

**POLICY AND FINANCE COMMITTEE MEETING
COURT COMMITTEE ROOM
12th September 2017
0915hours**

PRESENT:

Mr J Dent, Chairman
Mr A Barnes
Mrs N Paris
Mr S Roberts
Mr G McKinley (from item 99.4)
Mr L Jean
Mr M Dean
Mr A Snowdon
Mr I Tugby

IN ATTENDANCE:

Mr A Lewis, Interim Chief Executive (CE)
Mrs S Pengilly-Price, Executive Officer to the Chief Executive (EO)
Mrs K A Hatcher-Gaudion, Treasurer (TREASURY)
Mr P Veron, States Analyst (SA)
Stephen Taylor, Strategic Financial Advisor (SFA)

In Attendance: Mr J Lancaster, AEL for item 102.1 only

ACTION**98/2017****Matters Arising****98.1 Committee feedback from Chairmen (B&DCC, GSC, ALG & Tourism) & Guernsey Representatives**

BDCC - The Committee noted a verbal update from the Deputy Chairman of BDCC, covering a range of matters including the progress of the Land Use Plan Inquiry.

GSC – The Committee noted a verbal update from the Chairman of GSC, covering a range of matters including progress on the Inter-Island freight agreement and the initial review of the traffic survey.

ALG – The Chairman advised there was nothing to report in respect of the ALG

Tourism – The Committee noted a verbal update from Tourism lead on various matters including extensive media coverage, the increased level of general aviation and a significant rise in the number of passengers from France on the Victor Hugo, the forthcoming Hill Climb and building links with external organisations including Visit Guernsey.

Guernsey Representatives – The Committee noted an update from Mr Jean, Alderney Representative in the States of Deliberation.

Education Services – The Committee noted the recent discussions with the Youth Commission when the option of achieving greater engagement between young people and the States was discussed.

98.2 States and Peoples Meetings – Potential Change of Day Report from the Chief Executive dated 6th September tabled and considered.

The Committee resolved unanimously to:-

1. **engage with the President to propose that the day of the People's meeting and the States meeting is changed to a Tuesday to avoid predictable clashes with the States of Guernsey; and**
2. **propose the changes be implemented from January 2018, unless there is any significant change to the planned States of Guernsey meeting dates in the interim**
3. **carry out a 14 day internal and public consultation before a final decision is implemented to understand whether a change in day would have any significant impact on the ability of members of the public and others to attend.**

EO

98.3 Brexit – Staffing Report from Mr Jean dated 6th September 2017 tabled for consideration.

The Committee resolved by a majority (Mr Jean against) to continue with the current arrangements for Alderney to be represented by contracted staff in matters relating to Brexit.

SFA

99/2017

Legislation, Conventions & Policy

99.1 Electronic Transaction (Cheque Imaging) (Alderney) Ordinance, 2017 – Briefing report regarding the proposed amendments to the Bills of Exchange (Bailiwick of Guernsey) Law, 1958, and draft ordinance “The Electronic Transaction (Cheque Imaging) (Alderney) Ordinance, 2017” tabled and considered.

The Committee resolved unanimously to approve the use of cheque images as an acceptable means of financial transactions and to submit to the States the Electronic Transactions (Cheque Imaging) (Alderney) Ordinance, 2017, for approval.

EO/Billet Item

99.2 Same Sex Marriage – “The Same-Sex Marriage (Alderney) Law, 2017” and an explanatory note on the Law tabled and considered.

The Committee resolved unanimously to approve the Same-Sex Marriage (Alderney) Law, 2017 and to lay it before the next meeting of the States of Alderney for formal approval.

EO/Billet Item

99.3 Brexit Update – Alderney Territorial Waters - Report from Stephen Taylor and Susan Johnson dated September 2017 tabled and considered.

