

**FINANCE COMMITTEE**  
**ANNE FRENCH ROOM**  
**15<sup>th</sup> March 2021**  
**14:30**

**Mr C Harris, Chairman**

**Mr B Abel**

**Ms A Burgess**

**Mr I Carter**

**Mr K Gentle**

**Mr R Nash, Interim Deputy Chief Executive (DCE)**

**Mrs E O'Toole, Finance Manager/Minutes (FM/Treasury)**

**Apologies: Ms K Jones, Chief Executive (CE)**

**In attendance: Mr S Taylor, Strategic Financial Advisor (SFA)**

The Chairman welcomed Mr Gentle as the newly elected member on the Committee.

**12/2021**

**Administration**

**12.1 Appointment of Deputy Chair** Mr Carter was elected as deputy Chair of the Committee, at the previous meeting however as he was not in attendance at that meeting, his agreement to the appointment is now confirmed at this meeting. **Noted**

**13/2021**

**Matters Arising**

**13.1 Swimming Pool project** – see confidential annexure.

**13.2 States of Alderney Audit query** Further to the query raised at the previous meeting with regards to the current claim against Grant Thornton (UK) in relation to Patisserie Valerie. It was queried with Grant Thornton (CI) whether there is possibility of a letter of comfort/assurance confirming that this does not impact on their local business either operationally or reputationally, and therefore will not have an impact on the States of Alderney audit.

It was confirmed by the Director of Grant Thornton CI that the firm is a Channel Islands owner managed business and a separate member of Grant Thornton International. Grant Thornton UK is a completely separate firm (also a member of Grant Thornton International) and therefore any claims against that firm do not impact their local business either operationally or their reputation locally. **Noted**

Members queried the States process for appointing new auditors and how often this is done. FM/ SFA to provide further details by email.

**TREASURY/SFA**

**14/2021**

**Revenue Account**

**14.1 Draft Accounts 2020 (subject to audit)**

**a) States of Alderney – 2020 Draft Summary of Accounts** tabled and **noted**.

The Committee noted that full audited accounts will be tabled at the May meeting as opposed to the Summary of Accounts provided for this meeting.

Mr Abel queried budget procedures for Revised Budgets being agreed by the States, and it was noted that the is agreed by the this Committee, Policy & Finance Committee and the States at the October meeting each year along with the budget for the following year.

Mr Abel and Mr Carter queried whether further information could be supplied with regards to budgets for staff pay to include number of employees. It was noted that this was discussed with the DCE and CE at a meeting last week and a draft report is being put together between the DCE/ CE/ FM and States of Alderney HR.

Mr Abel queried the cash flow for the States of Alderney as he was concern how expenditure is being financed should revenue not come in at times planned. The SFA advised that the States fortunately do not have cash flow issues not only due to responsible budgeting but funds can be drawn from reserve if critical. He further advised that from 2021 Alderney Property Tax, Fuel duty & Document duty has replaced the grant from the States of Guernsey with some of these funds being received directly into the States accounts. **Noted**

It was agreed that a cash flow projection will be drawn up by the FM & SFA to provide further detail.

**TREASURY/SFA**

The SFA advised that the PFC considered a paper in 2014 regarding adoption of international reporting standards being either the International Financial Reporting Standards (IFRS) or International Public Sector Accounting Standards (IPSAS). This was not progressed at the time. It was noted that the States of Guernsey is in the process of implementing IPSAS. **Noted**

- b) States of Alderney Water Board – 2020 Draft Summary of Accounts** tabled and **noted**.  
The Committee requested further guidance on appropriate levels of reserves for the Water Board in the context of the future capital programme.

**TREASURY/SFA**

**15/2021 Capital Account**

**15.1 AGCC – 2021 expected distributions** (as previously circulated by email) tabled and **noted**.

**16/2021 Delegated Items – Grants**

**16.1 Grant Request – Alderney Bird Observatory (ABO)** Paper from Treasury and summary of review of policy regarding the relationship between the States of Alderney and the ABO produced by the DCE for the General Services Committee (GSC), tabled and considered.

The Committee noted that GSC considered its relationship with the ABO at its meeting on 23<sup>rd</sup> February 2021 and among other resolutions, agreed that the States will terminate the (temporary) employment of the Bird Warden from 31<sup>st</sup> March 2021, but that a request for an interim grant to the ABO will be made to the Committee to cover the second quarter of the year while discussions take place.

DCE advised that he believes the termination of the temporary employment of the Bird Warden at the end of March did not allow for sufficient time for discussions to take place therefore is recommending the end of April. **Noted**

The Committee discussed this matter at length.

**The Committee resolved, by majority (Mr Carter & Mr Harris against) to agree to the request from GSC for grant funding of £2,335 to contribute to the costs of the ABO from 1 May to 30 June 2021 to be payable in two instalments and subject to confirmation from the Chair of GSC that meaningful discussions are taking place.**

**TREASURY**

The Committee further agreed to:-

- i. Advise GSC that there is no budget provision for additional costs in respect of the ABO from 1 July 2021, and without budget growth, longer-term support would need to be met by efficiency savings elsewhere; and
- ii. Request GSC to confirm, as part of its review into future options, the added economic benefit derived from the ABO specifically rather than the wider nature offering on the island.

TREASURY

The Committee agreed that a review of grants approval process to be carried out by FM & SFA to avoid multiple Committees being required to approve grants and/ or refer approval of grants to other Committees.

TREASURY/SFA

**17/2021** Economic Development Reserve

**17.1 EDR Summary & Projects – December 2020 Final (subject to audit)** tabled and noted.

The Committee noted that in 2019 a review of the fund had been requested as it was set up in 2014 for an initial 3 years and thereafter agreed on an annual basis, with the CE at the time asked to progress. Ms Burgess, as the newly appointed chair of Economic Development Committee, and FM to arrange a meeting to discuss the review being taken forward.

AB/TREASURY

**17.2 COVID Support** Paper from Treasury tabled and considered. Following brief discussion at the February Policy & Finance Committee meeting, the Committee noted that the available budget for any support is £15k carried over from the Covid-19 Commercial Support funding agreed as part of the Economic Development Reserve in 2020.

The proposed document outlines how the Committee may assist local businesses in accessing support where there has been an adverse impact due to Covid-19. **Noted**

**18/2021** Delegated Items – Coins

**18.1 Coin Issues for approval** – see confidential annexure.

**18.2 Coin Contract** – see confidential annexure.

**19/2021** AOB

**19.1 Pension Fund Liability** – see confidential annexure.

**20/2021** Agreed messages for other Committees Referrals to Policy & Finance Committee and/or General Services Committee as noted on the minutes.

TREASURY

**21/2021** For information & noting

- Minutes & confidential annexure from 1<sup>st</sup> February 2021  
The Committee agreed that minutes should move to the beginning of the meeting in order to review any actions due.

TREASURY/AGENDA

- Conge, Leasehold & Transfer Duty 2021 (to date)

Meeting closed: 17:00pm

Signed: Mr C Harris, Chairman

Date: 11<sup>th</sup> May 2021