



OFFICIAL REPORT

OF THE

STATES OF THE

ISLAND OF ALDERNEY

HANSARD

The Court House, Alderney, Wednesday, 20th April 2016

*All published Official Reports can be found on the
official States of Alderney website www.alderney.gov.gg*

Volume 4, No. 3

Present:
Mr Stuart Trought, President

Members

Mr Matthew Birmingham
Mr Neil Harvey
Mr Louis Jean
Mr Robert McDowall
Mr Graham McKinley
Mrs Norma Paris
Mr Steve Roberts
Mr Christopher Rowley
Mr Francis Simonet
Mr Ian Tugby

The Greffier of the Court
Mr Jonathan Anderson

Business transacted

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States of Alderney

*The States met at 5.27 p.m. in the presence of
Sir Richard J. Collas, Kt,
Deputy Lieutenant-Governor of the Bailiwick of Guernsey*

[THE PRESIDENT *in the Chair*]

PRAYERS

The Greffier

ROLL CALL

The Greffier

Confirmation of quorum

The Greffier: All 10 States' Members are present, sir

The President: Thank you very much.

Convener's Report of the People's Meeting held on 13th April 2016

The President: Mr McDowall, as Convener, would you please give us the report from the People's Meeting.

5

Mr McDowall: Yes, indeed. Thank you very much, indeed, Mr President.

I was the Convener. I was assisted by the Chief Executive and Treasurer. Present were: your good self, as President; six States' Members, over and above myself; the minute secretary; 48 members of the public; and three members of the media.

10

The President: Thank you very much indeed.

Welcome to Deputy Lieutenant-Governor

The President: Before we go any further with this evening's meeting, I would like to give an official welcome to the Deputy Lieutenant-Governor and say how honoured we are to have him here with us this evening.

15

Thank you very much.

Billet d'État for Wednesday, 20th April 2016

I. The Financial Services Commission (Bailiwick of Guernsey) (Amendment) Law 2016 – Item withdrawn by amendment

Item I.

The States of Alderney is asked:

to approve 'The Financial Services Commission (Bailiwick of Guernsey) (Amendment) Law 2016', and to request the President seek the Sanction of Her Most Excellent Majesty in Council for them to have the force of law in the Island of Alderney.

The President: Could we move to Item I, please.

The Greffier: Thank you, sir.

20 Item I this evening is The Financial Services Commission (Bailiwick of Guernsey) (Amendment)
Law 2016. A letter has been received from yourself, as President of the States of Alderney, and
the States of Alderney have been asked to approve The Financial Services Commission (Bailiwick
of Guernsey) (Amendment) Law 2016 and to request the President to seek the sanction of Her
Most Excellent Majesty in Council for them to have force of law in the Isle of Alderney.

25

The President: Thank you very much.

Mr McDowall, as Convener, were there any comments on this Item?

Mr McDowall: There were no comments on this Item, Mr President.

30

The President: Thank you very much.

Mr Birmingham, I believe you wish to propose this.

Mr Birmingham: Yes, thank you, Mr President.

35

I would like to propose this Item and I would like to reserve my right to speak.

The President: Thank you.

Mr Harvey, I believe you wish to second this.

40

Mr Harvey: I do, sir. I am pleased to second this motion and I too would like to reserve my
right to speak again.

The President: Thank you very much, Mr Harvey.

45

Mr Greffier, I believe we have an amendment to Item I which I would ask you to read to the
States.

The Greffier: Yes, sir.

The amendment reads – from Mr McDowall, in his capacity as Chairman of the Policy and
Finance Committee:

50

Amendment:

to propose that this Item is withdrawn and represented to the States when the States is provided with more clarity on the disposition of funds arising from an increase in fines arising from discretionary penalties.

The President: Thank you very much.

Mr McDowall, I believe you wish to introduce this.

Mr McDowall: Yes, indeed. Thank you very much indeed, Mr President.

55 The Financial Services Commission is increasing its discretionary fines up to as much as £4 million. I think under pressure from external forces, it is felt that the fines are too low within the Bailiwick.

In the UK, up until the financial crisis, the fines were paid to the financial regulator and they both reduced the subscriptions for institutions who were members of the regulatory body ...
60 There was even a jolly good party once when Mr Tyler who was the Chief Executive of the regulator left, but those days were sadly over when the financial crisis came, and fines increased very substantially. It was felt appropriate in the UK that fines were paid to the Treasury Consolidated Fund and not to the regulator. Indeed, in the UK, based on the substantial amount of fines, those who are regulated would enjoy very low subscriptions at the moment and/or the members of the regulatory body would enjoy a very good living.

65 I am concerned, with the increase in fines, that the fines will go to the financial services regulator in Guernsey but we have no idea what those funds will go for. Will they go to reduce the subscriptions? Will they go to reduce the pension deficit or other purposes? It will be very helpful to have clarity on that. That is why I proposed this motion.

70

The President: Thank you, Mr McDowall.

Mr Jean, I believe you wish to second this.

Mr Jean: I have indeed agreed to second this. My reasoning is very similar to Mr McDowall. I have little to add to his explanation except to say that, if the money is not being used for specific purposes, one of our concerns certainly was that the exchequer in Guernsey should receive the money, and basically it is a view of prudence that we ask this question, but certainly not to cause any deliberate upset.

80 **The President:** Thank you, Mr Jean.

Does any other Member wish to speak on this amendment?

Mr Harvey.

Mr Harvey: Thank you, Mr President.

85 I do not disagree with the amendment that has been brought, but of course the resolution we are asked to accept from Guernsey is not in itself effecting any change in the direction of the fines, merely an alteration to the levels of the fines.

It does, on the face of it, appear to have been an extremely large increase in the level of fines, but the basis of charging fines is changing. My understanding is that, with the financial service providers in Guernsey, it is highly unlikely that the highest level of fines will be achieved.
90 But, having said all that, I do understand the concerns over how these fines increasing – to whatever extent they are – may be where they are directed. So I will not resist the amendment.

The President: Thank you, Mr Harvey.

95 Does any other Member wish to speak on the amendment?

In that case, Mr Greffier, would you please put that to the vote.

The Greffier: Thank you, sir.

100 For clarity, the amendment reads: to propose that this Item is withdrawn and represented to the States when the States is provided with more clarity on the disposition of funds arising from an increase in fines arising from discretionary penalties.

A vote was taken and the results were as follows:

FOR	AGAINST	ABSTAINED
Mr Tugby	None	None
Mr Birmingham		
Mr Jean		
Mr Harvey		
Mr Simonet		
Mr McDowall		
Mr Rowley		
Mr Roberts		
Mrs Paris		
Mr McKinley		

105 **The Greffier:** Thank you, sir.
That motion is passed.

The President: Which means that Item I is effectively withdrawn from the Billet today.

II. The Succession to the Crown (Bailiwick of Guernsey) Law, 2016 – Item approved

Item II.

The States of Alderney is asked:

to approve 'The Succession to the Crown (Bailiwick of Guernsey) Law 2016' and to request the President seek the Sanction of Her Most Excellent Majesty in Council for them to have the force of law in the Island of Alderney.

The President: We will move to Item II.

110 **The Greffier:** Thank you, sir.

Item II this evening is The Succession to the Crown (Bailiwick of Guernsey) Law 2016.

A letter has been received from yourself, as President of the States of Alderney, and the States of Alderney have been asked to approve the Succession to the Crown (Bailiwick of Guernsey) Law 2016 and to request the President to seek the sanction of Her Most Excellent Majesty in Council for them to have the force of the law in the Island of Alderney.

115

The President: Thank you very much.

Mr McDowall, as Convener, were there any comments on this at the People's Meeting?

Mr McDowall: There were no comments on this Item, Mr President.

120

The President: Thank you very much.

Mr Harvey, I believe you wish to propose this.

Mr Harvey: I do, sir. Thank you very much.

125 I suppose, in a sense, it is slightly unfortunate we are not having this debate tomorrow, which would have been a more appropriate time to do it, but I am sure we all pass our felicitations on to Her Majesty tomorrow.

This is, on the face of it, a very minor change to The Succession of the Crown Law which reflects the changes that succession will no longer depend on gender and it also ends the disqualification arising from the heir marrying a Roman Catholic. There is also provision there under 'Regency' that for any Regent appointed under UK law, their powers will extend to the Bailiwick as well.

I think a minor tidying up of the law and I commend it to you.

135 **The President:** Thank you, Mr Harvey.

Mr Harvey: Mr Rowley, I believe you wish to second this.

Mr Rowley: Yes, that is right, sir.

140 We are just being asked, as Mr Harvey has put it, to put into law in the Bailiwick changes to The Law of Succession to the Crown that were agreed by the Commonwealth in 2011 and received Royal Assent in 2013.

I dare say not everyone will support these measures but I think they are overdue and I think it is safe to say, in general, that Catholics are no longer considered to pose quite the same threat to the stability and security of the monarchy as might have been in the Elizabethan and Jacobean periods.

Also, from a personal perspective, I was brought up a Catholic, although quite long lapsed, and I admit that the likelihood of my getting married to a female British monarch is slender, but I would not be disqualified on the grounds of being Catholic – and that is really it.

150 I commend it to the House. Thank you.

The President: Thank you, Mr Rowley.

Does any other Member wish to speak on Item II?

Mr McDowall.

155 **Mr McDowall:** Yes. One observation: I obviously support the motion, but the interesting thing is, if the monarch married a Roman Catholic and the children were brought up as Roman Catholics, they would not be able to become monarch.

160 **The President:** Thank you, Mr McDowall.

Does any other States Member wish to comment on Item II, please? Thank you.

Mr Harvey, do you wish to exercise your right of reply?

Mr Harvey: I think there is nothing further to be said on this, sir. Thank you.

165 **The President:** Thank you very much.

Mr Greffier, would you please put Item II to the vote.

The Greffier: Thank you, sir.

170 The States of Alderney are asked to approve The Succession to the Crown (Bailiwick of Guernsey) Law 2016 and to request the President to seek the sanction of Her Most Excellent Majesty in Council for them to have the force of law in the Island of Alderney.

A vote was taken and the results were as follows:

FOR	AGAINST	ABSTAINED
Mr Tugby	None	None
Mr Birmingham		
Mr Jean		
Mr Harvey		
Mr Simonet		
Mr McDowall		
Mr Rowley		
Mr Roberts		
Mrs Paris		
Mr McKinley		

175

The Greffier: Thank you. That motion is also passed, sir.

The President: Thank you very much indeed.

**III. Audited Accounts 2015 –
The States of Alderney 2015 Accounts and
The States of Alderney Water Board 2015 Financial Statements –
Item approved**

Item III.

The States of Alderney is asked to approve:

(a) The States of Alderney 2015 Accounts; and

(b) The States of Alderney Water Board 2015 Financial Statements

The President: We move to Item III, please.

180

The Greffier: Thank you, sir.

Item III is Audited Accounts 2015. A letter has been received from Mr McDowall, in his capacity as Chairman of the Policy and Finance Committee, and the States of Alderney have been asked to approve, firstly, the States of Alderney 2015 Accounts and, secondly, the States of Alderney Water Board 2015 Financial Statements.

185

The President: Thank you very much.

Mr McDowall, as Convener, were there any comments on this at the People's Meeting?

190

Mr McDowall: Yes, Mr President. There were two comments.

The first one: the GSC Capital Account expenditure on sewerage and waste disposal. The question was, 'Is this the Fort Doyle Outlet?' The Treasurer clarified that the waste disposal amounts related to works and improvement at the Impot and that the sewerage amount related to the Mouriaux to Platte Saline project. It was noted that further sewerage projects are scheduled over the next few years.

