

**POLICY AND FINANCE COMMITTEE MEETING
ANNE FRENCH ROOM
25th MARCH 2014**

0915 hours

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

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

ACTION

22/2014 **Minutes of the previous meeting** of 25th February 2014 tabled and **approved** subject to the following minor amendments:-

- Item 14.1 Management Accounts – Amend to read "...the minor *operating* surplus..."
- Item 14.5 Commemorative Bitcoin – Amend resolution deleting *undisclosed*, to read as follows "The Committee, Mr Jean had reservations, agreed..."

Confidential Annexure

- Item 14.2 Aged Debtors Report – Mr Jean queried the minute relating to the Royal Connaught Care Home as he recalled the States had agreed to pay for this year's audit; the Treasurer and Mr McDowall clarified that the Committee had agreed a grant towards audit fees in 2013 as it was a reduced audit through KPMG however no request for a grant has been received this year.
- Item 20/2014 Marina – Mr Jean stated that comments made by the Chairman has not been included in the minutes and requested a transcript of the item. The majority of the Committee, Mr Jean against, agreed that the minute is an accurate account of the item.

Notes from the Finance Committee meeting of the 17th March 2014 to be circulated by email. **Noted**

Notes of the Business Development, Tourism and Marketing Committee meeting of 3rd March 2014 to be circulated by email. **Noted**

23/2014

Matters Arising

23.1 Matters arising from the minutes

23.1.1 Code of Conduct Paper from the Chairman dated 20th March 2014 tabled and considered. It was noted that Mr Jean and Mr McDowall had submitted comment on the proposed changes to the Code of Conduct prior to the group meeting held.

Members agreed the following additional change:

- Item 23 Members Conduct Review Panel – Insert a *minimum of 3 members* of the population.

Item 25 – It was noted that there is already a procedure in place specified within the Government of Alderney Law relating to complaints against the President. **Noted**

RESOLVED by a majority (Mr Jean against) to adopt the amended Code of Conduct.

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

CE OFFICE/BILLET ITEM

23.1.2 Marina The Chief Executive advised that Mr Lee Dawson, a property developer, has been appointed to engage with the Committee and the Law Officers to negotiate Heads of Terms with Braye Harbour Developments Ltd.

It was noted that a time limit for the project will be specified in the Heads of Terms. **Noted**

23.2 Committee feedback from Chairmen (B&DCC and GSC) and Guernsey Representatives

BDCC Mr Birmingham advised that ARUP seminars took place and positive feedback has been received. A draft report on the Planning Review is expected in mid April. **Noted**

GSC Mr Tugby, Deputy Chairman of GSC, gave a brief update of matters discussed at the recent meeting of the Committee which included the future of the old Gaol and the installation of UV equipment at Longis sewer. **Noted**

23.3 Employment permit report – March (to date) tabled and **noted**.

23.4 Quarterly Reports

23.4.1 Alderney Commission for Renewable Energy Paper from Ms P Dixon, Chairman ACRE, dated 23rd March 2014 tabled and **noted**.
Mr Wordsworth to attend the next meeting of the Committee.

AGENDA ITEM

24/2014

Budgetary and Financial Matters

24.1 Management Accounts Revised revenue account sheet dated February 2014, with the correct date, was circulated at the meeting and **noted**.

24.2 States of Alderney 2013 Accounts and Letter of Representation Report from Treasurer dated 13th March 2014, States of Alderney Accounts 2013 and Letter of Representation dated 25th March 2014 tabled and considered.

RESOLVED unanimously to agree to approve the 2013 States of Alderney Accounts and the Letter of Representation, which was signed by the Chairman.

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

TREASURY/BILLET ITEM

It was noted that ACRE, AGCC and AeGL accounts will appear with the item on the Billet for information. **Noted**

The Chief Executive, on behalf of the Committee, thanked the Treasurer, her staff and all those involved for their efforts and hard work.

24.3 Aged Debtors Report Confidential report dated 11th March 2014 tabled and the following was **noted**:

- **Alderney Shipping and Channel Seaways** are up to date with payments therefore no longer on the report.
- **RCCH** rent paid up to date.
- **Huelin Renouf Shipping Co** (£23,567) relating to Harbour Dues etc. Balance of 2013 debt, claim with liquidators.
- **UCP** (£10,188) relating to rent and rates for the Old Connaught and Fort Albert. Forwarded to Law Officers for collection.

24.4 Revenue Account Report - Potential Future Deficits Confidential report dated March 2014 tabled and the following items **noted**:

- **Roads and Coastal Materials** (GSC) £20K – Emergency repairs required however the project may be capitalised as part of future coastal erosion scheme.

24.5 Referrals from General Services Committee

a. **Asbestos Survey** Paper from the States Engineer dated 5th March 2014 tabled and considered.

