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### House of Keys

The House met at 10.00 a.m.

[MR SPEAKER in the Chair]

**The Speaker:** Moghrey mie, good morning, Hon. Members.

Members: Good morning, Mr Speaker.

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The Speaker: The Chaplain will lead us in prayer.

PRAYERS

The Chaplain of the House of Keys

#### Leave of absence granted

**The Speaker:** Hon. Members, I have given leave of absence today to the Hon. Member for Rushen, Mr Gawne.

## Welcome to visiting Members of the National Assembly of Kenya

10 **The Speaker:** It is my pleasure to welcome to the Distinguished Visitors' Gallery Members of the Kenyan National Assembly, led by the Hon. Richard Moitalel ole Kenta, who are here on a study visit to the Isle of Man. You are very welcome.

Members: Hear, hear.

## Welcome to Deputy Clerk of the Legislative Assembly of the Falkland Islands

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**The Speaker:** May I also welcome to the House today the Deputy Clerk of the Falkland Islands' Assembly, Cherie Clifford. You too are welcome.

Members: Hear, hear.

## 1. Questions for Oral Answer

#### Procedural

20 **The Speaker:** Hon. Members, we turn to Item 1 on the Order Paper, Questions for Oral Answer.

As Members will see, there is a significant number of Oral Questions brought forward from last week. In view of this, I propose to group some of the Questions by topic, so that they may more easily be dealt with. The groups will be: Questions 1, 2 and 3; 9, 10 and 11; 14 and 15; and 18, 19 and 20.

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I shall take each of the other Questions separately in their numerical order.

#### TREASURY

#### 1.1.-1.3. EuroManx liquidation – Financial details

The Hon. Member for Onchan (Mr Karran) to ask the Minister for the Treasury:

1.1. Whether the Treasury knew of the £20 million overdraft by EuroManx in 2005 and the linked guarantee by HBOS bank at the time of extending credit to the company? 1.2. How much money was recovered and renaid to the public purse by PWC from the

1.2. How much money was recovered and repaid to the public purse by PWC from the liquidation of EuroManx in the Isle of Man?

1.3. Whether the decision to give EuroManx extended financial support by the Treasury was financially sound and was justified given the reality of EuroManx financial situation?

**The Speaker:** I call on the Hon Member for Onchan, Mr Karran, to ask Questions 1, 2 and 3, which were postponed from last week.

30 **Mr Karran:** Vainstyr Loayreyder, I ask the Treasury Minister, whether the Treasury knew that there was a £20 million overdraft by EuroManx in 2005 and that it was a linked guarantee by HBOS at the time of extending credit to the company?

Question 2 is: how much money was recovered and repaid to the public purse by PWC from the liquidation of EuroManx in the Isle of Man?

35 And Question 3: whether the decision to give EuroManx extended financial support by the Treasury was financially sound and was justified, given the reality of the EuroManx financial situation?

I so ask.

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40 **The Speaker:** I call on the Minister for the Treasury, Mr Teare to reply.

#### The Minister for the Treasury (Mr Teare): Thank you, sir.

In answer to Question 1, we can find no reference to an overdraft of £20 million.

In answer to Question 2, I can advise the Government received £285,111.23 following the liquidation of EuroManx.

And finally, in response to Question 3, yes, the decision to extend financial support was sound, because the amount owing to Government was less than it had been previously.

Thank you, sir.

The Speaker: Supplementary question, Mr Karran.

**Mr Karran:** Vainstyr Loayreyder, can the Shirveishagh Tashtee tell us how much was actually owed to the public purse, to allow for the  $\pm$ <sup>1</sup>/<sub>4</sub> million plus that came back for it?

Would the Minister say if it was incompetence on the part of the Treasury to extend credit to EuroManx when £20 million of an overdraft had been guaranteed by HBOS, which was a failure on the part of the Treasury to establish the truth as far as the finances of EuroManx, which was allowed to run up over £1 million worth of debt as far as the public purse is concerned – on Question 1?

Can the Treasury Minister, on Question 2, agree that it was incompetence on the part of the Treasury not to establish the facts and to take the appropriate steps to protect the public purse before extending over £1 million worth of credit to the company?

And on Question 3, is the Treasury now going to accept that the Treasury and the public purse have been taken for a very expensive ride by the directors of EuroManx, because of the significant failures on the part of the Treasury to verify the information that was presented to it by the directors?

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The Speaker: I call on the Treasury Minister to reply.

The Minister: It is quite rich, saying to Treasury that we should verify our information: if the Hon. Member or his researcher, which I think is more to the point, had done their research, they could have checked the annual returns to the Companies Registry dated 2004, July 2005 and July 2006, which indicated a company indebtedness of nil. So where has the £20 million come from?

The Speaker: Mr Karran.

75 **Mr Karran:** Vainstyr Loayreyder, would the Minister go through the accounts, as far as the receiver's company is concerned, which will show him the true reflection as far as that is concerned?

And if we are talking about researchers, maybe you would be better seeing *my* researchers than his own research, as far as this is concerned.

80 Can the Treasury Minister also say, what is a case of incompetence as far as the Treasury, that the directors of EuroManx were able to obtain substantial financial benefits from the public purse because of the Treasury's failure to verify the financial information being shown to it with the Isle of Man Bank?

Would the Treasury Minister not agree on this whole affair: have lessons been learnt?

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The Speaker: Treasury Minister.

**The Minister:** Certainly, lessons are always learnt, and we do not have a monopoly on being right, which appears to be the province of the Liberal Vannin Party.

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Nevertheless, I am satisfied that here on the evidence before me, Treasury took the correct decision. If in November and December 2007, the decision had been made not to continue to support the company, then there were two issues outstanding here: the first is that the company and its operations would have ceased over the Christmas period; and secondly, it was operating on the London City route, and as the Hon. Member will be aware, that is vitally important to our business and commercial sector.

So overall, I am satisfied that Treasury acted properly in this instance, but I am also disappointed that something which happened nearly eight years ago is now the subject of Questions. If this had been a learning issue, surely Questions should have been asked earlier – although I do acknowledge there were some Questions asked in 2010.

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The Speaker: Hon. Member for Douglas South, Mrs Beecroft.

#### Mrs Beecroft: Thank you, Mr Speaker.

Would the Treasury Minister acknowledge that just because there is 'nil' stated on an annual return, it does not necessarily mean that there is no debt; it means that there is no registerable debt? It would be up to the Treasury whether to register it or not.

Or if my understanding is incorrect, if the Treasury Minister could clarify where my understanding is wrong.

Could the Treasury Minister agree that if there is nothing to worry about, which he says about this, would he welcome the Public Accounts Committee having a thorough investigation of the whole affair?

#### The Speaker: Treasury Minister.

115 **The Minister:** I have no problem with the Public Accounts Committee having a look at it. What I would say is that after the effluxion of this time, the papers that we have are quite limited.

#### The Speaker: Final supplementary, Mr Karran.

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**Mr Karran:** Vainstyr Loayreyder, does the Shirveishagh remember that the fact is that we allowed the plane to fly out of the jurisdiction of this area as far as that issue is concerned, or are we going to brush that under the carpet?

- Would the Minister tell me whether he will now say on the public record that he gave the fullest possible assistance to Elliott Green of Oury Clark, who were the court-appointed liquidators of Corporate Jet Realisations Ltd, which investigated the affair of the company and the subsidiaries, which included EuroManx Ltd? And will he be supporting that, in order that we find out the truth as far as that issue is concerned?
- And would he finally agree that when looking at his files, would he accept the truth that the 130 Treasury ignored or disregarded information because it did not serve the political objectives of the Council of Ministers at the time, in order to protect the public purse? And what assurances can we have in this House that, with the recent multi-million pound deals going on, with the fact that they are signed up for 15 years, we have learnt the lessons as far as that is concerned?

#### 135 **The Speaker:** Treasury Minister.

**The Minister:** I go back to my previous comment: it was successful because the outstanding debt did reduce, and in the meantime, the obligations which the company had due to Government were being serviced.

140 What I would say is that the Hon. Member's Questions are consistent with a Question which he raised in another place on 15th March about the actions of Government putting companies into liquidation. I am disappointed – obviously, there is something else behind this, and if the Hon. Member wants to come and have a word with me, I would be delighted to speak to him in private.

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The Speaker: Hon. Members, if Members wish to remove their jackets, they may do so.

