

**POLICY & FINANCE COMMITTEE**  
**29<sup>th</sup> MAY 2012**

0915hours

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

**Mr R Burke, Chief Executive**  
**Mrs K A Hatcher-Gaudion, Treasurer**  
**Mrs E O'Toole, Minute Secretary**

**In attendance: Mrs S Kelly, Greffier (item 41.1.3 and 41.1.4)**

**ACTION**

**40/2012**      **Minutes of the previous meeting** of 24<sup>th</sup> April 2012 tabled and approved subject to the following items being moved from the Confidential Annexure to the published minutes:  
 Item 32.2 Alderney Commission for Renewable Energy

Mr Arditti considered the wording in paragraph two of item 36.2 Alderney Electricity Ltd Chairman of the Board should be amended as follows: "It was *asserted that* until it is known..." and "...Mr Kelly further *asserted* that it would ultimately..."

The Chairman and other members, apart from Mr Allen who was not present during the discussion, were content with the minute as tabled. Mr Arditti advised that he would make public his own clarification.

The Chief Executive was requested to draft a statement with regards to Item 31.1.3 Business Proposal.

**41/2012**      **Matters Arising**

**41.1 Matters arising from the minutes**

**41.1.1 Business Proposal update** The Chief Executive advised that the Law Officers are reviewing the leases Up Close and Personal Group (UCP) drafted for the Royal Connaught and Fort Albert. **Noted.**

**Business Proposal – Waste** The Chief Executive advised that the Law Officers are in agreement with the advice received from the interested party's lawyer and recommended that a Waste Management Statement is publicised. Work is underway on producing the Statement. **Noted.**

**41.1.2 Grand Hotel Developments Limited** Paper from Mr Sargent, Building and Development Control Committee Chairman, dated 22<sup>nd</sup> May 2012 tabled and considered. The Chairman reiterated that land for an Electricity Substation must be secured with the new developer. **Noted.**

**RESOLVED by a majority (Mr Beaman and Mr Walden against) to authorise the Chief Executive to sign the agreement with Grand Hotel Developments Limited on behalf of The States of Alderney.**

*09:30 Mrs S Kelly, Greffier, joined the meeting*

**41.1.3 Alderney Company Formation** Paper from the Greffier tabled and considered. The Greffier gave a brief overview of the issues at present with regards to the formation of Alderney Gambling Companies. The Company (Alderney) (Amendment) Law 2012 has been drafted by the Law Officers to deal with the issue of the consent needed to incorporate Alderney companies by the Guernsey Financial Services Commission (GFSC) under the Control of Borrowing (Bailiwick of Guernsey) Ordinance 1959 (COBO).

The Greffier advised that following advice received from the Alderney Gambling Control Commission it is proposed that a further amendment is made to Section 152H of the Law to allow the Committee to extend the list of those authorised to obtain beneficial ownership information to any other 'organisation' prescribed by regulations issued by the Policy and Finance Committee. The Greffier confirmed that interested parties had been consulted.

**RESOLVED unanimously to agree to approve the Company (Alderney) (Amendment) Law 2012 subject to an amendment to Section 152H relating to disclosure of beneficial ownership details.**

**Item to be placed on the Billet for the June meeting of the States.**

**BILLET ITEM**

**41.1.4 Guernsey Financial Services Committee – Revised Regulations** Paper from the Chief Executive's Office dated 23<sup>rd</sup> May 2012 tabled and considered. The Chief Executive advised that the no comments have been made by the local fiduciary licensees.

**RESOLVED unanimously to agree to approve The Regulation of Fiduciaries (Fiduciary Advertisements and Annual Returns) Regulations, 2012 and offer no further comment.**

**Chief Executive's Office to deal.**

**CE OFFICE**

*09:45 Mrs S Kelly, Greffier, left the meeting*

**41.2 Matters Arising from Finance Advisory Group** Confidential notes from the Finance Advisory Group (FAG) meeting of 21<sup>st</sup> May 2012 tabled and **noted**.

The following items were noted:

- A paper regarding TRP will be tabled at the next Policy and Finance Committee meeting.
- Coins – The Treasurer advised that FAG approved the Royal Mint's initial proposal to issue a new £2 circulation coin to celebrate the 150<sup>th</sup> Anniversary of the London Underground which has a potential link with the Alderney Railway.

