

Good Governance Group Detailed Proposals

July 2022

Good Governance Group Position paper and recommendations

Preamble

The current system of government

Under the present Committee system, 10 States Members are elected to represent one all-island constituency. Each States Member sits in the States as an independent Member of the elected government and they are not required or expected to agree a collective political vision for their four-year term of office. Each Member has equal status as an elected Member to the others and they will have their own views on the policies and topics the elected government should pursue as a priority. Each Member also serves on a range of committees, working groups and various other decision-making and oversight bodies and meetings, as well as attending public gatherings and events in an official capacity. Individual views on most topics could differ widely amongst the 10 States Members. Under the present Committee system at the outset of a new term of office there is no formal creation of a shared or majority view on the set of policies the elected Members on the States aim to pursue. This influences the subsequent proceedings of Committees, where there is an inclination to focus on a mixture of shorter-term issues. That is, those that attract some measure of popular attention at the time. Shaping and developing policies and laws that support longer-term, possibly contentious changes in the social or economic arrangements on the island can be harder to be progressed.

As a result, no one person is politically responsible for making a decision. Committees take collective decisions and generally seek to achieve unanimity. Majority decisions are possible. Policy and Finance Committee (P&F) and other bodies endorse or vary decisions and endeavour to find an outcome on each subject that is acceptable to all. There is no explicit link defined that confers an accountability upon Chairs (or Committees) for the States of Alderney (SoA) administration's delivery of services or its performance. Chairs do recognise the general expectation in the eyes of the community and therefore take on an honourable, not explicit, accountability by virtue of their role. The SoA administration recognises it operates services on behalf of Committees and the government of all elected Members. However, no individual Member has direct responsibility for the success or otherwise of the results achieved. There is a strong preference for consensus seeking in Committees, consequently, to resolve contentious topics it can take lengthy periods to establish a consensus which leads to non-agile government.

During the previous States a range of reports had been considered by the previous Good Governance Group, and these were circulated to all Members to ensure everyone has the relevant background information and awareness of the large amount of investigative and analytical work undertaken prior to this States, e.g. McDonald Constitutional report response and Morris - Attempting constitutional reform on the island micro jurisdiction of Alderney 2018. It was noted that the Falklands model had been the preference in the past as it was the most relevant to Alderney and easily adaptable. It was noted that the previous group, whilst covering a significant amount of work, had lacked appropriate transparency and rigour due to absence of minutes, etc. This was considered crucial to meet the expected level of transparency and accountability in dealing with such an important issue. Hence the current group had obtained additional Civil Service (CS) administrative support to ensure the expected levels of thoroughness and attention to detail.

In reviewing all the documentation supplied it was agreed by the GGG that the Executive style Government, as opposed to Committee style, is still the preferred way forward. It was noted that the initial executive separation model was presented to the States of Alderney on 16th October 2019 (voted 8/2 in favour). It was

agreed that some measures would take longer to achieve i.e. where changes to legislation were required, but that the recommendation should still be put forward as a whole package as opposed to piecemeal with an aim for completion of the draft proposals by September 2021.

Workstreams

The workstreams were identified and categorised as low/medium/high as follows: -

High

1. Role of the President – including term of office;
2. Terms of office of States Members – including how to achieve alignment in any transition period;
3. Representation in Guernsey;
4. Number of States Members;
5. Number of States Members on individual Committees

Medium

1. Transparency of meetings – open meetings with public attendance;
2. States Meetings – format and changes to Rules of Procedure;
3. Peoples Meetings – format and public engagement.

Low

1. External independent review of States Members/President remuneration;
2. Code of Conduct Review.

1. Role of President recommendations

- The President role remain (no change in title) as a civic leader role;
- Term of office to remain at 4 years, but elected 2 years apart from States Members' term of office thus providing a thread of continuity for constitutional matters;
- The President is the ceremonial /civic head of Alderney and is the Island's First Citizen and thus the role is politically neutral and so in a fundamental way different to States Members as he/she has no political agenda to follow or fulfil;
- The President will act as Presiding officer for States Meetings but will not have a casting vote.
- Remove any Code of Conduct Panel role;
- Clearly define the role, no legal qualification necessary, civic role only;
- Position to be elected by the public as at present;
- Residency requirement as at present;
- Remuneration, unpaid as at present (i.e. expenses allowance, etc only);
- Job description as tabled in appendix 3.

2. Terms of Office of States Members recommendations

- Continue 4 yearly terms – based on overwhelming data from other jurisdictions;
- All Members being voted *en bloc* at each election; i.e. all States Members elected for 4 years. The group was aware of the issues of potentially all new Members being elected together and no continuity, but if an effective CS is in place this provides the continuity in that most unlikely scenario;
- If the changes proposed are accepted a pragmatic approach to achieve alignment would need to be put in place, i.e. amend current Membership to 3 years or an appropriate length of time to reflect the need for alignment, under advice from law officers;

- President to be voted in half way through each 4-year Members' term to ensure continuity;
- States Members election date to move from the current November/December, to align with the States of Guernsey elections. This will enable the Alderney representatives to commence their term of office at the same time as their Guernsey counterparts.

3. Guernsey Representation recommendations

- To remain at two Members;
- Both Guernsey Representatives to be voted into post by the eight elected States Members from amongst themselves. The process of election to the Guernsey States of Deliberation to take place after the election to the Alderney States. Alternates to be elected from amongst the remaining States Members by all 8 elected States of Alderney Members. The formal election process to be included in the proposed amendments to the Government of Alderney Law;
- The Guernsey reps should be voted for their term of office to coincide with Guernsey election timetable so that they start together with all other elected Deputies in the SoG;
- Next SoG elections in June 2024, therefore timetable for new Alderney structure will need to be achieved as soon as possible;
- Voting by the two Alderney Members should remain as at present, where Members vote giving due regard to the benefits for Alderney of the legislation and subjects for debate, as this reflects their ability to react to live debate as opposed to any pre-determined vote derived from a position which may not have all the facts under consideration through any mandating by the SoA.

4. Number of States Members recommendation

- To reduce from ten Members to eight. It was felt that streamlining to fewer Members would be preferable as it would: - consolidate functions; allow for more cohesion/synergy; ensure more informed and decisive decision making; balance workloads more effectively; equate representation per capita with other jurisdictions and fiscal reasons and be less costly.
- Delegation of portfolios - At the first States meeting following the election, in public forum all 8 portfolios would be elected. In cases where more than one Member requests an individual portfolio, the Members concerned would make their case through a speech to illustrate why they are putting themselves forward for that specific portfolio i.e. what qualities/experience, etc they would bring to the role and election would take place.
- Election of Vice President - The role continues to be elected by Members as at present.

