

**POLICY AND FINANCE COMMITTEE MEETING
ANNE FRENCH ROOM
23rd MARCH 2015
0915 hours**

Mr N Harvey, Chairman
Mr F Simonet,
Mr G McKinley
Mr M Birmingham
Mr L Jean
Mr R McDowall
Mr C Rowley
Mr I Tugby
Mrs N Paris
Mr S Roberts

Mr W V Brownlees, Chief Executive
Mrs K A Hatcher-Gaudion, Treasurer
Miss Laura Gaudion, Minute Secretary

Apologies: Mrs S Pengilly-Price, EA to the Chief Executive, Mr B Adams, Interim States Engineer

ACTION

22/2015 **Minutes of the previous meeting** of 27th January 2015 tabled and **approved**.
Notes from the Finance Committee meeting – Circulated via email. **Noted**.
Notes from the Business Development, Tourism & Marketing Committee meeting – Tabled and **noted**.
Notes from Pension Trustees Meeting 27TH February 2015 – including the BWCI FRS17 Report dated 9th March 2015 (as circulated via email) - Tabled and **noted**.

23/2015 **Matters Arising**
15.1 Committee feedback from Chairmen (B&DCC and GSC) and Guernsey Representatives and Alderney Liaison Group
BDCC – Nothing to report.

GSC – SWD Management Team needing assistance in organising work load.

Guernsey Reps – The issue regarding paid parking has not been resolved. Personal Taxation & Benefits issues still to be discussed.

Alderney Liaison Group – No formal meeting this month. Mr Harvey, Mr Brownlees and Mr McDowall met with Mr St Pierre and Mr Darby regarding the Service Level Agreement. Awaiting information on figures from Mr Darby and Mr Ford in relation to providing similar fares to the GCI – GTW route.

15.2 Review of Financial Relationship Between Alderney & Guernsey – Report from Paul Veron dated 16th March 2015 tabled and noted.
The Committee discussed the review of the current financial relationship between the States of Alderney and the States of Guernsey, to ensure that it enables the provision of fit for purpose public services in Alderney, providing appropriate clarity and transparency. The consistent allocation and attribution of the overheads of each departments supply or supporting transferred share of overheads was a concern for the Committee, with Mr McDowall stating that they were aware of this issue. Progress reports will be reported through ALG to the P&F Committee.
The Committee approved the Terms of Reference.

10.15 Alan Fulford, Alderney Estates, joined the meeting.

23/2015 **The Jubilee & New Connaught Care Home** – Condition Report, Planned Maintenance Programme & Building Management Strategy dated March 2015 tabled and discussed. Mr Fulford reported that there are many building defects to the Jubilee building, and further design and construction issues with the New Connaught building. It was stated that the Jubilee, would never become an adequate modern care home that would meet the required standards, due to the overall layout, design and age of the building. However, the New Connaught is a purpose built brand new care home with design and construction deficiencies. The main issue to be dealt with first is fire precautions. **The Committee discussed and agreed the need for a Fire Audit to be the next course of action, and appropriate measures carried out as a matter of urgency. Further consideration regarding the future configuration of services, improvements works, and research into managing the contingent liability for the whole project to be discussed in due course. Further capital expenditure of £25k required in order to proceed with the essential fire precautions works and recommended plan of action. This will be taken from the £100k allocated to New Connaught Upgrade in the 2015 capital budget. Approved.**

CE/TREASURY/INTERIM ENGINEER

10.55 Alan Fulford left the meeting.

24/2015 **Budgetary and Financial Matters**
24.1 States of Alderney 2014 Accounts & Letter of Representation
 Report from Treasury dated 18th March 2015, States of Alderney 2014 Accounts and Letter of Representation tabled and noted. The Treasurer reported that the year-end resulted in a surplus of £13.1K on the revenue account, however it was noted that the VES Scheme had resulted in a reduced cash allocation from Guernsey which would have an effect over subsequent years. The Economic Development Reserve expenditure was lower than anticipated, however due to the method of funding the underspend will be rolled over into 2015. Overall Capital income exceeded expenditure by £613K, mainly due to slippage in the capital program. It was also noted that the income from planning fees were lower than the previous year, due to refunds, less building activity, and change in the charging structure. Mr McDowall stated that the additional capital costs relating to the Connaught/Jubilee, as reported earlier in the meeting, should be made aware to the Auditors. Mr McDowall, Mrs Paris and the Treasurer to meet and discuss the 2014 Voluntary Redundancy issues to assess the strength of the internal controls. **RESOLVED; unanimously to approve the 2014 States of Alderney Accounts and the Letter of Representation.**