195

The other one was on the States' donation of £72,000 to St John Ambulance, and 'On the circular it was an apparent increase of £30,000. What was that towards?' It was clarified that the States of Alderney is contributing to the cost of a new ambulance, which is on order. That will be paid at £30,000 per annum over two years. So there will be a £72,000 contribution from the States of Alderney to St John in 2016 and in 2017. Thereafter, it would revert to £42,000, unless the States deem otherwise.

200

The President: Thank you, Mr McDowall.
Would you care to stay on your feet and propose this?

205

Mr McDowall: Yes, indeed, Mr President.

We are going to make very few comments on the accounts. We came in with a modest surplus of £49,000 on the Revenue Account and we had a fairly substantial surplus on the Capital Account as well. This is in part because I do not think we have been very successful – certainly over my duration in the States – of accurately forecasting capital expenditure. In part, this is perhaps optimism, but also, in part, capital expenditure has to go to the Treasury and Resources in Guernsey and it gets stuck in the pipe.

210

Over and above that, the big money spent from Economic Development reserves – and that is £300,000 over three years; the last £300,000 is this year. Looking forward, particularly as we are going into changing the financial relationship plus other things – this is really for future States – I wonder whether we should continue over the next three years to continue with putting money into an economic development reserve fund. But I think that is for discussion and debate at another time.

215

The Water Board has had a modest surplus, which is good. I guess Mr Birmingham will be making his normal comment about increased rates so that we have capital to invest in the future, so I look forward to that question later.

220

The pension scheme: the deficit is down from £3 million to just under £2.5 million. Again, this is looking forward. I think there are structures now to be able to accelerate the deficit and also give people in the fund access to their monies earlier – certainly in the UK. My personal view is that this should be explored in the future.

225

What I would really like to talk about is that we are changing our financial relationship with Guernsey over the next three years and this will mean a number of changes, particularly in terms of presentation of the accounts. I am always disappointed that the States of Guernsey did pass a motion in 2012 that they would move to, what I call, International Financial Reporting Standards. That has still not been done. What we will do in Alderney, as part of the move to changing the financial relationship is to ... We still have to report on the old basis for consolidation in the accounts in Guernsey, but we will, for shadow purposes, publish accounts which meet International Financial Reporting Standards, and indeed I did – I am sure a lot of people are as interested in this as me – put a pro forma in the back of the accounts.

230

I think there is very little else really to say. I would like to thank the Treasurer and her staff for their assistance and their timeliness in terms of delivering the information.

235

I commend the accounts to the States.

The President: Point of order, if I may, Mr McDowall. Under the pension deficit, you referred to looking at means to ‘accelerate the deficit’.

240

Mr McDowall: Sorry, accelerate the reduction in the deficit, I should say. *(Laughter)*

The President: Thank you very much indeed.

245

Mr McDowall: That was a Freudian slip, wasn't it? *(Laughter)*

The President: Mr Simonet, I believe you wish to second this motion.

Mr Simonet: Yes, I am pleased to second this Item, Mr President, and I reserve the right to speak until later.

250

The President: Thank you, Mr Simonet.
Does any other Member wish to speak on Item III?

255 Mr Harvey.

Mr Harvey: Thank you, sir.

I am very happy to join my colleague, Mr McDowall, in commending the Treasurer and her team for the seemingly impossible task of squaring the circle of our finances. It is a minor miracle that happens every year; we are delighted that it does, sir, and long may it continue.

260 Amidst the mass of information, there is just one little thing I would like to just pick up. Mr McDowall, in his excellent opening address to the report and accounts, mentions the increase in consultants' fees to £81,000 in Policy and Finance. That, of course, is not the whole story. There are also £88,000 on BDCC and £135,000 on the Economic Development Reserve. Now, I will be
265 the first to admit not all of these are consultants' fees; some of them are legal fees; some of them, as I think with the BDCC, includes land use inspector's fees. So there is a mixture of things in there, but nevertheless it is a significant growth in the figure.

Nor am I suggesting that any of the consultants' reports produced are unnecessary or worthless, but I am sure I am not the only one that has a shelf full of reports gathering dust which were neither implemented nor influenced policy. Rather like the old saw, I do not totally
270 subscribe that a consultant is someone who charges you a lot of money for telling you what you already knew. I think there is some sensitivity on this issue of consultants and I am concerned, as I am sure others are, that we do not get into consultancy drift.

Therefore, just as a matter of information, I propose to bring a paper to Policy and Finance in
275 due course setting out some suggested guidelines, in the interest of good governance, to ensure that we are only appointing consultants where it is necessary; that we have a very tight brief and we know exactly what we are hoping to achieve from them.

Thank you, sir.

280 **The President:** Thank you, Mr Harvey.
Does any other Member wish to speak on Item III?
Mrs Paris.

Mrs Paris: Thank you, sir.

285 We are only asked to approve the accounts of the States of Alderney and the States of Alderney Water Board, but I notice that the accounts of the Gambling Control Commission and Alderney eGambling are also included in the Billet. I, therefore, would like to ask a question about the Alderney eGambling. I would assume, if I am out of order, the President will no doubt correct me and I shall sit down.

290 I would quite like to have from, perhaps, one of the non-executive directors of the eGambling company, an explanation of the need for the tenancy agreement on page 11 of the accounts, item 13. It has been entered into for two years at an annual rate of £26,000 for what appears to be a residential property at 24 Fulham Park Gardens in London. I am just curious.

295 **The President:** Can you deal with that in your right of reply, Mr McDowall?

Mr McDowall: Yes, yes, indeed I would.

The President: Thank you very much.

300

Mrs Paris: Thank you, sir.

The President: Does any other Member wish to speak on Item III?
Mr Birmingham.

305

Mr Birmingham: Thank you, Mr President.

310 Okay. Firstly, I would like to join my colleagues in congratulating all the Members of the States' team, including the Chief Executive's office, the Treasury team and all the primary budget holders for once again showing their excellent control of costs on the Revenue Account: another year under budget; another year with no Occupier's Rate increase; all against a background of considerable staff turnaround.

Now, that staff turnaround has obviously caused problems in the area of capital works, and I hope that General Services actually get to spend some money this year – of course, all under Mr Tugby's watchful eye, who will no doubt find ways of doing things cheaper.

315 One observation on the BDCC accounts: the reduction in planning fees income is as much to do with the simplification of the fee structure that was introduced in 2014 as it is to do with reduced building activity, and I suggested at the time that might be the case when I proposed the changes. I recognise that, as a proportion of this, it roughly represents 20% of the current staff cost. That is too low. In reality it needs to increase to roughly 40% to match the level of cost retrieval which UK planning departments aim to achieve, based on the user-pays principle. The unfortunate consequence is that it might be that planning fees need to increase, and it is a matter I have obviously already raised with the Finance Committee.

320 Not to disappoint Mr McDowall, a mention my pet subject, the Water Board. I am delighted to see that the accounts show a significant surplus this year, in the region of £86,000, as has been helped by lower energy costs on the back of the drop in world-wide oil price. But, even taking that into account, these surpluses are considerably higher than the budget forecast. Reviewing the accounts, I note that maintenance costs have dropped by about £32,000. This means that either expected maintenance has not been carried out or, I suspect, labour costs may have been capitalised in the capital budget. In that case, the surplus could be slightly misleading and Members should be aware that suddenly labour costs could drop back into the revenue figures and surplus would reduce dramatically. In fact, if you assume that to be true, then the figures tend to match the original budget forecasts.

330 I still maintain my position that water rates are too low and the Water Board needs to reclaim a higher level of costs from the consumer. I again urge the Finance Committee to deal with this issue.

335 On that note, I congratulate the Finance Committee on their excellent oversight and control of States' spending and I support the adoption of the accounts.

The President: Thank you, Mr Birmingham.
340 Mr Jean.

Mr Jean: First of all, I would like to congratulate Mr McDowall. I would also like to congratulate the Treasury.

345 I would also say I very much agree with Mr Harvey's comments, but I have concerns about Mr Birmingham's. I think we should be very careful what we are doing regarding the public. Any cost increase regarding building development, to me, is a sign that, as well as revenue being down on building permits and various things, development here is sluggish in Alderney. It is not exactly a healthy situation. I do not think that would be a help: cost increases in planning fees. I think that might make things worse. We are already suffering with quite high freight rates and other problems.

350 The surplus in the Water Board is probably a sign, to me, that at the moment we should leave the water rates as they are.

I commend this budget and I think it is very good; it is improving. I would like, at the end of the year, to see a slightly less complicated spend and, as the allocation to the Business and Development allocation leaves us, there may be opportunity to explore that more and perhaps make it a slightly simpler spend, which is more in line with the needs of this Island and its population.

Thank you, sir.

360 **The President:** Thank you, Mr Jean.
Mr Tugby, I think, wishes to speak.

Mr Tugby: Yes, I would just like to comment on what Mr Birmingham said with regard to spending the money in General Services. What happened was that we had three technical engineers in the space of 12 months and each one had a different idea. So when one went, the other one came along and came up with different ideas. That is why we are behind in spending the capital.

Hopefully, now, we seem to have a more settled system and we seem to be going forward much better. Hopefully in the future, we will get everything looking much better.

370 **The President:** Thank you very much, Mr Tugby.
Does any other Member wish to speak on the audited accounts?
Mr Rowley.

Mr Rowley: Yes, I would just like to make the comment about the annual price increases in the Water. It tends to go up every year according to the Retail Price Index. I think that is just common sense really, that we keep up to speed with it.

Thank you.

380 **The President:** Thank you, Mr Rowley.
Does any other Member wish to speak on the audited accounts? No.
In that case, Mr Greffier, would you please take two votes. Would you take – sorry. (**Mr McDowall:** Excuse me!) First of all, I am just explaining how we are going to do the voting, then we will get down to your right of reply. (**Mr McDowall:** Okay, right.)

385 So I would like you to do it in two parts. You get a vote on part (a) and part (b), please, when we come to the voting. (**The Greffier:** Yes, sir.)

Before we take the vote, Mr McDowall, would you care to exercise your right of reply?

Mr McDowall: Yes, indeed. Thank you very much indeed, Mr President.

390 I take on board Mr Harvey's comments about consultants. I think some of them, perhaps, could be better classified as 'subcontractors', but I take your point. Perhaps better classification may help.

I also think, over the next two or three years, as we go through transition, there will be contractual help. That is a debate for another time, but I welcome your paper to P&F.

395 With regard to Mrs Paris' comment about the office in London, the lady who heads the marketing for AeGL lives in London and the house is used as her office. Forty per cent of that is charged back to her afterwards and she is also taxed on the benefit in kind. But that, essentially, is the office in London. She is based in London, and it is a two-year arrangement. Hopefully, that gives you the explanation you are looking for. (**Mrs Paris:** Thank you.)

400 With regard to the Water Board, yes I do understand your comments, Mr Birmingham. Politicians are politicians; they never like to raise any charges, but I think I do understand your sentiments and feelings.

I think the other point is that it is normal, under International Financial Reporting Standards, to capitalise the labour which is involved in capital projects. But you are right, if you stripped it back, it would come back to the budget, so I take your point.

405 I think that answers all the questions. I do agree, also, with Mr Jean, there could be some, perhaps, simpler allocation attribution in terms of the presentation of accounts and I hope I can help affect that before I stand down, Mr Jean.

Thank you very much indeed.

