

**POLICY & FINANCE COMMITTEE
27th MARCH 2012**

0915hours

Mr J Beaman, Chairman
Mr P Allen
Mr P Arditti
Mr R Berry
Mr M Birmingham
Mr B Kelly
Mr G Sargent
Mr I Tugby
Mr W Walden

Mr R Burke, Chief Executive
Mrs K A Hatcher-Gaudion, Treasurer
Mrs S Pengilly-Price, EA to the Chief Executive
Mrs E O'Toole, Minute Secretary

Apologies: Mr A Llewellyn

ACTION

19/2012 **Minutes of the previous meeting** of 28th February 2012 tabled and approved subject to item 13/2012 Pension Scheme being moved from the Confidential Annexure to the published minutes with the following amendment made to point 3 of the resolution:
 - 'To *recommend* the employers contribution rate, increasing annually on incremental date, *up to a maximum agreed percentage*'.

20/2012 **Matters Arising**

20.1 Matters arising from the minutes

20.1.1 Alderney Company Formation The Chief Executive advised of a meeting held on the 21st March 2012 with the Greffier and the companies involved in this process to discuss the difficulties currently regarding formation of gambling companies in Alderney. The Chief Executive advised of an amendment to the Alderney Companies Law that is required which will be discussed at a meeting scheduled with the Law Officers Chambers. It was noted that the Chairman had written a letter to the Policy Council regarding the issue and a further meeting will be held with the companies involved in a month's time. **Noted.**

20.1.2 Ferry Liaison Group Mr Tugby advised that a ferry company will visit the Island for a meeting on the 27th April 2012. **Noted.**
 Mr Beaman queried the advertisements of a ferry operator 'Bumble Bee' offering a regular service between Guernsey and Alderney during the summer months; the Chief Executive advised that the relevant operating licence has been issued by the Alderney Harbour authority to operate this service. The Chairman requested that the matter be referred to the General Services Committee.

20.1.3 Confidential Item Proposal from the Chairman dated 21st March 2012 and proposal from Mr Arditti dated 22nd March 2012 tabled and discussed. Documents previously circulated by email: Letter from Mr M Thornton, Solicitor Law Officers of the Crown, dated 20th March 2012; Letter from Ms P Dixon, Chairman Alderney Commission for Renewable Energy, dated 12th March 2012; Power Purchase Agreement (PPA) between Alderney Renewable Energy Limited (ARE) and Alderney Electricity Limited (AEL) and ARE presentation of 15th March 2012.

The Chairman gave a brief history/overview of the situation and advised that the proposal is a result of AEL advising there is a condition under clause 3 of the draft PPA, that the States of Alderney act as guarantor to AEL's obligations under the PPA.

The Chairman advised that if any Member had a personal interest under the Rules of Procedure then they should declare an interest and not vote. It is a

GSC

decision for each Member to make and not for the Committee or the Chairman. If any Member felt that an interest was not declared by another Member then this should be reported to the President. The Chairman further stated it was up to members to vote according to their conscience and it was not up to other members to instruct them on whether they were conflicted or not.

Mr Arditti objected to the interpretation of the Rules of Procedure by the Chairman including the Chairman's ruling that he could not present his argument why, in his opinion, Mr Sargent was conflicted and should withdraw from the discussion.

Mr Kelly declared an interest as the States nominated director on the Board of AEL, for which it was recorded and noted that he receives no remuneration, and Mr Allen declared an interest as an employee of AEL and advised that he will participate in the vote as it is a strategic decision for the States.

Mr Arditti stated that the proposal he circulated to Members by email should also be considered; the Chairman advised that Members would take this into consideration when reaching a decision.

The issue was discussed at length by all Members.

10:40-10:55 Coffee Break

RESOLVED to agree to approve the following:-

1. **By a majority (Mr Beaman, Mr Kelly, Mr Sargent and Mr Walden against) to support the Power Purchase Agreement in the form attached to the note dated 20th February 2012 to the Committee from the Board of Alderney Electricity Limited; and**
2. **By a majority (Mr Sargent abstained) that the Chief Executive considers with the Law Officers how to appropriately mandate the voting of the States of Alderney shares following this decision. Chief Executive to deal.**

CE

20.2 Matters Arising from Finance Advisory Group Confidential notes from the Finance Advisory Group meeting of 19th March 2012 tabled **noted**.

The following items were noted:

- Harbour Crane Replacement – FAG to consider a business case for this item prior to a decision being made.
- Harbour Redevelopment – It was noted that the Marina Advisory Group (MAG) has the responsibility to progress the project however FAG has recognised the urgency for a new Harbour Office and believe this could progress whilst proposals for a Marina are still being considered. Mr Allen, Chairman of MAG, agreed and requested the matter to be raised at the next General Services Committee meeting.
- Matters being referred to General Services Committee – Braye Chippy Extension of Lease and Alderney Gravel Co – Royalties.

GSC

21/2012

Standing Items

21.1 Committee feedback from Chairmen (GSC/BDCC) and Guernsey Representatives

Building and Development Control Committee Nothing to report.