5. Number of States Members on Individual Boards /Panels /Authorities recommendation

In moving to executive government, the Executive Council will comprise 3 Members. There was an assumption that in moving to an executive government model there would be a requirement to create some specific functional groups (Boards/Panels/Authorities) to undertake current oversight activities undertaken by for example the existing finance committee e.g. investments and audit. These Panels/Boards/Authorities would be defined by the Executive Council in consultation with the portfolio holder and would need to be set up to ensure transparency, scrutiny and accountability. The portfolio holder is responsible for any Board/Panel/Authority within their remit and will comprise the portfolio holder, other States Members and if thought appropriate non-elected specialist Member(s). Any Board / Panel /Authority Member who is not an elected Member would go through an open advertised selection/recruitment process and then would have to be approved by a meeting of the Full States. Any Board / Panel /Authority would be supported by appropriate CS officers to ensure proper expertise are in place to service the Board / Panel / Authority. CS support would be determined by the Executive Council and portfolio holder with the relevant Senior Officers i.e., CEO and Treasurer. Support would be carried out by CS Members of appropriate calibre/grade etc. At this stage it was

thought inappropriate to start to define numbers and composition of these Boards / Panels /Authorities as they are secondary to the machinery of government reform.

Recommendations re the form of executive government with eight States Members as its model

In summary after the election of eight States Members three of those eight Members will form the Executive Council and be responsible for developing policy recommendations, managing government processes and act in a crisis situation, in addition to their portfolio role. Members will nominate themselves for their preferred portfolio based on experience, expertise, etc. that they would bring to the post. They would be elected by fellow Members based on their presentation and would be responsible for the portfolio for a 2-year term, as opposed to annually, to ensure continuity. The current mandates of each existing States committee and subcommittee (P&F, GSC, BDDC, Finance, and Economic Development) were analysed and their responsibilities were reallocated under the following eight headings as portfolios and hence portfolio holders.

The eight portfolios: -

- General Services (GS)
- Building & Development Control (BDC)
- Environment, Resources & Energy (ERE)
- Health, Housing & Social Services (HHSS)
- Education, Arts, Culture & Sport (EACS)
- Economic Development (ED)
- Finance (F)
- Government, Administration & External Affairs (GAEA)

Characteristics of portfolios

- It was noted that mandates of existing committees were inconsistent, some more detailed than others and some areas being referred to in several different existing mandates which leads to inconsistency of accountability and action. There were also areas of responsibility that did not appear at all together with appointments which currently fell outside of existing mandates. Some tidying up of current mandates has been undertaken of committees in preparation of the proposed adoption of Economic development as a full States committee. It was noted that the allocations would be fluid at this stage, the document would be a working document and amended as necessary throughout the process. **See appendix 4.** Key to collective decision making and information flow was the need for all portfolios to reference their responsibility for policy ('the what') and strategy ('the how') in consultation with other portfolio holders. Any portfolios requiring additional group Members, for example Harbour and Water, would refer to these as a Board, removing any references throughout to "Committee" which could be misleading as the Committee structure would be defunct under the new arrangements.
- Each portfolio would be allocated a dedicated budget, as approved as part of the annual budget process, and overseen by the Executive Council. The Executive Council would also have a dedicated budget to act as an overall States contingency for cross portfolio activities and as a means of being able to move (*vire*) budget amounts *in extremis* to portfolio holders in exceptional circumstances. Unspent budget would be held in a contingency fund by the portfolio holder in order to meet any unforeseen expenditure which might be required, particularly in the transitional period and would carry over from year to year whilst being subject to scrutiny by the audit panel.

- Each portfolio holder would also be responsible for liaising with the appropriate political lead(s) in Guernsey.

Board Memberships* defined under individual portfolios were an issue that required definition. Where a single Member/Non-Executive Director (NED) was required, the responsibility would be included under the relevant portfolio i.e. AEL Director included within ERE. Where an actual “Board” required the responsibility should be included under the primary portfolio, with a secondary Member included under separate relevant portfolio, to ensure shared responsibility and adequate cross-over /scrutiny. For example, the Water Board, primary portfolio GS, secondary portfolio ERE. Any additional board Members required, including external Members, to be appointed at a later date. (*As an aside there was a recommendation that for consistency with other States owned companies, a States NED appointment should be made onto the Connaught Board, to be included under the Health, Housing and Social Services portfolio.)

- In moving to an executive government of portfolio holders it would be up to the portfolio holder to ensure that their role was undertaken effectively and efficiently. In some instances, this would require the use of panels as specified before, for example the BDC portfolio holder would require a BDC planning panel to administer the current building law which would require at least two other Members of the panel which could be other States Members (this is not prescriptive). Other external Members could be appointed via an open transparent recruitment process for which Executive Council together with the Chief Executive would be responsible.
- It was noted that revised legislation would be required to enact the proposed amendments throughout, which could potentially be a lengthy process. However, it was acknowledged that permission to engage with the Law Offices was already approved in 2019. There was an appreciation that this major piece of legislative work would require Law Officer time above that normally given to which may not be available in the normal course of affairs and that provision for the employment of a specific legal draughtsman would need to be put in place.

