

**FINANCE COMMITTEE
ANNE FRENCH ROOM
9th NOVEMBER 2020
14:30**

Present:

**Mr C Harris, Chairman
Mr J Dent
Ms A Burgess**

**Mrs E A Maurice, Acting Head of Finance (AHoF)
Mrs E O'Toole, Treasury Assistant/Minutes (Treasury)**

**In attendance: Mr S Taylor, Strategic Financial Advisor (SFA) (via MS Teams)
Apologies: Mr A Lewis, Temporary Chief Executive (TCE); Mr M Dean**

54/2020

Matters Arising

54.1 Swimming Pool Project – see confidential annexure.

54.2 Grant request – Under 5 Service Providers – Update Report from Treasury dated 3rd November 2020 and associated appendices, tabled and considered.

Alderney Baby & Toddler Group (AB&TG)

Following the decision of the Committee at the July meeting to not agree to a grant for the AB&TG at this time based on their 2019 Accounts and funds held as it does not currently meet the Standard Grant Criteria, a letter had been received from the AB&TG coordinator on the 6th October 2020.

The Committee, although sympathetic to the challenges faced earlier this year in terms of fundraising, which would have been limited/ not possible during lock-down restrictions, noted that the group have equally not been able to meet. Therefore, the basis of the appeal does not override the fact that AB&TG hold adequate reserves and therefore do not qualify for funding under the Standard Grants Criteria. **Noted**

The Committee did however consider one area that could be reviewed is in regard to 2021 Butes Hire Charges as it was noted that AB&TG, as a Charity/ NPO, is being charged at the same rate of charge for use of the Butes Centre as that of a private entity and therefore the General Services Committee could be asked to review this disparity.

St Anne's Preschool (StAPS)

Following the request for additional information from StAPS to enabled further consideration of the grant application, the Committee noted at the September meeting that the balance at the start of the year was sufficient to meet the 2020 expenditure and would still leave StAPS with a healthy reserve balance at the year-end. The Committee therefore did not agree to award a grant to StAPS for 2020 on the basis that they do not meet the criteria for grant award in the current year.

Subsequent to the aforementioned decision at the September meeting, an email was received from StAPS stating that grant funding is required to remain in business and avoid insolvency in 18 months' time. **Noted**

The Committee agree to:-

- a) note the additional information provided by the Alderney Baby & Toddler Group and St Anne's Pre-school and advise each applicant that the Committee**

agree to uphold its previous resolutions to not award grant funding this year but would welcome an application early in 2021 once 2020 accounts are available; and

- b) request the General Services Committee to review Butes Centre charges for Charities & NPOs.

TREASURY/GSC REFERRAL

54.3 Grant request – Alderney Museum update Report from Treasury dated 3rd November 2020 and letter from Mr K Baker, Treasurer Alderney Society, tabled and considered.

The Committee noted the letter received from the Alderney Society in reference to the Committee's resolution at the September meeting for additional information to be supplied, specifically, further details on the analysis of the reserves as well as future plans by the Museum to address any losses. **Noted**

The letter provided a breakdown of the monies the Alderney Society currently have commitments on and also provided a brief summary on their future plans, which are dependent on how the situation develops, planning permission, States support etc. as well as details of the reserve position as at the end of 2019.

The Committee noted that the information provided clarity that the Alderney Society currently hold adequate available reserves to sustain the Museum. **Noted**

The Chairman stated that heritage maintenance being referred to in accounts, was an issue recently discussed in the Committee for Tourism & Economic Development meeting and considering that there will be a number of heritage sites next year under the General Services Committee (GSC) remit, funding for maintenance/ improvements may be possible from GSC which would assist the Alderney Society in their 2021 finances. **Noted**

The Committee agreed to:-

- a) note the additional information provided from the Alderney Society,
- b) advise the Society/ Museum that due to the current level of unallocated reserves held by the Alderney Society, they do not qualify for the allocation of a States grant at this time, and
- c) encourage the Alderney Society to consider further their longer term plans for the Museum and submit those plans to the States of Alderney in due course, to enable any capital funding grant requests to be considered on their own merit.

