

POLICY AND FINANCE COMMITTEE MEETING
ANNE FRENCH ROOM
21st June 2016
0915hours

PRESENT:

Mr R McDowall, Chairman
 Mr F Simonet
 Mr N Harvey,
 Mrs N Paris
 Mr S Roberts
 Mr M Birmingham
 Mr C Rowley
 Mr L Jean
 Mr I Tugby
 Mr G McKinley

IN ATTENDANCE:

Mr W V Brownlees, Chief Executive (CE)
 Mrs S Pengilley-Price, EO to the Chief
 Executive (SP)
 Mr P Veron, Economic Development
 Officer (PV)
 Mrs L Baines, Minute Secretary (LB)
 Mrs E Maurice, Assistant Treasurer
 (EM)

Apologies: Mrs K A Hatcher-Gaudion, Treasurer (KG), Stephen Taylor, Consultant.

ACTION**29/2016****Minutes**

The Committee requested that the minutes from the previous meeting should be included in the agenda pack for ratification. **Noted.**

Mrs Paris had requested at the previous meeting for the timeline on the Brexit Report, which is still to be circulated. A breakdown on Brexit expenditure to be provided – CE to deal.

Following a query raised it was noted that the Management Accounts were not available when the agenda packs were published however they have since been circulated by email.

Land Registry – it was noted that the Greffier will provide an update for the July meeting.

Notes from the Finance Committee meeting - circulated via email. No meeting this month.

Notes from the Tourism & Marketing Committee meeting - circulated via email. Update on staffing provided.

30/2016**Matters Arising****30.1 Committee feedback from Chairmen (B&DCC and GSC) and Guernsey Representatives and Alderney Liaison Group**

BDCC – no main meeting held since last P&F. Inspector's Report has been discussed, and being finalised. This will be circulated to all members in time before the States meeting in July.

GSC– Nothing to report. Meeting to be held this pm.

Guernsey Reps – it was noted that GM and LJ missed the last meeting due to aircraft problems. The next meeting will be on the SOG accounts, with no other serious business until September as they are still forming Committees.

Alderney Liaison Group – the next meeting is on 24th June. Transport, Beneficial Ownership and Governance Review are some of the items on the agenda for discussion. Mr McDowall to circulate letter from Gavin St Pier to all members for information.

31/2016

Budgetary and Financial Matters

31.1 Alderney Island Band Grant – Grant application for a monetary grant for £3,000 to cover the costs for providing regular tuition to young musicians dated 22nd April 2016 tabled and noted. It was noted that these costs are not covered by Guernsey Education. The Committee agreed that this should be included in the on-going discussions on the Service Level Agreement.

The Committee approved a monetary grant of £3,000 from unforeseen expenditure towards the cost of providing a music teacher from the UK, and a conductor from Guernsey on a regular basis to give tuition to young musicians. It was noted that this was for 2016 only pending further service level agreement discussions.

TREASURY

32/2016

Economic Development Plan

32.1 Economic Development Plan Update – Economic Development Plan, EDP Reserve and Update tabled and **noted**.

It was stated that AEL are not air fuel specialists. Mr Jean expressed concerns that other people should be providing the fuel not AEL. The committee were advised that separating capital and revenue funds would resolve the issues. PV to provide figures for next meeting.

Blockchain – it was noted that it is expected to generate revenues on time stamp. Treasury to check approved expenditure figures to date.

Mrs Paris questioned whether a meeting is to be held regarding the Review of Education and a forecast budget.

Mr Harvey stated that the EDF is over budget in some areas. PV to go through the EDF with Mr Harvey and the Treasurer before July P&F meeting.

Air Links – it was noted that there are days where there is no capacity on the SOU – ACI & GCI – ACI routes. PV advised that additional flights should be requested, with figures for booking up to September to identify seat capacity, and where demand is exceeding capacity. A Trigger Mechanism is to be agreed for additional flights, and that this may be funded through the EDF. PV to liaise with Mr Harvey re. 'extra flights' and then meet with Allister Ford, Mark Darby & Simon Elliot (Guernsey Trading Board) to discuss capacity, booking system, aircraft, pilots and management. This is to be concluded in the next week / 10 days.

