

STATES OF ALDERNEY



BILLET D'ETAT

WEDNESDAY 11TH JANUARY 2012

Price: £1.85

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FOR WEDNESDAY 11TH JANUARY 2012

Members of the States:

I have the honour to inform you that the Meeting of the States will be held at 5:30 pm on Wednesday 11th January 2012. This will be preceded by the People's Meeting, which will be held on Wednesday 4th January 2012 at 7:00 p.m. in the Island Hall.

W Stuart Trought
President

Item I **Opening of the States.**

Item II **Presentation of Warrant**

The representative of His Excellency the Lieutenant-Governor of the Bailiwick of Guernsey will present his warrant of appointment

Item III **Election Procedure**

The States is asked to decide whether the following elections should be by verbal vote, otherwise Rule 20 of the Rules of Procedure of the States Alderney, shall come into operation, ie., voting shall, unless the States otherwise resolves, be carried out by written ballot.

Item IV **Vice President**

To elect a Vice President for 2011

Item V **Appointment Of Auditors**

The States is asked to appoint KPMG Channel Islands Limited to be the States Auditors for 2012.

Item VI **Policy and Finance Committee Mandate**

The States is asked to approve the mandate of the Policy and Finance Committee as follows:-

To formulate and make recommendations to the States on all policy matters.

To be accountable for the financial management of the States.

To operate within the policies, guidelines and resolutions of the States.

To liaise and negotiate with the States of Guernsey on all matters relating to the provision of transferred services and finance.

To be responsible for all external affairs.

To liaise with the General Services Committee and the Building and Development Committee in relation to their budget and legislative requirements.

To perform the following functions:

Finance:

To present to the States the annual budget and audited accounts and, where necessary, report to the States thereon.

To monitor the income and expenditure of the States, its Committees and Trust Funds and, where appropriate, to add comment and recommendation to all applications to the States for money, votes and/or submissions to the States where public income and expenditure is involved.

To deal with all borrowings as authorised by the States, loans and the administration of all monies accruing to the States for specific purposes under the terms of various Trusts and Funds.

To be responsible for recommending to the States, whether by Ordinance or otherwise, the fees, dues and charges levied by the States for the provision of any service required to be provided under legislation and to approve the rents payable for States' land and properties.

To be responsible for recommending to the States the level of Occupier's Rates.

To advise on the rents, premiums (if any) and duration of leases to be granted by the General Services Committee for all other States properties.

To submit leases to the States for approval in accordance with the Budget Rules and Procedures.

To be responsible for all States' insurances.

The Economy:

To initiate, pursue and report to the States upon matters relating to the economy of the Island, including immigration, population, social services (financial aspects only), the development of an economic plan, employment, industry and e-commerce.

To deal with external authorities in fiscal and commercial matters.

To be responsible for public relations and the promotion of the Tourist Industry.

To monitor the economic policy of the States and to report and make recommendations for such amendments as deemed necessary.

To liaise with the Commerce and Employment Department on matters relating to economic planning.

Constitution and Legal Matters:

To be responsible for all matters affecting the Constitution and all legislation (other than legislation falling specifically within the responsibility of the General Services and the Building and Development Control Committee).

To be responsible for all matters relating to International Conventions, Treaties, Agreements, EU Directives and extended legislation from the United Kingdom.

To liaise as necessary with the Court of Alderney.

To be responsible for and the leasing and use of all States-owned Forts.

To be responsible for matters affecting:-

Elections;
Census;
Import and Export Control;
Telecommunications;
Postal Services, Philately and Currency;
Gambling;
Emergency Fuel Control (The Energy (Bailiwick of Guernsey) Law, 1978);
Dangerous Weapons;
Civil Aviation; and
Youth Training and Adult Education. Youth Services and activities.

To be responsible for all matters relating to public assistance and welfare.

To be responsible for all matters not specifically falling within the mandate of the General Services Committee and the Building and Development Control Committee.