#### POLICY AND REFORM

#### 1.4. Zero-hour contracts – Number issued in public service

The Hon. Member for Onchan (Mr Karran) to ask the Minister for Policy and Reform:

How many zero-hour contracts have been issued to substantive post holders in the public service in the last two years?

The Speaker: Question 4, Hon. Member for Onchan, Mr Karran.

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**Mr Karran:** Vainstyr Loayreyder, how many zero-hour contracts have been issued to substantive post holders in the public service in the last two years? To the Shirveishagh of Policy and Reform, I so ask.

155 **The Speaker:** I call on the Minister for Policy and Reform, Hon. Member, Mr Shimmin.

#### The Minister for Policy and Reform (Mr Shimmin): Thank you, Mr Speaker.

According to the records held by the Office of Human Resources, of those employees holding a substantive contract in the public service, 88 new zero-hours assignments were created in 2014-15 and 108 were created in 2015-16.

Thank you.

The Speaker: Supplementary, Mr Karran.

165 **Mr Karran:** Thanking the Shirveishagh for his reply, does he feel this is a healthy situation, as it seems it is a growing process; that we need to review this policy so that we do not end up creating an underclass in our society who cannot even get a mortgage, have no security as far as this policy is concerned?

Also, would the Shirveishagh consider the issue of whether there is a breakdown as far as these substantial posts, between management levels and the people at the bottom ending up with no employment protection or anything?

The Speaker: Mr Shimmin to reply.

#### 175 **The Minister:** Thank you, Mr Speaker.

Once again, the Hon. Member for Onchan chooses to see all the negatives and none of the actual positives, both in the benefit it can give to the Government and to individuals, but also the change in policies as they are happening.

- Part of the reason for this increase in the number of zero-hours contract is Government policy with regard to capping the number of staff to try and maintain a level that we do not keep continually growing the staff in Government. Some Departments have necessarily had to get around that freeze, because particularly in areas of health and social care, education and indeed manual and craft workers, without some people coming in on zero hours, the public would be less disadvantaged. Indeed, for some individuals, zero-hours contracts are a very positive flexibility that add some income to those households.
  - However, surprisingly for the Hon. Member for Onchan, I would agree there should be nobody on a zero-hours contract who is holding a regular post that is a means of getting around the system. Therefore, we are continuing to encourage Departments to ensure that where there is a substantive post that has been regularly filled by the same person, they should be afforded a full-time contract and indeed, policy of Government has now changed that there is no longer a
- 190 full-time contract and indeed, policy of Government has now changed that there is no longer a

cap on those posts and can actually be more efficient and beneficial to the taxpayer to have people in the substantive post than on some sort of contract which has zero hours or part-time.

The Speaker: Hon. Member, Mrs Beecroft.

Mrs Beecroft: Thank you, Mr Speaker.

Given that the cap, as the Minister has just said, no longer applies, how come that it applied to 2015-16, when there was a 20-increase in numbers between that and the previous year?

200 The Speaker: Minister to reply.

> The Minister: Because, Mr Speaker, the issue about the cap on numbers was identified as a necessary state of holding and reducing the workforce in Government. It exposed in some areas - the ones I have just outlined - that that was having significant impact upon the ability to and the efficiency to deliver those services. Therefore, the wage bill will be capped, but not the number of individual members on the workforce.

> So you may find the situation is that it is less cost to wage, because you are employing people directly, rather than on some of these temporary contracts.

#### The Speaker: Mr Karran, supplementary. 210

Mr Karran: Vainstyr Loayreyder, the Shirveishagh is quite, that there are cases where the flexibility of zero hours is very good – like job-sharing is a very good idea – but would he not agree that the danger is what we are finding is that, if you did do the breakdown, you will find that there is an element within society who now have no employment rights, no protection as 215 far as this policy is concerned? Would he not agree that by using this device, you are not really adhering to the issue about man-head in the fact that all you are doing is circumventing our own employment law for our own people who are working for the public service?

The Speaker: Reply, sir. 220

> The Minister: No, we are certainly not circumventing any of the legal issues involved in this. However, there are areas such as health care assistants, there are areas such as the tourism sector, where there may be short-term requirements to have people brought in because of sickness or because of holidays. Therefore zero-hours contract has a place.

> But I would agree – and when the Hon. Member is winning, maybe he stops pushing – we are attempting to try and reduce the number of zero-hours contracts issued, because when we are employing people on bank staff, it is a far more expensive and less efficient way of bringing people in. If we can reduce those numbers, (A Member: Hear, hear.) give people full-time posts, everybody wins.

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So we are deliberately trying to achieve that and the message of change and the serial cap on workforce within Government means that now we may have Departments with a bit more flexibility to achieve that outcome.

The Speaker: Final supplementary, Mr Karran. 235

> Mr Karran: Thanking the Shirveishagh for his reply and his assurances, will he be able to give some sort of timescale of how we are going to try and change this policy?

When we look at these figures, are these figures completely throughout Government? Does this include nurses as well, within these figures, as far as zero hours are concerned? 240

The Speaker: Mr Shimmin.

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**The Minister:** The previous questioner, Mrs Beecroft, raised the issue about when and how could this be the case? We are now in financial year 2016-17. The head cap has changed, but the financial award for payment to Departments is going to be rigorously applied, so there is no opening up of the gates in order to allow Departments to get around the cap on costs of employment.

But certainly the nursing areas, and indeed, this can misdirect some of the figures that I give out, because in some instances, individuals may hold several zero-hours contracts because they have got a contract as a healthcare assistant possibly for Noble's Hospital, Ramsey Cottage Hospital, Mental Health and Primary Care. So you could have one person with four zero-hours contract, which does distort the figures slightly.

#### TREASURY

## **1.5.** Construction work in public sector – Government powers over sub-contracting

The Hon. Member for Onchan (Mr Karran) to ask the Minister for the Treasury:

What powers Departments have to direct which sub-contractors may be used by contractors for construction work paid for by public funds; and on what basis are such directions made?

The Speaker: Question 5, Hon. Member, Mr Karran.

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**Mr Karran:** Vainstyr Loayreyder, I ask what powers the Department has to direct which subcontractors may be used by contractors for construction work paid for by public funds; and on what basis are such directions made? To the Shirveishagh Tashtee, I so ask.

260 **The Speaker:** I call on the Treasury Minister, Mr Teare.

#### The Minister for the Treasury (Mr Teare): Thank you, sir.

Section 26(3) of the Interpretation Act 1976 provides that where an enactment empowers any person or authority to do any act or thing, all such powers shall be seen to be also given as are reasonably necessary to enable that person or authority to do that act or thing, or are incidental to the doing thereof.

This means that where a Department is engaged in construction for the purposes of its functions, it will have the power to engage contractors and/or subcontractors to carry out this work as this would be deemed to be reasonably necessary in the circumstances. The Departments are free to contract with third parties on such terms as the relevant accounting officer deems to be reasonable, subject to the provisions of the financial regulations. The accounting officer is bound to comply with the terms of the financial regulations in agreeing to the terms of any contracts. FD8, paragraph 16, requires that all contractors used for the provision of construction services are included on the Manx Accredited Construction

275 Contractors' Scheme maintained by the Employers' Federation.
 I would, as usual, like to add that if the Hon. Members are aware of any issues, my officers will be happy to look into it.

Thank you, sir.

280 **The Speaker:** Supplementary, Mr Karran.

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**Mr Karran:** Thanking the Shirveishagh Tashtee for his reply, I think maybe that would be one way that needs to be looked at, as far as ... they are not over the floor of this House.

But one of the things that I am concerned about is: what assurances can I have that any direction done by a Department, on the basis that people being subcontractors ... it is not done on a transparent basis, to ensure that there is no way that politicians or civil servants can blackball a subcontractor on a grace-and-favour basis?

#### The Speaker: Mr Teare.

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**The Minister:** No, the contract is let to the main contractor. The only occasions when we would stipulate the subcontractors to be used would be, for example, where there is mechanical and electrical work, and we would request the main contractors to include the successful M&E subcontractors within their overall quotation.

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But the whole process is open and transparent. It is up to the main contractor to decide in the main who they would employ as their subcontractors to undertake the construction work on behalf of Government.

The Speaker: Hon. Member, Mr Quirk.

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Mr Quirk: Thank you, Mr Speaker.

Could I ask the Minister then, regarding the scheme that is done by the Employers' Federation under the Manx-accredited scheme, if the scenario was that somebody was being adversely affected by tender documents or collusion or anything like that, would you as the Minister encourage them to make a complaint to the Employers' Federation for it to be investigated and your Treasury officials could then be involved?