I commend the accounts.

410

The President: Thank you, Mr McDowall.

Monsieur Greffier, as previously detailed, would you take the vote on Item III please.

The Greffier: Thank you, sir.

415 The States of Alderney are asked to approve, firstly, the States of Alderney 2015 accounts.

A vote was taken and the results were as follows:

FOR	AGAINST	ABSTAINED
Mr Tugby	None	None
Mr Birmingham		
Mr Jean		
Mr Harvey		
Mr Simonet		
Mr McDowall		
Mr Rowley		
Mr Roberts		
Mrs Paris		
Mr McKinley		

The Greffier: That is passed, sir.

And, secondly, the States of Alderney Water Board 2015 Financial Statements.

420

A vote was taken and the results were as follows:

FOR	AGAINST	ABSTAINED
Mr Tugby	None	None
Mr Birmingham		
Mr Jean		
Mr Harvey		
Mr Simonet		
Mr McDowall		
Mr Rowley		
Mr Roberts		
Mrs Paris		
Mr McKinley		

The Greffier: And that is also passed, sir.

The President: Thank you very much.

**IV. The Alderney Foundation –
Rules and Charter –
Item approved as amended**

Item IV.

The States is asked:

to approve the revised version of the Rules and Charter of the Alderney Foundation.

425 **The President:** We move to Item IV, please, Monsieur Greffier.

The Greffier: Item IV this evening is the Alderney Foundation.

430 A letter has been received from Mr McDowall, in his capacity as Chairman of the Policy and Finance Committee, and the States of Alderney is asked to approve the revised version of the Rules and Charter of the Alderney Foundation.

The President: Thank you very much.

Mr McDowall, as Convener, were there any comments on this at the People's Meeting?

435 **Mr McDowall:** There were indeed, Mr President.

The first comment: the former President congratulated the States on finding a way to retain money for Alderney's benefit. It was clarified that States' Members will not be involved in the Alderney Foundation. The President would be the guardian of the Foundation, which is following the recommendations of the Guernsey Foundation Law.

440 The second was, 'How do you select members of the Foundation?' The Convener advised that two members are professional fund managers associated with the Island and one is a representative of the corporate service provider which provides the administration for the Foundation and who is based on the Island. There is room to select one more Councillor, where input via the States can be made on behalf of the people of Alderney.

445 The Chief Executive clarified that charities can apply for grants from the Foundation. The Alderney Foundation is not a rival charity. It is a vehicle for keeping Alderney's money safe, protecting the resources of Alderney.

The Convener stated that funds can come from legacies, royalties or even be voted funds to the Foundation via the States.

450 Finally, information will be published in terms of the Foundation's accounts with the future States of Alderney's accounts.

The President: Thank you, Mr McDowall. Would you care to take a sip of water?

455 **Mr McDowall:** I think I would, if you do not mind, Mr President. Thank you very much.

Right, back to it!

460 The concept of the Foundation, I think, came to Policy and Finance about two and half years ago, from recollection. It has been refined in terms of discussion over time and the revised Charter was approved at P&F in February. I think everything else is pretty explicit, but we bring it to the States for approval.

Thank you.

The President: Thank you, Mr McDowall.

Mr Simonet, I believe you wish to second this.

465 **Mr Simonet:** Yes, I am pleased to second this Item, Mr President.

I think this is a very important step forward for Alderney in managing its finances, and I welcome it. I think we should bear in mind Sir Norman Browse's remark at the People's Meeting: that he had attempted this and failed some years ago because of problems away from this Island.

470 However, it has now fallen for us to vote on tonight and I think it is very welcome by all.

The President: Thank you, Mr Simonet.

Mr Greffier, I believe we have an amendment to Item IV.

475

The Greffier: Yes, sir.

The President: Would you be kind enough to read that out.

480 **The Greffier:** Yes, a letter has been received from Mr Harvey and his amendment is as follows:

Amendment:

At clause 26, 'Accounts and Audit,' to insert the additional clause 26.4 as follows:

'After approval by the Councillors, annual accounts will be forwarded to the States of Alderney and placed in the public domain.'

The President: Thank you very much.

Mr Harvey, I believe you wish to propose your amendment.

485

Mr Harvey: Thank you, sir.

Let me say at the outset that I totally support the concept of the Foundation. It is – rather as it says on the tin – a Foundation, the true worth of which will probably not be apparent for 10 or 20 years, long after some of us have moved on to other places or been allocated elsewhere. (**Mr McDowall:** Amen!)

490

So I think it is an important move. But, of course, what it does mean is that we are trying to set rules to guide and indeed govern something which will probably not be effective for a quite a number of years in the real sense.

Looking through the Rules, it occurred to me – or I noticed – that the Rules permit the Councillors to publish annual accounts, but do not *require* them. I thought this was a slight loophole, a potential loophole, that somebody might get hold of. Therefore, to put the matter beyond doubt, I submitted the amendment indicating that the Councillors will be required to publish the accounts, both to the States and to the public domain.

495

500 **The President:** Thank you, Mr Harvey.

Mrs Paris, I believe you wish to second this.

Mrs Paris: Yes, I do.

I am very pleased to second this and very pleased that the Alderney Foundation should be coming into existence. I think the setting up of it is probably the most long-term and hopefully the most long-sighted item that we have on the Billet.

505

It should be of benefit to the Island for many years to come – as Mr Harvey has already pointed out – and long after our current States' Members have gone to fresh pastures. (*Laughter*)

510

It is obviously, therefore, very important that it is set up in as clear and as transparent a manner as possible and, accordingly, I do support Mr Harvey's further amendment to the Rules: that the annual accounts should have to be placed in the public domain.

The President: Thank you very much, Mrs Paris.

515

Does any Member wish to speak on the amendment?

Mr Jean.

Mr Jean: Just to say that it is a good amendment and I am going to support it. I think that it is excellent that the accounts come into the public domain. That is one part of my problems – and I do have problems – dealt with.

520

Thank you, Mr Harvey and Mrs Paris.

The President: Thank you, Mr Jean.

Does any other Member wish to speak on the amendment?

525

Mr Rowley.

Mr Rowley: Yes, I would just like to add my voice to Mr Jean's. I think it is a perfectly logical thing to expect: that the accounts be published annually; otherwise we would be laying ourselves to accusations of vacancy of capacity.

530

The President: Thank you, Mr Rowley.

Does any other Member wish to speak on the amendment? Good.

Mr Harvey, do you wish to exercise your right of reply on the amendment?

535

Mr Harvey: I think there is nothing further to say on that, sir. Thank you.

The President: Thank you very much.

Mr Greffier, would you please take the vote on the amendment.

540

The Greffier: Thank you, sir.

The proposed amendment is at clause 26, 'Accounts and Audit', to insert an additional clause 26.4 as follows: 'After approval by the Councillors annual accounts will be forwarded to the States of Alderney and placed in the public domain.'

A vote was taken and the results were as follows:

FOR	AGAINST	ABSTAINED
Mr Tugby	None	None
Mr Birmingham		
Mr Jean		
Mr Harvey		
Mr Simonet		
Mr McDowall		
Mr Rowley		
Mr Roberts		
Mrs Paris		
Mr McKinley		

545

The Greffier: That motion is passed, sir.

The President: Thank you very much.

We now return to the main Item IV: the Alderney Foundation, which has been duly proposed by Mr McDowall and seconded by Mr Simonet. Does any Member wish to comment on Item IV?

550

Mr Jean: On the main Proposition?

The President: On the main Proposition, please. Yes.

555

Mr Jean: Sir, Your Excellency, distinguished guests, I speak on the Alderney Foundation. My support for this Item has never been strong. In fact, two years ago – some of you may remember – I sparked off calling for a vote on the Item at a P&F, and I voted against the Item. I admit I was against the idea, and my reason was at the time parts of the Item: the Alderney Foundation and sources of income to be included in the Foundation were not to be included in the minutes of that P&F meeting back in April 2014. This is the reason I sparked off and voted against the Foundation idea, because our financial arrangements were the same as they had always been under the 1948 Agreement.

560

Although I did express concern at the meeting in 2013 when the Item was first introduced to the States of Alderney by the President of our States, my concerns grew with time. For quite a while after my strong expression of views, the Foundation proposal seemed to disappear. Time has moved on and my views have mellowed to some degree, but some concerns do remain.

565

The situation regarding control of more of our own finance is agreed. We will, in future, have more autonomy and more responsibility over localised taxation. That does change the view I took then. In fact, this is a major change.

570 I look at the perceived idea of the Alderney Foundation and I ask myself, is this Foundation as necessary as it was when we viewed it then? Monies are already held in the capable hands of our own Treasury Department in the form of legacies, bequests, lottery funds and such like, of which we receive a share of the lottery fund. Various charities benefit each year and worthy causes too, as funds are allocated to them on request and subject to the agreement of our
575 Finance Committee.

I am told by the Chairman of P&F that a decision as to whether the States replace future revenue funds such as tidal energy money into the Alderney Foundation would be a decision to be taken by the whole States at that time.

I question why we, as States' Members, on behalf of the public, would consider abrogating
580 our own responsibilities to a Foundation, an organisation over which the States, in the Billet before us today, will have less control over these matters than it does today.

The States of Alderney has not been involved in the selection of the Council members; nor has any effort been made to introduce them to us. I, myself, know only one of the proposed trustees of the Foundation, and I cannot and would not be critical of those chosen, as I do not
585 know them.

I believe, at this present time, with all the changes taking place to the financial relationship between Guernsey and Alderney and the taxation being localised, viewing the present system for holding such monies, which are adequate at this time, we should not vote for setting up the Alderney Foundation; creating an unnecessarily complicated structure to the more direct control
590 of the assets within the States of Alderney that we hold on behalf of the public of Alderney.

Thank you, sir.

The President: Thank you, Mr Jean.

Does any other Member wish to speak on Item IV?

595 Mr McKinley.

Mr McKinley: Mr President, Your Excellency.

I do not disagree with the idea of the Foundation and I understand fully one of its principal objectives, but I do have a couple of questions for clarification, really, for Mr McDowall, which I
600 think he is probably aware of already.

The first concerns the selection of Councillors. We were told in December, at the Finance Committee meeting, that they had been identified, but were not told who they were. I think we were told at the People's Meeting who they were, but I would ask who made the recommendations and who made the selection?

605 Do any of the Councillors have their primary address in Alderney? Because, as far as I know, possibly one does, but if you go to the Billet Item it says, '... should be ... dedicated islanders'. As far as I know, none of them, or possibly only one of them, has a primary address here in Alderney.

610 Regarding the dispersal of grants, it appears that the States can only approve on recommendation of the Foundation. Would the States be able to influence or exert pressure? And, indeed, can they also take money from the Foundation? I assume they can.

Those are my questions, sir.

The President: Thank you very much, Mr McKinley.

615 Does any other Member wish to speak on Item IV?

Mr Rowley, was that a nod?

Mr Rowley: No, it was not.

The President: No.

620 Mr Harvey.

Mr Harvey: Thank you, sir.

625 As I have already indicated, I have supported the idea of the Foundation from the very beginning. I think one has to see the Foundation, at this point, as being an enabling mechanism or almost a receptacle which we have no intention of filling – we are not in a position to fill, for the moment – but nevertheless, the intent is good there.

630 I am sure Mr McDowall can respond to Mr McKinley's concerns, but the initial set of rules had no role whatsoever for the States, although we had discussed the fact that the States would actually be effectively the client of the Foundation, and that is now more or less written into the Foundation Rules in that the Foundation will only consider donations or requests if they have received the support of this body here.