Staff and Offices:

To be the States Employment Board with responsibility for all matters relating to the employment of Civil Servants and Manual Staff; and the management of office accommodation; to be the Civil Service Board referred to in the Terms and Conditions of Service for Civil Servants and the Terms and Conditions of Employment for Manual Staff as agreed between the Board and the Transport and General Workers Union.

In particular to be responsible for the appointment of staff and the preparation and review of the Terms and Conditions of Service of all salaried staff (subject to the relevant provisions of the Government of Alderney Law) and to liaise with the Guernsey Civil Service Staff Association.

To control establishment numbers.

To be responsible for staff pensions.

To liaise with Trades Unions on matters relating to the Terms and Conditions of Employment for Manual Staff.

Sub-delegation of Executive Functions:

The following functions to be conferred on:-

1. **The Employment, Legislation and Constitution Group** (or any other sub-committee of the Policy and Finance Committee consisting of at least three of its members and appointed by it for the purpose) without requiring the prior approval of the committee to be obtained to any action proposed to be taken by it: -

All functions of the Policy and Finance Committee arising under the provisions of The Employment Permits (Alderney) Law, 1975 (as amended); and

- 2. The Finance Advisory Group** (or any other sub-committee of the Policy and Finance Committee consisting of at least three of its members and appointed by it for the purpose) without requiring the prior approval of the committee to be obtained to any action proposed to be taken by it: -
- a. to deal with States borrowings authorised by the States for specific purposes
 - b. to be responsible for States insurances
 - c. to be responsible for postage stamp and coin issues and design approvals
 - d. to deal with grants not exceeding £5000
 - e. to deal with Hawkers Licences.

Item VII **General Services Committee Mandate**

The States is asked to approve the mandate of the General Services Committee as follows:-

To be accountable to the States for the provision and implementation of all Government services provided and/or required by legislation, resolution or policy of the States within agreed budgets.

To liaise with the Policy and Finance Committee in relation to budgetary and legislative requirements.

To operate within the policies, guidelines and resolutions of the States.

In particular, to perform the following functions:-

To be accountable for the administration of the harbour and its functions and to make recommendations to the Policy and Finance Committee on all fees, dues and charges required to be levied by legislation.

To deal with shipping and all matters relating to the sea.

To be responsible for the continuing investigations into a marina in Alderney.

To deal with all matters relating to the railway.

To administer and maintain all States' buildings including offices; to be accountable for all public works; to place contracts for public works; to be responsible for refuse collection and its disposal.

To be responsible for the Fire Brigade; for emergency services; for sewage disposal; and for traffic control.

To be accountable for all States' properties which are not the responsibility of the Policy and Finance Committee.

To be responsible for recreation and sports activities.

To be responsible for all official entertainments, and the Saye Camp site.

To be responsible for all matters relating to the allocation of States housing.

To be accountable as the Water Board for the provision of water supplies on the Island in accordance with the legislation applicable thereto.

To be responsible for the leasing of all States Properties, other than Forts, in the ownership of the States; to deal with all matters relating to agriculture, livestock, other animals, birds and vermin; to administer the Island of Burhou; to be responsible for afforestation and fencing and management of all States land including the consolidation of parcels and not to reduce the area of such land without the authority of the States; and administer the States Slaughterhouse.

To be responsible for all matters relating to sea fisheries.

To be responsible for environmental monitoring and for the co-ordination of public services in the event of a civil emergency.

To be responsible for the establishment of a working party to be known as the Civil Emergency Working Party which shall include amongst its members the following people:-

The President of the States, the States Analyst, the Chief Fire Officer, the Manager of the Water Board, the States Engineer, the General Manager of Alderney Electricity Limited, the resident Sergeant of the Police in Alderney, the Harbour Officer, a Medical Practitioner; a representative of St. John Ambulance (unless otherwise represented); a Communications adviser(s); the person appointed as Co-ordinator of the emergency services, and if in existence the Officer Commanding the Junior Militia.

The Working Party shall appoint a Chairman from amongst its members.