Executive Council functions

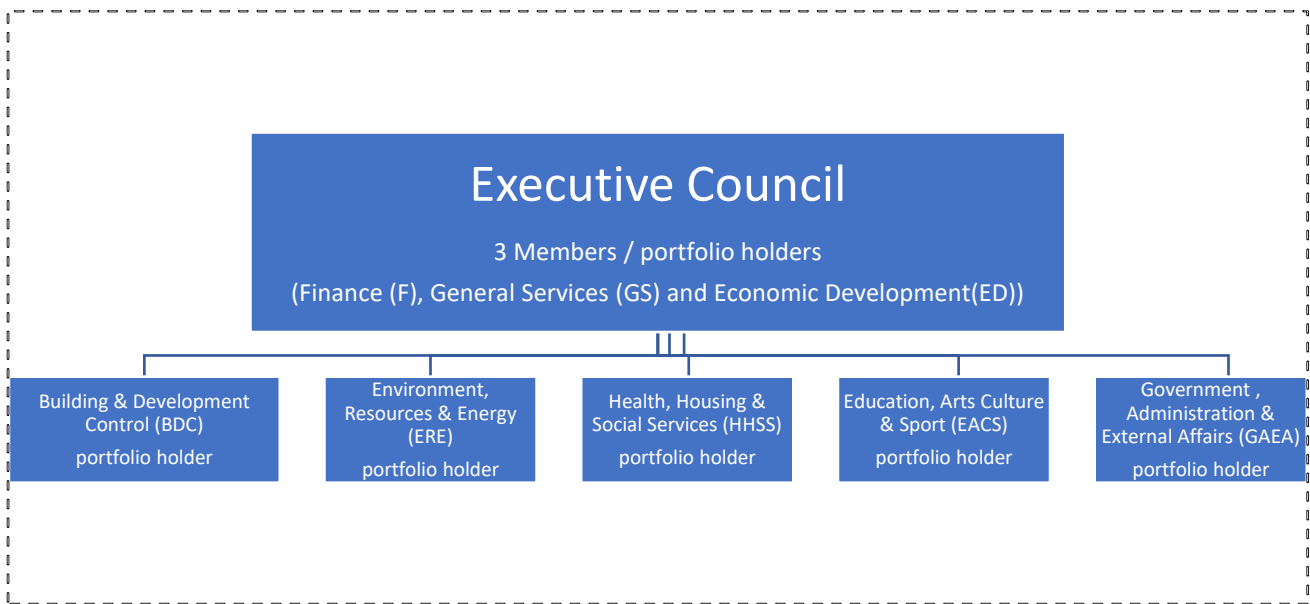
- To act when there is a crisis e.g. regarding emergency legislation.
- Preparation of the Billet with the CE whilst retaining the call in provision.
- Management of government activity e.g. management of portfolio responsibilities i.e. in the case of a portfolio holder standing down or absence for whatever reason.
- The Executive Council will elect one of its Members as Chair

Structure and interaction between the Executive Council and the other portfolio holders

The Executive Council would comprise the holders of the three portfolios – F, GS and ED, as these have an impact across all eight portfolios: -

- Finance – as all portfolios will have a financial element
- General Services – as this is the major infrastructure portfolio
- Economic Development – as this is critical to the Island’s prosperity

It was noted that this did not detract from the importance of the remaining portfolios, but it was felt that EACS, HHSS and GAEA are primarily transferred services/outward facing. ERE and BDC are more restricted in terms of their remit. It should be emphasised that any portfolio holder can put forward issues for the Executive Council to consider and to develop appropriate policy and a SoA position over; all SoA Members have an equal status in proposing policy development.



To ensure that there would be coverage of portfolio activities and decision making (in the event of illness/work commitments) each portfolio holder would have another portfolio as their deputy as highlighted below. It is envisaged that the role of Deputy is not one that requires an encyclopaedic knowledge of the role being covered as it would only be on very rare occasions that a need might arise for the deputy to step in e.g. long term illness.

	Portfolios							
Holder	GS	BDC	ERE	HHSS	EACS	ED	F	GAEA
Deputy	F	GAEA	EACS	ERE	HHSS	GS	ED	BDC

Operational matters

The Executive Council would meet regularly in order to function effectively and that there would also be further meetings of *ad hoc* task groups. However, the current monthly P&F committee meeting is effectively replaced by the States Meeting hence ensuring an open public meeting where decisions are made.

States Meetings and procedures

Preparation of the Billet - The Executive Council Members, together with the Chief Executive, will determine the items to be included on the Billet D’Etat. Non- Executive Council Members may request an item to be included from his/her portfolio responsibilities on the Billet and, if the Executive Council do not include it, will have the right for it to be placed on the next Billet as per the States Rules of Procedure.

States Meetings would take place in their current format with the President presiding over the meeting to ensure procedural probity, but with no casting vote, in association with the Greffier’s legal and recording function.

People’s Meetings

People’s Meetings will take place the day before the States Meeting to encourage quicker turn around for issues and more informed live debate.

Code of Conduct Panel/Administration

The preferred option would be that it be transferred to the States of Guernsey panel, with a representative from the Bailiwick community. However, other options may be considered e.g. use of a Channel Island Independent Commissioner.

Checks and balances between the Executive Council and the States - Scrutiny of Decision making

The Nature of oversight / scrutiny

The Electorate – overseeing those elected through the power of the ballot box and latterly the media

The electors hold States Members directly accountable at general elections held at (proposed) four yearly intervals i.e. they vote for the States Members they think best represent their views. Public opinion is also voiced through an active media presence on the Island. Other forms of public engagement could be used when appropriate.

The elected Members to the States of Alderney – Overseeing policy and law making

Those who are elected to the States then have to act in order to fulfil their scrutiny role. The effectiveness of Members in carrying out their oversight functions, and the reputation of the States generally for effectiveness, relates to two factors:

1. Member knowledge of the procedural tools available for the various functions of States oversight. Such knowledge is gained primarily by undertaking States oversight duties on a regular basis e.g. asking questions in debate and working alongside more experienced Members and support from CS and law officers, but also by participating in any professional development programme run by the States or Commonwealth Parliamentary Association (CPA).
2. Member capacity and willingness of the parts of the States and Executive to organise appropriately to discharge the States' constitutional role. For example, by ensuring ample resources for scrutiny and a well-resourced CS.

In carrying out their scrutiny role Members should focus on the following three areas:

- i. Contributing vigorously and creatively to the law-making process;
 - ii. Probing the policies and operational performance against the objectives of government and by doing so acting to improve government service delivery for islanders;
 - iii. Articulating the challenges faced by islanders (constituents), and seeking relevant solutions where possible, while always balancing those interests with the island's interest as a whole.
3. In carrying out the transition from one form of government to another the following plans need to be clearly developed: -
- i. A communications and engagement strategy with stakeholders;
 - ii. A budgeted business continuity plan for both the transition process (2 years) and then for the ongoing interaction between Civil Service and Members under the new system;
 - iii. Clear accountability structures including budget scrutiny and sign – off levels of expenditure;

- iv. A CS review to ensure a fit – for – purpose system is in place to support streamlined executive government to ensure that the island benefits from changes.

The States (Parliament)

Oversight in parliamentary terms is the process by and through which the (proposed) executive government is held accountable to The States for its plans and completed actions. Together with policy, strategy and law-making, oversight of the executive government is considered one of the two main functions of and justifications for a modern parliament. This scrutiny has as its objective the improvement of laws and it is the responsibility of all States Members, including Members who are not in the Executive. The ‘give and take’ between Members, in public and behind the scenes, recognises that mutual political respect, restraint, compromise, and consensus are emblems of a healthy parliamentary life and are prominent features of well-functioning parliamentary democracies.