The Committee resolved unanimously to:-

1. **note the current position and potential risks associated with the extension of the territorial waters; and**
2. **agree that the Chief Executive write to the States of Guernsey ; and**
 - a. **to express interest in sharing thinking on the advantages and risks of extension to 12nm and timescales for progressing work on this; and**
 - b. **to log the separate question of identifying and exploring inter-island issues and to convey the fact that it is considered important to progress discussions on this in parallel to taking forward extension; and**
3. **request a further report with an update on risk management once negotiations progressed.**

SFA

Mr McKinley joined the meeting

99.4 Engagement with the Public and People’s Meeting – Report from the Chief Executive tabled and considered.

The Committee resolved to support the following:-

1. **That there be a clear break after the People’s Meeting; and**
2. **What has hitherto been referred to as ‘Part 2’ of the People’s Meeting be renamed to ‘Open Forum’ or whatever other description the majority of States Members might consider appropriate; and**
3. **That at the ‘Open Forum’ States Members should be entitled, but under no obligation, to take seats at the front of the meeting room to answer questions from the public; and**
4. **The Open Forum would have a Chair selected from among the Members present, it being anticipated that on most occasions this would be the Convenor of the preceding People’s Meeting; and**
5. **That in the interests of securing good order throughout the Open Forum sessions, the Chief Executive be requested to circulate, by email, draft procedural guidelines for consideration by Members**
6. **An improvement to the amplification system in the Island Hall.**

CE/EO

99.5 Draft Financial Services Business (Enforcement Powers) (Bailiwick of Guernsey) Law, 2017 – Engagement with the Financial Services Industry Report on the Consultation process from the Guernsey Financial Services Commission tabled for information.

The Committee resolved to note the consultation process being carried out by the Guernsey Financial Services Commission into the Financial Services Business (Enforcement Powers) Law and to confirm that at this stage it remained supportive of the legislative change.

EO

99.6 Beneficial Ownership (Alderney) (Definition) (Amendment) Regulations, 2017 – “The Beneficial Ownership (Alderney)(Definition) (Amendment) Regulations, 2017” tabled and considered. It was noted that the Regulations correct an error in the definition of ‘recognised stock exchange’.

The Committee resolved unanimously to amend by regulation the Beneficial Ownership definitions to recognise *inter-alia* the title of the International Stock Exchange Authority Ltd (Guernsey company registration number 57527) and for the Regulations to be put before the next meeting of the States of Alderney for them not to be annulled.

EO

99.7 Governance Review Update Report tabled from the Chief Executive dated 12th September 2017 for consideration.

The Committee noted that the Governance Review consultation process had been led by the Governance Sub Committee comprising the President and the Chairs of the Policy & Finance, General Services, Building and Development Control and Finance Committees.

It was further resolved to make public (by way of these published resolutions) that States Members Dean, Jean, Roberts, Snowdon and Tugby held serious reservations and were of the firm view that had the proposals been shared first with all States Members they might have been usefully refined. Therefore the proposals as circulated did not represent the unified view of the States of Alderney.

EO

100/2017

Budgetary, Financial & Employment Matters

100.1 Alderney Community Swimming Pool – Funding Report from the Chief Executive tabled and considered.

The Committee resolved unanimously to:

1. Take the necessary steps to obtain accurate information on the costs to complete the pool project and its future running; and
2. Agree the expenditure of up to £35,000 to be taken from the capital account, for the purposes of engaging professional services to finalise the design and running costs of the proposed pool and for the management of the construction project through to completion.
3. Continue to work in close liaison with the Alderney Community Swimming Pool Trust.

ST

101/2017

Policy and Finance Committee Budget Meeting – See Separate Minutes

102/2017**Transport**

102.1 Aviation Fuel Issues - Briefing paper from Mr Dent, on behalf of the Air Transport Group, dated 4th September and update on Aviation Fuelling at Alderney Airport by John McMillan and James Lancaster dated 5th September tabled for consideration.

The Committee noted the report provided and agreed that the Air Transport Action Group continue to liaise with the authorities in Guernsey to ensure the ongoing supply of both AVGAS and Jet A-1 fuels at Alderney Airport.

SA

102.2 Air Alderney Request from Mr Dean dated 6th September 2017 tabled and considered.

The Committee resolved that the Air Transport Action Group act on behalf of the Committee to engage with Air Alderney providing encouragement and support as may be deemed necessary; and

Agreed that those Committee Members serving on the Air Transport Action Group should not be involved in the consideration of any air route licence application.

SA/EO

102.3 Airport Charges Recommendations issued by Guernsey on the increase s due on passengers and freight for Alderney Airport tabled for consideration.

The Committee agreed not to oppose the RPI increase in Airport fees and charges.

SA

102.4 Passenger and Freight Service Contract Briefing paper from Mr Dent, on behalf of the Surface Transport Action Group, dated 24th August 2017 tabled for consideration.