Paper from the Engineer, on behalf of BDCC, regarding Changes to Exemption Ordinance System tabled and deferred to the next meeting of the Committee.

DEFERRED/AGENDA ITEM

General Services Committee Mr Walden advised that, due to time constraints, should Members identify any matters on the draft General Services or Water Board minutes which are published on the Government website that require clarification, they are welcome to contact him. **Noted**.

Guernsey Representatives Mr Sargent, who attended the meeting of the States of Deliberation in place of Mr Arditti, advised that a report was submitted regarding the possible changing of Guernsey Airport to a States of Guernsey Trading Company. **Noted.**

Mr Arditti advised that he was grateful for the opportunity to have attended the 61st Westminster Seminar on Parliamentary Practice and Procedure in London from the 4th to 10th March 2012.

21.2 Alderney Commission for Renewable Energy February/March report from Ms P Dixon, Chairman of ACRE, tabled and **noted.**

It was noted that ACRE has offered Alderney Renewable Energy an extension on the requirement to submit a development plan until the 31st October 2012 to enable ARE to supply the requested level of information. **Noted.**

21.3 Alderney eGambling Limited Quarterly Report, March 2012, from Mr Kelly, Chairman of AeGL, tabled and **noted.**

21.4 Alderney Electricity Limited Quarterly Report, March 2012, from Mr Kelly, States appointed Director on the Board of AEL, tabled and it was noted that the opening hours at the AEL office have been increased with no closure for lunch. **Noted.**

21.5 Alderney Gambling Control Commission Quarterly Report from Mr A Wilsenach, Executive Director of AGCC, tabled and **noted.**

21.6 Alderney Housing Association Liaison Group Quarterly Report from Mr Sargent, Chairman of AHA Liaison Group, tabled and **noted.**

21.7 Connaught and Jubilee Home Quarterly Report from Mr Llewellyn, States appointed Board Member, tabled and **noted.**

22/2012

Budgetary and Financial Matters

22.1 Accounts 2011 and Letter of Representation Report from Treasurer dated 21st March 2011, States of Alderney Accounts 2011 and Letter of Representation tabled for consideration.

RESOLVED unanimously to agree to approve the 2011 States of Alderney Accounts and the Letter of Representation. The 2011 Accounts to be placed on the Billet for the April meeting of the States.

BILLET ITEM

22.2 Water Phase 4a - Bonne Terre to Platte Saline Report from Engineer dated 20th March 2012 tabled and considered. The projects had been discussed and agreed by the Water Board at its meeting of the 13th March 2012.

RESOLVED unanimously to agree to approve the renewal of the existing AC water main, in 150mm diameter HPPE pipe, from the Bonne Terre pump station to the Carriere Viront/Allee es Fees junction, a length of 686 meters, by the States of Alderney Water Board through capital funding of Phase 4a works to a sum not exceeding £69,000. Treasury to notify Treasury and Resources.

TREASURY

22.3 School Bus Contract Report from Treasury dated 20th March 2012 tabled and considered.

RESOLVED unanimously to agree to accept the quotation from Riduna Buses, for a period of 3 years, for five journeys per day, without an additional adult, to be revised should the price of diesel increase above £1.65 per litre. Treasury to deal.

TREASURY

22.4 Business Proposal - Confidential Item See CONFIDENTIAL ANNEXURE.

22.5 Connaught Site - Confidential Item Letter from residents of Connaught Square, dated 27th February 2012 tabled and considered. The residents of Connaught Square have increased their previous offer to purchase the St Martin's site to the

rear of The Royal Connaught. The Treasurer advised that as part of the valuation process one of the estate agents had valued the area separately last year.

The majority of the Committee was not in favour of selling the St Martin's site however would consider leasing. The Chief Executive was requested to inform the interested party and the Treasurer was requested to inform the estate agents that offers to lease the Connaught and St Martin's site would be considered.

CE/KAHG

22.6 Alderney Community Sport Centre Memo from Mr C Williams, Chairman ACSC Trust, dated 21st March 2012 tabled and noted.

The Committee did not wish to be associated with the proposed 'Residents Survey' and was not in favour of contributing 50% of the fees towards the survey. Chief Executive to deal.

CE

Mr Walden requested that the Mr Arditti and Mr Kelly, as Guernsey Representatives, raise the issue that Alderney must be represented on the Social Policy Group which deals with formation of policy which directly relates to Transferred Services that Alderney receive.

PA/BK

23/2012 **Public Health and Welfare Annual Report** Dr Stephen Bridgman was unable to attend the meeting. Item deferred to the next meeting of the Committee.

DEFERRED/AGENDA ITEM

24/2012 **Legislation and Conventions**

24.1 Government of Alderney (Amendment) Law, 2012 Paper from the Chief Executive's Office dated 21st March 2012 tabled and considered. Further to the February meeting of the Committee, the Chief Executive, at the request of the Chairman, liaised with Law Officers Chambers and the Ministry of Justice regarding the Privy Council schedule for tabling an amendment to the Law. The draft Government of Alderney (Amendment) Law, 2012 has been prepared by the Law Officers Chambers to amend the Law relating to the entry of persons' names on the register of electors, amendments to section 62(5) in respect of the meaning of "ordinarily resident in Alderney" and provision has also been made for a States Members Code of Conduct.