Development of Policy

It follows that oversight has both forward- and backward-looking aspects. In the former, parliamentary oversight entails the examination of policies proposed by the Executive on a wide range of social and economic matters for future implementation, for example, the budget proposed for the next year, or the regulation of some sector of the economy. In the latter, it entails consideration of matters which are complete and finished, for example, the expenditure of public money for infrastructure or programmes of social support, the procurement of some service, or the capacity of the tax collecting regime. In the oversight of what the government proposes for the future, the objective will be to test the proposal against a number of criteria including fitness for purpose and implementation effectiveness. When looking at what the Executive has done in the past, the objective is to draw lessons from what has passed with the objective of applying them in future to ensure, for example, better value for money, or more efficient service delivery. The oversight process, though often ‘challenging’ (people (Members) can feel ‘got at’ as it may be their personal project which is apparently under critical attack), is therefore fundamentally a highly constructive activity, one designed to enhance the quality of overall governance.

The legislative process generally may, in part, be considered a form of oversight, at least so far as the role of challenge to proposals is concerned. This is evident, particularly at States debate where the policy on which the Bill is based is subjected to test. But general law-making is held to be constitutionally separate from oversight and is in any case relatively complex and specialized so it is convenient to have this subject considered separately (rules of procedure and the taking of a bill from idea to law). There is, however, **one significant special exception**: the annual budget process. Here, the States has the opportunity to challenge and to reduce or increase, if it so decides, the Executive’s assessment of its financial requirements for the coming year and is dealt with separately rather than under legislation due to its specialised nature. This illustrates a general point that many aspects of modern parliamentary life contain elements of oversight but may also serve other purposes, such as business management or the passing of legislation.

The model preferred by the group referencing oversight and scrutiny has similarities to that in use in St. Helena whereby a combination of community and elected Member scrutiny and questioning takes place to ensure that proposals are valid and do not undermine good governance.

Financial Scrutiny and oversight

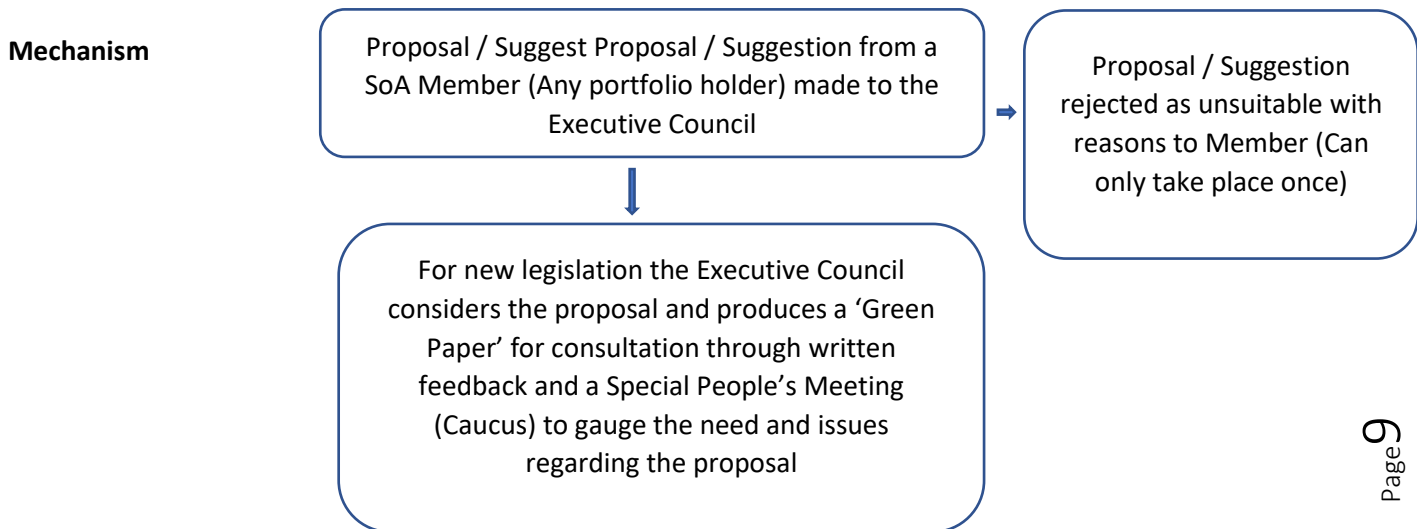
This area of responsibility and accountability is absolutely key to public trust and confidence in government. It is absolutely essential that the system of accountability put in place exhibit the required checks and balances to ensure that no form of financial impropriety can take place either intentional or unintentional and so risk