It does not, of course, force the Councillors to agree such a recommendation; they still have to have that independence of movement, as I understand it. But, clearly, if they rejected a request from the States, then future funding might be rather more difficult to achieve.

635 I think there are sufficient safeguards in there to achieve the end result which, as I say, I think again is probably quite a few years in the future.

Thank you.

The President: Thank you, Mr Harvey.

640 Does any other Member wish to speak on Item IV? No.

Mr McDowall, would you like to exercise your right of reply?

Mr McDowall: Yes, indeed. Thank you very much indeed, Mr President.

645 Let me address Mr Jean's comments and concerns. Obviously, at this stage, any monies going in would be private benefactors' legacies or donations. People have a right to exercise where they put their money. A lot of people do not want to leave money to the States because they believe we politicians are feckless spendthrifts. Of course, that is not the case, I know, but there is that perception in some quarters.

650 Clearly, as Mr Harvey has iterated and reiterated, this will not really become an issue in terms of substantial funds for some time. Public funds could only go in there with the approval of the States. So no public funds can go in here without the approval of the States. If people wish to put money in, that is entirely their own business. It is absolutely their own business and others should not interfere. Obviously, at a later stage, if and when the States puts money in, then clearly they can make their own observations on the Councillors.

655 In December, Councillors were in mind but they had not consented to be Councillors at that time. One of the Councillors, who represents the corporate service provider which will do the administration, has her address on the Island. Two of the others have secondary addresses on the Island. I believe one will make this his permanent address in a few years' time.

660 I think we are setting up a structure. It is not going to have much impact at all for conceivably five to 10 years. Clearly, there will be a different States by then and States' Members may have a different view on how they dispose of surplus funds, so there is no guarantee that public funds will go into the Foundation. It is merely a vehicle that is there to take States' funds should States' Members determine that in the future.

I hope I have answered your questions satisfactorily.

665

Mr McKinley: Not quite, sir.

Mr McDowall: Okay.

670 **The President:** Is this a point of order, Mr McKinley?

Mr McKinley: Point of order.

The President: Yes. Please proceed.

675 **Mr McKinley:** Yes. Mr McDowall looked at me very harshly when I apparently suggested who puts the money in. I did not say anything about who puts the money in; that was not me at all. But I did ask: (1) who made the recommendations and who made the selection?

680 **Mr McDowall:** A number of people who have the professional competencies, who have association, were approached by one or two Members of the States and, indeed, if I may say so, yourself, Mr President, and they consented to act as Councillors.

Mr McKinley: Right.

685 **The President:** Right! Anybody got any points of order before we close?
In that case, Monsieur Greffier, would you please call the vote on Item IV.

The Greffier: Thank you, sir.

690 The States of Alderney are asked to approve the revised version of the Rules and Charter of the Alderney Foundation.

A vote was taken and the results were as follows:

FOR	AGAINST	ABSTAINED
Mr Tugby	None	None
Mr Birmingham		
Mr Jean		
Mr Harvey		
Mr Simonet		
Mr McDowall		
Mr Rowley		
Mr Roberts		
Mrs Paris		
Mr McKinley		

The Greffier: The motion is passed, sir.

695 **The President:** Thank you very much indeed.

V. Committee Membership – Item approved as amended

Item V.

The States of Alderney is asked:

to approve the quorum of any committee meeting of the States of Alderney to be 50% plus one of the committee membership.

The President: Could we move to Item V on the agenda, please.

The Greffier: Yes, sir.

Item V this evening is Committee Membership.

700 A letter has been received from Mr McDowall, in his capacity as Chairman of the Policy and Finance Committee, and the States of Alderney have been asked to approve the quorum of any committee meeting of the States of Alderney to be 50% plus one of the committee membership.

The President: Thank you.

705 Mr McDowall, as Convener, were there any comments on this at the People's Meeting?

Mr McDowall: Yes, there was indeed, Mr President.

The Chief Executive clarified the reason for this process, following which there were no comments on the Item.

710

The President: Thank you, very much.

Would you care to remain on your feet as proposer?

Mr McDowall: Yes, indeed.

715

This was an anomaly which I am gratified that Mr McKinley pointed out originally, when the quorum of the Policy and Finance Committee was in fact three. That related to the time when there were five members of the Policy and Finance Committee. The Policy and Finance Committee now comprises all 10 Members of the States and therefore it was appropriate to increase the quorum to 50% of the Committee membership, plus one. Therefore, that is reflected in the motion.

720

Thank you.

The President: Thank you very much, Mr McDowall.

Mr McKinley, I believe you wish to second this.

725

Mr McKinley: Yes, indeed, sir, and I reserve my right to speak, if I may?

The President: Thank you.

Monsieur Greffier, I believe we have an amendment to Item V.

730

The Greffier: Yes, sir.

The President: Would you be kind enough to read that to the Members.

735

The Greffier: Thank you, sir.

A letter has been received from Mr Birmingham and the amendment reads:

Amendment:

The States of Alderney is asked to approve the quorum of any committee or subcommittee of the States of Alderney to be that as shown in the following table:

<i>Committee Membership</i>	<i>Quorum</i>
<i>5 or less</i>	<i>3</i>
<i>6 or 7</i>	<i>4</i>
<i>8 or 9</i>	<i>5</i>
<i>10</i>	<i>6</i>

The President: Thank you very much.

Mr Birmingham, would you care to propose your amendment.

740

Mr Birmingham: Thank you, Your Excellency, Mr President.

It seems amendments are like London buses: we have seen none for an age and then three come along at once! *(Laughter)*

745 I brought forward an amendment to this Item in my capacity as Chairman of the BDCC. The proposal is aimed at addressing the issue of the level of quorum of a 10-man Policy and Finance Committee, and the Government of Alderney Law was drafted under the assumption that there would only be committees of five-person membership and therefore set the quorum at three.

750 To be clear, I have no problem with increasing the quorum of committees of a larger membership: a proposal I supported when the matter was discussed at Policy and Finance. However, this Item also inadvertently proposes the raising of the level of quorum of smaller five-man committees above the level set in the Government of Alderney Law.

755 After consideration of the possible impact that this might have on BDCC, as Chairman, I have come to the conclusion that the resolution, as proposed, could cause unintended problems for the existing five-man committees and subcommittees of the States by raising the quorum to four members out of five.

760 My reasoning goes like this: over the last three years, we have seen the death of a States' Member whilst in office, the late Paul Arditti; one States' Member has been incapacitated with a heart attack for three months and three other Members' attendance has been affected by serious medical conditions that in some cases have meant long periods off Island for treatment. Over the last two years, we have also seen dramatic increases in the level of work placed on our over-stretched – if I may say – Guernsey Representatives, and that has frequently caused timetabling issues for meetings.

765 This, on top of the usual day to day issues that may prevent a Member from attending – we all know the travel ones of high winds and fog or even unexpected illnesses or last minute complications or commitments. Under those circumstances, effectively raising the quorum of the smaller committees to four fifths of the membership could create very real difficulties. In the circumstances I have described, there have been occasions when the BDCC has had to meet with only three Members. For BDCC, delays and postponements of meetings are unwelcome, especially when members of the public are waiting on the outcomes of decisions for planning applications. A higher quorum would have prevented timely decision making.

770 Therefore, after discussing the matter with Mr Rowley, Chair of Tourism and Marketing, I have brought forward this amendment that replaces the original one-size-fits-all proposal with a table that sets the quorum levels based on the principle of the quorum set at the number of the first Member above 50% of the committee. This eliminates the potential problems that I previously mentioned, but deals with the issues of the quorum of the larger committees.

I hope that Members will agree that this is a sensible compromise and that it will not affect the ability of the smaller committees to transact their business.

I commend it to the States.

780 **The President:** Thank you, Mr Birmingham.
Mr Rowley, I believe you wish to second this.

785 **Mr Rowley:** Yes, that is right, Your Excellency, Mr President. I wish to second this and, as Mr Birmingham has explained, it clears up a potentially Alice in Wonderland-type situation where you end up having two and a half people, to which you add one and then you round it up and take away the number you first thought of and do whatever!

790 Frequently, it would leave us, as he said, with needing four people on the BDCC and certainly the Tourism Committee. But this – although it might look a little bit cumbersome – is just a simple table, and you look at it and you work out how many people are on your committee and you say, 'Right, we need four people to be quorate' or three or five or six, and there you have it and there is no ambiguity about it.

The President: Thank you, Mr Rowley.

Does any Member wish to speak on the amendment?

795

Mr Jean: If I may?

The President: Can I take Mr McKinley first, please?
Mr McKinley.

800

Mr McKinley: Just a point of clarification, really, because I totally agree with the five-man committees being reduced to three. I am not quite sure where we stand on the six or seven-man committees or the eight or nine-man committees. There are no such committees, so why are they included in the amendment?

805

The President: Thank you.
Later, you will have your right of reply in a minute.
Mr Jean.

810

Mr Jean: I would like to say, I do not agree with this amendment because I think, myself, that if you have the number *i* for quoracy on each committee, it will encourage attendance, because we are having problems with attendance at these meetings. We had a Policy and Finance meeting yesterday with only six Members! Three of them did not turn up! (**A Member:** Seven!) So I am sorry, anything that increases attendance I think is good. Not only that, this is a regular occurrence. We are getting poor meeting attendance and this will deal with it. If the number is high, this amendment should not receive the support because it will encourage the people to turn out and they will have to come to the meetings.

815

Thank you, sir.

820

The President: Thank you, Mr Jean.
Mr Harvey.

Mr Harvey: Thank you, sir.

825

I do not have any problem with Mr Birmingham's amendment; I realise the problems. Of course, an alternative way would be to have left the law as it was and merely make an exception for the Policy and Finance, but I am sure we will all learn to love the table here and refer to it on a regular basis. (*Laughter*)

830

I think this debate highlights the whole issue of committee meetings, their purpose and the way we are going with them. Because I have been concerned since late last year, when we first saw the programme for committee meetings this year which had decimated most of the committee meeting dates, despite the fact that the States website still says, 'Committees meet monthly'.

835

Now, what is the purpose of the committees? The committees are there to make decisions or to reach decisions and pass them onto the next level above. They are a democratic organisation. Not only does it mean that the committee members are able to openly, between themselves, discuss these matters but in due course – hopefully quicker rather than later – the minutes are published. So they are a democratic process and, although in the urge to move on to get things done, they can be seen as an inconvenience, I would strongly defend the committee system. I am pleased that the Policy and Finance Committee have now moved to – I am trying to count the number of meetings. I am not sure what –

840

The President: Mr Harvey, if I may? We are on the amendment (**Mr Harvey:** Indeed, indeed!) to do with the number of people for a quorum.

845 **Mr Harvey:** My point, sir, is this: if you schedule four meetings a year and then suddenly find, at short notice, you need to schedule extra meetings, you are going to have greater difficulty in achieving a quorum – so there is actually a link.

I think part of the solution is to have an adequate quorum, as I think has been proposed, but also to ensure there is an adequacy of meetings published at the beginning of the year, so that
850 everybody knows where they stand. There is a far greater chance of achieving a quorum and not running the risk that Mr Jean rightly identified yesterday, when we were nearly inquorate and indeed towards the end of the meeting when, unexpectedly, a decision was called for, we were not quorate and we were not able to make a decision.

Thank you, sir.

855

The President: Thank you, Mr Harvey.

Does any other Member wish to speak on the amendment?

Mr Simonet.