The Chairman advised that currently the States Members Code of Conduct is not enforceable therefore the opportunity was taken to add this amendment to the Law however the majority of Members were not in favour of the amendment as they felt it could be improved by the Law Officers and there is not any urgency for this amendment.

RESOLVED by a majority (Mr Beaman abstained; Mr Kelly and Mr Walden in favour of also including the amendment regarding "Code of Conduct") to approve the draft legislation "The Government of Alderney (Amendment) Law, 2012", without the inclusion of the new section 48A "Code of Conduct", and for the Proj to be tabled at the April meeting of the States for approval.

CE OFFICE/BILLET ITEM

24.2 The Syria (Restrictive Measures) (Alderney) Ordinance, 2012 Paper from the Chief Executive's Office dated 21st March 2012 tabled and considered.

RESOLVED unanimously to agree to approve "The Syria (Restrictive Measures) (Alderney) Ordinance, 2012" and for this item to be placed before the April meeting of the full States for approval. Chief Executive's Office to deal.

CE OFFICE

24.3 Sanctions

- (i) Burma/Myanmar
- (ii) Eritrea
- (iii) Somalia
- (iv) Republic of Guinea

Paper from the Chief Executive's Office dated 21st March 2012 tabled and considered.

RESOLVED unanimously to agree to approve that the relevant ordinances be drafted with regards the additional measures imposed relating to the above EU Regulations, as best practise, to ensure that the sanction framework is up

**to date and once the ordinances has been drafted, to be tabled at the next full meeting of the States for approval.
Chief Executive's Office to deal.**

CE OFFICE

25/2012 **Public Record** Paper from the Chairman dated 21st March 2012 tabled and considered. **RESOLVED unanimously to agree to approve that all sub-committee groups and advisory groups of the States of Alderney produce written minutes as a record of meetings.**

26/2012 **Alderney Airport** The Airport Working Party, Mr Arditti and Mr Sargent, had a meeting with Deputy Bernard Flouquet, Public Services Department (PSD), and Mr Colin le Ray, Guernsey Airport Director, on the 19th March 2012 and advised that it was a very constructive meeting. Items discussed included:

- Alderney Airport operating at a loss – Mr Arditti advised that should this continue the States would be content to consider constructive proposals from PSD.
- Policy Council – Mr Arditti & Mr Sargent agreed that there may be a time that the Policy Council should be involved with suggestions of subsidy should the airport charges continue to be increased as this greatly affect the economy of Alderney and the contribution to Treasury and Resources by way of tax.
- Concessionary Landing Rates and parking fees – Proposals are now in place for Vista Hotels which may be broadened to other hotels in Alderney. It is anticipated that the Air Race will revert back to previous years with regards to concessionary landing fees and 72 day parking.
- Air Space – The Airport Working Party are optimistic that Alderney could recapture the business from private aircraft which has been lost due to the restrictions with air space. Proposals are being made as to how to change the Alderney airspace category and the PSD Board fully support Alderney in achieving this.
- Professional Report – The PSD Board has agreed in principle for a professional consultant to carry out a report on various aspects of the airport. The Chief Executive was requested to obtain the recent report on Guernsey Airport.

The Airport Working Party requested the Chief Executive arrange a meeting as soon as the new Public Service Department Board has been assembled.

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27/2012 **Economic Planning & Tourism and Marketing**

27.1 Tourism Update Mr Birmingham gave a brief report and the following items were noted:

- The Marketing Manager and a member of Visit Guernsey will visit 30 Visitor Information Centres in Normandy, France to distribute brochures and make contact.
- The television show 'An Island Parish' visited Alderney for two days and will confirm whether Alderney will be part of the series.
- The Marketing Manager and the Greffier attending 'The Wedding Show' in Hampshire during March.
- The Wombles Exhibition is progressing well with a property secured and a marketing plan being formulated. The people involved are the Marketing Manager, Mr Donald Hughes, Alderney Society, and Ms Francis Jeens, Alderney Museum.
- Visit Alderney have sent letters to Alderney restaurateurs to identify if an Alderney Food Festival, similar to the popular and successful 'Tenner-Fest' in Guernsey and Jersey, could be established

27.2 Transport Statistics Cargo import/export figures for quarter one of 2012 tabled and noted.

27.3 Employment Statistics Alderney Labour Market and Population figures, compiled from data provided by the States of Guernsey Social Security Department, up to quarter 4 of 2011 tabled and noted.
The Chief Executive was requested to publish the figures.

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28/2012

Any Other Business

28.1 Commonwealth Parliamentary Association The Chief Executive was requested to progress the identification of 'A Friend of the Island in Parliament'.

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29/2012

For Information

- **Items sent to Legislations Select Committee**

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Meeting closed: 13:10 pm

Signed: Mr J Beaman

Date: 24th April 2012