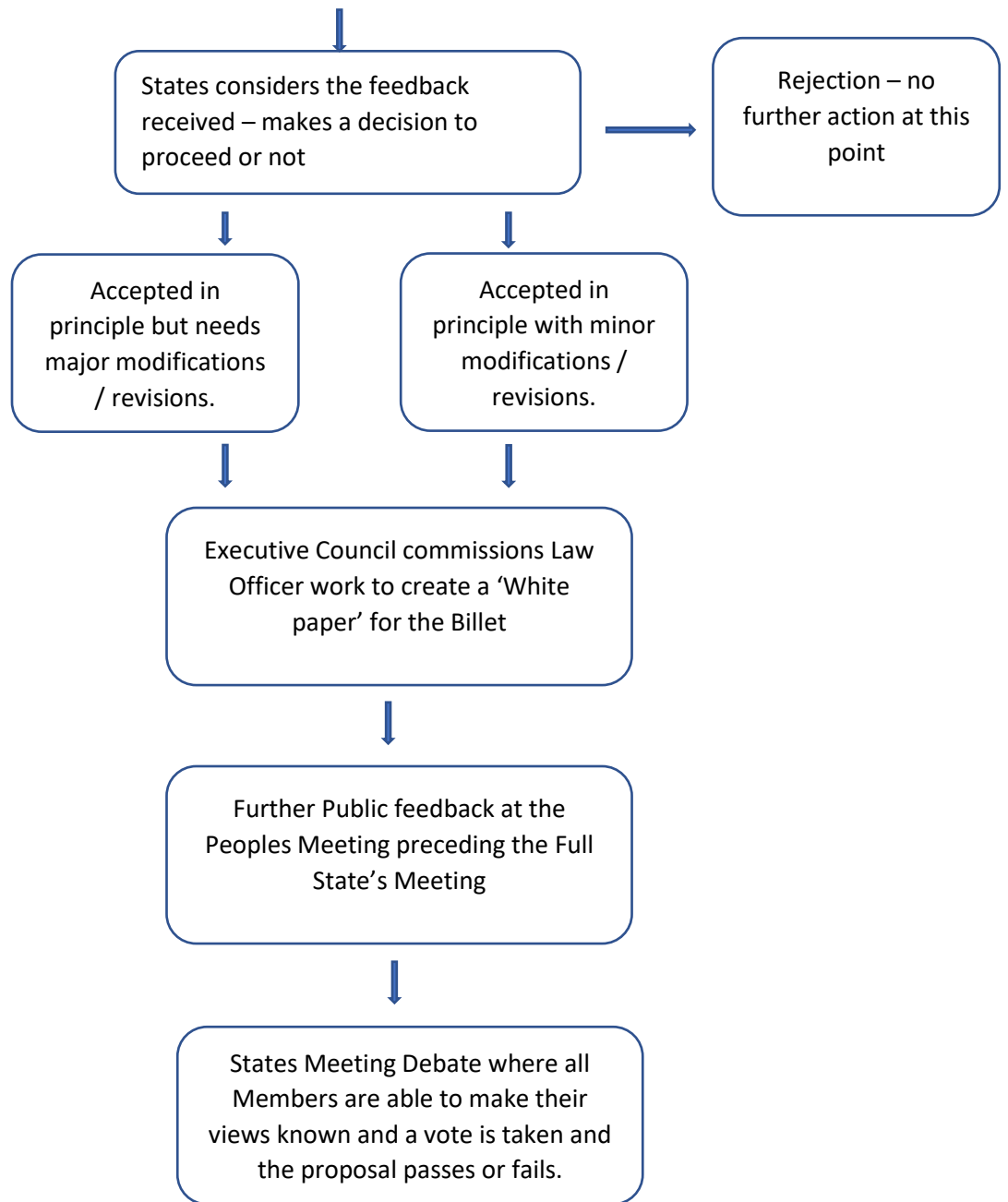
the reputation of the island’s government. The key areas of the finance brief are day to day accounting, overall budget setting, project planning/budgeting, investments, grant awarding and asset management. In each area support is in place by the treasury who are the CS professionals. In all cases of responsibility, the finance portfolio holder is not in a position of being able to make financial decisions alone. He/she is always a constituent Member of a Board/ Panel/Authority which is supported by a CS Member when financial decision making takes place. The recommendations made by those Boards / Panels /Authority are then open to scrutiny by the other Executive Council Members at the weekly meeting and then ultimately by the States and so the public on a monthly basis.

Policy Proposal mechanism and scrutiny

Proposals for policy change and development can come from many sources, for example feedback from the community, SoA Member’s manifesto commitments, external demands e.g. post Brexit legal requirements. As a result, proposals for change can come from any portfolio holder. The proposal is tabled to the Executive Council for consideration. Proposals may also be made by the Executive Council Members as they are by definition individual portfolio holders. Once the proposal has been considered by the Executive Council a ‘Green Paper’ will be published for public comment through written feedback which is sought through a combination of written responses (from anyone – including SoA Members) and through a formal Special People’s Meeting. (The St. Helena model terms this a caucus). The feedback is then considered by the Executive Council and portfolio holder who proposed the policy (if not an Executive Council Member). This could result in either the policy being taken forward to the next stage in its current form or modified / reviewed in the light of feedback by the Executive Council or rejected if feedback indicated the proposal was ill considered at this juncture. If the decision is to take the policy forward it is then tabled as a ‘White paper’ for the Billet by the Executive Council which may require the Law Officers to prepare a draft ordinance or regulation. There is then a further opportunity for further comment at the subsequent People’s Meeting before the Billet. Final debate then takes place in the States when the Billet is debated and a final vote is taken. This provides for two opportunities of public consultation and two opportunities for SoA Member scrutiny.

Legislative changes - Though in theory the Executive Council of three Members has sponsored particular policy / law change there are five other Members who could through scrutiny and argument decide it would not be in the best interests of the Island for a piece of legislation, policy, strategy or ordinance to pass. If passed, the final version of an ordinance goes to the Lt. Governor (as the representative of the Crown) for signing before it comes into effect on a prescribed commencement date or is forwarded to the Privy Council for ratification if a law. In effect there is a greater degree of public and States Member scrutiny through the open meetings and written feedback than is the case currently.





Call-in process (Only to be used (in extremis) when there is a crisis situation)

If a situation develops that requires expeditious decision making and action e.g. a major emergency such as pandemic, major incident or any incident that involves the Civil Contingencies Authority (CCA) the Executive Council may need to take decisions quickly. However, to ensure that these decisions can be scrutinised a 'call in' process is in place to challenge any such decision. Hence if a decision is taken by the Executive Council that causes concern to some States Members to such an extent that they believe the decision should be changed a mechanism allows for those executive decisions to be 'called in' for consideration by scrutiny of

the whole States (All 8 Members should be in place). Call-in is intended to be used in **exceptional circumstances** for decisions believed to be contrary to the States' decision-making principles.

Call-in

- a. When a decision is made by the Executive Council in a crisis situation, the decision shall be published, including by electronic means and communicated to all States Members by email immediately.
- b. That notice will bear the time and date on which it is published and will specify that the decision will come into force and be implemented.
- c. If within 24 hours of the decision being communicated the CE shall 'call-in' a decision for scrutiny by the whole States if so requested by any 3 Members of the States., a meeting of the full States will then take place as quickly as possible for debate and resolution by the Full States.
- d. If, having considered the decision, the Full States Meeting does not object to a decision which has been made, then no further action is necessary and the decision will be effective. If, however, the States is still concerned about the decision, then after full debate it will refer it back to the Executive Council, setting out in writing the nature of its concerns. The Executive Council will then reconsider its decision following the direction from the States Meeting.

Development work to be undertaken regarding the current proposal's implementation

The areas listed below need further review: -

1. **Transparency of meetings:** Irrespective of the outcome of the proposed change of government proposals a trial for making GSC and P&F meetings more transparent should be undertaken. This would take the form of meetings being open with public and press attendance, in a similar manner to Full States and BDDC meetings. Appropriate confidentiality safeguards regarding the agenda setting process concerning commercially sensitive and personnel sensitive issues would need to be developed for this trial to take place – in line with practice in UK for the last 10 years.
2. **States Meetings – format and changes to Rules of Procedure:** Focus on encouraging active dynamic debate looking to incorporate the 'give way' rules of procedure currently operating in the Guernsey States.
3. **Investigate methodology of voting in the States** – All votes are effectively a recorded vote and in doing so there is a pressure on those voting towards the latter stages to be potentially swayed by seeing where the vote is heading, rather than by reasoned argument. Alternative methods such as electronic real time instantaneous voting along with other more transparent approaches to be investigated.
4. **Review of States Members/President remuneration:** To be undertaken by an external independent reviewer/ panel once any changes of government have been agreed.
5. **Code of Conduct Review** – Adopt an amended system which follows the rules of natural law and consider joining any future cross Crown Dependency development work in this area regarding an Independent Standards Commissioner across the Channel Islands.