TREASURY

55/2020

Revenue Account

55.1 States of Alderney Budget 2021 – Update following special Policy & Finance Committee (PFC) meeting 4th November

The SFA gave a brief update of the current situation in regard to the notification that the Ministry of Justice had an outstanding issue on the Alderney Property Tax enabling legislation which has prevented submission to the Privy Council in November when it was hoped it would receive Royal Assent.

It was noted that the Law Officers have since been notified of the minor issue which requires prompt and formal intervention by the Policy and Finance Committee in order that the draft law can be presented to the Privy Council meeting in December. A special PFC meeting will take place on the 13th November. **Noted**

55.2 Management Accounts – October as circulated by email and **noted**.

56/2020 Capital Account

56.1 AGCC Q3 distribution (as previously circulated by email) tabled and **noted**.

57/2020 Delegated Items – Grants

57.1 Grant request – Alderney Maritime Trust application and accounts tabled and considered.

The AHoF advised that this is a historic agreement between the States of Alderney through the President's office, and possibly initially the rent for the shed by Alderney Maritime Trust should have been set as a peppercorn rent however their 2019 accounts currently show they do not have sufficient funds to cover the annual rent.

It was further noted that the rent had been under £1k previously which meant it was not required to be considered by the Committee, as per the Standard Grant Criteria. **Noted**

The Committee agreed a grant of £1,121.72 to the Alderney Maritime Trust cover the annual rent of the inner Harbour shed which the Maritime Trust utilise.

TREASURY

57.2 Grant request – Guernsey MIND application with supporting paperwork and report from the SFA tabled and considered.

The Chairman advised that he is a mental health first aid volunteer at the MIND Centre in Alderney therefore will abstain from voting on this matter. **Noted**

The Committee noted the application has been received from Guernsey MIND in respect of support for mental health services in Alderney from 2021. Services have been provided by Guernsey MIND on-island since 2019 with the benefit of grant funding from other entities. However, this funding ceases at the end of 2020. **Noted**

The AHoF advised that the current support from the States is that from 2010 to 2019, the States funded a Primary Care Counsellor in the order of £8k - £12k per annum however when the provider resigned at the start of 2020, the States used the budget allocation to fund a service from Guernsey MIND to ensure continuity of service provision. **Noted**

The Committee noted that the grant request is substantial and no provision for a grant of this amount had been included in the 2021 Budget and therefore this application would not be affordable. **Noted**

Mr Dent queried whether the development of a strategy for mental health provision could form part of Professor Wilson's review of the Alderney Primary Healthcare previously agreed by PFC. AHoF to make enquiries on the progress of the review.

AHoF

The Committee (Mr Harris abstained) agreed to:

- a) **Defer any consideration on grant support at this time as there are wider issues to consider;**
- b) **Refer the matter to the Policy and Finance Committee to consider the need to develop a strategy for mental health provision in liaison with the States of Guernsey Health and Social Care Committee;**
- c) **Request a more detailed business case for each element of the grant request to include a clear assessment of need and an outline of alternative provision currently available for residents in need of support; and**
- d) **Advise Guernsey MIND of the need for a proportionate funding request.**

TREASURY/PFC REFERRAL

57.3 Grant request – Alderney Bird Observatory application with supporting paperwork and report from the Acting Head of Finance tabled and considered.

The Committee noted that the Alderney Bird Observatory (ABO) is now a stand-alone charitable company with a Memorandum of Understanding drafted to provide transfer of control of the Bird Observatory at the Nunnery from Alderney Wildlife Trust.