**42/2012**

**Standing Items**

**42.1 Committee feedback from Chairmen**

**42.1.1 General Services Committee** Mr Walden reported on items discussed and approved at the previous meeting held on the 15<sup>th</sup> May 2012, the draft minutes of which are published on the Government website. **Noted**.

**42.1.2 Building and Development Control Committee** Nothing to report.

**42.2 Guernsey Representatives feedback** Nothing to report.

**42.3 Sub Group feedback**

**42.3.1 Ferry Liaison Group** Nothing to report.

**42.3.2 Constitution and Legislation Advisory Group (CLAG)** Paper from Mr Arditti, Chairman of CLAG, dated 22<sup>nd</sup> May 2012 tabled and the following items were noted:-

- Government of Alderney Law – The amendment to the Law has progressed to the Ministry of Justice and is anticipated to be considered by the Privy Council in July.
- Same Sex Marriage – It was noted that Same Sex Marriages are still being debated by other countries and jurisdictions. The Committee, by a majority (Mr Berry and Mr Tugby against; Mr Walden abstained), requested CLAG investigate legalising Same Sex Civil Ceremonies.

**CLAG**

- Inheritance Law – It was considered that there may be some merit in following Guernsey's move to testamentary freedom but CLAG members have concerns about changing some aspects of the customary law.

The Committee requested CLAG investigate a change in the law to testamentary freedom.

CLAG

**42.3.3 Alderney Housing Association Liaison Group** Paper from Mr John Weir, Alderney Housing Association (AHA), dated 23<sup>rd</sup> May 2012 tabled and discussed. Mr Sargent advised that AHA requested the Committee consider new time limits for eligibility for the Social Housing Waiting List and eligibility for Partial Ownership. The current policy AHA inherited from the States of Alderney requires that to be considered for the Social Housing Waiting List an applicant must have lived on the Island for 15 out of the last 20 years which was introduced in 2007 to coincide with the C permit eligibility.

The Committee considered the proposed time limit of four consecutive years resident/living on Alderney for Partial Ownership Eligibility, as insufficient and requested Mr Sargent raise the following points with AHA:

- To what extent the States should be directing AHA or expressing a view;
- To consider the size and value of starter homes for first time buyers;
- To consider a public consultation to identify the sort of criteria and category of qualification the public would support.

GS

**The Committee unanimously agreed to reduce the time limit for eligibility for the Social Housing Waiting List to 10 out of the past 15 years having lived on Alderney. Mr Sargent to deal.**

GS

43/2012

### **Economic Planning & Tourism and Marketing**

**43.1 Tourism Report** Monthly report tabled and the following items were noted:

- **Tour Operators** – Top Tours International who attended the Guernsey Trade Workshop are already planning to include Alderney in their June 2012 programme. A FAM (familiarisation) trip is being organised for several of the Tour Operators so that they are made fully aware of and can personally experience the product offering, which in turn aids the selling process.
- **Mud Men** – The ITN Production Mud Men have identified Alderney as a location for their third series. The team are planning to film a variety of locations on Island for 2 to 3 days at the beginning of June.

Mr Arditti and Mr Allen raised concerns with regards to the taxi rank and the availability of taxis at night. Matter to be raised at the next General Services Committee meeting.

GSC

44/2012

### **Budgetary and Financial Matters**

**44.1 Duty Free** Paper from the Chief Executive tabled and considered. The Chief Executive advised that the Alderney Duty Free Consortium Limited has requested a further one year extension to the current duty free agreement.

**RESOLVED by a majority (Mr Tugby against) not to extend the agreement and to put out to tender in 2012. Chief Executive to deal.**

CE

**44.2 Social Care Budget – Toddlers Time Grant** Item was deferred to the June meeting of the Committee.

AGENDA ITEM

45/2012

### **Legislation and Conventions**

**45.1 Import Legislation amendment** Paper from the Chief Executive's Office dated 22<sup>nd</sup> May 2012 tabled and considered.