Item VIII **Building and Development Control Committee Mandate**

The States is asked to approve the mandate of the Building and Development Control Committee as follows:-

To be the Authority for approving plans in both the public and private sector; to be responsible for the Le Banquage Housing Scheme; to administer The Building and Development Control (Alderney) Law, 2002, as amended; to be the Committee to make recommendations to the States on the maximum number of dwellings to be permitted in any given period in accordance with Section 15 of The Building & Development Control (Alderney) Law, 2002; to administer Building Regulations made under the provisions of The Building & Development Control (Alderney) Law, 2002, and any other law or laws by which they may be replaced.

To be responsible for the preparation of a policy and strategy for environmental conservation and ecology on the Island.

Item IX **Committee Chairmen**

The States is asked to elect the Chairmen of the following Committees:

1. Policy and Finance Committee
2. General Services Committee
3. Building and Development Control Committee

Item X **Committee Members**

The States is asked to elect the members of the following Committees: -

1. Nine Members to the Policy and Finance Committee
2. Five Members to the General Services Committee,
3. Four Members to the Building and Development Control Committee.

Item XI **Other Appointments:**

The States is asked to elect three members to sit on the Management Committee in the affairs of the Alderney Branch of the Commonwealth Parliamentary Association (the President being Ex-officio Chairman).

Item XII **The States Bank Accounts**

The States is asked to make the following arrangements relating to the operation of the States Bank Accounts:-

1. To empower any one member of the Policy and Finance Committee with the States Treasurer or her deputy; or the Chief Executive Officer and the States Treasurer or her deputy to operate the States Bank Accounts.
2. To empower any one member of the Policy and Finance Committee with the States Treasurer or her deputy; or the States Treasurer or her deputy with the Chief Executive Officer to operate the Water Board Bank Account.

Item XIII **Election of Alderney Representatives to sit in the Guernsey States of Deliberation**

The States is asked:-

- (a). To elect two members to sit in the Guernsey States of Deliberation for 2012, and
- (b). To elect two other members to sit in the Guernsey States of Deliberation as Alternative Representatives for 2012.

Item XIV **Rules of Procedure – Points of Order and States Reports**

The following letter has been received from Mr Beaman, Chairman of the Policy and Finance Committee:-

“The Greffier has noted an error in the current Rules of Procedure for States Meetings, which occurred as the result of an amendment to the Rules of Procedure In July 2010. The States at their July meeting approved to amend the Rules of Procedure which would in effect combine rules 16 and 17, relating to “Points of Order and interruption of a speaker”, into one heading, this involved renumbering subsequent rules plus inserting a new rule entitled “Reports”.

It has been noted that Rule 18 currently states “.... an interruption by a Member under Rule 17”, it is proposed that this should have been amended to read “.... an interruption by a Member under Rule 16”

The Greffier is of the opinion that this is not a typographical error and that it was missed in the drafting of the above amendment. Therefore the best course of action is to seek a States Resolution to formally correct the error.

John Beaman
Chairman"

The States is asked to approve an amendment to the Rules of Procedure for States Meetings to formally correct an error that occurred when drafting the amendment approved in July 2010, as follows:

18. The putting by a Member of any Question and an interruption by a Member under Rule 16, shall be permissible notwithstanding that that Member has already spoken on the matter then under debate, and shall not prejudice the right of a Member who has not exhausted his right to speak in that debate to speak therein.

Item XV

The Duty on Share Transfers (Alderney) Law, 1994 (Amendment) Ordinance, 2012

The following letter has been received from Mr Beaman, Chairman of the Policy and Finance Committee:-

"The Duty on Share Transfers Act was brought in to counteract the practice of placing the ownership of residential property into a limited company and then transferring the shares in that company to effect a sale of the property, thus avoiding conge on the sale of the property. It was not intended to impact on a trading business where the ownership of land is incidental to the carrying on of the business.

For the purposes of the Duty on Share Transfers (Alderney) Law 1994 Alderney Electricity Limited falls within the definition of a "land holding corporation". The consequences of this are that for any non exempt transfer of shares the company has to compete a return for submission to the Court together with a payment of the duty at the rate set out in the Duty on Share Transfer (Variation of Rate & Ration) (Alderney) Ordinance 2003. The rates vary from 45 to 5% depending on the assessable value.