RESOLVED unanimously to approve an Asbestos Management Plan/Register covering 23 States owned buildings, through Capital funding to a sum not exceeding £22K.

ENGINEER/TREASURY

b. **Concrete Hardstanding at Recycling** Item deferred.

DEFERRED

- c. **Corporation Quarry** Paper from the States Engineer dated 5th March 2014 tabled and considered.

RESOLVED unanimously to approve option 2, concrete slab stage construction, and refurbishment works to the Corporation Quarry at a sum not exceeding £50K through capital funding.

ENGINEER/TREASURY

- d. **Inner Harbour Road Repairs** Paper from the Harbour Master dated 11th March 2014 tabled and considered.

RESOLVED unanimously to approve resurfacing works of the Inner Harbour roads being carried out by Ronez as part of their 2014 programme at a cost of £20K from Harbour capital funding.

HARBOUR MASTER/TREASURY

- 24.6 Airport Hangar Lease** Letter from Mr Rod Paris, Director Hangar 2 Ltd, dated 8th March 2014 tabled and considered.

RESOLVED unanimously to approve the extension of the lease to cover 50 years to Hangar 2 Limited on the same terms as previously agreed.

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

CE OFFICE/BILLET ITEM

- 24.7 General Sales Tax (GST)** Draft letter from Mr McDowell tabled and discussed.

It was noted that this issue, amongst others, will be raised at the Alderney Liaison Group meeting in Guernsey on the 4th April and the meeting with Deputy Gavin St Pier, Minister of T&R, and Deputy Alistair Langlois, Deputy Chief Minister, on the 17th April 2014. **Noted**

Members agreed to delay the draft letter being sent to the States of Guernsey as further information and an economic valuation is required on the impact GST would have on Alderney.

- 24.8 New Connaught Care Home** Email from the Treasurer dated 20th March 2014 tabled and discussed. The Chairman advised that a meeting took place with the Royal Connaught Board on the 19th March and the following matters from the meeting was noted:-

- Mr Colin Williams is the new Chairman of the Board with Ms Julie Maxwell remaining as a non-executive Director of the Board. The Home manager, Emma Gershon and Brendan Noone would be Executive Directors.
- The RCCH Board requested assistance towards the cost of an audit of 2013 accounts.
The Committee unanimously agree £3.5K from unforeseen expenditure to assist the RCCH Board with audit costs relating to the 2013 accounts.

TREASURY

- The Chairman will join a working party and report matters to the Committee.
- Discussions are being held with regards to building maintenance issues.

25/2014

Business Development, Tourism & Marketing Matters

- 25.1 Be A Tiger - Phase 2** Papers tabled and considered. Members noted that the funds had already been allocated in the budget. **Noted**

RESOLVED unanimously to approve up to £100K for New Business Development to be undertaken by Be a Tiger, to be allocated to the strategic development fund, once that had been agreed with T&R.

CE

- 25.2 Fort Albert Target Company Proposal** to operate a professional shooting range within Fort Albert tabled and discussed. Mr Jean stated that the future of Fort Albert would have to be determined as it is a major asset to the States and requires investment. **Noted**

The Committee agreed in principle to permit Fort Albert Target Company to assess the areas within Fort Albert in order to formulate a proposal for consideration subject to the following issue being addressed: funding, noise

nuisance, reputational risk, range safety, revenue and income projection, and evidence of means.

CE

25.3 Transport Group update Paper entitled Alderney Sea Passenger Transport tabled and discussed. Mr Harvey advised that the Transport Group met to discuss ways for sustainable low cost sea transport to stimulate the economy and a Public Services Obligation has been drafted.

The Committee was supportive of the Chief Executive sending out invitations to potential ferry operators to explore available options.

CE

Aviation – The Chief Executive advised that the Aviation report has been received from Mr Tim Coombs and is in the process of being assessed. Copies to be circulated to Members.

CE

25.4 Transport Statistics - February 2014 tabled and the Committee noted a 14% decline in passengers due to the increased weather restrictions. It was noted that Mr Harvey has written a letter to Deputy Gavin St Pier, Minister of T&R, regarding the stringent restrictions being imposed on Alderney airport by the CAA. **Noted**

CE

25.5 Economic Development Strategy - CONFIDENTIAL ITEM Confidential paper from the Chairman dated 21st March 2014 tabled and considered.

RESOLVED unanimously to approve to appoint Dr Andy Sloan, former economist to the Policy Council States of Guernsey, as adviser to the States of Alderney at a cost of no more than £30K funded from the strategic development fund. Chief Executive to deal.

