

**POLICY AND FINANCE COMMITTEE MEETING
ANNE FRENCH ROOM
28th JANUARY 2014**

0915 hours

Mr F Simonet, Chairman
Mr M Birmingham
Mr N Harvey
Mr L Jean
Mr R McDowall
Mr S Roberts
Mr I Tugby

Mr R Burke, Chief Executive
Mrs K A Hatcher-Gaudion, Treasurer
Mrs S Pengilly-Price, EA to the Chief Executive

Apologies: Mr R Berry and Mr C Rowley.

In attendance: Mr M Batt, Living Islands Manager – (for item 00/2014 only); Mr C Le Ray, Director Guernsey & Alderney Airport (for item 06/2014 only); Mr A Wilsenach, Executive Director Alderney Gambling Control Commission, Mr M Ellen, Director Alderney Gambling Control Commission and Mrs N Burland, Finance Officer Alderney Gambling Control Commission (for item 09/2014 only).

ACTION

- 00/2004** **Living Islands Presentation** Martin Batt, Living Islands Manager gave a presentation to the Committee of the works already carried out and the proposed works to be undertaken in 2014 to promote this initiative. The Chairman thanked Mr Batt for the presentation and wished him every success. **Noted**
- 01/2014** **Minutes of the previous meeting** of 17th December 2013 tabled and **approved**.
Notes from the Finance Committee meeting of the 27th January 2014 to be circulated at a later date. **Noted**
Notes of the Business Development, Tourism and Marketing Committee meeting of 23rd January 2014 to be circulated at a later date. **Noted**
- 02/2014** **Administration**
2.1 Annual Appointments The following appointments were proposed by the Chairman and unanimously approved by the Committee:
- i. Deputy Chairman – Mr Robert McDowall*
 - ii. Members with responsibility for liaison with the following bodies relating to Transferred Services:*
 - Public Services Department (Breakwater) – *Mr Ian Tugby*
 - Health & Social Services Department – *Mr Chris Rowley*
 - Social Security Department – *Mr Francis Simonet*
 - Children and Young People Services – *Mr Louis Jean*
 - Home Department [Police]– *Mr Francis Simonet*
 - Education Department – *Mr Louis Jean*
 - iii. Member to the Board of the Royal Connaught Residential Home and the Jubilee Sydney Herival House – Deferred*
 - iv. Member to the Board of the St John Alderney Ambulance Service – Deferred*
 - v. Appointment of a Chairman and two members to the Board of Alderney eGambling Limited – Mr Francis Simonet (Chairman); Mr Neil Harvey; Mr Matthew Birmingham.*
 - vi. Appointment of a member to the Board of Alderney Electricity Limited – Mr Robert McDowall.*
 - vii. Appointment of member to the Butes Centre Trust – Deferred*

States of Alderney Pensions Trustees It was noted that the Chairman assumes this role on the States of Alderney Pensions Trustees. **Noted**

Alderney Liaison Group and Alderney External Relations Group It was noted that the Chairmen of the States Committees will make up the membership of the Alderney Liaison Group and the Alderney External Relations Group. Membership confirmed as follows: Mr Francis Simonet; Mr Chris Rowley; Mr Matthew Birmingham; Mr Robert McDowall and Mr Neil Harvey. **Noted**

2.2 Proposed Mandate for Finance Committee for 2014 tabled and considered. It was requested that the following executive functions of the Policy and Finance Committee be delegated to the Finance Committee without further referral:-

- a) To be responsible for postage stamp and coin issues and design approvals; and
- b) To deal with minor Grants not exceeding £5,000 excluding Event Grants (transferred to BDTM wef 2014).

RESOLVED unanimously to approve the Finance Committee mandate for 2014.

2.3 Proposed Mandate of Business Development, Tourism and Marketing Committee tabled and considered. It was requested that the following executive function of the Policy and Finance Committee be delegated to the Business Development, Tourism and Marketing Committee without further referral:

- a) To deal with minor Grants relating to Events not exceeding £5,000.

RESOLVED unanimously to approve the Business Development, Tourism and Marketing Committee mandate for 2014.

2.4 Committee Administration Report from the Chief Executive's Office dated 23rd January tabled and considered.

RESOLVED by a majority (Mr Jean had reservations) to approve expenditure of £19,170.00 from the Revenue account to purchase Modern.gov and Xpress software packages, to assist in providing a better, more efficient administrative service to the Committees of the States of Alderney. Chief Executive to deal.