860 **Mr Simonet:** Yes. Thank you, Mr President.

I do support Mr Birmingham's amendment. I think it makes perfect sense. I hear the comments about attendance at meetings. I personally do not know of any States' Member who has missed a meeting without good reason. This is bound to happen, particularly with an ageing population.

865 I do think Mr Birmingham's amendment requires all States' Members to be numerate and that may be asking too much. *(Laughter)* However, I am glad to support it.

The President: Thank you very much, Mr Simonet.

Mr Rowley.

870

Mr Rowley: Yes, on a point of order, if I may?

Could I point out to Mr Jean: you cannot demand full people at a five committee –

The President: That is not a point of order.

875

Mr Rowley: Oh, is it not? I beg your pardon. If they are not on the Island, they cannot go.

The President: No. Sit down, please. Thank you.

Does any other Member wish to speak on the amendment? Very good!

880

Mr Birmingham, would you like to exercise your right of reply on the amendment?

Mr Birmingham: Yes. Thank you, Mr President.

I, first of all, make the point that I am proposing no change to the quorum as it stands for
885 five-man committees. It is effectively going to be exactly the same process that has worked very well over a long period of time. The way Mr Jean would have it, we would be getting a disparity between the smaller committees and the larger ones. That would then mean we would be talking about an eight-man quorum for P&F, if you were to take it pro rata.

As I said, this is the case of there having been circumstances where this happens, through no fault of anybody. As I have said, in the case of the death of Paul Arditti, obviously the process that was gone through there was that we then have to have an election. That means that has to
890 be taken to a States' Meeting for the date to be finalised; then you have to have the election. With certain timings and an illness to another member of a committee, you could find yourself, from the BDCC side, being in a position where we are hamstrung and not being able to pass planning permission for almost six months. Now, I do not believe that is a situation that we
895 should be letting ourselves possibly get into.

In terms of Mr McKinley's, you are quite right, there are no committees of six or seven or eight or nine; however, you never know, there might be in the future. As an example, if I said specifically that P&F was a 10-man committee and the quorum had to be a certain figure, what happens, again, with the death of a States' Member? The States drops to nine and that affects the quorum. Therefore, that is why there are circumstances where we could drop to a nine-man P&F; even with the resignation or suspension of a States' Member that would happen. Therefore, I have put it in there for those circumstances in the event that that might happen.

As I said, I have no issues at all with the large quorum for a large P&F. That is quite right; that is what should happen. As I said, I am just concerned on the potential effects of the smaller committees for the quorum.

The President: Thank you very much, Mr Birmingham.
Monsieur Greffier, would you put the amendment to the vote, please.

The Greffier: Thank you, sir.

The States of Alderney is asked to approve that the quorum of any committee or subcommittee of the States of Alderney be that as shown in table: where the committee membership is five or less, the quorum be three; where membership is six or seven, the quorum be four; where the membership is eight or nine, the quorum be five; and when membership is 10, the quorum be six.

A vote was taken and the results were as follows:

FOR	AGAINST	ABSTAINED
Mr Tugby	Mr Jean	None
Mr Birmingham		
Mr Harvey		
Mr Simonet		
Mr McDowall		
Mr Rowley		
Mr Roberts		
Mrs Paris		
Mr McKinley		

The Greffier: That motion is passed, sir.

The President: Thank you very much indeed.

We will now proceed to the main Item to do with the committee membership, which has been duly proposed by Mr McDowall and seconded by Mr McKinley.

Does any Member wish to speak on Item V: Committee Membership?

Mrs Paris.

Mrs Paris: Thank you.

I will leave any remarks about the number of men on the committees for a different occasion, perhaps.

I think this Item most usefully solves the problem that is not actually our main problem. The issues, I think – as a bewildered and somewhat cynical electorate will tell you – are actually why are there so few meetings? And – hopefully already resolved – how can it take so long to release the minutes of the meetings that we do have?

At the risk of repeating some things that have been said by Mr Harvey and some others, I can see no reason why we should not plan to have 10 P&F meetings per year, so that everyone can keep their diaries clear. It is much simpler to do that than to have meetings at the last minute, when we all have other things to do and other commitments. Ten meetings at a time –

940 **The President:** Mrs Paris, with due respect, this Item is to do with the quoracy of the committees. (**Mr McDowall:** Quite!) If you wish to discuss the number of committees, this is not the place to do it.

945 **Mrs Paris:** That is perfectly reasonable and I think, as Mr Harvey has said, the notice that we have for the meetings reflects very strongly on how many people can actually attend the meetings. Therefore, there is a very important connection with the two. I think, therefore, that one of the answers to the issue is to have more and better planned meetings.

The President: Thank you, Mrs Paris.
Does any other Member wish to speak on Item V, to do with the quoracy of the committees?
Mr Simonet.

950 **Mr Simonet:** Yes. Thank you, Mr President.
It is just really to comment on the quorate. It relates to it because I personally have been to more meetings this year than I did at this period last year. So I do not know where my fellow States' Members have been. Mr Jean loudly complains about the attendance and quorate of meetings, and Mr Jean sits on *one* committee. The rest of us sit on a lot more.
955 Therefore, I do think this proposal is right and it is proper and I will support it.

The President: Thank you, Mr Simonet.
Does any other Member wish to speak on the quoracy of committees?
960 Mr Rowley.

Mr Rowley: Yes, Your Excellency, Mr President.
I would just like to make the point that I do not think I have been to a single committee meeting where we have not been quorate and it has had to be cancelled; that is where the quorum has been three. There have always been three people, which is enough.
965 Thank you.

The President: Thank you.
Does any other Member wish to speak on this Item?
970 Mr Harvey.

Mr Harvey: Just a point of order, sir. Having passed the amendment, does that not mean that the main Proposition lapses?
Thank you.
975

The President: No. The Proposition is still to do with the quoracy. We have had an amendment which details the way the quoracy is now chosen, but we still need to go through the main Proposition to change the quoracy of the meetings.
What you are actually debating now is the need to change the rules for quoracy, which are as amended by Mr Birmingham's amendment.
980

Mr Harvey: Thank you for that clarification, sir.

The President: Thank you.
985 Right! Does any other Member wish to speak on the quoracy of committees?
Mr McKinley.

Mr McKinley: If I may, sir.

990 The main purpose of this Billet Item was to sort out the issues with the Policy and Finance Committee meeting, and I think we have done that.

Just for a matter of interest, notice was given in January for the meetings to be held this year; it has been amended several times since. One of the reasons it was amended was because there was uncertainty of the dates of the Guernsey States' meetings. So, Mr Jean and I could not be there and here at the same time.

995 Just to pull up on one of the things that Mr Jean said, I think there are occasions when I am afraid you have to exercise the quorum because, if somebody is sick – I agree with the principle: everyone should attend if they are on Island – or somebody has a serious personal family issue, I think they should be excused. If they know well enough in advance, they should write and ask to be excused from that meeting.

1000 I do, however, believe that there is a slight conflict somewhere here for people who have very important jobs on the Island and must attend to those jobs, but are unable to attend meetings because of their work on the Island; they are either working on the Island or they are working for the States and, hopefully, they are doing both. Just a comment, sir!

1005 **The President:** Thank you, Mr McKinley.
Does any other Member wish to comment on Item V: quoracy of committees? Very well.
Mr McDowall, do you wish to exercise your right of reply?

1010 **Mr McDowall:** Very briefly, I commend the motion to the States, Mr President.

The President: Thank you, Mr McDowall.
Monsieur Greffier, would you please put Item V, as amended by Mr Birmingham's amendment, to the vote, please.

1015 **The Greffier:** Thank you, sir.
The States of Alderney is asked to approve that the quorum of any committee meeting of the States of Alderney be as the recently approved amendment and the table just discussed.

A vote was taken and the results were as follows:

FOR	AGAINST	ABSTAINED
Mr Tugby	None	None
Mr Birmingham		
Mr Jean		
Mr Harvey		
Mr Simonet		
Mr McDowall		
Mr Rowley		
Mr Roberts		
Mrs Paris		
Mr McKinley		

1020 **The Greffier:** Thank you. That motion is passed, sir.

The President: Thank you very much indeed.

VI. Housing Strategy – Debate and consultation

The President: We will move to Item VI, please, Monsieur Greffier.

The Greffier: Thank you.

1025 This evening, Item VI is Housing Strategy. A letter has been received from Mr Birmingham, in his capacity as Chairman of the Building and Development Control Committee, asking that the housing policy proposals of the Building and Development Control Committee be included on this evening's Billet and discussed without a formal resolution.

1030 **The President:** Thank you very much indeed.

Mr McDowall, as Convener, were there any comments on this at the People's Meeting?

Mr McDowall: Yes, Mr President; there were a number of comments on this.

1035 The first: C-Permits, and the question, 'Why get rid of them? It will threaten our greenbelt.' The Convener invited Mr Birmingham to advise on this Item. Mr Birmingham clarified that the C-Permit system has caused a distortion in the housing market as only large houses were erected. He stated that there are massive numbers of families and not enough small homes, flats, apartments for downsizing of properties.

1040 The recommendations from ARUP – who were advising on housing and land use – for 100 homes over the next five years, is a reality figure, as there have been 45 plans for new dwellings already in the pipeline. This is a positive thing, and other reasons supporting this can be found in the report from ARUP – which I am sure Mr Birmingham will look at later.

1045 The second point: 'Big houses were built through the fault of the BDCC, not the C-Permit system. There is no right to build. This falls with the BDCC.' Mr Birmingham stated that C-Permits create the circumstances for locals to build big houses. We should let the housing market sort it out, to rebalance itself.

1050 The third comment: 'Given that there were 37 recommendations in the ARUP Housing Strategy, one hour is not enough time for this Billet. It has been rushed.' (**A Member:** Hear, hear.) Mr Birmingham advised that the Housing Strategy has been out for public discussion for over a month and is purely for debate at the States' Meeting. No decisions are being made as of yet.

The fourth: recommendation 37, Compulsory Purchase. 'Should the States use powers to resolve issues such as property in disrepair, danger, land lock?' That was being framed as a question.

1055 Finally: 'If we all have big houses, cannot we convert them into flats or apartments for subdivision?' Mr Birmingham agreed and advised that this is included in the ARUP recommendations for a further 100 homes over five years. It does not necessarily mean new builds.

That concludes the comments, Mr President.

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The President: Thank you very much, Mr McDowall.

Mr Birmingham, would you care to propose this Item.

Mr Birmingham: Thank you, Your Excellency, Mr President, fellow Members.

1065 One of the recommendations of the review of the planning system by ARUP for the Building Development and Control Committee was that the land use planning review process should be more evidence-based and also give clearer guidance relating to zoning.

1070 The reviewers also raised a number of other legislative issues relating to housing including the future of the C-Permit system and the nature of the personal planning approval, which are matters for the 2002 Building and Development Control Law.

After discussion with the law officers, it was decided by the BDCC that the best way to deal with these interconnected issues was to consult upon a housing development strategy for the Island that could inform the 2016 Land Use Plan review and, at the same time, examine the best approach in regard to the other legislative issues.

1075 The creation of such a strategy was also a key plank of the Island's Economic Development Plan, as approved by the Policy and Finance Committee in 2015.

1080 The BDCC commissioned ARUP to help draft the document and, as part of that process which commenced in the Autumn in 2015, they conducted a number of stakeholder meetings where the views of a wide array of groups and individuals were sought, including: the Alderney Wildlife Trust, the Alderney Society, architects, builders, estate agents, developers, States' Members, States' officers and the Alderney Housing Association.

