

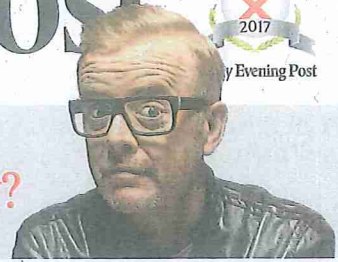


Keeping kids safe from dogs

News Focus Page 8

Why is Evans coming to Jersey?

News Page 3



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## Jersey 'is not in the red any longer'

Chief Minister gives words of reassurance after years of concern over Island's £125 million 'black hole'

By Christine Herbert  
cherbert@jerseyeveningpost.com

THE States books have been balanced nearly three years ahead of schedule, the Chief Minister has revealed – just two years after ministers warned there would be a budget shortfall of £125 million by 2019.

Senator Ian Gorst said that accounts due to be issued within the next few weeks would show that the Island's economy had grown by 2.2 per cent – more than double the forecast – with income higher than the Council of Ministers had expected.

His message comes after a predicted shortfall of £125 million in States finances – dubbed the 'black hole' – in 2015 sparked a wave of public sector job cuts and proposals for a new health charge, benefits cuts and user-pays fees, in order to fund priorities in health and education.

But yesterday the Chief Min-

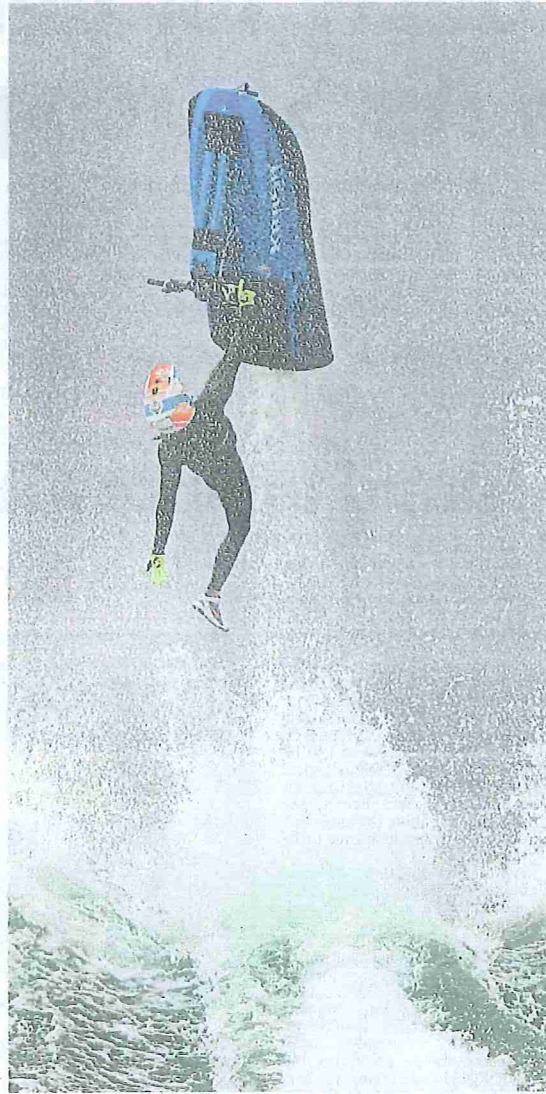
ister said there had 'never been any black hole' and added that the growth in the economy showed that the Council of Ministers' plans were working. He said the financial services industry now employed over 13,000 people – more than in 2007, before the global crisis – with States income showing a good return on investments as a result of the Brexit 'bounce'. In the private sector, assets under administration and management had grown, with jobs growth in areas other than banking, he said.

'Our economy is doing incredibly well, although that brings challenges. Our finances have turned the corner and are healthy, income is above what is expected, departments have spent less,' Senator Gorst told a business audience at the launch of Enterprise Week.

'We were criticised for planning investment in health, in education, and reducing the

(Cont on page 2)

## All revved up in St Ouen's Bay



■ A host of international jet-skiers – including Melbourne's Ryan Savage (pictured) – spent time practising in St Ouen's Bay yesterday in preparation for their return to the world championship tour in Portugal this week

## Hotels face waste charges of over £40k

By economics correspondent Ian Heath

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LARGE hotels in Jersey can expect to pay more than £40,000 per year when the new liquid waste charge for businesses is introduced, it has been revealed.