**RESOLVED unanimously to agree to approve the Import (Control) (Alderney) (Amendment No.2) Order and for the Chairman to sign on the behalf of the Committee. Chief Executive's Office to deal.**

JB/CE OFFICE

46/2012

**Alderney Airport**

**46.1 Aurigny Flights** Paper from the Chairman dated 22<sup>nd</sup> May 2012, letter from the Deputy BM Flouquet, Public Services Department, dated 26<sup>th</sup> April 2012 and letter from the Chairman dated 7<sup>th</sup> March 2012 tabled and discussed.

It was noted that the Southampton to Alderney flights on Tuesday 15<sup>th</sup> May, Wednesday 16<sup>th</sup> May and Thursday 17<sup>th</sup> May were showing on the website as "no flights found". Aurigny reservations were contacted and a query raised and the response was that the flights were fully booked because of a wedding taking place in Alderney over the following weekend. It was further noted that the first flight from Alderney to Guernsey remain fully booked which is proving difficult for people to attend hospital appointments.

It raised the issue that it would assist if there was a way of registering an interest online should seats become available to travel or an extra flight was added. Also a suggested change to the wording to show that the flights were full as opposed to "no flights found".

The Chief Executive and the Chairman was requested to write to Mr Malcolm Hart, Chief Executive Aurigny Airlines.

CE/JB

47/2012

**Any Other Business**

**47.1 St Anne's School - Enquiry from Headmaster** Mr Kelly advised that he received an email from St Anne's School Headmaster, Mr Mike Gaunt, asking for the States views on changing the name of the school to St Anne's Community School or Alderney Community School.

The Committee was not supportive of changing the name of St Anne's School. Mr Kelly to deal.

BK

10:45-11:00 Coffee Break

11:00 Developer 1 joined the meeting.

Mr Neil Harvey, MAG member, Mr Leslie Stewart, MAG member, Mr Steve Shaw, Harbour Master and Mr Mark Gaudion, Deputy Harbour Master in attendance.

48/2012

**Presentation (1)** An extensive power point presentation was given to the Committee on the developer's proposal for a marina and other associated projects. It was requested that the information is kept confidential.

12:20 Developer 1 left the meeting.

12:20-13:30 Break for lunch

13:30 Developer 2 joined the meeting.

Mr Neil Harvey, MAG member, Mr Leslie Stewart, MAG member, Mr Steve Shaw, Harbour Master and Mr Mark Gaudion, Deputy Harbour Master in attendance.

49/2012

**Presentation (2)** A presentation on the developer's proposal for a marina and associated projects was given to the Committee. Brochures of the presentation were circulated.

14:50 Developer 2 left the meeting.

14:50-15:00 Break

The Marina Advisory Group was requested to bring a recommendation of the preferred Marina developer to the next meeting of the Committee for consideration.

MAG/AGENDA ITEM

46/2012

**Alderney Airport (continue)**

**46.2 Land at Airport – Compulsory Purchase** Paper from the Chief Executive dated 24<sup>th</sup> May 2012 tabled and considered. It was noted that the General Services Committee considered and approved the matter at their May meeting.

**RESOLVED unanimously to agree to proceed with the compulsory purchase of plot AY1619. Item to be placed on the Billet for the June meeting of the States.**

**BILLET ITEM**

The Committee requested that the Chief Executive negotiate with the owner of the land should he decide to sell the land to the States.

**47/2012**

**Any Other Business (continue)**  
**47.2 Alderney Electricity Limited**

*15:02 Mr Allen declared an interest and left the meeting.*

Notice of Annual General Meeting (AGM) of the Shareholders of Alderney Electricity Limited (AEL) to be held on the 22<sup>nd</sup> June 2012 and revised Memorandum and Articles of Association of AEL tabled and discussed. The Chairman stated that the paper with resolutions circulated to Members by Mr Arditti, via email on the 28<sup>th</sup> and 29<sup>th</sup> May 2012, will not form part of the discussions as it was circulated at short notice and contains material inaccuracies.

Mr Kelly, as States nominated director on the Board of AEL, advised that approval from the Committee is being sought to mandate the Chief Executive the proxy vote in relation to items on the AGM agenda.