I would like to thank all those that took part in those meetings and also to Kieron Hyams and the ARUP team for their assistance in acting as independent umpires during that process, and subsequently helping the BDCC distil the results of those meetings into a strategy document.

1085 The full Report was published for public consultation in February. It is available on the States' website with hard copies available on request from the States' office. This was reported upon in both *The Journal* and *The Press* and also on Quay FM, ensuring the widest spread of media coverage.

1090 In order to allow for further consultation, the BDCC voted unanimously to put the strategy on the Billet for the April States' Meeting as Green Paper, to allow States' Members the opportunity to put their comments on the strategy on record and further to allow the public a second bite at the cherry, for comment through the People's Meeting.

1095 Some of the recommendations in the strategy have been used to form the basis of the current Land Use Plan review, such as the proposals for new housing character areas. This allows the public a third opportunity to comments on these matters that effect the Land Use Plan, through the Land Use Plan review being conducted by Mr Alan Langton. Of course, they will have the opportunity to comment again when the BDCC brings forward the full Land Use Plan for adoption by the States later this year. Any further legislative changes that are not a matter of the Land Use Plan, such as the proposed removal of the C-Permit system, will also be subject to further comment and scrutiny, as they can only be brought forward by way of amending Ordinances to the 2002 Building and Development Control Law, through approval at a States' Meeting, which therefore will allow further comment at another People's Meeting.

1100 This debate is part of a thorough process of consultation that gives the public and States' Members at least three opportunities to comment on legislative changes and express their views.

1105 There is much in the strategy that will require considerable further discussion and policy development, such as the long-term role of the AHA in social and affordable housing provision. However, I do wish to address the fundamental proposed reform in the strategy, and that is the removal of the C-Permit system.

1110 It has long been recognised by many that the C-Permit system has had problems. Decisions made by previous States in regard to changes to qualification periods have, at times, seemed arbitrary and unfair. Also, operating the exemption ordinance system has proven to be a complex minefield and almost impossible to undertake without accusations of bias. However, it is not until you really get into the detail of the long-term effects of the system, that you begin to realise exactly how bad the policy is and the number of damaging and unintended consequences that it has created.

1115 Firstly, the system has basically created a one-shot deal towards housing development. You get to build one house and that is it. Now, standardly, the constructor would then say, 'Well, I had better build the biggest house I can for my money, regardless of if I need to or not.' Over time, the policy has therefore continued to supply family home after family home regardless of demand. Effectively, the Island has built the same home for 25 years.

1120 If we take a look at the latest electronic census, it shows that 33% of the Island's population are over retirement age. This age group are looking to downsize and yet the C-Permit system does nothing to address their requirements. It just continues to churn out family homes. This has led to a structurally unbalanced housing market where supply is not meeting demand.

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1130 Secondly, it has also led to the consumption of the greenfield sites, placing pressure on the designated area with little or no reworking or recycling of brownfield and infill sites, which are generally owned by individuals who are not C-Permit exempt. This has stopped infill development within the building area on plots that would suit properties for downsizing, such as granny annexes or small bungalows.

Also, land that would suit infill for housing often ends up being used for inappropriate development, such as garage complexes, just because the land owner has no other choice in what to develop.

1135 Thirdly, the one-shot deal also means that each separate house is a single development, often built to the lowest budget, often self-built to conserve cost and often to poor standards. This, also, is the most expensive way to build houses. Such a system does not allow for economies of scale, where a developer or a group of individuals could create a number of dwellings collaboratively, nor does it allow for multiple dwelling developments such as flats or apartments of the type that the market requires. It is no surprise that the rental market, 1140 therefore, has often shown signs of stress. An example of this occurred during the employment bubble caused by the influx of workers in the gaming industry in the late 1990s, creating a significant rise in rents as some less than scrupulous landlords cashed in on the higher rents paid by the gaming firms, at the expense of the Island's lower paid.

1145 To me, it is clear that the structure of the housing market needs rebalancing and it is the view of the BDCC that the free market should be able to deal with this rebalancing. The removal of the C-Permit system will allow that to happen, changing the BDCC's role from regulator to enabler.

1150 Why am I confident that this is the case? The Call for Sites for the Land Use Plan has seen a considerable number of proposals for a wide range of accommodation types that relate to the applicant's current inability to develop due to the C-Permit system. Now, some have noted that the BDCC are planning for 400 dwellings over the next 20 years and decry the fact that the BDCC are planning for 100 homes over the next five years. They say there are a vast number of homes available for sale at the moment, so there is no demand. I would argue that it is not because there is a lack of demand. I would argue that it is a combination of a lack of the right balance of 1155 accommodation, due to the oversupply of a specific housing type; historically unsustainable, overinflated house prices and poor quality. All these issues were highlighted during stakeholder workshops as part of the consultation.

I want to be clear: the BDCC are not building anything. We are attempting to anticipate the market, which helps bodies such as utilities providers develop a clearer picture of what is 1160 required for long-term investment. The figure of 100 dwellings is not some ridiculous figure that the BDCC has just plucked out of the air, but it is the potential reality of returning market forces, if the C-Permit is removed. There are already at least 40 dwellings with planning permission on the books and the Call for Sites highlights as many as 50 that would like to apply – not ridiculous, just reality.

1165 Also, I believe that some fail to realise that, because planning permission has been sought, that does not automatically mean the development will go ahead. Those houses will only be built if the developer believes it is economically viable to do so. But they, at least, will be given the opportunity to ask for planning permission under circumstances where currently the BDCC has no leeway but to refuse.

1170 However, I think it is important to consider the potential economic implications of this change in policy. Now, I have heard some States' Members and others complain that the States are not doing anything to help the economy, and they complain that the States waste monies on reports on strategies such as this one. I have even heard one States' Member refer to such pieces of work as 'bum paper'. I think the intention of his remarks might have been derogatory. 1175 *(Laughter)* However, I do not think it is such a bad description. You can dismiss toilet paper as an irrelevance if you want, until you are sitting on the lavatory and you find you have not got any.

Suddenly something that you dismissed as irrelevant becomes slightly more important than you initially thought.

1180 This actually is not just words. This strategy will help free up the construction industry and enable developers to bring forward projects with real hope of permission being granted. I would estimate that over the next five years, if 100 dwellings were built, it could mean in excess of £10 million pumped into the Island's construction industry.

1185 The strategy means jobs and opportunities for Island tradesman and labourers. Also, it will start to address the Island's need for a better balance of homes, to help reverse the 20% drop in population that has occurred over the last 10 years. The C-Permit system is a barrier to that and effectively deters outside investment, to the detriment of the economic wellbeing of the Island.

In terms of States' finances, it could mean between £60,000 and £80,000 in extra rates. Certainly it will help electricity demands, helping AEL's balance sheet. Now, if that is toilet paper and a waste of money, then somebody can buy me another roll.

1190 Lastly, but probably most importantly is to realise that the C-Permit itself is redundant. If its intention was to act as a land bank, then its purpose has been superseded by the introduction of a Land Use Plan in 2002. This allows for housing needs to be dealt with through zoning. There is no longer a requirement for unfair and discriminative qualification restrictions.

1195 The zoning system is the proper place for anticipating land use for future social housing needs. If you want an example of why that is the case, look no further than the Banquage scheme. This was a zoning policy in all but name and was highly successful in some ways but did have some long-term weaknesses due to the draw backs of the financial model of the States' buyback of the houses.

1200 The C-Permit system is out of date; it is out of time, and it is time for it to go. It is my intention to bring forward legislation to remove the C-Permit system from the books in conjunction with other legislative changes recommended in the strategy. By modernising the Alderney planning system, we can help remove a significant barrier to economic growth and, in doing so, it is my hope that we can help the Island move towards a more sustainable future.

1205 **The President:** Thank you, Mr Birmingham.
Mr Simonet, I believe you wish to second this.

1210 **Mr Simonet:** Yes, I am very pleased to second this proposal, Mr President, and I would like to reserve my right to speak later.

The President: Thank you very much.
Would any Member like to speak on this Item?
Mr Jean.

1215 **Mr Jean:** Sir, Your Excellency. Item VI: the Housing Strategy. This shows, finally, that BDCC need our approval, but they are not prepared to allow us to vote on this Item VI by resolution only. I, for one, am not satisfied with that. This strategy will include the removal of the C-Permit system, and we are told that the C-Permit system restricts multiple permits being issued. We are going to depersonalise the issue by using plot numbers only – not to be personal to the applicant. This appears to be not only to reverse past opinions and thinking which made great efforts to target the giving of permits into the hands of those who needed them most.

1220 We are led to believe that all States' Members have been consulted on an individual basis. This is simply not so; at the least, to say any consultation with Members of this States, other than those who are members of BDCC, did never take place.

1225 A few months ago, the ARUP Report was placed on our Billet, but was restricted to questions only to the Chairman. I do regard that as restrictive practice and an intimidating process for some Members who do not wish to be put down or, when they try to expand or explain their questions, be interrupted. Having explained that, you may begin to see the frustration.

1230 For over a year, after the ARUP Report came out, time and again – in fact for nearly two – I asked ‘When will this Report be debated by our States?’ It never was debated. We could only ask questions – not good enough!

1235 We, as a States – this is obviously statutory – our approval is required, despite the fact that Item VI is without formal resolution, otherwise why would it be before us? That means I am denied a vote on what I regard as one of the most fundamental changes for decades, so I will spell it out. I am against the removal of the C-Permit system; I am against encouraging schemes favouring multiple development and I am against the removal of the applicants’ names in favour of secrecy and numbers.

1240 In this Item – for which our support is needed or from a legal point of view it is statutory that our favour is sought – my support, I make clear, is not for this Item VI. Within Item VI, mention is made of making the ‘best use of available land’ and I raise this point now. The Call for Sites is, I believe, proving to be an exercise fraught with danger, with many of those sites questioned by previous Building and Development Control Committees.

1245 Calls for 300 houses to be built! So we are going to build our way out of the recession are we? These people are in a dream world! Our housing market in Alderney is selling property at half price. Many young people are buying up the bargains at present and do not need the C-Permit system at this present time, but that is no reason to do away with the C-Permit system.

1250 The C-Permit has been and could be a valuable means of housing provision in the future, if property prices rise to their previous levels of years ago, and our young ones then would be struggling to get on the housing ladder. If I would and if I could, sir, I would vote against Item VI, but I cannot so I make my protest.

Thank you.

The President: Thank you very much, Mr Jean.

Does any other Member wish to speak on Item VI?

1255 Mr McKinley.

1260 **Mr McKinley:** Could I just seek a point of clarification? We have listened to what Mr Birmingham has had to say. I have listened also to what Mr Louis Jean has had to say. In the present circumstances, are we going to go ahead and let the Building Development Control Committee decide this by themselves or is it going to come back to the States for a decision by the entire States?

1265 **The President:** Do you want to respond to that now as a point of order or do you want to respond as your right of reply?

Mr Birmingham: Well, I can quickly respond ... If I can just clarify on the question you are referring to: C-Permit ...

1270 **The President:** Can you sit down and can you stand up, please.

Mr Birmingham: The C-Permit is enshrined in law; it is Part IV Building and Development Control Law 2002. So, for it to be changed, it can only be changed by an amending Ordinance put through by this body. So there will have to be a debate on it and there will have to be a vote.

1275 **The President:** Thank you Mr Birmingham.
Does that clarify?