Infrastructure Minister Eddie Noel is due to lodge a proposition which, if approved by the States, would see the new levy come into effect from March 2018. The proposals include charging businesses £2.27 per cubic metre on 95 per cent of their water usage.

A further solid waste charge of £150 per tonne is due to be introduced within a year of the liquid charge, as the Infrastructure Department aims to raise £11.35 million to make up for budget cuts.

The department has published figures estimating that a large hotel would pay £40,039 per year under the new water charge, while it would cost a medium-sized guest house £1,442.

Meanwhile, a hair salon would pay £812, a medium-sized office £1,237 and a small coffee shop would be charged £954.

It is expected that a mid-sized hotel would have to charge patrons 37p extra per room per night and a medium restaurant an extra 8p for a meal, if costs are passed on to customers.

However, Chamber of Commerce tourism and transport committee chairman Andy Jehan said that he feared the estimated cost of the charge to businesses was 'conservative'.

'What worries me is the lack of a wider impact assessment. You have things like the dairy and Liberation Brewery, who are going to pass on the costs of their water usage,' he said.

'Our hotels compete globally and if the rate you charge goes up from £99 per room to £100, (Cont on page 2)

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# TheBusinessNews

## Use plain English, trust firms told

By Christine Herbert  
cherbert@jerseyeveningpost.com

TRUSTS must be drafted in plain, clear English so that all parties fully understand the contents, practitioners were advised at a recent conference.

Short sentences, headings and the use of punctuation were also advocated by Advocate Mark Renouf, who stressed that arcane phrases and legal jargon had no place in modern trust documents.

Referring to case law, Advocate Renouf, partner at Benest Corbett Renouf, also advised that using historical standard clauses from previous documents might no longer be appropriate.

'If you cannot grasp the meaning, it is quite possibly defective,' he said.

Practitioners were referred to a case in which the settlor had not properly understood the terms of the trust, with no evidence that those terms had ever been explained. Advocate Renouf stressed that in order for a trust to be binding, the settlor must understand what a trust was, and how the trustee was empowered to operate it.

Also speaking at the con-



Some of the speakers at the law conference: Elspeth Talbot-Rice QC, Mark Renouf, Jean-Marie Renouf, Jeremy Heywood, David Benest (managing partner, Benest Corbett Renouf), George Pearmain, Kathryn Purkis and Jenny McKeown. Picture: DAVID FERGUSON (18008094)

ference held at the Hotel de France, Advocate Jeremy Heywood addressed situations that could give rise to personal conflicts of interest for trustees. In financial terms, Advocate Heywood, also partner at Benest Cor-

bett Renouf, said this could relate to fees and charges, or the appointment of someone else providing services or goods.

Acting as trustee for more than one trust was a conflict of loyalties, he

said, as was acting as both trustee and a director of an underlying company. 'It is important to record the conflict, the nature of it, who is affected, what decision is made and show how the decision is in the best

interest of the beneficiaries,' he advised.

Keynote speaker Elspeth Talbot-Rice QC, of XXIV Old Buildings in London, examined costs of trusts. She said that according to Jersey law trustees had

the right to reimbursement from the trust fund for expenses reasonably or properly incurred. However, if a trustee acted unreasonably, they would be required to cover the shortfall from their own pocket.

'As long as you do not stray from the path, you should be all right,' the lawyer said.

Other speakers at the all-day event included Jean-Marie Renouf, partner at Benest Corbett Renouf, Kathryn Purkis of Serle Court, Jenny McKeown, partner at Stephenson Harwood, George Pearmain, States lead policy adviser on private wealth and Emma Jordan, partner at Taylor Wessing.

### Old complaint

Lawyers...charge exorbitant fees for piling up heaps of turgid documents couched in arcane terminology purposely incomprehensible to non-lawyers, rendering the public helpless victims of their wiles...

Adriaen Koerbagh, 1664

## TheBusinessDiary

### THIS MONTH

#### Thursday 18 May

■ **Enterprise Week:** Shaping our future, update and next steps, 7.45 am to 9 am, speaker Dr Ian Skinner, Pomme d'Or Hotel (jerseybusiness.je).

■ **Seminar:** The local impact of the corporate criminal offences, speakers Kelly Blair and Kelly Tadler (PwC), 3.15 pm to 5 pm, Pomme d'Or Hotel (step@stepjersey.org).