Mr Arditti advised that insufficient time had been given to review and consider the changes made to the Memorandum and Articles of Association of AEL therefore he was not in a position to make an informed judgement on the revised document. He further stated that with regards to the ruling by the Chairman that his paper had not been circulated in a timely manner, he wished to record that the paper was only untimely due to insufficient time allowed to produce a paper. Mr Arditti urged Members to vote against Item 5 on the AGM, the re-election of Mr Sargent as director, and requested the items on the AGM are voted on separately.

Mr Llewellyn enquired if any of the applicants for directors of AEL received in 2011 have been approached with a view to taking directorship in view of the resignation of Mr Gavin St Pier as non-executive director and chairman on AEL. Mr Kelly advised that previous applicants have not been approached at present as the Board awaits the applicants received from the recently advertised vacancy for Chairman on the Board of AEL.

Mr Arditti requested confirmation that the Committee was not going to receive information regarding applications for directors of AEL in 2011 and applications for the Chairman of AEL currently advertised; the Chairman advised that the Committee has never requested information of applicants from AEL.

Mr Arditti further requested confirmation whether his request, for him and other Members who may be interested, to have the information of the applicants for directorship and chairmanship of AEL to enable them to make an informed decision, will be rejected; the Chairman advised that AEL is a private company and the Committee, as majority shareholder, has never requested to see private applications for AEL positions and believes the Committee does not have the right to make such a request. Mr Kelly added that previous requests from Mr Arditti for information of applicants for director positions were refused by himself and the Board of AEL on two occasions as the Board did not wish for the information and details of unsuccessful applicants to be made public. Mr Arditti wished to clarify that Members have sworn an oath and should information regarding applications be given to them on certain terms then the terms of the oath must be respected.

The Chairman stated that the AEL Board is made up of equal number of executive and non-executive directors, which he suggested is recommended best practice. The Chairman further stated that one of the six objectives for AEL, as approved by the Committee, requires AEL to co-operate with the States of Alderney and Alderney Commission for Renewable Energy (ACRE) for the supply and distribution of the source of energy. Mr Arditti stated that ACRE, under the Ordinance, does not have the power to comply with the Committee and requested that the item be placed on next agenda for discussion.

**AGENDA ITEM/PA**

Mr Kelly stated that the management of AEL has improved greatly over the past 12 months and he believes that it is down to the board of directors, excluding himself.

**RESOLVED to mandate the Chief Executive to vote as follows, on behalf of the States of Alderney as majority shareholder of AEL, at the Annual General Meeting of AEL on the 22<sup>nd</sup> June 2012:-**

- 1) Unanimously agreed to approve to receive and adopt the Directors Report and Accounts for the Company for the year ended 31 December 2011 and the Auditors Report thereon;
  - 2) Unanimously agreed to approve to confirm no payment of Ordinary Dividend;
  - 3) Unanimously agreed to approve to confirm the payment of Preference Dividend;
  - 4) By a majority (Mr Sargent and Mr Tugby abstained; Mr Arditti against) agreed to approve to approve Directors Remuneration for 2011;
  - 5) By a majority (Mr Sargent and Mr Tugby abstained; Mr Arditti against) agreed to approve to re-elect Mr G Sargent as a Director.  
Mr Sargent is the retiring director retiring by rotation under Article 81 of the Articles of Association and has offered himself for re-election;
  - 6) By a majority (Mr Tugby abstained; Mr Arditti against) agreed to approve Ms J Annetts and Mr A Graca as Directors;
  - 7) Unanimously agreed to approve to appoint Auditors;
  - 8) By a majority (Mr Arditti against) agreed to approve to authorise the Directors to determine auditors remuneration;
  - 9) By a majority (Mr Berry, Mr Birmingham and Mr Llewellyn abstained; Mr Arditti and Mr Tugby against) agreed to approve the New Memorandum and Articles of Association of Alderney Electricity Ltd;
  - 10) Unanimously agreed to approve to transact any other business which can properly be transacted at any ordinary general meeting.
- Chief Executive to deal.

CE

15:25 Mr Allen rejoined the meeting.