The value of the assessable transfer is the proportion of the market value of all the land of the corporation which the nominal value of the shares being transferred bears to the total share capital of the corporation. Alderney Electricity Limited is therefore faced with the considerable time and expense involved in obtaining a market valuation of its land holdings acceptable to the Court for what is likely to be an insignificant amount of stamp duty.

Section 17 of the Duty on Share Transfers (Alderney) Law, 1994 sets out the list of exempt transfers. Section 18(d) of the act allows the States to amend by Ordinance section 17 by adding to the list, and it is proposed to include transfers relating to Alderney Electricity Limited to the list of exempt transfers. An ordinance under section 18(d) has been drafted by Law Officers Chambers and is attached for consideration.

I will be obliged if The Duty on Share Transfers (Alderney) Law, 1994 (Amendment) Ordinance, 2012 is placed before the States at its next meeting together with an appropriate proposition.

John Beaman
Chairman"

The States is asked to approve "The Duty on Share Transfers (Alderney) Law, 1994 (Amendment) Ordinance, 2012".

Item XVI **Questions and Reports**

The attached report on the Construction Industry has been received from Messrs Birmingham and Berry. A summary of the report will be given by Mr Birmingham at the meeting.

A report on the AGCC has been received from Mr Beaman.

Issued: 30th December 2011

The Duty on Share Transfers (Alderney) Law, 1994 (Amendment) Ordinance, 2012

THE STATES OF ALDERNEY, in pursuance of their Resolution of the 11th January, 2012, and in exercise of the powers conferred on them by section 18(d) of the Duty on Share Transfers (Alderney) Law, 1994, as amended^a, hereby order:-

Amendment to 1994 Law.

1. Section 17(1) of the Duty on Share Transfers (Alderney) Law, 1994 is amended by adding the following paragraph immediately after section 17(1)(h) -

- "(i) a transfer which relates exclusively to the share capital of the company known as Alderney Electricity Limited, referred to in the Alderney Electricity Concession Law, 1953, whose current registered office is situate at Maison des Venelles, Venelles des Gaudion, Alderney."

Interpretation.

2. (1) The Interpretation (Guernsey) Law, 1948^b applies to the interpretation of this Ordinance.

(2) Any reference in this Ordinance to an enactment is a reference

^a Ordres en Conseil Vol. XXXV(1), p. 26; there are amendments not relevant to this Ordinance.

^b Ordres en Conseil Vol. XIII, p. 355.

thereto as from time to time amended, re-enacted (with or without modification), extended or applied.

Citation and commencement.

3. This Ordinance may be cited as the Duty on Share Transfers (Alderney) Law, 1994 (Amendment) Ordinance, 2012 and shall come into force on the date it is approved by the States of Alderney.

Construction Industry Consultation Report.

Subject to a motion brought to Junes Policy and Finance meeting by Mr Ray Berry, a consultation process has been conducted for the States Of Alderney by Mr Berry and Mr Birmingham with the construction industry in Alderney in an attempt to identify the concerns of the industry, the perceived threats that the industry faces, the current trading conditions in which the industry finds itself, and its business confidence for the future, and the possible impact on future investment that this may have especially in terms of the skills base of the Islands workforce.

Over 30 questionnaires were distributed to the islands firms, both contractors and sub contractors and the authors of the report would like to thank the 30% of those in the industry that took the time to respond to the survey.

