



OFFICIAL REPORT

OF THE

STATES OF THE

ISLAND OF ALDERNEY

HANSARD

The Court House, Alderney, Friday, 27th August 2021

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

Volume 9, No. 9

Present:

Mr William Tate, President

Members

Mr Bill Abel

Ms Annie Burgess

Mr Ian Carter

Mr Kevin Gentle

Mr Christian Harris

Mr Boyd Kelly

Mr Graham McKinley, OBE

Mr Steve Roberts

Mr Alexander Snowdon

The Greffier of the Court

Mr David Knight

Business transacted

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States of Alderney

*The States met at 2.30 p.m. in the presence of
Lieutenant G T Workman RN (Rtd), a representative of
His Excellency the Lieutenant-Governor of the Bailiwick of Guernsey*

[THE PRESIDENT *in the Chair*]

PRAYERS

The Greffier

ROLL CALL

The Greffier

Procedural

The President: Before we proceed, I should perhaps say a word about the Meeting this afternoon.

5 Firstly, unfortunately, for technical reasons, it has not been possible for Quay FM to broadcast the Meeting this afternoon. Also, historically we do not have a Meeting in August but there is provision within the Rules of Procedure and that has been exercised today. And, for the sake of the record, I think I should just read Rule 3 of the States of Alderney Rules of Procedure, which says as follows:

Notwithstanding Rule 2, where, in the opinion of the President, a decision of the States is urgently required in any matter, (except for a letter to which Rule 4A applies) he may issue a Billet d'Etat dealing with that matter only, which shall be available to each Member of the States not later than the 4th day before the day fixed for the meeting.

10 I received a request last week from Mr Abel, the Chair of the Policy and Finance Committee, to convene a Meeting under Rule 3, the reason being that the Proposition was urgent insofar as the decision needed to be made and conveyed to Guernsey before the process could be moved forward. Now, I took the view that that did in fact satisfy the provisions of Rule 3 and accordingly we have the Meeting this afternoon.

Convenor's Report of the People's Meeting held on 25th August 2021

15 **The President:** We had a People's Meeting on Wednesday and Mr Gentle, who was the Convenor, will now give us the attendance details.

Mr Gentle: Thank you, sir.

20 I convened the People's Meeting on Wednesday 25th, I was assisted by the Chief Executive and the Finance Manager. There were seven further States Members present, and apologies were received from Mr Kelly and Mr Jenkins. There were 28 members of the public, four members of the press and, of course, you yourself, sir.

Thank you.

The President: Thank you very much indeed.

Billet d'État for Friday, 27th August 2021

I. Connaught Extension Project – Item approved

Item I.

The States of Alderney is asked to approve the recommendation from the Policy and Finance Committee to provide additional funds of up to £737,000 for the delivery of Phase 3 of the Connaught project and to authorise the Policy and Finance Committee to recommend to the States of Guernsey Policy & Resources Committee that approval be given for the additional funding of £737,000 for Phase 3 of the Connaught Extension project.

25 **The President:** Mr Greffier.

The Greffier: Thank you, sir.

Item I is the Connaught Extension Project. The States of Alderney is asked to approve the recommendation from the Policy and Finance Committee to provide additional funds of up to
30 £737,000 for the delivery of Phase 3 of the Connaught project and to authorise the Policy and Finance Committee to recommend to the States of Guernsey Policy & Resources Committee that approval be given for the additional funding of £737,000 for Phase 3 of the Connaught Extension project.

This is proposed by Mr Abel and seconded by Mr Gentle.

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The President: Mr Gentle, were there any comments at the People's Meeting?

Mr Gentle: Yes, sir, there were.

The Chief Executive advised that the total sum of £737,000 does include architect, surveyor and project management fees, in answer to a question from a member of the public. These individual sums cannot be broken down due to being commercially sensitive at the moment. They are included in the project process and have been reviewed and assessed by Procurement in Guernsey.

45 It was queried if the building costs had been checked, as it is hard to believe that they have risen that much. It was also queried if the price would reduce during the contract due to stabilisation of prices. I, as the Convenor, advised that Phase 3 was a concept design when Phase 2 and 3 were put to Guernsey for approval. The recommendation is for funds *up to* £737,000, and it is hopeful that costs will settle as Phase 3 is progressed.

I also advised that the gross internal square meterage of the Extension is 789 m², with nursing
50 homes in the UK costing on average £2,180 per square metre.

That is all, sir.