TREASURY/RM/NP/BILLET ITEM

24.2 Annual Audit – As per year end accounts above. The Treasurer and Mr McDowall due to meet with KPMG on Wednesday for the post year end annual meeting and signing off of the Accounts – Noted.

24.3 Unforeseen Expenditure – St John Ambulance Review – Report from Treasury dated 12th March 2015, tabled and noted. It was advised that a draft report has been provided to the Board. **RESOLVED; unanimously to approve the cost of the review, at approximately £6.5K, to be charged to Unforeseen Expenditure 2015.**

TREASURY

24.4 School Bus – Additional Payment & New Contract – Letter from Head Teacher at St Anne’s School dated 10th March 2015 tabled and noted. It was requested that the States of Alderney would agree to subsidise the extra bus run for the coming half term. Treasury reported that this additional cost from 14th April to 22nd May 2015 – 28 days at £12 per day would result in £336.00. **It was noted that the tender for the new 3 year contract from September 2015 onwards will shortly be advertised and should incorporate the cost of the additional journey in conjunction with the Schools requirement once established.**

RESOLVED; unanimously to approve the additional cost of £336.00 for the extra bus journey for the April half-term, and to advertise for the new 3 year contract to include the additional journey as necessary.

TREASURY

24.5 AHA – Request for Leasehold Exemption – Report from Chief Executive’s Office dated 17th March 2015 tabled and noted. The Committee were sympathetic to the request and agreed that an enquiry into the exemption of the Guernsey Document Duty needed to be addressed by AHA in the first instance prior to consideration of approving an ordinance be drafted so that leases granted by a housing scheme are classified exempt. Item deferred for next meeting.

CE OFFICE/TREASURY

24.6 Proposed Remuneration Committee – Report from Neil Harvey dated 13th March 2015 tabled and noted. It was proposed that the Finance Committee would be appointed as the Remuneration Committee, to make recommendations to P & F. Mr Jean disagreed with this decision, stating that the issue should stay with P&F, all else in favour. Mr Stephen Taylor, as an independent consultant, to be invited to join the Finance Committee for this issue.

FC

24.7 Allied Aircrew Memorial – Letter from Allied Aircrew Memorial Committee dated 20th February 2015 tabled and noted.

The Treasurer advised that funding has not been included in the 2015 budget, but could be taken from Unforeseen Expenditure if necessary. It was also stated that Finance Committee only consider on Island grant applications, with this being based in Guernsey. Deferred to the Finance Committee to discuss further, and investigate if States of Guernsey has contributed to the memorial.

FC

24.8 AEL Directors Fees – Report from Treasury dated 18th March 2015 tabled and noted. The Committee discussed the Directors Fee of £7,500 payable to the States, which was reduced to a fee of £100 in 2013. Prior to making a decision regarding the 2014-2016 fee the members queried where the remainder of £7,400 of the original fee is used. Treasury to enquire from AEL, item deferred to next month’s meeting. Additionally it has to be clarified whether the £100 can be paid directly to the SoA rather than to the States appointed director, as in such a situation the director would have no contractual liability as there would be no contractual consideration. **Noted.**

TREASURY

25/2015

Business Development, Tourism & Marketing Matters

25.1 SEE CONFIDENTIAL ANNEXURE

25.2 Alderney Outlet – SEE CONFIDENTIAL ANNEXURE

25.3 Move to Alderney Campaign – Report from BDTM dated 3rd March 2015, tabled and noted.

It was reported that BDTM are in the process of focussing marketing efforts on the private aircraft owners. Mrs Paris advised that a small cost of £400 is required to obtain a database of aircraft owners in Southern England, which will come out of the budget already provided for 2015. Further plans to update the website and in-house work are underway.

