



BILLET D'ÉTAT

XX
2000

WEDNESDAY, 27th September, 2000

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BILLET D'ÉTAT

**TO THE MEMBERS OF THE STATES OF
THE ISLAND OF GUERNSEY**

I have the honour to inform you that a Meeting of the States of Deliberation will be held at the **ROYAL COURT HOUSE**, on **WEDNESDAY**, the **27th September, 2000**, immediately after the Meeting already convened for that day.

PROJET DE LOI

ENTITLED

THE HUMAN RIGHTS (BAILIWICK OF GUERNSEY) LAW, 2000

The States are asked to decide:-

I.—Whether they are of opinion to approve the Projet de Loi entitled “The Human Rights (Bailiwick of Guernsey) Law, 2000”, and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

ENTITLED

THE CHILDREN AND YOUNG PERSONS (AMENDMENT) (GUERNSEY) LAW, 2000

The States are asked to decide:-

II.—Whether they are of opinion to approve the Projet de Loi entitled “The Children and Young Persons (Amendment) (Guernsey) Law, 2000”, and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

PROJET DE LOI

ENTITLED

THE APPOINTMENTS BOARD (REPEAL) (GUERNSEY) LAW, 2000

The States are asked to decide:-

III.—Whether they are of opinion to approve the Projet de Loi entitled “The Appointments Board (Repeal) (Guernsey) Law, 2000”, and to authorise the Bailiff to present a most humble Petition to Her Majesty in Council praying for Her Royal Sanction thereto.

THE ISLAND DEVELOPMENT (SHELTERED HOUSING USE CLASS) ORDINANCE, 2000

The States are asked to decide:-

IV.—Whether they are of opinion to approve the draft Ordinance of the States entitled “The Island Development (Sheltered Housing Use Class) Ordinance, 2000”, and to direct that the same shall have effect as an Ordinance of the States.

THE SOCIAL SECURITY (RECIPROCAL CONVENTION WITH REPUBLIC OF KOREA) ORDINANCE, 2000

The States are asked to decide:-

V.—Whether they are of opinion to approve the draft Ordinance of the States entitled “The Social Security (Reciprocal Convention with Republic of Korea) Ordinance, 2000”, and to direct that the same shall have effect as an Ordinance of the States.

**THE ELECTRONIC TRANSACTIONS (GUERNSEY) LAW, 2000
(COMMENCEMENT) ORDINANCE, 2000**

The States are asked to decide:-

VI.—Whether they are of opinion to approve the draft Ordinance of the States entitled “The Island Development (Sheltered Housing Use Class) Ordinance, 2000”, and to direct that the same shall have effect as an Ordinance of the States.

STATES COMMITTEE FOR HOME AFFAIRS

FEEES FOR LICENCES ISSUED UNDER SECTION 20A OF THE FIREARMS (GUERNSEY) LAW, 1998

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

31st July, 2000

Sir

FEEES FOR LICENCES ISSUED UNDER SECTION 20A FIREARMS (GUERNSEY) LAW, 1998

Introduction

1. Fees for the grant, renewal and variation of firearm and shotgun certificates are set out in the Firearms Ordinance 1987.
2. The Committee for Home Affairs proposes to introduce fees for the grant, renewal and variation of licences permitting the possession of a loaded shotgun in a public place.
3. In July 1998 the States approved a Projet de Loi entitled "The Firearms (Guernsey) Law 1998". During the debate the question was raised as to whether hunting with a shotgun on public land was lawful.
4. The Law Officers advised that anyone hunting with a shotgun on public land would be committing an offence under Section 17 of the 1983 Firearms Law (which was replicated by Section 20 of the 1998 Law).

5. In September 1999 the States accepted a recommendation from the Committee for Home Affairs that the Firearms (Guernsey) Law 1998 be amended to provide that a person would not be guilty of an offence under Section 20 of having a loaded shotgun in a public place if he holds a licence granted by the Chief Officer of Police and provided that he also holds a shotgun certificate.
6. The Firearms (Guernsey) Law 1998 has now been amended and includes a new Section 20A which deals with the issue of licences permitting the possession of a loaded shotgun in a public place. Such licences will be subject to appropriate conditions and will allow the sport of hunting. Section 20A(8) provides for fees for the grant, renewal and variation of such licences to be set by Ordinance.

The level of fees

7. Section 6 of the Firearms Ordinance 1987 sets the following fees for the grant, renewal and variation of firearm and shotgun certificates.

Grant	-	£15.00
Renewal	-	£5.00
Variation	-	£5.00

8. The Committee for Home Affairs recommends that identical fees be charged for the grant, renewal and variation of licences issued under Section 20A of the 1998 Law.
9. The above fees have not been changed since 1987 and the Committee intends to review them in due course.

Administration and financial implications

10. The introduction of the new licences will initially place extra work on the firearms licensing department. However, as the applicants for such licences will normally already be in possession of a shotgun certificate this extra work should not be significant. There will be no staffing implications.

Recommendation

11. The States are recommended to introduce the following fees for the grant, renewal and variation of licences issued under Section 20A of the 1998 Law:-

Grant	-	£15.00
Renewal	-	£5.00
Variation	-	£5.00

12. I am grateful for your permission to present both this policy letter and the Ordinance required to impose the fees to the same meeting of the States.
13. I have the honour to request that you will be good enough to lay this matter before the States with appropriate propositions.

I am, Sir,
Your obedient Servant,
M. W. Torode
President,
States Committee for Home Affairs.

The States are asked to decide:—

VII.— Whether after consideration of the Report dated the 31st July, 2000, of the States Committee for Home Affairs, they are of opinion:-

1. That the following fees shall be introduced for the grant, renewal and variation of licences issued under section 20A of the Firearms (Guernsey) Law, 1998, as amended:-

Grant	-	£15.00
Renewal	-	£5.00
Variation	-	£5.00.
2. To approve the draft Ordinance entitled "The Firearms (Fees) Ordinance, 2000", and to direct that the same shall have effect as an Ordinance of the States.

STATES BOARD OF HEALTH

NEW PRESIDENT

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

16th August, 2000.

Sir

It is with deep regret that I ask you to place my resignation as President of the Board of Health before the States.

The Board of Health is the largest revenue committee in terms of budget and staff and it has been a privilege to serve as its President for the last two and a half years. It is not, however, an easy role to perform. There is constant pressure from patients to provide more services and to do more for the staff but at the same time there is the pressure to keep down the expenditure and manage with existing staffing levels. I wish my successor well but warn him or her that it's not a popular role.

Whilst I have been well and loyally served by the Board's management and staff and by Board members, past and present, I regret that I find myself in a situation where I am unable to continue to work with some of the current Board members.

My profound belief is that the Board should make policy and determine priorities for resource allocation, it should monitor the appropriateness and effectiveness of the services it provides and it should act as the final arbiter in cases of discord on operational matters. It should not, however, become embroiled in day to day operational matters; these should be left to the management. I also believe that the role of President should include the responsibility to make public comment on behalf of the Board and take such action as the incumbent considers that the Board will support. It has been made clear to me that a number of my Board members, including my Vice President, do not share either of these views.

It is no secret that I find the current committee system inappropriate for running a health service. I would prefer a ministerial system. I do not however advocate, as has recently been implied, that there is no role for politicians in the setting of policies and budgets for health services, only that they should not become involved in the detailed day to day management issues. Unfortunately, some members of the Board have taken the opportunity of the recent personal comments I have made in the media to bring matters to a head and challenge my views and my style of leadership. In all conscience, I cannot change either, as I would not then be able to do the job of President as I believe it should be done. Neither, however, do I

believe that I can continue with a split Board, as this would not be fair to the staff who work for us or the people we serve.

I would like to take this opportunity to express my special thanks to Dr Richards, an enlightened Board member who has been unwaveringly loyal, dedicated and hard-working for my predecessor and myself throughout his five years on the Board and who is also tendering his resignation at this time. I also thank Mrs Morgan who, in her relatively short time as a Board member has proved invaluable, and Deputy Walters for his efforts to keep the Board together. Finally, I would like to thank my Chief Executive and the management team and staff of the Board of Health for their continuing hard work and support.

I shall, of course, continue to carry out the duties of President until such time as a successor is elected, despite the difficulties I foresee. Thereafter, I shall continue to strive for what I believe to be right for Guernsey, including its health services, as a Deputy for St Peter Port.

I have the honour to request that you will be good enough to place the appropriate propositions before the States and request that the matter of my resignation be debated by the States.

I am, Sir,
Your obedient Servant,
B. RUSSELL,
President,
States Board of Health.

The States are asked:—

- VIII. 1. To accept the resignation of Deputy B. Russell as President of the States Board of Health.
2. To elect a sitting member of the States as President of that Board to complete the unexpired portion of the term of office of Deputy B. Russell, namely, to the 31st May, 2002.

STATES BOARD OF HEALTH

NEW MEMBER

The States are asked:—

- IX.— To elect a member of the States Board of Health, who need not be a sitting member of the States, to complete the unexpired portion of the term of office of Dr. P Richards, who has resigned as a member of that Board, namely, to the 31st May, 2002.

STATES CIVIL SERVICE BOARD

NEW MEMBER

The States are asked:—

- X.— To elect a sitting member of the States as a member of the States Civil Service Board to complete the unexpired portion of the term of office of Deputy M. E. W. Burbridge, who has resigned as a member of that Board, namely to the 31st May, 2002.

STATES ADVISORY AND FINANCE COMMITTEE

THE GAMBLING (GUERNSEY) LAW, 1971

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

8th August, 2000

Sir

THE GAMBLING (GUERNSEY) LAW, 1971

1. The Guernsey Financial Services Commission has reported to the States Advisory and Finance Committee in the following terms.
2. *“Gambling in the island of Guernsey is controlled under the Gambling (Guernsey) Law, 1971 (“the Gambling Law”). This Law provides, amongst other matters, for a general prohibition on gambling and enables the States of Guernsey to make Ordinances in order to make lawful, license and regulate specific and appropriate gambling activity. Accordingly, businesses such as betting shops are licensed and regulated by the Gambling Control Committee. The Gambling Law also contains a provision that gambling contracts are unenforceable. Such a provision is found in the gambling laws of a number of jurisdictions including, for example, Jersey and the United Kingdom. However, the Commission understands that a number of jurisdictions in Europe, including Jersey and the United Kingdom, have passed specific legislation to the effect that certain types of financial contract are not unenforceable by virtue of their gambling laws.*
3. *The development of ever more sophisticated forms of financial transactions, the development of increasingly more complex financial instruments and products, the expanding number of international financial services businesses establishing operations in Guernsey, together with the increasingly global client base of Guernsey’s financial institutions, all lead the Commission to conclude that amendment of the Gambling Law is necessary to ensure the enforcement of legitimate financial transactions. International corporations and practitioners, when choosing a jurisdiction in which to base their business or the business of their clients, are desirous of having legislation which is*

easily understandable. Consequently, there are certain features which corporations and practitioners (and, by extension, their clients) would prefer to see explicitly stated in Guernsey law but which are not contained in the island's legislation. In the absence of explicit statements, corporations and practitioners do not feel certain that all investment contracts will be enforced by the Courts.

4. *In this connection, the Commission is aware that some financial institutions have expressed concern about establishing operations in Guernsey because of the absence of legislation specifically exempting investment contracts from falling under the gambling legislation. The consequence of this is that some financial services businesses which would meet the policies of selectivity adopted by the Commission will increasingly use other jurisdictions instead of Guernsey. Some institutions based on the island have also expressed concern.*
5. *In addition, it is likely that an absence of such legislation could ultimately tarnish Guernsey's international reputation as a suitable jurisdiction for financial services business; the Commission is aware that this matter is becoming well-known internationally."*
6. The Committee agrees with the views and concerns expressed by the Commission, and the Committee therefore proposes that the Gambling Law should be amended in order to clarify that investment contracts do not constitute gambling where they are entered into by one or more of the parties by way of business. The Committee concurs with the Commission, which considers that investment contracts for the purposes of the proposed amendment should include not only securities, derivatives and other investments but also rights under contracts of insurance, rights under contracts for deposits and rights under contracts for credit secured on land. This approach is similar to that adopted in Jersey and United Kingdom law. It is likely that the definition of investment activity vis-à-vis gambling legislation will continue to evolve in the British Isles and internationally.
7. The Committee further proposes that the States of Guernsey should be able to amend the definition of investments in the Gambling Law by Ordinance.
8. The Committee, therefore, recommends that the States of Guernsey approve legislation clarifying that investment contracts are not unenforceable by virtue of the Gambling Law.
9. The Advisory and Finance Committee has consulted with the States Gambling Control Committee on the foregoing matters and the Gambling Control Committee supports the Committee's proposals. It should be noted that both Committees have considered the public policy issues arising from the proposals, in particular where the line should be drawn between enforceable investment contracts on the one hand and illegal gambling transactions on the other. In this regard, both Committees are satisfied that the legislation recommended in the report and the specific statutory exemption of lawful investments from constituting gambling will enable the Gambling Control Committee to retain adequate control over gambling activities.

10. The Committee therefore recommends the States to agree that the Gambling (Guernsey) Law, 1971 should be amended so as to make it clear that investment contracts are not unlawful, void or unenforceable by virtue of that Law.

I have the honour to request that you will be good enough to lay this letter before the States together with appropriate propositions, including one directing the preparation of the necessary legislation.

I am, Sir,
Your obedient Servant,
L. C. Morgan
President,
States Advisory and Finance Committee.

The States are asked to decide:—

- XI.— Whether, after consideration of the Report dated the 8th August, 2000, of the States Advisory and Finance Committee, they are of opinion:-
1. That the Gambling(Guernsey) Law, 1971, shall be amended so as to make it clear that investment contracts are not unlawful, void or unenforceable by virtue of that law.
 2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

STATES ADVISORY AND FINANCE COMMITTEE**TEMPORARY VARIATION IN RATES OF IMPÔTS**

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

17th August, 2000.

Sir

TEMPORARY VARIATIONS IN RATES OF IMPÔTS

Whenever the Advisory and Finance Committee intends to recommend an increase in impôt rates in the annual Budget of the States it may exercise powers under Section 1 of the Impôts (Temporary Increase of Rates) (Guernsey) Law 1971 ("the 1971 Law"), as amended by the Indirect Taxes, Duties and Impôts (Miscellaneous Amendments and Repeals) (Guernsey) Law, 1974, to effect a temporary increase by Order between publication of the Budget Billet d'Etat and consideration by the States of the Budget Report. This procedure works satisfactorily as long as the States concludes the Budget debate by the end of the day on which the temporary increase Order ceases to have effect.

If, as happened in December 1999, the debate has not been concluded on that day, action is required to extend the rates imposed by the temporary Order until such time as the States finally resolve on whether they will or will not approve them as part of the Budget. The required procedure is set out in Section 1 (1) of the amended 1971 Law and was followed in December 1999, the consequent Ordinance being part of Guernsey law for a twenty-four hour period.

It was apparent at the December 1999 States meeting that the procedure was not as clear to States Members as it might have been and that some members regarded it as unsatisfactory. The Advisory and Finance Committee is therefore recommending a simple amendment to the 1971 Law so that any temporary variation Order ("variation" rather than "increase", as a temporary rate might represent a decrease) continues to have effect until the States have finally resolved on the Budget propositions. Following consultation with the Law Officers of the Crown, the Committee believes that this may be achieved by the straightforward substitution of the words "at the conclusion" (of the next meeting of the States) for "on the day" (of the next meeting of the States) in section 1 (1) of the Impôts (Temporary Increase of Rates) (Guernsey) Law 1971. This would effectively remove the need for the extending Ordinance referred to above.

Recommendation

The Advisory and Finance Committee, therefore, recommends the States to agree that section 1 of the Impôts (Temporary Increase in Rates) (Guernsey) Law 1971, should be amended as set out in this report.

I have the honour to request that you will be good enough to lay this matter before the States, together with appropriate propositions including one directing the preparing of the necessary legislation.

I am, Sir,
Your obedient Servant,
L. C. MORGAN,
President,
States Advisory and Finance Committee.

The States are asked to decide:—

- XII.— Whether, after consideration of the Report dated the 17th August, 2000, of the States Advisory and Finance Committee, they are of opinion:-
1. That section 1 of the Impôts (Temporary Increase in Rates) (Guernsey) Law, 1971, shall be amended as set out in that Report.
 2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

STATES ADVISORY AND FINANCE COMMITTEE

DIVORCE FOR SARK DOMICILED AND RESIDENT PERSONS

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

23rd August, 2000.

Sir,

DIVORCE FOR SARK DOMICILED AND RESIDENT PERSONS

H.M. Procureur has written to me in the following terms:

"At the Michaelmas meeting of Chief Pleas it was resolved that the current exclusion of Sark from the divorce jurisdiction of the Court for Matrimonial Causes should be removed by further amending the Matrimonial Causes Law (Guernsey), 1939, as amended.

When originally enacted, the 1939 Law made it impossible for the Court for Matrimonial Causes to grant a decree of divorce where one or both of the spouses was domiciled in Sark. Amendments made in 1979 relaxed that total prohibition by enabling a person wishing to divorce to leave Sark to become domiciled in Guernsey or Alderney, or to become habitually resident in either Island for a period of at least one year, prior to petitioning for divorce notwithstanding that the spouse remained domiciled in Sark. Chief Pleas have decided that there is no longer any justification for maintaining the barriers to obtaining a divorce for persons domiciled in Sark and are requesting that the 1939 Law be modified accordingly.

Given the system of real property ownership in Sark, which Chief Pleas wish to preserve, consequential amendments to Part VIII of the Law (property and contributions for support) will be required. Properties are to remain undivided and impartable. However, in derogation from the terms of the Letters Patent of 1611 prohibiting the creation of encumbrances, the Court for Matrimonial Causes should be empowered, where appropriate, to order security over real property in Sark.

The Royal Court, and in particular the judges of the Court for Matrimonial Causes, has been consulted and foresees no difficulties in making the amendments sought by Chief Pleas.

I take the view that a Resolution of the States of Deliberation is necessary containing a direction to prepare the necessary legislation."

The Advisory and Finance Committee concurs with the view expressed by H.M. Procureur.

The Committee, therefore, recommends the States to agree that The Matrimonial Causes Law (Guernsey) 1939, as amended, be further amended on the lines set out in this report.

I have the honour to request that you be good enough to lay this matter before the States with appropriate propositions, including one directing the preparation of the necessary legislation.

I am, Sir,
Your obedient Servant,
L. C. MORGAN,
President,
States Advisory and Finance Committee.

The States are asked to decide:—

XIII.—Whether, after consideration of the Report dated the 23rd August, 2000, of the States Advisory and Finance Committee, they are of opinion:-

1. That the Matrimonial Causes Law (Guernsey) 1939, as amended, shall be further amended on the lines set out in that Report.
2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

STATES BOARD OF HEALTH

PRINCESS ELIZABETH HOSPITAL – REFURBISHMENT OF STERILE SERVICES DEPARTMENT

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

18th August, 2000.

Sir,

Princess Elizabeth Hospital - Refurbishment of Sterile Services Department

Introduction

1. This project was identified in the Board's policy letter on the revised site development plan which was approved in principle by the States in July 1999.
2. The Sterile Services Department at the Princess Elizabeth Hospital was built some 25 years ago and needs to be upgraded in order to bring the department up to modern standards and ensure continuation of the service which undertakes sterilisation of instruments, dressings etc. for use in the operating theatres, wards and other Board services. It is essential to ensure that both patients and staff continue to be protected, as far as is practicable, from the 'newer' healthcare infections such as HIV, CJD and Hepatitis B and C. The proposed upgrading will address this issue by minimising these risks and effecting improved standards to meet higher patient expectations.
3. Three important aspects of the project involve removal of encapsulated asbestos, provision of separate clean and dirty areas within the department and upgrading to ensure rigorous environmental standards are met for safe packing, preparation and sterilisation of medical/surgical instruments and equipment. The latter includes the installation of a positive pressure air-conditioning system to ensure the utmost sterility.

4. A plan showing the current and proposed layout for the Sterile Services Department is shown in Appendix 1.

Description of Works and Tendering Process

5. The main elements of the project are as follows:
- provision of clean and dirty areas within the department to ensure their total separation;
 - removal of asbestos in the ceiling void used for fire separation and replacement with a suitable material;
 - replacement of air conditioning plant to allow a positive pressure air flow from the clean to dirty areas within the department;
 - modification and extension of existing electrical, fire alarm, plumbing and drainage installations;
 - supply and installation of benching with impervious services, suitable racking and shelving;
 - supply and installation of suspended ceilings;
 - supply and fitting of replacement floor coverings.
6. The Board sought tenders from four firms for the asbestos removal work and four tenders were received as follows:

Clarence Industrial Services	£31,320
Crossways Environmental Services	£32,750
Vectra N Jones	£37,450
Pectal	£38,250

Following evaluation, it is recommended that this element of the project be awarded to Clarence Industrial Services in the sum of £31,320. This is the lowest tender and they have wide experience of working in hospitals and carried out the asbestos removal in the industrial corridor of the Princess Elizabeth Hospital in early 1999. At that time, some work within the adjacent Sterile Services Department was involved. They, therefore, have an understanding of the operational requirements of that department and will be able to organise their work in such a way as to minimise disruption to the service. Their previous experience in hospitals showed its value when they undertook the work on the industrial corridor and is even more relevant for this project.

7. As regards replacement of the air conditioning plant, the Board wishes to use Air Handling Systems for this element of the project. In recent years their units have been installed in the operating theatres, intensive care unit and nuclear medicine department at the Princess Elizabeth Hospital. This is a quality product with ease of maintenance and there are obvious benefits of installing equipment of a similar nature to that already in use on the site. These include reduced maintenance costs. A quotation from Air Handling Systems in the sum of £19,666 has been obtained for the air conditioning plant.
8. The Board sought tenders from three firms for ventilation ductwork and two tenders were received as follows:

Guernsey Ducting and Manufacturing Ltd.	£25,160
Building and Technical Services Ltd.	£27,975

Following evaluation, it is recommended that this element of the project be awarded to Guernsey Ducting and Manufacturing Ltd. in the sum of £25,160.

9. The Board obtained quotations from four firms for specialist racking/shelving but only one met the Board's stringent specification that the system be appropriate for current usage and lend itself to stock control automation in the longer term. This firm is Sintek Ltd and the Board wishes to accept their quotation in the sum of £36,786.
10. The Board intends to undertake the building work at a cost of £152,583 using a combination of its own directly employed staff and outside contractors. The latter will be used for some of the specialist elements of the work in addition to those already described above (eg. floor coverings, ceilings, security equipment, fire alarm installations) for which quotations will be obtained as appropriate, in accordance with States procedures.
11. The main cost elements of the project, as estimated by the Board's Estates Department and the Department of Architecture, are set out below:

	£
Superstructures	29,630
Internal finishes	28,872
Fittings (includes specialist racking/shelving)	67,000
Services (includes air conditioning plant and ventilation ductwork)	91,454
External works (includes asbestos removal)	38,559
Contingencies	<u>10,000</u>
TOTAL	265,515

The scheme, including commissioning, will have a duration of approximately 30 weeks.

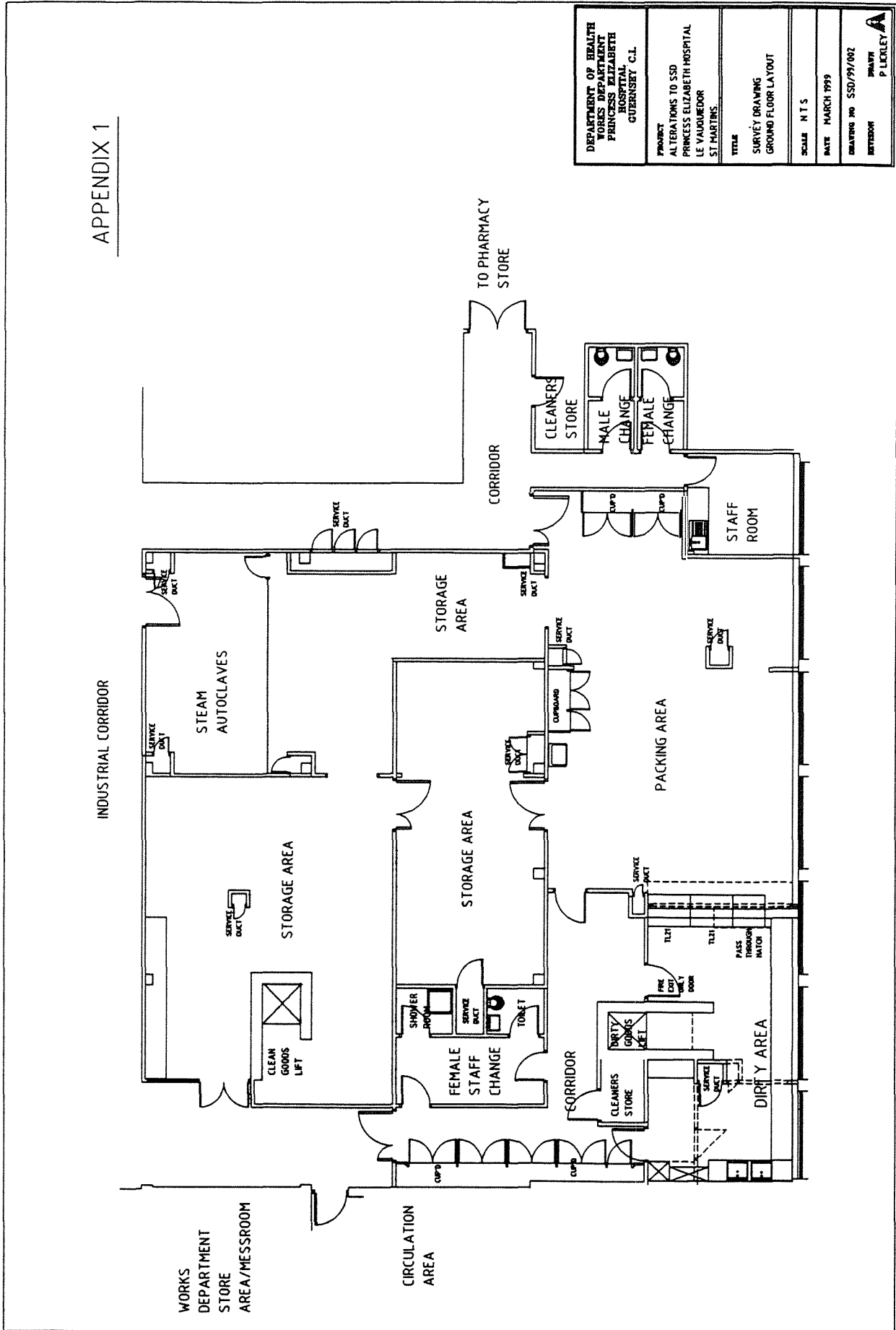
Recommendations

12. The Board of Health requests the States:
- i. to authorise the work required to refurbish the Sterile Services Department at the Princess Elizabeth Hospital;
 - ii. to authorise the Board to accept the tender submitted by Clarence Industrial Services in the sum of £31,320 for the asbestos removal;
 - iii. to authorise the Board to award the supply of the air conditioning plant to Air Handling Systems, in the sum of £19,666;
 - iv. to authorise the Board to accept the tender in the sum of £25,160 submitted by Guernsey Ducting and Manufacturing Ltd. for the ventilation ductwork;
 - v. to authorise the Board to award the supply of specialist racking/shelving to Sintek Ltd, in the sum of £36,786;
 - vi. to vote the Board of Health a credit of £265,515 to cover the cost of the above works, which sum to be taken from the Board of Health's allocation for capital expenditure.

I have the honour to request that you will be good enough to lay the matter before the States with appropriate propositions.

I am, Sir,
Your obedient Servant,
B. RUSSELL,
President,
States Board of Health.

APPENDIX 1



DEPARTMENT OF HEALTH WORKS DEPARTMENT PRINCESS ELIZABETH HOSPITAL GUILDFORD S.I.	PROJECT ALTERATIONS TO SSD PRINCESS ELIZABETH HOSPITAL LE VAQUEDOR ST MARTINS.	TITLE SURVEY DRAWING GROUND FLOOR LAYOUT	SCALE NTS	DATE MARCH 1999	DRAWING NO. SSD/99/002	DESIGNER P. LICKLEY
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[N.B. The States Advisory and Finance Committee supports the proposals.]

The States are asked to decide:—

XIV.— Whether, after consideration of the Report dated the 18th August, 2000, of the States Board of Health, they are of opinion:-

1. To authorise the work required to refurbish the Sterile Services Department at the Princess Elizabeth Hospital at a total cost not exceeding £265,515.
2. To authorise the States Board of Health to accept the tender in the sum of £31,320 submitted by Clarence Industrial Services for the asbestos removal.
3. To authorise the States Board of Health to accept the quotation in the sum of £19,666 from Air Handling Systems for the supply of the air conditioning plant.
4. To authorise the States Board of Health to accept the tender in the sum of £25,160 submitted by Guernsey Ducting and Manufacturing Limited for the ventilation ductwork.
5. To authorise the States Board of Health to accept the quotation in the sum of £36,786 from Sintek Limited for the supply of specialist racking/shelving.
6. To vote the States Board of Health a credit of £265,515 to cover the cost of the above works, which sum shall be taken from that Board's allocation for capital expenditure.

STATES GAMBLING CONTROL COMMITTEE

ESTABLISHMENT OF A GUERNSEY GAMBLING COMMISSION

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

24th July, 2000

Sir

ESTABLISHMENT OF A GUERNSEY GAMBLING COMMISSION

1. At its meeting on 15 October 1998, the States, after consideration of the Report dated 14 August 1998 of the States Tourist Board (Billet d'Etat XX of 1988), resolved as follows:-

- "1. That appropriate legislation shall be enacted which will permit casino gaming in the Island of Guernsey, as set out in paragraph 8.14 of that Report.
2. To authorise the States Tourist Board, in conjunction with the States Advisory and Finance Committee, to initiate, or continue, discussions with persons or corporate bodies interested in establishing a casino in Guernsey, on the understanding that a condition on the granting of a casino licence will be substantial hotel investment on the same site as the casino.
3. To direct the preparation of such legislation as may be necessary to give effect to the above decisions including such consequential and incidental matters as may arise in the course of drafting."

2. The Gambling Control Committee has been advised by the Law Officers that the following legislation will be required:-

- a) a Projet de Loi to provide for the States to issue an exclusive concession in respect of a site where there will be substantial hotel investment which concession will entitle the holder to apply for a casino operator's licence;
- b) a Casino Ordinance, under the Gambling (Guernsey) Law, 1971, which will provide for the issue of a casino operator's licence and for the regulation of the operation of the Casino, which would include provisions for the suspension and revocation of the licence.

3. The Gambling Control Committee is currently liaising with the Tourist Board and the Law Officers on the detailed provisions which will need to be included in the Casino Ordinance.

4. The Gambling Control Committee, however, concluded early in its considerations of this matter that it would be inappropriate for the responsibility for issuing the casino operator's licence and for regulating the operation of the Casino to be exercised by a Committee of the States and that these functions should instead be carried out by an independent licensing and regulatory authority.

5. The Committee believes that these responsibilities are specialist functions which should not be carried out by elected members of the States. The establishment of an independent regulatory authority would enable the States to appoint individuals with expertise to carry out these functions. Such an authority would also not be subject to the budgetary and staffing restrictions which apply to States Committees and which could affect the ability to effectively carry out these vital responsibilities. The Committee believe that it is essential that these functions are carried out in a way that enhances the Island's reputation internationally.

6. The Gambling Control Committee is also aware that the States of Alderney has recently established a Gambling Control Commission to take over responsibility for regulating electronic betting (and other forms of gambling) in that Island. Initially, the responsibility for the conduct of these betting centres fell to the States of Alderney Policy and Finance Committee. However, experience soon led the Policy and Finance Committee to conclude that an independent regulatory authority should be established in Alderney. The Gambling Control Committee has benefited from discussions with representatives of the States of Alderney and, indeed, believes that there is scope for the proposed independent regulatory authority in Guernsey to co-operate with the Alderney Gambling Control Commission.

7. The Gambling Control Committee accordingly proposes that a Guernsey Gambling Commission be established to exercise responsibility for issuing the casino operator's licence and for regulating the operation of the Casino. In the future the Committee envisages that the Guernsey Gambling Commission could be asked to take on responsibility for other forms of commercial gambling. The Committee is advised that the establishment of the proposed Guernsey Gambling Commission will require the States to approve a *Projet de Loi*. The *Projet de Loi* would also include a provision to enable the States by Ordinance to authorise the proposed Commission to license and regulate other forms of gambling.