- 47.3 Tourgis update** The Chief Executive advised that even though Verweij and Partners no longer have exclusivity on developing Fort Tourgis they are continuing work and anticipate starting later this summer. **Noted.**

The Chief Executive further reported that an interested party who has previously expressed interest in purchasing Fort Tourgis has resubmitted a proposal. The Committee, by a majority, agreed that it had not reached the stage to consider the sale of Fort Tourgis and requested the Chief Executive advise the interested party of the Committee's decision.

CE

The Committee further requested the Chief Executive and Treasury obtain specialist advices on the sale of Fort Tourgis.

CE/TREASURER

- 47.4 HSSD Item – CONFIDENTIAL** Letter from a local GP's practice tabled and discussed. A patient, currently on supplementary benefit, had received a large bill for ambulance services in Alderney. People in Guernsey on supplementary benefit and not covered by a subscription have their ambulance fees covered however the same provision is not made to people in Alderney.  
The Social Security Department (SSD) have advised that they have been in verbal contact with St John's Alderney Ambulance, since October 2011 to determine if an agreement similar to that between SSD and The St John's Ambulance and Rescue Service Guernsey can be reached and are awaiting feedback.

Mr Kelly, as States nominated Board Member of St John's Alderney Ambulance, was requested to raise the issue at the next Board meeting.

BK

- 47.5 Guernsey Housing Minister** The Chairman advised that the President received a letter from the Housing Minister, Mr Dave Jones, regarding the issue of people

born in Alderney and Guernsey housing residency. The Committee requested the Guernsey Representatives discuss the issue with Mr Jones.

P/BK

**47.6 Visit from Education Minister** Email from Ms Marilyn Campbell, Executive Assistant to the Chief Officer, Education Department, dated 15<sup>th</sup> May 2012 tabled and discussed. Ms Campbell advises that the new Chief Officer Mr John Buckland, the new Education Minister Deputy Sillars and Mr Alan Brown, Deputy Director, will visit Alderney on the 4<sup>th</sup> July for a Management Committee meeting and to meet with the President, the Chief Executive and the Chairman of Policy and Finance Committee for lunch.

Mr Kelly advised that he has been in contact with Deputy Sillars prior to the email circulated by Ms Campbell and he advised that he would be willing to meet for a sandwich lunch with all members of the Policy and Finance Committee.

The Chief Executive was requested to invite the new Education Minister Deputy Sillars to meet with all the States Members on the 4<sup>th</sup> July.

CE

**47.7 Whistle Blowing Policy** Draft document produced by the Chief Executive tabled and discussed. The Chief Executive advised that this is anticipated to be a system put in place for all States of Alderney employees to report improper conduct by fellow employees.

Mr Arditti advised that the definition of "States" should be amended as the Alderney Law defines the States as 10 elected members of States of Alderney.

The Chief Executive advised that he would re-draft the document and circulate it to Members by email.

CE

**47.8 Flexi Centre** Paper from the Chairman tabled and considered.

**RESOLVED unanimously to agree to approve expenditure, from the P&F revenue account under Unforeseen Expenditure, up to the value of £5,000 for new computer equipment for the Flexi Centre. Chief Executive and Treasurer to deal.**

CE/TREASURER

**47.9 Hedge Cutter** The Chief Executive advised that the existing hedge cutter has broken down and is un-repairable. A business case was circulated by email from the Chief Executive and five GSC Members approved the expenditure to purchase a replacement Hedge Cutter.

The Chief Executive advised that the hedge cutter is not covered by the current capital replacement programme for SWD however a schedule of plant replacement has now been produced and will be included in the CIEF and budget from next year. **Noted.**

The Chief Executive was requested to investigate if an insurance claim can be made.

CE

**RESOLVED unanimously to approve capital expenditure to purchase a replacement Hedge Cutter at a price not to exceed £13,600 plus delivery estimated at £600, subject to approval by T&R. Chief Executive/Treasurer to deal.**

CE/TREASURER

50/2012

**For Information**

- **Former Residential Home – Connaught Square**
- **Senator Ian Gorst – Chief Minister States of Jersey**
- **Deputy Peter Harwood – Chief Minister States of Guernsey**
- **Export of Alderney's Waste**

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Meeting closed: 16:10 pm

**Signed: Mr J Beaman****Date: 26<sup>th</sup> June 2012**