The President: Thank you, Mr Gentle.

Mr Abel, I believe you are going to propose this.

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Mr Abel: Yes, thank you, Mr President, and thank you, Mr Greffier.

Before I start, Mr President, I would like to thank yourself and your team and the Greffier and his team for setting things up today to be able to hear this Proposition. I would also like to thank my States colleagues and the public for their support today.

60 And also, a slightly amusing point, if I may, Mr President, having a 2.30 p.m. Meeting, certainly on a Friday, is a lot better than the 5.30 p.m. Meeting that we would have had in the past, so the change is welcome.

As explained by the President and the Greffier, the reason for the Special States Meeting is to debate the provision of further funding for the Connaught Extension. Item I on the Billet is my letter, as Chair of P&F, to the President asking for a Proposition to be put to the States for increased funding for the Connaught Extension that is still to be completed.

65 By way of background, a total amount of funding of £1.88 million was approved for a three-phased approach in March 2020. This approval was given by the States of Alderney and Guernsey's Policy & Resources Committee. Phases 1 and 2 have now been completed within time and also within budget. Phase 1, the loft conversion, has led to the Connaught now having 27 rooms and Phase 2, the foundations and groundworks for Phase 3, now allows the construction and finalisation of the Extension. This will provide a further 13 rooms for the Connaught. As part of the submission of March 2020 the estimate of £1.29 million for Phase 3 was based, as Mr Gentle pointed out, on a conceptual plan, scope of work and also pricing. Over the last few months the detailed design, scope of works, finishes and bill of quantity have been completed and tenders received and evaluated. The final budget to complete the Connaught extension now stands at £2.027 million, an increase of some £737,000, as was highlighted in the Proposition to be considered and by Mr Gentle.

70 The evaluation of the reasons for this significant change reflect the failings of using an estimate based on conceptual drawings and scope of work, and also reflect the current impacts of shortages and prices which are higher due to the current COVID situation, or at least the tailing of the current COVID situation. In addition to that, we see increases due to some changes over the Brexit period, again of more than 18 months ago. Until the current supply conditions are resolved the contract cannot be finalised and, as Mr Gentle mentioned, there are provisional sums included in the final budget estimate which, when things settle down and during the course of the contract, are hoped will be contained or reduced going forward, and hence the term used carefully in the Proposition that this is an approval for *up to* £737,000.

80 Mr President, that provides some of the background, without reading my letter extensively. I would like to commend the Proposition as tabled to the States. The States of Alderney is asked to approve the recommendation from the Policy and Finance Committee to provide additional funds of up to £737,000 for the delivery of Phase 3 of the Connaught project and to authorise the Policy and Finance Committee to recommend to the States of Guernsey that this also be approved.

85 Mr President, thank you.

95 **The President:** Thank you very much indeed, Mr Abel.
Mr Gentle, I think you are going to second this Item.

Mr Gentle: Yes, sir, thank you very much.

100 Sir, colleagues, before I start, I should also like to add my thanks to both yourself and through yourself to all others for permitting this today. I also ask for a little bit of leeway, sir, because I might have a little bit of repetition, you might hear something that has already just been said.

There are always unknowns before and during any standard large-build construction project and in this instance there are particular main factors, as highlighted in paragraph 4 of the submission letter from Mr Abel and in his Proposition we have just heard.

105 The delivery of the new extension was broken down into three distinct incremental phases, with the more agile approach designed to reduce risk, allow for change fail limitation, to be more flexible and offer a better delivery and success rate. It also minimises the profit-on-profit aspect,

110 especially where each phase needs different specialist contractors. Being asked to submit for Phase 3 funding prior to Phase 2 commencement, based only on those concept design drawings, has highlighted that whilst those drawings were suitable for planning purposes, the estimate was calculated using a number of assumptions and has now been shown to be inadequate. It is noted that all those who tendered for Phase 3 have had issues obtaining prices owing to worldwide fluctuations, but it is certainly hoped that prices will be refined and there is confidence that reductions can be made as the world starts to get back on more of an even keel.

115 As the General Services Committee were appointed political lead for this project I will obviously continue to keep a close eye on this going forward, looking to find those reductions as we fine tune. The finance for this is in the capital budget and is factored into the revised budget for 2021. The Project Board will continue to meet as often as is deemed necessary in order to evaluate all potential spending as we constantly look to deliver.