8. The Gambling Control Committee also proposes that the Guernsey Gambling Commission would

- a) consist of a Chairman and three other members, all of whom shall hold office for a period of five years and be eligible for reappointment thereafter, to be appointed by the States on the recommendation of the Gambling Control Committee;
- b) be responsible for the issue and proper conduct of a casino operator's licence granted to the individual or corporate body holding the Casino concession issued by the States of Guernsey;

- c) supervise and control the operation of the casino licence and investigate and monitor the character and financial status of the person or company holding the licence, or otherwise concerned with the provision, operation or management of the casino within the Island;
- d) ensure that all fees, royalties and other monies payable to the States by any person or company operating the casino are duly paid and accounted for;
- e) have the authority to inspect the casino and control the sale, use and operation of any machine or equipment used for amusement, gaming and the winning of prizes.
- f) have the authority to set conditions for the conduct of the licence and for the setting of fees to cover all administrative costs, remuneration and allowances, including those incurred by the Commission itself and the costs of ensuring the effective inspection of the premises, amusements, games and gaming machines; and
- g) have the power to suspend or revoke the casino operator's licence with immediate effect.

Recommendations

9. The Gambling Control Committee recommends the States
 - a) to agree to the establishment of a Guernsey Gambling Commission as set out in paragraph 8 of this report;
 - b) to agree that the States may authorise the proposed Commission to license and regulate other forms of gambling; and
 - c) to direct the preparation of such legislation as may be necessary to give effect to the above decision which legislation should include provision for the States by Ordinance to enable the Guernsey Gambling Commission to take on responsibility for licensing and regulating other forms of gambling in Guernsey.
10. I have the honour to request that you will be good enough to lay this matter before the States with appropriate propositions including one directing the preparation of the necessary legislation.

I am, Sir,
Your obedient Servant,
D. P. Le Cheminant
President,
States Gambling Control Committee.

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

18th August, 2000.

Sir,

I have the honour to refer to the policy letter dated 24 July 2000 from the President of the Gambling Control Committee concerning the "Establishment of a Guernsey Gambling Commission".

Whilst the Advisory and Finance Committee supports the establishment of an independent Guernsey Gambling Commission to regulate casino gaming locally, it believes that the cost of regulation must be proportionate to the economic benefit that the Island will derive from the establishment of a casino. The policy letter records that Alderney has recently established a Commission to regulate electronic betting and other forms of gambling in that island, and that the Gambling Control Committee has discussed with representatives from the States of Alderney the possibility of the two islands working together on this matter to ensure the most efficient uses of resources.

The Committee welcomes such a possibility being explored and supports the proposals, with the expectation that the legislation would not preclude an arrangement for such co-operation.

I am, Sir,
Your obedient Servant,
L. C. MORGAN,
President,
States Advisory and Finance Committee.

The States are asked to decide:—

- XV.— Whether, after consideration of the Report dated the 24th July, 2000, of the States Gambling Control Committee, they are of opinion:-
1. That a Guernsey Gambling Commission shall be established as set out in paragraph 8 of that Report.
 2. That the States may authorise the proposed Commission to license and regulate other forms of gambling.
 3. To direct the preparation of such legislation as may be necessary to give effect to their above decisions which legislation shall include provision for the States by Ordinance to enable the Guernsey Gambling Commission to take on responsibility for licensing and regulating other forms of gambling in Guernsey.

STATES TRAFFIC COMMITTEE

REVIEW OF PUBLIC TRANSPORT LEGISLATION

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

16th August, 2000.

Sir,

REVIEW OF PUBLIC TRANSPORT LEGISLATION**1. Introduction**

Under the terms of the Public Transport (Guernsey) Law, 1984, the States is able to exercise control over the provision of public transport in the Island by Ordinance. In order to do so, the States has previously introduced the Public Transport Ordinance, 1986, as amended, and the Road Traffic (Permits to Drive Public Service Vehicles) Ordinance, 1986, as amended.

The Committee has recently undertaken a review of the above legislation, the main objective of which has been to ensure that they continue to meet the current requirements of the public and reflect developments within the industry in recent years. The results of this review and the subsequent recommendations are set out below.

In undertaking the review, the Committee carried out a consultation exercise with representatives and individual members of the local public transport industry. It would like to take this opportunity to place on record its appreciation to all of those who contributed to the review.

2. Taxi Plates

In the late 1980's the Committee introduced a policy which allowed road service licences for the operation of taxis (commonly known as 'taxi plates') to be 'transferred' between individuals and/or companies.

The Committee's relevant authority under the Public Transport Ordinance is to grant and revoke road service licences, rather than to directly transfer them from one individual to another. A person who no longer wants to continue operating the licence is able to approach the Committee and designate an

individual as the recipient of the licence. The Committee's action is to revoke the road service licence upon its surrender and grant a new licence to the designated individual.

Although there is usually a financial agreement made between the two individuals or companies involved in the transfer, the Committee does not concern itself with any such arrangements. The Committee believes that it is proper and fair for taxi operators who have spent years building up their business to be able to realise the business as an asset.

The above process is subject to a number of conditions laid down by the Committee. In particular, the holder of the licence is required to have operated the 'taxi plate' satisfactorily for at least five years before being permitted to 'transfer' the licence. This condition helps to ensure that there is a certain degree of continuity within the taxi trade, as well as helping to prevent individuals and companies from "speculating" in licences by buying and selling them as short term investments.

In addition to the above, a further condition is that the recipient of the licence must have had recent experience of working satisfactorily in the taxi trade in the Island as a driver for a minimum of one year.

This second condition serves two purposes. Firstly, it helps to demonstrate to the Committee that the individual is reasonably experienced in the business and can work successfully as a taxi driver in Guernsey. Secondly, it gives the individual the opportunity to find out whether he or she enjoys working in the industry. This is important as the recipient of the licence, as mentioned above, must hold the plate for at least five years before it can be transferred on again. The individual therefore needs to be certain that he or she wishes to work in the trade for at least that period of time. Of course, although the plate could just be handed back to the Committee at any time before the end of the five year period, this would mean the subsequent loss of the plateholder's original investment.

The Committee's main intention in allowing the creation of a transfer market was to introduce a financial incentive to operators to improve the utilisation of their "taxi plate". Having paid a significant sum for a plate, an operator has to work his or her taxi that much harder to recoup the investment and, subsequently, the public benefits from improved taxi availability.

The success of this policy has been reflected in the much higher mileage recorded by taxis operated under a taxi service licence that has been purchased under the "transfer" system. For example, in 1999, the average mileage of taxis operated by owners who had purchased their licence was 50% higher than those recorded for the same year by vehicles whose owners had been issued a licence free of charge before the introduction of the "transfer" system.

The above policy works well within the context of existing “taxi plates” being transferred between individuals and/or taxi companies. However, the Committee is concerned about the situation that could arise in the event that it decided to issue additional licences. Whilst there are a number of small administrative charges that a successful applicant for a new licence would have to pay, the Committee has no authority to sell such licences. The new operator would effectively be issued with the licence for nothing.

The 1984 Law places a statutory duty on the Committee to ensure that, so far as is practicable, there are sufficient, efficient and safe systems of public transport available to meet the requirements of the public. A decision by the Committee to issue additional taxi plates would be made primarily on the basis that it was no longer satisfied that the existing level of taxi services was sufficient to meet these requirements.

The Committee would therefore like to have the authority, should it deems it appropriate in future, to sell any new road service licences for the following reasons :-

- a) the new operators concerned would be subject to a similar financial incentive to utilise their plate fully as those operators who have obtained their licence through the existing transfer market. This, in turn, will help to maximise the benefit that any new licence has in improving service levels;
- b) the sale of such licences would provide an opportunity to raise additional revenue for the States.

The Committee’s interest is only in selling any additional, new licences that it may issue. Thereafter, the operator would be open to transfer his plate within the existing market, subject to the necessary conditions being satisfied.

In seeking this authority, the Committee also feels that the opportunity should be taken to incorporate the current system for the transfer of existing plates within the public transport legislation.

3. Road Service Licences for the Operation of Private Hire Omnibuses

The Committee applies a number of standard conditions to road service licences for the operation of private hire omnibuses, which in turn reflect the requirements of the Public Transport Ordinance, 1986. However, it has recently become increasingly concerned that these do not reflect what actually happens ‘at ground level’ within certain parts of the industry.

The provisions of the Ordinance, which are reflected in the licence conditions concerned, are as follows :-

- i) passengers shall not be charged or carried at individual fares;

- ii) charges for the hire of the vehicle shall not be raised otherwise than on a group hire basis, i.e. in accordance with the terms of a single contract.

In effect the above conditions mean that a private hire vehicle can only be hired by a single party, on a pre-booked basis, at a predetermined single charge. The above conditions reflect a well established principle within section 57(1) of the above Ordinance that is important in differentiating private hire services from other types of operations licensed by the Committee, in particular the public scheduled bus services. Section 57(1) includes the definitions of the various different services that can be licensed and the manner in which they can operate. The principle generally works well and the Committee feels that it is important for it to be retained.

However, the above conditions can cause difficulties within the holiday transfer market. In particular, difficulties arise when private hire omnibus operators undertake pre-booked transfers of holidaymakers from the Airport or Harbour to the hotels where they are staying or vice versa.

A number of the private hire omnibus operators have stated that their entire transfer business is based on a per head charge and it is impractical to enter into a 'single' contract with tour operators for the hire of each individual vehicle. In practice a number of clients from the various tour operators are carried in one vehicle to the same hotel, or two or three nearby hotels. In effect, the vehicle is being used simultaneously for the carriage of passengers under a number of different contracts with various tour operators.

The Committee appreciates that, if the existing operators were required to operate strictly under the terms of their licences, it could be extremely detrimental to the level of transfer services provided to visitors to the Island. In particular, it could result in greater difficulties in vehicle availability. Indeed, if strictly enforced, operators would need additional vehicles and drivers. Apart from peak periods, the utilisation of these extra vehicles and drivers would be poor and therefore costs would subsequently increase. Policing these requirements would also be impractical.

The Committee believes the solution would be to introduce a new category of road service licence into the legislation to cater specifically for transfers. This would allow private hire omnibus operators to lawfully provide a more flexible service. In particular, it would allow better utilisation of existing vehicles and drivers and, therefore, in the longer term may help to increase the availability of this type of transport.

4. Public Hearings

Under section 1 of the Public Transport Ordinance, 1986, as amended, the Committee is required to hold a public meeting to seek the views of the public before it determines or varies taxi and taxi-bus fares or the itinerary, fare table

or timetable set out in a road service licence for a scheduled bus service or ring-and-ride service. These meetings must be announced in La Gazette Officielle not less than two clear days prior to the date of the meeting.

Normally, the Committee needs to hold these meetings three times a year, with one meeting to consider the Summer bus timetables, one meeting to consider the Winter bus timetables, and one to discuss any application the Committee may receive for an increase in taxi fares.

These public meetings have always been very poorly attended. Despite the Committee's considerable efforts to publicise the meetings, hold them in different locations around the Island, on different days (including the weekend) and at different times and, on one occasion, provide free transport to and from the meeting, there have never been more than a handful of people that have attended. Indeed, it is quite normal for only one or two members of the public to attend. These meetings are time consuming and costly to organise and attend for both the Committee and its staff, as well as the bus operators and the Taxi Owners' Federation.

In considering this matter, the Committee has noted the manner in which the Island's air transport licensing legislation operates. On receipt of an application, the Guernsey Transport Board invites members of the public, through La Gazette Officielle, to make written submissions to it with any comments they might have on the proposed service.

The Committee believes it is most important that members of the public should continue to have an opportunity to contribute to the licensing process, but that this could be achieved in a more efficient and effective manner. Accordingly, it believes that the requirement for it to hold public meetings should be removed. As an alternative, it is proposing to invite members of the public, through La Gazette Officielle, to provide written submissions within a fourteen day period before the Committee makes any amendments to the bus fares, itineraries and timetables or to taxi fares.

5. Public Excursions

Public excursion tours operate on routes, itineraries and timetables that must be approved by the Committee and are set out in the relevant road service licence. This licence also specifies the fares that may be charged. Section 25 of the Public Transport Ordinance, 1986, as amended, requires that these details must be specified in the licence.

The Committee believes that operators, who have considerably more experience in such matters, should be allowed more commercial freedom to operate these tours on the routes and fares that they wish. This introduces an element of competition into the market which subsequently should have the effect of improving the range and quality of services being offered to the public.

Against the above background and, although the Committee is still required to approve the issue of public excursion road service licences, it has for some time given the operators the freedom to submit applications they considered to be appropriate, as well as commercially viable. The Committee has then approved these without question.

It is therefore proposed that the Ordinance be amended to state that a public excursion road service licence **may** specify the journey and itinerary over which the tour will operate, as well as the maximum fare which may be charged.

Subsequently, although the Committee would still need to issue a road service licence to an operator to enable it to provide an agreed number of tours, the details on routes, timetables and fares would be left to the operator's discretion. They would not necessarily need to be specified in the licence by the Committee. This would still allow the Committee to regulate the number of tours provided by specific operators, but at the same time give the companies considerably more flexibility to react to the needs of the market and provide competitive services.

It should be noted that, although the Committee currently has responsibility for licensing the route, itinerary and fares for public excursions it has no control or jurisdiction over many of the perhaps more important details. These include the quality of the guide (if one is provided), the depth of the guide's local knowledge, the quality of the commentary, how many stops are provided and for how long, the quality of the sites and attractions visited and, in general, how the tours are marketed.

Given the importance of the above matters, the Committee believes there may be a need to introduce an accreditation scheme for public excursions, similar to the scheme that is already in place for tourist attractions. It believes this would help to ensure that the tours are operated at a high standard and continue to provide value for money. Such a scheme could be introduced without any need to amend the existing legislation.

The Committee has subsequently approached the Tourist Board with the above proposal, which is sympathetic to the above and has agreed to carry out further investigations into the feasibility of establishing an accreditation scheme for public excursions.

6. **Courtesy, Voluntary and Charity Buses**

Any service that is operated for "hire or reward" must first be licensed by the Committee under the terms of the existing public transport legislation. The vehicle that is used to provide the service must then be licensed as a public service vehicle and examined and passed by the Police vehicle examiner on a regular basis. Once it has been licensed, only those drivers that hold permits to drive public service vehicles can drive the vehicle.

Generally, where a service is operated on a courtesy, voluntary or charitable basis, the Committee has not sought to apply the provisions of the legislation to that service. However, the Committee has recently been advised that many of these services may, in fact, fall within the definition of the services that should be licensed under the existing legislation.

For example, in the case of a hotel courtesy bus, this would be on the basis that, whilst no direct payment is made for the service, some element of “reward” for the use of the bus is included in the payment made by a guest for a room or meal. Alternatively, the “reward” might be considered as being the increased use of the hotel’s facilities that arises from the operation of the courtesy bus.

In the case of a voluntary or charitable minibus, where a contribution is made by the passengers towards some of the costs, such as petrol, then the Committee has also been advised that, in some scenarios, this could be considered as being for “hire or reward”. The Committee does not believe that this falls within the “spirit” of what the public transport legislation sets out to achieve.

A simple solution would be for the Committee to consider issuing the necessary road service licences to the operators of such services. However, this would have significant repercussions, in particular for the operators of charitable and voluntary services, who would then need to find drivers for the buses that held permits to drive public service vehicles. There is already a shortage of such drivers in the Island and the Committee does not want to exacerbate this situation.

As a result, the Committee is proposing that it be provided with the authority to exempt, by Order, certain categories and classes of operation from the requirements of the public transport legislation.

7. Fees

The majority of fees within the Public Transport Ordinance were last increased in December, 1990. The retail price index has increased by 34.8% between December, 1990, and March, 2000. The Committee is therefore proposing an increase in these fees, broadly in line with inflation since that time. The existing and proposed fees are detailed below:

Fee	Current	Proposed
Public service vehicle licence	£15.00	£20.00
Temporary replacement public service vehicle licence	£5.00	£6.50
Permanent replacement public service vehicle licence	£7.50	£10.00
Transfer of a public service licence to a new owner	£5.00	£6.50

Fee (cont.)	Current	Proposed
Refundable deposit for a public service vehicle plate	£3.00	£4.00
Vehicle examination	£10.00	£13.50
Vehicle re-examination	£25.00	£28.50
Taximeter Test	£5.00	£6.50

Notes:

- a) A public service vehicle licence is the licence that is issued on an annual basis by the Committee in respect of the individual vehicle that is to be used to provide a road service.
- b) The fee for vehicle re-examinations was introduced in April, 1995, and has been adjusted in accordance with the increase in the retail price index since June of that year.

In Jersey, the cost of a public service vehicle licence is calculated at fifty pence for each passenger seat i.e. a four passenger seat taxi would be charged £2.00. The cost of a vehicle examination is £38.00.

In the Isle of Wight, the cost of a public service vehicle licence is £178.45 and the cost of a vehicle examination is £25.45. The vehicle examination is carried out by a nominated garage.

The fees that are payable in relation to public transport are currently determined by Ordinance and, at the present time, are specified in the Public Transport Ordinance, 1986, as amended, and the Road Traffic (Permits to Drive Public Service Vehicles), 1986, as amended. The Committee is required to submit a policy letter to the States on each occasion that it proposes to add or to amend these fees, which if accepted, requires the preparation and approval of an amendment Ordinance.

The Committee is concerned about the unnecessary administrative burden that this creates for the States, the Law Officers of the Crown and the Committee and is therefore recommending that the legislation be amended to enable it, in future, to make provision by Order for the fees that are payable.

8. **Smoking**

Following consideration of the Board of Health's policy letter in July, 1993, on Substance Misuse in Guernsey, the States directed that the Smoking (Prohibited Buildings and Vehicles) Ordinance, 1971, be amended to provide a total ban on smoking in all public transport vehicles.

At present, passengers are only banned from smoking on scheduled omnibus services. The provisions within the legislation still allow smoking on school, public excursion and private hire buses, as well as in taxis and private hire cars. Drivers of public service vehicles are also allowed to smoke whilst not carrying passengers.

The Board of Health has recently approached the Committee about progressing this matter. The Committee advised the Board that it was currently undertaking a review of the public transport legislation. The Board therefore suggested that the review would afford an appropriate opportunity to extend the ban on smoking to all licensed public service vehicles, whether or not they were carrying passengers for hire or reward. The Board felt that this would protect the non-smoking majority of the population from having to travel in smoke filled vehicles, or those with a strong interior smell of stale tobacco.

The Committee supports this proposal and believes that it would be appropriate to make the necessary provisions within the Public Transport Ordinance, 1986, for such a prohibition. It is therefore recommending that the necessary amendments should be made to the Ordinance.

In the event that such a prohibition is incorporated within the Ordinance, then there might be a need to make some consequential amendments to the existing provisions of the Smoking (Prohibited Buildings and Vehicles) Ordinance, 1971. The Committee would intend to consult with the Board of Health on this matter as the necessary amendment legislation is drafted for consideration by the States.

9. **Taxi Sharing**

The current legislation does make provision for taxi operators to operate a taxi sharing scheme. However, such schemes must be operated in accordance with the conditions prescribed in a Schedule to the Public Transport Ordinance, 1986.

The Committee has recently considered the merits of introducing and promoting formal taxi sharing schemes in the Island. However, the conditions for such schemes specified in the Ordinance make it difficult to do so. These are inflexible and would not allow potential schemes to be tailored to specific circumstances.

The Committee is aware that many customers do already share taxis on an informal basis. This is something that the Committee would wish to encourage by establishing, where appropriate and in conjunction with the Taxi Owners' Federation, proper taxi sharing schemes. The Committee is therefore seeking the authority to determine the conditions that should be applied to such schemes by Order. These conditions might need to be varied, depending on the circumstances. This would provide it with the flexibility that is needed for it to move forward in this area.

10. **Bus Stops**

Under the terms of section 33(2) of the Public Transport Ordinance, 1986, as amended, the Committee is required to place a notice in La Gazette Officielle giving at least seven days notice where it intends to install a new bus stop or relocate or remove an existing bus stop.

The Committee receives regular requests for new bus stops or for existing bus stops to be changed. The Committee always gives careful consideration to such matters and does its best to accommodate the request, taking into account the associated road safety and traffic management issues and the needs of bus passengers, residents of the area and other road users.

Against the above background, the Committee believes that the requirement to place the above notices in La Gazette Officielle is onerous and serves little practical purpose. It results in additional expenditure and use of staff resources and, perhaps most importantly, reduces the operational flexibility that the Committee has in responding to such requests.

The Committee is therefore recommending that the requirement to publish such notices should be removed from the legislation.

11. **Consolidation of Legislation**

Since its introduction in 1986, the Public Transport Ordinance has been the subject of four subsequent amendment Ordinances. In the event that the Committee's proposals outlined in this policy letter are approved, then a fifth will be necessary.

The Committee therefore believes that this review would provide an appropriate opportunity to streamline the legislation by consolidating it into a single Ordinance. This will be of benefit to all those who have to use, refer to, and implement the legislation. It will make the legislation easier to understand and more easily accessible to the public transport industry and the wider community.

It is therefore recommending that the Public Transport Ordinance, 1986, and its amendment Ordinances be consolidated into a single piece of legislation.

12. **Recommendations**

The States are asked to agree the following recommendations:

- (i) that legislation should be introduced to enable the Committee to sell any new road service licences for taxi services that it may issue, as set out in section 2 of this report;

- (ii) that provision should be made within the existing legislation for the “transfer” of existing road service licences for taxi services, as set out in section 2 of this report;
- (iii) that an additional category of road service licence to cater for transfer services, as set out in section 3 of this report, should be introduced;
- (iv) that section 1 of the Public Transport Ordinance, 1986, as amended, concerning public meetings, should be repealed;
- (v) that, where the Committee is giving consideration to determining or varying taxi fares or the itinerary, fare table or time table specified in a road service licence for a scheduled bus service or ring and ride service, a notice is placed beforehand in La Gazette Officielle inviting members of the public and interested organisations to submit, in writing, any comments they might have on the matter within fourteen days;
- (vi) that section 25 of the Public Transport Ordinance, 1986, should be amended so that, where the Committee intends to grant a road service licence for a public excursion service, the licence may specify the associated route, itinerary, time table and fare table;
- (vii) that the Committee should have the authority to exempt, by Order, certain categories and classes of operation from the requirements of the Public Transport Ordinance, 1986, and the Road Traffic (Permits to Drive Public Service Vehicles) Ordinance, 1986;
- (viii) that the fees specified in the Public Transport Ordinance, 1986, should be increased in accordance with the proposals set out in section 7 of this report;
- (ix) that the Committee should have the authority to determine, by Order, the fees that are payable under the terms of the Public Transport Ordinance, 1986, and the Road Traffic (Permits to Drive Public Service Vehicles), 1986, as amended;
- (x) that the Public Transport Ordinance, 1986, should be amended to make provision for a total prohibition on smoking in any vehicle in respect of which there is in force a public service vehicle licence;
- (xi) that the Committee should have the authority to determine, by Order, the conditions that are applied to taxi sharing schemes;
- (xii) that section 33(2) of the Public Transport Ordinance, 1986, as amended, concerning the requirement for the Committee to place notices in La Gazette Officielle advising of any changes in the places designated as bus stops, should be repealed;

- (xiii) that the Public Transport Ordinance, 1986, and any of its subsequent amendment Ordinances should be consolidated into a single piece of legislation.

I have the honour to request that you will be good enough to lay this matter before the States with appropriate propositions, including one directing the preparation of the necessary legislation.

I am, Sir,
Your obedient Servant,
P. N. BOUGOURD,
President,
States Traffic Committee.

The States are asked to decide:—

XVI.—Whether, after consideration of the Report dated the 16th August, 2000, of the States Traffic Committee, they are of opinion:-

1. That legislation shall be introduced to enable the States Traffic Committee to sell any new road service licences for taxi services that it may issue, as set out in section 2 of that Report.
2. That provision shall be made within existing legislation for the "transfer" of existing road service licences for taxi services, as set out in section 2 of that Report.
3. That an additional category of road service licence to cater for transfer services, as set out in section 3 of that Report, shall be introduced.
4. That section 1 of the Public Transport Ordinance, 1986, as amended, concerning public meetings, shall be repealed.
5. That, where, the States Traffic Committee is giving consideration to determining or varying taxi fares or the itinerary, fare table or time table specified in a road service licence for a scheduled bus service or ring and ride service, a notice shall be placed beforehand in La Gazette Officielle inviting members of the public and interested organisations to submit, in writing, any comments they might have on the matter within fourteen days.
6. That section 25 of the Public Transport Ordinance, 1986, shall be amended so that, where the States Traffic Committee intends to grant a road service licence for a public excursion service, the licence may specify the associated route, itinerary, time table and fare table.
7. That the States Traffic Committee shall have the authority to exempt, by Order, certain categories and classes of operation from the requirements of the Public Transport Ordinance, 1986, and the Road Traffic (Permits to Drive Public Service Vehicles) Ordinance, 1986.
8. That the fees specified in the Public Transport Ordinance, 1986, shall be increased in accordance with the proposals set out in section 7 of that Report.

9. That the States Traffic Committee shall have the authority to determine, by Order, the fees that are payable under the terms of the Public Transport Ordinance, 1986 and the Road Traffic (Permits to Drive Public Service Vehicles) Ordinance, 1986.
10. That the Public Transport Ordinance, 1986, shall be amended to make provision for a total prohibition on smoking in any vehicle in respect of which there is in force a public service vehicle licence.
11. That the States Traffic Committee shall have the authority to determine, by Order, the conditions that are applied to taxi sharing schemes.
12. That section 33(2) of the Public Transport Ordinance, 1986, as amended, concerning the requirement for the States Traffic Committee to place notices in La Gazette Officielle advising of any changes in the places designated as bus stops, shall be repealed.
13. That the Public Transport Ordinance, 1986, and any of its subsequent amendment Ordinances shall be consolidated into a single piece of legislation.
14. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

GUERNSEY SOCIAL SECURITY AUTHORITY

**SOCIAL INSURANCE CONTRIBUTIONS AND BENEFITS, HEALTH BENEFITS,
SUPPLEMENTARY BENEFIT, FAMILY ALLOWANCE AND ATTENDANCE
AND INVALID CARE ALLOWANCES**

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

25th August, 2000

Sir

Social Insurance contributions and benefits, Health Benefits, Supplementary Benefit, Family Allowance and Attendance and Invalid Care Allowances.

1. This report is in four parts:

Social Insurance

Part I recommends an increase in the rates of social insurance benefits from 1 January 2001, recommends abolition of non-reckonable contributions paid between the earnings threshold and the lower earnings limit, sets out the effect of these changes on the finances of the scheme and recommends a number of minor amendments to the Social Insurance Law;

(paragraphs 5 to 46)

Health Benefits

Part II recommends an increase in the prescription charge and reports on the activities of the Prescribing Support Unit;

(paragraphs 47 to 61)

Non-Contributory Services

Part III recommends an increase in the supplementary benefit requirement rates and benefit limitations from 5 January 2001, recommends a number of changes including capital cut-offs for supplementary benefit and a less aggressive formula for notional income on capital, and recommends an increased winter allowance for heating;

(paragraphs 62 to 85)

recommends an increase in family allowance from 2 January 2001.

(paragraph 86)

recommends an increase in the rates of attendance and invalid care allowances from 1 January 2001;

(paragraph 87)

states the Authority's current position regarding the introduction of a non-contributory disability allowance.

(paragraphs 89 to 93)

Part IV sets out a summary of the Authority's recommendations.

(paragraph 94)

Introduction

2. The Authority has undertaken its annual review of the social security and health benefits paid under the various schemes for which it is responsible and, with the exception of medical benefit grants and some of the benefit add-ons for dependant adults, will recommend increases in all benefit rates.
3. Guernsey continues to enjoy full employment at present, with only 63 people registered as wholly unemployed at the end of July 2000. This represents only 0.2% of the working population.
4. Full employment has major positive effects on the finances of the Guernsey Insurance Fund on both the expenditure and income sides. In addition to the low level of expenditure on unemployment benefit, contribution income to the Fund is increased through more people being in paid employment, paying earnings related contributions.

PART I SOCIAL INSURANCE

Benefit Rates

5. Having regard to the income and expenditure for 1999 and the projections of income and expenditure for 2000 and 2001, the Authority recommends increases in the rates of social insurance benefits, to take effect from 1 January 2001.
6. For the third year in succession, the Authority will recommend increases in the contributory, social insurance benefits which are above the current rate of increase in the Guernsey Retail Prices Index. This year, the recommendation is for increases of around 6%, subject to some rounding up or down. This will give a real increase in the value of contributory benefits to pensioners and others. It is the Authority's policy that, over the medium and long term, the rates of old age pension, and other contributory benefits should increase by some point between the increase in RPI and the increase in average earnings. Having stated that aim, it should be noted that benefit increases recommended by the Authority each year depend both on current circumstances and the longer-term liabilities of the Fund. The Authority is mindful of the need to

balance its desire for real increases in benefit rates against rates of contributions that are affordable now and in the future for persons paying into the Fund.

7. The Authority is not recommending any increase to the benefit add-ons for dependant adults in respect of sickness benefit, industrial injury benefit, invalidity benefit and unemployment benefit. Almost exclusively, these are paid to married men in respect of their wives. The increase of benefit cannot be claimed by a married woman in respect of her husband, unless he is incapable of self-support. The Authority is working on proposals for equal treatment of the sexes under the social insurance scheme. It is envisaged that increase of benefit for adult dependants will be phased out, with a move towards individualisation of benefit entitlements for the insurance-based, contributory benefits. In view of this strategy, which will require approval of the States in due course, the Authority considers it unwise to continue to increase the value of the increase of benefit for adult dependants for the benefits referred to in this paragraph. It should be noted that the word 'dependant' in this context is something of a misnomer. The increase of benefit is payable without any real test of dependency. For example it is paid to the married man claiming benefit, even if his wife is working. In the case of invalidity benefit, paid to insured persons who have been sick for more than 26 weeks, nearly 50% of the wives for whom benefit is claimed are in paid employment. Families relying on invalidity benefit, where the wife is not in employment, will in most cases be receiving support from supplementary benefit.
8. Subject to the foregoing, the Authority will recommend increases in the contributory benefits, from 1 January 2001, as set out below:

(2000 rates in brackets)

Long-term benefits

Old age Pension -		
Insured person	£107.25	(£101.25)
Dependant wife or wife over age 65	<u>£65.50</u>	<u>(£61.75)</u>
	£172.75	(£163.00)
Widow's Benefit -		
Widowed Parent's Allowance	£105.75	(£99.75)
Widow's Pension	£105.75	(£99.75)
Guardian's Allowance	£28.50	(£27.00)
Industrial Disablement Benefit -		
100% disabled	£94.20	(£88.85)
Maximum addition for constant attendance	£84.00	(£84.00)

Short-term benefits

Unemployment Benefit -		
Insured person	£77.22	(£72.84)
Dependant Wife	<u>£43.44</u>	<u>(£43.44)</u>
	£120.66	(£116.28)
Sickness and Industrial Injury Benefit		
Insured Person	£77.22	(£72.84)
Dependant Wife	<u>£43.44</u>	<u>(£43.44)</u>
	£120.66	(£116.28)
Invalidity Benefit -		
Insured Person	£88.74	(£83.70)
Dependant Wife	<u>£48.90</u>	<u>(£48.90)</u>
	£137.64	(£132.60)
Maternity Allowance	£77.22	(£72.84)

These rates of weekly benefit apply to persons who have fully satisfied the contribution conditions. Reduced rates of benefit will be increased proportionately.

Survivor's grant

9. From 1 January 2000, the 26 week duration enhanced rate of widow's benefit called widow's allowance was replaced by a single payment called survivor's grant. This can be claimed by widows, and also by widowers with dependant children, where the late spouse was under 65 at the time of death. The amount of the grant is based on the insurance record of the deceased. Full rate survivor's grant is currently £1,000. The Authority will recommend that this be increased to £1,060 from 1 January 2001. Reduced rates of grant will be paid in respect of incomplete contribution records.

Maternity grant and death grant

10. The amount of the maternity grant is at present £204.00; the Authority will recommend that this be increased to £216.00 from 1 January 2001.
11. The Authority will recommend that the present death grant of £317.00 for persons over 18 be increased to £336.00, with correspondingly lesser amounts payable for younger persons.

Contributions

12. The Authority is able to recommend the above increases in social insurance benefits without increasing the percentage rates of contributions payable by employed, self-employed and non-employed persons for those benefits. The Authority will, however, recommend increases in the upper and lower earnings or income limits, within which contributions are paid, in line with the increases in the benefits.