6. **Promotion of the Democratic Process** – Put in place appropriate programmes to encourage Members of the community to stand for election and to engage in the democratic process.

Appendices

1. Good Governance Group - Terms of reference (TOR)
2. Membership and record of meetings
3. Role and Functions of the President
4. Portfolio positions and responsibilities
5. Financial Controls
6. Reference documents

Good Governance Group - Terms of reference (TOR)

Advisory Group to P&F Committee

Purpose — To produce a draft policy paper for P&F that illustrates the range of options that have been considered in coming to a preferred governance model for the island. The model will reflect a system of governance for Alderney which will be fit for the 21st century and ensures, (i) democratic accountability to the electorate; (ii) responsible government; (iii) legislative independence; (iv) accountability and integrity in public life; (v) transparency and public engagement.

Scope – The Group has three purposes:

1. To research (through appropriate internet, book based and face to face interviews) and then debate and produce a draft policy paper addressing the defined governance objectives of (i) democratic accountability to the electorate; (ii) responsible government; (iii) legislative independence; (iv) accountability and integrity in public life; (v) transparency and public engagement.
2. To advise on the consultation and communication strategy for the development of the policy with the community.
3. To continue its role as a review group for monitoring and evaluation of changes that are implemented.

The group will not make budgetary recommendations regarding actions.

Authority - The Group will research and seek information from a range of sources (web based, face to face, books) and produce a draft policy paper which will be presented to the P&F committee for consideration prior to being consulted upon with the community. Once feedback has been assessed the Group will redraft the policy paper and devise a communications / consultation strategy which will then be considered by P&F for action in the most appropriate manner to develop the Island's governance structure and processes.

Membership – The group will comprise a Chair, who shall be a States Member and three Members who shall all be Members of the States. In addition, two non-voting lay Members, appointed through open advertisement and selection, also serve on the group. The Chair will be elected by the States Members of the group. The Group may co-opt other specialist focussed expertise when appropriate. The Chair has a casting vote in the event of an equal vote on any matter.

Meeting arrangements - The group will initially meet monthly to devise the plan prior to tabling to P&F in September 2021. Further meetings will take place to consider feedback from P&F and the consultation and feedback process with the community. Once all these processes have been completed Group meetings will take place on the instruction of the Chair regarding revision and review on a quarterly basis.

Reporting – The Group reports progress to P&F orally and finally in September 2021 in the form of a policy paper. Subsequently the Group meet monthly to refine the process of consultation. Ongoing reports will be quarterly to ensure that governance remains on the Island’s agenda given its key importance regarding the Island’s development.

Resources and budget – The Group’s executive and administrative functions will be carried out by appropriate executive officers with supporting resources from other staff as appropriate. The group has no budget nor responsibility for expenditure, though could seek budgetary resources from P&F. Resources are the time of each Member and a meeting room / TEAMS’ room to conduct the meetings with admin-support for the final drafts. Additional room resource including the Island Hall / Anne French room for use during the face-to-face consultation phase with the community may also be required.

Deliverables – A new governance structure for Alderney which is fit for the 21st century and ensures (i) democratic accountability to the electorate; (ii) responsible government; (iii) legislative independence; (iv) accountability and integrity in public life and (v) transparency and public engagement.

Review - The ToR will be reviewed annually.

Ian Carter

March 19th 2021

Appendix 2 Membership and record of meetings

Group Membership

Mr K. Gentle (KG) (SoA) (Chair)

Mr I. Carter (IC) (SoA)

Mr B. Kelly (BK) (SoA)

Ms A. Burgess (AB) (SoA)

Mr A. Eggleston (AE) (External Member)

Mr R. Hunt (RH) (External Member) (until 5th September 2021)

Mrs K. Hatcher- Gaudion (KHG) (CS support)

Other contributors through interview and attendance

Mr R Burke

Mr W Tate

Ms K Jones

Ms C Clifford

Mr R Titterington

Meetings

11th March 2021

18th March 2021

8th April 2021

6th May 2021

13th May 2021

25th May 2021

15th June 2021

2nd July 2021

30th July 2021

30th August 2021

15th September 2021

30th September 2021 (P&F)

29th October 2021

23rd November 2021

13th December 2021

4th January 2022

27th January 2022

17th February 2022

17th March 2022 (with Law Officers)

14th April 2022

21st April 2022

26th April 2022

Appendix 3

Role and Functions of the President

The President serves for four years and is elected by the community, the election taking place two years after the election of States Members, thus providing a thread of continuity for constitutional matters. The President is the ceremonial /civic head of Alderney and is the Island's First Citizen. The President will have the following roles and functions.

Role

As First Citizen, it is his/her duty to represent and promote the interests and welfare of Alderney and all who live in, work in or visit the Island whilst promoting Alderney's values, heritage, customs, practices and civic tradition to the wider world. The President is the Island's First Citizen and has social precedence, unless The Queen or her direct representative, the Lt. Governor is visiting the Island. The President will attend such civic and ceremonial functions as he/she decides are appropriate. The tradition, standing and impartiality of the office of President helps to transcend barriers. The President represents the Alderney community at formal ceremonies on both joyous and tragic occasions. The President belongs to the public as a whole and is politically neutral and so in a fundamental way is different to States Members as he/she has no political agenda to follow or fulfil.

The President's impartiality and the avoidance of contentious issues in public discussion is essential as he/she represents the citizens of Alderney as a whole. The taking of a public position on any issue is a potential wedge between the President and a section of the local community.

It is important that a reasonable proportion of the engagements should be proactive, for example those relating to the President's objectives, derived from his/her manifesto, and that requests from organisations that have not received a Presidential visit previously are encouraged. It is also important that people at all levels of community and voluntary organisations, particularly those in 'the front line' get a share of Presidential time. In a sense the President is accountable to the people of Alderney. This perception not only affects the way that the role is carried out but suggests that it is not for others to dispose of or encroach upon. The Presidential position is a chance to be exposed to a wide range of issues across the board through first hand observation and through various briefings. It provides an opportunity to reach out, encourage, involve and support and to make productive connections with and between people. What Presidents say and do is heard by many people - both personally and through the media.