#### The Speaker: Minister.

**The Minister:** In fact, I would go further than that; I think the Treasury would like to know about it as well and if there is an issue, then (**A Member:** Hear, hear.) we would like to review it and deal with it appropriately.

The Speaker: Mr Karran.

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**Mr Karran:** Thanking the Shirveishagh for his reply, would he not agree that now that we have seen the activity as far as the construction industry being 70% to 80% dependent on the public purse and public products, as far as the construction industry is concerned, that it is an issue that he needs to be vigilant on? Could the Shirveishagh tell me where it is written down as far as if any directives are given as far as construction contracts are concerned, so to make sure that there would be a clear, audible audit line in order that we can make sure that these things do happen?

The Speaker: Minister.

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**The Minister:** There are no actual clear guidelines for construction *per se*, but the financial regulations cover all purchasing on behalf of Government and I would refer the hon. gentleman who has just resumed his seat to the financial regulations.

These financial regulations were reviewed and are currently under review again to make sure that they are fit for purpose and that there is an adequate balance between managing the risk and also being responsive to the demands that we have in an ever-changing environment.

The Speaker: Hon. Member for Douglas South, Mr Malarkey.

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Mr Malarkey: Mr Speaker, the Hon. Member for Onchan has actually asked the question which I was going to ask the Treasury Minister.

#### 1.6. Tynwald banquet 2015 – Costs and discounts

The Hon. Member for Onchan (Mr Karran) to ask the Minister for the Treasury:

How much the Tynwald banquet in 2015 cost including any discounts for the event?

The Speaker: In that case, Question 6, Hon. Member for Onchan, Mr Karran.

**Mr Karran:** Vainstyr Loayreyder, how much the Tynwald banquet cost in 2015, including any discounts for the event – to the Shirveishagh Tashtee? I so move.

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The Speaker: I call on the Minister for the Treasury, Mr Teare.

#### The Minister for the Treasury (Mr Teare): Thank you, sir.

The total cost of the Tynwald banquet in 2015 was £10,775.91. The hire of the Royal Hall was

£1,416.67, which was discounted by one third of the full price, which would have been £2,125. Thank you, sir.

The Speaker: Supplementary, Mr Karran.

350 **Mr Karran:** Thanking the Shirveishagh as far as the reply is concerned. Would he be prepared to just circulate the details as far as the £10,000-plus that this event cost for Hon. Members' information?

And I have got another Question on the Order Paper – that will do me if he can do that.

#### 355 **The Speaker:** Minister to reply.

**The Minister:** If the Hon. Member wishes a breakdown I will certainly do my level best to provide it, but he will be aware that this does not sit within Treasury; this is a parliamentary matter. So, with that caveat, I will certainly do my best to provide the information.

#### 1.7. Zero-hour contracts – Benefits, sick pay and National Insurance

The Hon. Member for Onchan (Mr Karran) to ask the Minister for the Treasury:

What effects zero-hour contracts of employment have on Social Benefits, sick pay, and National Insurance stamp for employees?

360 **The Speaker:** Question 7, Mr Karran.

**Mr Karran:** Vainstyr Loayreyder, what effects zero-hour contracts of employment have on Social Benefits, sick pay, and National Insurance stamp for employees? I ask the Shirveishagh Tashtee the Question standing in my name.

#### 365 **The Speaker:** Minister for Treasury, Mr Teare.

#### The Minister for the Treasury (Mr Teare): Thank you, sir.

I would like to thank the Hon. Member for his Question, which is quite interesting in many ways.

370 As regards Social Security benefits, it should be noted that work and earnings affect only some benefits. Work and earnings do not affect, for example, retirement pensions, bereavement benefits, Disability Living Allowance or Attendance Allowance.

It is the actual hours of work a person performs and the actual amount of earnings they receive which are taken into account when assessing entitlement to those benefits and the amounts payable. The fact that a person has a zero-hour contract is irrelevant for benefit purposes.

As regards sick pay, I assume the Hon. Member is referring to contractual sick pay from an employer. There is no legal requirement for an employer in the Isle of Man to provide contractual sick pay to any of its employees, whether they are on a fixed hours contract or

otherwise. However, many employers, including the Isle of Man Government, choose to do so, as (a) they see it as the right thing to do morally, and (b) as an inducement to recruiting good quality staff.

As regards National Insurance contributions, liability to pay National Insurance contributions depends on the level of earnings the person actually receives in a pay period, regardless of the terms of their contract.

Thank you, sir.

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The Speaker: Mr Karran, supplementary.

- 390 **Mr Karran:** Vainstyr Loayreyder, would the Shirveishagh inform the House on a couple of points? One is the issue as far as a pension; if they are on zero-hour contracts they will not have any sort of employment contributions which will affect their supplementary benefit or Income Support benefit issues as far as the benefits system is concerned?
- Would the Shirveishagh also clarify the point that if they are not paying National Insurance contributions because of the zero hours, they are not paying towards their pension contributions, which has a long-term effect? And does the Shirveishagh not agree that the problem with the zero hours is the long-term effects are going to create an underclass that will not be entitled to the full benefits and pensions in the future?
- 400 **The Speaker:** Treasury Minister.

**The Minister:** Well, there are a few questions there, sir. There is a bit of a misunderstanding, with respect to the Hon. Member. Pensioners, once they get to pension age, are not liable to National Insurance contributions and would not build up any further rights anyway.

405 Sorry, do you want me to give way?

**Mr Karran:** The issue is not about pensioners, as the Hon. Member should understand; it is about people working and contributing in order that they can get a pension long-term and the effects it has on zero contracts. This is an issue not raised by me but raised by the union who are deeply concerned at the present time on this situation.

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The Speaker: Mr Teare.

**The Minister:** I thank the Hon. Member for his clarification and I apologise if I misunderstood him the first time round.

#### Mr Karran: Not for the first time!

#### The Minister: Basically – Sorry, sir?

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The Speaker: You have the floor, sir, Mr Teare.

The Minister: Thank you, sir.

Basically, I did say in the original Answer it depends on the earnings for a period. If a person has earnings which would exceed, in aggregate over a 12-month period, the lower earnings limit, which is £5,824, then they would be eligible to a basic state pension when they come to retire. That would be subject to them fulfilling the basic 30 qualifying years, as it stands at the moment, to qualify for a full state pension.

430 **The Speaker:** Question 8 – (**Mr Karran:** Sir –) Supplementary, Mr Karran.

Mr Karran: Will the Shirveishagh, because of the important issues that have been raised by the unions in the Isle of Man of the long-term concerns over social benefits, sick pay, National Insurance contributions effects on long-term pensions of these citizens of ours, do a paper that will be circulated to Hon. Members, to make sure that he is actually correct in what he is saying to this House and that the unions are not correct on the problems of the long-term detrimental disadvantages to these people who are being created into an underclass in our society, who are not able to take full advantage of the welfare benefit?

Can the Shirveishagh also inform this House: has he any levels as far as how many managers are on zero contracts and how many people at the bottom are on zero contracts?

#### The Speaker: Mr Teare.

**The Minister:** The records we have do not indicate whether a person is on a zero-hour contract or a full-time or part-time contract.

From a taxation and revenue point of view, the main issue for us is how much income is received in aggregate over a specific period of time – normally a tax year – and that will determine whether there is any tax liability due.

The Hon. Member is talking, in effect, about a system which is in place at the moment. Through the Ci65 report and the recommendations which came out of that report, the Hon. Member will be aware that we are currently reviewing the whole of the benefit system and if he or the unions have any issues that they would like to bring to our attention then we would be delighted to hear from them.

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The first stage of the review was the basic state pension. We are already well advanced with that and Hon. Members will be aware that on 20th May we will be having a meeting and we will be able to discuss the various options that might be available for that going forward.

When that has been progressed then we will be able to turn round to the general benefits system and make a system, develop a system which is flexible and appropriate for the Isle of Man, and I think that is good news, sir.

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The Speaker: Final supplementary, Mr Karran.

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**Mr Karran:** Vainstyr Loayreyder, could the Shirveishagh give the courtesy of this House to make sure that he is right in his confidence in his reply as far as the detrimental effects? Surely we need to know what is fact and what is fiction, as far as the long-term effects as far as zero contracts are concerned as far as people's welfare benefits being affected, the long-term effects on their pension, and if he could do that courtesy, that would help the debate as far as this issue is concerned.

