

**POLICY AND FINANCE COMMITTEE MEETING  
ANNE FRENCH ROOM  
3<sup>rd</sup> October 2017  
0915hours**

**PRESENT:**

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

**IN ATTENDANCE:**

Mr A Lewis, Chief Executive (CE)  
Mrs S Pengilley-Price, Executive Officer  
to the Chief Executive (EO)  
Mrs K A Hatcher-Gaudion, States  
Treasurer (TREASURY)  
Mr P Veron, Strategic Adviser (SA)

**In Attendance: Malcolm Matthews attended for item 111.2.**

**ACTION****107/2017****Matters Arising****107.1 Committee feedback from Chairmen (B&DCC, GSC, ALG & Tourism) & Guernsey Representatives**

**BDCC** - The Committee noted a verbal report from the Deputy Chairman of BDCC, covering a range of matters including an update of the Land Use Plan, and Committee placed on record its appreciation for the considerable contribution from John Young and for the Chairman to write to him.

**EO**

**GSC** – The Committee noted a verbal update from the Chairman of GSC, covering a range of matters including the Freight contract, the Nunnery roof, the States Vet’s planned visits and the recent inspection of Fort Grosnez and the Breakwater.

**ALG** – The Committee noted the advice from the Chairman that there had been no recent meeting, but progress was being made in respect of Brexit for the repeal of relevant legislation in the States of Guernsey and that copies would be circulated to all States Members and an invitation to Jo Reeve to visit in the near future to explain the proposals.

**EO**

It was further noted that a meeting has been scheduled later in the month between the Chairman and the President of the Committee for Economic Development and it was also agreed to seek an invitation for the Chairman, accompanied by Mr Jean, to attend a full meeting of the Committee for ED.

**SA**

It was further noted that the next ALG was scheduled for 27 November to coincide with the Bailiwick Council.

**SA**

**Tourism** – The Committee noted a verbal update from the Tourism lead on various matters including work on the 2018 Brochure, the recent visit by staff to the Isles of Scilly, attendance at the Visit Guernsey presentation, the planned sailings from France in 2018 and concerns over next year’s inter-Island ferry services.

**Representatives in the States of Guernsey** - The Committee noted an update from the Alderney Representatives on the States of Guernsey's decision to revert to meeting on the last Wednesday of the month.

It also noted that a statement had been made in the States of Guernsey which affirmed that Alderney would be involved in the negotiations for the proposed pan-Channel Island ferry service.

**Education Services** - The Committee noted that the next regular update on St Anne's School and Education was scheduled for mid-October on a date to be confirmed, although it was acknowledged that not all Members will be able to attend.

EO

### **107.2 Alderney Ambulance – Grant Support**

The Committee were not minded to amend their decision in respect of the 2018/2019 grant, however they agreed to write to Alderney Ambulance to provide assurance of the States' appreciation and support for the service it provides and to welcome ongoing engagement in seeking a greater understanding of their future expenditure programme.

TREASURY

**107.3 Alderney Artefacts** Report from Mr Snowdon dated 27<sup>th</sup> September 2017 tabled for consideration.

**The Committee agreed to liaise with the Alderney Society to determine what inventory of assets currently exist and to confirm there is an audit trail of where an item was and, where possible, an indication of when it was expected to return to the Island.**

EO

**107.4 Potential Changes to States Meeting Date** – Report from Chief Executive dated 28<sup>th</sup> September 2017, tabled and noted.

**The Committee agreed that in light of the recent decision in the States of Guernsey to affirm that from 2018, the States Meeting and the People's Meeting's should continue to be held on Wednesdays.**

EO

**107.5 Open Forum – Proposed Guidelines** – Report from Chief Executive dated 28<sup>th</sup> September 2017 tabled and noted.