#### Friday 19 May

■ **Enterprise Week:** Masterclass, Built To Grow, speaker author and consultant Royston Guest, 8 am to 11.30 am (jerseybusiness.je).

■ **Presentation:** Defined benefit pension schemes: Is it wise to transfer out? Speaker Daniel Austin, head of wealth capital, Cazenove Capital, 10 am, Oulees Room, Jersey Museum (donna.dwyer@cazenovecapital.com).

#### Tuesday 23 May

■ **Lunch:** Institute of Directors Jersey, speaker Senator Philip Ozouf, 'Taking Responsibility', Grand Hotel, 12 to 2 pm.

■ **Workshop:** Countering the financing of terrorism, practical realities for the financial services sector, speaker specialist operations detective Ross Savage (jerseyibs.com/CFT).

### COMING UP

#### Tuesday 13 June

■ **Conference:** 2nd annual real estate and real estate funds conference, keynote speaker Naomi Heaton, founder and chief executive of London Central Portfolio (LCP), What does the future hold for the London residential prime market, full day, Hotel de France, organised by Jersey International Business School.

#### Thursday 15 June

■ **Conference:** Creating safer



■ Senator Philip Ozouf will be speaking at the IoD lunch on Tuesday

organisations, speakers from Benest Corbett Renouf and the child protection team from Farrer & Co, 1.30 pm to 6 pm, Hotel de France (to book call 760862 or book through Eventbrite).

#### Tuesday 20 June

■ **Lunch:** Institute of Directors Jersey, speaker John Henwood, Grand Jersey, from 12 noon.

#### Tuesday 27 June

■ **Leadership event:** Leaders and their stories, speakers Elaine Fairfax, co-founder, Animal Friends Insurance, and CI Co-op chief executive Colin Macleod, 4.30 pm, Pomme d'Or Hotel, organised by Leadership Jersey, tickets from Eventbrite, reduced rate for charities and students.

#### Thursday 29 June

■ **Forum:** 2nd annual cybercrime forum, speakers Cal Leeming - the UK's youngest convicted black hat hacker - and David Ferbrache, former head of cyber at the Ministry of Defence, Hotel de France (more information at jerseycyberforum.com).

## New Chartered Institute president

EDWARD Loader is the new president of the Jersey branch of CISI (Chartered Institute for Securities and Investment). Mr Loader, a Chartered Fellow of the institute who has lived in Jersey since 2013, takes over from Peter Lucas, who has completed his two-year term.

Mr Loader said: 'The Jersey branch is in great shape, with record numbers of CPD events - which continue to be free to our members - and the highest attendance record of any of the CISI branches.'

'There has also been a lot of hard work going on in the background to establish connections with local schools

and an insights day is planned for October, so that sixth-formers can get a taste of what it is like to work in the investment profession.'

The new president added: 'I hope to continue to build on the educational side of our duties and to collaborate with other professional bodies in the Island for both continuing professional development and networking opportunities, as well as promoting our industry at events, such as a recent joint event on hedge funds with the CAIA (Chartered Alternative Investment Analyst) Association.'

■ To find out more about the work of the institute, visit the website [cisi.org](http://cisi.org).



## ChamberCorner

### Comment

ORGANISATION values and culture - do these have any relevance to a small business in Jersey? A discussion overheard at a recent business lunch:

**Boss:** 'I have heard about organisation values and culture, but they do not apply here as we have only six employees.'

**Adviser:** 'Organisation values and culture guide HOW your employees approach their jobs, in addition to WHAT they do, especially how they respond to unexpected events. If you are a strong leader, employees in a small firm will follow your lead on values and culture. If not, they will follow their own compass - is either the best outcome for us?'

'If an employee is a misogynist, their sexist "banter" can easily morph into harassment of a female employee. If a

racist, their attitude to a customer or supplier may result in a discrimination claim. Who will be ordered to a tribunal - you will!'

'Mitigating legal risk is a key function of a boss's job. Inattention to organisation values and culture creates risk of infringing a range of legislation, from discrimination to health and safety.'

**Boss:** 'Interesting, but I don't have the time to think about this right now.'

**Adviser:** 'I hear you. My advice is that prevention is usually better than cure. But feel free to call and talk again if you run into any compliance trouble.'

Foed for thought.  
Jersey Chamber of Commerce,  
HR Committee.