RESOLVED; unanimously to approve this change of emphasis in the Move to Alderney campaign. Noted.

26/2015 **Legislation, Conventions and Policy**

a) The Cote d'Ivoire (Restrictive Measures) (Alderney) Ordinance, 2015 – Tabled and noted.

RESOLVED; unanimously to approve The Cote d'Ivoire (Restrictive Measures) (Alderney) Ordinance, 2015.

CE OFFICE

b) Criminal Justice Legislation – Probation Law – Tabled and noted. Approved via email with no additional comments.

Approval ratified.

CE OFFICE

27/2015 **ACRE** – Email from Mr Thornton to CE dated 25th February 2015 tabled and noted.

The Committee approved the formalisation of the upfront payment from Alderney Renewable Energy Ltd to Alderney Electricity Limited, and the necessary letter to be to be signed by P&F Chairman. **Noted.**

CE OFFICE

12.00 Robert Sillars, Guernsey States Member, and Jon Buckland, Chief Officer in attendance.

28/2015 **Education** – Report from Robert McDowall dated March 2015 tabled and noted.

It was reported that St Anne's School and the educational service it provides through the Guernsey Education Department is a key service for the Island. It was stated that the States of Alderney have a jurisdiction of responsibility for education on the Island. The Education Services advised that the concerns raised from both parents and pupils at St Anne's School have been acknowledged, and that the situation is being reviewed, with hope of improving the standard of the school. Mr Sillars and Mr Buckland return to Alderney on the 20th April 2015, and intend to update the Committee in a follow up meeting. **Noted.**

12.50 Robert Sillars and Jon Buckland left the meeting.

29/2015 **Alderney Air Services – Reliability**

It was noted that Mr Darby had cancelled his visit to meet with P&F today.

It was reported that AvGas should be back at Alderney Airport before the start of the summer season, and to help AEL to keep the Trilanders in the air. AEL Managing Director to supply uplift figures of the minimum requirement for Alderney to supply AvGas and JetA1 fuel. It was agreed that Mrs Paris would have responsibility for liaising with Mr Lancaster, and update the Committee via email. **Noted.**

NP

30/2015**Any Other Business**

Children Law Review – Report from Mr McDowall dated 6th March 2015 tabled and noted.

Special P&F – April 2015

The Committee agreed that a Special P&F will be held on the 14th April 2015 for the discussion of Transport Issues. **Noted.**

Quality In Tourism

Mrs Paris reported that the inspection and grading system for the accommodation standards is in place. The States of Alderney are in a contractual agreement with QIT for providing an Inspector. Inspections will be taking place from 27th March to 2nd April 2015, at no additional cost to proprietors. Participation in the star grading scheme is entirely voluntary and that this trial will be reviewed in the Autumn. Accommodation providers will be able to opt out of grading's being published if they wish. **Noted.**

Deputies Visit

Mr McKinley reported that it has been agreed that a maximum of 4 of the Guernsey Deputies are to visit Alderney at a time, for the duration of one day. Further arrangements to be made. **Noted.**

Guernsey Post

Mr Rowley reported that he is waiting for an update from the Guernsey Post regarding the Local Post Codes. **Noted.**

Alderney Literary Festival

It was reported that the weekend festival went very well. **Noted.**

31/2015**Press Releases**

- Alderney Representatives in the States of Guernsey
- Survey of Jubilee and New Connaught Care Home
- Debate on changes to Liquor Licensing Laws
- St Anne's School
- Accommodation Permit Scheme
- Transport Proposals

32/2015**For Information**

The following reports/letters were noted :-

- Employment Permit Report – March (to date)
- Summary of Management Accounts – January 2015
- Aged Debtors Report – Confidential Item
- Alderney Liaison Group - Membership
- ACRE Quarterly Report Update

Meeting closed: 3.45pm

Signed: Mr Neil Harvey

Date: 28th April 2015