

Madam,

It is a privilege to make this first statement on behalf of the newly constituted Policy & Resources Committee. While only a couple of weeks have passed since we were first elected to our roles, I am pleased to provide an update on a number of ongoing issues, some new developments and a look ahead more generally.

I will start, though, with our commitment as the senior committee to our colleagues in this Assembly with respect to behaviours and values. We want to be open – open about our decision-making and intentions, open to suggestions and scrutiny, and open about our mistakes – because we will no doubt make some. We also want to work more collaboratively with committees and colleagues in the States to build consensus wherever possible.

For example, each principal committee and the STSB has a dedicated member of P&R who will work with them and represent their interests around our committee table; we will reformulate and refocus meetings between all committee presidents; and I will be available through one-to-ones and drop ins. This will, we hope, be particularly useful in the immediate task of building the 2026 budget – the timeline for which has been a little compressed by the recent general election.

We make a similar commitment with respect to openness with the community. We are working to establish better channels of two-way communication – not simply to explain our actions and priorities, but just as importantly to enable people to have more of a voice and feel more invested in what their government does.

As a Committee, and indeed as an Assembly, we are all intent on getting things done this term, and with that in mind, I want to recognise the contribution of our public service, which is too often understated. Alongside the demanding day-to-day responsibilities we ask of our public servants, it is important to acknowledge their successes and give credit where credit is due. In recent months, we've seen what many consider to be the most successful Liberation Day celebrations since 1945, the exemplary delivery of the General Election, and the Finance team's smooth transition to IPSAS accounting standards, to name just a few examples. While we cannot and will not shy away from the problems and challenges, it's worth remembering that there is also much to be proud of.

Deputy St. Pier will act as the Committee's Resources Lead, which not only encompasses financial resources but also human resources, so the States' role as an employer will be led by him.

In the spirit of openness, it's important also to acknowledge the areas where we have not yet got things right. Large transformation projects have proved particularly difficult for us as an organisation, and I'll go into more detail on one or two of those projects shortly. However, I'm encouraged by a new approach to change management that is

being developed within the civil service – one that places far greater emphasis on involving frontline staff. Just yesterday, the Revenue Service team, for example, were actively engaging on how best to tackle the long-standing operational challenges that have been widely reported. There is real potential here to shift how we deliver change, with those who do the work integral to the design and delivery of services to realise the significant opportunities for improvement.

The Head of the Public Service and I are fully aligned in our commitment to promoting the highest standards of professionalism between deputies and officers. While deputies have a prerogative to accept, reject or challenge the advice of officers, we must do so, please, with mutual respect and civility, and as elected representatives hold one another to that standard.

So, to some more specific priorities for the Committee.

In the current era of geopolitical uncertainty, strong regional, national and international relationships are more important than ever for small island jurisdictions like ours. Deputy Le Tocq has once again been elected as the Committee's Lead for External Relations and Constitutional Matters, a role in which he will put to good use his extensive experience in representing Guernsey in global forums and his diplomatic skills. Other members of the Assembly will also be asked to formally represent the island in various ways throughout the political term, and it's worth reiterating that all of us should be mindful of how our words and actions may be viewed from beyond our shores.

A lot of States resource has had to be focused on adapting to Brexit, and so that continues... About two months ago, the UK and EU announced their intention to negotiate a new arrangement to reset the relationship. Officials from across the States of Guernsey have been engaging with UK officials about the extent to which the UK-EU reset negotiations might impact our islands. Some elements, such as fishing access, will not affect Guernsey, as our position is settled and not in scope of the UK-EU reset discussions, but others will, such as border controls for goods.

We are hopeful, though, that we could see some benefits to us locally. For example, our young people could access the proposed youth mobility scheme, which would give them more opportunity to experience living and working in Europe for a time, and in turn enable young Europeans to work here, and the Erasmus Scheme too could give our younger generations opportunities in education and training. The Committee also believes that there is a good opportunity to diversify our imports by bringing in more goods from France, and in doing so strengthen our food security, reduce our carbon footprint and potentially improve affordability as well.

Here in our own patch of water, we are embarking on a similar reset of our relationship with our sister islands of Alderney and Sark through the Bailiwick Commission, to

reframe it in the context of the modern era and make it fit-for-purpose both now and for the future. We're grateful to both islands for confirming their willingness to engage with this process, and can give them our assurance in turn that it is a priority for us. We hope to agree the terms of reference at our meeting next week, following which we will be looking to engage commissioners.

In the meantime, this committee has agreed the terms of the government-to-government loan to Sark to purchase certain electricity assets in the island to allow it to generate and distribute electricity, as per the principle approved by the previous Assembly in the last States' meeting of that term. The loan will be issued on very similar terms to those issued to States trading assets and will be repaid over a period of 20 years. The money will enable Sark's government to undertake much-needed investment in its electricity grid and generation assets for its people, who rely heavily on electricity including for their domestic water supply.

Alderney's most pressing priority is its air connectivity. The Committee is rapidly assessing the feasibility, costs and timescales to extend the operational lifespan of the current Alderney runway and airport infrastructure. In the meantime, the pre-emptive patching work on the runway and pavement will continue in order to keep the runway safe and operational. We are also intent on agreeing a practical and sustainable longer-term solution for the island's air transport operations.