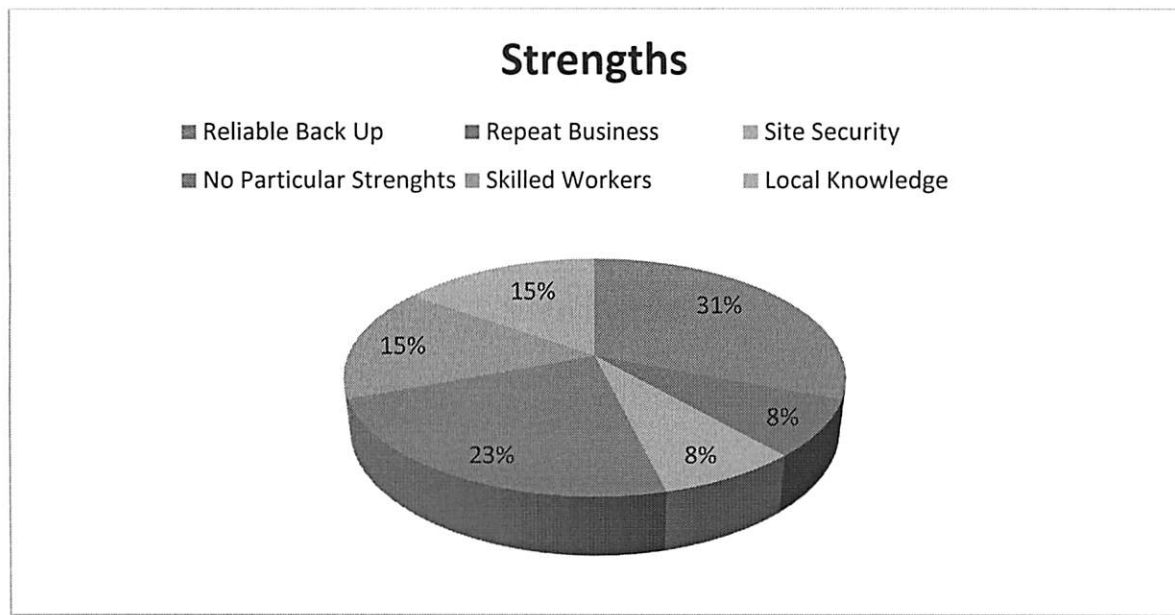
The responses gained from the industry are collated in the following report.

Ray Berry & Matt Birmingham
States Members.

SWOT Analysis for the Construction Industry

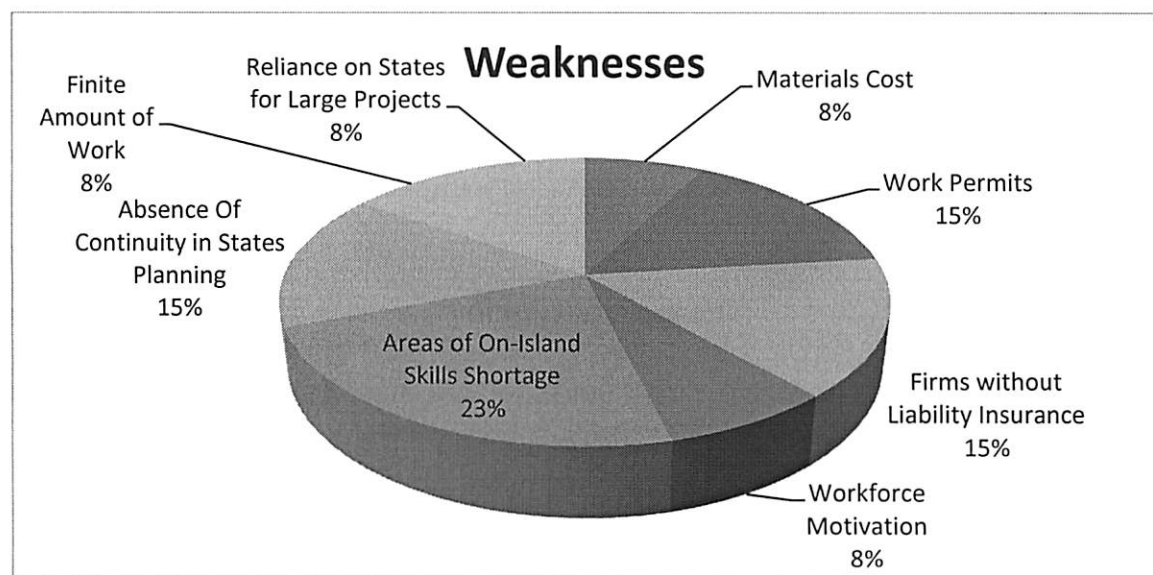
Firstly the questionnaire asked each respondent for 3 major strengths, weaknesses, opportunities and threats that each perceived were the major concerns abilities or priorities for the local construction industry.