The Committee resolved to:

- 1. Note the update in respect of the exploration of a combined passenger and freight service; and**
- 2. Note that as previously advised the General Services Committee is progressing succession freight contract arrangements with effect from 2018; and**
- 3. Agree the States of Alderney commits to participate in the inter-island passenger service tender being developed by the States of Guernsey and Jersey.**

SA

103/2017**FAB/ACRE****103.1 FAB link – update on negotiations**

The Committee noted the initial draft Head of Terms between the FABLink Ltd and the States of Alderney and a verbal update provided by the Chairman. It was further agreed that bullet point information be provided to Committee Members, on a confidential basis, summarising the key negotiating points at periodic intervals.

CE

103.2 FAB Wayleave – PWC Best deal Paper from Mr Snowdon dated 6th September 2017 tabled and considered.

The Committee resolved that, once the Heads of Terms had been finalised and agreed by the parties, PwC be asked to confirm formally that they consider the deal to represent the optimum the Island could expect to achieve.

CE

103.3 FAB link Declaration of Intent – CONFIDENTIAL See Confidential Annexure

103.4 Conflict of Interest Paper from Mr Snowdon dated 6th September tabled and considered.

The Committee resolved by a majority (Mr Dean and Mr Snowdon against) not to propose changes to the existing procedural rules in respect of declaration of Members interests.

EO

103.5 Economic Benefits & Losses – FAB link Paper from Mr Snowdon and the Chief Executive dated 6th September 2017 tabled and considered.

The Committee agreed that the Chief Executive be requested to obtain an independent impact assessment and quantified analysis into the potential economic benefits and losses to Alderney of the FAB link project, and that if the cost of such a

review was to exceed £10k that the matter be referred back to the Committee for funding approval.

CE/SFA

103.6 Property Prices –Potential Impact by FAB link Paper from Mr Snowdon dated 6th September 2017 tabled and considered.

The Committee noted the legal advice received in respect of any potential compensation claim from property owners.

CE

103.7 Update on Outstanding Monies from ARE Ltd. Paper from Mr Dean and the Chief Executive dated 6th September 2017 tabled and considered.

The Committee agreed to request ACRE to provide a monthly update report on progress in respect of recovering monies owed by ARE Ltd.

ST

103.8 Cable Route for FAB link Paper from Mr Snowdon and the Chief Executive dated 6th September 2017 tabled and considered.

The Committee resolved by a majority (Mr Dean, Mr McKinley and Mr Snowdon against) not to request the negotiating team to explore further whether FAB link has adequately explored alternative routes.

104/2017

Any Other Business

104.1 Utility Costs – Proposed Benchmarking Paper from Mr Jean dated 6th September 2017 tabled and considered.

The Committee resolved by a majority (Mr Tugby against) to request the Chief Executive Officer liaise with the Channel Island Competition Regulatory Authority to ascertain if it would be prepared to assist in assessing whether the costs of essential commodities in Alderney were fair and reasonable.

SFA

104.2 Guernsey Policy & Resources Plan – Proposed dialogue Paper from Mr Jean tabled for discussion.

The Committee agreed to seek meetings in Alderney with representatives of the States of Guernsey, primarily the Policy and Resources Committee and the Committee for Economic Development.

SA

104.3 Accommodation Inspections and Permits Report from Mr Snowdon, States Member for Tourism tabled and considered.

The Committee resolved by a majority, with NP dissenting, that holiday accommodation continue to require an annual inspection under the Law, but that the star grading offered through Quality in Tourism would become optional. Accommodation providers would continue to be required to meet all the costs but depending on their choice would be charged separately for the inspection and rating.

SA

104.4 The North Korea (Restrictive Measures) (Alderney) Ordinance, 2017

The Committee ratified the decision made by email circulation to lay before the States the North Korea (Restrictive Measures) (Alderney) Ordinance, 2017, for approval.

EO

104.5 Vin D'Honneur

Committee resolved to support the proposal for the holding of a Vin D'Honneur with the costs to be charged to the Official Entertainments budget.

EO

105/2017

Agenda Resolutions – Confirmation

The above draft resolutions were confirmed by the Committee as being a correct record of the decisions arising from the meeting.

106/2017

For Information & Noting

The following reports/letters were noted:-

- Resolutions of Previous Meeting – circulated via email
- Aged Debtors Report – Confidential Item
- AHA Q2 2017 Report – circulated by email
- AHA Board Changes & Undertaking
- AHA Management Accounts as at 30th June – circulated by email.

/spp

Meeting closed: 4.55pm

Signed: James Dent

Date: 12th September 2017