Earnings Limits - Employed and self-employed persons**Employed persons**

13. The Authority will recommend that the upper earnings limit should be increased from 1 January 2001 from £498 per week to £531 per week in the case of the weekly paid (or £2,301 per month in the case of employed persons paid less frequently than once a week).
14. The effect of the above changes on persons who pay a contribution at the upper earnings limit is as follows:-

(2000 figures in brackets)

Weekly Earnings	Contributions		
	Employer	Employee	Total
	5.4%	4.5%	9.9%
Upper Earnings Limit			
£531 or more	£28.67	£23.90	£52.57
(£498)	(£26.89)	(£22.41)	(£49.30)

Abolition of non-reckonable contributions

15. Since the contribution system changed from flat rate stamps to earnings related contributions, in 1979, the system has applied three limits on contributions: the earnings threshold, the lower earnings limit and the upper earnings limit. The earnings threshold is the level of earnings at which an employee and his employer become liable for the payment of contributions. The current earnings threshold is £36.00 per week. The lower earnings limit, which is twice the earnings threshold, at £72.00 per week, is the level at which a contribution becomes 'reckonable', that is it can be counted towards old age pension, widow's benefit, sickness benefit and so on. If earnings fall between the threshold and the lower earnings limit the contribution, which must be paid, is classed as non-reckonable and does not count towards the major benefits of old age pension, sickness and unemployment. It only counts for industrial injuries benefits.
16. The concept of non-reckonable contributions was sound policy in the past, when many Guernsey workers were earning small amounts from two or more different jobs. The system allows two or more non-reckonable contributions paid in the same week to be combined into a reckonable contribution, thereby building an insurance record for old age pension and other contributory benefits. The scenario that non-reckonable contributions were designed to assist no longer exists in practice. An analysis of the Authority's records earlier this year did not identify any cases where contributors were normally reliant on the combination of two non-reckonable contributions to maintain their insurance record.

17. As the non-reckonable contribution is not meeting its original purpose, it now serves only to attach contribution liability on minimal earnings and places an administrative burden on the employers of casual staff. From the employee's perspective, it is a deduction from earnings that gives no benefit because, unless combined with other earnings, it does not count towards pension and other contributory benefits. Along with the package of measures intended to improve the position of low income families, the Authority believes that there should be no contribution liability in respect of any earnings below the lower earnings limit. Effectively, therefore, the threshold and the lower earnings limit would become one and the same. The Authority notes that this will allow these very modest earnings from part time work to be received without social insurance deductions. The Authority hopes, also, that the removal of this aspect of bureaucracy for employers will assist with the appointment of staff who are appointed for just a few hours work each week.
18. It is estimated that the abolition of non-reckonable contributions will cause a loss of contribution income to the Guernsey Insurance Fund of approximately £200,000 per annum, being around 0.6% of total contribution income.
19. It should be noted that all employees gainfully employed under a contract of service will remain covered for industrial injuries benefits under the Social Insurance Law, even though the non-reckonable contribution is removed.
20. The Authority will recommend that the earnings threshold and the lower earnings limit be made the same and increased from £36 and £72 per week to a single figure of £76 per week. The corresponding monthly limit would be £329.33.
21. The effect of the above changes on a contribution at the lower earnings limit is as follows:-

(1999 figures in brackets)

Weekly Earnings	Contributions		
	Employer	Employee	Total
	5.4%	4.5%	9.9%
Lower Earnings Limit			
£76.00	£4.10	£3.42	£7.52
(£72.00)	(£3.89)	(£3.24)	(£7.13)

Self-employed persons

22. The proposed increase in the upper weekly earnings limit from £498 to £531 would mean that the upper annual earnings limit for self-employed persons in 2001 would be increased from £25,896 to £27,612 (£531 x 52). The maximum rate of self-employed contributions (Class 2) in 2001 would be £47.26 (£44.32 in 2000) and would be payable by self-employed persons whose earned income from self-employment for the tax Year of Charge 2000 was £27,612 or more.

Persons who have applied to pay earnings related contributions, and whose earned income from self-employment was less than £27,612, will pay less than the maximum contribution.

23. The proposed increase in the lower earnings limit from £72 to £76 per week would mean that the lower annual earnings limit for self-employed persons in 2001 would be increased from £3,744 to £3,952 (£76 x 52). The minimum self-employed (Class 2) contribution in 2001 would be £6.76 per week (£6.41 in 2000).
24. These changes also affect the maximum and minimum health benefits only contributions payable by self-employed married women who have not elected to pay full percentage rate contributions. The maximum health benefits only self-employed (Class 2) contribution in 2001 would be £13.81 per week (£12.95 in 2000). The minimum health benefits only self-employed (Class 2) contribution in 2001 would be £1.98 per week (£1.87 in 2000).

Non-employed persons

25. As with the self-employed, non-employed contributors are liable to pay at the maximum rate unless application is made to the Authority and authorisation given for the release of the relevant information by the Income Tax Authority. This allows an income-related contribution to be calculated. Once made, an application carries forward each year until the contributor informs the Authority that it is revoked. A separate application does not need to be made each year.
26. There are three main categories of non-employed contributions:
 - (i) Full percentage rate contributions to cover social insurance and health service liabilities;
 - (ii) Health service only contributions. These contributions go towards funding the pharmaceutical service, the medical consultation grants and the specialist health insurance scheme;
 - (iii) Specialist health insurance only contributions. These contributions, which are payable by persons aged 65 or over, go towards funding the specialist health insurance scheme.
27. The increase in the lower earnings limit and upper earnings limit (paragraphs 13 to 24) will mean that the lower income limit and upper income limit for non-employed contributions will increase to £7,904 per year and £27,612 per year respectively. The effect of these changes on the maximum and minimum non-employed contributions is shown below.

(2000 figures in brackets)

Annual Income (Tax Year of Charge 2000)	Full rate	Health Service only	Specialist Health only
	8.3%	2.6%	1.0%
Less than £7,904 (less than £7,488)	zero (zero)	zero (zero)	zero (zero)
£7,904 (£7,488)	£12.62 (£11.95)	£3.95 (£3.74)	£1.52 (£1.44)
£27,612 (£25,896)	£44.07 (£41.33)	£13.81 (£12.95)	£5.31 (£4.98)

28. As shown above, where a non-employed person's annual income is below £7,904 that person will be exempted from the payment of contributions. However, this could affect old age pension entitlement. Therefore, low income non-employed persons under 65, who wish to pay contributions in order to protect their social insurance contribution record, are entitled to pay the minimum full percentage rate contribution, which for 2001 will be £12.62 per week.
29. The same minimum full percentage rate non-employed contribution of £12.62 in 2001 would be payable by insured persons who would normally rely upon employed contributor's employment for their livelihood, but have a small gap in their record where they were neither employed nor receiving an unemployment credit. The Authority has some concerns on the affordability of this contribution in these particular circumstances for persons who are normally employed but, under current legislation, has no way of separating the rate from that applied to persons who are normally non-employed. Included with a number of minor amendments to the Social Insurance Law, set out in paragraphs 36 to 46 below, the Authority will recommend provision for a special, lower rate contribution to apply.

Effect on the financing of the Scheme

30. The Guernsey Insurance Fund accounts for 1999 show income from contributions of £35.33m and from the States' Grant of £20.13m, giving a total income of £55.46m, before taking investment income into account. Total benefit expenditure and administration amounted to £49.63m, producing an operating surplus of £5.83m for the year. The operating surplus was transferred to the Guernsey Insurance Fund reserve for provision against future long-term liabilities.
31. The estimated results for 2000 and 2001 will, as always, be influenced by the benefit expenditure and the amounts by which contribution income and the States' Grant increase. Contribution income is related to the number of contributors and the level of their earnings. The States' Grant is paid in direct

proportion to total contribution receipts for the purpose of supplementing the contributions of persons who pay contributions at less than the maximum (support) rate.

32. On the basis of assumptions of wage and salary increases, and the increases in benefits proposed in this report, which the Authority has supplied to the Government Actuary, it is estimated that:
- (1) there will be a surplus in 2000 of the order of £7.01m.
 - (2) if the benefits were increased as proposed, the surplus in 2001 would be of the order of £6.32m.
33. The Government Actuary advises that precise estimation of income and expenditure in the short term cannot be relied upon, given the volatility of claim rates from year to year and other uncertainties. Small percentage changes from the estimated income and the estimated expenditure could have a significant effect on the estimated surplus.

States' Grant - Guernsey Insurance Fund

34. The 1999 States' Grant from general revenue, which is determined by contribution income, amounted to £20.13m. It is estimated that the States' Grant will be of the order of £21.47m in 2000 and £23.09m in 2001, depending on the increase in earnings and, consequently, contributions.

Minor amendments to Social Insurance Law

35. The Authority will propose a number of minor amendments to the Social Insurance (Guernsey) Law, 1978, as amended. These include the repeal of three contributory benefits that are considered redundant. As these benefits are redundant there is no financial implication to their repeal. It does, however, give a small but worthwhile saving on system and training infrastructure.

Repeal of constant attendance allowance

36. The first such benefit is called constant attendance allowance. The allowance was introduced with the 1978 Law and can be claimed as an additional benefit by an insured person who has suffered loss of faculty, through an industrial injury or prescribed industrial disease, and whose degree of disablement is assessed at 100% by the statutory Medical Board. Constant attendance allowance, being a weekly benefit, can be paid at one of three rates, currently £42.00, £63.00 and £84.00, as determined by the Authority on a case by case basis.
37. Staff of the Social Security Authority can recall only three awards of constant attendance allowance over its twenty year existence. There are no claims currently in payment. Furthermore, when the States, in 1983, approved the proposals for the introduction of attendance allowance and invalid care allowance (Billet d'Etat II of 1983), applying to all residents with severe disability, there was no provision to stop a person entitled to constant attendance allowance from receiving both benefits. Attendance allowance is

currently paid at the rate of £58.25 per week to the person needing care and invalid care allowance is paid at £46.75 per week to the person doing the caring, usually a spouse or other family member. Both allowances are flat-rate, non-contributory and are not means-tested in the normal sense. They are subject to an affluence test, being unavailable where family income exceeds £53,000 per year.

38. It is the view of the Authority that the general availability of attendance and invalid care allowances has made constant attendance allowance redundant and the Authority will recommend that it be repealed from the Law.

Repeal of child's special allowance

39. The second benefit for proposed repeal is child's special allowance. This is a benefit of £9.00 per week payable to a woman whose marriage has been dissolved or annulled and who has not remarried nor is cohabiting with a man as his wife. The benefit is paid following the death of her former husband if she has a child towards whose upkeep he was contributing or was liable to contribute. The benefit is paid in addition to family allowance. Child's special allowance was introduced to the Guernsey social security system with the Social Insurance (Guernsey) Law, 1964, the first compulsory scheme, which largely mirrored the benefits and provisions of UK National Insurance Act. Child's special allowance was abolished in the UK by the Social Security Act of 1986 on the grounds that there were adequate other benefits for single parents.
40. The circumstances giving rise to the payment of child's special allowance are very rare indeed. In Guernsey, one claim commenced payment in 1999, and continues in payment, but prior to that there had been no claims for at least five years.
41. The Authority notes that, for single parents, assistance is potentially available under the Supplementary Benefit Law and this assistance is far more substantial than the £9.00 per week available as a child's special allowance. It is the view of the Authority that child's special allowance should be repealed from the Social Insurance Law, having regard to its negligible extent and relatively low value. The Authority will recommend this repeal, providing for continuation of the single current claim until it determines through other circumstances, at latest when the child reaches the age limit for the benefit.

Repeal of guardian's allowance

42. The third benefit for proposed repeal is guardian's allowance. This is a benefit of £27.00 per week payable to a person, not necessarily the legal guardian, who has taken into his or her family a child whose parents have died. The benefit is paid in addition to family allowance. Again, this was introduced with the Social Insurance (Guernsey) Law, 1964, mirroring UK legislation on orphans' benefits going back as far as 1925. Guardian's allowance still survives in the UK system but there is reported uncertainty as to the rationale or principle justifying payment of the allowance.

43. The incidence of guardian's allowance claims in Guernsey is very low, with only one claim currently in payment.
44. The Authority considers that there are many instances where a child, who is not an orphan, lives with family other than his or her parents, living with grandparents being the most obvious example. Apart from family allowance, there is no benefit akin to guardian's allowance to part-compensate the family for bringing up the child in such circumstances which are now far more common than orphanhood.
45. The Authority considers guardian's allowance to be redundant and will recommend its repeal. The single claim currently in payment will continue until it determines through a change in circumstances, at latest when the child reaches the age limit for the benefit.
46. In addition to the repeal of these three redundant benefits, the Authority will recommend an amendment to the Law enabling a special rate of Class 3 contribution to be paid by a person who is normally in employed contributor's employment and has a small gap in his insurance record for which he is liable for a contribution as a non-employed person.

PART II HEALTH SERVICE BENEFITS

47. The health service benefits, costing £18.81m in 1999, were financed by £14.29m from contributions allocated to the Health Service Fund and £5.15m from the States' Grant from general revenue. There was an operating surplus of £632,000 for the year.

Medical Benefit Grants

48. The grants for doctor and nurse consultations remained at £8 per doctor consultation and £4 per nurse consultation. The total benefit expenditure on consultation grants was £2.04m. This was 1% above the previous year.
49. The Authority will not be recommending any increase in the amounts of the medical benefit grants.

Pharmaceutical Service: Prescription Charges

50. Prescription drugs cost a total of £10.65m in 1999, before netting off the prescription charges paid by patients. This was an increase of 11% over the previous year and it continues a trend of drug costs running substantially over the increase in Guernsey RPI. The factors underlying the increased costs are reported in paragraph 60 below.
51. The total cost to the Health Service Fund was reduced by £783,000 collected in prescription charges.

52. The prescription charge for 2000 is £1.90 per item. For a number of years the States have approved annual increases of 10p in the charge. The Authority will recommend the same increase this year, with a charge of £2.00 per item effective from 1 January 2001.

Activities of Prescribing Support Unit

53. The Prescribing Support Unit was set up in co-operation with the Board of Health and the local divisions of the British Medical Association and Royal Pharmaceutical Society following a review of pharmaceutical services in Guernsey and Alderney by the King's Fund. The unit employs a pharmaceutical adviser, appointed at the beginning of 1999. The aims of the Unit are to maximize the improvement in health of Islanders by the most appropriate and cost effective use of medicines and medical appliances and to ensure that future healthcare needs can be met.
54. The King's Fund Review, published in 1997, suggested that £2.2m could be saved if prescribing in Guernsey mirrored that of the UK. Beneath this headline, which did not take account of the differences in the structures of the health services in terms of culture and specialist prescribing, the report went on to identify potential savings of £400,000 in specific therapeutic areas. These included increasing the use of generic medicines, reducing the prescribing of drugs, identified by the UK Audit Commission as having limited clinical value, and changing the preference for premium priced preparations.
55. Through the efforts of the Prescribing Support Unit and the co-operation of the professions, over half of the potential saving in the specific areas has now been realised.
56. With the encouragement of the Unit, prescribing doctors have increased, to 57%, the number of prescriptions written in the generic form. Further improvement on this figure will be sought. At the time of the King's Fund review in 1996 the figure was only 38%. The improvement has reduced annual expenditure by over £150,000. The generic prescribing rate for Guernsey is now higher than some UK Health Authorities.
57. Cough and cold preparations, listed by the UK Audit Commission as having limited clinical value, were added to the 'blacklist' of products that could not be prescribed under the Pharmaceutical Service in December 1999. This is expected to reduce annual expenditure by up to £30,000 in 2000.
58. Generic substitution for all medicines to treat infections was introduced in December 1999 to reduce annual expenditure in this area by around £20,000. From March 2000, pharmacists were only reimbursed at the generic rate for prescriptions for branded ant-infective medicines.
59. In addition to these changes, the Prescribing Adviser has been working with individual practices to identify areas for change to improve the quality and cost-effectiveness of prescribing in the Bailiwick.

60. The Authority is disappointed, having to report the continued overall increase in the costs of the pharmaceutical service, despite the positive changes in the use of medicines and the savings achieved in specific areas. The main factors influencing pharmaceutical expenditure in 1999 the Bailiwick were:
- a) An increase in the cost of many generic medicines, which resulted in an estimated £200,000 increase in prescribing costs. Prices have now started to fall again and generic medicines remain less expensive than those of their branded equivalents.
 - b) The launch of a number of new medicines for the treatment of arthritis, impotence, high blood pressure and asthma as well as medicines for the prevention of strokes and for the management of obesity. Expenditure on these drugs, estimated at around £250,000 for the year, was additional to existing spending in these therapeutic areas.
 - c) Greater investment in medicines to reduce the risk of heart disease and osteoporosis which added around £150,000 to the annual budget. The Prescribing Adviser was actively involved in the development of prescribing guidelines for these therapeutic areas to encourage a targeted approach to prescribing for high risk individuals.
 - d) A reduction of 4.5% in the cost of proprietary (branded medicines) in October 1999 which reduced expenditure by around £50,000 in the last 3 months of the year.
61. In its first full year of operation, the Prescribing Support Unit has become a credible and respected resource for health professionals. The Prescribing Adviser intends to build on the working relationships established with local practitioners to increase the downward pressure on prescribing costs. The prescribing of ulcer healing drugs is a particular target that could yield potential savings of £150,000 if recommended changes are implemented.

PART III

NON-CONTRIBUTORY SERVICES FUNDED FROM GENERAL REVENUE

62. For non-contributory benefits that are funded entirely from general revenue, the Authority will recommend general increases of around 4.5%, subject to rounding up or down, to maintain their real value. The Authority will also recommend modifications to a number of elements in the computation of entitlement to supplementary benefit to restore to real values some allowances and disregards that have not been uprated for many years.

General increase in supplementary benefit rates

63. The Authority will recommend increases in short-term and long-term supplementary benefit rates, from 5 January 2001, as shown below.

(2000 figures in brackets)

Short-Term (claims not exceeding 6 months)

Married couple	£122.25	(£117.00)
Single householder	£76.75	(£73.50)
Member of a household -		
Aged 18 or over	£64.50	(£61.75)
16 – 17	£46.50	(£44.50)
13 – 15	£35.25	(£33.75)
11 - 12	£26.75	(£25.50)
5 – 10	£24.50	(£23.50)
Under 5	£18.25	(£17.50)

**Long-Term (after payment of short-term)
rate for 6 months)**

Married couple	£149.75	(£143.25)
Single householder	£91.75	(£87.75)
Member of a household -		
Aged 18 or over	£80.25	(£76.75)
16 – 17	£57.00	(£54.50)
13 – 15	£42.00	(£40.25)
11 - 12	£32.75	(£31.25)
5 – 10	£28.25	(£27.00)
Under 5	£22.50	(£21.50)

In certain cases the above short-term and long-term rates may be increased by the inclusion of an allowance for rent.

Benefit limitation- community

64. It must be remembered that the effectiveness of the proposed increases will be restricted in some cases by the operation of the 'benefit limitation'. The benefit limitation is the maximum level allowed for the combination of supplementary benefit and income from other sources (excluding family allowances). The Authority recommends that the benefit limitation for all classes of persons living in the community be increased from £190.00 to £200.00 per week, for both short and long-term claimants.

Benefit limitation- residential homes

65. The benefit limitation applicable to a person residing in a residential home is currently £306.00 per week. The Authority will recommend an increase to £320.00 per week.

Benefit limitation- nursing homes and Guernsey Cheshire Home

66. The Authority will recommend that the benefit limitation applicable to a person residing in a nursing home or the Guernsey Cheshire Home be increased from £417.00 per week to £460.00 per week. The Authority considers that the private sector nursing homes are being underfunded in respect of patients whose fees are met from supplementary benefit funds. In 1998, the States approved a step increase of £50 per week in the benefit limitation for nursing homes. In 1999, the States approved an increase in line with RPI, but moved the personal allowance (pocket money) outside the benefit limitation to give an overall increase in benefit above RPI. This is, therefore, the third year in which the Authority has recommended increases above RPI in respect of the nursing homes benefit limitation. The Authority justifies this on financial information obtained in the course of development work on the scheme of long term care insurance which the States approved in principle in November 1999 (Billet d'Etat XIX of 1999).

Personal Allowance for residents of residential or nursing homes

67. The amount of the personal allowance for supplementary beneficiaries in residential or nursing homes is £14.50 per week in 2000. It is intended to allow modest purchases of, say, newspapers, confectionery, toiletries, small family presents and so on. The Authority will recommend that the personal allowance be increased to £15.75 per week from 5 January 2001.

Supplementary Fuel Allowance

68. The Authority will recommend that for 31 weeks, with effect from 27 October 2000 to 18 May 2001, a supplementary payment in respect of additional fuel requirements will continue to be paid from general revenue to supplementary beneficiaries who are householders. The additional fuel allowance has been kept at £8.00 per week since 1992. Although fuel prices have been relatively stable for most of that period, they have increased above the headline rate of inflation over the last year. The Authority notes that fuel costs can represent a high proportion of supplementary beneficiaries' expenditure. The elderly, the sick and, to a lesser extent single parents, will spend a significant amount of time at home and will need to keep heating on throughout the day.
69. The Authority considers that an increase in the supplementary fuel payment is now due to restore the real value of the benefit and to take account of its importance to people on supplementary benefit. The Authority will recommend that the supplementary fuel allowance be increased to £12.00 per week.
70. It is estimated that the fuel supplement will cost £375,000 in the period 27 October 2000 to 18 May 2001.

Changes to treatment of capital, notional income allowances and disregards

71. Paragraphs 72 to 84 below address a number of components in the financial assessment of supplementary benefit claims, given effect by the Supplementary Benefit (Implementation) Ordinance, 1971, as amended. These particular

components have remained unchanged for several years and the Authority considers that the time is now right for some updating and modification.

Capital disregard

72. Savings of up to £2,000 are disregarded for the purposes of supplementary benefit assessments. Savings or other forms of capital above this amount are taken into account as a financial resource and a notional income assumed. The capital disregard, which is determined by Ordinance of the States has remained at £2,000 since 1989. The Authority will recommend that it should be increased to £5,000 from 5 January 2001.

Limits for free doctor, dentist etc.

73. As a matter of policy, not legislation, the Authority has also used the capital disregard as the limit below which people on supplementary benefit will have their medical, dental, physiotherapy, chiropody needs and eye tests and spectacles paid for by the States. It is the Authority's intention to break this link when the capital disregard moves to £5,000. The Authority considers that there are many families, not on supplementary benefit who have little or no savings and have to pay to see a doctor, dentist and so on. It is important not to place the person on supplementary benefit at an advantage compared to the low income earner not on benefit. The Authority, therefore, will from 1 January 2001, be using a savings limit of £3,000 for free medical and paramedical treatment for people on supplementary benefit.

Formula for notional income on capital

74. The notional income formula currently applied to capital over £2,000 assumes an income of 13 pence per week for each £25 of savings or capital between £2,000 and £5,000 and then 25 pence per week for each £25 above £5,000. This equates to assumed annual returns of 27% and 52% respectively, many times more than the current actual rates of return on deposit accounts. The high levels of notional income are deliberately intended to cause a person on supplementary benefit to draw down on capital over £2,000. This is because supplementary benefit is a means-tested scheme and it would not be fair on the taxpayer if the system allowed preservation of significant sums of capital. However, the right balance must be found between this policy and the application of a notional income formula that, to many, appears very harsh. The Authority, therefore, will be recommending a softening of the notional income on capital, replacing the current two bands with a single rate of 15 pence per week per £25 of capital over £5,000. This would equate to an assumed annual return of 31% on the capital above £5,000.

Capital cut-offs

75. It is very difficult to make a quick assessment as to whether someone is entitled to supplementary benefit. Calculation of financial need requires full disclosure of all income and assets, family circumstances and housing arrangements. A calculation can then be undertaken to determine entitlement. It is possible for people to have significant sums of capital and still be entitled to a small

supplementary benefit that gradually becomes a more substantial supplementary benefit as capital is used for living expenses.

76. The holding of significant sums of capital does not sit comfortably with receipt of means-tested supplementary benefit funded entirely by the taxpayer. The Authority sees merit in the introduction of capital cut-offs, to make quite clear to residents the stage at which there is no point in undergoing a means test for supplementary benefit. The Authority will recommend that the capital cut off for a person living in the community should be £20,000 and the capital cut off for a person living in a residential home or nursing home should be £40,000. It should be noted that this in no way implies that a person in the community with £19,000 savings will have certain entitlement to supplementary benefit. In most cases where people have capital of this order, following the gathering of information and the assessment it will be found that no supplementary benefit is payable. It should be further noted that, for people living in the community, the value of the property that they live in is not taken into account in assessing the level of their capital.

Earnings disregard

77. The supplementary benefit assessment allows the first £15 of weekly earnings to be disregarded. The earnings disregard, which has stayed at £15 per week since 1995, is intended to provide an incentive for people on supplementary benefit to take some work, where this is possible, to improve their circumstances. Earnings above the disregard of £15, and after deduction of childminding costs, are taken into account and supplementary benefit is reduced pound for pound, reducing the cost to the taxpayer.
78. One might expect that an increase in the earnings disregard would encourage more supplementary beneficiaries, particularly single parents, into increased amounts of work and help them, in time, to become fully employed and off benefit. However, a recent investigation has shown more than 75% of the 70 or so single parents who are doing some work have earnings substantially above the earnings disregard. So increasing the disregard would not provide any further motivation to increase work hours.
79. The dynamics of the earnings disregard and supplementary benefit levels are complicated by the operation of the benefit limitation which, if supplementary benefit is to be paid, generally requires income from all sources to be below £190 per week in 2000, £200 recommended for 2001.
80. The Authority is charged with examining the adequacy of supplementary benefit rates as part of the package of measures in response to the Requête on low income earners and households. The earnings disregard is part of this picture and may be one of the elements that could be modified to the advantage of low income families on benefit.
81. For the time being, the Authority will recommend an increase in the earnings disregard from £15 per week to £20 per week from 5 January 2001.

High disregard on specific types of income

82. A £10 weekly disregard applies in the supplementary benefit assessment to income from war disability pensions and industrial disablement benefit. The disregard, which currently applies to only 16 claims, has not been increased since 1989 and the Authority will recommend that it be increased to £20 per week from 5 January 2001.

Low disregard on specific types of income

83. A £5 weekly disregard applies in the supplementary benefit assessment to general forms of income other than the earnings, war disability pensions and industrial disablement benefit which are specifically addressed. The low disregard, which applies to such forms of income, in the main as occupational pensions and annuities, has not been increased since 1989 and the Authority will recommend that it be increased to £10 per week from 5 January 2001.

Non-householder rent allowance

84. A non-householder rent allowance is included in the supplementary benefit assessment of a person who is not an owner occupier, nor tenant of, nor lodger in a property. Usually, the non-householder is a person who classifies for supplementary benefit by being incapable of work or a single parent and is living with family. The non-householder rent allowance is intended to recognise that the non-householder may be expected to make a small contribution towards the rent or rates and taxes borne by the householder. The allowance is currently a figure between the minimum of £2.50 per week and the maximum of £10.00 per week. These limits were set in 1989. In practice, the minimum figure is used in the assessment and increased for cases where the claimant demonstrates that a contribution is being made to the householder. The Authority will recommend that the minimum non-householder rent allowance should remain at £2.50 per week, but the maximum should be increased to £15.00 per week from 5 January 2001.

Cost of Supplementary Benefit

85. Benefit expenditure on the Supplementary Benefit scheme was £8.19m in 1999. The budget for 2000 is £8.45m. After taking account of the proposed increases in the contributory benefit rates, which produce a saving on supplementary benefit expenditure, the proposed increases in supplementary benefit rates and the number of modifications described in paragraphs 72 to 84 above, it is estimated that the Authority's proposals will increase the expenditure on supplementary benefit by £400,000 in 2001.

Family Allowance

86. Family allowances expenditure amounted to £6.08m in 1999. The budget for 2000, in which there are 53 family allowance pay days, is £6.50m. The allowance is paid at the rate of £10.00 per week per child. The Authority will recommend that the allowance be increased to £10.50 per child per week from January 2001. The additional cost to general revenue is estimated at £320,000.

Attendance and Invalid Care Allowances

87. The Authority will recommend that attendance allowance and invalid care allowance be increased with effect from 1 January 2001 as shown below:-

(2000 rates are shown in brackets)

Attendance Allowance - weekly rate	£60.75	(£58.25)
Invalid Care Allowance - weekly rate	£48.75	(£46.75)
Annual income limit for both allowances	£55,000	(£53,000)

88. Benefit expenditure on attendance and invalid care allowances in 1999 was £1.52m. It is estimated that the Authority's proposals in respect of the number of persons currently in receipt of benefit will increase the estimated cost to general revenue by £205,000 in 2001. Taking into account further increases in the number of beneficiaries in 2000 and 2001 the total estimated expenditure for 2001 is £1.90m.

Disability Allowances

89. The Authority has been approached, during this year, by two States Deputies who are interested in the Authority's position on introducing disability allowances additional to the existing attendance and invalid care allowances. The particular interest is in the area of a benefit that would apply to Guernsey residents with a substantial disability and would not need to rely on an up to date employee's contribution record, as is the case with invalidity benefit. This suggests adding to the range of benefits administered by the Authority a further benefit funded entirely from General Revenue.
90. Non-contributory disability allowances apply in the UK and in Jersey in different forms. It must be acknowledged that the benefits are major public expenditures. The disability transport allowance, being one of Jersey's three disability allowances, cost £4.2m in 1999.
91. The 1996 census had 3,485 Guernsey residents reporting a disability severe enough to impair their life in some way. Even a fairly modest weekly benefit, therefore, could cost several million pounds.
92. The Guernsey Social Security Authority does provide significant assistance under the Supplementary Benefit Law to people with disabilities. The relevant provision of the Law allows discretionary assistance to be given with the purchase of equipment for persons with a substantial disability, even though their financial circumstances may put them beyond the limit for weekly benefit assistance. The Authority's preference, at this stage, is to continue to give meaningful, targeted assistance on a case by case basis, helping with such things as wheelchairs, stairlifts, property modifications and vehicle modifications

modifications rather than spreading assistance over the large number of people with disabilities, many of whom are fully self-sufficient.

93. The Authority does not rule out the future introduction of disability allowances for Guernsey, beyond the existing attendance and invalid care allowances, but this is beyond the scope of its current five year plan.

PART IV RECOMMENDATIONS

94. The Authority recommends:

- (i) that the standard rates of social insurance benefits shall be increased to the rates set out in paragraph 8 of this report;
- (ii) that the maximum increase of industrial disablement benefit in respect of constant attendance shall be £84.00 per week;
(paragraph 8)
- (iii) that the standard rate of survivor's grant shall be £1,060 from 1 January 2001;
(paragraph 9)
- (iv) that the amount of maternity grant shall be increased to £216.00 in respect of confinements which take place on or after 1 January 2001;
(paragraph 10)
- (v) that the amount of death grant payable in respect of the death of a person on or after 1 January 2001 shall be the appropriate amounts as set out below -

The age of the deceased at death	Amount of grant
18 and over	£336.00
6 and under 18	£252.00
3 and under 6	£168.00
Under 3	£101.00

(paragraph 11)

- (vi) that for employed and self-employed persons the upper weekly earnings limit, the upper monthly earnings limit and the annual upper earnings limit shall be £531, £2,301 and £27,612 respectively;
(paragraphs 13 to 22)
- (vii) that the earnings threshold below which Class 1 contributions shall not be payable shall be aligned with the lower earnings limit, both being increased to £76.00 per week in respect of employed persons paid weekly and £329.33 per month in respect of employed persons paid less frequently than at weekly intervals;
(paragraph 20)

- (viii) that for self-employed persons, the lower annual earnings limit shall be £3,952;
(paragraph 23)
- (ix) that for non-employed persons the lower and upper annual income limits shall be £7,904 and £27,612 respectively;
(paragraph 27)
- (x) that a weekly non-employed contribution of £12.62 shall be payable by insured persons who would normally rely upon employed contributor's employment for their livelihood;
(paragraph 29)
- (xi) that the Social Insurance (Guernsey) Law, 1978, as amended, be further amended:
- a) to repeal constant attendance allowance;
 - b) to repeal child's special allowance;
 - c) to repeal guardian's allowance; and
 - d) to provide for a special rate of Class 3 contribution;
- as outlined in paragraphs 36 to 46 of this report;
- (xii) that with effect from 1 January 2001, the prescription charge per item of pharmaceutical benefit shall be £2.00;
(paragraph 52)
- (xiii) that the normal requirements of a person for the purposes of paragraph 5 of Part II of the First Schedule to the Supplementary Benefit (Implementation) Ordinance, 1971, shall be the appropriate amount set out in paragraph 63 of this report;
- (xiv) that the limit of the weekly income for the purposes of paragraph 3 of Part 1 of the First Schedule to the Supplementary Benefit (Implementation) Ordinance 1971 shall be:
- (a) £200.00 for a person whose requirements are in accordance with paragraph 5 of the Schedule;
 - (b) £320.00 for a person who is residing in a residential home and whose requirements are in accordance with paragraph 7 of the Schedule;
 - (c) £460.00 for a person who is residing as a patient in a hospital, nursing home or the Guernsey Cheshire Home, whose requirements are in accordance with paragraph 7 of the Schedule;
- (paragraphs 64 to 66)

- (xv) that the amount of the personal allowance payable to persons in residential or nursing homes who are in receipt of supplementary benefit shall be £15.75 per week;
- (paragraph 67)
- (xvi) that a supplementary fuel allowance, for supplementary beneficiaries who are householders, of £12 per week be paid as set out in paragraph 68 ;
- (xvii) that the Supplementary Benefit (Implementation) Ordinance, 1971, as amended, be further amended:
- (a) to disregard the first £5,000 of capital resources from the calculation of income from capital resources;
 - (b) to treat the weekly income on capital resources over £5,000 as equivalent to 15 pence per £25 of capital;
 - (c) to introduce capital cut-offs, from entitlement to weekly supplementary benefit payments, of £20,000 for a person living in the community and £40,000 for a person living in a residential or nursing home;
 - (d) to disregard £20 per week of weekly earnings;
 - (e) to disregard £20 per week of the forms of income listed in paragraph 16 of Part III of the First Schedule to the Ordinance;
 - (f) to disregard £10 per week of the forms of income listed in paragraph 17 of Part III of the First Schedule to the Ordinance;
 - (g) to provide for the minimum and maximum increases of benefit in respect of rent, to a person who is not a householder, to be £2.50 per week and £15 per week respectively;
- as outlined in paragraphs 72 to 84 of this report;
- (xviii) (a) that the allowance payable under the Family Allowances (Guernsey) Law, 1950, as amended, shall be increased with effect from 2 January 2001, from £10.00 to £10.50 per week; and
- (b) that the cost of providing for a child for the purposes of determining in whose family a child who is not living with his parents is to be included for the purposes of the Family Allowance (Guernsey) Law 1950, as amended, shall be increased from £10.00 to £10.50 with effect from 2 January 2001;
- (paragraph 86)
- (xix) that the rates of attendance allowance and invalid care allowance and the annual income limits shall be as set out in paragraph 87;

(xx) that the recommendations listed below shall have effect from the following dates:

Recommendations (i) to (x), (xii) and (xix)	-	1 January 2001
Recommendations (xiii) to (xv) and (xvii)	-	5 January 2001
Recommendation (xvi)	-	27 October 2000
Recommendation (xviii)	-	2 January 2001

95. I have the honour to request that you will be good enough to lay this report before the States with appropriate propositions including one directing the preparation of the necessary legislation.