The Speaker: Mr Teare.

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**The Minister:** It is difficult to develop papers when one is faced with a considerable volume of Questions, sir.

#### ECONOMIC DEVELOPMENT

#### 1.8. Villa Complex and Gaiety Theatre – Government discounts

The Hon. Member for Onchan (Mr Karran) to ask the Minister for Economic Development:

What discounts are given to Government Departments when hiring out the Villa Complex and Gaiety Theatre; and how much money was lost in the last financial year as a result of this discount?

The Speaker: Question 8, Mr Karran.

475 **Mr Karran:** Vainstyr Loayreyder, what discounts are given to Government Departments here when hiring out the Villa Complex or Gaiety Theatre; and how much money was lost in the last financial year as a result of the discount – as far as the Minister for Economic Development?

A Member: I did not get a discount for ...

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The Speaker: I call on the Minister for Economic Development, Mr Skelly.

#### The Minister for Economic Development (Mr Skelly): Gura mie eu, Loayreyder.

The Villa Marina and Gaiety Theatre Complex has a fixed price policy for room hire, as opposed to room hire rates being negotiated with event organisers on an *ad hoc* basis. These fixed prices are provided to hirers on a published rate card. Government Departments obtain a one-third discount on the published rates.

The type of Government-supported events and functions that have been booked by Departments at the complex fall into four broad categories: small business meetings and conferences; price presentations and award ceremonies; Government-supported events such as the darts, chess and food and drink festivals; and civic events such as the Armed Services Day.

The value of the discounts given to Government Departments in the financial year 2015-16 was £39,365. To put this figure in context, this amounts to 11% of the income received by the Villa and Gaiety for hires of the same period. However, the Department does not consider the money lost as the navments and discounts represent transfers between Government

495 money lost as the payments and discounts represent transfers between Government Departments.

The Speaker: Supplementary question, Mr Karran.

500 **Mr Karran:** Vainstyr Loayreyder, I hope that the Shirveishagh will do the courtesy to the Liberal Vannin Party, as the opposition that is in this House, of providing the details of the accounts of where these discounts are as far as the last financial year is considered, as there seems to be a little bit of a disparity between what you were saying and what we are informed by other sources.

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A Member: But open and transparent sources!

**Mr Karran:** Would the Shirveishagh also tell me as far as the issue is concerned if any other discounts are given as far as the Villa Marina and Gaiety are concerned?

510 **The Speaker:** Before the Minister answers, of course, Members are responsible for what they say and as reference to the official opposition in this House, there is no such term recognised, *(Interjection by Mr Karran)* and I am sure the Hon. Member knows that. Mr Skelly.

#### 515 **The Minister:** Gura mie eu, Loayreyder. (Interjections)

The Hon. Member asked the question with regard to a breakdown; I am sure we can provide a breakdown of that figure by Department, but it is only £39,000 out of a total income of £348,000 that is generated in terms of revenue income for the Villa and Gaiety.

However, there are issues, of course, there with regard to the charitable and third sector community on the Isle of Man, who are also eligible for that one third discount. So it is Government Departments and charitable interests that are eligible for that discount.

The Speaker: Hon. Member, Mr Quirk.

#### 525 **Mr Quirk:** Thank you, Mr Speaker.

Actually the Minister has just answered it really, but just to reaffirm to the Minister, can the Minister - I do not know whether he has the information there ... how many charities are entitled to a discount at the state venues, if I call them that, and they are taken up quite considerably ...?

I just wonder if, for clarity, and maybe the Minister may do a bit of work ... could work out from those organisations how much charitable side of it is taken up, because they are given a discount, which the Minister has just indicated and thankfully that is what these charities want – to hold fundraising events for themselves.

#### 535 **The Speaker:** Minister to reply.

**The Minister:** Indeed, yes, that just reiterates, I think, the same point – that charities are eligible for discounts. How many? I really do not have that figure here. The Question was obviously about Government Departments and the discounts that are applied there for this facility.

So, yes, charities do make very good use of these two facilities and that is something that we are very well aware of. I do not have a breakdown, but I am sure that if he can speak to the Department directly we can find that out for the individual Member.

#### 545 **The Speaker:** Mr Karran.

Mr Karran: Vainstyr Loayreyder, could the Shirveishagh tell us what safeguards there are going to be if these complexes are to go out to privatisation that there will be a free open tender on an equal basis as far as the Freedom to Flourish? Will the discounts that are given at the present time be part of the tendering process ... that we do not end up having to find that we end up losing more money by going through that process? Will the tender be open and transparent so we can see what needs to be done?

The Speaker: Minister, Mr Skelly.

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#### The Minister: Gura mie eu.

Yes, the Hon. Member raises the point with regard to the process that we are in at the moment and I will absolutely endorse the fact that it will be an open and transparent tender. We

have only reached the point of the Prior Information Notice (PIN) at this point and I have just 560 met with staff very recently to explain the process, where we are up to and answer queries and questions. I am actually going to give an update to Hon. Members in the next day or two, because of course there have been a number of questions from unions and staff members.

But the last point he raises there with regard to continuation of discounts – that is something we are very much well aware of. We met with the artistic and theatre community and the 565 intention will be in the tender process that those discounts would continue. So that community would still have access and would have the ability to have those discounts, and that is very much the intention going forward.

A Member: Hear, hear.

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The Speaker: Hon. Member for Douglas South, Mr Malarkey.

Mr Malarkey: Mr Speaker, not wanting to broaden the Question going forward but the 575

Minister has mentioned the tender process at the moment, can the Minister let us know whether this tender process is likely to be completed before September's Election time and newcomers coming in? Or is he going to wait now – at this late stage – until after that period, before we go ahead with any such plans for outsourcing the complex?

The Speaker: Minister.

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#### The Minister: Gura mie eu.

Yes, I think I have just highlighted that publicly in an interview recently, where we are up to. As I say, we met with the staff last week. The process has been stalled. The reason the process has been stalled – if I reiterate to Members, as I will be giving detailed information on this to Hon. Member in the next couple of days – is simply because we have had to follow process. We want to make sure that we are going to do this and do this right in terms of any recommendation that does come forward.

At this point in time we have not done the invitation to tender; therefore we do not believe we will be able to conclude the point where a decision and recommendation will be made this side of an election. We will complete the process, and that is very much what our aim is, to do 590 that. So throughout the summer we will complete the process and hopefully come back with a recommendation that will be for the next administration to determine.

The Speaker: Mr Malarkey, supplementary.

#### Mr Malarkey: Yes, Mr Speaker.

When the Minister says he is going to 'complete the process', does that mean he is actually going to put out for tenders and wait until after the election before tenders are actually given out or the bids coming forward are assessed? Is it a before or is it everything to that stage and then stopping before tenders go out, before the up and coming election?

The Speaker: Reply, sir.

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The Minister: No. The process will continue. The point being that we will go to invitation to tender and the evaluation of those tenders will happen during this summer. But that will happen after our parliamentary sittings have finished, therefore no decision can actually be made until after the next administration.

So the process will continue. We will actually do all the preliminary work, and it will be up to the next administration, with the evidence in hand, to make that decision.

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#### The Speaker: Final supplementary, Mr Karran.

#### Mr Karran: Vainstyr Loayreyder.

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Will the Shirveishagh inform this House that when looking at the tender process, will there be any opportunity for the staff to come up with a proposal as far as taking over the management and control of both these complexes or separately? Has that been allowed for? Will it be allowed for if it is going to be an open and transparent process?

The Speaker: Minister.

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#### The Minister: Gura mie eu.

Yes, I will reconfirm that point. That has always been the intention but we did endorse this point when we met with the staff last week, that there will be an opportunity for a management bid to be made at the appropriate time, so we are in the middle of the process.

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The other point with regard to the delay: one of the reasons for the delay was that we had met with the artistic and theatre community to investigate the creation of a theatre trust. And we have explored that, and this is the second time this has been reviewed, and we see no credible case to pursue that, so that is one of the reasons there has been a delay at this particular point.

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But just to reiterate once more, there will be an opportunity for management to place a bid to operate the complexes.