2.5 By – Election 2014 Report from Chief Executive's Office dated 23rd January, with timetable attached tabled and considered. It was noted that 'The Government of Alderney Law, 2004, as amended' states under section 28(3) "*if a casual vacancy occurs among the members, the States shall appoint a day not later than 3 months after the vacancy occurs on which there shall be a by-election.....*".

RESOLVED to recommend to the States of Alderney that Saturday, 12th April 2014, be the proposed date to hold the by-election. Chairman to liaise with the President.

CE

FS/CE/Billet item

03/2014

Matters Arising**3.1 Matters arising from the minutes**

3.1.1 Code of Conduct Copy of the Code of Conduct for States Members as approved by resolution of the States of Alderney 16th December, 2009, tabled and discussed.

RESOLVED by a majority (Mr Jean against) to form a Panel comprising of Mr Simonet, Mr Birmingham, the President and the Chief Executive, to undertake a full review of the current Code of Conduct and report back to the Committee in due course. Chief Executive to deal.

CE

3.2 Committee feedback from Chairmen (B&DCC and ESC) and Guernsey Representatives

GSC It was noted that a full report would be given at the February meeting of the Policy and Finance Committee. **Noted**

BDCC It was noted that Arup has proposed a day seminar be held in March [date to be advised] for interested parties in the Law review. Further details to follow. **Noted**

3.3 Employment permit report – January (to date) tabled and **noted**. Mr Birmingham advised that the Employment Permit Consultation is to commence shortly, the consultation paper requires updating prior to being circulated for public consultation. **Noted**

Mr Birmingham reported that the employment figures for Q3/2013 had shown a 3.5% decrease in people employed on Alderney (in comparison to the same period in 2012). Mr Birmingham to provide an economic breakdown of the employment figures for a future meeting. **Mr Birmingham to deal.**

MB

3.4 Energy Review Proposal from Haley Hudson, Head of Service – Regulation Team, IPA Energy and Water Economics, dated 10.01.2014 on the delivery of the States of Alderney Strategic Plan 2014 for the Energy sector, tabled and considered.

RESOLVED unanimously to approve Part 1 of the proposal from IPA for the sum of £22,380. Chief Executive to investigate Alderney's eligibility for carbon credits. Chief Executive to deal.

CE

04/2014

Budgetary and Financial Matters

4.1 Management Accounts Treasurer gave a verbal update on the year end position as reported to the Finance Committee on the previous day. It was noted that the shortfall on the revenue account (subject to final transactions/closure of the accounts) was expected to be in the region of £60-£65K, significantly less than the £205K originally requested from the Strategic Development Reserve. The Committee were asked to consider whether to make a bid for the revised figure from the Budget Reserve or to fund this item from the Coin Reserve.

RESOLVED by a majority to fund the revised figure of up to £65,000 for the Strategic Development programme etc. from the Coin Reserve. Treasurer to deal.

TREASURER

4.2 Aged Debtors Report *See Confidential Annexure.*

4.3 Revenue Account Report - Potential Future Deficits *See Confidential Annexure.*

4.4 Timing Differences on Budgets – Financial Planning & Project Management
Letter from Mr Gavin St Pier, Minister Treasury and Resources, dated 20th December 2013 tabled and **Noted**

4.5 Referrals from General Services Committee

a. **Roads Resurfacing Contract 2014** Report from Superintendent of Works dated 13.01.2014 and recommendation from General Services Committee tabled and considered. Query raised as to whether the Guernsey Hill Climb and Sprint Club had been included in the consultation. States Engineer to advise.

RESOLVED to approve capital funding of £250,000 for the second tranche of the bi-annual contract for Road Surfacing Works by Ronez. Subject to approval from States of Alderney & Treasury & Resources. States Engineer and Treasurer to deal [Billet item – States Engineer to deal].

ENGINEER/BILLET

b. **Renewal of Water Main – Hauteville and St Martin's** Report from States Engineer dated 08.01.2014 and recommendation from General Services Committee tabled and considered.

RESOLVED to approve capital funding from Phase 4c 2014 project works to renew the existing water main along Hauteville and St Martin's including the renewal of all house supplies to all properties along this route for a sum not to exceed £54,000 from the 2014 States of Alderney capital grant. States Engineer and Treasurer to deal.

c. **Old Fire Station Roof – AEL Substation** Report from the States Engineer dated 14.01.2014 and recommendation from General Services Committee tabled and considered.