Functions

The President's responsibilities relate to the 'First Citizen' function of representing the Island, and its people and in so doing meeting a wide range of voluntary organisations, charities, employers, agencies, civic heads from other jurisdictions, consular and diplomatic representatives, and Members of the Royal Family. Many of the President's duties are ambassadorial, representing the people at home.

Responsibilities are many and varied and include:

- Presiding as ceremonial head for the Island over its civic functions and social occasions
- Presiding officer at States Meetings
- Hosting events, receiving and welcoming Members of the Royal Family, dignitaries and visitors, at all times observing the recognised protocol.
- Taking part in functions as a representative of the people of Alderney, e.g. Remembrance Day.

- Maintaining good relationships and links with the Armed Services and veterans' organisations, including the taking of salutes and presiding at any related ceremonies.
- Working proactively and supporting the many charities on the island.
- Encouraging active citizenship and facilitating participation by all in the life of the Island, e.g. through working with the school.
- Maintaining good relationships and working with faith organisations within the island.
- Supporting voluntary activities that benefit the local community and the people of Alderney.
- Celebrating local success and recognising achievement both internal and external to the States.
- Opening significant buildings, exhibitions and businesses.
- Joining citizens in community events.
- Enhancing social cohesion, making connections and expressing the unity of the Island.
- Acting as a reassuring reminder of tradition and constancy in a volatile world.

Appendix 4 Portfolio positions and responsibilities

(All portfolio holders have a budget and are accountable to the Executive Council for maintaining budget oversight and for liaising with relevant counterparts in Guernsey) - Page 1

General Services (GS)	Building, Development and Control (BDC)	Environment Resources and Energy (ERE)	Health, Housing and Social Services (HHSS)
1. To be accountable for the administration of the harbour and its functions and to make recommendations on all fees, dues and charges required to be levied by legislation.	1. To administer The Building & Development Control (Alderney) Law, 2002, (the Law) as amended.	1. To deal with all matters relating to agriculture, livestock, other animals, birds and vermin.	1. To be responsible for the preparation of a strategy for housing.
2. To administer and maintain all States' buildings including offices (except housing); to be accountable for all public works; to place contracts for public works; to be responsible for refuse collection and its disposal.	2. To be responsible as an Authority Member for the oversight, formation and administration of the Planning Authority with EACS Member and a non-elected Member. (Non-elected Members selected and approved by the States through due process and called upon as needed).	2. To be responsible for all matters relating to the sea and sea bed (excluding fisheries).	2. To be responsible for all matters relating to the allocation of States key worker housing.
3. Emergency Fuel Control (The Energy (Bailiwick of Guernsey) Law, 1978); Dangerous Weapons;	3. To be responsible for the Authority for the preparation, maintenance and operation of the Land Use Plan as per Part IV of The Building & Development Control (Alderney) Law, 2002 as amended.	3. To be responsible for the development of energy policy and practice on the island.	3. To be a non-Executive Board Member of the Connaught Care Home.
4. To be the Board Member with responsibility for oversight of the Water Board and hence for the provision of water supplies on the Island in accordance with the legislation applicable thereto.	4. To administer Building Regulations made under the provisions of part VI of The Building & Development Control (Alderney) Law, 2002, as amended and any other law or laws by which they may be replaced.	4. To be responsible for environmental monitoring.	4. To be responsible for all matters relating to welfare.

5. To be responsible for the Fire Brigade; for emergency services; for sewage disposal; and for traffic control.	5. To be a Member of the body responsible for reviewing the levels of fees chargeable for both planning and building regulations.	5. To be responsible for the preparation of policy and strategy for environmental conservation and ecology on the Island.	5. To be responsible for liaising with Guernsey regarding transferred Services in these areas.
6. To be accountable for all States' properties (excluding housing) including the Saye Beach Camp site.	6. To be responsible for the consolidation of land parcels and not to reduce the area of such land without the authority of the States.	6. To be responsible for forestation and fencing and management of all States land.	6. To be responsible for developing and keeping under ongoing review effective employment, immigration and population policy.
7. To be responsible for the leasing of all States Properties (excluding housing), in the ownership of the States; and be responsible for the slaughterhouse.	7. To be the lead Member of the Authority for approving plans in both the public and private sectors.	7. To be responsible for the oversight of the management of the RAMSAR site.	7. To be responsible for liaising with AHA.
8. To be responsible for all matters relating to sea fisheries.		8. To serve as a Member of the Water Board.	
9. To be responsible for the co-ordination of public services in the event of a civil emergency.		9. To serve as a Director of AEL.	
10. To be responsible for oversight of Island infrastructure e.g. roads and pavements.		10. To administer the Island of Burhou.	
11. To be the Board Member with responsibility for oversight of the Harbour Board and hence for the provision of harbour services on the Island in accordance with the legislation applicable thereto.			

(All portfolio holders have a budget and are accountable to the Executive Council for maintaining budget oversight and for liaising with relevant counterparts in Guernsey) - Page 2

Economic Development (ED)	Finance (F) The portfolio holder shall be responsible for appointing a Finance Board which comprises at least 2 other States Members together with the States Treasurer/Head of Finance.	Government Administration and External Affairs (GAEA)	Education, Arts Culture and Sport (EACS)
1. To be responsible for the promotion and development of the Tourist Industry.	1. To have oversight of financial reporting, policies, strategies, internal financial controls, financial risk management and reporting in accordance with GAAP principles.	1. To be responsible for all matters relating to International Conventions, Treaties, Agreements, EU Directives and extended legislation from the United Kingdom.	1. To be responsible for the preparation of policy and strategy for arts, culture and sport.
2. To initiate, pursue and report upon matters relating to the economy of the Island, the development of an economic plan, industry and e-commerce.	2. Developing financial policies, goals, and budgets that support the mission, values, and strategic goals of the States of Alderney. Review the management accounts and financial statements on a regular basis to monitor adherence to International Financial Accounting & Reporting Standards.	2. To be responsible for all external affairs.	2. Youth Training, Apprenticeships and Adult Education. Youth Services and activities.
3. To monitor the economic policy of the States and to report and make recommendations for such amendments as deemed necessary and to liaise with the Commerce and Employment Department on matters relating to economic planning.	3. To work with other portfolio holders on a formal referral basis any relevant propositions for which they may request assessment for financial risks/rewards and tax payer value for money.	3. To be responsible for public relations.	3. To serve as a Member of the St Anne's School Management Committee.
4. The promotion and development of all sectors of business, including energy, transport, construction, creative industries, digital, financial services, horticulture, intellectual property, manufacturing, media, retail and tourism.	4. Recommending policies that maintain and improve the financial health and integrity of the SoA. Reviewing and recommending a long-range financial plan in conjunction with, and as support to, the States Strategic Island Plan.	4. To deal with external authorities in fiscal and commercial matters in consultation with the any other relevant portfolio holder.	4. Development of Sports' infra structure and liaison with appropriate sporting bodies.