I am, Sir,
Your obedient Servant,
O. D. Le Tissier
President,
Guernsey Social Security Authority.

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

31st August, 2000.

Sir,

I have the honour to refer to the letter dated 25 August 2000 from the President of the Guernsey Social Security Authority concerning the Authority's proposals for the uprating of benefits for 2001.

The Advisory and Finance Committee is supportive of the proposals and, in particular, welcomes the fact that the Guernsey Insurance Fund is in a sufficiently good financial position to enable the Authority to propose a 6% increase in the rates of contributory benefits.

However, the Committee must express its concern at the increasing level of expenditure on prescription drugs despite the activities of the Prescribing Support Unit. The Committee accepts the explanations given for the increase in costs in 1999 but, nevertheless, understands that overall expenditure *per capita* is in the order of 40% to 45% higher than in Jersey or the United Kingdom. Even when account is taken of the relatively greater level of hospital prescribing in those two jurisdictions, which reduces the extent of community prescribing, expenditure in Guernsey remains at a level some 30% higher.

Under its mandate the Advisory and Finance Committee may request a committee to examine and report to the States or to the Advisory and Finance Committee on any matter which falls within the mandate of that committee.

The Committee has requested the Guernsey Social Security Authority to report to it on the reasons for the higher spending and the possible ways in which it may be remedied.

If the cost of community prescribing can be reduced to the *per capita* levels of Jersey or the United Kingdom, savings of some £3m would result. The Committee accepts that, if savings of this magnitude are to be achieved, fundamental changes may be needed in the operation of the Island's prescribing policy. However, it firmly believes that, given the present trends, such options must at least be considered in view of the possible financial benefits and the consequent scope for reductions in the General Revenue grant and levels of contribution to the Health Service Fund.

I am, Sir,
Your obedient Servant,
J. E. LANGLOIS,
Vice-President,
States Advisory and Finance Committee.

The States are asked to decide:—

XVII.— Whether, after consideration of the Report dated the 25th August, 2000, of the Guernsey Social Security Authority, they are of opinion:-

1. That with effect from 1st January, 2001, the standard rates of social insurance benefits shall be increased to the rates set out in paragraph 8 of that Report.
2. That with effect from the 1st January, 2001, the maximum increase of industrial disablement benefit in respect of constant attendance shall be £84.00 per week.
3. That the standard rate of survivor's grant shall be £1,060 from the 1st January, 2001.
4. That the amount of maternity grant shall be increased to £216.00 in respect of confinements which take place on or after the 1st January, 2001.
5. That the amount of death grant payable in respect of the death of a person on or after the 1st January, 2001, shall be the appropriate amounts as set out below -

The age of the deceased at death	Amount of grant
18 and over	£336.00
6 and under 18	£252.00
3 and under 6	£168.00
Under 3	£101.00

6. That with effect from 1st January, 2001, for employed and self-employed persons the upper weekly earnings limit, the upper monthly earnings limit and the annual upper earnings limit shall be £531, £2,301 and £27,612 respectively.
7. That with effect from the 1st January, 2001, the earnings threshold below which Class 1 contributions shall not be payable shall be aligned with the lower earnings limit, both being increased to £76.00 per week in respect of employed persons paid weekly and £329.33 per month in respect of employed persons paid less frequently than at weekly intervals.
8. That with effect from the 1st January, 2001, for self-employed persons, the lower annual earnings limit shall be £3,952.
9. That with effect from the 1st January, 2001, for non-employed persons the lower and upper annual income limits shall be £7,904 and £27,612 respectively.
10. That with effect from the 1st January, 2001, a weekly non-employed contribution of £12.62 shall be payable by insured persons who would normally rely upon employed contributor's employment for their livelihood.

11. That the Social Insurance (Guernsey) Law, 1978, as amended, shall be further amended:
- a) to repeal constant attendance allowance;
 - b) to repeal child's special allowance;
 - c) to repeal guardian's allowance; and
 - d) to provide for a special rate of Class 3 contribution;
- as outlined in paragraphs 36 to 46 of that Report.
12. That with effect from the 1st January, 2001, the prescription charge per item of pharmaceutical benefit shall be £2.00.
13. That with effect from the 5th January, 2001, the normal requirements of a person for the purposes of paragraph 5 of Part II of the First Schedule to the Supplementary Benefit (Implementation) Ordinance, 1971, shall be the appropriate amount set out in paragraph 63 of that Report.
14. That, with effect from the 5th January, 2001, the limit of the weekly income for the purposes of paragraph 3 of Part 1 of the First Schedule to the Supplementary Benefit (Implementation) Ordinance 1971 shall be:
- (a) £200.00 for a person whose requirements are in accordance with paragraph 5 of the Schedule;
 - (b) £320.00 for a person who is residing in a residential home and whose requirements are in accordance with paragraph 7 of the Schedule;
 - (c) £460.00 for a person who is residing as a patient in a hospital, nursing home or the Guernsey Cheshire Home, whose requirements are in accordance with paragraph 7 of the Schedule.
15. That with effect from the 5th January, 2001, the amount of the personal allowance payable to persons in residential or nursing homes who are in receipt of supplementary benefit shall be £15.75 per week.
16. That with effect from the 27th October, 2000, a supplementary fuel allowance for supplementary beneficiaries who are householders, of £12 per week shall be paid as set out in paragraph 68 of that Report.
17. That with effect from the 5th January, 2001, the Supplementary Benefit (Implementation) Ordinance, 1971, as amended shall be further amended;
- (a) to disregard the first £5,000 of capital resources from the calculation of income from capital resources;
 - (b) to treat weekly income on capital resources over £5,000 as equivalent to 15 pence per £25 of capital;
 - (c) to introduce capital cut-offs, from entitlement to weekly supplementary benefit payments, of £20,000 for a person living in the community and £40,000 for a person living in a residential or nursing home;
 - (d) to disregard £20 per week of weekly earnings;
 - (e) to disregard £20 per week of the forms of income listed in paragraph 16 of Part III of the First Schedule to the Ordinance;
 - (f) to disregard £10 per week of the forms of income listed in paragraph 17 of Part III of the First Schedule to the Ordinance;
 - (g) to provide for the minimum and maximum increases of benefit in respect of rent, to a person who is not a householder, to be £2.50 per week and £15 per week respectively;
- as outlined in paragraphs 72 to 84 of that Report.

18. (a) That the allowance payable under the Family Allowances (Guernsey) Law, 1950, as amended, shall be increased with effect from the 2nd January, 2001, from £10.00 to £10.50 per week; and
 - (b) that the cost of providing for a child for the purposes of determining in whose family a child who is not living with his parents is to be included for the purposes of the Family Allowance (Guernsey) Law 1950, as amended, shall be increased from £10.00 to £10.50 with effect from the 2nd January, 2001.
19. That with effect from 1st January, 2001, the rates of attendance allowance and invalid care allowance and the annual income limits shall be as set out in paragraph 87 of that Report.
20. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

STATES PUBLIC ASSISTANCE AUTHORITY

RATES OF OUTDOOR ASSISTANCE

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

25th August, 2000

Sir

1. Under the provisions of the Public Assistance Law, 1937, the States may set, by Ordinance, the ordinary maximum rates of outdoor assistance (benefit), the limit of weekly income an applicant may have, and vary other regulations making provision for the administration of outdoor assistance.
2. From 8 January 1999, the rates of public assistance and short-term supplementary benefit have been identical. In order to maintain this parity, the Authority will recommend that the increase in public assistance rates be in line with short-term supplementary benefit.
3. The Authority proposes, therefore, that the rates of public assistance should be increased with effect from 5 January 2001 as follows (existing rates in brackets):

Husband & wife	£122.25	(£117.00)
Single householder	£76.75	(£73.50)
Member of a household:-		
Aged 18 or over	£64.50	(£61.75)
16 or 17	£46.50	(£44.50)
13 to 15	£35.25	(£33.75)
11 or 12	£26.75	(£25.50)
5 to 10	£24.50	(£23.50)
Under 5	£18.25	(£17.50)

In addition to the above rates, in appropriate cases, the claimant receives an additional allowance for rent.

Limitation on amount of Outdoor Assistance payable

4. The current limit of weekly income an applicant may receive in any week including any benefit to which they may be entitled is £190.00. Family Allowance can, however, be payable above the benefit limitation. The Authority will recommend that the benefit limitation be increased from £190.00 to £200.00. This increase is in line with that proposed by the Social Security Authority.

Winter fuel allowance

5. During the winter months of November to March, dependent on the prevailing weather conditions and with the approval of the Authority, Relieving Officials may award a fuel allowance. The fuel allowance, which is in addition to any assistance which may be payable, has been kept at £8.00 per week since 1992. The Authority considers that an increase is now due to restore the real value of the benefit. The Authority will recommend that the public assistance fuel allowance be increased to £12.00 per week. This increase is in line with that proposed by the Social Security Authority.
6. It is estimated that the fuel supplement will cost £4,050 in the period November 2000 to March 2001.

Earnings disregard

7. The public assistance assessment allows the first £15 of weekly earnings to be disregarded. The earnings disregard, which has stayed at £15 per week since 1995, is intended to provide an incentive for people on public assistance to seek employment. Earnings above the disregard of £15 are taken into account and public assistance is reduced pound for pound, reducing the cost to the taxpayer. The Authority will recommend an increase in the earnings disregard from £15 per week to £20 per week from 5 January 2001. This increase is in line with that proposed by the Social Security Authority.

High disregard on specific types of income

8. A £10 weekly disregard applies in the public assistance assessment to income from war disability pensions and industrial disablement benefit. The disregard, which does not currently apply to any claimants, has not been increased since 1989. The Authority will recommend that it be increased to £20 per week from 5 January 2001. This increase is in line with that proposed by the Social Security Authority.

Low disregard on specific types of income

9. A £5 weekly disregard applies in the public assistance assessment to general forms of income other than earnings, war disability pensions and industrial disablement benefit, which are specifically addressed. The low disregard which applies to such forms of income, in the main occupational pensions and annuities, has not been increased since 1989. The Authority will recommend that it be increased to £10 per week from 5 January 2001. This increase is in line with that proposed by the Social Security Authority.

Non-householder rent allowance

10. A non-householder rent allowance is included in the public assistance assessment of a person who is over 18 years old and not an owner-occupier, nor tenant of, nor lodger in a property. The non-householder rent allowance is intended to recognise that the non-householder may be expected to make a small contribution towards the rent or rates and taxes borne by the householder. Since 1993, the maximum allowance has been set at £5.00 per week. In practice, a minimum figure of £2.50 is used in the assessment and increased at the discretion of the Relieving Official

for cases where the claimant demonstrates that a contribution is being made to the householder. In order to maintain parity between the rates of public assistance and short term supplementary benefit, the Authority will recommend that the minimum non-householder rent allowance remain at £2.50 per week but the maximum be increased to £15.00 per week from 5 January 2001.

Estimated costs to General Revenue

11. The cost in 2001 of the proposed increase in the rates of outdoor assistance is estimated to be £8,000. The total cost of Public Assistance benefits in 2001 is estimated at £155,000.

Recommendations

12. The Authority recommends:-
- (a) that the ordinary maximum rates of outdoor assistance for the purposes of paragraph 10 of the Schedule to the Central Outdoor Assistance Board Regulations, as amended, shall be those set out in paragraph 3 of this report;
 - (b) that the limitation of weekly income in paragraph 2(2) of the Schedule to the Regulations shall be £200.00; (paragraph 4)
 - (c) that the winter fuel allowance at a maximum of £12.00 per week be payable at the discretion of the Relieving Official to a person in receipt of public assistance in the period November 2000 to March 2001, inclusive; (paragraph 5)
 - (d) that disregards on earnings in paragraph 7 of the Schedule to the Regulations shall be £20; (paragraph 7)
 - (e) that high disregards on specific types of income in paragraph 6(2) of the Schedule to the Regulations shall be £20; (paragraph 8)
 - (f) that low disregards on specific types of income in paragraph 6(3) of the Schedule to the Regulations shall be £10; (paragraph 9)
 - (g) that a reasonable share of the rent allowed to an applicant who is not a householder shall not exceed £15; (paragraph 10)
13. I shall be grateful, Sir, if you would lay this report before the States together with the appropriate propositions, including one directing the preparation of the necessary legislation.

I am, Sir,
 Your obedient Servant,
 Mrs P. Robilliard
 President,
 States Public Assistance Authority.

[N.B. The States Advisory and Finance Committee supports the proposals.]

The States are asked to decide:—

XVIII.— Whether, after consideration of the Report dated the 25th August, 2000, of the States Public Assistance Authority, they are of opinion:-

1. That the ordinary maximum rates of outdoor assistance for the purposes of paragraph 10 of the Schedule to the Central Outdoor Assistance Board Regulations, as amended, shall be those set out in paragraph 3 of that Report.
2. That the limitation of weekly income in paragraph 2 (2) of the Schedule to the Regulations shall be £200.00.
3. That the winter fuel allowance at a maximum of £12.00 per week be payable at the discretion of the Relieving Official to a person in receipt of public assistance in the period November 2000 to March 2001, inclusive.
4. That disregards on earnings in paragraph 7 of the Schedule to the Regulations shall be £20.
5. That high disregards on specific types of income in paragraph 6 (2) of the Schedule to the Regulations shall be £20.
6. That low disregards on specific types of income in paragraph 6 (3) of the Schedule to the Regulations shall be £10.
7. That a reasonable share of the rent allowed to an applicant who is not a householder shall not exceed £15.
8. To direct the preparation of such legislation as may be necessary to give effect to their above decisions.

ISLAND DEVELOPMENT COMMITTEE

URBAN AREA PLAN AND RURAL AREA PLAN (PHASES 1 AND 2)

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

24th July, 2000

Sir

**URBAN AREA PLAN
RURAL AREA PLAN (PHASES 1 AND 2)**

1. BACKGROUND

- 1.1 In September 1999 the States agreed that the current Urban Area Plan and Rural Area Plan (1) should continue to have effect until 31st December 2000 (Billet d'État XVI, 1999).
- 1.2 The Committee subsequently brought a further policy letter to the States in December 1999 explaining its proposals for the review of all the Detailed Development Plans: Urban Area Plan and Rural Area Plans (1) and (2) (Billet d'État XXI, 1999).
- 1.3 In accordance with the Committee's recommendations, the States agreed that the statutory review of the Urban Area Plan should be carried out in advance of a joint review of Rural Area Plans (1) and (2). A copy of the policy letter is attached to this report as it explains the implications of this decision (Appendix A).

2. REVIEW OF THE URBAN AREA PLAN

- 2.1 Last December the Committee estimated that it should be possible to publish the draft revised Urban Area Plan by the end of 2000 or early 2001 assuming any necessary adjustments to the Strategic and Corporate Plan were put in place at the July 2000 States meeting.

- 2.2 Since that date the Island Development Committee and Advisory and Finance Committee staff have worked together very closely to ensure that this target would be met. The Island Development Committee considers that the new Strategic and Corporate Plan provides a carefully thought out and comprehensive agenda for the review of the Urban Area Plan and Rural Area Plans (1) and (2).
- 2.3 Work on the Urban Area Plan has continued in parallel with the Island Development Committee's input to the strategic planning process and the Committee believes it will be possible to publish the new Plan within the estimated timescale, probably in the early part of the new year. Every effort is being made to keep to this target.
- 2.4 As explained in December, however, the subsequent timetable for the necessary Planning Inquiry, Inspector's Report and States' consideration of the draft Plan fall largely outside the Committee's control. The length of time between publication and adoption of the Urban Area Plan can only be roughly estimated as a great deal will depend on the number of representations received.
- 2.5 In the case of the current Plan, the interval amounted to eighteen months but this may have been because the Plan was very different to the old-style Development Plans it replaced and, therefore, generated a large number of representations. A twelve month period between publication and adoption may be a reasonable expectation for the new Urban Area Plan especially if a suitable independent Planning Inspector can be identified and appointed without delay.

3. REVIEW OF RURAL AREA PLANS (1) and (2)

- 3.1 In December 1999 the States agreed that the Island Development Committee should undertake a comprehensive review of both phases of the Rural Area Plan. The Committee explained that this was a practicable way forward provided that there was no fundamental change in the strategic policy to conserve and enhance the rural environment and direct the majority of development to the urban area. It also presumed that there would be no need to carry out a comprehensive resurvey of the landscape characteristics upon which many of the plan policies are based.
- 3.2 The Committee undertook to return to the States after the July 2000 policy planning debate with a clearer estimate of the timetable for the Rural Area Plans (1) and (2) review. In the intervening months, work done on the Strategic and Corporate Plan with its Island wide remit has been very

helpful in identifying policy issues to be addressed in the Rural Area Plan as well as the Urban Area Plan.

- 3.3 Assuming that the draft revised Urban Area Plan is published by February 2001, the Committee's Forward Plans Team will then focus its attention on the review of the Rural Area Plans. The speed of progress will, of course, depend on the workload arising from servicing the Planning Inquiry process for the Urban Area Plan. It will also depend on the demands placed on limited staff resources by other priority projects such as bringing forward Leale's Yard for redevelopment and determining the siting of the proposed Waste to Energy Plant. These schemes each involve Development Plan amendments and Planning Inquiries in their own right.
- 3.4 Any estimate of the likely publication date for a Rural Area Plan incorporating the combined Rural Area Plans (1) and (2) is, therefore, dependent on variables outside the Committee's control. The Committee considers, however, that a reasonable estimate would be Summer 2002 and it, therefore, proposes that July 2002 should be its target date.
- 3.5 In effect, this timetable would allow the Committee 12 to 15 months to complete the Rural Area Plan review following the publication of the Urban Area Plan. Adoption of the new Urban Area Plan and a consolidated Rural Area Plan might, therefore, be predicted for Spring 2002 and Autumn 2003 respectively.

4. RENEWAL OF THE EXISTING URBAN AREA PLAN AND RURAL AREA PLAN (1)

- 4.1 The validity of the current Urban Area Plan and Rural Area Plan (1) expires in December this year. The Rural Area Plan (2) was adopted in July 1997 and does not expire until July 2002.
- 4.2 Whilst the Committee has tried to provide a realistic timetable for the review process, the work involved is complex. The more radical any desired change of policy, the greater the workload in research, analysis and formulation and, therefore, the scope of the task only becomes clear as new land use objectives are set. This is very relevant to the land use decisions to be made through the Rural Area Plan where major change in approaches to agriculture and countryside management will need to be assimilated into the Plan.
- 4.3 The Committee believes that it is of positive benefit to report back to the States at reasonable intervals of the Plan reviews progress. Bearing in mind the public concern and frustration which can arise when the five yearly Plan review target slips and the high level of political interest in

planning matters generally, the States is the appropriate forum to explain progress and confirm priorities. Accordingly, the Committee proposes that the validity of the Urban Area Plan and Rural Area Plan (1) should be further extended until 31st December 2001 only so that an update report can be given at that time.

5. RECOMMENDATIONS

5.1 The Committee recommends the States:-

[i] To note the contents of this report.

[ii] To agree that the Urban Area Plan and Rural Area Plan [Phase [1] shall continue to have effect until 31st December 2001.

5.2 I have the honour to request that you lay this matter before the States with appropriate propositions.

I am, Sir,
Your obedient Servant,
P. Mellor
Vice President,
Island Development Committee.

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

6th October, 1999

Sir,

**DEVELOPMENT PLAN REVIEW
[RURAL AREA PLAN [PHASE I] URBAN AREA PLAN]**

1. BACKGROUND:

- 1.1 At the States meeting in September this year, members accepted the Island Development Committee's recommendation that the current Rural Area Plan [Phase I] and Urban Area Plan should continue to have effect until 31st December, 2000. The Plans would otherwise have expired in October 1999 and in February 2000 respectively.
- 1.2 In its policy letter, the Committee explained that it was intended to bring a further, more detailed report on the process of reviewing the Plans to the States by the end of the year. The Committee is, therefore, pleased to be able to present this policy letter for consideration.

2. THE CURRENT PLANS:

- 2.1 The current generation of plans marked a significant transition from the previous plans [Detailed Development Plans 1-6] which categorised each parcel of land according to its current use or a prescribed use in the future. These plans were widely criticised as being too inflexible and prescriptive to meet the Island's needs.
- 2.2 A review of the IDC's functions and activities [1988] and a land use strategy based on reports prepared for the Advisory and Finance Committee paved the way for a new approach to forward planning.

- 2.3 Firstly, the States established a Strategic Working Party responsible to Advisory and Finance Committee for producing and annually reviewing a Strategic and Corporate Plan.
- 2.4 The new-style Development Plans [Urban Area Plan and Rural Area Plans [Phase I] and [Phase 2], were then produced to translate the States' strategic objectives into more detailed policies to guide land-use and development.
- 2.5 In effect, the Strategic and Corporate Plan sets the agenda for the IDC and, therefore, the current Development Plans embody the strategic principle "to concentrate the Island's principal development requirements up to the end of the century in the urban areas of St. Peter Port and St. Sampson's whilst conserving and enhancing the rural character of the remainder of the Island".
- 2.6 Given the phrase "up to the end of the century" the impending review of the Development Plans also implies a corresponding review of strategic principles. It is IDC's understanding of States policy, however, from its monitoring of development trends and of housing land availability, in particular, that the concept of concentrating development in the urban areas remains valid.
- 2.7 Similarly, the Urban Area Plan and Rural Area Plan [Phase I] and [Phase 2] have proved to be a practical and effective basis for making planning decisions, providing more flexibility and responsiveness to change than the previous plan system. The Committee does not, therefore, perceive a need to change this well-established policy-based approach.

3. THE PLAN REVIEW PROCESS:

- 3.1 The IDC explained in its September policy letter that any plan review is a major undertaking. A review of two Development Plans in tandem is, therefore, extremely onerous.
- 3.2 Much of the initial research and consultation work undertaken by the Committee's staff has, in practice, been approached on an Island-wide basis rather than being split between urban and rural areas. Clearly, many topics need to be explored in this way before policies can be evolved in terms of area plans.
- 3.3 The time needed to prepare any new plan for publication depends on many factors including:-
- The scope of the review.
 - The relationship of the review to the strategic policy cycle.
 - The extent of consultation to be carried out, including public consultation.

- The resources, including staff resources, which can be applied to the task given competing commitments and priorities.

3.4 The Committee's previous policy letter explained the heavy workload the Committee continues to carry in implementing the current Urban Area Plan. Moreover, the Committee has given top priority to the complex task of preparing a new planning law for the Island. These projects and the need to maintain a constant throughput of other Forward Planning and Development Control work has inevitably constrained progress on the review of the Urban Area Plan and Rural Area Plan [Phase I] as staff resources have been very fully committed.

4. ORDER OF REVIEW:

- 4.1 Assuming that the States reaffirm that the majority of development needs, especially housing needs, are to be met within the urban area of the Island there is a strong case for reviewing the Urban Area Plan before Rural Area Plan [Phase I]. In this way, policies which ensure the supply of land for housing, industrial and commercial uses can be addressed first within the context of a new, comprehensive plan. Development needs not accommodated in the urban area would then fall to be considered in the context of the rural area.
- 4.2 In addition, the recent review of policy by the Committee for Horticulture and the Agriculture and Milk Marketing Board's far-reaching proposals for a new approach to farming and countryside management, will have a fundamental impact on the review of Rural Area Plan [Phase I]. Assimilating appropriate new policies into the framework for planning the rural areas of the Island will require careful consideration. Reviewing the Rural Area Plan [Phase I] after the Urban Area Plan would allow further time for this process to take place in consultation with the Committees concerned.
- 4.3 The Committee appreciates that any additional delay in reviewing Rural Area Plan [Phase I] will be a source of frustration for landowners and developers who look to the review process to enable them to pursue their particular aspirations. This is entirely understandable and the Committee regrets that the five yearly review programme has to be extended.
- 4.4 On the other hand, the Committee's responsibility is to plan for the land use requirements of the community as a whole rather than to respond to individual requests for rezoning and, in addition, the greater flexibility of the current plans means that most minor development can be accommodated without a need for policy change.
- 4.5 If the States agree that the Urban Area Plan should be reviewed first, it needs to be aware that the Committee may be under pressure to bring forward selective amendments to the Rural Area Plan [Phase I] ahead of the main review.

4.6 Whilst it is not for the Island Development Committee to rule out such an approach, the selective amendment of any Development Plan has two main drawbacks:-

- It may be difficult to amend policy to tackle one issue without being able to review the overall framework and 'knock on effects' of the amendment;
- Time taken in bringing forward selective amendments means less time available to work on the main review. The workload involved in amending a Development Plan is substantial and includes bringing the matter before an independent Inspector at a Public Inquiry.

4.7 For these reasons, the Committee would only wish to undertake any interim amendments in genuinely exceptional circumstances where matters of public interest were at stake.

4.8 To offset the disadvantage of delay in reviewing Rural Area Plan [Phase I], however, the Committee proposes to extend the scope of the review to include Rural Area Plan [Phase 2]. This will enable the Committee to bring policies into line throughout the rural area and will ensure a comprehensive review of all three Development Plans within the shortest practicable time.

4.9 A joint review of Rural Area Plans [Phase I] and [Phase 2] whilst a demanding task, is feasible provided it is assumed that:-

- There is no fundamental shift in strategic policy to conserve and enhance the rural areas of the Island and to direct the majority of development to the urban area.
- The thorough landscape study undertaken in preparing the current plans remains sound and no comprehensive resurvey is required [although selective reappraisal may be required in revising policy].

5. TIMING:

5.1 The Urban Area Plan and Rural Area Plan [Phase I] have been renewed until December 2000. It will be readily apparent, however, that the plan review process as set out above cannot be completed within this time frame.

5.2 The IDC considers, however, that it should be possible to publish the draft revised Urban Area Plan by the end of 2000/early 2001. This assumes that any necessary strategic policy adjustments are put in place in July. Thereafter, the timetable for Public Inquiry/Inspector's Report/States' consideration would largely fall outside the Committee's control.

5.3 As previously stated, the Rural Area Plan [Phase I] would have expired in February 2000 [now extended to December 2000]. The Rural Area Plan [Phase 2] which was adopted in July 1997 expires in July 2002. The Committee believes it would be misleading to put a firm date on the joint review of Rural Area Plans [Phase I] and [Phase 2] at this stage. There are many variables which will have an impact on timing, not least the allocation of resources to the Urban Area Plan review.

5.4 Nonetheless, the Committee appreciates that the States will be seeking clarification on this point as quickly as possible and it, therefore, proposes to report back on the programme for Rural Area Plans [Phase I] and [Phase 2] after the strategic planning debate in July. At this stage, substantial progress will have been made with the Urban Area Plan and the strategic agenda will have been set. The Committee will, therefore, be in a better position at that time to outline a realistic timetable.

6. RECOMMENDATION:

6.1 The Committee recommends the States:-

[i] to note the contents of this report;

[ii] to agree that the statutory review of the Urban Area Plan be carried out in advance of a joint review of Rural Area Plans [Phase I] and [Phase 2].

7. I have the honour to request that you be so good as to lay this matter before the States with appropriate propositions.

I am, Sir,
Your obedient Servant,

[signed] R. Le. P. Ogier

Deputy R. Le P. Ogier,
President

The States are asked to decide:—

XIX.—Whether, after consideration of the Report dated the 24th July, 2000, of the Island Development Committee, they are of opinion:-

1. To note the contents of that Report.
2. That the Urban Area Plan and Rural Area Plan (Phase I) shall continue to have effect until the 31st December, 2001.

STATES HOUSING AUTHORITY

GUERNSEY'S HOUSING SITUATION

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

24th August, 2000

Sir

Guernsey's Housing Situation

Introduction

Following the debate at the June 2000 States' meeting on the Requete submitted by Deputy Jones and nine other States' Members (Billet d'Etat XIV), and in the light of the earlier undertaking which the Authority gave to report to the States on the housing situation by September or not later than the end of this year, the Authority is proceeding with the preparation of a comprehensive report as a matter of urgency.

Simultaneously with the preparation of the comprehensive report the Authority is engaged in the planning for and the provision of additional housing in the short-term. The projects currently in hand (see Appendix A for details) include the following:

- Amherst Hospital Site
- Land at Bulwer Avenue - HTA9
- States owned property in the Bordage
- The former Girls' Grammar School at Rosaire Avenue
- Route de Carteret - Phase 2
- Courtil Jacques - Phase 2
- Delancey Cottages
- Roseville, Petit Bouet
- Rue des Marais, Grand Bouet
- Victoria Avenue
- Courtil Jacques - Phase 3
- Belgrave Vinery

The Authority will be bringing to the States further reports and proposals from time to time. It is of paramount importance to ensure that such reports and proposals are based on well-researched and accurate data.

The main purpose of this present policy letter is to inform the States of the work which has been carried out and that which is currently being undertaken.

The following appendices are, therefore, attached:

- A. An update of information which was circulated to States' Members earlier this year;
- B. An outline, in the form of a preliminary table of contents, of the intended detailed report which will be submitted for consideration by the States;
- C. A report on the housing situation based on research undertaken by the Advisory and Finance Committee's Economics and Statistics Unit.

Research into the Housing Situation

The Housing Authority commissioned the report on the housing situation in November 1999, with the following terms of reference:

1. To identify and report on existing statistical data, from whatever source, that can be used to describe the number, type and level of occupation of existing dwellings in Guernsey;
2. To identify statistics that can be used to assess future requirements for numbers and types of dwellings in Guernsey, including an assessment of the relative requirements for qualified residents, essential licence holders, potential qualified residents, and 'compassionate' licence holders;
3. To provide specific guidance on the relevance and use of data held by the Housing Authority:
 - i. in the monitoring and formulation of licensing policies; and
 - ii. in relationship to the 'housing problem';

4. Using the data available, to prepare a report on the current housing situation, insofar as it affects the grant of housing licences;
5. To make recommendations on new data to be collected by the Housing Authority or other States' bodies to assist in defining requirements for housing and monitoring the take-up thereof;
6. To research and design a proposal for a survey to establish future demand/need for housing in Guernsey.'

This report brings together data from all existing sources to make an initial appraisal of where the housing problem lies and how it affects the Island as a whole. The report, therefore, builds upon the research undertaken for the Population and Housing Policies Discussion Document in 1998.