120 In population terms, the census of 2018 showed a dependency ratio of 0.83 retired and children, or those over 65 and under 16 versus those of working age. On the basis of current demographic forecasting, it is predicted that in less than 15 years the level will be one and simplistically this Extension will go some way to meeting current needs. The need for further provision is evident and an ongoing investigation into future care requirements recognises that residential care provision is not the only solution to the challenge of an ageing population.

125 In 2011 the existing building was opened and now, as we have already heard, provides a total of 27 rooms and the Jubilee, linked to the Connaught via a corridor, provides 14 self-contained rooms. But the implication is that within another 10 years we will need to have additional care home capacity as well as options to promote and provide further independent and assisted living, discussions which will need to be started sooner rather than later, but until then this request for additional funding is one I urge all my colleagues to get behind so that this very much needed short-term solution, providing those 13 more rooms, can come to fruition.

Thank you, sir.

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

I have just noticed in fact that on your Proposition, Mr Abel, you asked for approval for funds of up to £737,000, and that is a request from Policy and Finance, and then further to recommend the States of Guernsey Policy & Resources additional funding of £737,000. (**Mr Abel:** Correct.) Now, should that not read 'up to'?

140 **Mr Abel:** No. Basically, by way of explanation, Mr President, the sum that we are applying to Guernsey P&R is for the £737,000. It is within the control of this States that we determine the amount of monies that we will ultimately allow for expenditure. Obviously if P&R reverts to us and also applies an 'up to' statement in their reply to us then the States of Alderney will take cognisance of that particular thing. That is deliberate wording, but a good pick up, Mr President.

Thank you.

The President: Thank you.

Now, who would like to speak on this Proposition?

150 Mr Harris.

Mr Harris: Thank you, sir, fellow Members.

155 I certainly hope that the final figure of up to £737,000 is much less than that because that is quite a sizeable sum for the Island, so let's hope it comes in at a lot less than what we predict or expect or possibly think it might end up being.

The importance of this project for the Island is obviously not to be understated. However, it is just a small patch at this time covering a much bigger issue and I think we as a States need to address that problem sooner rather than later, as stated by Mr Gentle, and we need as an Island and a States to look at sheltered housing, assisted housing and, of course, social housing as a

160 matter of absolute priority in order to mitigate a bigger problem further down the line. So this is a good start but it is a very small part of a much bigger picture.

Thank you, sir.

The President: Thank you.

165 Mr Carter.

Mr Carter: Thank you.

Fellow Members, can I also reiterate my unequivocal support for this Proposition. Every day we do not do something is delay and those who need it are being delayed in their care. It is a cliché, but perhaps we are where we are. But I would ask the question to some extent and, I am quite surprised, given I am one of newest Members here, as to how we have got here. How does a building project be underestimated by 60%?

170 I would seek reassurance that when you are using concept drawings that that estimated cost should perhaps be looked at by at least one other person or one other professional so that at least we have a ballpark feel for where that figure should be. I do appreciate that Guernsey Procurement were involved and Phase 1 and Phase 2 have been delivered to the right cost and to the right timing but Phase 3, the most important part, has not.

I also appreciate that COVID and Brexit are factors, but looking at UK indices, that is perhaps a 15% on average increase. I know that specifics, like steel, is 53% higher than last year. You also add on the Channel Islands factor, and that might give you perhaps a 30% variance. But we are 60% out. So given that estimate, how have we got to that point? What is the reason for it?

180 I know we have had a far more precise ability to cost and so the project is now a better costed project. Is it now the fact that we have a much more conservative costing and that perhaps, rather than the very optimistic view that was given previously, it has sensibly been taken forward to be a rather more conservative cost? I hope that is the case and I hope that it is completed under budget.

185 However, talking to former States Members who were responsible for the Connaught when it was initially built, cost savings were sought and achieved then. They though became false economies – that route was taken, then remedial works occurred and then functionality was lost. So yes, look to save money but do not do it in terms of just short-term gains.

190 It is certainly not for States of Alderney Members to micromanage a building project, and I can think of so many arguments to keep someone like me well away from it. But I would ask Mr Abel to reassure me that the appropriate Committee, GSC or P&F are given the opportunity to question, on a monthly basis, a sensible project manager's report that can give reasoned explanation as to why a project is progressing in the way it is, so we do not get the shock of £1.29 million becoming £2.03 million. And theoretically, if we have the same mistake again, £2.03 million becoming £3.25 million.