5. Encouraging competition, innovation, diversification and appropriate regulation in the economy.	5. Reviewing, recommending and monitoring annual operating revenue and capital budgets in line with a strategic Island Plan.	5. To be responsible for matters affecting: - Import and Export Control Telecommunications Postal Services, Philately and Currency.	5. To be responsible for liaising with Guernsey regarding transferred Services in the school setting.
6. To be responsible for matters affecting Gambling through liaison with AGGC and as an AEGL Director.	6. Review States spending proposals and capital projects in excess of £150k. Take responsibility for assessing and rating the risks and rewards of higher value spending proposals, based on information provided including bids, tenders, estimates and all related documentation including corporate governance, relevant correspondence, minutes and contracts relating to the proposed expenditure in association with other portfolio holders as necessary.	6. To be responsible for matters affecting: - Elections Census.	
7. Developing the capacity and range of labour skills necessary to sustain economic prosperity.	7. Oversee and review spending on projects during their implementation phases up to and including completion to ensure that they are running according to time and financial budget.	7. To be in charge of 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 Authority).	
8. To be responsible for the Integrated Transport Strategy as it relates to air and sea transport.	8. To be a Board Member with oversight of the formation and administration of the Employment Board and the Remuneration Board with the GAEA portfolio holder.	8. To liaise as necessary with the Court of Alderney.	
9. Securing the provision of, and promoting, air and sea links to and from the Island.	9. To review and approve the Economic Development Reserve consistent with the long-range financial plan and financial policies. To review the financial aspects of major proposed transactions, new programmes and services, as well as proposals to discontinue programmes or services.	9. To be responsible for all matters relating to postage stamp and coin issues and design approvals.	

	10. To liaise and negotiate with the States of Guernsey on all matters relating to the provision of transferred services and finance.	10. To be responsible as an Audit Authority Member for the oversight, formation and administration of the Audit Authority with Finance portfolio holder.	
	11. To be an AEGL Director.	11. To be responsible for the States investments portfolio as an Investments Panel Member with oversight and responsibility for the formation, administration and operation of the Panel, in association with the Finance portfolio holder, and its decisions regarding the material investments of the States of Alderney and the States of Alderney Water Board.	
	12. To be responsible as an Audit Authority Member for the oversight, formation and administration of the Audit Authority with GAEA portfolio holder.		
	13. To be accountable for States assets, expenditure and revenues to ensure the highest standards in the management of their financial affairs and develop and oversee the implementation of policies to safeguard States assets and maximise revenue streams. Reporting to the full States on a no-less than quarterly basis on the SoA accounts.		
	14. To deal with allocation of grants in line with States operating procedures.		

	<p>15. To be responsible for the States investments portfolio as an Investments Panel Member with oversight and responsibility for the formation, administration and operation of the Panel, in association with the GAEA portfolio holder, and its decisions regarding the material investments of the States of Alderney and the States of Alderney Water Board.</p>		
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Appendix 5

Financial Controls - Capital and revenue

Capital Projects - Approval Levels

Current

Under £10k	Revenue not capital
£10k to £50k	Delegated Senior Officer (CEO/HoF) if in budget, then P&R notification
£50k to £150k (minor)	Relevant Committee, then P&R notification
£150k to £250k (major)	GSC/BDCC, then P&F, States of Alderney, P&R*
Over £250k	GSC/BDCC (if relevant), P&F, States of Alderney, P&R, States of Guernsey**

Proposed

Under £10k	Revenue not capital
£10k to £50k	Delegated Senior Officer (CEO/HoF) if in budget, then P&R notification
£50k to £150k (minor)	Relevant portfolio holder, then ExCo, P&R notification
£150k to £250k (major)	Relevant portfolio holder, then ExCo, States of Alderney, P&R*
Over £250k	Relevant portfolio holder, then ExCo, States of Alderney, P&R, States of Guernsey**

First stage of any approval is to ensure that the project is already included in the annual budget. These are allocated as minor projects (those under £150k), and major projects (those in excess of £150k).

Although approved as part of the annual budget each project subsequently requires appropriate business case/costings/quotes/approvals.

* P&R have authorised the States of Alderney to approve capital votes up to £250k, provided that P&R are notified and subsequently confirm, the project is part of the approved budget, sufficient funding is available, and States Property Services is consulted on property related projects. Any project outside of this will require formal approval from P&R Board as opposed to notification only.

** In some circumstances the States of Guernsey can authorise P&R to sanction expenditure over £250k, for example if it is a direct replacement, however, this is not a given and should not be assumed.

Revenue Expenditure - Approval Levels

Current

Funding must be available within the approved budget. Departmental manager/authorised staff (budget holder) can authorise up to £10k (varying levels depending on seniority).

CEO/HoF to authorise funding in excess of limit (countersignature required on PRF). CEO/HoF have unlimited expenditure level due to budgetary responsibilities of the posts, however Committee approval required for non-routine expenditure over £10k, appointment of consultants, etc. as per financial procedures.

Relevant Committee (then P&F) to approve any additional or extraordinary expenditure, etc. under the normal financial control systems operated by the States Treasurer

Proposed

Funding must be available within the approved budget. Departmental manager and/or portfolio holder to authorise up to £10k (varying levels for staff depending on seniority).

CEO/HoF to authorise funding in excess of limit (countersignature required on PRF), portfolio holder to be notified. CEO/HoF have unlimited expenditure level due to budgetary responsibilities of the posts, however Finance PH and ExCo approval required for non-routine expenditure over £10k, appointment of consultants etc, as per financial procedures

Finance Portfolio Holder, then ExCo to approve any additional or extraordinary expenditure etc. under the normal financial control systems operated by the States Treasurer

Note: -

Monthly budget meetings are held between Treasury staff and departmental managers (budget holders).

Suggest that portfolio holder may attend these meetings.

Appendix 6 Key Reference documents

- Alderney's Choice Governance Review Report 2016
- St. Helena political governance review report No.2 final 28 Feb 2020
- McDonald Constitutional report response
- Morris Attempting constitutional reform on the island micro jurisdiction of Alderney 2018
- A wide range of SoA Billet documents since 1996
- The Nolan Principles