This new report shows that the completion of additional dwellings has not matched the targets set in the Strategic and Corporate Plan but, more particularly, has conclusions that cast doubt upon the agreed projections of future housing need established as a result of the 1998 research, i.e. that provision should be made for an additional 250 new homes each year. However, the report recommends that further work should be undertaken to verify some of the key assumptions made, as if these are in any way faulty the housing requirement could either be over- or under-stated.

Specifically, the report included the following recommendations:-

1. The Housing Authority's computer system should be placed by a system that holds more information from the housing licence application forms and which can provide detailed, cross-referenced, user-defined statistics on all aspects of housing;
2. Research should be undertaken to make an accurate assessment of the number of first time residentially qualified households formed each year;
3. An assessment should be made of the extent to which the creation of new households is suppressed by the housing situation;
4. The annual net increase in essential housing licences should be assessed as a better measure of

the number of additional dwellings needed in this category;

5. A Housing Survey should be undertaken as soon as possible, to obtain further data which will assist in:

- considering measures to rationalise the use of the housing stock;
- planning the number and type of dwellings required which, in turn, will assist in rationalising the use of the existing stock and in ensuring that proper provision is made for new households; and
- further enabling the Housing Authority to assess the housing situation to facilitate the administration of the Housing Control Law."

The Authority fully accepted these recommendations.

In response to these recommendations, the Authority has taken the following actions:

- Discussions have commenced with consultants on the new computer requirements.
- The Authority has requested the Advisory and Finance Committee to include an additional question in the 2001 Census designed to establish the numbers of local persons who become householders each year. The Authority regards this as a vital element in establishing the housing requirement.

Although the States has already approved the questions to be asked in the next Census, in recognition of the importance of this question, the Advisory and Finance Committee has agreed to the Authority's request and has authorised the Authority to include, in this report, a recommendation seeking the approval of the States to include the following question in the 2001 Census:

"If you became a householder for the first time during 1996 to 2001 please indicate the year. For this purpose the word 'householder' is defined as: 'tenant or joint tenant; owner or joint owner'."

- The Authority commenced publication of live licence statistics last year. A report on the twelve month period ending 31 March 2000 will have been issued by the time this policy letter is debated. The annual updating of these statistics will indicate the level of growth, and thus the additional dwellings taken up as a result of the issue of housing licences.

- At its meeting held on 20 July 2000, the Authority approved a detailed research brief for a specially designed Housing Needs Survey to be undertaken in Guernsey. The suppressed demand for housing is one of the issues which the Authority proposes to discover from such a survey. Specifically, the objectives of the Survey are as follows:
 1. To identify and quantify the nature of Guernsey's housing needs and housing demands in relation to the local housing market.

 2. To provide the Authority with sufficient accurate information (when combined with information from other sources, e.g. the Census) to enable it to make recommendations regarding:
 - a) The quantity and type of accommodation required over the next 10 years to fulfil the Island's housing needs; and

 - b) The policies and programmes required to fulfil housing needs in the Island.

 3. To assess what opportunities exist in relation to assisting people who currently occupy accommodation unsuited to their needs to find more appropriate accommodation from within the existing housing stock.

 4. To provide detailed information that would assist the Authority in the administration of the Housing Control Laws.

 5. To establish a socio-economic profile of the section(s) of the local population most likely to experience problems in finding accommodation appropriate to their needs.

The Authority is confident that by the time this report is debated this survey will be under way or close to commencement.

Statement on the Housing Situation

Arising from the research covered by Appendix C, which draws some initial conclusions concerning the shortfall in housing provision, a summary statement on the housing situation is in the course of preparation. This statement is necessary to assist the Authority in its administration of the Housing Control Law.

This statement will draw upon the initial conclusions of the research detailed in Appendix C; it will also identify the further areas of research that need to be undertaken in order to produce a better-defined statement of the housing situation. In this respect, the findings of the aforementioned Housing Needs Survey will be of utmost importance.

Further report to the States

The request from the Advisory and Finance Committee to prepare a report on the housing situation was three-pronged:

- (i) to make a statement on the current housing situation;
- (ii) to identify the issues and problems to be addressed;
- (iii) to put forward proposed solutions to those issues and problems.

This report partially discharges the first requirement set out above; however, it can only be discharged fully once the full results of the Housing Needs Survey have been received and analysed.

In respect of points (ii) and (iii), Members will note from the outline in Appendix B that there is a substantial amount of work to be done. Moreover, the Authority has embarked upon an extensive consultation exercise, the results of which are taking time to consider and evaluate.

Consequently, it is most unlikely that all the research and analysis will be at a sufficiently advanced stage by 13 October 2000, the closing date for submissions to the Advisory and Finance Committee for the December Billet

D'Etat, for a fully detailed final report to be submitted. In particular, the Authority will not have the results of the Housing Needs Survey, which will be critical to the decisions to be made on a future Housing Strategy.

The Authority would prefer to submit its completed report after receipt of the Survey results and evaluation of the consultation exercise, so that the States can have a full debate on the matter; however, it acknowledges that this is a matter of prime importance and interest to the States.

The States thus has two options:

- (i) to receive a further interim report from the Housing Authority, without the benefit of seeing the results of the Survey; or
- (ii) to accept that the Survey results are of such significance to future policy-making that the Authority should delay submission of its final report until these are available.

The Authority will recommend the latter course of action but acknowledges that the States may choose not to accept that recommendation and ask the Authority to report back sooner, which it would be happy to do.

Recommendations

In the light of the above, the Authority asks the States:

- (i) to note this report;
- (ii) to agree that a further report outlining the Island's housing issues and problems, and proposing solutions thereto, be presented to the States as soon as possible after receipt and analysis of the Housing Needs Survey commissioned by the Housing Authority;
- (iii) to authorise the Advisory and Finance Committee to include an additional question in the 2001 Census, as detailed in the body of this report, to establish the number of persons who established households for the first time during the period 1996 - 2001; and
- (iv) to direct the preparation of such legislation as may be necessary to give effect to the above decision.

I have the honour to request that you will be good enough to place this matter before the States with appropriate propositions.

I am, Sir,
Your obedient Servant,
J. E. Langlois
President,
States Housing Authority.

The Housing Situation - Progress Report August 2000

Monitoring the provision of Affordable Housing

The Housing Authority and the Island Development Committee are working together to monitor current housing provision.

The Authority is analysing information available to assess the provision of housing for purchase by people on modest incomes, i.e. housing typically for first- and last-time buyers. Information from the administration of the States Loan Scheme is significant in this respect (see below).

The IDC is monitoring the release of land for housing development, i.e. development permissions issued, new units constructed.

The Authority understands from information received from the Island Development Committee that as at 30 June 2000, there was 18 months supply of new housing units in the pipeline, with 108 units capable of being built with immediate effect (i.e. having received full planning and building control approval). The IDC has always emphasised that it only has powers to make provision for housing development to meet States targets. It cannot require developers to implement planning permissions, although it seeks to investigate and address reasons for non-implementation.

During the 12 months, 1 July 1999 to 30 June 2000, the IDC recorded a net 245 new dwellings (comprising new build on greenfield sites, re-developments on brownfield sites, conversions to houses and changes of use to housing) as "Under Construction" or "Finished". The Authority has been further advised that since the introduction of the new-style development plans, a net 1063 new dwellings (new build, re-developments, conversions and changes of use) have been recorded as "Under Construction" or "Finished" between 1 January 1995 and 30 June 2000.

Housing Authority Sites

The paragraphs below summarise the present position in respect of those sites in the Authority's control set aside for housing development.

1. **Amherst Hospital Site.** The Authority has tendered the sale of this site for housing development subject to conditions intended to provide new dwellings at the lower

end of the market. The IDC approved sketch plans for the development of 30 dwellings in April 2000. It is anticipated that work will commence on site shortly after approval of detailed plans.

2. **Land at Bulwer Avenue - HTA9.** The Authority has also tendered this land for sale for the development of low cost housing. The developer has IDC approval for a scheme comprising 32 dwellings. The site has been sold to the developer and preliminary work has commenced on site.
3. **States owned property in the Bordage.** The site is included in the Outline Planning Brief for the Hauteville Action Area, which was approved by the States in January 1999. The Brief favours renovation rather than redevelopment. Some of the buildings are listed under the Heritage Committee's legislation. The Authority has offered this site for sale by tender for development with not less than 18 dwellings and a tender has been accepted. The developer intends to refurbish the existing buildings and is likely to start work on site in the near future.
4. **The former Girls' Grammar School at Rosaire Avenue.** The Authority intends to bring proposals to the States concerning the development of at least 50 units of sheltered housing on this site, before the end of this year.
5. **Route de Carteret - Phase 2.** Tenders for the construction of 5 dwellings are currently being sought and the Authority expects to bring the matter to the States in November.
6. **Courtil Jacques - Phase 2.** The States approved proposals in July 2000 for refurbishment as 8 sheltered dwellings.
7. **Delancey Cottages.** The Authority has considered a feasibility study for the redevelopment of this small estate, with the expectation that this will result in a substantial increase in the number of dwellings on this site. It is in correspondence with the Advisory and Finance Committee on the means of taking this matter forward.
8. **Roseville, Petit Bouet.** A scheme has been submitted to the IDC for consultation to replace 20 dwellings with 38 new dwellings. If the scheme has IDC support, the Authority anticipates bringing firm proposals to the States in the latter part of 2001.

9. **Rue des Marais, Grand Bouet.** A Planning and Design statement has been submitted to the IDC. The proposals are to replace 12 existing dwellings with 16 new flats and to enable adjoining land (in private ownership) to be developed with 20 "starter" homes.
10. **Victoria Avenue.** The feasibility of an infill development combined with refurbishment or redevelopment of existing dwellings is being investigated.
11. **Courtil Jacques - Phase 3.** The Authority intends that land to the west of Longue Rue House will be developed with dwellings for elderly persons. The planning will proceed when present investigations into the requirement for sheltered housing have been completed. It is anticipated that in the region of 20 units of accommodation will be built.
12. **Belgrave Vinery.** The Housing Task Force consisting of three members of the Advisory and Finance Committee - Deputies Langlois, Berry and Bell - has the primary role to expedite the detailed planning of Belgrave Vinery. This work is proceeding.

Improvement of the Existing Stock

Much of the States housing stock is now relatively old. The Authority's current Policy and Resource Plan sets out a programme to commence the modernisation of 170 pre war houses. Tenders are currently being sought for the commencement of work on this programme. Similarly, tenders have recently been sought to progress a programme of electrical rewiring on a number of estates.

In addition, a condition survey of the Authority's entire housing stock will commence imminently. This will inform future refurbishment and renovation programmes.

States Loans

Since December 1998 the Authority has improved the take up of States Loans by increasing the maximum amount of the loan from £87,000 to £115,000 last year and to £130,000 this year.

86 purchase loans have been approved up to 31 July 2000. This compares with 35 in the same period in 1999.

The monthly breakdown is:	January	5	May	12
	February	14	June	17
	March	10	July	17
	April	15		

If this rate of approval is maintained, the Authority will have helped nearly 150 first-time buyers to purchase properties by the end of 2000.

The amounts that have been approved are as set out below:

Loans approved at £100,000 and below	18
£100,001 to £110,000	14
£110,001 to £120,000	21
£120,001 to £125,000	14
£125,001 to £129,999	4
£130,000	15

The following categories of borrower have been assisted:

40 single people
46 families

The type of dwellings purchased with the assistance of a States Loan have been as follows:

19 one bedroomed flats
15 one bedroomed houses
13 two bedroomed flats
26 two bedroomed houses
12 three bedroomed houses
1 four bedroomed house.

87% of the dwellings purchased with the aid of a States Loan have been at a price of £145,000 or less- a more detailed breakdown is given below:

11 were purchased for £100,000 or less
13 for between £100,001 and £115,000
29 for between £115,001 and £130,000
8 for between £130,001 and £135,000
14 for between £135,001 and £145,000
8 for between £145,001 and £155,000
3 properties were purchased for between £157,000 and £172,000.

Other Sources of Housing Finance

The Authority is nearing completion of an investigation into the establishment of Housing Associations (or Housing Trusts) and Shared Equity Schemes, and intends to report separately to the States on these matters before the end of this year.

REPORT TO THE STATES: DRAFT OUTLINE**INTRODUCTION**

- A&F response to Conseiller Lowe's call for emergency debate
- Authority's intention to report to States with statements on housing situation and investigations into housing associations and equity share schemes
- Consultations with States members, other interested organisations and members of the public

STRUCTURE OF REPORT

- Background
- Strategic policy context
- Statement on housing situation
- Identification of issues and problems
- Existing measures to address problems identified
- Additional possible solutions
- Other issues
- Other influencing factors
- Survey of housing need and demand
- Conclusions and recommendations
- Appendices

BACKGROUND

- Long history of concerns over housing situation
- Investigations pre-1990
- 1990 'green paper'
- Adoption of Housing Strategy 1991
- Statement by Vice-President on Housing Strategy implementation 1995
- 1997 Le Moignan and Roper amendments
- 1998 Population and Housing Policies Discussion Document
- 1998 Policy and Resource Planning Report - amendments to Strategic and Corporate Plan
- 1998 Berry 'amendment' on housing associations/equity share schemes
- 2000 A&F response to Low Income Requete
- 2000 Jones Requete
- 2000 revisions to Strategic and Corporate Plan

STRATEGIC POLICY CONTEXT

- Summary of current strategic planning and housing policies
- Strategic and Corporate Plan
- UAP and RAPs
- HTAs, HAAs and MURAs

STATEMENT ON HOUSING SITUATION

Introduction

- Two main issues: (i) availability of housing; (ii) affordability
- Joint IDC/Housing Authority monitoring initiatives post-1998

Identification of future requirements

- A&F projections of housing requirements 1998
- Interim report 2000

Supply of land for housing development

- Planning permissions granted
- Dwellings constructed

Development of States-owned sites

- Role of Housing Task Force
- 19 sites identified
- Update on progressing development of each of these sites
- Belgrave Vinery

Housing Target Areas, Housing Action Areas and MURAs

- Statement from IDC

Supply of housing land: conclusions

- Is it meeting targets: (i) set by S&CP; (ii) as identified in interim report?

ISSUES AND PROBLEMS

Summary of main issues

- Insufficient housing to purchase?
- Insufficient housing to rent in both public and private sectors?
- High cost of housing to purchase
- High cost of private sector rents
- Substandard housing in both public and private sectors
- Limited availability of housing for people with special needs

Insufficient housing to purchase?

- What is the evidence?
- Review of findings on supply of land, permissions granted, etc
- Is the real issue affordability?

Insufficient housing to rent in public sector?

- What is the evidence?
- Criteria for admission to States housing
- Statement on status of waiting list for States accommodation - total numbers, how long have they been waiting, where are the pressure points, etc
- No affordability issue - rent rebate scheme

Insufficient housing to rent in private sector?

- What is the evidence?
- Changes in number of units over time
- Are the real issues affordability and/or the standard of accommodation available?

High cost of housing to purchase

- Movements in House Price Index (including Lower Quartile)
- House price movements related to income data
- Findings of IDC monitoring post-1998
- Findings of Housing Authority monitoring post-1998

High private rental costs

- Findings of Social Policy Working Group
- Evidence held by Housing Authority, GSSA, Cadastre
- Exacerbated by substandard accommodation, restrictions on children and pets, etc

Substandard housing in private sector

- Concerns raised by DPH, Health Visitors, etc
- Analysis of complaints received by EHOs
- Evidence held by Housing Authority, GSSA, Cadastre

Substandard housing in public sector

- Overview

Limited availability of housing for people with special needs

- Concerns of inter-departmental working party
- Under-provision of sheltered housing for the elderly

EXISTING MEASURES TO SOLVE THE PROBLEMS IDENTIFIED**Increasing the provision of affordable housing for purchase**

- IDC policies on Outline Development Briefs, Planning and Design Statements, etc
- Development of States-owned sites with tender conditions, ie Bulwer Avenue, Amherst, Bordage, etc

Provision of financial assistance to first-time buyers

- States Loan Scheme - description, take-up, etc
- First-Time Buyers Grants Scheme - description, changes, etc

Assistance with substandard housing in private sector

- Home Improvements Loan Scheme - description, take-up, etc

Increasing the provision of States' housing

- Recent developments
- Description of current and future developments

Assistance with high private rental costs

- Cadastre Rent Control Law

Dealing with substandard housing in public sector

- Outline of Housing Authority 2000 Policy Planning submission
- Condition survey

Sheltered housing

- Introduction of Sheltered Housing Use Class
- Courtil Jacques redevelopment
- Rosaire Avenue

ADDITIONAL MEASURES TO SOLVE THE PROBLEMS IDENTIFIED**Increasing the provision of affordable housing for purchase**

- Social Housing Grant
- Establish Housing Associations/Trusts
- Zone land for affordable housing (UK PPG3 policies)
- Creation of a "land bank", e.g. purchase derelict vineyard sites
- Return to Homes for Workers Development Scheme
- Return to 1973 "Liberalisation of land" policy
- Condominium developments
- Amend Dwellings Profit Tax Law to counter speculation
- Tax breaks for building affordable housing
- Measures to address development permissions not activated
- Adopt Alderney's "La Banquette Scheme"

Increasing the provision of States' housing

- Retain rather than sell-off States-owned land
- Purchase privately-owned land to provide States rental dwellings
- Review eligibility criteria for States' housing: (i) to include single people or couples without children; (ii) to give greater prominence to income criteria in assessing eligibility
- Review other States' housing policies

Increasing the provision of private sector rental housing

- Social Housing Grant
- Establish Housing Associations/Trusts
- Provision of housing for "key workers", eg nurses, teachers, etc
- Conversion of open market properties, eg hotels

Provision of financial assistance to first-time buyers

- Further review Home Loans Scheme
- Review policies on Document Duty and Conge
- Establish specialist conveyancing firm
- Introduce shared equity schemes
- Provide a housing grant by introducing a tax credit
- Low cost home ownership programme
- Starter Home Initiative
- Housing Authority to purchase homes for its tenants

Assistance with high private rental costs

- Investigate introduction of a housing allowance
- Investigate payment of housing benefit to both private and public sector tenants
- Investigate introducing tax relief on private rental costs
- Review Rent Control Law

Assistance with substandard housing in private sector

- IDC/Heritage to introduce more flexible development policies for refurbishment/redevelopment projects
- Heritage to consider offering grants/loans for refurbishment/redevelopment of listed buildings
- Home Improvement Agencies
- Landlord associations
- Landlord accreditation schemes
- Local government interventions
- Licensing of private landlords
- Withholding of Supplementary Benefit/Public Assistance rent allowances
- Further review Home Improvements Loan Scheme

Dealing with substandard housing in public sector

- Review States rental policy
- Creation of maintenance reserve fund from States House rental income
- Private Finance Initiative
- Consider stock transfers to housing associations/trusts

Increase availability of housing for people with special needs

- Establish an inter-departmental strategy to meet accommodation needs of people with identified special needs
- IDC to review disability and other building regulations in conjunction with Board of Health, Housing Authority and private sector developers to promote "lifetime living" initiatives
- Housing Authority to establish a policy on "lifetime living" arrangements in planning its own refurbishment and redevelopment projects

OTHER ISSUES

- Housing densities
- Forms of development
- Provision of temporary accommodation
- Use of empty properties
- 'City Centre Living Initiative'
- Land reclamation
- Introduction of housing legislation
- Information on housing matters

OTHER INFLUENCING FACTORS

- Population policy
- Strength of the economy
- Cost of borrowing
- Taxation policy
- Capacity of local construction industry
- Building costs
- Availability of States capital for house building projects
- Culture of home ownership: does this need to change?

SURVEY OF HOUSING NEED AND DEMAND

- Background (including results from survey undertaken by St Peter Port Douzaine)
- Reasons for survey (Land and finance scarce - must ensure what is provided is what is needed)
- Survey objectives
- Outline of survey method(s)
- Survey content
- Survey results

CONCLUSIONS AND RECOMMENDATIONS

APPENDICES

Revised 20 July 2000

HOUSING AUTHORITY RESEARCH PROJECTASSESSMENT OF GUERNSEY'S HOUSING PROBLEM**Terms of reference**

1. To identify and report on existing statistical data, from whatever source, that can be used to describe the number, type and level of occupation of existing dwellings in Guernsey.
2. To identify statistics that can be used to assess future requirements for numbers and types of dwellings in Guernsey, including an assessment of the relative requirements for qualified residents, essential licence holders, potential qualified residents, and "compassionate" licence holders.
3. To provide specific guidance on the relevance and use of data held by the Housing Authority:
 - (i) in the monitoring and formulation of licensing policies; and
 - (ii) in relationship to the "housing problem".
4. Using the data available, to prepare a report on the current housing situation, insofar as it affects the grant of housing licences.
5. To make recommendations on new data to be collected by the Housing Authority or other States' bodies to assist in defining requirements for housing and monitoring the take-up thereof.
6. To research and design a proposal for a survey to establish future demand/need for housing in Guernsey.

Introduction.

The Housing Authority is keen to find out how the issuing of housing licences affects Guernsey's housing situation. The Island's housing problem is exacerbated by a finite supply of land, a booming economy with virtually full employment and social issues such as high immigration, lower mortality rates and higher incidences of marriage and family break-ups.

The factors mentioned above, combined with a limited number of new dwellings being built annually, will affect the housing composition, as will the number of new and extended licences being issued each year.

These licences are very varied in terms of conditions and time span. The vast majority of licences are short-term licences which do not have a long term affect on the housing problem, but there are still many licences issued for much longer periods, and this research project will identify the key areas for concern.

This analysis combines data from various sources to give statistics and show trends. Data has been collected from the following States departments:

Housing Authority: Licence statistics.

Cadastre and IDC: Dwellings statistics

Guernsey Social Security Authority: Employment by sector and migration.

States Education Council: School-leavers.

Economics & Statistics Unit: Census data.

This report brings together data from all these sources to show where the housing problem lies and how it affects Guernsey as a whole.

The report will also comment on the Housing Authority's data collection, analysis and storage.

Part 1: Statistical data on existing dwellings.

The number and type of dwellings in Guernsey can only really be identified from two sources: The States Cadastre records and the Guernsey Censuses. Both sources have the main types of data: type of house, number of rooms etc, but they also have data that the other does not.

The Guernsey Censuses are held every five years, and recently have asked more questions on the household itself. The 1996 Guernsey Census asked specific household questions including:-

Household type (detached, semi, terraced, flats, bungalow or house),

Number of rooms,

Tenure,

Open or local market.

The Cadastre has data on type of dwelling and rateable value etc. The next Guernsey Census in 2001, will include new questions on the number of bedrooms and amount of rent paid.

1996 Guernsey Census.

As well as data pertaining to the actual dwelling itself, the Census also provides information on the household members. It can tell us how many people are in the household, their ages, their relationship to head of household, marital status, housing licence status and type of employment. This data, along with data on type of household can give us a detailed account of how Guernsey's population occupies dwellings and households.

The Census defines a household as living accommodation where one or more people eat and share lounge facilities. This can be a whole dwelling or it could be a subdivision within a dwelling, i.e accommodation that has a shared entrance but meets with the other criteria stated above.

The Census can also give an indication of the number of unoccupied dwellings, although this is only a snapshot figure at Census time. The Census cannot give the length of time that dwellings have been unoccupied, nor in most cases can it give the reason for non-occupation (although brand new and renovation dwellings are obvious). The Census enumerators may get an idea of reasons for non-occupation from neighbours. In June 1998 the Economics & Statistics Unit carried out a follow-up check on a sample of 1996 Census unoccupied households and the findings

were published in a short report, (See Attachment B). The survey found that 57 (56%) of the 102 sampled households were now occupied, while 30 (29%) were still unoccupied and the remaining 15% were no longer living accommodation. There will always be a percentage of empty houses that are in the process of being bought and sold. Those that have been continuously unoccupied for several years are a small minority of the housing stock.

The Census shows how Guernsey's households are occupied, as well as providing information about the physical structure of the dwelling. We can work out how many people there are in the household, their marital status and their relationships within the household and can analyse various forms of tenure.

Households can be split into private, communal, open market, local market, bungalow, semi-detached or terraced etc. However, it is important to note that there is a difference between dwellings and households. In most cases one dwelling means one household (e g detached houses), but where there are dwellings with occupied granny wings, or blocks of flats, then there is more than one household in the dwelling.

Households instead of dwellings are a better indication of the number of family units. Table 1 shows the number of private households in the 1996 Guernsey Census, split by number of persons in the household, tenure and housing market.

Table 1

<u>Private households</u>	<u>Persons</u>	<u>Owner-occupied</u>	<u>Private Let</u>	<u>States Let</u>	<u>Total</u>
<u>Open Market</u>	1	310	129		439
	2	535	136		671
	3	166	69		235
	4	144	49		193
	5	54	31		85
	6	21	6		27
	7	7	3		10
	8	1			1
	9	1	1		2
Total		1239	424		1663

	<u>Persons</u>	<u>Owner-occupied</u>	<u>Private Let</u>	<u>States Let</u>	<u>Total</u>
<u>Local Market</u>	1	2428	1645	407	4480
	2	5032	1517	605	7154
	3	2626	521	412	3559
	4	2686	285	353	3324
	5	886	90	229	1205
	6	254	29	101	384
	7	36	2	21	59
	8	13	3	9	25
	9	3		4	7
	10	1			1
	11-20	1			1
Total		13966	4092	2141	20199

In the local market, the States rented accommodation has more persons per household than private rented accommodation which has mostly one or two person households. As expected, most households are owner-occupied local market with up to 5 persons. (Overall 69% of local market households are owner-occupied).

Table 2

<u>Private Households</u>	<u>Persons per room</u>	<u>Owner-occupied</u>	<u>Private Let</u>	<u>States Let</u>	<u>Total</u>
<u>Local Market</u>	Up to 0.49	7739	1562	506	9807
	0.50 to 0.65	3415	1077	554	5046
	0.66 to 0.99	2314	750	714	3778
	1.00 to 1.50	477	640	361	1478
	Over 1.50	21	63	6	90
	Total	13966	4092	2141	20199

Table 2 above shows the density as persons per room. In the local market, the rented sector has higher factors of over crowding than the owner-occupied, particularly the States rented sector.

	Residentially Qualified in own right	Essential		By Association			Total
		Housing Licence For work	Other Housing Licence	i.e. family member	Open Market Household	Other	
One person household aged under 65	2052	208	88	14	128	16	2506
One person household aged 65 plus	2184	4	24	5	189	7	2413
Married couple living alone	4412	103	46	263	428	10	5262
Married couple with sons/daughters	5398	393	49	455	294	9	6598
Married couple with sons/daughters and other relatives	298	12	4	11	23		348
Married couple with sons/daughters, relative and unrelated	14				2		16
Married couple with sons/daughters and unrelated	123	10	2	15	26		176
Married couple with relatives	164	4		5	8		181
Married couple with unrelated	38	3	1	4	22	1	69
Married couple with relatives and unrelated	3				2		5
Cohabiting couple on own	1018	65	52	39	40	5	1219
Cohabiting couple with sons/daughters	489	13	20	12	10	2	546
Cohabiting couple with sons/daughters and relatives	19		1	1	2		23
Cohabiting couple with sons/daughters, relatives & unrelated	2						2
Cohabiting couple with sons/daughters & unrelated	34	3		1	2		40
Cohabiting couple with relatives	34	1			6		41
Cohabiting couple with relatives and unrelated	3				1		4
Cohabiting couple with unrelated	51	6	2	7	9		75
Single person with sons/daughters	1286	15	49	11	57	3	1421
Single person with sons/daughters and relatives	149				10		159
Single person with sons/daughters and relatives, and unrelated	13		1		4		18
Single person with sons/daughters and unrelated	64	1	1		8		74
Single person and relatives	245	3	2		16		266
Single person with relatives and unrelated	15		1		1		17
Single person with unrelated	263	24	12	1	57		357
All unrelated i.e. staff quarters, old persons homes etc	6	7	11		2		26
Total	18377	875	366	844	1347	53	21862

1110

Table 3 gives a detailed breakdown of all private households by household type and the residential qualification of the head of household. Most heads of household are residentially qualified in their own right.

Table 4

<u>Private households</u>	<u>Owner occupied</u>	<u>Private Let</u>	<u>States Let</u>	<u>Total</u>
Tent, caravan, other mobile or temporary structure	23	1	0	24
Detached	9300	921	83	10304
Semi-detached	2975	539	870	4384
Terraced (including end-of-terrace)	2116	418	620	3154
In a commercial building (e.g. above a shop)	24	258	7	289
In a block of flats or tenement	200	426	396	1022
Shared house or flat with separate entrance to building	347	679	109	1135
Shared house or flat with shared entrance into building	220	1274	56	1550
Total	15205	4516	2141	21862

Table 4 gives the number of private households by type of dwelling and tenure. About 90% of detached houses are owner-occupied, and 9% private let. Far greater proportions of semi-detached houses are rented. A majority of flats are rented, although blocks of flats are equally split between States & private. Shared houses or flats are more likely to be privately rented.

Table 5 (overleaf) gives the type of household in each parish in terms of dwelling structure. St Peter Port has the highest number of flats. The country parishes like Torteval, St Peter and the Forest have a higher proportion of detached houses. Most other parishes have mostly detached houses, followed by semi-detached.

Table 5 : private households

Parish	Tent, caravan, other mobile or temporary structure	Detached	Semi- detached	Terraced (including end of terrace)	In a commercial building (e.g. above a shop)	In a block of flats or tenement	Shared house		Total
							or flat with separate entrance	Shared house or flat with shared entrance	
Castel	2	1828	587	376	23	115	122	39	3092
Forest		350	90	24	2	7	25	10	508
St Andrew		556	137	67	4	18	24	13	819
St Martin		1239	492	262	31	18	91	39	2172
St Peter									
Port	5	1417	1125	1506	163	618	431	1239	6504
St Peter	2	592	107	8	5	5	23	6	748
St Sampson	1	1411	794	578	20	154	162	132	3252
St Saviour		657	147	50	3	5	56	5	923
Torteval		288	33	4	1		36	4	366
Vale	14	1959	870	277	37	82	153	62	3454
Herm		6	2				12	1	23
Jethou		1							1
Total	24	10304	4384	3154	289	1022	1135	1550	21862

This type of data can only be obtained in detail from the census. There will be details about the dwelling itself, and these can be cross-referenced with the personal data of the occupants to give a unique analysis of Guernsey's housing.

Cadastre.

The Cadastre supplies annual statistics on dwellings, namely new units of accommodation, conversions, changes of use and dwellings lost, to give an annual net gain of dwellings.

	<u>Total Gain</u>	<u>Total Loss</u>	<u>Net Gain</u>
1993	366	48	318
1994	300	64	236
1995	268	52	216
1996	255	53	202
1997	211	40	171
1998	255	89	166

Since 1993, there has been a decline in the net total of new dwellings built. The total gain has declined since 1993, though the 1998 level was the same as 1996. The average annual loss from 1993-1997 was about 50, though this dramatically increased to 89 in 1998. This was due to a higher number of units lost to zero rating or demolition (37 in 1998 compared to only 9 in 1997). There were also a higher number of units lost to conversion or other change of use (31 in 1997 to 52 in 1998).

In 1993 there were 245 new units compared with only 95 in 1998, but there have been increases in the number of additional units or conversions of existing dwellings and outbuildings. These accounted for 101 of the increase in 1994, compared with 160 of the increase in 1998. There seems to be a trend towards conversion rather than building new units. This, combined with increasing losses means a decline in the net number of units becoming available.

Attachment A shows gains, losses and net gain of dwellings from 1993-1998, split into rateable value bands. Most of the annual losses are in the under £35 rateable value band, indicating the losses are in smaller units such as flats being converted, small dwellings being demolished to be re-built and conversion of small units of accommodation to tourist premises.