**The Committee agreed to confirm the draft guidelines subject to minor revisions to ensure questions should be submitted by the Friday preceding the Open Forum and that there be clarification that the meeting is primarily to answer questions rather than facilitate debate. It was further agreed the guidelines be published on the Government website.**

EO

### **107.6 Swimming Pool**

**The Committee noted the ongoing situation with regard to the pool investigations.**

108/2017

### **FAB/ARE Update**

#### **108.0 Legal advice on amendments lodged in the States**

**It was agreed to seek clarification in respect of legal advice to be made available generally to States Members to ensure a full understanding of the potential impact of amendments if passed by the States.**

CE

**108.1 Plebiscite Question** – Report from Chief Executive dated 27<sup>th</sup> September 2017 tabled and noted.

**The Committee agreed:-**

1. To devise a programme of consultation/engagement prior to the plebiscite; and
2. To submit to the States of Alderney for approval, the question to be asked at the plebiscite, which should be short and uncomplicated (by a majority with Messrs Dean and Snowdon dissenting).

CE

**108.2 FABLink – Technical Consultants** – Report from Chief Executive dated 27<sup>th</sup> September 2017 tabled and noted.

**The Committee agreed to confirm that the services contract with Technical Consultants Fichtner be discontinued at this time and to obtain for circulation the advice provided in respect of the potential to route the cable around the Island.**

CE

**108.3 FABLink Way Leave Agreement** – Report from Mr Snowdon dated 27<sup>th</sup> September 2017 tabled and noted.

**The Committee agreed to an examination of the minutes of P&F in the period leading up to the decision to enter the wayleave agreement to understand more fully the factors taken into account at the time and in the light of those records to determine whether to seek advice from the Law Officers.**

EO

**108.4 States Position on FABLink – Neutral View** – Report from Mr Snowdon dated 27<sup>th</sup> September 2017 tabled and noted.

**The Committee agreed that it was committed to encouraging sustainable investment which is in the long-term best interests of the Island, and that it would continue to deal with all matters in a fair and balanced manner with due integrity and honesty and that as regards FAB, the current States remained open-minded.**

**108.5 FABLink/ARE Related Questions from Chief Pleas** – Report from Mr Snowdon dated 27<sup>th</sup> September 2017 tabled and noted.

**The Committee agreed that in order to help the public understand the FABLink project in more detail and to address the questions raised at the September Chief Pleas, the FABlink working group, with help from PwC, should seek answers to the questions to the best of their ability and for those answers to be placed in the public domain.**

CE

**108.6 FABLink – Potential Legal Scenarios - See Confidential Annexure** – Report from Chief Executive dated 2<sup>nd</sup> October 2017 tabled and noted.

**The Committee noted the report and that the need for the information to be kept strictly confidential and further agreed to invite the legal adviser to attend the next meeting to explain in more detail.**

EO

**109/2017**

**Budgetary, Financial & Employment Matters**

**109.1 Commonwealth Mint** - Report from Mr Barnes dated 28<sup>th</sup> September 2017 tabled and noted.

**The Committee noted the report from Mr Barnes.**

**109.2 Update on CE Recruitment** – Report from Chief Executive dated 21<sup>st</sup> September 2017 tabled and noted.

**The Committee noted the update and endorsed the appointment process.**

CE

**109.3 AEL – Power Station Upgrade** – Report from Strategic Financial Advisor dated 19<sup>th</sup> September 2017 tabled and noted.

**The Committee agreed that:-**

- a) **The proposed investment of £1.4m is supported by a needs assessment and a robust business case;**
- b) **Overall borrowings of AEL can exceed issued share capital until the end of 2019 and provide written consent of this to the Board of AEL;**
- c) **The forecast financial returns confirm that proposed repayments of a loan of £1.4m are affordable, and sensitivity analysis confirms that this will continue over the period;**
- d) **The preferred source of investment should be either:**
  - i) **the National Westminster Bank;**
  - ii) **States of Guernsey; or**
  - iii) **the States of Alderney.**
- e) **If the loan is to come from the States of Guernsey or States of Alderney, to engage with the States of Guernsey to confirm the needs assessment and business case and initiate the approval processes; and**
- f) **Subject to confirmation from the Law Officers, a step-in guarantee of £1.4m will be provided in respect of a potential loan from the States of Guernsey or the National Westminster Bank and instruct the States Treasurer to note this in the annual accounts.**

TREASURY/SFA

110/2017

**Legislation, Conventions & Policy**

**110.1 Forfeiture of Money, etc in Civil Proceedings (Designation of Countries) (Bailiwick of Guernsey) Regulations, 2018 – For Ratification** – Report from Chief Executive's Office dated 22<sup>nd</sup> September 2017 tabled and noted.

