



BILLET D'ÉTAT

WEDNESDAY, 7th FEBRUARY, 2018

V
2018

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BILLET D'ÉTAT

TO
THE MEMBERS OF THE STATES
OF THE ISLAND OF GUERNSEY

I hereby give notice that a Meeting of the States of Deliberation will be held at **THE ROYAL COURT HOUSE**, on **WEDNESDAY**, the 7th February, 2017 at **9.30 a.m.**, to consider the items listed in this Billet d'État which have been submitted for debate.

R. J. COLLAS
Bailiff and Presiding Officer

The Royal Court House
Guernsey

23rd January, 2018

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE *for* EMPLOYMENT & SOCIAL SECURITY

**THE GUERNSEY LEGAL AID SERVICE – APPOINTMENT OF THE LEGAL AID
ADMINISTRATOR**

The States are asked to decide whether, after consideration of the Policy Letter of the Committee *for* Employment & Social Security entitled “The Appointment Of the Legal Aid Administrator”, dated 13 December 2017, they are of the opinion:-

1. To appoint Ms Lucinda Heather Haywood to the office of Legal Aid Administrator, for a period of 5 years, with effect from 12 February 2018 pursuant to Section 2(2) of the Legal Aid (Bailiwick of Guernsey) Law, 2003.

The above propositions have been submitted to Her Majesty’s Procureur for advice on any legal or constitutional implications in accordance with Rule 4 (1) of the Rules of Procedure of the States of Deliberation and their Committees.

COMMITTEE *for* EMPLOYMENT & SOCIAL SECURITY

THE GUERNSEY LEGAL AID SERVICE – APPOINTMENT OF THE LEGAL AID ADMINISTRATOR

The Presiding Officer
Royal Court
St Peter Port
Guernsey

21 December 2017

Dear Sir

1. Executive Summary

- 1.1 The Legal Aid Administrator ('LAA') is an independent holder of public office, appointed by the States of Deliberation in pursuance of section 2(2) of The Legal Aid (Bailiwick of Guernsey) Law, 2003 ("the Law"), on the nomination of the Committee *for* Employment & Social Security ("the Committee").
- 1.2 The incumbent LAA, Ms Hayley Cooper, will shortly be retiring from her post.
- 1.3 After a competitive recruitment process, the Committee is pleased to recommend to the States the appointment of Ms Lucinda ("Lucy") Heather Haywood, who has been the Deputy LAA since 2010, to the office of the Legal Aid Administrator, for a period of 5 years from 12 February 2018.

2. Report

The Guernsey Legal Aid Service and the Legal Aid Administrator

- 2.1 The Guernsey Legal Aid Service (GLAS) was established in September 2001. In its 16th year of operation, the GLAS continues to support the Bailiwick community, especially "*when the interests of justice so require*"¹, by providing funding for legal advice and representation in criminal and civil cases for individual members of the public who could not otherwise afford that advice and representation.
- 2.2 The Committee acknowledges the upcoming retirement of Ms Cooper and would like to place on record their thanks to Ms Cooper for all her work in the

¹ Section 1 of The Legal Aid (Bailiwick of Guernsey) Law, 2003.

provision of the Legal Aid Service since 2004². Ms Cooper has been instrumental in the development of the service. Over the years, she, together with Ms Haywood and other officers, have worked diligently to meet the increasing demands on the service from across the Bailiwick.

- 2.3 Following a joint internal and external recruitment process including interview by a panel including the President and Vice-President of the Committee, the Committee has selected Ms Haywood for the five-year contractual post as the new LAA, which she has accepted, subject to the necessary approval of the States.
- 2.4 Ms Haywood has been working as the Deputy LAA since May 2010. She is highly experienced in this field, working closely with Ms Cooper and assisting her with her broad-ranging statutory duties.
- 2.5 Ms Haywood's curriculum vitae is appended to this Policy Letter.
- 2.6 Should she be appointed by the States, Ms Haywood's new role and duties will be varied, ranging from the administrative responsibilities of her office to the determination of complex issues. Her duties will include, among others:
 - supporting applicants and providing general advice about legal aid;
 - the review and grant of all legal aid certificates, deciding if the financial and legal merits criteria are met for both civil and criminal legal aid for Guernsey, Alderney and Sark; and reviewing and recovering associated debts to legal aid as necessary;
 - responsibility for and managing the legal aid budget;
 - accrediting advocates to the schemes and evaluating, assessing (taxation) and authorising the payment of advocates' accounts;
 - reviewing and commenting on committees' policies which affect the legal aid service including new legislation;
 - liaising with and advising inter alia, the Committee, the police, court officials, advocates, civil servants and lawyers including from other Jurisdictions; and
 - reviewing, revising and issuing rules and guidance notes on legal aid and keeping abreast of changes to the legal aid landscape internationally.