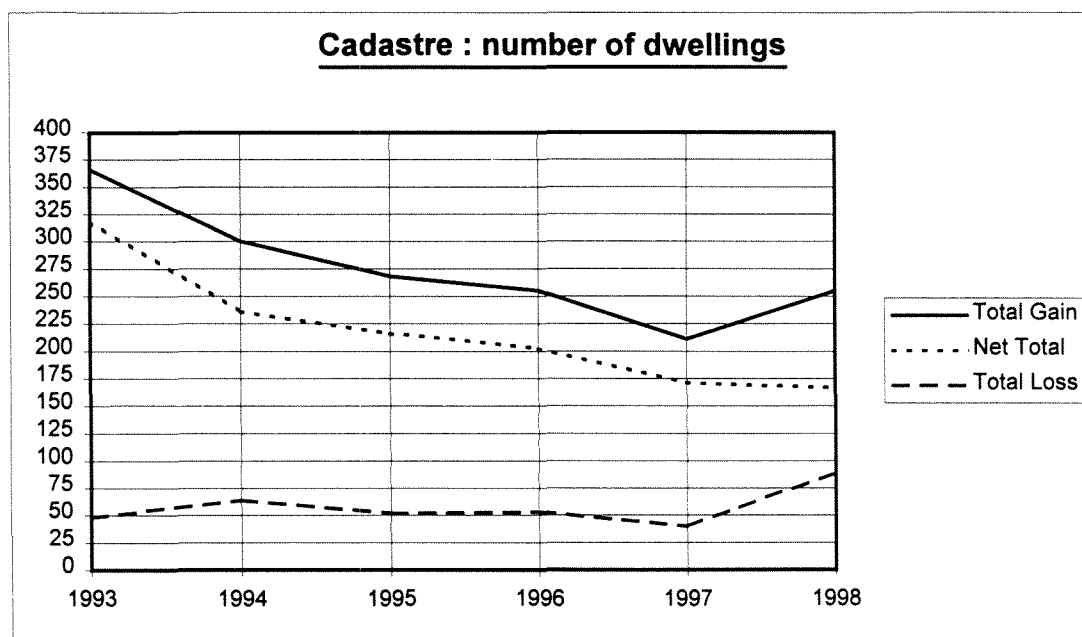
The most total gains are also in the under £35 RV category, although in 1997 the £35-£44 category had very similar numbers. Usually the number of completely new units made up a large percentage of the total gain, but in 1998 there were an abnormally high number of conversions across all of the RV

bands except the highest. The numbers of States dwellings created over the past five years have been relatively small.

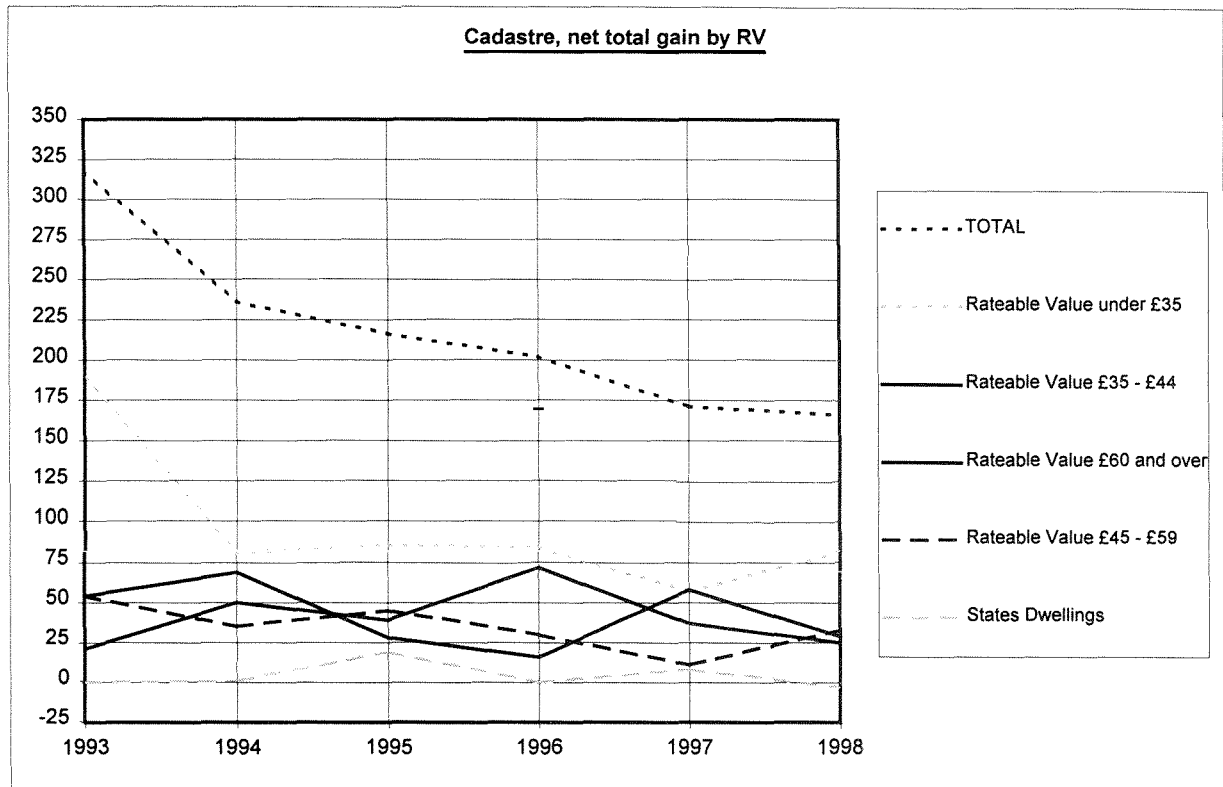
Whatever the RV and dwelling type, there is a clear trend that the net number of dwellings being built or converted in the last five years has nearly halved (318 in 1993 to 166 in 1998).

RV	Total gain			Total Loss			Net Total		
	1993	1998	Diff	1993	1998	Diff	1993	1998	Diff
Rateable Value under £35	215	138	-77	26	56	30	189	82	-107
Rateable Value £35 - £44	63	38	-25	9	9	0	54	29	-25
Rateable Value £45 - £59	60	41	-19	6	8	2	54	33	-21
Rateable Value £60 and over	28	36	8	7	11	4	21	25	4
States Dwellings	0	2	2	0	5	5	0	-3	-3
TOTAL	366	255	-111	48	89	41	318	166	-152

The total gain in the lower rateable values has decreased since 1993, while the highest rateable values have increased. The biggest losses occurred as mentioned in the lowest rateable value band, so that the net gain in the lower rateable value bands has decreased since 1993.



Dwellings statistics are available by parish, rateable value, new units, conversions etc by year.



There are discrepancies in the number of changes of use as recorded by the IDC and those recorded by the Cadastre due largely to differences in recording methods.

Cadastre statistics are published at 31 December each year, so any dwelling that has been started will not be recorded as complete until 31 December the following year, which in turn would not be published in the Statistical Review until the July after that. This represents a considerable time lag between the IDC giving permission and the Cadastre statistics being published and causes inconsistencies between the departments' statistics.

There are also differences in the way the Cadastre and IDC record losses and gains when units of accommodation are converted in more units.

The Cadastre and IDC have now agreed to closer co-operation so that more consistent statistics are produced from January 2000 onwards. For the purpose of this report, the Cadastre statistics only have been used.

Part 2: Statistics to assess future requirements for dwellings

The Housing Authority holds information on the number of licences being issued and to whom, and the Cadastre has information on the number and type of new dwellings built. The Authority's data sources give a good indication of the type of licences being granted and can be used to estimate those likely to be granted in the future. The Cadastre data gives the number of dwellings being built which similarly can be used to assess numbers and type likely to be built in future. Comparing the two sources assists in assessing the number of new dwellings which will be available for local persons, i.e. after allowing for additional licence holders. To assess future requirements, we must look at the current occupation of housing. The Census is the only source of detailed information on the type of people and families in households. The population can be split into single-person households, married and co-habiting couples (with or without children), mixed households etc. This population breakdown is established for 1996, and can be projected forwards ten to twenty years into the future, using population age projections. The 1996 proportions of persons in these households can be applied to the projected number to get an idea of future housing composition.

All current and future projections of housing from the Census are for households, not dwellings. As stated earlier, for Census purposes, a dwelling may contain more than 1 household, i.e. 1 dwelling may contain 9 flats, therefore 9 households. However, a majority of dwellings contain only one household.

Calculation.

The 1996 Guernsey Census showed that there were 55,728 people in 21,862 private households. The official benchmark population projection for 2011 is 62,024. The household type and age profile of the 1996 Census was applied to the projected population figure of 58,424 in the year 2011, i.e. 62,024 minus 3,600 projected persons in communal households.

The population density from the 1996 Census was 2.55 for private households. This number is projected to fall to 2.31 by 2011. The projected population of 58,424 in 2011 is divided by the 2.31 density to give 25,292 households, an increase of 3,430 over 1996. Applying the 1996 densities to the 2011 population would only give an increase of 1,058 households.

Table 1 shows how the 1996 Census private households were split by household type, the number in the 2011 projection and hence the number of new households. Nearly two thirds of the extra households would be taken up by married couples (with or without

children). Single person households also increase by about 250 each for under 65 and 65 plus age groups. Co-habiting couple and single parent families would get the least number of extra households. These proportions are all based on the 1996 Census, but can be adjusted to reflect changes in social trends or policies. The 2001 Guernsey Census will provide a new basis for future projections.

TABLE 1

<u>Private Households</u>	<u>1996 Census</u>	<u>Adjusted households for 2011</u>	<u>New households required</u>
One person household aged under 65	2,506	2,762	256
One person household aged 65 plus	2,413	2,660	247
Married couple living alone	5,262	5,800	538
Married couple: at least one child under 18	4,975	6,052	1,077
Married couple: all children 18 or over	2,163	2,631	468
Co-habiting couple living alone	1,219	1,344	125
Co-habiting couple: at least one child under 18	531	646	115
Co-habiting couple: all children 18 or over	80	97	17
Single person: at least one child under 18	829	1,008	179
Single person: all children 18 or over	843	1,026	183
Other	1,041	1,266	225
Total	21,862	25,292	3,430

Table 2 gives an assessment of the size of dwellings required for the extra 3,430 households. From the Censuses we know how many households there are and how many rooms they have. There is no data (so far) on the all-important number of bedrooms although a question on this will be included in the 2001 census. However, we can get an idea of the number of bedrooms involved by looking at the results of a UK Building Society survey that gives the number of bedrooms in proportion to the number of rooms in the house. These proportions are applied to the new 3,430 households to get the number of extra 1, 2 and 3-bedroomed etc houses that need to be built.

Not only can we find out how many 2-bedroomed houses are required etc, but also how many of these are needed for single persons, married couples and single parents etc.

However, it would be dangerous to base the building programme on the results of Table 2. It is based on occupation patterns shown in the 1996 Census and although a majority of households occupy an appropriate number of rooms there is a significant proportion where there are noticeable departures from what can be described as normal (see Table 2).

TABLE 2

1996 Census	1	2	3	4	5	6	7	8	9	10	11	12+	Total
One person household aged under 65	227	375	505	487	383	272	126	59	32	15	7	18	2506
One person household aged 65 plus	54	202	449	462	536	336	189	102	50	17	8	8	2413
Married couple living alone	20	115	474	756	1329	1121	654	363	220	93	38	79	5262
Married couple: at least one child under 18	11	18	76	412	1158	1161	825	573	320	197	96	128	4975
Married couple: all children 18 or over	1	1	19	152	485	548	428	197	152	80	42	58	2163
Co-habiting couple living alone	20	133	256	279	237	140	86	33	16	9	7	3	1219
Co-habiting couple: at least one child under 18	5	20	45	90	181	109	38	14	16	6	2	5	531
Co-habiting couple: all children 18 or over			3	9	28	15	13	5	3	3		1	80
Single person: at least one child under 18	6	21	67	153	256	174	67	27	33	13	6	6	829
Single person: all children 18 or over	2	5	41	133	230	187	110	57	38	11	9	20	843
Other	6	31	75	206	228	173	124	77	49	33	18	21	1041
Total	352	921	2010	3139	5051	4236	2660	1507	929	477	233	347	21862

56% of households have married couples. Although some live in households with few (3 or less) rooms, most households have 4 to 8 rooms. Households with children tend to have more rooms. However, 2,568 married couples living alone live in houses with 6 or more rooms. Most of the single persons aged under-65 living alone tend to live in smaller houses (4 rooms or less). Most of those aged over 65 living alone live in 3 to 6 roomed houses. There appears to be areas where relatively few people occupy many houses with many rooms, and households with children occupying relatively fewer rooms. This is not efficient housing utilisation, especially in Guernsey where there is a perceived shortage of suitable housing. However, this was the profile of Guernsey housing at the 1996 Census and this inefficient occupation of housing is likely to continue because people will not be persuaded to leave their large homes unless they have specific reasons for doing so, e g because of health needs, a need to release equity, reduced income, etc.

There is more evidence of this after applying the building society survey ratios to the number of rooms in private households in the 1996 Census to get the number of bedrooms allocated in Table 3.

TABLE 3

<u>1996 Census: private household bedrooms</u>	<u>Number of bedrooms</u>							<u>Total</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	
One person household aged under 65	972	635	603	221	50	18	7	2506
One person household aged 65 plus	586	621	790	327	69	16	4	2413
Married couple living alone	490	1020	2174	1142	309	96	31	5262
Married couple: at least one child under 18	95	580	2056	1493	512	183	56	4975
Married couple: all children 18 or over	20	222	919	679	217	81	25	2163
Co-habiting couple living alone	341	357	350	134	26	9	2	1219
Co-habiting couple: at least one child under 18	59	121	253	71	19	6	2	531
Co-habiting couple: all children 18 or over	2	13	38	19	6	1	1	80
Single person: at least one child under 18	78	195	378	125	38	12	3	829
Single person: all children 18 or over	39	167	371	188	51	20	7	843
Other	94	241	368	218	79	31	10	1041
Total	2776	4172	8300	4617	1376	473	148	21862

It is evident that there is some under-utilisation of bedrooms in many households, while others are overcrowded. Further analysis of Census records can be carried out to show the age of the householders, and whether the property is open or local market, rented or owner-occupied, in order to identify whether means could be found to address the mismatches of households to dwellings.

Regardless of current mismatches, the 1996 room ratios are applied to the extra 3,430 households that will be required by the year 2011 in Table 4.

TABLE 4

<u>Numbers</u>	<u>Number of rooms</u>												<u>Total</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12+</u>	
One person household aged under 65	23	38	52	50	39	28	13	6	3	2	1	2	256
One person household aged 65 plus	6	21	46	47	55	34	19	10	5	2	1	1	247
Married couple living alone	2	12	48	77	136	115	67	37	22	10	4	8	538
Married couple: at least one child under 18	2	4	16	89	251	251	179	124	69	43	21	28	1077
Married couple: all children 18 or over	0	0	4	33	105	119	93	43	33	17	9	13	468
Co-habiting couple living alone	2	14	26	29	24	14	9	3	2	1	1	0	125
Co-habiting couple: at least one child under 18	1	4	10	19	39	24	8	3	3	1	0	1	115
Co-habiting couple: all children 18 or over	0	0	1	2	6	3	3	1	1	1	0	0	17
Single person: at least one child under 18	1	5	15	33	55	38	15	6	7	3	1	1	179
Single person: all children 18 or over	0	1	9	29	50	40	24	12	8	2	2	4	183
Other	1	7	16	45	49	37	27	17	11	7	4	5	225
Total	40	105	243	453	809	703	455	263	165	88	44	63	3430

The building society bedroom ratios are applied to Table 4 to give the number of bedrooms in Table 5.

TABLE 5

<u>Extra private households needed</u>	<u>Bedrooms</u>							<u>Total</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	
One person household aged under 65	99	65	62	23	5	2	1	256
One person household aged 65 plus	60	63	81	33	7	2	0	247
Married couple living alone	50	104	222	117	32	10	3	538
Married couple: at least one child under 18	21	126	445	323	111	40	12	1077
Married couple: all children 18 or over	4	48	199	147	47	18	5	468
Co-habiting couple living alone	35	36	36	14	3	1	0	125
Co-habiting couple: at least one child under 18	13	26	55	15	4	1	0	115
Co-habiting couple: all children 18 or over	1	3	8	4	1	0	0	17
Single person: at least one child under 18	17	42	82	27	8	3	1	179
Single person: all children 18 or over	8	36	80	41	11	4	2	183
Other	20	52	80	47	17	7	2	225
Total	328	602	1349	791	246	87	27	3430

Table 5 suggests that all the household types be increased by the amounts shown by the year 2011. The split of the extra 3,430 households is only a guide based on current occupancy trends. However, this would mean the perpetuation of current anomalies, for example:-

Large numbers of one person households occupy dwellings large enough for families; and

It makes little sense to make substantial provision of 3, 4 or 5 bedroom dwellings for single persons aged 65 plus.

Further consideration should be given, to the question of mismatches in current occupation levels through a Housing Survey, before using the information in Tables 4 and 5 to influence a building programme. The 2001 Guernsey Census will also show whether there has been any changes in household composition trends.

Additional dwellings needed for one person households should probably be limited to a one and two bedrooms, especially for those aged 65 plus. These could take the form of high-density flats but the whole of Table 5 warrants closer examination.

Social factors also affect the number and type of household. It is likely that the rate of divorce will continue to rise, which will contribute to more and smaller households. Similarly, the high cost of housing may continue to suppress the take up of housing by adults who still continue to live with their parents into their mid twenties and thirties.

It should also be borne in mind that whatever additional housing is provided, it would be difficult to engineer appropriate occupation levels over the new or existing housing stock to any great effect.

If the forecast of the housing requirement to 2011 is accepted, it is necessary to consider the breakdown by type of occupier. That is locals or non-locals.

Table 6 shows the Guernsey population at the time of the 1996 Census in private households, by type of household and residential qualification. 81% of the population are residentially qualified in their own right. This includes many Non-Guernsey born persons who have been resident in the Island long enough to gain residential status. Only 1,235 householders stated that they had an essential licence for work, but 933 stated that they had an "Other" licence. However a further 5,128 persons (nearly 10% of the population) stated that they were here by association, either with a residentially qualified person or a licence holder.

There are also 3,156 people who stated that they were open market residents. It is appropriate to note that sons and daughters of open market residents, who were first resident as minors can gain residential status by remaining resident for 20 years.

TABLE 6

<u>1996 Census: persons in private households</u>	<u>Residentially qualified in own right</u>	<u>Essential Housing Licence for work</u>	<u>Other Housing Licence</u>	<u>By Association i.e. family member</u>	<u>Open Market household member</u>	<u>Other</u>	<u>Total</u>
One person household aged under 65	2052	208	88	14	128	16	2506
One person household aged 65 plus	2184	4	24	5	189	7	2413
Married couple living alone	8706	156	91	692	856	23	10524
Married couple: at least one child under 18	15936	431	104	3104	886	47	20508
Married couple: all children 18 or over	6566	76	48	472	456	4	7622
Co-habiting couple living alone	1800	125	253	164	79	17	2438
Co-habiting couple: at least one child under 18	1675	35	72	190	44	8	2024
Co-habiting couple: all children 18 or over	222	10	13	25	14	1	285
Single person: at least one child under 18	2093	14	57	212	77	7	2460
Single person: all children 18 or over	1928	11	18	90	107	3	2157
Other	1954	165	165	160	320	27	2791
Total	45116	1235	933	5128	3156	160	55728

Table 7 has been omitted.

Table 8 shows a breakdown of the percentage of households including essential licence holder.

TABLE 8

1996 Census : percentage of households with licence holders (from table 7)

<u>Private households</u>	<u>No essential</u>	<u>With essential</u>
	<u>Licence holder</u>	<u>Licence holder</u>
One person household aged under 65	92	8
One person household aged 65 plus	100	0
Married couple living alone	97	3
Married couple: at least one child under 18	92	8
Married couple: all children 18 or over	97	3
Co-habiting couple living alone	91	9
Co-habiting couple: at least one child under 18	94	6
Co-habiting couple: all children 18 or over	91	9
Single person: at least one child under 18	98	2
Single person: all children 18 or over	99	1
Other	91	9
Total	95	5

TABLE 9

<u>Private households</u>	<u>Extra households</u>
	<u>for</u>
	<u>Essential licence</u>
	<u>holders</u>
One person household aged under 65	21
One person household aged 65 plus	0
Married couple living alone	14
Married couple: at least one child under 18	86
Married couple: all children 18 or over	15
Co-habiting couple living alone	11
Co-habiting couple: at least one child under 18	7
Co-habiting couple: all children 18 or over	2
Single person: at least one child under 18	3
Single person: all children 18 or over	2
Other	21
Total	182

Table 9 shows that of the 3,430 extra private household required by the year 2011, 182 will be purely for essential licence holders and their families which equates to about 12 per annum. (N B This does not mean that only 12 licence holders would take up housing per year but that is the number required from the new housing stock. The remainder of the net increase in licence holders would be provided for within the existing stock).

Table 10 below shows the breakdown of 767 households which have persons that are on 'Other' licences. Of this number, separate analysis shows that only 359 are heads of household and occupy a dwelling in their own right. All the others have a licence to live in another person's household.

TABLE 10
Number of 'Other' licences in
household

	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	Total
One person household aged under 65	2418	88						2506
One person household aged 65 plus	2389	24						2413
Married couple living alone	5195	43	24					5262
Married couple: at least one child under 18	4897	60	15	1		1	1	4975
Married couple: all children 18 or over	2130	24	5	3		1		2163
Co-habiting couple living alone	976	233	10					1219
Co-habiting couple: at least one child under 18	470	52	8		1			531
Co-habiting couple: all children 18 or over	67	13						80
Single person: at least one child under 18	781	42	3	3				829
Single person: all children 18 or over	826	16	1					843
Other	946	59	17	7	9	3		1041
Total	21095	654	83	14	10	5	1	21862

Table 11 indicates the spread of the 359 householders who hold 'Other' licences; relates them as a percentage of the overall number of households and applies that percentage to the 3,430 new households needed by 2011. This shows that 54 households (approximately 4 per year) will be needed for 'Other' licence holders.

TABLE 11**Number of households where head of household has**

			<u>% head of total</u>	<u>% applied to 3,430 Households required</u>
An 'Other' licence.	Households	Total		
One person household aged under 65	88	2506	3.51	9
One person household aged 65 plus	24	2413	0.99	2
Married couple living alone	46	5262	0.87	5
Married couple: at least one child under 18	43	4975	0.86	9
Married couple: all children 18 or over	12	2163	0.55	3
Co-habiting couple living alone	52	1219	4.27	5
Co-habiting couple: at least one child under 18	20	531	3.77	4
Co-habiting couple: all children 18 or over	1	80	1.25	0
Single person: at least one child under 18	42	829	5.07	9
Single person: all children 18 or over	9	843	1.07	2
Other	22	1041	2.11	5
Total	359	21862	1.64	54

Table 12 completes the analysis of the 3,430 new households by combining heads of household who are (i) essential licence holders, (ii) 'Other' licence holders and (iii) local persons.

TABLE 12

Extra private households required	Licence holders	'Other' Licence holders	Remainder	Total
One person household aged under 65	21	9	226	256
One person household aged 65 plus	0	2	244	247
Married couple living alone	14	5	519	538
Married couple: at least one child under 18	86	9	982	1077
Married couple: all children 18 or over	15	3	451	468
Co-habiting couple living alone	11	5	108	125
Co-habiting couple: at least one child under 18	7	4	103	115
Co-habiting couple: all children 18 or over	2	0	16	17
Single person: at least one child under 18	3	9	167	179
Single person: all children 18 or over	2	2	178	183
Other	21	5	199	225
Total	182	54	3194	3430

(N.B The 'remainder' figure of 3,194 households is for residentially qualified persons.)

3,194 of the extra households go to those who are residentially qualified. The bulk of these will be for married persons in family-sized dwellings. Family-sized dwellings will also be needed for most essential licence holder households. There will

be a requirement for smaller 1 and 2 bedroom dwellings for the single person households. Some residents aged over 65 may require sheltered housing.

These are the comparative needs for extra housing based on the 1996 Guernsey Census. They use the trends and forecasts available, but if the building programme includes a greater proportion of small dwellings this may assist in remedying current mismatches, i e under-occupation of dwellings.

Potential Qualified Residents

Current qualified residents in the Census are those who were born in Guernsey and have stayed in the Island all their lives, those Guernsey-born who have been away but have returned, and those non Guernsey-born who have been on the Island longer than the appropriate period for residential qualification. From the 1996 Guernsey Census we can find out how long people have been on the island, and from this work out for future years how many people may become qualified annually.

For example, essential licence holders would have to be resident for 15 consecutive years in Guernsey, and other persons may qualify having been resident for at least 20 years, or 20 years in a 30-year period.

Table 13 shows non-Guernsey born essential licence holders by number of consecutive years in Guernsey by age. About one third of the 1,220 people with essential licences were in Guernsey for 1 to 5 years, and were aged mostly 20-44. Another 267 had been in Guernsey 6 to 10 years. By reference to the totals in years 11 to 15, it is evident that about 30 to 40 licence holders are likely to become qualified residents each year, i e once they had completed 15 years. However, please refer to the bold paragraph below Table 13.

There were also 94 licence holders who have been in Guernsey 16 or more years who claim not to be residentially qualified yet. This suggests that they may have misinterpreted the Census question (e g they may in fact now be qualified residents or they may hold a licence which is no longer an "essential" licence e.g. if they retired before completing 15 years under essential licence).

TABLE 13**NON**

GUERNSEY -BORN	0-	20-	25-	30-	35-	40-	45-	50-	55-	60-	65-	70-	75-	80-	Total
Years in Guernsey	19	24	29	34	39	44	49	54	59	64	69	74	79	84	
0	7	30	19	17	9	3	11	3	0	0	0	0	0	0	99
1-5	10	63	138	125	98	62	36	27	11	7	0	0	0	0	577
6-10	1	5	34	44	51	49	40	25	11	5	1	0	0	1	267
11	0	1	2	5	8	9	6	7	2	0	0	0	0	0	40
12	0	0	2	2	4	10	8	5	2	0	0	0	0	0	33
13	0	0	0	1	11	13	8	6	3	1	0	0	0	0	43
14	0	0	0	0	5	11	8	6	2	3	0	0	0	0	35
15	0	0	1	2	4	5	11	7	2	0	0	0	0	0	32
16+	1	3	2	5	13	15	18	13	6	2	7	7	1	1	94
Total	19	102	198	201	203	177	146	99	39	18	8	7	1	2	1220

The age of an essential licence holder will play an important part in predicting how many essential licence holders will eventually become qualified residents.

Several Essential Licence holders will reach the normal retirement age of 65 before completing the 15 year qualifying period. Under the current policy, non-essential licences are granted in such cases if the person has completed at least 10 years residence under essential licence. Persons with less than 10 years service are likely to have to leave the Island. A person who is granted a 15 year essential licence before age 44 should be able to complete the qualifying period before retirement. However, anyone aged 45 or over at the time a licence is granted may not complete the 15 year qualifying period. A person who is first granted a licence at age 50 or over may not complete 10 years service before retirement and may therefore have to leave the Island (or move to open market accommodation).

While, from the above, it might be prudent to suggest that in about 10 years time there will be about 30-35 essential licence holders becoming residentially qualified every year, the 1996 Census may not reflect the change in policy which now limits the majority of essential licence holders to only five years residence.

This assumption should therefore be checked against the 2001 Census to provide a better assessment of the effect of that policy.

Table 14 shows the people from the 1996 Census who were associates or family members of householders who were not yet qualified residents. This includes Guernsey-born as well as non Guernsey-born persons. Most of the Guernsey-born are minors who will qualify on completing 10 years ordinary residence. Some misunderstanding of the question is, however, evident in view of the number of Guernsey born people aged 10 or over who indicated

that they had been resident for 10 or more years. Such people will have been residentially qualified at the time of the Census.

There are 3,952 non Guernsey-born persons who were associates. Nearly 2,500 have been constantly resident in Guernsey for 1-10 years, with an even spread across most age groups from 5-9 to 45-49. This group will include adults and children of both licence holders and qualified residents. The numbers reflect time periods for licence holders, because there were 159 who have been resident for 11 years, dropping to 112 after 15 years. From 16 to 20 years there are about 55-70 persons per year who are likely to become residentially qualified within 5 years. There were also 373 associates, mostly aged 44+, who had been in Guernsey over 20 years and who were still not residentially qualified.

An amendment to the 1994 Law will mean that not all Guernsey born children will qualify after 10 years residence. Those born after the commencement of the 1994 Law whose parents are not qualified residents will only qualify after 20 years residence.

TABLE 14

1996 Census: persons in private households who are associates/family members by years in Guernsey

GUERNSEY- BORN	Age														Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65+		
0	27	0	0	0	0	0	0	0	0	0	0	0	0	0	0	27
Years in Guernsey																
1-5	456	33	5	2	3	3	0	1	1	0	0	0	0	0	0	504
6-10	0	367	28	6	5	4	2	3	1	0	0	1	0	0	0	417
11	0	0	44	1	2	1	0	1	0	1	0	0	0	0	0	50
12	0	0	16	0	4	0	0	1	1	0	0	1	0	0	0	23
13	0	0	30	1	2	0	1	0	0	0	0	0	0	0	0	34
14	0	0	22	2	0	0	0	0	0	0	0	1	0	0	0	25
15	0	0	11	6	1	0	0	0	0	0	0	0	0	0	0	18
16+	0	0	0	38	13	4	3	3	1	3	3	2	2	6	78	
Total	483	400	156	56	30	12	6	9	4	4	3	5	2	6	1176	

NON GUERNSEY- BORN Years in Guernsey			10-	15-	20-	25-	30-	35-	40-	45-	50-	55-	60-	65+	Total
	0-4	5-9	14	19	24	29	34	39	44	49	54	59	64		
0	17	6	4	2	14	10	9	5	2	2	5	2	3	6	87
1-5	126	184	94	74	97	161	184	140	66	50	18	15	16	37	1262
6-10	0	95	158	122	58	140	181	171	106	72	37	32	16	48	1236
11	0	0	25	14	11	8	22	18	22	12	7	4	0	16	159
12	0	0	20	19	11	6	20	28	12	19	3	1	2	6	147
13	0	0	19	21	11	10	14	22	14	12	9	1	2	10	145
14	0	0	11	32	15	3	6	24	12	18	2	4	4	7	138
15	0	0	4	22	13	9	5	15	13	16	3	2	0	10	112
16	0	0	0	4	5	2	9	15	7	5	3	1	1	2	54
17	0	0	0	11	7	3	3	10	8	7	2	1	1	0	53
18	0	0	0	5	6	4	3	8	9	9	5	3	0	7	59
19	0	0	0	3	6	3	2	11	19	3	4	2	1	4	58
20	0	0	0	0	8	4	7	10	12	11	5	3	2	7	69
21+	0	0	0	0	4	6	11	18	47	62	65	44	31	85	373
Total	143	285	335	329	266	369	476	495	349	298	168	115	79	245	3952

Housing laws also allow the children of open market residents who were first resident as minors to become residentially qualified if they have lived in Guernsey for any 20 years in total during a 30-year period. Analysis of the 1996 Census shows that there are about 25 sons or daughters living in open market housing who have lived in Guernsey for 20 consecutive years or more who did not state they were residentially qualified, yet they were open market household members.

This could be just a misinterpretation of the Census question. Analysis also shows that there are annually about 15 of these people who are coming up to 20 consecutive years in Guernsey.

In summary, therefore the following could become residentially qualified over the next few years:-

- 30-35 essential licence holders; and
- 55-60 non Guernsey-born associates; and
- approximately 15 children of open market residents.

Hidden housing demand.

As well as the essential licence holders and associates, there are many residentially qualified people on Guernsey who do not yet have their own home. These include residentially qualified adult sons & daughters in families who are waiting to leave home and buy or rent their own homes. There may, however, be a delaying effect because the relatively high cost of buying a

house in Guernsey may mean that many adult sons & daughters stay at home with their parents longer in order to save for a home.

Analysis of the 1996 Guernsey Census shows that at age 19, 84% of residentially qualified persons remain resident with their parent(s), while at age 30 this has fallen to only 13%. At age 24 the percentage of persons who are householders exceeds the percentage still resident with parents, which suggests that a majority of children will leave the parental home by their mid-twenties and, therefore it is this age group that should provide the greatest proportion of extra households required per year.

Table 15 shows the years in which Heads of Household aged 25 or under moved to the dwelling they occupied at the time of the 1996 Census. It is reasonable to make a preliminary assessment of the housing requirement for qualified resident first time householders from the figures in this table.

However, it should be noted that this table does **not** specifically detail the year in which the person **first became a householder** - it simply shows **the age at which they moved** to the address occupied on Census night. It therefore includes young people who are occupying the second or third dwelling as a householder.

However, if an average is taken from the number that have remained in the dwelling that they first occupied in the 5 year period, a reasonable basis is found for assessing the annual requirement for housing for first time qualified resident households.

Table 15

Year moved to this address	Age when moved to present address								
	18	19	20	21	22	23	24	25	Total
1991		1	4	11	13	20	22	30	101
1992	1	3	5	3	20	23	22	15	92
1993	1	4	4	11	15	25	39	41	140
1994	1	6	13	16	26	28	47	60	197
1995	5	20	28	32	35	54	74	86	334
Total	8	34	54	73	109	150	204	232	864
Average	2	7	11	15	22	30	41	47	173

In 1995, the last full year before the Census, 334 persons aged 25 or under moved to the dwelling which they occupied on Census night, either on their own or with a partner. Comparison with the number who were still resident in the dwelling which they first occupied in 1994 provides further evidence that not all of the 334 who moved in 1995 were first time householders.