195 I think it is important in *any* form of re-engineering of this project when it is being looked at that the consultation with the manager and the staff occurs. Things on paper to engineers look very easy. When you are a person actually trying to be a care home worker you find that that particular form of organisation, that particular way of building, does not actually function for how you want to care for that person. So please, any form of re-engineering that goes on in those plans, consult the manager and those who actually are on the sharp end of care in that care home.

200 My last point, which echoes Mr Harris, is the constant reference to the demographics of this Island. The time bomb of care, raised in 2015, no long-term strategy put in place. Hence when this extension is completed and we can bask in its reflected glory, what will actually be happening is that we will also know at that time that there will be people who will not have a place in a care home who desperately need it because there is not space and we have not thought this through. We have not thought about the need for extra housing, whether care, sheltered housing or supported care in someone's own home.

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215 I have to declare an interest here, my daughter worked for seven years at the Connaught as a carer, and I know that those who work there do go the extra mile to support the people there, they are utterly committed. But without the right staff, and I think that is key, it is perhaps the thing that we are not thinking about at this stage: we might have 13 extra rooms but do we have the right staff? Will we have the right staff to actually work with them to support those people? Will we end up with 13 extra rooms that are simply a shell, simply because we do not have the staff to support the people who are in those rooms?

220 I do not think the lack of a strategy is through design. I think what has happened is that the day-to-day pressures of work, the short-termism that perhaps the States in the past has taken as its view as to how to make things happen, has caused this problem to occur. So I would ask to put a marker today, every States Member who is present, that we are held to account for the creation of a strategy, not just for care, but for housing because if we do not do that whatever you build you might not have the right people to actually run it. It is very hard work. It is not tangible work, putting in place strategies. There are no soundbites to be had in the *Press* or *The Journal*, you cannot say, 'We have done this'. It takes perhaps one or two years to get a proper strategy in place. Please bear that in mind when voting for this Proposition.

A quote from Gandhi:

The true measure of any society can be found in how it treats its most vulnerable members.

230 If we do not sign up to the immediate request for funds and sign up for a proper, planned ageing strategy and housing strategy together, then I think we will be failing those who we owe the most to.

Thank you very much.

The President: Thank you, Mr Carter.

Would anybody else like to speak?

235 Mr Snowdon.

Mr Snowdon: Thank you, Mr President.

Just referring to Mr Carter's very passionate speech, it was very good, I think we probably do need another debate on quite a lot of different items in this Chamber.

240 Just going back to this Proposition that is in front of us today, I did a little bit of homework, I just wanted to catch up on where we were and where we currently are going. To start off, the business case for this and the debate has successfully already got through this Chamber and also Policy & Resources in Guernsey, and it is absolutely vital that we do pass this today, so I will not be voting against, I will be supporting this and for the Proposition.

245 However, I just want to talk about the process a little bit with Members, if it is all right for me to go on a little bit about it. In March 2020 we passed £2,290,000, agreed by the full States. And I have been looking a little bit at the *Hansard* here, going back to –

Mr Gentle: Point of clarification please, sir.

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The President: Mr Gentle.

Mr Gentle: It was £1,290,000, Mr Snowdon, not £2 million.

255 **Mr Snowdon:** Sorry, thank you, £1,290,000, passed in this Chamber, 11th March 2020. From some of the context and the *Hansard* stuff that is on this paper I cannot actually see the concept designs in there. I think, I might be talking wrongly, but from a personal view I understood that that was actually the sum of money that we were going forward with for this project. I was not aware that there was going to be a tremendous spend afterwards.

260 Looking at the *Hansard*, it also states that the tenders will be confidential. However, looking at
this Billet we have in front of us today I think people can actually work out what the tenders are
because of the money that is required at the moment, so I am not quite sure why we said it was
going to be confidential and then it is not confidential. Personally, I think they should be in the
public domain, the tenders, because it is public money. I just wanted to point that one out from
265 the debate.

The Billet in front of us today states in it that:

All realistic information was taken into account at that time and was detailed in the Billet...

In 2020 when we went to debate in this Chamber, but I do not think that statement is actually
correct because this concept and over budget does not seem to add up. I am concerned that we
are now blaming Brexit and COVID. Obviously they have had an impact, but not to £737,000 over
270 budget. And, I think Mr Carter has actually touched on this already, but the UK government's
Construction Materials Price Index shows a 15.8% increase in materials from January 2020 to June
2021, so when we look at the increase that we have here today presented to us, a 57% increase,
it just does not make sense how we have got to this stage.

