

NOTES FROM THE PEOPLES MEETING – 15 October 2014
ST ANNES SCHOOL HALL – 19:00

Convenor – Mr R McDowall
 Assisted by Chief Executive and Treasurer

President
 States Members x 7 (excluding the convenor)
 Minute Secretary
 Public – x 30 approximately
 Press x 2

Item I – The Alderney eGambling (Commencement) Regulations, 2014

The Convenor advised that this is to bring in some additional regulations to ensure we have the appropriate regulations and Anti Money Laundering (AML) measures in place, as Alderney is subject to inspection from Moneyval (Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism) from Brussels.

A contributor queried the involvement from Brussels; The Convenor advised that Alderney subscribes to the European Financial Regulations.

Item II – Budgets for 2015 and Revised Budget 2014

Written questions for Part 2 relating to budget matters were addressed as part of the main meeting as follows :-

- “Why is the States spending £100,000 on ‘Be a Tiger’ that forecast 100 more people coming to the island and there have only been 9 so far, is this to be expended again in 2015? We can see that Economic Development initiatives was listed as £270K for £2014 but £227K of that was spent on consultants, what are the States going to spend all that amount on next year, apart from probably ‘Be a Tiger’, again?”

The Convenor advised that “The figure of 100 more people is not one that has ever been proposed by the States of Alderney or ‘Be a Tiger’. The Business Development Project team at its initial meeting in May 2013 proposed a target of 10 new businesses which might employ up to 10 people each. It was rapidly recognised that this was wildly optimistic, as few businesses on Alderney currently employ those numbers. In subsequent discussions ‘Be a Tiger’ proposed a comprehensive project to achieve a minimum of 6 new businesses coming to Alderney – the cost was to be just under £100K which was included in the budget.

Apart from some very limited preliminary work this project has not yet started, but it is hoped to do so before the end of 2014. For information, a National Audit report into the UK job creation scheme estimated each new job there cost £33K or more.

The Treasurer advised that of the £100K in the budget, only £7K has been spent to date.

- “Despite spending more than £200K on improvements at the Campsite, income this year is expected to be £2.5K not counting expenses of £10K, which is a loss. £41K has been spent on laundry facilities this year and another £24k has been budgeted for next year. What will that be spent on?”

The Convenor advised that the £2,5K is revenue income from fees/rental, the capital expenditure has been made to improve the facilities on offer to visitors and those locals who use the site. The income from fees which is seasonal, was never expected to pay for the capital improvements.

The £24K for next year has yet to be approved, but relates to improvements to the cafe area and office building/warden restroom.

It was queried why the States should be paying for the rates and electricity for the buildings when it was being run as a business. The Treasurer advised that the States receive 30% of the fees collected.

It was suggested that no wardens should be employed and the campsite should be offered free of charge to encourage more visitors.

- “Cost for Waste to Energy consultancies is shown as £50K however wasn’t there another consultant brought in to interpret the first consultant, which was a waste of public money as its now not going ahead anyway.”

The Convenor advised that the States did appoint a consultant to review the Anaerobic Digester feasibility study and report on it to the Policy and Finance Committee. Some of the funding related to the feasibility study and there was also subsequent work done by the consultant on the creation of a new utility to include AEL, SWD Waste Department and the Water Board.

- “What does the £300K expenditure for States Property Refurbishment in 2015 relate to as it is assumed it is not on St Anne’s Church, which is under a separate heading?”

The Convenor advised that the £300K is an amalgamation of smaller projects in respect of:-

- refurbishment of 3 x key worker housing properties
- Island Hall radiators/windows
- refurbishment of town toilet block
- old Goal Works, and
- Jubilee Home & New Connaught Care Home survey & refurbishment

Each project will be prioritised, costed and approved through the Committees accordingly.

A subsequent query was raised as to why the New Connaught Care Home (NCCH) required refurbishment works as it was a new building? Mr Simonet, chairman of P&F and States representative on the Connaught Working Party, advised that the new RCCH Board had identified that certain areas of the NCCH required work and the Jubilee Home is no longer fit for purpose. Chartered Surveyors have been commissioned to carry out inspections and surveys on both buildings.