The number of householders who took up occupation of the dwelling which they occupied on Census night during the period 1991 to

1995, who were 25 or under when they first moved to that address, totalled 864. Over the 5 year period this averages 173 per year and it therefore appears reasonable to allow for 173 dwellings to be provided per year for qualified resident first time householders. However, that is an assumption which should be tested further as part of a Housing Needs Survey as soon as possible.

Projecting the 1996 household ratios forwards to the year 2011 means an extra 3,430 private households need to be built over that 15-year period, or 229 per year. Using existing ratios, these extra households would be filled as shown in Table 12 (on page 13); Table 16 below shows the number of new households needed annually.

Table 16: Annually over 15 year period

<u>Extra private households</u>	<u>''Other''</u>		<u>Remainder</u>	<u>Total</u>
	<u>Licence holders</u>	<u>Licence holders</u>		
One person household aged under 65	1	1	15	17
One person household aged 65 plus	0	0	16	16
Married couple living alone	1	0	35	36
Married couple: at least one child under 18	6	1	65	72
Married couple: all children 18 or over	1	0	30	31
Co-habiting couple living alone	1	0	7	8
Co-habiting couple: at least one child under 18	0	0	7	8
Co-habiting couple: all children 18 or over	0	0	1	1
Single person: at least one child under 18	0	1	11	12
Single person: all children 18 or over	0	0	12	12
Other	1	0	13	15
Total	12	4	213	229

Having worked out how many extra houses are needed per annum, we must look at where the demand for them may come from (Tables 17 & 18).

TABLE 17

<u>Extra private households</u>	<u>Licence holders</u>	<u>''Other'' Licence holders</u>	<u>Remainder</u>	<u>Total</u>
Annually over 15 year period	12	4	213	229

<u>TABLE 18</u>	<u>Residentially Qualified</u>
New households to be built for the remainder annually (TABLE 17)	213
First time residentially qualified householders (TABLE 15)	173
Essential Licence holders becoming qualified residents (PAGE 16)	35
Associates becoming qualified residents (PAGE 16)	60
Total new households needed annually	268
Annual shortfall in new houses to be built (with 229 target)	55

Table 18 shows that the possible demand for new housing (268 units per year) by residentially qualified people will exceed supply (213 units per year). However the 173 shown as the requirement for new households is based on an assumption which requires further proof and should as mentioned earlier, be tested by any future survey.

The total of 229 new houses per year shown as needed is calculated from the 1996 Census, using projected population, housing type and density. 229 per year is only an average number over the 15 year period. The number built in specific years can be increased or decreased over the 15 year period to respond to peaks and troughs.

Conclusion

The projected number of households needed is based on a rigid set of rules and calculations. The household types and densities are based on the 1996 Census, and can be re-based after the 2001 Census. A more detailed housing question will give better information on which to project future households. However, based on 1996 trends, the projected number of households in Guernsey in 2011 would have risen by 3,430 or 229 per year (this is very close to the 250 new houses per year needed as set out in the Strategic & Corporate Plan). Table 12 shows how these new households are to be split in terms of household type and whether they are for qualified residents, essential or other licence holders. However, the assessment of the number of persons gaining residential qualifications should be reviewed on a regular basis as changes in the Law in 1994 will not have had full effect at the time of the 1996 Census. Household type is based on existing ratios from the 1996 Census, however, this includes mismatches of households to dwelling type or size which should (a) be remedied

as far as possible and (b) not be replicated in the new housing provision.

(N B The model on which this future housing needs calculation is based can be altered to give different housing strategies or to concentrate on different housing requirements.)

Part 3: Data held by the Housing Authority.

The Housing Authority currently holds details of over 100,000 people in its files, including qualified residents, (both resident and non-resident); licence holders, associates of qualified residents and licence holders; persons refused licences; and open market residents and/ or owners.

The Authority also has details of the properties on the Open Market Housing Register.

This information is initially obtained from the different types of application form.

However, the current Housing Authority computer system is old and not all the information from the application forms is input to the computer.

The Housing Authority uses the social security numbers for people on its records and also uses economic codes used by the G.S.S.A., Income Tax and the Economics Unit, so that checks and comparison between departmental statistics can be undertaken.

The computer system not only provides lists of expiring licences, but can also provide information based on the selected data input from the licence application forms. Data can be printed out 'live' or run overnight if the print job is much larger.

As mentioned, only specific data is transferred from the licence application forms on to the computer. This data is more useful to the day-to-day updating and checking of licences, while the other data is considered as part of the application decision process and was thought of as surplus to requirements once a licence has been granted and is consigned to the filing system. However, with pressures on Guernsey's housing stock growing, all data on licence holders should be examined and the extra data on relationships and dwellings for example should be computerised.

The Housing Authority's present system could probably not be economically updated to include this extra data. Although the current system provides lists of data, from which statistics are obtained a considerable amount of manual analysis is necessary. The present system involves many man-hours to obtain a small

number of statistics, whereas the SPSS software that the Economics Unit uses can obtain and print out multiple, user-defined statistics in a matter of seconds (these statistics are printed in a ready to publish format - for example the 1996 Guernsey Census Report).

Additional analysis of data such as ages of applicants; the number, type and ages of dependants; correlation between household size and dwelling occupied; is vital if the Housing Authority is to ensure appropriate use of the housing stock and appropriate future housing provision.

New computer software could enable the Authority to produce wider ranging statistics which would be far more useful in assessing the effect that granting licences has on the housing situation.

Part 4: Current housing situation: the granting of licences.

The Housing Authority grants several types of housing licence. Most are short-term licences which are issued for up to 9 months or up to 3 years. These are mainly given to the more traditional Guernsey industries such as tourism and horticulture, and allow staff to be accommodated for short periods in staff accommodation or lodgings.

Other types of licence are less numerous but perhaps are more controversial because they allow non-locals to occupy local market housing for periods of several years. These are the essential, en famille and compassionate licences.

Short-term licences

Short-term licences are issued to industries which have a recognised shortage of labour. Since 1995 the number of short-term licences granted has exceeded 2,000. For example, in 1999 there were 2,322 short-term licences granted; just over half (1,236) were granted for the tourism industry and a further 463 were given to horticulture. Short-term licences have fallen since the peak of 2,745 in 1997. The number given to tourism has fallen since the peak of 1,513 in 1998 though still remains relatively high. The number given to horticulture has also fallen slightly. Short-term licences for other industries are fairly static.

<u>Short term Licences</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Tourism	986	1115	1312	1500	1513	1236
Horticulture	462	628	557	646	645	623
Other	423	398	465	599	469	463
Total	1871	2141	2334	2745	2627	2322

Data held by the Social Security Authority can be monitored to check on the number of new entrants who were still present five years later. This gives only a general guide because although we know that some are still present after 5 years, not all will have been resident for continuously for 5 years. The figure will include workers who have been present in the Island during each of the five years but who will have broken residence; for example, those on 9 month licences who are required to leave the Island for a period of three months before the licence is re-issued.

The Housing Authority statistics for short-term licences are more useful as they provide information on actual periods of residence.

Essential licences.

New Essential Licences

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Finance	51	72	81	61	57	45
Tourism	30	33	47	56	40	62
Education	17	7	15	18	27	29
Health Services	8	14	20	14	26	27
General Public sector	1	3	10	9	8	9
General Industry	24	20	31	21	33	41
Total	131	149	204	179	191	213

The fluctuation in the number of licences issued from year to year reflects the economic situation at the time and unemployment levels. Increases in the total number of licences may also reflect the effect of the policy of limiting the duration of licences.

The largest number of essential licences issued to one sector usually went to the finance sector, but in 1999 the number issued to finance fell to a six year low of 45. Tourism and general industry were usually next, followed by education, health and the general public sector, but in 1999 tourism accounted for 62 new essential licences. The most longer-term licences went to general industry, education and health services.

The number of extended essential licences has remained fairly static over the last three years at about 48-53 annually, with finance accounting for about half of them.

The number of essential licences must be viewed against the working population and the number of school leavers entering the workforce.

The table below shows the number of employees each September from G.S.S.A. records, the numbers of employees; school leavers starting work; and licences issued to each type of sector

<u>Numbers</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>% of total</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Finance							Finance						
Employees							Employees						
(Qtr 3							(Qtr 3						
G.S.S.A.)	5287	5478	5713	6060	6385	6608	G.S.S.A.)	20	20	21	21	22	23
School							School						
leavers							leavers						
starting work	100	81	92	107	95		starting work	31	31	32	33	31	
Essential							Essential						
licences							licences						
issued	51	72	81	61	57	45	issued	39	48	40	34	30	21
Tourism							Tourism						
Employees							Employees						
(Qtr 3							(Qtr 3						
G.S.S.A.)	2563	2544	2612	2634	2574	2689	G.S.S.A.)	10	9	9	9	9	9
School							School						
leavers							leavers						
starting work	18	10	19	11	3		starting work	6	4	7	3	1	
Essential							Essential						
licences							licences						
issued	30	33	47	56	40	62	issued	23	22	23	31	21	29
Education							Education						
Employees							Employees						
(Qtr 3							(Qtr 3						
G.S.S.A.)	1117	1145	1171	1204	1213	1196	G.S.S.A.)	4	4	4	4	4	4
School							School						
leavers							leavers						
starting work	2	1	2	2	1		starting work	1	0	1	1	0	
Essential							Essential						
licences							licences						
issued	17	7	15	18	27	29	issued	13	5	7	10	14	14
Health							Health						
Services							Services						
Employees							Employees						
(Qtr 3							(Qtr 3						
G.S.S.A.)	1921	1970	2007	2041	2060	1854	G.S.S.A.)	7	7	7	7	7	6
School							School						
leavers							leavers						
starting work	4	4	5	2	7		starting work	1	2	2	1	2	
Essential							Essential						
licences							licences						
issued	8	14	20	14	26	27	issued	6	9	10	8	14	13

<u>Numbers</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>% of total</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
General							General						
Public sector							Public sector						
Employees							Employees						
(Qtr 3							(Qtr 3						
G.S.S.A.)	2391	2401	2475	2470	2450	2455	G.S.S.A.)	9	9	9	9	9	9
School							School						
leavers							leavers						
starting work	11	21	15	25	23		starting work	3	8	5	8	8	
Essential							Essential						
licences							licences						
issued	1	3	10	9	8	9	issued	1	2	5	5	4	4
General							General						
Industry							Industry						
(Other)							(Other)						
Employees							Employees						
(Qtr 3		1371	1376	1379	1377	1379	(Qtr 3						
G.S.S.A.)	13473	6	9	5	8	3	G.S.S.A.)	50	50	50	49	48	48
School							School						
leavers							leavers						
starting work	188	148	158	176	175		starting work	58	56	54	54	58	
Essential							Essential						
licences							licences						
issued	24	20	31	21	33	41	issued	18	13	15	12	17	19
Total							Total						
Employees							Employees						
(Qtr 3		2725	2774	2820	2846	2859	(Qtr 3						
G.S.S.A.)	26752	4	7	4	0	5	G.S.S.A.)	100	100	100	100	100	100
School							School						
leavers							leavers						
starting work	323	265	291	323	304		starting work	100	100	100	100	100	
Essential							Essential						
licences							licences						
issued	131	149	204	179	191	213	issued	100	100	100	100	100	100

The finance sector has the largest number of employees. From 1994-99 the number increased by 1,321 from 5,287 to 6,608. The overall increase of all sectors over this time was 1,843. Some sectors will have declined and others increased, but in net terms finance accounted for 72% of the overall increase.

Finance's share of all employees increased from 20% in 1994 to 23% in 1999. This is a significant increase in overall terms. The number of school leavers starting work in finance has hovered around the 80-100 mark for the last few years, and the percentage of all school leavers remains about 32%. General industry (or other sectors) makes up 50% of all employees, and about the same percentage (54%) of school leavers. However the number of essential licences issued to this sector is very low in comparison (about 17%).

Health services and education have disproportionately high numbers of essential licences issued to them when compared with the numbers of new employees and school leavers they attract.

The largest differences are in finance and tourism. From 1994-1996 the percentage of licences being given to finance were double that of their percentage of employees overall. Since 1996, this has changed, but finance still gets a higher proportion of licences, despite the downturn in 1999. However licence extensions in finance remain high. Essential licences issued to tourism reached a recent peak of 62 in 1999, and this bears little relationship to the number of school leavers entering tourism. In 1999 school leavers entering tourism continued to decline.

In 1997-99 48, 51 and 53 licences were extended beyond the initial time period. About half of these went to the finance industry, and most of the remainder went to general industry. In total about a quarter of extended licences took the holder up to 15 years, thereby making them residentially qualified.

However, one of the main issues in granting essential licences is that the licence holder is essential to the community. The words 'essential' and 'community' can be interpreted in a wide variety of ways, possibly conflicting. The main conflict is 'Social' essentiality versus 'Economic' essentiality. Employment in the social services, education etc has direct social benefits to the community while employment which provides economic benefit helps to pay for those social services. However immigration by essential licence holders has effects both on the housing situation and the provision of services.

Compassionate licences.

Over the last five years the Housing Authority granted on average 50-70 licences per year on what is loosely called "compassionate" grounds. Most are to people who are "well on the road to residential qualification". The number of compassionate licences dropped to 39 in 1999. The figures do not show the age of the person or where (if at all) that person was working. This type of licence allows a person who has been continually resident or totally resident for a long period, to stay until they become residentially qualified.

From 1995 to 1997, 26 to 28 licences were issued annually to people because of marriage breakdown. In 1999 this figure was 21. The ages of the persons involved, how many dependents they had, and whether the person was working, are not recorded statistically. Total compassionate licences granted usually total in the range of 70-100 annually.

Part 5: New data to be collected by the Housing Authority.

The application forms are the main source of information on persons applying for housing licences and their dependents. Depending on the type of licence, different questions are asked for each licence type though all have the same core questions. The Housing Authority also has links to the G.S.S.A. and both use the same social insurance and employer reference numbers.

As mentioned in part 3, not all the information from the application forms is currently computerised, though complete input of all licence application data is a future requirement. The questions asked on the current application forms are comprehensive and do not need any great changes or additions.

One area where extra data could be collected is in the number of bedrooms in each property. The next Guernsey Census in 2001 will ask questions on not only the number of rooms, but the number of bedrooms too. This will include bedrooms that are used and bedrooms that are not used. This data will be for all Island homes, and because the Census uses digital mapping in conjunction with Cadastre records, then data on the number of houses built per year using bedroom numbers could also become available.

Part 6: Housing Surveys.

Both in terms of future planning and in connection with the administration of the Housing Control laws, it is essential that accurate assessments are made of how much extra housing of all types, "Need" and "Demand" is required. A housing survey with clearly defined parameters is needed.

Several key decisions would have to be made before proceeding with a survey:-

1. Who would the survey be aimed at?
2. How long will it take?
3. Exactly what questions would be asked?
4. What use will be made of the answers?
5. What format would the survey take?
 - (a) Market Research
 - (b) Postal Survey
 - (c) Voluntary survey through mortgage lenders etc.
 - (d) Other.

All these decisions must be taken before a survey can take place.

Housing Research Project - Final Conclusions.

The following data from this report suggests that the current level of annual housing provision is insufficient to satisfy needs and demands of qualified residents and licence holders.

	<u>1997</u>	<u>1998</u>
(a) Gross new essential licences issued (Housing Authority)	179	191
(b) Annual number of new households needed from 1996 Census projection	229	229
(c) Net total number of new dwellings created (Cadastre)	171	166
(d) Number of new dwellings needed (Strategic & Corporate Plan)	250	250
(e) New households to be built for the residentially qualified annually (TABLE 17)	213	213
(f) Total new households needed annually for residentially qualified (TABLE 18)	268	268

Conclusions

1. Shortfall in net number of households being created Strategic & Corporate Plan (d) - Cadastre (c)	79	84
2. Shortfall in net number of households being created as needed from Census Projections (b) - Cadastre (c)	58	63

In general, the above table concludes that not enough **net** new dwellings are being produced to keep up with demands for housing from residentially qualified persons and licence holders alike. Furthermore, building is not keeping up with the annual net figure of 250 new dwellings per annum quoted in the Strategic & Corporate Plan and the 229 new dwellings needed annually from the 1996 Census projections.

It is postulated that the annual number of households that will be created according to the Census Projection will not keep up with the hidden demand for housing from those persons already residentially qualified. However some of the data requires further verification through specific housing needs surveys.

The following recommendations are made:

1. The Housing Authority's computer system should be replaced by a system that holds more information from the application forms and can provide detailed, cross-referenced, user-defined statistics on all aspects of housing.
2. Research should be undertaken to make an accurate assessment of the number of first time residentially qualified households formed each year.
3. An assessment should be made of the extent to which the creation of new households is suppressed by the housing situation.
4. The annual net increase in essential housing licences should be assessed as a better measure of the number of additional dwellings needed in this category.
5. A Housing Survey should be undertaken as soon as possible, to obtain further data which will assist in:-
 - considering measures to rationalise the use of the housing stock;
 - planning the number and type of dwellings required which, in turn, will assist in rationalising the use of the existing stock and in ensuring that proper provision is made for new households; and
 - further enabling the Housing Authority to assess the housing situation to facilitate the administration of the Housing Control Law.

Cadastre dwellings statistics

<u>1993</u>	<u>Total</u>	<u>Total</u>	<u>Net</u>
	<u>Gain</u>	<u>Loss</u>	<u>Total</u>
Rateable Value under £35	215	26	189
Rateable Value £35 - £44	63	9	54
Rateable Value £45 - £59	60	6	54
Rateable Value £60 and over	28	7	21
States Dwellings	0	0	0
TOTAL	366	48	318
<u>1994</u>	<u>Total</u>	<u>Total</u>	<u>Net</u>
	<u>Gain</u>	<u>Loss</u>	<u>Total</u>
Rateable Value under £35	120	39	81
Rateable Value £35 - £44	76	7	69
Rateable Value £45 - £59	40	5	35
Rateable Value £60 and over	62	12	50
States Dwellings	2	1	1
TOTAL	300	64	236
<u>1995</u>	<u>Total</u>	<u>Total</u>	<u>Net</u>
	<u>Gain</u>	<u>Loss</u>	<u>Total</u>
Rateable Value under £35	115	30	85
Rateable Value £35 - £44	32	4	28
Rateable Value £45 - £59	52	7	45
Rateable Value £60 and over	50	11	39
States Dwellings	19	0	19
TOTAL	268	52	216
<u>1996</u>	<u>Total</u>	<u>Total</u>	<u>Net</u>
	<u>Gain</u>	<u>Loss</u>	<u>Total</u>
Rateable Value under £35	113	29	84
Rateable Value £35 - £44	24	8	16
Rateable Value £45 - £59	37	7	30
Rateable Value £60 and over	81	9	72
States Dwellings	0	0	0
TOTAL	255	53	202
<u>1997</u>	<u>Total</u>	<u>Total</u>	<u>Net</u>
	<u>Gain</u>	<u>Loss</u>	<u>Total</u>
Rateable Value under £35	75	18	57
Rateable Value £35 - £44	61	3	58
Rateable Value £45 - £59	19	8	11
Rateable Value £60 and over	46	9	37
States Dwellings	10	2	8
TOTAL	211	40	171
<u>1998</u>	<u>Total</u>	<u>Total</u>	<u>Net</u>
	<u>Gain</u>	<u>Loss</u>	<u>Total</u>
Rateable Value under £35	138	56	82
Rateable Value £35 - £44	38	9	29
Rateable Value £45 - £59	41	8	33
Rateable Value £60 and over	36	11	25
States Dwellings	2	5	-3
TOTAL	255	89	166

**1998 SURVEY OF UNOCCUPIED HOUSEHOLDS
AS AT THE 1996 CENSUS**

Background

The 1996 Census referred to there being 1,009 unoccupied households in the Island on the night of 31st March 1996.

The Housing Authority wrote to Advisory & Finance in September 1997 stating that it believed that the number of empty houses could be reduced if such dwellings were subject to a charge, possibly linked to the collection of tax on Rateable Values. The Authority advised that it regarded the issue as one of taxation rather than housing and it was therefore referring the matter to the Committee.

The committee replied that it was not opposed in principal to the levy of a tax on unoccupied dwellings. However as any revenue to the States would probably be negligible it would need to be shown that the administrative costs would achieve significant benefits in housing terms. The scale of the 'problem' of unoccupied dwellings would also need to be established.

It was decided that to provide sound statistical information as to whether there was a problem with the number of unoccupied households, that the staff of the Economics & Statistics Unit would sample the households which the 1996 Census had identified as being unoccupied.

Methodology**Census Findings**

The 1996 census reported that in addition to the 21,862 private households, there were recorded to be 1,009 unoccupied private households which was 4.4% of the combined total of occupied and unoccupied households. There was little variation in this percentage parish by parish except in the case of St. Peter Port where the percentage was 6%

The number of unoccupied dwellings and households found in the 1996 census was not much different to previous censuses and is not indicative of a large number of households unoccupied for a long time.

It is important to understand what the census defines as a household, as it may differ from the general public's perception.

The census defines a household as living accommodation where one or more people eat and share lounge facilities. This can be a whole dwelling (semi detached house) or it could be a subdivision within a dwelling i.e. accommodation that has a shared entrance but meets the criteria stated above.

The census classifies households into three main sections:

1. Occupied - An household which is used as accommodation either permanently or for a limited period of time per annum.
2. Unoccupied - An household which is habitable but with no persons using it for accommodation.
3. Derelict - A dwelling with only part or no roof. Derelict properties are not classified as households and therefore not counted for census purposes.

Current Study

The aim of the study was to establish whether there were any long term unoccupied households which could be reclaimed to the Island housing stock and thereby relieve the pressures of restricted supply on the current housing market.

This study was based on a sample of households (in three parishes) recorded as unoccupied from the 1996 census. A total of 102 households were surveyed which is approximately a 10% sample. The unoccupied households were visited between May and mid June.

Findings

In order to remain consistent with the 1996 census results, the study findings are classified in the same way as the 1996 census.

The major finding of the survey is outlined in the table below:

Occupancy	Number
Occupied	57
Unoccupied	30
No Longer Living Accommodation	16
Total	102

The majority (55%) of households were found to be occupied since the 1996 census. This is due to households changing hands, undergoing renovation or no longer being in the process of construction.

Those households recorded as unoccupied are either still unoccupied or not habitable due to ongoing renovation.

The households recorded as no 'longer living accommodation' include those households which have been either demolished, converted to other uses (storage) or are now derelict.

Conclusion

The survey shows that the majority of households found to be unoccupied during the 1996 census are now occupied. Those households that are no longer living accommodation are generally in locations scheduled for redevelopment and are not viable for refurbishment and return to the Island housing stock. Those properties that have been demolished since the 1996 census have since been rebuilt or have new developments in the process of being built on that site.

It should be noted that the census whilst being a highly reliable source of data is a snapshot of the housing situation and those properties reported as being unoccupied may well have been in the process of changing hands or major refurbishment.

The 1996 census showed that a pool of 4.4% of all private households were temporarily unoccupied. This figure is slightly lower than that of Great Britain whose 1991 census reported 4.6% of all households as unoccupied.

The survey does show that if extended to the whole island, only 300 households are unoccupied for over two years or more or on a longer term basis.

Appendix

Results by Parish

Looking at the data split by parish, there are some noticeable differences in the spread of household usage. From the table below, it is clear that the St. Martins study shows a higher number of unoccupied households and also compared to St. Peter Port households a higher proportion of derelict properties.

Occupancy	% of total by parish		
	St Martins	St Peter Port	St Sampsons
Occupied	46.2	57.1	58.5
Unoccupied	34.6	25.7	14.6
Derelict	15.4	5.70	14.6
Demolished	3.8	2.9	2.4
Seasonal Occupancy	0.0	0.0	2.4
Refurbished	0.0	0.0	4.9
Change of use	0.0	2.9	0.0
Unknown	0.0	5.7	2.4

This represents only 1.3% of all private households and includes some properties undergoing lengthy refurbishment and also those households not classified as derelict but scheduled for demolition.

Tim Brown
Stuart Bailey
John Dickson

23rd June 1998

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

30th August, 2000.

Sir,

I have the honour to refer to the letter dated 24 August 2000 from the President of the States Housing Authority entitled Guernsey's Housing Situation.

The Advisory and Finance Committee believes it is appropriate and helpful for the States to have the opportunity to consider an early statement on current housing issues. The Committee supports the Authority in its view that the medium to long-term approach must be founded on appropriate research and analysis, following completion of the proposed Housing Needs Survey.

In supporting the Authority's proposal to report further to the States following the receipt and analysis of the proposed Housing Needs Survey, the Committee expresses the hope that the survey and its appraisal will proceed with all due speed.

The Committee also supports the Authority's recommendation relating to an additional question for inclusion in the Census to be held in 2001.

Pending completion of the comprehensive exercise illustrated at Appendix B, the Advisory and Finance Committee would welcome any reports by the Authority on the resolution of specific housing issues.

The Advisory and Finance Committee recommends the States to support the recommendations.

I am, Sir,
Your obedient Servant,
R. C. BERRY,
Member,
States Advisory and Finance Committee.

The States are asked to decide:—

XX.— Whether, after consideration of the Report dated the 24th August, 2000, of the States Housing Authority, they are of opinion:-

1. To note that Report.
2. That a further Report outlining the Island's housing issues and problems, and proposing solutions thereto, shall be presented to the States as soon as possible after receipt and analysis of the Housing Needs Survey commissioned by the States Housing Authority.
3. (1) To authorise the States Advisory and Finance Committee to include an additional question in the 2001 Census, as detailed in the body of that Report, to establish the number of persons who established households for the first time during the period 1996 – 2001.
(2) To direct the preparation of such legislation as may be necessary to give effect to their above decision.

STATES COMMITTEE FOR HOME AFFAIRS

NEW YEAR'S EVE 2000 – LIQUOR LICENSING

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

3rd July, 2000

Sir

NEW YEAR'S EVE 2000 - LIQUOR LICENSING

1. New Year's Eve 2000 will fall on a Sunday and the Committee for Home Affairs have received a request from the Guernsey Licensed Victuallers Association concerning the licensing hours in order for their members to make arrangements for the celebrations.
2. The last occasion that New Year's Eve fell on a Sunday was 1995 and the Royal Court granted a General Order of Extension for those premises which held meal permits and private clubs.
3. This General Order granted an extension from 11.00 p.m. to 01.45 a.m. This meant that patrons of those establishments could drink during those hours other than with a meal.
4. Since 1995 the Liquor Licensing Ordinance has been further amended. The States at its meeting held on 29 July 1998 approved the Liquor Licensing (Amendment) Ordinance 1998 which provides that licensed premises in possession of a Family Permit (Meal Permit) may provide intoxicating liquor on a Sunday:-

- (i) between 12 noon and 3.30 p.m.; and
 - (ii) (if intoxicating liquor served with a meal) between 6.00 p.m. and 12.45 a.m. on Monday morning.
5. This change in the Ordinance does not allow the consumption of alcohol unless with a meal during a Sunday evening. The Ordinance does not permit a variation of these provisions other than by amendment.
6. The Committee for Home Affairs is of the opinion that this would greatly restrict both the licensing trade and the general public from properly celebrating the New Year.
7. In recent years when Liberation Day has fallen on a Sunday the States have approved an amendment to the Liquor Licensing Ordinance which has allowed the general sale of intoxicating liquor without the need for it to be accompanied by a meal.
8. The Committee for Home Affairs is mindful that attitudes towards Sunday drinking have changed but nevertheless feel that there is no need to change the current Sunday opening hours other than extend the evening hours but allow all licensed premises to operate during those periods.
9. The Committee therefore recommends that the States agree:-

“That the Liquor Licensing Ordinance 1993, as amended, shall further be amended to allow licensed premises to open on New Year’s Eve 31 December 2000 for the sale, supply and consumption of intoxicating liquor on the premises between the hours of 12 noon and 3.30 p.m. and between the hours of 7.00 p.m. and 1.45 a.m. on Monday 1 January 2001.”
10. I have the honour to request that you would be good enough to lay this matter before the States, together with appropriate propositions including the one directing the preparation of the necessary legislation.

I am, Sir,
Your obedient Servant,
M. W. Torode
President,
Committee for Home Affairs.

The States are asked to decide:—

XXI.—Whether, after consideration of the Report dated the 3rd July, 2000, of the States Committee for Home Affairs, they are of opinion:-

1. That the Liquor Licensing Ordinance, 1993, as amended, shall be further amended to allow licensed premises to open on New Year's Eve 31st December, 2000, for the sale, supply and consumption of intoxicating liquor on the premises between the hours of 12 noon and 3.30 p.m. and between the hours of 7.00 p.m. and 1.45 a.m. on Monday 1st January, 2001.
2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

STATES BOARD OF ADMINISTRATION**MOTOR VEHICLE INSURANCE**

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

17th August, 2000.

Sir

MOTOR VEHICLE INSURANCE

On 27 September, 1973, the States resolved to adopt the system of harmonisation of the European Economic Community Members States' legislation relating to the insurance of civil liabilities arising from the use of motor vehicles and to the enforcement of the obligation to ensure against such liabilities. The States subsequently approved appropriate amendments to the Road Traffic (Compulsory Third Party Insurance) (Guernsey) Law, 1936 and the Ordinances made thereunder. With effect from 1 August, 1975, the States also entered into an amended agreement with the Motor Insurers' Bureau in relation to compensation of victims of uninsured drivers.

On the 27 December, 1988, the States resolved:-

1. to adopt the revised system of harmonisation of European Economic Community Member States' Legislation so as to improve the guarantees of payment of due compensation to third parties who suffer damage to their property, as well as to those who suffer personal injury in accidents involving motor vehicles;
2. to authorise the States Board of Administration to negotiate appropriate amendments to the agreement with the Motor Insurers' Bureau in relation to compensation of victims of uninsured drivers;
3. to authorise the President of the States Advisory and Finance Committee to sign the amended agreement on behalf of the States;
4. to direct the preparation of such legislation as may be necessary to give effect to the above decisions, such legislation to come into force as soon as possible after 31 December 1988.

A new agreement was negotiated with the Motor Insurers' Bureau to take effect from 1989, although the agreement was concluded in 1990 ("the 1990 Agreement").

The 1990 Agreement and its antecedents applying to Guernsey closely mirror similar agreements to provide compensation to victims of accidents involving uninsured drivers in the United Kingdom.

On 13 August 1999 a replacement agreement was made between the UK and the Motor Insurers' Bureau and came into effect on 1 October, 1999. Subsequently, the Motor Insurers' Bureau sought a replacement agreement with Guernsey. In accordance with the provision of the 1990 Agreement the Motor Insurers' Bureau gave twelve months notice to terminate the 1990 Agreement with Guernsey (by letter dated 12 October, 1999). The 1990 Agreement will, therefore, come to an end on 12 October, 2000.

The Board of Administration is of the view that it is imperative that a new agreement be put in place to cover accidents occurring after that date.

The Law Officers of the Crown have been working with the Motor Insurers' Bureau's local legal representative on the modifications to the current United Kingdom Agreement which would be needed to produce an agreement which the Motor Insurers' Bureau would be happy to sign in respect of Guernsey.

The proposed new agreement contains more detail than the 1990 Agreement in relation to what information has to be provided as a pre-condition to obtaining compensation from the Motor Insurers' Bureau. Although these pre-conditions are now spelt out more explicitly, the simple fact is that many of the steps would have to be satisfied before the conditions under the 1990 Agreement could be met. The difference is one of form rather than substance. The need to replace the previous United Kingdom Agreement with the 1999 Agreement was, at least in part, brought about by changes in the provision of civil procedure in England (the Woolf reforms). In Guernsey, similar changes have not been made but, in order to mirror the United Kingdom's 1999 Agreement, the Law Officers have advised that it is necessary to insert direct references to the various steps that would have to be taken in proceedings.

In reviewing the 1999 Agreement, there are two changes of substance between the 1990 Agreement and what is being proposed. The first increases the excess which the victim will have to bear from £175 to £300. There is no increase in the other financial limit above which the Motor Insurers' Bureau will not pay compensation, namely £250,000. The second change is that the States would now have to give twelve months' notice in order to terminate the agreement. Under the 1990 Agreement the States do not have to give notice; the termination can be immediate.

The new agreement is essential because the Motor Insurers' Bureau is unwilling to operate an agreement which is different in form to those it operates elsewhere and,

in particular, the United Kingdom. The new agreement will not be significantly different from the existing one, save for the minor changes referred to previously.

In the absence of a replacement agreement, were there to be an accident involving an uninsured driver, the victim would find it very difficult to obtain the level of compensation which would otherwise be available from the Motor Insurers' Bureau.