If we go back to the process. We have looked at it, it has been presented to this Chamber, then
275 we have kindly presently it to Guernsey and Guernsey agreed on that request that we were
presenting, but I just feel that probably more homework needs to be done when we are doing this
sort of thing. That is what I am going to come on to, adding a few other bits and pieces into the
mix with all of this, because I think it is important we learn from the process that we have got
today.

280 So I would like to know why the foundations and the main structure were split into two. If we
went out and tendered for both of them would we not have a realistic idea of what the total cost
would have been if we had seen the tenders for one big extension project? Rather than splitting
it into two, digging in the ground, unfortunately stopping, which is actually very embarrassing for
us and everyone involved, and then having to go back to this debate here today. I am really
285 concerned that maybe we should have added those both together and moved forward a bit.

Now, Members may remember at the P&F meeting I did ask our advisor was there an example
in Guernsey of any project that has this much overspend, and please correct me if I am wrong, he
did not give us an example of over budget to this extent, 57%, he did not say, 'Yes, there are
multiple projects in Guernsey that have got this over budget estimate', so I would like clarification
290 that really we do need to look into this a lot further.

Touching on some other points, going back to 2008, the new Connaught Care Home, and I
thank Mr Carter again for highlighting some areas where the corridors should not really be twisting
around, they should have been straight, and there should have been maybe a little bit more
consultation with the people that are actually working there at the time. I am sure they did the
295 best that they could, the people designing it, but realistically it maybe is not the criteria that is
needed today. But touching on the build project, because this is what I want to touch, I think we
should start comparing things to previous things that have happened in the States with similar
projects, £2,500,000 agreed by this Chamber in 2008, is my understanding. The total spend,
finished, I know there was work that had to be required at a later date, was £3,117,000, so that
300 was over budget by £617,000. That is just an example.

Then we got back to ... please correct me if I am wrong because I was trying to find these
numbers this morning quite rapidly and I may have got it wrong but I think I have hopefully got it
right. Alderney Commercial Quay: now, when that was started off that started at £4 million to
£6 million and then went up to £9 million. What I am trying to say is that there is a pattern that
305 projects that seem to come to this Chamber are a lot lower than what they end up actually being.
So are we better to actually get ... I am not quite sure if it is more professional advice or different
professional advice to make sure that the guide that we actually ask for out of public money and
then go to Guernsey for is actually the money that is needed at the end of the day.

310 Just to take another project which you probably do not want me to talk about, but just to touch
on it, another example is the swimming pool. You started off with something and we have not got
there at all.

The President: I think, Mr Snowden, you are now starting to get a good way away from the
315 Proposition.

Mr Snowden: My punchline, sir, if that is okay, is: are we seeing a pattern here? Why does this
keep happening? And that is why I think that we need to learn from all the history that has
happened with all these different projects and now we have got one that is very important but is
320 coming a lot higher than anticipated. Why does this keep happening? How do we move forward
with this and actually work out how to resolve it? Do we need some sort of independent review
on the whole situation, let's say with projects over the last 10 years, so we do not keep repeating
this situation?

I am really going to press this point a little bit but the public of Alderney, Guernsey and the
Bailiwick have had quite strong directions, I would say, if that is the right word to use, from the
325 Policy & Resources Committee that finances are going to be very tricky as we move forward and
taxes will go up. So we have got to try and make sure that all of these projects, which are essential,
are delivered to a budget that is set in this Chamber and that we do not go around the table
because we are having the same sort of debate that we did last time. I would just ask Members, I
think we need to discuss with P&F a way forward to resolve in some way so that we do not keep
330 bringing these projects back to this Chamber to discuss.

I would also like to highlight to Members that I completely endorse Mr Carter's point that we
should have a monthly review or check with this current project to make sure that it is hopefully
not going to go any further over budget and there are some checks and balances there, which
hopefully may be presented to P&F. Not micromanaging it, but it is important we understand this
335 because the problem is we have got a financial storm brewing and I am really worried that if we
carry on like this we are going to be in tricky waters.

Thank you.

The President: Thank you.
340 Would anybody else like to speak?
Mr Roberts.

Mr Roberts: First of all, I would just like to say I wholeheartedly agree with Mr Carter and
Mr Snowden on their view of it all.

345 The budgeted cost to Phase 3 was originally £1.29 million – I am repeating it, I am sorry, this is
what I have got down – and the increased cost was an extra £737,000. It takes it to an eye-watering
£2.027 million, some 57%, and it seems excessive and questionable and something that has to be
looked at closely as this project progresses.