The Committee agreed by majority vote (SR against) to empower the Economic Development Officer, following discussions with Neil Harvey, to negotiate additional capacity on the SOU and GCI routes using the EDF to underwrite such additional capacity up to a maximum of £50,000; it being understood that the accounting method for this would be simple. Namely that if Aurigny's revenue target was exceeded at the end of the year SoA would be refunded (pro rata) up to the actual sum used by SoA to underwrite the flights in the first place. If the actual revenue fell short of target, then there would be no refund.

Dates to be circulated via email for the reschedule of the Special P&F meeting with Mark Darby and Andrew Haining.

PV

32.2 Alderney Airport Rehabilitation Project Update - Report from Economic Development Officer dated 13th June 2016 tabled and noted.

The Committee noted the report. It was agreed that PV should identify the areas of land that would need to be acquired to enable the 1100m runway to progress should

this option be pursued. PV to pursue and provide map showing land to be acquired to the Members.

PV

32.3 Tourism Accommodation – Incentivising an Increase in Provision – Report from Economic Development Officer dated 15th June 2016 tabled and noted.

The Committee agreed for PV and Mr Birmingham to produce a paper with the three different options containing the correct figures for the July meeting. Mr Harvey suggested that Aurigny should be made aware of this to encourage further development on the flight front. Mr Simonet stated that over regulation is the issue.

PV/MB

33/2016

Legislation, Conventions and Policy

33.1 Transport Policy

It was noted that there is no further update, as James Dent is off island.

33.2 Jersey Route Licence

The Chief Executive advised that a route licence still exists with Aurigny for the Jersey route, which is no longer in use.

The Committee agreed for formal notice to be given to Aurigny for the termination of this route licence. CE Office to deal.

CE OFFICE

33.3 Financial Relationship Update – Report from Stephen Taylor dated 21st June 2016 tabled and noted.

The Committee were advised that this would be discussed further at the ALG meeting on 24th June, as the States of Guernsey Treasurer will be in attendance. A further report paper containing proposed new Financial Rules for the States of Alderney will be tabled at the July Finance Committee meeting.

Mrs Paris requested that colour copies be made when papers with graphs, or colour charts are used.

Mr Harvey stated that understanding the role of States Members should be included in the Governance Review, with potential training workshops provided for candidates at the next elections, President may be persuaded to assist.

33.4 Review of Health Services Update – Terms of Reference report from Stephen Taylor tabled and noted.

The Committee were advised that Professor Wilson is leading on this review, and is meeting with relevant bodies next week. There will be a joint press release; this is to be discussed at ALG before publication.

It was noted that it is anticipated that the 1st draft would be available by September 2016 to coincide with the Budget timeline. Stephen Taylor is the States of Alderney point of contact. The Chief Executive stated that Alderney should not be constrained by the current system and that due to Alderney's previous financial input he would not anticipate any further costs for Alderney. **Noted.**

34/2016

Any Other Business

34.1 The Nunnery – it was noted that a more thorough business plan has been requested, and this is now a Property Asset Management Group matter.

34.2 Company Law – it was noted that the final summary is to go for drafting. The summary of changes and proposals to be circulated to all members for approval.

RM

34.3 School Bus – Amendment to Contract 2015-2018 – See Confidential Annexure

35/2016 **Press Releases** – none.

36/2016 **For Information**

The following reports/letters were noted:-

- **Aged Debtors Report – Confidential Item**
- **Budget 2017 & Revised Budget 2016 Timetable**
- **Minute of Meeting with Law Officers 27th May 2016 – to be circulated when available**
- **Letter from Gavin St Pier – P&R Budgets**
- **Company Law Letter**
- **Transparency & Beneficial Ownership Concerns for Legislation & Resources for Alderney**
- **Transparency & Beneficial Ownership Registry Note**
- **PSO Update**

Meeting closed: 11.15am

Signed: Robert McDowall

Date: 12th July 2016