Mr McKinley: Well it does partly, sir, but it leads onto a second question which is: our next Item has 37 recommendations, many of which cover the C-Permit. These two are obviously

1280 linked together, but are we going to debate the second one and are we asking for a vote on the second one?

The President: Can I possibly answer that for you?

1285 **Mr McKinley:** Yes, please, sir. Thank you.

The President: Item VI has been introduced under section 4(a)(ii), which enables any Chairman to put forward an Item for discussion by the full States without the need for a resolution. The idea of it is so that the Committee that is going to formulate a proposal gets the benefit of listening to all Members of the States and hearing their point of view before they do that. So you are fully free during the debate on Item VI to discuss anything to do with the Housing Policy proposals of the Building and Development Committee.

Does that answer your question?

1295 **Mr McKinley:** Yes it does, sir, and I just have a couple of comments to make, following that answer.

The President: Knowing that, I will allow you to stand again, now that has been clarified for you, sir.

1300 **Mr McKinley:** Thank you very much, sir.

My comments, really, concern the timing of these discussions. I attended a meeting on Monday which was extremely well attended and not just by States' Members. There were a few States' Members there, but a number of members of the public, and there were some very good questions asked. I understand that there is another meeting going on next week that is going to last the entire week. I just wonder why it is that we are going through this discussion now before we know the results of the meetings on Monday and next week? I think the timing is wrong.

1305 Mr Birmingham talked earlier about another public meeting on the issue, so we will be able to hear the opinions of the public once again. If you read the recent *Alderney Gazette*, there are 24 complaints – I think it did say – or observations made by members of the public regarding changes to the Land Use Plan. As Mr Louis Jean said, there has been little consultation within the States. Lots have gone on, I am sure, within the Building and Development Control Committee, but we have not been kept up to date, and I think this is a terribly important issue. So I would just ask that we allow the public to have their say; we allow these discussions to go on next week; we have a further debate within the Policy and Finance Committee and then we take it on from there.

The President: Does any other Member wish to speak on Item VI?

Mr Tugby.

1320 **Mr Tugby:** The reason C-Permits were brought in was purely to make sure that there was enough land for the youngsters to build on if they had money to do so. What you are going to do, if these regulations come into place, is you are opening it to a developer who is going to build a number of houses, quick and fast, to get them on the market. If he builds timber frames, he can put them up fairly cheaply, make a quick buck and then disappear. What that will create is ... People say that the price of houses are overinflated in Alderney. Well, when you look at Guernsey and Jersey and some of the south coast in England, we are rock bottom in our prices. A three or four bedroomed house in Little Street: £140,000-odd, I believe. Other properties are all around the £200,000, £220,000 mark. All right, there are a few larger ones which are costing more. But all you are going to create is giving an individual developer the opportunity to make a quick buck, because he can put them up quick and fast and then it will not matter because the

land will be gone and there will be no opportunity in future years for the young ones in Alderney.

1335 At the moment, it is nigh on impossible to buy a building plot. I know because my daughter has been trying to find one that is available, and they are just not any on the market at the present time for a reasonable price.

1340 All this is going to do is push up the price of any future building land, because it will all be built on by a few individual developers. I can assure you they are waiting out here in the wings to come in quick and fast as soon as we pass this. So there is no way, at the present time, could I put forward any confidence in voting for this proposal. We have got to keep the land, which was supposed to be in short supply 20 years ago. All of a sudden we have got a few plots which can put up about 10, 15 dwellings, and that will all go to one developer.

1345 This is just not right, because in future years, unless you do extend the greenbelt – which I know most people are against at the moment – there definitely will not be any land for the young ones in future years.

1350 We did away with the best scheme ever for the young ones with the Banquage. For some unknown reason we decided to get rid of that scheme. That was the biggest mistake the States have ever made because it did give the opportunity for the young ones to get their foot on the ladder. Do not tell me that the Housing Association is giving them the opportunity because at the present time, I believe, it is only one or two who have even considered going on it. What they had before was being able to build down at the Banquage and they could build as and when they could afford it. We did away with that scheme for some unknown reason.

1355 Basically, sir, there are a few items in here which I am in favour of, but the actual C-Permit one is definitely not it. I am totally against it.

The President: Thank you, Mr Tugby.
Does any ...? Mrs Paris.

Mrs Paris: Thank you, sir.

1360 It seems to me that the Item that is being put here is serving exactly the purpose that it was intended to do, which was to give us all the opportunity to say how we feel about this at this stage in its development. I am afraid I do not agree that we have not been consulted. There has been a lot, in all sorts of areas, that Mr Birmingham has put out and it has been there to be read if one wished to read it.

1365 I think, to be honest, Mr Birmingham and his team are to be congratulated on the thoroughness and the professionalism of the work that has been put in for our discussion here. We have an analysis of our current population's housing needs. We have the changes that are necessary to meet them and how to attract new residents. Also, within the Land Use Plan, we have confirmation of the recognition of the need to protect major parts of the Island from development, both for the quality of life for our residents and for our increasing awareness of the value of our natural environment to our lifeblood tourism industry. There is a great deal in here to be looked at very seriously.

1370 The report, I would agree, makes some excellent recommendations. It also makes some contentious ones. There are bound to be suggestions which involve change and which are going to cause some anxiety and some dissent amongst everyone, hence an opportunity for us all to air our views. But I think we must keep in mind that what we have done is ask for a professional view to be taken of how to produce an evidence-based housing strategy and Land Use Plan to meet the future needs of the Island, and this is what we now have to discuss.

1380 I do not have a problem with that at all. All I would say is there can only be one thing worse than paying good money to receive this sort of advice and that is to leave it on the shelf to gather dust.

The President: Thank you, Mr Paris.

Does any other Member wish to speak on Item VI? Mr Harvey.

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Mr Harvey: Thank you, sir.

I do find this discussion difficult because, never having been a member of BDCC, this is, to a degree, unknown territory, but I would certainly echo the view that we have received reports and updates and, if anybody feels they do not know what is happening, then I am sorry but that is their individual problem.

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I think Mr Birmingham gave a very good explanation as to why the C-Permit system is no longer fit for purpose. It is change; nobody welcomes change; nobody likes to take away a piece of paper that they think has some value, even if it has no value or has no value for the Island as a whole. That is always going to be a difficult sell.

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Looking at the recommendations or the summary of recommendations in the Billet Item, I would think that probably three or four of those are totally uncontentious. The contention largely surrounds the C-Permit. I confess, of course, as somebody who has not lived on the Island all my life, I find it bizarre that planning permission goes with the individual rather than with the property. Now, if that serves a purpose on the Island, fine, but I am not convinced it does serve a purpose.

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So I commend Mr Birmingham and his Committee for their hard work and totally agree that, if you are seeking expert, independent advice, you do not have to agree with it, but you have got to take it seriously.

Thank you.

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The President: Thank you, Mr Harvey.

Does any other Member wish to speak on this?

Mr Rowley.

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Mr Rowley: Yes, thank you, sir.

I would just like to make the point that one of the objections to the C-Permit system was that it was grossly abused and manipulated by those who understood it on many occasions. This is just an additional reason, really, as to it is changing.

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The President: Thank you, Mr Rowley.

Mr Simonet.

Mr Simonet: Yes, thank you, Mr President.

First of all, I am covering some of the ground that has already been articulated by the Chairman. The proposed housing strategy is the result of many, many months of hard work by the BDCC – that is the whole of the Committee and the officers.

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ARUP, one of leading planning consultants, have carried out an in-depth analysis of our current planning laws and policies. They have examined every aspect of development on the Island today, including: design, quality, size, location, rental, self-development. They have taken into account demographic issues, our ageing population, the reduced numbers of families with children, immigration and emigration flows, and our economic plan to attract more residents and investment into the Island.

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During this process, ARUP have consulted with all stakeholders. There have been several workshops; every member of the public who has wanted to make a contribution has been accommodated. All States' Members have been encouraged to express their views. BDCC is open to all States' Members. Any States' Member, at any time, can come, with the invitation of the Chairman, to sit and listen to the issues that we are discussing.

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The recommendations that we are discussing tonight have received the support of the overwhelming majority of all who took part in the consultation process. It has been widely accepted that this review forms a critical part of our economic plan. It supports the integrity of

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the designated area. It will eliminate what many see as unfairness and bias in the current system. It will provide Alderney with a user-friendly planning system with unambiguous policies that will protect our historic sites and buildings, and promote development that compliments the best of the Island's architecture and our precious environment.

1440 It will also promote development to satisfy the housing needs of all sections of the community. Significantly, the proposal to remove the C-Permit system was supported with very, very few exceptions, as it was recognised that it no longer exclusively served the needs of those it was designed to help.

1445 The new proposals still enable those who wish to build to do so without the restriction of having to wait on a list for a undefined length of time. I am personally confident that this housing strategy will assist both individuals and the developer to achieve their planning requirements without undue delay, whilst, at the same time, giving the Island the level of protection that it needs.

1450 There has been mention – and quite rightly – of the support needed to fill the gap by the removal of C-Permit and it is right and proper that we should look at that very carefully. AHA has stepped partially into that breach. As Mr Tugby has said – and he is quite right and I support him in that view – they do not, as yet, supply the need in the manner in which I would expect them to. Therefore, I can promise everyone here tonight that I will be bringing forward, later this year, some proposals to further assist first-time buyers on the Island, and I am quite sure when those
1455 proposal are examined, if they are well-trained, they will get the support of this States.

Thank you, Mr President.

The President: Thank you, Mr Simonet.

Mr McDowall or Mr Roberts, do you wish to say anything or participate in this at all?

1460 In that case, Mr Birmingham would you like to exercise your right of reply?

Mr Birmingham: Thank you very much.

1465 Rather than replying, I would just like to thank the States' Members for their comments. This is the whole point in bringing this paper to the States. As I said, it is a Green Paper; it is a case of finding out where people have concerns with the strategy and obviously that means, as Chairman, I can take those views on board and examine them and find ways of maybe being able to alleviate those concerns, if I believe that they are unfounded.

But I would like to thank all the Members for their comments.

1470 **The President:** Thank you, Mr Birmingham.

**VII. Building and Development Control (Designated Area)
(Alderney) Ordinance, 2016 –
Item approved**

Item VII.

The States of Alderney is asked:

to approve the 'Building and Development Control (Designated Area) (Alderney) Ordinance, 2016'.

The President: Monsieur Greffier, could we move onto Item VII, please.

1475 **The Greffier:** Yes, sir.

Item VII this evening is the Building and Development Control (Designated Area) (Alderney) Ordinance 2016. A letter has been received from Mr Birmingham, in his capacity as Chairman of

the Building and Development Control Committee, and the States of Alderney have been asked to approve the Building and Development Control (Designated Area) (Alderney) Ordinance 2016.

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The President: Thank you very much.

Mr McDowall, as Convener, were there any comments on this at the People's Meeting?

Mr McDowall: Yes, indeed there were, Mr President. Thank you very much.

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Mr Birmingham clarified that this Ordinance was a recommendation from the law officers.

There were two comments. The first was that the 'Ordinance from the 1970s refers to a map which does not specify boundaries. When was Raz Island taken out and what happened to Fort Quesnard?'

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The Convener advised that Mr Birmingham will respond to these questions in the States' Meeting and as a written response.

The second comment: 'In the 2011 Land Use Plan, Whitegates and Berry's Quarry are in the general building zone. Whitegates is apparently a historic site and needs to be viewed sensitively.' The commentator hoped that the way the Land Use Plan is presented to the States this time is better than in 2011.

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Mr Birmingham agreed and stated that processes had been altered.

That concludes the comments.