Back in Guernsey, there are several projects to which we are giving particular attention to help them through a difficult transition.

One of these – the Revenue Service – I have already touched on briefly, but will go into a little more detail now. The backlogs and other challenges have been well publicised, and I can assure members that these issues are being addressed as an immediate priority.

There's no overnight fix, but we are working on a number of different solutions, building on the feedback from staff and customers. While many solutions will be around how technology is utilised, it is as important that we look at the underlying processes and the customer experiences.

I have been reassured by the level of focus being given to this matter by the most senior officers in the organisation, alongside their Revenue Service colleagues, and am confident that the focused work underway and plans being developed will lead to tangible improvements. We will keep members and the public updated, and I expect by the time of my next committee statement in January to provide a positive report on the steps that have been taken.

Another area of significant challenge relates to IT. The States are terminating their contract with Agilisys with effect from the end of this month, for reasons relating to its performance. There are legal and commercial reasons that prevent me from sharing

more detail on that front, but States members have received a comprehensive briefing on the context of the decision as well as the ongoing actions to manage a successful transition to the new multi-vendor model.

Arrangements for the transition are on track, with a number of very experienced providers directly contracted to provide services, including C5 and JT. While the initial transition period is complex and sensitive, ultimately, this new model will provide greater flexibility and accountability. It will also improve our resilience as an organisation and provide a better experience for users. On that theme, the Committee is pleased to be able to advise the project to build the digital foundation for the States is well underway.

We are particularly mindful of the impact the contract termination is having on Agilisys staff. While this is obviously not the appropriate place to delve into details of employment matters, I can assure members that all of those people affected have been contacted by our team and that broadly speaking the IT needs have not changed, so for the majority of the staff involved, comparable roles have been made available, either within the States or with partner vendors.

There has rightly been some focus on the governance around this transition, and I can confirm that the Committee is putting in place appropriate political oversight and constructive challenge that aligns with the Scrutiny recommendations. We are grateful to a number of States members for expressing an interest in supporting this work, and we do intend to make use of relevant skills and experience within this Assembly. We remain keen to make the most of members of the Assembly in the areas they can add most value, on this particular subject and others, and we will keep in touch with those individuals as we develop plans in more detail.

One of P&R's most pressing priorities is to further explore with a view to ultimately settling the issue of sustainable taxation – the importance of which was underscored by yesterday's debate on the States' Accounts. Deputy Parkinson will lead a subcommittee that will also include Deputy St. Pier to look at the potential options for Guernsey and Alderney, and he is determined to make this process as open and transparent as possible. Deputy Parkinson is keen to include independent experts in the process, and to make them available to talk with and answer questions from the public and business community. He has plans to hold open meetings where that is possible and practical, in order to shine a light on his subcommittee's workings and help the community to feel more engaged with the work that is being carried out, because whatever the eventual proposals, this public involvement and understanding is an essential component.

A project I will continue to be involved with is Offshore Wind – and Deputy Blin has kindly agreed to continue as the political lead on its delivery on behalf of P&R. It's clear that this project does have considerable potential for revenue raising, but there is a lot of work to do before its feasibility and timelines can be confirmed, so I'm grateful to

Deputy Blin for his commitment to continuing this work. I'm pleased to report that we are now working with Alderney on a more formal basis to ensure that we optimise the potential for the Bailiwick through this work, and cut out unnecessary duplication.

I'm also keen to ensure that we don't lose sight of the things that make a real difference to people's lives, through better co-ordinated policies that support the community, whether that's through family-focused initiatives, investment in skills development and lifelong learning, and the wider determinants of health to underpin a vibrant economy and make Guernsey a great place to live for young and old alike.

While we're actively working on how to better focus the Government Work Plan and develop that longer-term vision for the Island, it's clear that a top priority is of course housing, which is an essential foundation for a strong economy and social wellbeing.

With that in mind, I'm delighted to be able to announce that the States and the Channel Islands Co-op have agreed a deal that will ensure that the long-awaited development of Leale's Yard can at last be progressed.

The States will buy the site for £4.5m with an aim of starting demolition work within 12 months. As an immediate priority, P&R will work with the Committee for the Environment & Infrastructure and the Committee for Housing to significantly upgrade infrastructure in the area, which is absolutely key to getting this development right, and actually opens up the potential for huge improvements in connectivity, amenity and indeed quality of life.

Conditions of sale have been signed and both parties expect the conveyance to be finalised by mid-August. I'm keen to give credit to the former Policy & Resources Committee which negotiated the purchase.

The Co-op will retain a small section of the site to develop for housing and has committed to beginning this work within 18 months.

Leale's Yard is covered in planning terms by a Development Framework, which sets out a mix of uses including commercial as well as housing. That won't change, but the overall layout and design is likely to vary from the outline planning permission already in place.

This site is essential in terms of its strategic importance, especially in the context of the regeneration of the Bridge, the improvement of the transport network, and the provision of different types of housing to help meet the needs of the community.

Madam, while we as an Assembly know there are difficult decisions ahead, I feel confident that, by working together with a can-do spirit, we can face those challenges and make the most of the opportunities for the people of the Bailiwick.

Thank you, and I look forward to any questions Members may have on the mandate of the Policy & Resources Committee.