I am told we desperately need to go forward onto completion as we need the facilities as soon
350 as possible for our care home, so I am drawn to agree with this and I will agree it, albeit with a
feeling half up my back. It is a bad reason to agree because I cannot see why the cost should inflate
so much in so little time. Materials have not risen that much and COVID has been used as a reason
to convince but it has not convinced us, because I cannot understand why there is such a jump. I
am not a surveyor, and correct me if I am wrong, no one else in the States is either. We have to
355 review these figures, as Mr Snowden said, and review why Alderney is expected to produce such
a high wallet-reducing sum, all from a wallet that contains so little.

Even if this is voted through, and it will vote through on the basis of need, we really need to
get answers immediately on why we have been given such a hole in our meagre finances to
complete a necessity, a huge invoice.

360 It says in the Billet, to recommend to Policy & Resources in Guernsey to provide additional funds of £737,000 for completion of the Connaught Extension project. I just wonder if Policy & Resources would also question this and wonder just why so high a hike has been thrust upon them too. It is far too high an increase for us not to investigate and monitor. I know we have to go forward. It is never too late to see the checks and balances. We need to check we are not being
365 gazumped by using expert advice, because no States Member in here is a surveyor, so *please* make sure we are not being gazumped. But I will agree with it.

Thank you, sir.

The President: Thank you.

370 Mr Kelly.

Mr Kelly: Thank you, sir, Mr President, fellow States Members.

Firstly may I thank those who have spoken for supporting, albeit with obvious reservations, the budget necessary to complete the building of the very necessary extension.

375 Secondly, I would like to thank Mr Gentle for continuing to be the lead political member on the Project Board and for the work he has done so far, together with ... am I allowed to mention his name? Mr Naftel, the chartered surveyor who has overseen the project, both of them have ensured that Phases 1 and 2 were both on time and on budget.

This matter came before GSC at a special meeting on 21st July this year, having been adjourned
380 from a previous meeting to allow additional research to be conducted on whether a cheaper billed method was available because obviously we were shocked at the increase.

The options open to us were: option (1) a budget increase; (2) to reduce the scope to fit the current budget, which is billed as shell only; (3) to change the construction material; (4) to stop all works on the project completely; (5) to pause for months; and (6) to re-scope Phase 3.

385 Due to the overwhelming need, options (2), (4) and (5) were discounted and professional advice was given to us that an alternative build option was not only not cheaper but would delay the build, therefore eliminating options (3) and (6). We were therefore left with (1) a budget increase.

Accepting, with reluctance, the need to increase the cost since the original estimate we
390 therefore chose to enable the project to deliver on its original scope and benefits by delivering an extension to the current care home and facilities. The recommendation was to continue with the original business case and, where possible, adjustments would be made to reduce the overall costs, monitored by our professional surveyor and by the Guernsey Procurement Department. The recommendation from GSC, ultimately before us now, was to approve a further £737,000 to
395 complete the original approved scoped project.

As we have heard from Members, in relation to the numbers of people in the Connaught and the Jubilee they are both full to capacity, and due to the demand some of the potential residents are being accommodated in the Mignot Hospital. A shortage of accommodation for those in need impacts not only on them but their families and the staff at the Connaught who have to manage
400 the situation.

As highlighted by Messrs Harris and Carter, this is a sad state of affairs where we have a shortage of suitable accommodation for the elderly. However, as highlighted by them, it is not unique to this area and is mirrored in the provision of housing for younger members of our society and critical workers. A situation which will only be solved, as we are doing today, by the States
405 investing.

I feel I must stress that the original estimate was on a concept design basis and understandably there has been comment on both the increase since the original estimate was produced in 2018 and, rightly, adverse comment on the process, which I believe needs to be examined for future projects. However, given the situation, I am going to take a pragmatic approach to solve the
410 current problem. Is there a need? Most definitely, yes. Is the preferred tender the cheapest,

considerably? Again, yes. Do we have the money? Yes. Will the process continue to be supervised by Guernsey's Procurement Department? Yes. Therefore I commend this proposal to you all.

Thank you, sir.

415 **The President:** Thank you.
Ms Burgess.

Ms Burgess: Thank you.