#### HEALTH AND SOCIAL CARE

#### 1.9.-1.11. Children and Families' Services – Safeguards; timely replies to queries

The Hon. Member for Onchan (Mr Karran) to ask the Minister for Health and Social Care:

1.9. What safeguards are put in to place to ensure that a new care plan is put together and agreed each time that children in voluntary care are moved to another carer prior to the move; what is the timescale for parents being notified of placements being changed; when a carer takes a holiday with or without a foster child, what is the timeframe for the parent(s) with parental rights being notified of this; and why the Department refuses to have recorded interviews and conferences when the service user wishes it to be so recorded?

1.10. What safeguards there are to ensure that families receive responses in a timely manner?

1.11. How long the Minister takes to reply to queries from the public; how long the Department takes to respond to families' enquiries and at what point a delay in replying rates as unacceptable; and what time scale is placed on the Department's obligation to produce care plans, risk assessments, minutes and other documentation promised to parents?

**The Speaker:** Now, we turn to Questions 9, 10 and 11, to the Minister for Health and Social Care, and I call on the Hon. Member, Mr Karran.

#### 635 Mr Karran: Vainstyr Loayreyder.

What safeguards are put in to place to ensure that a new care plan is put together and agreed each time that a child who is in voluntary care is moved to another carer prior to the move; what is the timescale for parents being notified of placements being changed; when a carer takes a holiday with or without the foster child, what is the timeframe for the parents who

640 have PR responsibility of being notified as far as this is concerned; and why the Department refuses to have recorded interviews and conferences when the service users wish it to be so recorded?

Question 10: what safeguards there are to ensure that families receive responses in a timely manner?

And Question 11: how long the Minister takes to reply to queries from the public; how long the Department takes to respond to families' enquiries and at what point a delay in replying rates as unacceptable; what time scale is placed on the Department's obligations to produce care plans, risk assessments, minutes and other documentation promised to the parents?

I do ask the Shirveishagh for Health and Social Care.

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The Speaker: I call on the Minister for Health and Social Care, Mr Quayle.

#### The Minister for Health and Social Care (Mr Quayle): Thank you, Mr Speaker.

In general, if families are making telephone or written queries there is an expectation that staff in the Department will respond to those within 48 hours and acknowledge receipt.

Some matters will be dealt with immediately and where they cannot be responded to by return there is an expectation that the staff member will indicate when a response will be provided. If a member of staff is absent for reasons of leave or sickness, there is a requirement that they will divert calls to another person and provide an electronic out-of-office message. A delay without an explanation is unacceptable in any circumstance. It is a matter of courtesy to keep people informed. An explanation can assist a family's understanding of the delay and most families would accept a legitimate reason for a delay, if this occurs.

In relation to care plans, when children come into care either as a result of a court order or with the voluntary agreement of parents, a placement plan relating to daily care of the child is agreed, either beforehand, if the placement is planned, or within 72 hours of placement. A placement plan can change with a change of placement or as new needs are identified following assessment. The care plan relating to the permanent outcome to be achieved for a child will be confirmed following an assessment of their circumstances by the qualified social worker. In most cases, this is drawn up before the child comes into care, though in emergencies a plan must be available within 28 days. In all cases, they are reviewed by an independent reviewing officer who

acts independently of any case decisions.

The permanency choices for a child include: reunification to parents or carers, kinship care with a relative or friend, long-term fostering, children's home or adoption. Often dual plans operate whilst further specialist assessments or support services are provided to families. If care proceedings are in train, then timescales for determining an outcome are set by the court.

The fostering arrangements allow carers to take three weeks' holiday a year. This is managed by providing respite with another carer. The expectation is that the carers offer as much notice as possible in order that parents can be advised of this. Where this does not occur the Department requests that this is challenged with the carer.

- On occasion, there may be exceptional personal circumstances where notice is unable to be given. If parents do not agree to the planned move of a child, and the move cannot be avoided, then the Department cannot keep a child in care without legal authority, in the absence of consent. Therefore if they have been in care by consent, and consent is withdrawn, and there are safeguarding concerns, the Department would seek an emergency order from the court to
- keep the child safe. The court would determine the outcome. Risk assessments should be completed within 35 working days, notwithstanding that if there is an ongoing police investigation or a situation is particularly complex, an outcome on this may take longer.

People have no right to use electronic recording equipment. This is not expressed clearly in the procedures of the Department, which is an area we will seek to address to avoid confusion or false expectation in the future. However, anyone may request permission to electronically record a meeting. To do so would require the agreement of all those present. The Department is required to take notes of formal meetings. Many of the formal meetings of the Department, such as child protection conferences, have a neutral person; a secretary who takes notes of meetings which are distributed to everyone present. Decisions made at a child protection conference will be distributed within two working days, and completed minutes of child protection conferences should be distributed within 15 working days. For other formal meetings the requirement is 30 working days.

The Speaker: Supplementary question, Mr Karran.

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Mr Karran: Thanking the Shirveishagh for his reply.

Obviously we live in parallel universes; the supplementaries I was asking for would have been a lot more reasonable as far as the timescale to what we are told is alleged is happening at the present time.

- Could the Shirveishagh allowing for the fact that the problems are very emotive and very hard to deal with – but could we have some guidelines ... can the Minister not agree that if he cannot actually supply the timescales that he is wanting in this response, and reality, would he agree that 28 days is a reasonable timeframe for the notice to be given for the moving for a care plan to be agreed?
- Can the Shirveishagh also explain why so many parents and families have documentation showing that they have been waiting for replies for months; and in some cases are still waiting for an acknowledgement, as far as the original questions or complaints were made, from his Department – which does not tally with what is being said here, Vainstyr Loayreyder?
- On Question 11, would he not agree that to expect a response within five working days would be reasonable? And would he also agree that coming from his office, thanking them for their email and letter and 'the contents have purely been noted', does not constitute an adequate response for people who have legitimate concerns?

Would he not also agree that maybe even if he could get 28 days in, then what he has replied here would be of some benefit to the people who are having to fight with his Department?

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The Speaker: Mr Quayle.

The Minister: Thank you, Mr Speaker.

I read out the times and the responses due on various reports, etc. because those are the guidelines that are expected for Children and Families' Services – and I would state that the evidence given to me, Mr Speaker, is that the Division is 95% time-compliant in the matter.

If the Hon. Member would like to give me the instances where that has not been the case ... Obviously, as I say, I gave quite a lengthy answer because I explained that there can be implications and some cases are far more serious than others and it can take longer to get the evidence. But if the Hon. Member would give me the evidence where we have not responded on, say, simple cases, then I am more than happy to investigate.

The Speaker: Hon. Member, Mrs Beecroft.

#### 735 Mrs Beecroft: Thank you, Mr Speaker.

Does the Minister have any simple guidelines that he could circulate to Members, so that when we get complaints, particularly about timescale and things like that, we are aware of what the timeframe of the Department is; and that we can also give to our constituents or those who query them?

And also, could he clarify what happens with the Department when the guidelines are not met; and, if there is no *reasonable* excuse for them not being met, what is the procedure then?

The Speaker: The Minister to reply.

The Minister: Thank you, Mr Speaker.

745 I am more than happy to circulate to all Members of this Hon. House the timeframes expected on that.

As I said, Mr Speaker, earlier on, if there are complex cases these times will be broken but the Department, on the information I been given regarding childcare plans, etc. are compliant with 95% – and I think most organisations would be proud of a 95% compliance. But again, if there

750 are instances where the Hon. Member feels we have let people down, then I am more than happy to look at it; and obviously if someone is regularly making an occurrence of ignoring people's letters, then that is a disciplinary matter to be taken up with the Chief Executive Officer.

The Speaker: Hon. Member for Douglas North, Mr Houghton.

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#### Mr Houghton: Thank you, Mr Speaker.

The Minister will agree with me, of course, that foster carers are a vitally important and valuable service; but certain foster carers have been, of recent dates, ill-treated by the ridiculous systems in his Department – that the Minister is aware of.

- Can he advise this House what improvements to support foster carers have been done by his 760 Department of recent date? And would he not think it would be a good idea to send out an anonymised survey to those foster carers for their comments that could be taken up by the Department?
- 765 The Speaker: Minister to reply.

#### The Minister: Thank you, Mr Speaker.

I thank the Hon. Member for Douglas North for raising such an important topic, because foster carers do a fantastic job (A Member: Hear, hear.) for society and it is important that we up our game.

The responsibility for looking after foster care has been tendered out for the last number of years. It is up for renewal and we are currently advertising for expressions of interest on this, and we are looking to constantly improve the service that we give and we expect of the people who will eventually go on to win the contract.