Strengths



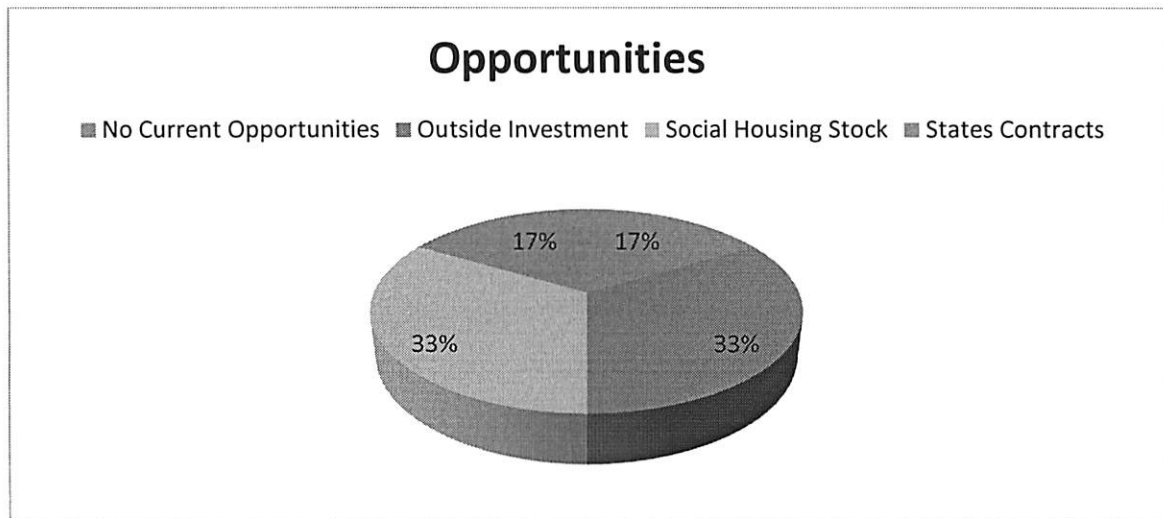
The biggest strength highlighted by the firms themselves was the reliable back-up that local firms can give the consumers (31%). As one contributor put it “Small firms with skilled workers that have pride in their work”. Although many contributors felt that there were no particular strengths or gave no answer, both the skills of the workforce (23%) and the local knowledge (23%) that the firms possessed were highlighted as a major strength.

Weaknesses



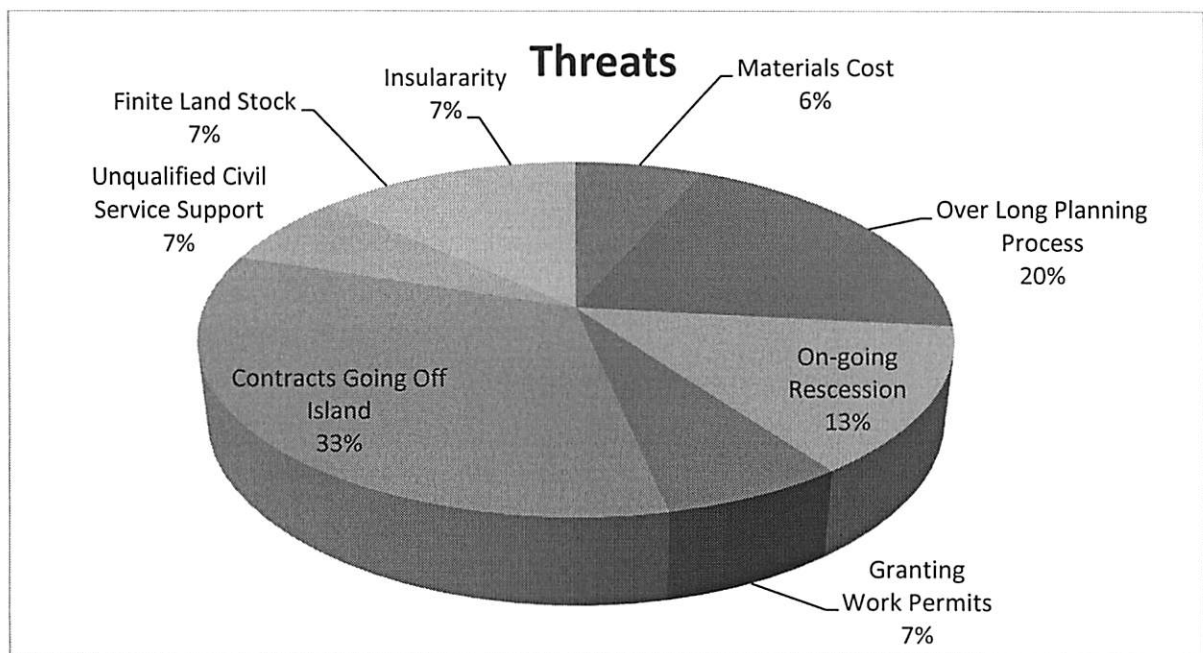
The major perceived weaknesses by the respondents were skills shortages in specialized areas of the industry where there is no choice but to go off island (23%). One specific example given was window manufacture. Areas given equal importance were continuity in States planning, the issuing of work permits to off island workers and small “one man bands” lacking suitable liability insurance (all 15%).