I had actually got to the point where I felt there was not much more I could add, pretty much
420 most of the comments have echoed my thoughts. I particularly welcomed Mr Harris's, it echoed
the points I tried to make myself. But I actually want to thank and welcome Mr Carter's points
particularly. His comments touched a nerve with me and I was glad to hear them. I also want to
thank Mr Kelly for clarifying the process because I think there was a lot of muddling as to why
General Services were looking at it, we wanted to be sure of the process, and I understand all the
425 comments made by my colleagues.

If I was to read what I have written I would just be repeating everything. I will obviously be
supporting this but I understand the comments.

Thank you.

430 **The President:** Thank you very much indeed.
Finally, Mr McKinley.

Mr McKinley: It will not take me long, Mr President.

As the oldest States Member, in my mid-70s, I have to declare a personal interest in this.
435 *(Laughter)* I am not sure I can really say very much more than what my fellow States Members
have already said. I congratulate them for what they have said but I have to support it, and I am
knocking on the door daily now to reserve my room. *(Laughter)*

Thank you, sir.

440 **The President:** Now, Mr Abel, I suspect you would like to exercise your right of reply?

Mr Abel: Thank you, Mr President.

I am still trying to digest what I have been given, from the Quay at the Harbour to ... I do not
know where else I went during the journey we have today.

445 But if I can start obviously with Mr Carter's comments, which are very valid. I think when I look
at where we have been in the last couple of weeks and the discussions we have had with regard
to some of the shortcomings that we have identified and perceived, one thing that keeps coming
again and again to this States, and certainly to P&F, is that we do have to have some clearer focus
with regard to policy and also strategy.

450 Unfortunately when I look back – and I think fellow Members will agree – things tend to
overwhelm us and we probably do not deal with the issues as we should do. We tend to get
involved possibly a little bit too deeply into the detail and do not focus on the bigger picture and
how to move ourselves forward. Certainly Mr Carter has been highlighting that to us and, with the
work he is doing on the Island Plan, hopefully it will bring us to a point where we actually have
455 something not only to hang our hat on but all our coats as well across the board. Because at the
moment if I try to hang my coat up it would fall on the floor because there are no pegs anywhere
at the moment, and that situation, simplistically, is where we find ourselves because we have to
deal with items on the hoof, so to speak, and really without sufficient consideration of where we
need to be at this point in time.

460 When I look at the care home situation, and also care in general, and picking up a lot of that
information that this project has necessitated to fully understand it, and certainly I thank
Ms Bowskill for giving me a little bit more of a view of where we need to be. Where we are at the

moment it is probably inadequately funded as well as inadequately manned to do the job that we need. And that is something I feel, as Mr Carter has pointed out, that we need to grab hold of and move forward with.

465

When I look at the simple numbers, this 0.83 number that Kevin quoted, which is the ratio of working people to older people or retired people and I translate that into engineering English, if I can, Mr President, it actually equates to, with the changing demographics we have got, of needing, simplistically, one room per year to cover the needs of our population as it matures or becomes more elderly, Graham obviously needs the spot soon.

470

The President: That is two, Mr Abel, please. First names are not acceptable.

Mr Abel: I beg your pardon. Mr McKinley is the name.

475

But in terms of that, we sit with a full cohort at the current time. We see that by the time we complete this project that will be full again and it actually needs us to have a clear policy on how to go forward with care, in-home care, sheltered care as well as further care, so that has to be a focus for this States going forward.

In terms of assurance, Mr Kelly highlighted to you the process to a limited extent on how to take this forward and his commitment to looking to see how we plan from the process of where we are, not go back and look at history excessively and waste our time. Members have also requested, both Mr Snowden and also Mr Carter, that we have a monthly feedback as regards this project. A project of £2 million certainly needs a minimum of that with good diligence by Members and full reporting, and I know Mr Kelly has that in mind already.

480

If I come back to Mr Snowden's many questions, to do a full forensic audit I think is a good concept. The biggest problem is we really do not have the resources to do that and go back many years. I think we possibly need to have a look at the current processes and look and see exactly if there are other areas we need to reinforce.

485

Certainly, I understand some two years ago when Mr Gentle assisted me with that, the whole concept of project management has changed and additional staff and processes were brought in to rectify and improve the situation. And I think, on a smaller scale, with both Phase 1 and Phase 2 of the Connaught, that change in implementation and new process has improved but certainly I think that will come up for debate and discussion following the P&F meeting in September or October.

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One of the questions Alex raised was this –

495

A Member: Ooh!

The President: Mr Abel, please. I know it is not easy but we have to maintain the proper decorum within this Chamber.