But, yes, we are doing our best to improve the service and I accept I have had a couple of 775 complaints on this issue myself, which I view with grave concern.

The Speaker: Hon. Member, Mr Karran.

Mr Karran: Vainstyr Loayreyder, thanking the Shirveishagh for his reply and the issues as far 780 as guidelines are concerned.

Maybe the Shirveishagh could inform this House of who actually does the audit as far as this 95% success rate, that is far better than what I was even trying to get through as far as this issue is concerned. Who actually audits it?

- 785 And does the Minister not agree that whilst this Hon. Member and the Liberal Vannin Party do not question the integrity of the Minister because he is as committed as us, being a parent – more so – but the fact is that the reality is we have sent letters to you with timelines as far as falsifying records is concerned and you have not actually recognised them as a complaint; so how do we have confidence that we have a complaint, if you do not recognise them as being 790
- complaints in the first place?

The Speaker: Mr Quayle.

The Minister: Thank you, Mr Speaker.

- If the Hon. Member would like to give me examples of that, I would respectfully point out to him that I have written to him two or three weeks ago requesting information on another issue and I am still waiting for even an acknowledgement to my letter. So it does go both ways. But if he will give me an example ... and if I have missed it, then I will humbly apologise to him if I have genuinely missed his letter, and I will deal with it.
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The Speaker: Hon. Member for Glenfaba, Mr Boot.

#### Mr Boot: Thank you, Mr Speaker.

For the last few months I have been sitting on the Social Affairs Policy Review Committee and we have been taking evidence from parents and foster carers with regard to their interaction with Social Services. Going back to the earlier point about recording interviews, a number of these people have made recordings of interviews that have taken place and I was concerned to hear that the Minister does not think recording of interviews is a good idea, or should formally take place without the agreement of all parties.

810 Would the Minister not agree that to stop mismatching, or incorrect recording of records, or however you want to look at it, it would be better if these interviews were recorded formally (A Member: Hear, hear.) and transcripts available to both parties, so that in the event of disputes in the future – such as we have been hearing about in our inquiries – there is a proper record of what was actually said and agreed?

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A Member: Hear, hear.

The Speaker: Mr Quayle to reply.

#### 820 The Minister: Thank you, Mr Speaker.

I think it is the case that people have no legal right; there are the individual rights of everyone at that meeting as to whether they are personally recorded. Therefore it is not that my Department says it does not approve of recording, it is just that you do not have a legal right and you can only do it legally with the consent of everyone present.

So that is not me saying that I am against it being recorded but legally we cannot, to the best of my knowledge, enforce people to be recorded if they have not given their consent as an individual.

The Speaker: Mr Karran, supplementary.

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Mr Karran: Thank you, Vainstyr Loayreyder.

Would the Shirveishagh tell us, if the Police can afford this opportunity – and we are more than likely dealing with something *as* important, but not as important as children's welfare – then why, when parents are *wanting* it to be recorded, there is a refusal by the Department for actually doing so?

Is this to encourage the Department as far as being not consistent when it comes to the reporting of these individuals?

What assurances can he give that he will try and change this as a matter of urgency that, if parents want their interviews to be recorded, they have a right to do so?

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The Speaker: Minister.

The Minister: Thank you, Mr Speaker.

I believe it will be up to the individual officers concerned as to whether they are prepared to have their comments recorded, but I am more than happy to take this up with the Chief Executive and see whether we are going to have to alter the law accordingly under the Social Security Act or whether it is something we can put in place without an amendment to the law. But I will certainly look into it.

#### POLICY AND REFORM

#### 1.12. Government staff – Number taking a pension and continuing to work

The Hon. Member for Onchan (Mr Karran) to ask the Minister for Policy and Reform:

How many people took a pension payment and continued to work for the Government in the last five years?

**The Speaker:** We turn now to Question 12. The Hon. Member for Onchan, Mr Karran.

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**Mr Karran:** Vainstyr Loayreyder, I ask the Question: how many people took a pension payment and continued to work for the Government in the last five years?

I so ask the Minister for Policy and Reform. If he has that information, I would be appreciative of it.

The Speaker: I call on the Minister to reply. Mr Shimmin.

#### The Minister for Policy and Reform (Mr Shimmin): Thank you, Mr Speaker.

- Following the Question from the Hon. Member on 26th January, I gave an undertaking to provide further information in relation to the number of civil servants and other staff who have been brought back to work in each Department of Government in each of the last three years. I provided that information by letter at the end of last week.
- This information had taken nearly three months to provide because the data had to be sourced from different areas of Government, and then validated. I hope that answer may in some way be of benefit to the Hon. Member. However, this latest Question is not directly the same but it is still complex and it would benefit from greater clarification as to what the Hon. Member is hoping to achieve.

I would invite him to meet with myself and the Executive Director of the Office of Human Resources at an early date, and we can try and then efficiently give him the information he is seeking.

The Speaker: Mr Karran, supplementary.

875 **Mr Karran:** Thanking the Shirveishagh for his positive attitude as far as his reply is concerned, I am happy to take up that opportunity.

Could the Shirveishagh give any sort of trends of people being paid off, as far as their pensions are concerned on large amounts of money, and then coming back? Is there any breakdown as far as earnings are concerned?

But I will take up the opportunity to speak with the Hon. Member and his Chief Executive at a later date.

The Speaker: The Minister to reply.

**The Minister:** I do not actually have that clarification; but it should be noted, Mr Speaker, that the policy of the Isle of Man Government is that a staff member's employment in the public service will cease on a permanent basis upon their retirement. However, there are exceptions to this and a number of exclusions are down on our full policy on the webpage.

There are, indeed, a number of areas of Government which would experience difficulty to continue to provide essential services to the public if we were unable to call upon retired persons. Therefore, the policy is that they should leave, but in exceptional circumstances and in the public interest we can use them.

But I look forward to further conversation with the Hon. Member.

#### 895 **The Speaker:** Hon. Member for Malew and Santon.

#### Mr Cregeen: Thank you, Mr Speaker.

Can the Minister request Departments to actually advertise these posts, rather than it being automatically given back to individuals? I am aware that there is at least one individual and it has been seven years after his retirement, and that post has never been advertised – so how do they know there is nobody else suitable?

The Speaker: Minister to reply.

905 **The Minister:** Thank you, Mr Speaker.

I do not wish to go down to individual cases.

Inevitably, things like this, like with pensions, the information is skewed by individual cases. I would have to look into those matters, and I am sure the Departments could justify it. However, I do not have that level of information.

910 I would repeat that Government policy is quite clear.

The Speaker: Hon. Member for Onchan, Mr Quirk.

Mr Quirk: Thank you, Mr Speaker.

<sup>915</sup> Could I just ask the Minister, then, regarding his recruitment policy and his policy for succession planning?

I am sure the Minister would like to echo that his Department has a successful plan in place, and could he inform the House today that he has one?

#### 920 **The Speaker:** Minister.

The Minister: Thank you, Mr Speaker.

The Hon. Member for Onchan raises a really important point. One of the problems we have with succession planning is that quite often in Government there is one individual in a post who has an enormous amount of responsibility and maybe some years of experience in a particular field, and therefore we cannot have succession planning, because there is not the availability for two posts. It is a genuine concern and I take on board the Hon. Member's comments.

I do not have a solution, but when we are trying to restrict the number of employees working for Government this does throw up some of these anomalies.

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The Speaker: Supplementary, Mr Karran.

Mr Karran: Vainstyr Loayreyder, would the Shirveishagh, allowing that we are going to have a meeting over this, consider that the issue and the likes of young teachers, and the fact that we have retired teachers who are on the bank work, when we have young teachers who have cost

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the taxpayer a fortune to train as teachers and cannot get their year's probation in because of the fact that there are bank teachers who have already got their pension.

Maybe he could look at these sorts of issues and the issues of where management and the Hon. Member for Malew and Santon was on about, over the issue of things just not going out to public scrutiny?

**The Speaker:** Hon. Members that concludes – (*Interjection by Mr Shimmin*) I am sorry, I beg your pardon.

Mr Shimmin. I was ahead of myself there!

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#### The Minister: Thank you, Mr Speaker.

It is possibly not worth the answer, but I will – (Laughter) (Interjection by Mr Karran)

If I could point out to the Hon. Member, I am aware, I have just read that there is a Question about Education next week in Tynwald and I think that is a legitimate point. Obviously with my
background I am very concerned about making sure we have young teachers who often we are training on the Island and there is a major benefit in getting them in and fully qualified.