Opportunities



Future opportunities were unsurprising in that the major hopes for work concentrated on work on improving social housing stock (33%) and outside investment from new residents and companies (33%).

Threats



The biggest perceived threat to local construction was the awarding of contracts to off island firms both in the public and private sectors but especially States Contracts (33%).

The speed of the planning process was the second highest response (20%).

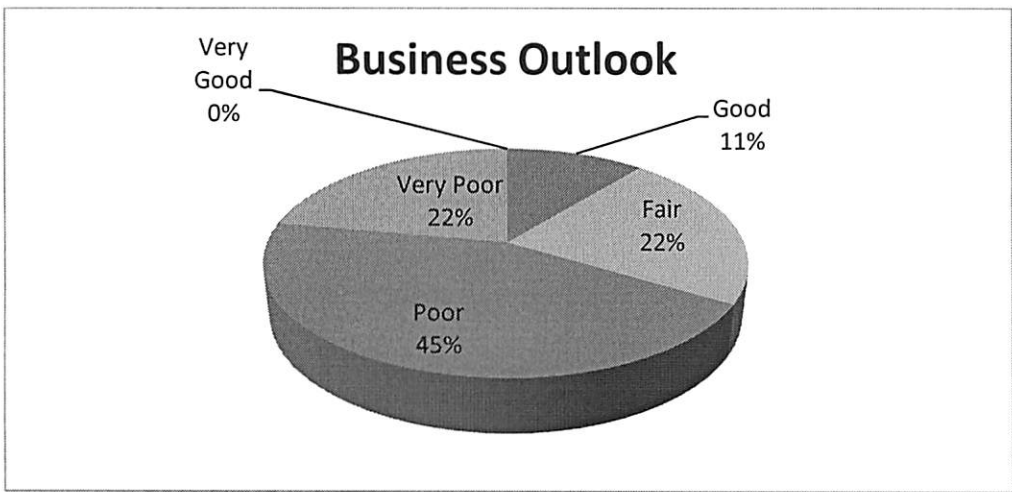
The general economic situation and the perceived on-going recession in the housing and construction sector were listed as the 3rd major concern (13%).

Other areas that were highlighted were issuing work permits off island (7%), the finite land stock that the island has (7%), the industry and the states being too insular in its outlook (7%) with the high cost of material supply to the island (6%) and a perceived lack of qualification in civil service support functions (7%) all mentioned to a lesser degree.

Trading conditions and business confidence



The businesses were given the opportunity to rate their last 12 months trading against a normal year. This gave a very mixed picture with no discernable pattern except that the very good and good responses were from sub-contractors both in the same profession. Overall the larger firms seemed to be suffering more.