CE

26/2014

Legislation and Conventions

26.1 Legislation Select Committee items It was noted that the following items, which may be of interest to Alderney, will appear on the Billet of the May meeting of the States of Deliberation:-

- Merchant Shipping (Bailiwick of Guernsey) (Amendment) Law, 2014
- Disclosure (Bailiwick of Guernsey) (Amendment) Ordinance, 2014
- Terrorism and Crime (Bailiwick of Guernsey) (Amendment) Ordinance, 2014
- Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) (Amendment) Ordinance, 2014
- Drug Trafficking (Bailiwick of Guernsey) (Amendment) Ordinance, 2014
- European Communities (Bailiwick of Guernsey) (Amendment) Ordinance, 2014
- Income Tax (Tax Relief on Interest Payments) (Guernsey) (Amendment) Ordinance, 2014

Chief Executive's office to deal.

CE OFFICE

26.2 Sanctions - Ukraine Paper from the Chief Executive's Office dated 10th March 2014 tabled and discussed. The Executive Assistant advised that UK Parliament have queried the Bailiwick of Guernsey not participating in bringing in the appropriate sanctions against Ukraine as this could be reputationally damaging. It was noted that the rest of the Channel Island have agreed to the sanctions against the Ukraine.

RESOLVED by a majority (Mr McDowall against) to support the drafting of an Ordinance to be laid before the Legislation Select Committee at the earliest opportunity to adopt the measures before being laid before the States of Deliberations.

Chief Executive's office to deal.

CE OFFICE

26.3 Health and Safety Policy Item deferred to a future special meeting with Mr Ian Dandy, Guernsey Health and Safety, in attendance.

DEFERRED/AGENDA ITEM

26.4 HGV Licences The Chief Executive advised that no progress has been made with the Environment Department with regards to a different type of licence for use in Alderney only.

The Committee agreed that a letter regarding the matter should be sent to the Environment Minister.

CE

27/2014	<u>Alderney Commission for Renewable Energy</u> Nothing to report.	
28/2014	<u>Alderney Electricity Limited - Avgas</u> Paper from Mr McDowall dated 20 th March 2014 and letter from Mr Harris, Chairman of AEL Board, tabled and discussed. The Committee were supportive of Mr Harvey and Mr McDowall to continue engagement with stakeholders to identify alternate suppliers for the future provision of AVGAS.	NH/RM
29/2014	<u>CIMREG</u> draft letter 'Channel Island renewable energy potential – access to UK market and support, tabled and approved . Chief Executive to deal.	CE
30/2014	<u>Government Response to the Justice Committee's Report</u> 'Crown Dependencies: Development since 2010 tabled and noted .	
31/2014	<p>Any Other Business</p> <p>31.1 St John Alderney Ambulance (SJAA) Mr Birmingham, States appointed Board member of SJAA, advised that SJAA is discussing changes to their funding and investigating the St John Guernsey model. The Chief Executive advised that SJAA is in the process of making changes to their operating model are considering the number of staff needed to attend. Noted</p> <p>Mr McDowall urged caution of replicating the St John's Guernsey model due to their significant pension deficit. It was also noted that the St John Alderney had no such pension issues. Noted</p> <p>31.2 Economic Data Report Mr Birmingham advised that this will be circulated to Members in due course for comment. Noted</p> <p>31.3 Education Department Report - The introduction of a universal entitlement to pre-school education circulated to Members by email and Mr McDowall advised that he would circulate his response to Members for comment.</p> <p>31.4 Alderney Foundation Documents circulated to Members by email tabled and discussed. The Committee agreed the works carried out thus far and endorsed in principle Mr McDowall to draft detailed rules and appointing of proposed trustees/councillors, to be considered at the next meeting.</p> <p>31.5 AEL Capital Funding Request Mr McDowall and the Chairman considered that a letter received on the 19th March from AEL regarding capital funding should be addressed by the Finance Committee before being considered by this Committee.</p> <p>The Chief Executive stated that the 10 year Asset Management Plan received from AEL in September 2013 has yet to be considered and agreed by this Committee and the full States. Noted</p> <p>31.6 People's Meetings Part Two The Committee debated whether these additional meetings with the public has been successful as well as changes which could be brought in to make discussions more effective, which included time limits for questions, written questions and Committees having separate open meetings. It was noted that only a small number of the Electorate attend People's Meetings and the same individuals raise questions each month. Noted</p> <p>31.7 Centenary of the First World War Mr Berry advised that he has made suggestions to the Royal British Legion regarding the commemoration of the centenary of the First World War and would report to Members at the next States in Committee meeting. Noted</p>	RM/AGENDA ITEM MB RM FC

31.8 SMILEGOV project Members were very supportive of this project and the Chief Executive advised the President is equally supportive and wants to engage in the project. **Noted**

31.9 Voluntary Early Severance update The Chief Executive advised that deadline for VES was Friday 21st March and 14 applications have been received (12 from States Works Department and 2 from the offices).

The applications will be assessed and the cost will likely be approximately £450K however the payback period will be less than 18 months. **Noted**

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Meeting closed: 12.10pm

Signed: Mr F Simonet

Date: 22nd April 2014