RESOLVED to approve capital funding not to exceed £26,700 for the reroofing of the northern part of the old fire station in St Martins. States Engineer and Treasurer to deal.

- d. **Replacement Water Tanker for Alderney Fire Brigade** Report from the Alderney Fire Brigade dated 16.12.2014 and the recommendation from the General Services Committee tabled and considered

RESOLVED to approve capital funding not to exceed £25,500 to purchase a replacement Water Tanker for the Alderney Fire Brigade. States Engineer and Treasurer to deal.

ENGINEER/TREASURER

05/2014

Business Development, Tourism & Marketing Matters

5.1 Business Development Activities – Be A Tiger proposals Mr Harvey reported on the marketing proposals for 2014 received from Be A Tiger for a sum of £1200 per month to include a review of the target criteria. It was noted that a suggested budget was required for the actual spend which would be discussed at the meeting scheduled in February **Noted. RESOLVED to approve the marketing proposals from Be A Tiger for 2014 at the cost of £1200 per month. Chief Executive and Treasurer to deal.**

CE/TREASURER

5.2 Transport Statistics – November and December 2013 tabled and noted.

5.3 Accommodation Permit Surrender Letter dated 09.01.2014 to the proprietors of the Belle Vue Hotel. **Noted**

RESOLVED to approve and ratify the decision to accept the surrender of the accommodation permit for the premises ‘Belle Vue Hotel’ with effect from the 10th December 2013. Chief Executive’s office to deal.

CE

5.4 Young Entrepreneur Scheme Mr Harvey verbally reported that unfortunately he had been unsuccessful in finding sponsorship for this scheme, although three mentors had been secured **Noted.**

RESOLVED to approve the additional funding of £5k in lieu of sponsorship to bring the total budget for this scheme to £10,000 from the 2014 Marketing budget. Mr Harvey and Treasurer to deal.

NH/TREASURER

5.5 Alderney Airfield Requete & Amendments The requete entitled ‘The Airfield in Alderney’ dated 31st October 2013; an amendment proposed by Deputy P A Harwood and seconded by Deputy K A Stewart and an amendment proposed by Deputy J Kuttelwascher and seconded Deputy R A Perrot, tabled and discussed. It was requested and noted that the notes from the Alderney Liaison Group meeting to be circulated to all members. **Noted. Chief Executive to deal.**

RESOLVED and approved that the unanimous support of the States of Alderney be given to the States of Deliberation for the requete for the airfield. Mr Jean and Mr Harvey as the States of Alderney Representatives in the States of Deliberation to deal.

CE/LJ/NH

10.55 hours Mr Le Ray entered the meeting.

06/2014

Alderney Airport Mr C Le Ray, reported on the history of the concerns expressed in the CAA audit report from 2008 of Alderney’s runways and the proposed engineering works required. It was noted that communication lines between Alderney and Guernsey needed to be improved as information was not always received prior to action taking place.

Mr Le Ray advised regarding drainage solutions being considered to deal with the water-logging on the long grass runway caused by the heavy winter rainfall. It was noted that this is ultimately a drainage issue and that the proposed solution is to remove the topsoil surface of the grass strip to a firm sub-base, improve the drainage and then re-lay the whole surface. This proposal is part of 2 elements of work that Public Services Department have got approved through the Capital prioritisation process and is to be worked into a business case to be submitted formally and internally to the States in approximately 3 weeks, which will be evaluated by Treasury and Resources and If approved will form part of the debate in the States of Deliberation in June as a Capital Priority A project. It was noted that it was possible that the requete and the

amendments, which were due to be discussed the following day, may recommend a different approach so depending on the outcome the process may be delayed. **Noted**

It was reported that the grass runway would be closed until March, however it was anticipated that the Grass Engineer will make recommendations on how to resolve temporarily the water logging and the grass runway may be opened sooner than otherwise expected, though resolving the undulations would be more of a problem. Mr Harvey raised queries concerning the main tarmac runway edges which it was noted were crumbling [spalling] especially where it was crossed by the grass runway. Mr Le Ray advised that these areas had been identified in the inspection carried out Easter 2013, but generally the main runway was in a good condition with the few joints that were opening on the tarmac, which were created last winter, being sealed in the near future. The importance of the grass runway was recognised especially in relation to the Fly-in (in June), Mr Le Ray advised that he would try to activate some remedy and will be extending the free parking and the reduction in landing fees again this year, and assured that he would try to assist commercially as much as possible. An update will be given early February regards the grass runway inspection and the Chief Executive will be updated to ensure improved communication. Concerns were raised regarding the Avgas supplies which it was noted was a concern in both islands (and Jersey). It was advised that the Channel Islands Competition and Regulatory Authorities (CICRA) were to undertake an independent market review on the Rubis avgas supply and that it was possible to progress talks with CICRA and AEL, though it was noted that Guernsey would prefer that the market for the supply of Avgas to the Islands was not opened to further fuel suppliers as this would have a detrimental effect on the market. **Noted**

11.35 hours Mr Le Ray left the meeting.