Further verbal queries relating to the budget included:-

- The allocation of funding for an Air Links Study was queried as it was understood that a study had been carried out. Mr Harvey, BDTM Committee chairman, advised that the report of the initial study was not satisfactory and thus payment to them was in dispute.
- Does the £452K for Sewerage Projects in the General Service Committee Capital account relate to the Mouriaux to Platte Saline sewage scheme?

The Treasurer advised that there are a few other minor sewage projects included in the budget however the majority relates to phase 1 of the Mouriaux to Platte Saline sewage scheme.

It was further queried if phase 1 will include the sewage outfall which the convenor confirmed.

- With the States being the largest employer on the island as well as the largest consumer on the island, why is there a decrease in expenditure from £3.5M in 2014 to £2.8M in 2015? This is a substantial amount less going back into the islands economy which could well lead to a recession and has the States considered this?

The Convenor advised that the States have to work within the confines of the allocation from the States of Guernsey and what the States raise locally. In the budget report it is stated that the States must look closer and harder at opportunities to create direct home grown revenue streams.

The Treasurer added that this years expenditure has been distorted by the VES scheme which equates to £500K and it has been a transitional year for the States.

- Can the increase in the Marketing Support 2014 budget from £80K to £140K be explained?
The Treasurer advised that the main increase on the budget is due to the marketing strategy produced by 'Be a Tiger' however some savings were made in salaries as there was a vacancy. Mr Harvey advised that although 'Be a Tiger' has been good value for money, the intention is to bring the marketing back on island in the coming year. The structure of the Tourism and Marketing department is also being revised with discussions ongoing with the Chief Executive.
- What does the £17.6K budget for staff costs under Fisheries relate to as the local fisherman have not been approached regarding this?
The Convenor stated that the information will be obtained and reported back.
It has since been confirmed that the "staff costs" expenditure relates to the proportion of Harbour salaries charged to the Fisheries element of their duties. No additional staff are employed, and it is not a new heading in the budget. The "supplies & services" expenses relate to costs of attending off-Island meetings, and the cost of sending marine samples for analysis etc.
- Staff costs under BDCC has been substantially increased for 2015, does that indicate that the recommendations from the ARUP report has been adopted?
The Convenor advised that the recommendations from the ARUP report have yet to be agreed by the States. Mr Birmingham, chairman of BDCC, advised that the increase is a best guess estimate of what the costs will be should the recommendations from the ARUP report for the structure of the Planning office function, be adopted/agreed by the States.
- Why is there a distinction of rental income from property between GCS and P&F?
The Treasurer advised that it is a historic separation in the budget and it is due to certain properties/buildings/forts appearing under the different committee mandates.
- Why is income from Congé been increased for 2015 when the housing market is falling?
The Treasurer advised that advice was sought from the Court office and it is merely an estimated figure.
It was further queried whether the States have ever considered a 'holiday/temporary break' of Congé being charged. The comment was noted by the Convenor.
- What does the £20K under Economic Development Initiatives – Administration/Consultancy relate to?
The Treasurer advised that this was initial consultancy costs with a recruitment agency for an Economic Development Officer post which had been proposed. The cost will be covered from ACRE reserves.
- Bearing in mind the recent Housing Strategy produced by Cambridge University suggesting further housing is not required, what is the £47,6K in the budget under Social Housing projects – Sable D'Or for?
The Treasurer advised that the £238K agreed by the States has been split over financial years 2014 (£190,400) and 2015 (£47,600). No additional grant expenditure is proposed for 2015, it reflects the balance of the amounts as previously voted .
- Further to the previous comments from the Convenor regarding raising locally raised revenue, what ideas are the States considering?
The Convenor advised that one or two ideas will be revealed in the next few months.

Item III – Occupier's Rates 2015

A contributor thanked the States for not increasing domestic rates.

Item IV – Proposed Increase in Water Rates

A contributor queried the percentage of the increase in the Water Rates (which was confirmed as RPIX at 2.1%), and further stated that this was good value given the job that the Water Board carry out and the investment in infrastructure.

Item V – Elections 2014

There were no comments on this item.

Item VI – Alderney Commission for Renewable Energy: Appointment of Commissioner

A contributor queried who Captain Robert Barton was. The Convenor advised that Captain Barton was the previous Guernsey Harbour Master and has been a Commissioner at ACRE for a number of years.

Item VII – Questions and Reports

None received at this time.

Meeting Closed 19:45