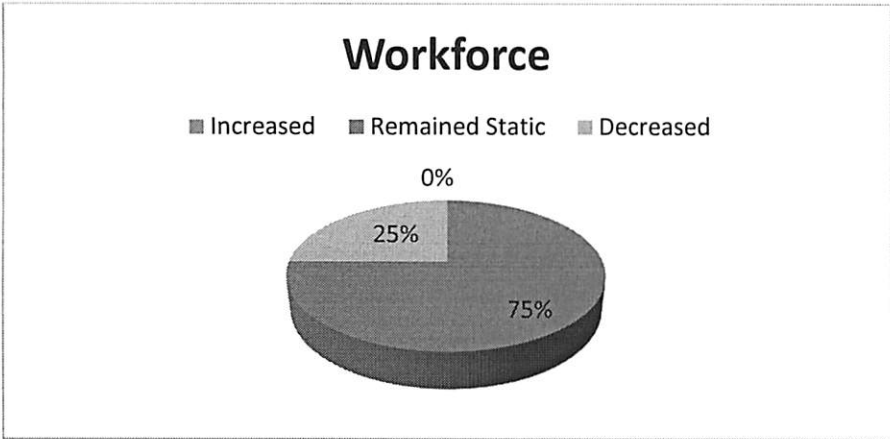
Business confidence however for the coming year is generally low which reflects a shortage in work on the order books for many firms.

When asked about the longer term many businesses are very pessimistic about future trading prospects.



This lack of confidence also leads other problems particularly in the area of apprenticeships.

Only 2 companies stated that they would be looking towards taking on apprentices in the medium term.



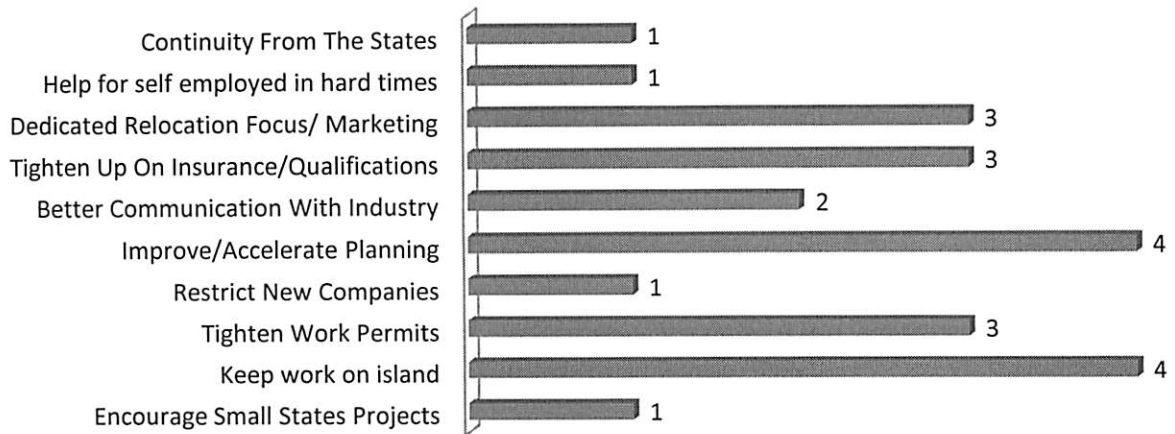
Meanwhile no firm's workforce has increased in size but the majority have managed to maintain the same level of employees. But there has been an overall decrease in employment in the sector.

What Can The States Do?

The questionnaire also asked firms to suggest ways that the States of Alderney could help the construction sector.

What Can the S.O.A. do?

■ Number Of Responses



The highest number of responses in terms of suggestions for the SOA to consider was in the area of accelerating the speed of the planning system along with keeping work on island.

The next three highest suggestions were tightening up the existing work permit legislation, ensuring that businesses had the relevant insurance and qualifications and a dedicated role for attracting and relocating new residents to the island.

The sixth largest response was that there should be better communication between the States and the construction industry. However when asked if it was felt that the formation of a local construction association would be of benefit the overwhelming response was no.

Would You Support A Contractors Association?