Thank you.

The President: Thank you very much, Mr McDowall.

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Mr Birmingham, I believe you wish to propose this.

Mr Birmingham: Yes. Thank you, Mr President, Your Excellency.

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Firstly, I would like to address the two questions raised by Mrs Pearson at the People's Meeting in relation to Fort Quesnard and Raz Island. In regard to Fort Quesnard, it still remains within the designated area. The house block is listed as residential zoned designated area. I believe that definition was introduced under the 2001 Land Use Plan review. It is not listed as fort zone under the general building area. That zoning was introduced in 2006 under the Land Use Plan review and that is when Raz Island was included under the fort zoning.

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I hope that answers her question, but I am more than happy, if she wants, at some point, to pop into the planning office and we can actually go through the paperwork as we found it.

Now, I started by dealing with clarifying those questions because it is from 2006 that the plot thickens and why we have the Ordinance before us today. Both the 2006 and 2011 Land Use Plan reviews made changes to what is referred to as the 'designated area'. Now, under section 12 of the BDC law, the States may, by Ordinance, designate such areas where additional development controls apply – hence the term 'the designated area'; but, in reality, what this is the Island's greenbelt.

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Now, it was assumed at the time that the changes made by Ordinance implementing the new Land Use Plans in 2006 and 2011 covered this, but the designated areas dealt with under a different section of the law – which is part three to the Land Use Plan, which is part four. The law officers have informed us that the changes to the Land Use Plan should have been reflected in an amending Ordinance to the designated area at the time that the new plans were adopted. Unfortunately, this did not happen in either 2006 or 2011.

1520

The Ordinance before you corrects that omission. This is the first opportunity that the BDCC has had to bring forward an amending Ordinance since we were informed of the issue by the law officers. The BDCC has taken the decision to bring this matter before the States now before the 2016 Land Use Plan review, in order to draw a line under the 2011 process before the 2016 inspection begins. To be clear, this Ordinance proposes no change to the designated area agreed by the States as part of the 2011 Land Use Plan. It is merely the Ordinance that should have been adopted in parallel to the 2011 Land Use Plan, defining the designated area at that time.

1525

1530 I commend it to the States.

The President: Thank you, Mr Birmingham.
Mr Simonet, I believe you wish to second this.

1535 **Mr Simonet:** Yes, I do. I am happy to second this proposal, Mr President, and I do support the comments of the Chairman.

The President: Thank you very much indeed.
Does any Member wish to comment on Item VII? No.

1540 Monsieur Greffier, you can take that as passed.

The Greffier: Thank you, sir.

**VIII. Changes to the Council Regulations of the EU Sanctions Regime –
VIII(a) The Sanctions Ordinances (Amendment) (Alderney) Ordinance, 2016 –
Items approved**

Item VIII.

The States of Alderney is asked to approve:

1. *'Libya (Restrictive Measures) (Alderney) Ordinance, 2016';*
2. *'South Sudan (Restrictive Measures) (Alderney) Ordinance 2016';*
3. *'Eritrea (Restrictive Measures) (Alderney) Ordinance 2016';*
4. *'Somalia (Restrictive Measures) (Alderney) Ordinance 2016' and*
5. *'Republic of Guinea (Restrictive Measures) (Alderney) Ordinance 2016'.*

Item VIII(a)

The States of Alderney is asked:

to approve 'The Sanctions Ordinances (Amendment) (Alderney) Ordinance, 2016'.

The President: We will move to Item VIII please.

1545 **The Greffier:** Item VIII is changes to the Council Regulations of the EU Sanctions Regime. A letter has been received from Mr Simonet, in his capacity as Deputy Chairman of the Policy and Finance Committee, and the States of Alderney have been asked to approve: firstly, the Libya (Restrictive Measures) (Alderney) Ordinance, 2016; second, the South Sudan (Restrictive Measures) (Alderney) Ordinance, 2016; thirdly, the Eritrea (Restrictive Measures) (Alderney) Ordinance, 2016; fourthly, the Somalia (Restrictive Measures) (Alderney) Ordinance, 2016; and, finally, the Republic of Guinea (Restrictive Measures) (Alderney) Ordinance, 2016.

The President: Thank you.

1555 We also have an addendum to this: Item VIII(a) which is ... We have got the same proposal, so I intend to take this as one, if you would be kind enough to read out the addendum, please.

The Greffier: Yes, sir.

1560 The addendum is the Sanctions Ordinance (Amendment) (Alderney) Ordinance 2016. A further letter has been received from Mr Simonet, in his capacity as Deputy Chairman of the Police and Finance Committee, and the States of Alderney have been asked to approve the Sanctions Ordinance (Amendment) (Alderney) 2016.

The President: Thank you very much.

Mr Simonet, could I call upon you to ...

1565 Sorry, first of all, were there any comments on this at the Convener's Meeting?

Mr McDowall: Yes, indeed, Mr President.

In addition to the above, an addendum to the Billet on 20th April: the Item for sanctions was tabled and noted. There were no comments on these Items, and Mr Harvey kindly clarified this Ordinance will enable the approval of the sanctions to be completed on a Bailiwick basis rather than on an Island basis.

1570

The President: Thank you very much, Mr McDowall.

Mr Simonet, would you care to propose both Items VIII and VIII(a) simultaneously, please?

1575

Mr Simonet: Yes, I will, Mr President.

I know these Items are what the States' Members have been waiting for all evening.
(Laughter)

The first Item is an amendment Ordinance to the Sanctions Ordinances (Amendment) (Alderney) Ordinance, 2016 and this is to reflect the changes to the – Sorry, I have got that one wrong. That was the second one.

1580

Let me read out the first one. I do apologise, Mr President.

Item 1: this Item seeks approval for the amendment of two sanction Ordinances for Libya and South Sudan and three new sanction Ordinances for Eritrea, Somalia and Republic of Guinea.

1585

The addendum – I had to read this several times, so bear with me. This Item is an amendment Ordinance to the Sanctions Ordinances (Amendment) (Alderney) Ordinance that is to reflect these title changes to the Government Committees and Ministers in Guernsey, because there are changes in Government in Guernsey now, in simple terms. Because of the changes in Guernsey, then of course the Ordinances need to be amended to reflect that.

1590

The President: Thank you very much.

Mr Harvey, would you care to propose Items VIII and VIII(a) simultaneously, please?

Mr Harvey: I am happy to second these. I commend Mr Simonet for the erudite way in which he –

1595

Mr Simonet: Thank you so much.

Mr Harvey: – found his way around this maze of legislation.

1600

On a serious note, I can understand the reasons Mr Simonet is bringing this forward rather than the Chair of Policy and Finance, which I think, in a sense, is sad, but there we are.

Rather like an earlier comment, these sanctions are coming like buses now; there are three of them. I think they are very clearly consolidating measures, although I notice in the case of some of them, it is because Alderney did not have sanction Ordinances in place for Eritrea, Somalia and the Republic of Guinea. I do not suppose this was a conscious decision not to have them in place. I suspect it somehow slid through.

1605

I do commend them to you. They are tidying up matters. I may have given wrong information at the People's Meeting. The issue as to whether we continue to address these sanctions ourselves is still up for debate through P&F and with Guernsey. Of course, as Mr Simonet correctly says, the second Item is merely to reflect the changing composition of the Government in Guernsey.

1610

So I commend them to you, gentlemen – and lady!

1615 **The President:** Before we go any further, I intend to have these debated and voted on as one Item, unless anybody objects and wants to have them debated separately. Does anybody wish to have these debated separately? In that case, we will debate them as one.

Does any Member wish to make any comment on Item VIII and Item VIII(a)?

Mr McDowall.

1620 **Mr McDowall:** Yes. My views on sanctions are well known: they are a complete waste of time. Quite interestingly, I think one or two of these will be removed, particularly on Iran. So I shall be voting against.

The President: Thank you very much, Mr McDowall.

1625 Does any other Member ...?

Mr McKinley.

1630 **Mr McKinley:** If I may, sir. If they are a complete waste of time and if they save one life, that is more than enough as far as I am concerned. (**Two Members:** Hear, hear.) However, I have a question. Having worked in all of these countries in one way or the other, the Republic of Guinea ... There are three Guineas in Africa. Which one is it, please, Mr Simonet? (*Laughter*)

There is Equatorial Guinea, there is Guinea-Bissau and there is the Republic of Guinea-Conakry.

1635 **The President:** Gentlemen!

Mr McKinley, would you be happy to receive that information afterwards or do you require it in order to come to a decision?

1640 **Mr McKinley:** I think we will all want it after that. (*Laughter*)
No, leave it. Thank you, Mr President.

Mr Harvey: Point of clarification, sir.

1645 **The President:** Point of order, yes.

Mr Harvey: The Billet says 'the Republic of Guinea'.

Mr McKinley: There is no such country!

1650 **The President:** Thank you very much.

Does any other Member wish to comment on Item VIII and Item VIII(a)?

Mr Jean? Mr Roberts.

Mr Roberts: Yes, please.

1655 I regard this as parrot politics, a complete waste of space and no regard to Alderney whatsoever. We should be concentrating on the real issues, namely our diabolical transport links.

1660 **A Member:** I am surprised you said that!

The President: Mr Rowley, this is to do with changes to the Council Regulations of the EU Sanctions. If you wish to comment on that, please do.

Mr Rowley: Yes, I do.

1665 I think, far from being a waste of time ... You never know, we may be called upon to pass sanctions on a Government that has decided to invade of group of unarmed islanders. Would that be of no interest to us?

The President: It might be a little late! *(Laughter)*

1670

Mr Rowley: It could be.
We cannot ignore the real world completely.

1675 **The President:** Does any other Member wish to comment on Items VIII and VIII(a)? Excellent. Monsieur Greffier, would you please put that to the vote.

The Greffier: Thank you, sir.

1680 The States of Alderney are asked to approve: firstly, the Libya (Restrictive Measures) (Alderney) Ordinance, 2016; secondly, the South Sudan (Restrictive Measures) (Alderney) Ordinance, 2016; thirdly, the Eritrea (Restrictive Measures) (Alderney) Ordinance, 2016; fourthly, the Somalia (Restrictive Measures) (Alderney) Ordinance, 2016; fifthly, the Republic of Guinea (Restrictive Measures) (Alderney) Ordinance, 2016. In addition, the States of Alderney are asked to approve the Sanctions Ordinance (Amendment) (Alderney) Ordinance 2016.

A vote was taken and the results were as follows:

FOR	AGAINST	ABSTAINED
Mr Tugby	Mr McDowall	None
Mr Birmingham	Mr Roberts	
Mr Jean		
Mr Harvey		
Mr Simonet		
Mr Rowley		
Mrs Paris		
Mr McKinley		

1685

The Greffier: Sir, the motion is passed.

The President: Thank you very much indeed.

IX. Questions and Reports

1690 **The President:** We move to Item IX which is Questions and Reports.
To my knowledge we have no questions and reports. Can you confirm that please, Monsieur Greffier?

The Greffier: I have not received anything, sir.

1695

The President: Thank you very much indeed.

Birthday Wishes to Her Majesty Queen Elizabeth II

The President: That just leaves me, on the eve of Her Majesty's birthday, to wish her a very happy birthday on her 90th celebration. I am sure that everybody here will join me in giving her those wishes on behalf of the Island and the Members of the States. (**Members:** Hear, hear.)

Thank you very much indeed.

Mr Greffier, if you would please close the meeting.

PRAYERS

The Greffier

The Assembly adjourned at 7.24 p.m.