

**FINANCE GROUP
ANNE FRENCH ROOM
13th November 2023
14:30**

**Mr I Carter (IC), Chairman
Mrs L Maurice (LM)
Mr B Woodhead (BW)
Mr N Vooght (NV)**

**Mrs E A Maurice, Temporary Chief Executive/ Treasurer (TCE)
Mrs E O'Toole, Acting Head of Finance (AHO)
Mr S Taylor, Strategic Financial Advisor (SFA)
Ms R Gaudion, Finance Officer/Minutes (FO/Treasury)**

Declarations of interest: None

47/2023

Matters Arising

47.1 Confirmation of Minutes & Confidential Annexure from the meetings held on the 25th July 2023 & 12th September 2023 tabled and approved.

48/2023

Revenue Account

48.1 Adoption of IPSAs Report from SFA tabled and discussed.

The SFA provided an update to Members on a recent meeting with colleagues in Guernsey Treasury who are leading the IPSAs' project (attended with AHO). Issues tabled regarding implementation of IPSAs.

It was agreed that full adoption of IPSAs would not be the best step forward at the moment due to reasons set out in the paper. However, there was scope to improve and modernise SOA's current financial reporting to make it more informative and to act as a more constructive tool.

Mr Vooght commented on the importance of a roadmap to focus on a full set of integrated accounts as a goal to start with.

The Finance Group agreed:

- a) **SFA to produce a paper detailing areas of improvement and next steps to modernise financial reporting with reference to IPSA 'light' principles in a direction that is resource capable,**
- b) **Once a roadmap is created showing next steps, including a balance sheet within the financial statements, it can be forwarded to the Policy & Finance Committee (PFC) for debate along with content of the paper tabled today, and**
- c) **SFA to have prepared paper for next meeting.**

SFA/ AGENDA ITEM

48.2 Vehicle Import Fees 2024 Report from SFA tabled and considered.

Members discussed the revised proposal for discounted Vehicle Import Fees from 1 January 2024, including a discounted rate where the vehicle is declared by the importer as being for commercial use.

Although the proposed system may be subject to some abuse, it was determined that the suggested data to be collected would help gain a clearer picture of imports and road-use. This data could then be used to consider options for better definition on what is classed as a commercial vehicle in the future. **Noted**

The Finance Group agreed (Mrs Maurice against):

- a) To revise the commercial discount from the suggested 30% to 50%,
- b) that the States Treasury introduces revised data systems to ensure all relevant data is collected,
- c) that the recommendation from the Finance Group to be taken to next PFC meeting, and
- d) that the Fees Ordinance to be submitted to the States Billet subject to deliberation at PFC, thus fees will not be in place for January 1st, 2024.

AHOF/SFA/PFC

48.3 Management Accounts Summary – October 2023 tabled and noted.

48.4 Major Income Monitoring Report – October 2023 tabled and noted.

The AHoF advised that Property Tax amounts were being received as rounded figures due to resourcing and reconciliation process issues flagged up by the States of Guernsey department responsible for managing the billing and collection process on behalf of the States. Noted that the AHoF will continue to liaise with colleagues in the States of Guernsey to improve process required for reconciliation and report back to the next meeting. **Noted**

49/2023

Capital Account

49.1 Airport Runway Rehabilitation project – Funding Options Report and presentation from the SFA tabled and considered.

Presentation included assumptions and options for funding by lump-sum capital contribution, borrowing or a blend.

The Finance Group agreed:

- a) to propose the preferred option 3(a) of a blend of borrowing £2m + Lump Sum £1.5m (Mrs Maurice against with preference for 50/50 split);
- b) to include presentation paper tabled with associated recommendations for next steps to P & F; and
- c) to keep the proposal under review in the context of circumstances at the time the funding is required.

SFA/ PFC

49.2 Funding for Planning Application - Airport Runway project Report from the AHoF tabled and considered.

It was noted that the Planning Application for the Airport Runway Rehabilitation project had been received and the associated fee under the Fees Ordinance amounts to £200,000. The fee had not been factored into the project cost due to assumptions made regarding different planning fee charging in Alderney and Guernsey therefore options were considered for funding which needs to be determined before the application can be advertised for public consultation and representation.

The Finance Group agreed to recommend the Policy and Finance Committee agree Option E, for the Planning Fee to be funded from the Economic Development Reserve.

AHOF/ PFC

49.3 Ambulance Fleet Investment Report from SFA and discussed.

Members discussed details from the report. The current (2) borrowed ambulances needing to go back to owners, SJARS have presented a business case to SoA for a fit for purpose fleet, consisting of 1 refurbished ambulance and 1 replacement ambulance to maintain the service provision that is needed to ensure appropriate resilience.

The Finance Group agreed:

- a) **Up to £40,000 be approved for capital spend on for refurbishment to an existing ambulance used by SJARS as specified in the paper;**
- b) **Up to £110,000 be allocated in the capital programme 2024 for the acquisition of a replacement vehicle to replace the decommissioned ambulance; and**
- c) **In acquiring the replacement vehicle that there is a preference for a second-hand vehicle as first choice and only *in extremis* should the replacement be a brand-new vehicle, based on costs.**

SFA/ AHoF

49.4 Capital Projects Monitoring Report tabled and discussed.

The AHoF advised that the report is continuing to be improve in order to better represent the status of the Capital fund and project spend. Though there is still work to be done regarding setting out planned forward spend and ensuring that each project is current.

It was agreed for the AHoF and Chairman to meet and discuss and determine what changes and improvements can be made to the report.

CHAIR/ AHoF

49.5 AGCC Q3 Distribution Report tabled and it was noted the Q3 distribution of £666k exceeded the budgeted amount by £260k more than budgeted. **Noted**

50/2023

Economic Development

50.1 EDR Summary & Projects update – October 2023 tabled and noted.

Mr Vooght queried if a resolution has been passed by PFC with regards to funding of Events from the EDR fund. The AHoF advised that it was agreed in the September budget meeting that financial support for key events held on the island which bring economic benefit to the island, will be funded from EDR in 2024 subject to meeting the criteria set out in the application process. **Noted**

The Group requested the AHoF to review the Economic Development Reserve fund and remove old projects if required.

AHoF

51/2023

Delegated Items – Grants

51.1 Alderney Roots – Grant Support request Report from SFA tabled and considered.

It was noted that the company is requesting a grant of £5,000 to contribute to the construction of a weatherproof structure, which will help expand its offering of produce for the community.

The Group noted that whilst the objectives of the organisation and the links to the community are noted, the Treasury view is that this is not the type of grant that the States scheme is designed for. A small business grant was approved on set-up under different

criteria. The business model for Alderney Roots is such that additional investment should be targeted from local community stakeholders or from conventional sources.

The Finance Group agreed not to award a grant of £5,000 to Alderney Roots as it falls outside the criteria for the grant scheme.

AHoF

51.2 Summary of Grants 2023 to date tabled and noted.

52/2023 **Delegated Items – Coins**
52.1 Coin Contract – see confidential annexure.

53/2023 **Delegated Items – Stamps**
53.1 Stamps issues for noting – see confidential annexure.

54/2023 **2024 Proposed Meeting Dates** Initial draft 2024 meeting dates tabled and noted.

55/2023 **AOB** – None

Meeting closed: 16:25pm

Signed: Mr I Carter, Chair

Date: 24th November 2023