07/2014

Legislation and Conventions

7.1 **The Separation, Maintenance and Affiliation Proceedings (Alderney) (Amendment) Law, 2014** draft legislation tabled and considered.

RESOLVED unanimously for 'The Separation, Maintenance and Affiliation Proceedings (Alderney) (Amendment) Law, 2014' to be placed on the Billet d'Etat for the March meeting of the full States. Chief Executive's office to deal.

CE/Billet Item

7.2 **The Alderney (Application of Legislation) (Food and Drugs) Ordinance, 2014**

Draft legislation tabled and considered.

RESOLVED unanimously for 'The Alderney (Application of Legislation) (Food and Drugs) Ordinance, 2014' to be placed on the Billet d'Etat for the March meeting of the full States. Chief Executive's office to deal.

CE/Billet Item

08/2014

Alderney Renewable Energy Confidential letter to Mr M Richards, Alderney Electricity Limited dated 20.11.2013 from Mr N Horler CEO, Alderney Renewable Energy Limited tabled and considered. It was noted that ARE had concluded that the 4MW project was no longer commercially viable and that Alderney Electricity Limited were requested to give written consent to terminate the Power Purchase Agreement dated 26th June 201, pursuant to clauses 18.4 and 18.4.1 of the agreement. **Noted**

11.50 hours Mr Wilsenach, Mr Ellen and Mrs Burland entered the meeting

09/2014

Alderney Gambling Control Commission

9.1 **Appointment of Chairman and Commissioner**

RESOLVED to approve and ratify the appointment of Lord Richard Faulkner as Chairman of the Alderney Gambling Control Commission and Mr Christopher Moger QC as a Commissioner. Chief Executive to deal.

CE

9.2 **Budgeted Distributions 2014** Email from Treasurer dated 27th January 2014, together with distribution table from AGCC dated 22nd January, tabled and discussed. It was noted that the AGCC distribution total for 2013 amounted to £2,331,863. **Noted**

Mr Wilsenach advised re the conservative forecast figures for 2014 at £1,573,927 (net) compared to budget of £2M (partly due to the increased contingency for AeGL). It was noted that proactive marketing is now being launched to the industry, "Five Promises" document circulated. **Noted**

The Chairman thanked Mr Wilsenach, Mr Ellen and Mrs Burland for attending the meeting and stated that the Committee found their comments very useful.

12.15 hours Mr Wilsenach, Mr Ellen and Mrs Burland left the meeting.

10/2014 **States of Alderney Engagement Plan** for Community and Staff tabled as a reminder which was duly **noted**.

11/2014 **Any Other Business**

11.1 **Recruitment States Works** Report from States Engineer dated 23.01.2014 tabled and considered.

RESOLVED to approve that the position of Team Leader/Operative for Projects and Maintenance be advertised as in accordance with the recommendations of the Internal Audit. Chief Executive's office to deal.

CE

11.2 **Campsite** Mr Roberts requested that this item be placed on the agenda of the next meeting of the General Services Committee for discussion. **Chief Executives office to deal.**

CE

11.3 **Old Connaught Building** Noted that this building has now been vacated and requires a certain amount of maintenance to make it wind and water tight otherwise it will seriously deteriorate.

RESOLVED not to sell this States asset at this time but to instruct that a survey be made and works identified to make the property wind and water tight. Chief Executive and States Engineer to deal.

SE/CE

11.4 **UCP** See *Confidential Annexure*.

11.5 **Inheritance Laws** Chief Executive reported on a meeting scheduled for the next day with Advocate Ogier from Law Officers Chambers to take this matter forward. A report will be submitted to the next meeting of the Committee. **Noted**

11.6 **New Connaught Care Home** See *Confidential Annexure*.

/spp

Meeting closed: 12.50pm

Signed: Mr F Simonet

Date: 25th February 2014