I think I am aware of the individual case the individual case the Hon. Member for Malew and Santon is talking about, and I would quite happily take it up with the Minister involved in that Department to actually give a timeline; I think these posts should be advertised and we should have succession planning in the perfect world.

We do not live in such a world, therefore we try and do our best, but we will always listen to Members if they can advise us how we might do it better.

#### Procedural – Standing Order 3.4.3(6) re ongoing committee proceedings

**The Speaker:** Hon. Members, there is one issue that has just arisen in relation to reference being made to the work of a Tynwald Select Committee. I would just like, for the avoidance of doubt on this matter, that the appropriateness of making such references to a Committee's work, ask the Secretary of the House just to advise on the relevant Standing Order.

#### The Secretary: Thank you, Mr Speaker.

Can I draw the House's attention to Standing Order 3.4.3(6), which says that a Question shall not:

relate to proceedings in a committee of the House or of Tynwald, unless such proceedings have been placed before the House or Tynwald by a report of the committee;

That normally, as Members know, means that no reference is made to proceedings of a continuing inquiry.

#### Suspension of Standing Order 3.5.1(2) to complete Questions for Oral Answer – Motion lost

#### The Speaker: Thank you very much.

Hon. Members that brings us to the end of Questions for Oral Answer.

I call on the Member for South Douglas.

Mrs Beecroft: Thank you, Mr Speaker.

I beg to move that Standing Order 3.5.1(2) be suspended to enable the remaining Questions for Oral Answer to be taken at this sitting.

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The Speaker: Mr Quirk.

Mr Quirk: Mr Speaker, I beg to second, sir, and it is noticed that the House is very complimentary to each other today, so we might be able to get the Questions finished. (*Laughter*)

The Speaker: Mr Singer.

Mr Singer: In supporting the proposal, can I just make a few comments?

It has become the norm over the last few months that less than 16 Members have been prepared to vote to extend Question Time and what has happened because of that is that we have seen for the last few weeks we have had a logjam of Questions here. We have still got several Questions that have been brought forward and will no doubt be brought forward again.

We only have three more sessions of this House, and if any Hon. Member wishes to put down a Question – and it could be obviously important in their *view (Interjection)* – it may well be that they are not going to get it answered.

I would say to Hon. Members, let's clear this logjam we have got today and so at least Hon. Members will have a chance to put a Question down and have it answered.

#### 995 **Two Members:** Hear, hear.

**The Speaker:** Hon. Members I put the question: those in favour, please say aye; against, no. The ayes have it. The ayes have it.

A division was called for and electronic voting resulted as follows:

FOR	AGAINST
Mrs Beecroft	Mr Boot
Mr Cannan	Mr Quayle
Mr Cregeen	Mr Robertshaw
Mr Harmer	Mr Shimmin
Mr Houghton	Mr Skelly
Mr Joughin	Mr Teare
Mr Karran	Mr Watterson
Mr Malarkey	
Mr Peake	
Mr Quirk	
Mr Ronan	
Mr Singer	
The Speaker	
Mr Thomas	

1000 **The Speaker:** There are 14 votes for, 7 against; 16 votes are required, the motion therefore fails to carry.

Hon. Members, there are no Questions for Written Answer.

#### Procedural – Questions 1.13.-1.16. deferred to next sitting; Questions 1.17.-1.20. to be answered in writing

1005	<b>The Speaker:</b> We turn to Item 2, motion to suspend Standing Orders. I call on the Hon. Member for Ramsey, Mr Bell. <i>(Interjections)</i> Mr Karran, before we move on, can I ask how you wish your Questions to be dealt with?
1010	Mr Karran: I would like to have mine transferred to the following sitting, please; and it shows that when we chunk them altogether, to help the executive, as you wanted us to do, they still vote against. So I would like mine next week.
1015	<b>The Speaker:</b> Can I just make perfectly clear that putting Questions together is not done to assist the executive; it is to assist this House ( <b>Mr Watterson:</b> Hear, hear.) in getting it through its business in an efficient manner. ( <i>Interjection by Mr Karran</i> ) Uncalled for comment, Mr Karran. Mrs Beecroft, Questions 18, 19 and 20?
1020	Mrs Beecroft: Yes, and 17. The Secretary: And 17.
	The Speaker: And 17, sorry.
1025	<b>Mrs Beecroft:</b> Yes, because I think the next opportunity would be in two weeks' time, wouldn't it?
	The Speaker: On 24th May.

1030 **Mrs Beecroft:** Yes – no, I will have mine in writing, please.

### **Questions for Written Answer**

#### TREASURY

#### 1.17. Scottish Power's Cashback scheme – Action over criticism of Insurance and Pensions Authority

The Hon. Member for Douglas South (Mrs Beecroft) to ask the Minister for the Treasury:

What action is being taken following the criticism of the Insurance and Pensions Authority by the All Party Parliamentary Group in its report on Scottish Power's Cashback scheme?

**The Minister for the Treasury (Mr Teare):** I am aware that the Isle of Man Financial Services Authority is continuing the work commenced by the Insurance and Pensions Authority (IPA) in 2012 in relation to various matters raised with the IPA by the liquidator of a former authorised insurer, Powerhouse Insurance Limited (formerly called Domestic Appliance Insurance Limited). Some aspects of those matters have been explored by the APPG in its report.

The transactions occurring in relation to matters of this nature are complex and reviews of this kind take time to ensure a rigorous and thorough analysis. The FSA will continue to reach out to the liquidator and other agencies to obtain further information as required.

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The FSA is continuing the work of the IPA in relation to the matters raised and until the FSA is in a position to conclude on this matter it remains an issue for them as regulators.

#### 1.18. Pinewood Group – Termination of consultancy agreement with Gasworks Media

The Hon. Member for Douglas South (Mrs Beecroft) to ask the Minister for the Treasury:

When the Treasury Minister was informed that the Pinewood Group had terminated the consultancy agreement that it had with Gasworks Media?

**The Minister for the Treasury (Mr Teare):** The Gasworks Agreement (dated 26th October 2012) was rescinded on 5th May with effect from 30th April 2015. Please note it was Gasworks Media who initiated this.

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I attended a meeting with Ivan Dunleavy and Steven Christian on 24th April when this was discussed.

#### 1.19. Pinewood board of directors – Appointment of Mr Christian's replacement

The Hon. Member for Douglas South (Mrs Beecroft) to ask the Minister for the Treasury:

Who was chosen to replace Mr Christian on the Pinewood board of directors; how that selection was made; and when the appointment was made by Pinewood?

**The Minister for the Treasury (Mr Teare):** There may be some confusion between the Pinewood Group's board and the Pinewood Film Advisors (PFA) board.

There is nothing in the PFA Investment Agreement that requires Mr Christian's replacement on the Group board.

The Agreement does stipulate that Pinewood Film Advisors and the Treasury shall consult with each other prior to the Treasury nominating a PFA Director in his place, with any appointment requiring PFA's written approval. Treasury have not nominated a replacement for Steven Christian.

#### **1.20. Pinewood Group board –** Appointment of Mr Christian as Treasury's representative

The Hon. Member for Douglas South (Mrs Beecroft) to ask the Minister for the Treasury:

When it was decided to appoint Mr S Christian as the Treasury's representative to the board of the Pinewood Group; and when that appointment was made?

1055 **The Minister for the Treasury (Mr Teare):** Steven Christian did not represent Treasury on the Pinewood Group Plc board. His representation for Treasury was in respect of the board of the Pinewood Film Advisors.

Steven Christian was appointed as a Pinewood Film Advisors Director (as specified in the Investment Advisory Agreement with Pinewood, dated 28th September 2012). His appointment to the Pinewood Group Plc board as Executive Director was made on 22nd October 2012.

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## Order of the Day

#### 2. MOTION TO SUSPEND STANDING ORDERS

#### Marriage and Civil Partnership (Amendment) Bill 2016 – Standing Order 4.13(2) suspended to permit Council Amendments

The Hon. Member for Ramsey (Mr Bell) to move:

That Standing Orders, and in particular Standing Order 4.13(2), be suspended to permit Council Amendments of the Marriage and Civil Partnership (Amendment) Bill 2016 to be taken at this sitting.