It would be reasonable to assume that any new agreement between the States and the Motor Insurers' Bureau will be subject to further revision in future years. In view of the fact that the principles of entering into an agreement with the Motor Insurers' Bureau, to provide cover for what would otherwise be an uninsured loss, is well established and that the resultant agreements follow from negotiations carried out by the Law Officers on the Board's behalf, the Board of Administration is of the view that it should not be necessary to refer each new agreement to the States.

The Board accordingly recommends the States:-

- (i) to authorise the States Board of Administration to negotiate an appropriate replacement agreement with the Motor Insurers' Bureau in relation to compensation of victims of uninsured drivers;
- (ii) to authorise the President of the Advisory and Finance Committee to sign the replacement agreement on behalf of the States;
- (iii) to direct the preparation of such legislation as may be necessary to give effect of the above decisions, such legislation to come into force as soon as possible after 12 October, 2000;
- (iv) to authorise the President of the Advisory and Finance Committee to sign future revised agreements with the Motor Insurers' Bureau subject to the States Board of Administration and the Law Officers of the Crown recommending the approval of the new agreement, on behalf of the States of Guernsey.

I have the honour to request that you will be good enough to lay this matter before the States with appropriate propositions.

I am, Sir,
Your obedient Servant,
M. A. OZANNE,
Vice-President,
States Board of Administration.

[N.B. The States Advisory and Finance Committee supports the proposals.]

The States are asked to decide:—

- XXII.— Whether, after consideration of the Report dated the 17th August, 2000, of the States Board of Administration, they are of opinion:—
1. To authorise the States Board of Administration to negotiate an appropriate replacement agreement with the Motor Insurers' Bureau in relation to compensation of victims of uninsured drivers.
 2. To authorise the President of the States Advisory and Finance Committee to sign the replacement agreement on behalf of the States.
 3. To direct the preparation of such legislation as may be necessary to give effect to their above decisions, such legislation to come into force as soon as possible after 12th October, 2000.
 4. To authorise the President of the States Advisory and Finance Committee to sign future revised agreements with the Motor Insurers' Bureau subject to the States Board of Administration and the Law Officers of the Crown recommending the approval of the new agreement, on behalf of the States of Guernsey.

REQUÊTE

SUNDAY TRADING

TO THE PRESIDENT AND MEMBERS OF THE STATES OF DELIBERATION

THE HUMBLE PETITION of the undersigned Members of the States of Deliberation SHEWETH:-

1. THAT in the opinion of your Petitioners the States' Resolution dated 11th November 1999 (on article VII of Billet d'État XVIII of 1999) concerning Sunday trading and the existing legislation concerning Sunday trading (the Sunday Trading (Guernsey) Law, 1973 and the Sunday Trading (Implementation) Ordinance, 1974) are illogical and unworkable.
2. THAT in the opinion of your Petitioners the important issue concerning Sunday trading is that of choice-
 - (a) choice of shoppers to use the facility if they wish;
 - (b) choice of the establishment to open if they wish; and
 - (c) choice of the staff to work on that day or not.
3. THAT in the opinion of your Petitioners all appropriate consultation has now been made and there is no longer any impediment to a decision being made to repeal the existing legislation concerning Sunday trading.

THESE PREMISES CONSIDERED

YOUR PETITIONERS humbly pray that the States may be pleased to resolve as follows:-

That the Sunday Trading (Guernsey) Law, 1973 and the Sunday Trading (Implementation) Ordinance, 1974 be repealed and the States' Resolution dated 11th November 1999 (on article VII of Billet d'État XVIII of 1999) concerning Sunday trading be rescinded so that trading may take place on a Sunday on the same basis as on any other day of the week.

AND YOUR PETITIONERS WILL EVER PRAY

GUERNSEY, this 8th day of August, 2000.

A Blunell
A DeCherrier

Francis Leander

John A. B. Gallop

Robert Mellor

R. Mettler

Lydon Trett

John T. ...
John ...
John ...

B. Russell	M. E. W. Burbridge
A. D. C. Webber	P. A. C. Falla
John A. B. Gollop	B. M. Flouquet
Patricia Mellor	Roy H. Bisson
R. R. Matthews	D. Jones
Lyndon Trott	
L. Gallienne	

The States are asked to decide:—

XXIII.— Whether, after consideration of the Requête dated the 8th August, 2000, signed by Deputy B. Russell and eleven other Members of the States, they are of opinion:-

1. That the Sunday Trading (Guernsey) Law, 1973, and the Sunday Trading (Implementation) Ordinance, 1974, be repealed and the Resolutions taken on Article VII of Billet d'Etat No. XVIII of 1999 on the 11th November, 1999, concerning Sunday Trading be rescinded so that trading may take place on a Sunday on the same basis as on any other day of the week.
2. To direct the preparation of such legislation as may be necessary to give effect to their above decision.

ORDINANCE LAID BEFORE THE STATES

**THE BURMA (EXPORT OF GOODS & FREEZING OF FUNDS)
ORDINANCE, 2000**

In pursuance of the proviso to paragraph (3) of Article 66 of the Reform (Guernsey) Law, 1948, as amended, I lay before you herewith "The Burma (Export of Goods & Freezing of Funds) Ordinance, 2000", made by the States Legislation Committee on the 21st August, 2000.

STATUTORY INSTRUMENT LAID BEFORE THE STATES

THE MILK (RETAIL PRICES) (GUERNSEY) ORDER, 2000

In pursuance of the provisions of section 8 (4) of the Milk (Control) (Guernsey) Ordinance, 1958, as amended, I lay before you herewith the following Order made by the States Agricultural and Countryside Board on the 7th July, 2000.

EXPLANATORY NOTE

This order increases the retail price of liquid Guernsey Milk with effect from 9th July, 2000.

DE V. G. CAREY
Bailiff and President of the States

The Royal Court House,
Guernsey.
The 8th September, 2000.

APPENDIX I

STATES CIVIL SERVICE BOARD

GENERAL SALARY SCALES OF THE ESTABLISHED STAFF

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

4th July, 2000.

Sir

In accordance with States Resolution XXXVI of 28 October 1987, as amended, I have the honour to enclose, for publication as an Appendix to a Billet d'Etat, details of the salary minima and maxima of the Established Staff general grades applying from 1 May 2000, following the completion of negotiations to determine Civil Service salaries. The number of staff by grades is also detailed.

I am, Sir,
Your obedient Servant,
A. SAUVARIN,
President,
Civil Service Board

ESTABLISHED STAFF OF THE STATES OF GUERNSEY
The Salary Minima & Maxima of the General Grades

	AT 1.5.00	
	£	
Senior Officer 9+	67400/75991	Note 1
Senior Officer 9	61599/69450	
Senior Officer 8	56296/63475	
Senior Officer 7	51453/58012	
Senior Officer 6	47025/53022	
Senior Officer 5	42976/48458	
Senior Officer 4	39276/44285	
Senior Officer 3	35896/40473	
Senior Officer 1/2	29980/36989	
Senior Officer 1	29980/33807	
Executive Grade V	28153/29754	Note 2
Executive Grade IV	25913/27387	
Executive Grade III	23579/25135	
Executive Grade II	21266/22780	
Executive Grade I	18905/20447	
Administrative Assistant 2	15606/17813	Note 3
Administrative Assistant 1	11929/15236	
Clerical Assistant	9317/11929	
Personal Assistant 2	20160/21596	Note 4
Personal Assistant 1	18221/19520	
Typist C	16157/17644	
Typist B	11157/16157	
Typist A	9367/13732	
Other Grades	7691/38977	Note 5

Note 1 There are some 1964 Established Staff in total on the general grades.

There are some 283 staff (14% of total) on the Senior Officer grades. Three Senior Officers are paid above the general grade on special salaries, the highest of which from 1 May 2000 is £88984.

Note 2 There are some 783 staff (40% of total) on the Executive Grades.

Note 3 There are some 427 staff (22% of total) on the Administrative Assistant, Clerical Assistant and equivalent grades.

Note 4 There are some 128 staff (7% of total) on the Personal Assistant and Typist grades.

Note 5 There are some 343 staff (17% of total) on other grades ie SEB Technical, Non-Standard, Miscellaneous, Home Staff, School Administration Assistant and Classroom Assistant whose salaries broadly span Clerical Assistant to Senior Officer 3.

APPENDIX II

STATES ADVISORY AND FINANCE COMMITTEE

INTERNATIONAL COVENANT ON CIVIL AND POLITICAL RIGHTS

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

5th July, 2000.

Sir,

1. The International Covenant on Civil and Political Rights has applied to Guernsey for some 25 years and the Bailiwick has submitted periodic written reports to the United Nations Human Rights Convention on the matters referred to in the Covenant.
2. The United Nations Human Rights Committee considered the Bailiwick's fourth and fifth periodic reports in March. The process involved an oral examination and discussion held at the U.N. Building in New York which was attended by a delegation from Guernsey.
3. A copy of the Human Rights Committee's Report is appended to this letter.
4. The various issues raised in the Report will be addressed, in appropriate cases, in policy letters to the States. One such issue is the introduction of legislation regarding racial discrimination which the Advisory and Finance Committee intends to refer to the States later this year.
5. I have the honour to request that you be good enough to arrange for the publication of this letter as an appendix to a Billet d'État.

I am, Sir,
Your obedient Servant,
R, C. BERRY,
President,
Advisory and Finance Committee.

**UNITED
NATIONS**

CCP



**International Covenant
on Civil and
Political Rights**

Distr.

GENERAL

CCPR/C/79/Add.119
27 March 2000

Original: ENGLISH

***Concluding Observations of the Human Rights Committee : United
Kingdom of Great Britain and Northern Ireland - Dependent Territories.
27/03/2000. CCPR/C/79/Add.119. (Concluding Observations/Comments)***

HUMAN RIGHTS COMMITTEE
Sixty-eighth session

CONSIDERATION OF REPORTS SUBMITTED BY STATES PARTIES
UNDER ARTICLE 40 OF THE COVENANT

Concluding observations of the Human Rights Committee

United Kingdom and Northern Ireland - the Crown Dependencies of Jersey,
Guernsey and the Isle of Man

1. The Committee considered the fourth and fifth periodic reports of the United Kingdom and Northern Ireland regarding the Crown Dependencies of Jersey, Guernsey and the Isle of Man (CCPR/C/95/Add.10 and CCPR/C/UKCD/99/5) at its 1818th and 1819th meetings (see CCPR/C/SR.1818-1819) held on 17 March 2000 and adopted the following concluding observations at its 1827th meeting (see CCPR/C/SR.1827) held on 23 March 2000.

A. Introduction

2. The Committee welcomes the submission of the State party's fourth and fifth periodic reports concerning these territories and appreciates the opportunity to examine them, but regrets the delay in the submission of the fourth periodic report. The Committee also appreciates the useful core document submitted by the State party and the constructive and open dialogue it had with the State party's delegation.

3. The Committee welcomes the information provided in the reports on developments in domestic legislation relating to the promotion and protection of rights recognized under the Covenant. The Committee observes, however, that while the reports provide details on progress made through new legislation, they contain little information on actual practice. The State party should ensure

that all concerns are reported upon, even when those concerns have not yet been addressed.

B. Positive aspects

4. The Committee notes with satisfaction that the domestic courts in several cases have had regard to the Covenant (art. 2).
5. The Committee welcomes the Administrative Decisions (Review) (Amendment) (Jersey) Law 1995 which provides for a system of administrative appeals against decisions of committees, departments and officials of the States of Jersey to an independent review board (arts. 2 and 14).
6. The Committee welcomes the withdrawal on 2 February 1993 of the State party's reservation to subparagraph (c) of article 25 which, inter alia, applied to jury service in the Isle of Man.
7. The Committee welcomes the various steps taken in all territories to combat any discrimination on the basis of sex and race. The Committee notes with appreciation the information provided by the delegation that all distinctions based on sex have been abolished with regard to inheritance of realty in Sark. The Committee also welcomes the steps taken in Jersey to eliminate differences between the rights of children born in wedlock and the rights of those born out of wedlock (arts. 3, 24 and 26).

C. Principal subjects of concern and recommendations

8. The Committee strongly urges the State party to ensure that all Covenant rights are given effect in domestic law (art. 2).
9. The Committee recommends that human rights education be extended to members of the police force, the legal profession and other persons involved in the administration of justice, with a view to making it a part of their regular training. Human rights education should also be incorporated at every level of general education (art. 2).
10. The Committee recommends that the authorities in Guernsey and the Isle of Man give due consideration to establishing independent bodies with a mandate to review administrative decisions (arts. 2 and 14).
11. The Committee notes the information provided by the delegation that corporal punishment is not permitted in schools on the Isle of Man as a matter of policy, and recommends the adoption of legislation to outlaw corporal punishment (arts. 7 and 10).
12. The Committee notes the information provided by the delegation that steps are being taken in the United Kingdom to ensure that its anti-terrorism laws comply with article 9 of the Covenant, and urges Jersey, Guernsey and the Isle of Man to take corresponding measures.
13. The Committee recommends that the authorities in Jersey consider amending relevant legislation to enable a withdrawal of the reservation to article 11 of the Covenant.
14. The Committee recommends that measures be taken to remove and prohibit any discrimination on grounds of sexual orientation (arts. 17 and 26).
15. The Committee notes with concern that the archaic and discriminatory provisions of the Criminal Code which make blasphemy a misdemeanour are still in force on the Isle of Man, and recommends that these be repealed (art. 19).
16. The Committee notes that consideration has been given in Jersey to amending the Separation and Maintenance Orders (Jersey) Law 1953 and recommends that all three jurisdictions introduce legislation and other effective measures to prohibit discrimination between women and men (arts. 3 and 26).

17. With reference to the withdrawal of the State party's reservation to article 25, the Committee urges the authorities to introduce further reforms that secure all their inhabitants full right of participation in the conduct of public affairs.

18. The Committee recommends that the authorities complete the current process of enacting legislation outlawing all racial discrimination. In accordance with article 26, the authorities should also promulgate legislation which prohibits any discrimination and guarantees to all persons equal and effective protection against discrimination on any ground such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.

D. Dissemination of information about the Covenant (art. 2)

19. The Committee requests that the sixth periodic report concerning Jersey, Guernsey and the Isle of Man be submitted together with the sixth report of the United Kingdom and Northern Ireland, at a date to be set after the examination of the pending fifth report. That report should be prepared in accordance with the revised Guidelines adopted by the Committee (CCPR/C/66/GUI/Rev.1) and should give particular attention to the issues raised in the present concluding observations. The Committee requests that these concluding observations and the next periodic report be widely disseminated in Jersey, Guernsey and the Isle of Man.

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Office of the United Nations High Commissioner for Human Rights
Geneva, Switzerland

APPENDIX III

STATES ADVISORY AND FINANCE COMMITTEE

PAYMENTS TO STATES MEMBERS – GRADING OF COMMITTEES

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

11th July, 2000.

Sir,

PAYMENTS TO STATES MEMBERS - GRADING OF COMMITTEES

1. Paragraph 2 of Section VI of Resolution 2 on Article XIV of Billet d'État III of 1996 states:

"The States Advisory and Finance Committee may from time to time make such amendments as it shall deem advisable in respect of the grading of States Committees specified in the Schedule to these rules. Such amendment shall be published in an appendix to a Billet d'État."

2. On the 31st May 2000 the States resolved, inter alia, that
 - (a) the Rules of Procedure Committee be dissolved;
 - (b) the Constitution of the States Review Committee be dissolved;
 - (c) the States Procedures and Constitution Committee be established;
 - (d) legislation be enacted to dissolve the Appointments Board and, in the interim, that the President of the Civil Service Board be ex-officio President of the Appointments Board;
 - (e) a sitting member of the States be elected as President of the Legislation Committee.
3. As a consequence of those resolutions, the Advisory and Finance Committee has amended the Schedule as follows:

Group A

after the words "Civil Service Board" add "(including Appointments Board)";

Group C

add Legislation Committee; States Procedures and Constitution Committee;

Group D

delete Appointments Board; Legislation Committee, Rules of Procedure Committee.

4. The Committee has taken this opportunity of reviewing the grading of other committees as a result of which it has decided to change the grading of the Board of Industry from B to A from 1st January, 2001.
5. The Board is now playing a major role in driving forward and developing the economy of the Island. Increasingly, it has been looked to by private sector interest groups such as G-mex, the Chamber of Commerce, the IOD and GIBA, either to take a lead in a particular direction, or to assist those groups in developing new ideas. Similarly, within the States, the Board and its officers are now consulted by, or make contributions to, the policy developments of a number of other departments.
6. Of particular relevance is the Board's new responsibilities, approved by the States at the beginning of this year, in relation to the regulation of trading undertakings and the development of e-commerce. The Board's mandate will be revised through the Policy and Resource Planning process to take account of this new and important responsibility which will affect every part of the economy. By the end of the year a regulatory framework will be in place.
7. The revised list of committees is annexed to this letter.
8. I have the honour to request that you be good enough to arrange for the publication of this letter as an appendix to a Billet d'État.

I am, Sir,
Your obedient Servant,
L. C. MORGAN,
President,
Advisory and Finance Committee.

SECTION V

GRADING OF STATES COMMITTEES

GROUP A+

Advisory and Finance Committee

GROUP A

Board of Administration
Civil Service Board (including Appointments Board)
Education Council
Guernsey Social Security Authority
Committee for Home Affairs
Board of Health
Housing Authority
Board of Industry (*from 1.1.2001*)
Island Development Committee

GROUP B

Agriculture and Countryside Board
Children Board
Electricity Board
Heritage Committee
Committee for Horticulture
Income Tax Authority
Board of Industry (*until 31.12.2000*)
Post Office Board
Public Thoroughfares Committee
Recreation Committee
Telecommunications Board
Tourist Board
Traffic Committee
Water Board

GROUP C

Arts Committee
Broadcasting Committee
Cadastre Committee
Civil Defence Committee
Gambling Control Committee
Island Reception Committee
Legislation Committee
Liberation and Millennium Celebrations Committee
Overseas Aid Committee
Probation Service Committee
Public Assistance Authority
Sea Fisheries Committee
States Procedures and Constitution Committee
Transport Board

GROUP D

Ecclesiastical Committee
Elizabeth College Board of Directors
Emergency Council
Ladies' College Board of Governors
Liberation Religious Service Committee
Lifeboat Committee
Priaulx Library Council
The 10 Parochial Outdoor Assistance Boards
All ad hoc Investigation Committees



APPENDIX IV

STATES OF GUERNSEY

GUERNSEY RETAIL PRICES INDEX

STATES OF GUERNSEY
ADVISORY
& FINANCE
COMMITTEE

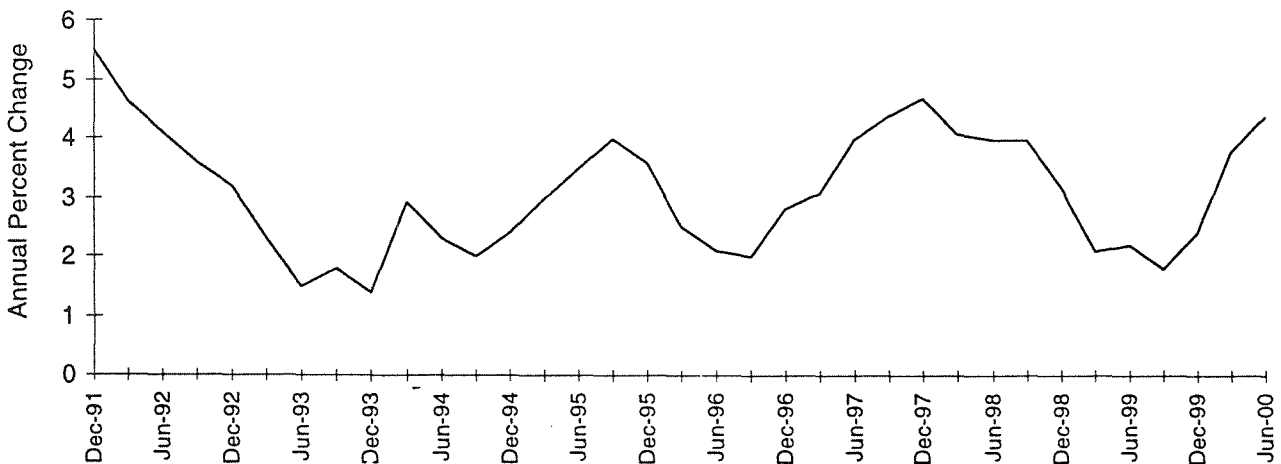
4.4% annual change as at 30 June 2000

At the end of June, Guernsey's annual rate of inflation, as measured by changes in the Index of Retail Prices, was 4.4% compared with 3.8% at the end of the previous quarter.

The Index Figures at the end of June 2000 were 102.7 (Dec 99=100) 121.9 (Mar 1994 =100), 162.3 (Dec 1988 =100), 216.9 (Dec 1983 =100), 344.4 (Dec 1978 =100).

Period	%	Period	%
3 Months	1.6	2 Years	6.7
6 Months	2.8	3 Years	11.0
9 Months	3.9	4 Years	15.4
12 Months	4.4	5 Years	17.9
18 Months	5.3	10 Years	43.5

ANNUAL RATE OF INFLATION



Annual % Changes

Quarterly % Changes

	March	June	September	December		March	June	September	December
1990	10.2	9.7	10.4	9.8		3.1	1.6	3.3	1.4
1991	8.6	8.7	6.1	5.5		2.0	1.7	0.8	0.9
1992	4.6	4.1	3.6	3.2		1.1	1.2	0.3	0.5
1993	2.3	1.5	1.8	1.4		0.2	0.5	0.5	0.2
1994	2.9	2.3	2.0	2.4		1.7	0.0	0.2	0.5
1995	3.0	3.5	4.0	3.6		2.2	0.5	0.7	0.2
1996	2.5	2.1	2.0	2.8		1.1	0.1	0.5	0.9
1997	3.1	4.0	4.4	4.7		1.5	1.0	1.0	1.2
1998	4.1	4.0	4.0	3.2		0.9	0.9	1.0	0.4
1999	2.1	2.2	1.8	2.4		-0.2	1.0	0.5	1.1
2000	3.8	4.4				1.2	1.6		

**PERCENTAGE CHANGES IN GROUP INFLATION
AND THEIR CONTRIBUTION TO OVERALL INFLATION**

GUERNSEY INFLATION RATE (+4.4%)

	Weight	Annual % change	Contribution %
FOOD	127	-1.2%	-0.2
ALCOHOLIC DRINK	52	+2.4%	0.2
TOBACCO	19	+5.5%	0.1
HOUSING	216	+4.9%	1.3
FUEL, LIGHT & POWER	41	+9.4%	0.5
HOUSEHOLD GOODS	79	+0.1%	0.0
HOUSEHOLD SERVICES	33	+2.8%	0.1
CLOTHING & FOOTWEAR	56	-1.2%	-0.1
PERSONAL GOODS	49	+7.1%	0.4
MOTORING EXPENDITURE	85	+16.0%	1.6
FARES/OTHER TRAVEL	33	-2.2%	-0.1
LEISURE GOODS	63	+1.5%	0.1
LEISURE SERVICES	92	+2.4%	0.3
FOOD AWAY FROM HOME	55	+2.4%	0.2
OVERALL	1000		4.4

Weight is the proportion of the total index represented by each group. **Contribution** shows the effect of price changes in relation to the relative weight of the groups.

Matters affecting the R.P.I during the last year

1. The main contributors to inflation during the last year were increases in the prices of motoring, housing and fuel, light & power.
2. The main contributor to the increases in motoring and fuel, light & power was the high price of crude oil, which has led to increases in the price of petrol and domestic energy.
3. The housing group shows the effect of increased mortgage interest payments, property rentals and maintenance costs.
4. Within the food group there have been decreases over the last year in the prices of fresh and frozen vegetables, potatoes, coffee and cereals.

Matters affecting the R.P.I during the last three months

1. The main positive contributors to the RPI during the last **three months** were housing (owner occupied), motoring (petrol) & alcoholic drink (away from home).
2. The contribution of clothing & footwear, household goods and leisure goods has decreased during the last **three months**.

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APPENDIX V

STATES EDUCATION COUNCIL

CASTEL PRIMARY SCHOOL - VALIDATION REPORT

The President,
States of Guernsey,
Royal Court House,
St. Peter Port,
Guernsey.

3rd August, 2000.

Sir,

Castel Primary School
Validation Report

I enclose two copies of the summary of the validation report and the Council's response for the above school. I have the honour to request that you will be good enough to arrange for this to be published as an appendix to the Billet d'État for September.

Copies of the full report will be made available for any member of the public to inspect at both the school and the Education Department.

I am, Sir,
Your obedient Servant,
F. J. ROPER
Member,
States Education Council.

SUMMARY OF THE VALIDATION REPORT

CASTEL PRIMARY SCHOOL

The school is situated in the Castel parish. The catchment area encompasses most of the parish, stretching from Cobo Road to Richmond and inland to Les Varennes. There are approximately 60 children from outside the catchment area.

Castel is a two form entry school. There are 407 pupils on roll, made up of 197 boys and 210 girls, aged from 4 to 11.

They are taught by 19 full-time staff, including the headteacher, and 1 part-time teacher. There are 18 classes with an average class size of 22.6 and a pupil/teacher ratio of 21 : 1.

Background

The school was visited by a validation team of 6 inspectors during the week of April 3rd 2000. The school provided a wide range of detailed documentation in advance of the inspection, having spent a year on a variety of well planned self-evaluation activities.

During the inspection all classes and teachers were visited and 102 lessons were observed, in addition to school assemblies and extra-curricular clubs. Planned discussions were held with teaching and non-teaching staff. Informal discussions were held with pupils and their current and previous work was scrutinised. The 192 replies to a parental survey were analysed. Observations and recommendations were discussed with the headteacher and appropriate staff during the week and a report was made to the Director of Education.

Main Findings

* Castel Primary is setting new high standards in the quality of its regular self-review procedures within the Channel Islands Federation for the Evaluation of Schools' (IFES) scheme. Hard work and effective teamwork have led to the production of an honest and accurate report on the school's work, which provides a secure base for future planning and continued progress.

* The school is well led and managed, and staff support one another well in working to meet the institution's declared aims. They have successfully established a purposeful and happy working environment, with high expectations of standards of work and behaviour and where children feel that their efforts are valued.

* A broad and balanced curriculum is provided which meets the requirements of the National Curriculum (Guernsey) and the RE Agreed Syllabus; it is extended to include French in Y4, Y5 and Y6. Due emphasis is given to the core subjects of English, mathematics and science. Children are benefiting from ICT developments as a result of the school's inclusion in the Island's Technical Implementation Project.

- * The school is seeking to widen its extra-curricular provision beyond the existing range of mainly sporting activities to embrace more clubs, residential experiences and outdoor, adventurous pursuits.
- * Of the 102 lessons observed during the validation, 94% were found to be satisfactory or better in terms of teaching, learning and attainment. A commendable 43% had good or outstanding features and encompassed all subject areas. There was a close similarity between standards at Key Stage 1 and Key Stage 2.
- * Good provision is made for children under five through effective planning of the required six areas of learning and a wide range of appropriate practical activities.
- * Good progress is being made in the necessary updating of curriculum policies and schemes of work in the light of QCA materials and the requirements of Curriculum 2000.
- * Staff are working hard to strengthen their short, medium and long term planning, and the benefits of this are apparent in classrooms throughout the school. The national literacy and numeracy projects are both impacting positively on pupils' progress.
- * The school's National Curriculum Test results for 1999 show a marked improvement on those for the previous year. The results are above Island and UK averages in reading, comprehension, writing, spelling and mathematics at Key Stage 1, and are also above in English, mathematics and science at Key Stage 2. The school is already addressing the issue of writing at both key stages where there were fewer than expected grades at the higher levels. Inspection findings confirm that children are attaining at least sound and often good standards in all subjects of the NC(Guernsey).
- * Behaviour, attendance and punctuality are very good. Children have positive attitudes towards work and school.
- * The school has effective assessment procedures for English, mathematics and science. Good quality portfolios recording children's work over the past year have been produced for most curriculum areas; they could usefully be extended to include exemplars of different levels of attainment.
- * Assessment procedures in the foundation subjects need to be strengthened, together with more effective use of the plenary sessions in lessons to review pupils' understanding and progress, possibly involving classroom assistants in the process. Marking of work is done regularly, and would be of even greater benefit if there were more diagnostic comments and setting of targets.
- * All pupils have full access to the curriculum. The co-ordinator for special educational needs (SENCO) effectively manages and organises the special needs provision, and children make sound progress. The school is at an early stage of setting targets for individual pupils. Good attention is paid in teachers' planning to matching activities and resources to children's different levels of ability, even within classes which are set by ability.
- * The school makes good provision for the social, moral, spiritual and cultural development of its pupils, and meets the statutory requirements for collective worship. The school rightly intends to develop an overall policy for these areas and to extend collaboration between year groups. There are effective arrangements for support, guidance and pupils' welfare: a planned PSHE programme includes the provision of circle time.

* Relationships with parents and the community are a strength of the school. High levels of support for many areas of the school's work are revealed in the returns to the parental questionnaire which achieved a response rate of 79%(Appendix A). An active PTA raises additional funds for the school which are spent appropriately to provide extra furniture and equipment for the benefit of the children. Letters accompanying the parental returns underline their high regard for the headteacher and his staff; they also raise strongly felt concerns about the inadequacies of the school site, poor accommodation and inadequate parking. Some parents requested a clear and consistent homework policy, more extra-curricular activities and better information about levels of attainment in the foundation subjects on annual reports.

* The headteacher provides clear and incisive leadership for the school, and has good oversight of curriculum development. The roles and responsibilities of the senior management team are rightly being reviewed in the light of the retirement of the deputy head and other impending staff changes. Internal and external communication systems are good.

* There is an appropriate development plan (SDP) which focuses the work of the school and the deployment of available staffing and resources. There is a regular pattern of meetings at all levels of the school, and minutes pay testament to good levels of curriculum debate and to the meticulous planning and conduct of the self-review process.

* Staff have willingly involved themselves in a range of in-service training activities to prepare for new initiatives, such as in literacy, numeracy, and ICT. The headteacher is also planning to establish an annual meeting with individual staff to review progress, job descriptions and staff development needs.

* The school makes efficient use of its budget and of its available human and material resources to meet the needs of the NC(Guernsey). The financial systems are sound. The school office is welcoming and efficient, and the caretaking staff undertake valuable maintenance and improvement tasks in addition to keeping the school clean.

* The school has accurately recorded the shortcomings of its buildings, and these were commented upon by many parents. There is decay to the fabric of several classrooms, and the huddled accommodation allows for unsatisfactory extremes in temperature. It is difficult for staff to have good oversight of children outside, and for the secretary to observe visitors to the school. Nevertheless, staff work hard to overcome deficiencies in the accommodation.

* Taking account of contextual matters, such as the children's ability levels on entry to the school, the progress they make, the quality of teaching, learning and attainment, the use made of available accommodation and resources, the quality of leadership and the accuracy of the staff's self-review, the school is providing very good value for money.

Key Issues that the School Needs to Address

- * The school's own review has correctly identified a wide range of issues for attention and development. These include the need :
 - to continue to strengthen curriculum monitoring procedures at all levels;
 - to revise senior management roles;
 - to extend assessment strategies in the core subjects to other areas;
 - to focus on work in writing, spelling, independent learning and ICT;
 - to establish annual staff development interviews;
 - to seek improvements to the accommodation.

- * The school also intends to address comments made in the returns to the parental questionnaires relating to extra-curricular activities, homework and reports.

- * The validation team endorses the staff's findings and proposals, and believes that the school's self-evaluation report provides a secure basis for further progress.

The school is responsible for drawing up an action plan after receiving the report, showing what it is going to do about the issues raised and how it will incorporate them in the school's Development Plan. A follow-up visit to the school will be made in the summer of 2001 in order to monitor and discuss progress, and a written report will be made to the Director of Education.

STATES EDUCATION COUNCIL

RESPONSE TO THE VALIDATION REPORT

ON

CASTEL PRIMARY SCHOOL

The Education Council and the staff of Castel Primary School welcome and accept the Validation Report of June, 2000. It is pleasing to note that the school was seen to be setting new high standards in the quality of its regular self – review procedures and that its own report was deemed to be both honest and accurate.

The school has established a purposeful and happy working environment where children feel that they are valued and parents offer high levels of support for many areas of the school's work. Relationships with parents and the community are a strength of the school.

The curriculum is broad and balanced with effective assessment procedures in the core subjects. The children are attaining at least sound and often good standards in all subjects of the National Curriculum (Guernsey).

The school is now working diligently to address the areas for development which include:

- to continue to strengthen curriculum monitoring procedures;
- to extend assessment strategies in the core subjects to other areas;
- to focus on work in writing, spelling, independent learning and ICT.

The report recognises that the school is well led and managed and that staff support one another well in working to meet the institution's declared aims. Therefore, the school can look to make further progress with confidence.