**The Committee resolved to support the amending regulations to change the reference from the Serious Organised Crime Agency to the National Crime Agency to ensure that the Bailiwick remains able to provide assistance to all of the appropriate authorities in the UK.**

EO

**110.2 Brexit Update – Analysis of live issues for Alderney** – Report from Susan Johnson dated 3<sup>rd</sup> October 2017 tabled and noted.

**The Committee noted the current issues and endorsed the initial objectives suggested in the attached tables; and approved the proposals for further work.**

SFA

**110.3 Alderney Representation in SoG** – Report from Chief Executive dated 27<sup>th</sup> September 2017 tabled and noted.

**The Committee agreed to maintain the status quo and that the States of Guernsey be advised accordingly.**

EO

**110.4 Longer Working Lives & Equality and Discrimination and Employee Protection** – Report from Chief Executive dated 27<sup>th</sup> September 2017 tabled and noted.

**The Committee agreed:-**

- **that the views expressed at the States Meeting, summarised by the Chief Executive in his report represented a reasonable summary and agreed that the Chairman write to the President of the Committee for ESS accordingly; and**
- **To request the Chief Officer consult the Law Officers regarding the introduction of legislation making entitlement to a contract of employment a right of all employees.**

CE

**110.5 Decision Under Company Law to Authorise Non-UK Auditors** - Report from the Chief Executive dated 27<sup>th</sup> September 2017 tabled and noted.

**The Committee agreed, under the powers in the 78(1)(b) of the Alderney Companies Law 1994, to authorise, for a period up to and including 13<sup>th</sup> September 2018, those named on a list supplied of non-UK members of Deloitte NEW, the Belgian LLP who holds all of the voting rights in Deloitte LLP.**

EO

**110.6 Public P&F Meetings** - Report from Mr Snowdon dated 27<sup>th</sup> September 2017 tabled and noted.

**The Committee decided, by a majority with Messrs Dean and Snowdon dissenting, not to open P&F meetings to the public, but to continue to refer matters of significance to the full States for wider debate.**

**111/2017**

**Transport**

**111.1 Ferry & Working Groups** – Report from Mr Snowdon dated 27<sup>th</sup> September 2017 tabled and noted.

**The Committee agreed to:**

- **Note the progress in respect of the potential inter Channel-Island ferry service and**
- **Request clear proposals of the sea passenger transport service the Island will be seeking to ensure it is in place in the short term, following the decision of Bumblebee to withdraw, while noting that inter-Channel Island services are being contemplated but do not yet have any certainty; and**
- **Seek improved communication and sharing of agenda items and objectives between working groups, and in respect of transport related groups, that the Committee receive a written monthly progress/update report covering each of the main transport issues and initiatives.**

Agenda Item/EO/SA

**111.2 Air Transport**

**The Committee noted the current situation with regard to Air Alderney and Waves Air taxi and for the Chairman to write as necessary to express support for those who seek to improve air links.**

SA

**111.3 Aviation Fuel**

**The Committee noted the current situation with regard to Aviation Fuel supply at the Airport and the financial arrangements which would apply; and confirmed its support for the tender as received.**

SA

**112/2017****Any Other Business****112.1 Declaration of gifts**

The Committee noted the need to register any gifts in cash or in kind (including hospitality) to a value of £25 or more, received in any way connected with their role as a States Members

**112.2 Connaught**

The Committee noted the potential future need for a sub-committee to consider longer term plans for expansion of care facilities on the Island.

**112.3 Asset register**

The Committee resolved to request a progress update on the States property and equipment asset registers.

TREASURY

**112.4 ARE Debt**

The Committee noted that there was nothing further to report at this time in respect of the recovery of monies owed to ACRE by ARE Ltd.

TREASURY/EO

**113/2017****Agenda Resolutions – Confirmation**

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

**114/2017****For Information & Noting****The following reports/letters were noted:-**

- Resolutions of Previous Meeting – circulated via email
- Aged Debtors Report – Confidential Item
- Foreign & Commonwealth Office – Notification of Appointment
- Management Accounts
- Final Budget Revisions

Meeting closed: 12.55pm

Signed: James Dent

Date: 4<sup>th</sup> October 2017