**The Speaker:** We turn to Item 2, motion to suspend Standing Orders. Mr Bell.

#### The Chief Minister (Mr Bell): Thank you, Mr Speaker.

I would like to seek the approval of the House to the suspension of Standing Orders and in particular Standing Order 4.13(2), so that we can consider the amendments made in the other place to the Marriage and Civil Partnership (Amendment) Bill,

In the normal course of events, this Bill would return to this House in two weeks' time. However, as the Council amendments are a purely technical nature, to correct a drafting error, and as it is possible that there may be delays in obtaining Royal Assent for Bills when the UK government goes into purdah, ahead of the European Union Referendum next month, I hope that Hon. Members will be willing to approve the suspension of Standing Orders today, so that the amendments can be discussed.

Mr Speaker, this is a wholly unusual occurrence because of the purdah arrangements leading up to the referendum, which normally only apply leading to a general election, so I apologise to Members for bringing the measure forward in this way today. But I do hope Members will appreciate the difficulty we have and would give their support for this.

The Speaker: Mr Shimmin.

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Mr Shimmin: I beg to second, Mr Speaker.

The Speaker: Mr Karran.

1085 **Mr Karran:** Vainstyr Loayreyder, I was shoulder to shoulder with the hon. mover, when we were talking about gay rights many years ago, with Mrs Hannan, the Hon. Member for Peel. I totally support that.

But I do think that it is sad that when we have issues about child care and about an issue that cost my ministerial seat, about the issues of the Film Fund, we end up with a situation where we are going to support this today ... which I am very happy to do, because I actually believe that one of the things that we need to get rid of is that status of being homophobic, as far as the Island is concerned, and I think that we have gone a long way forward. But I have to say that I do wonder about the priorities in this House, when there are serious issues about child care and about issues as far as a £50 million bond, that we cannot suspend Standing Orders to have the Questions answered in this House, but we can have the situation ...

In one way I am very pleased about that, Vainstyr Loayreyder, because I can remember the disgraceful attitude of Members of Tynwald 30 years ago, and since then, as far as the issue of

gay rights is concerned. So I am not going to oppose the suspension of Standing Orders, but I really do think that this House needs to accept the fact that we are going to be out of here within half an hour. These Questions – as the Hon. Member for Ramsey, Mr Singer, says – should

### have been done.

We are supposed to be here till half five at night.

#### A Member: We will be at least!

#### 1105

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**Mr Karran:** I just think people should reflect on that, because people outside this House are very concerned about the priorities of this administration.

And what is more concerning is the people who hang on to, that prop up this administration. I will be supporting the principle that he has the suspension of Standing Orders, but as a senior parliamentarian of this House of 30 years, I am very concerned about the way things have gone, as far as this House not being just an extension of the executive function.

So I will be supporting the proposal here in front of us here today, but I am disappointed. Like the Member for Ramsey, when he talks about the Question Time, that we can push this through but when we are talking about child care and real issues that have a real effect on a different section of the community, we should be also prioritising them. Nothing against the ... Shoulder to shoulder with the Ard-shirveishagh, the Chief Minister of this small nation, as far as his human rights are concerned – I have made my position quite clear – but I am disappointed in the membership of this House that there was a position to try to stop what we should be doing. I just think people need to reflect on that, and the people who will be in this House when I have gone, after the general election.

The Speaker: Mr Quirk.

#### Mr Quirk: Thank you, Mr Speaker.

- 1125 I do support the adjournment too, but on the Member for Onchan, my colleague, there should be an opportunity ... I am going to go off track, Mr Speaker, because the Member did as well – to say to the parties concerned, if anybody has a concern regarding children now, there will be an opportunity later to meet the Minister or the Member responsible.
- 1130 Mr Karran: It should be done in a public forum parliament!

Mr Quirk: Sorry, Member! If you are concerned about an issue that reflects the children, the way if it was my grandchildren, I would be talking to the Minister straight away, or to the Department – never mind waiting till you get some air time on a radio or a public session. (Mr Watterson and another: Hear hear.) If there is a concern, get to the Minister. His door is always open – and anybody else –

Mr Teare: Hear, hear.

#### 1140 **Mr Karran:** We've been to the Minister!

Mr Quirk: You have not. The Minister said today, he has required information: you never provided it.

1145 Mr Karran: He has got a ten-page dossier!

A Member: Order!

Mr Quirk: And if that is the Chairman of the organisation -

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1150 Mr Karran: A ten-page dossier ... !

The Speaker: Now, Hon. Member -

Mr Quirk: Be parliamentary – see the person!

The Speaker: Hon. Member -

Mr Karran: Cosy, cosy ... !

#### 1160 **Mr Watterson:** Oh come on!

1155

**The Speaker:** Hon. Member, I appreciate the strength of feeling regarding the last vote, but we are on a different vote now and unless anyone else wishes to speak, I shall put the question. Those in favour of suspension of Standing Orders, please say aye; against, no. The ayes have it.

A division was called for and electronic voting resulted as follows:

FOR	AGAINST
Mrs Beecroft	None
Mr Bell	
Mr Boot	
Mr Cannan	
Mr Cregeen	
Mr Harmer	
Mr Houghton	
Mr Joughin	
Mr Karran	
Mr Malarkey	
Mr Peake	
Mr Quayle	
Mr Quirk	
Mr Robertshaw	
Mr Ronan	
Mr Shimmin	
Mr Singer	
Mr Skelly	
Mr Teare	
The Speaker	
Mr Thomas	
Mr Watterson	

1165 **The Speaker:** With 22 votes for, none against, the motion carries.

#### **3. COUNCIL AMENDMENTS**

#### 3.1. Marriage and Civil Partnership (Amendment) Bill 2016 – Council amendments approved

Mr Bell to move.

**The Speaker:** I call Mr Bell to move Item 3.

The Chief Minister (Mr Bell): Thank you, Mr Speaker.

As I mentioned in moving the suspension of Standing Orders, the amendments that were approved in the other place were necessary to correct a drafting error. Although there are three amendments, they actually only correct a single error, so with your permission, Mr Speaker, I would like to move them together.

The error in question found its way into the Bill when this House approved the amendments in the name of my hon. colleague, Mr Singer – although of course it was not his fault, but one of

the amendments contained a drafting error. *(Laughter)* (**A Member:** Hear, hear.) So I am told! *(Laughter)* 

Mr Singer: I told you!

- **The Chief Minister:** Paragraph 5 of Schedule 3 to the Bill as amended in the Keys contains amendments to the Civil Partnership Act 2011 and subparagraph (15) of that paragraph purports to add a new subsection (4) to section 138 of that Act. However, since the 2011 Act only contains 107 sections, that provision of the Bill is clearly incorrect.
- As I understand it, the intention was to insert confirmation into the 2011 Act that as the law currently stands, adultery as a ground for divorce, can only be between a man and woman, which will apply whether the adulterer is in a marriage or civil partnership. However, it seems the Matrimonial Proceedings Act 2003 was being looked at, rather than Civil Partnership Act 2011.
- The 2003 Act, amongst other things, deals with divorce, and of course section 138 of the 2003 Act concerns interpretation of that Act. Interpretation is dealt with somewhat differently in the 2011 Act, compared to the 2003 Act, so it is not possible to simply substitute subparagraph (15) of paragraph 5 of Schedule 3 to the Bill, and to fulfil the original intention we have ended up with three amendments rather than just one.

So Mr Speaker, with that convoluted explanation, I beg to move.

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The Speaker: Mr Shimmin.

Mr Shimmin: I beg to second and reserve my remarks.

1200 **The Speaker:** Hon. Members, I put the question that the amendments to the Marriage and Civil Partnership (Amendment) Bill made by Legislative Council be agreed. Those in favour, say aye; against, no. The ayes have it.

A division was called for and electronic voting resulted as follows:

FOR	AGAINST
Mrs Beecroft	None
Mr Bell	
Mr Boot	
Mr Cannan	
Mr Cregeen	
Mr Harmer	
Mr Houghton	
Mr Joughin	
Mr Karran	
Mr Malarkey	
Mr Peake	
Mr Quayle	
Mr Quirk	
Mr Robertshaw	
Mr Ronan	
Mr Shimmin	
Mr Singer	

Mr Skelly Mr Teare The Speaker Mr Thomas Mr Watterson

**The Speaker:** With 22 votes for, none against, the motion therefore carries.

Hon. Members, that concludes the business of the House today. The House will now stand adjourned until the next sitting, which will take place at 10.30 a.m. on 17th May in Tynwald Court.

The House adjourned at 11.20 a.m.