500

Mr Abel: Sorry, Mr President. I will write down on my piece of paper so I refer to that, my apologies, Mr Snowden, and Mr President.

Mr Snowden raised the question on why three phases, and I think if you back over time and more recently the reason for the three phases was to maximise the benefit in terms of pricing for the States whilst splitting them into specific pieces of work around the particular type of contract. We can, and it was reviewed some while ago, have this as one great lump sum. But it would have been subcontracted to one contractor, subcontracted to another contractor and there would have been a profit on those two as well as on the main contract, and the decision was to split it to minimise the profit that anybody took out of our kitty, so to speak.

505

510

In terms of the whole debate on this project being expensive and over budget, yes, the budget from two to three years ago would appear to be low and inadequate. One of the questions put to us, I think in the People's Meeting this week, but not fleshed out, was what the square metres of this particular project were. When you look at the square metres of this project and you divide it

515 into the total cost, including Phase 2, it roughly equates to some £2,500 per square metre. If we
look at the general rule of thumb, if I use that, Mr President, on the Island, £2,500 per square
metre is an equivalent number and it equates to the number that Mr Gentle tabled of £2,189, if I
remember correctly. That is a UK benchmark for care homes in the UK. So if we focus on the
520 pragmatic approach, as Mr Kelly rightly put on the table, the cost we have for this particular
project, which was based on a tender received and also a process covered by Guernsey
Procurement, the number we have in hand is in line with where it should be.

We can spend a lot more time going through the history of the number of two to three years
ago and actually not go forward. And I think Mr Kelly's pragmatic approach of, 'Do we need it? Do
we need to get on with it? Is the number reasonable?' should be adopted, and that all Members
525 should support going forward.

Yes, I do agree we maybe should spend a little bit more time on looking at the process to
improve the ... but not to dig back literally into the rocks of the Quay, that Mr Snowdon
highlighted, rather use the concepts, the understanding and the reservations we have now to go
forward into a positive framework to deliver this particular project on time, and at least up to the
530 cost, if I can use that word, Mr President, that has been tabled today.

We still need to remember that this project is a £2 million project. We are hopeful it will be
revised at tender. Is that hopeful? No, that is the wrong word. We will as a process of managing
this contract – it is difficult to say 'make sure' – but we do have a responsibility to ensure that we
meet the cost constraints of this project and deliver it on the budget we have in hand,
535 Mr President.

So I recommend to Members that they support this Proposition and approve the project.

Thank you, Mr President.

The President: Thank you very much indeed, Mr Abel.

540 Now, Mr Greffier, we come to the vote and I think we will take two votes. I think firstly in
respect of the request to approve the funding of up to £737,000 by Policy and Finance and then
the second part which is to authorise the Policy and Finance Committee to recommend to the
States of Guernsey. So for the sake of clarity, Mr Abel, we will those votes in two parts.

545 **The Greffier:** Thank you, Mr President. If we can take an oral vote with the depth of feeling in
the House this afternoon.

The first tranche of the Proposition will be to vote that the States of Alderney is asked to
approve the recommendation from the Policy and Finance Committee to provide additional funds
of up to £737,000 for the delivery of Phase 3 of the Connaught project.

A vote was taken and the results were as follows:

FOR	AGAINST	ABSTAINED
Mr Abel	None	None
Ms Burgess		
Mr Carter		
Mr Gentle		
Mr Harris		
Mr Jenkins		
Mr Kelly		
Mr McKinley		
Mr Roberts		
Mr Snowdon		

550 **The Greffier:** And the second part is to authorise the Policy and Finance Committee to
recommend to the States of Guernsey Policy & Resources Committee that approval be given for
the additional funding of £737,000 for Phase 3 of the Connaught Extension project.

A vote was taken and the results were as follows:

FOR	AGAINST	ABSTAINED
Mr Abel	None	None
Ms Burgess		
Mr Carter		
Mr Gentle		
Mr Harris		
Mr Jenkins		
Mr Kelly		
Mr McKinley		
Mr Roberts		
Mr Snowdon		

The Greffier: That is then carried unanimously, Mr President.

**II. Questions and Reports –
None**

555 **The President:** And perhaps just for the sake of clarity, Item II, Questions and Reports, none were received.

The Greffier: Thank you, sir.

560 **The President:** Thank you very much indeed.
Well, that concludes this afternoon's business, so Mr Greffier, if you would kindly close the meeting.

PRAYERS

The Greffier

The Assembly adjourned at 3.20 p.m.