It was further noted that in June 2019 GSC agreed to continue previous support to ABO with financial support primarily to contribute towards the cost of the Warden's salary in 2019 and 2020 subject to the following conditions:

- 1) Meet the cost of ABO Warden's salary and social security to 30th June 2020 through continuing employment (£9,600 in each year);
- 2) Instruct the Chief Executive to prepare a formal secondment agreement to enable the ABO to assume management responsibility for the Warden with immediate effect;
- 3) Recommend to the Finance Committee that a start-up grant of £3k be awarded for 2019;
- 4) Prepare a licence at a peppercorn rent to enable the Nunnery to be used as accommodation at no cost to the ABO and, until a licence is available, permit the ABO to operate on the basis of the rolling lease which was in place last year for the ABO elements of the Nunnery site only;
- 5) Support the continued intention to target the hostel towards wildlife, birdlife, environmental and heritage interests; and
- 6) By agreeing some support, in common with other visitor services, from the Tourism and Marketing Team.

It had also been agreed to request that the ABO provide a 3 year financial forecast to demonstrate viability from 2021 without the need for ongoing States support. However in May 2020, GSC agreed to contribute towards the costs of the ABO Warden salary to the end of December 2020. **Noted**

The ABO accounts report a surplus for the year ended 30 June 2020 but a deficit is forecast for 2020/21. It is acknowledged that the financial performance of the ABO in 2020 has suffered from a reduction in visitors due to Covid-19. The impact of this may continue into 2021 which emphasises the importance of a longer term forecast in support of this application. **Noted**

Ms Burgess stated that the 1 bedroom flat and hostel currently leased by the ABO at the Nunnery would generate significant income if rented out appropriately which would reduce somewhat the need for such significant grant funding being requested.

The Committee agreed to reject the application in its current format as it does not at this time demonstrate that the ABO can sustain long term viability without the need for ongoing financial support from the States of Alderney.

The Committee also requested the General Services Committee to:

- a) **Advise on its policy for long-term support to the ABO;**
- b) **Ask the ABO to formalise the direct employment of the Warden as soon as possible;**
- c) **Asks that the ABO provide a 3-year financial forecast to demonstrate viability without the need for ongoing States support. To include options for:**
 - **Increased accommodation rates;**
 - **Maximising income from accommodation through creative marketing to visitors with similar wildlife or outdoor interests; and**

- Winter closure with Warden employed on (for example) a 9-month contract or annualised hours.
- d) Ask the ABO to provide a case for the economic benefit they provide for the island in support of the application.

TREASURY/GSC REFERRAL

57.4 Summary of Grants & Subsidies 2020 to date tabled and noted.

58/2020

Delegated Items – Coins

58.1 Coins update from Chairman – see confidential annexure.

59/2020

Economic Development Reserve

59.1 EDR Summary (expenditure as at 31st October 2020) as circulated by email and noted.

The AHoF advised, as mentioned at the previous Policy & Finance Committee (PFC) meeting, that approval of the current overspend on ED Consultancy/ Administration as well as potential closure/reallocation of funds on those projects that have finished or are likely to not progress any further, will be considered at the next available PFC meeting. **Noted**

60/2020

AOB

60.1 Conge The AHoF advised that property sales continue to exceed expectations and as per the October Management Accounts circulated by email, Conge income has already exceeded the revised budget of £185k. It was further noted that 10 more residential properties have sold than at the same time in 2019. **Noted**

60.2 Outgoing Committee Members The Committee wished to record their thanks to Mr Dent and Mr Dean, in his absence, for serving as members of the Committee for the past 4 years as both Members' term as States Members will come to an end at the end of the year.

61/2020

Agreed messages for other Committees

PFC – Development of a strategy for mental health provision in liaison with States of Guernsey HSC Committee following on from the grant request received from Guernsey MIND

GSC – Butes Centre charges review

– Alderney Bird Observatory long term support policy

62/2020

For information & noting

- Minutes & Confidential Annexure from 14th September 2020 meeting
- Conge, Leasehold & Transfer Duty 2020 (to date) & Price Paid Data Q3 2020

DATE OF NEXT MEETING – 1st February 2021 (to be confirmed)

Meeting closed: 15:40pm

Signed: Mr C Harris

Date: 19th November 2020