² Advocate Nicholas Le Poidevin was the Legal Aid Administrator between the inception of the extra-statutory scheme in September 2001 and Ms Cooper's appointment.

The Legal Aid Ordinance

- 2.7 The schemes for civil and criminal legal aid currently operate under an extra-statutory basis known as the "Interim Scheme". The Interim Scheme operates in three main areas comprising: the Duty Advocate Scheme which provides free legal advice 24 hours a day to any person who is detained or who voluntarily attends at the police station or offices of the Border Agency; "Green Form" Assistance, which usually provides up to two hours of advice and assistance on a means-tested basis and which can also include the preparation of a case or a legal document and representation at court; Full Legal Aid covering more prolonged and/or complex court cases and this is both means and merit tested.
- 2.8 The Committee and its officers have been working closely with the LAA and Her Majesty's Comptroller to finalise a draft Ordinance which will place the Interim Scheme on a statutory footing. Although the former Policy Council had envisaged early completion of this work prior to the transfer of Legal Aid to the Committee, the preparation of the Ordinance has taken longer than anticipated due to the complexities of ensuring that the Ordinance takes into account upcoming changes in other legislation e.g. such as Data Protection, which impact on the administration of legal aid generally. This exercise should minimise the need for further legislative revisions to be made soon after the adoption of the Ordinance by the States.
- 2.9 The Committee is committed to sponsoring a legislative and administrative framework for legal aid which is appropriately broad in scope to enable the LAA to dispense her duties in full including addressing unforeseen matters which arise and require her decision. Operating the Interim Scheme has enabled the LAA, the former Policy Council and now the Committee to better understand and react to not only the needs of the service and its customers but the Island's obligations under the European Convention on Human Rights and the International Covenant on Civil and Political Rights.

3. Conclusion

- 3.1 The Committee is satisfied that, following due process, it has selected a suitable candidate to fill the statutory position of Legal Aid Administrator, which will become vacant on the retirement of Ms Cooper. In accordance with the Law, the Committee is recommending the States to approve the appointment of Ms Haywood.

4. Propositions

- 4.1 The States are asked to decide whether, after consideration of the Policy Letter of the Committee *for* Employment & Social Security entitled "The Guernsey Legal Aid Service - Appointment Of Legal Aid Administrator", dated 13 December 2017, they are of the opinion:-

1. To appoint Ms Lucinda Heather Haywood to the office of Legal Aid Administrator, for a period of 5 years, with effect from 12 February 2018 pursuant to Section 2(2) of the Legal Aid (Bailiwick of Guernsey) Law, 2003.

- 4.2 These Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the Assembly and their Committees.

- 5. Committee Support for Propositions**

- 5.1 In accordance with Rule 4(4) of the Rules of the Procedure of the Assembly and their Committees, it is confirmed that the propositions above have the unanimous support of the Committee.

Yours faithfully

M K Le Clerc
President

S L Langlois
Vice - President

J A B Gollop
M J Fallaize
E A Yerby

M J Brown
Non-States Member

A R Le Lièvre
Non-States Member

APPENDIX 1

CURRICULAM VITAE - LUCINDA HEATHER HAYWOOD

PROFESSIONAL QUALIFICATION:

October 1995 **Solicitor of the Supreme Court of England and Wales**

EMPLOYMENT:

1993 to 1995 **Atkins Wilson & Bell, Guildford, Surrey**
Trainee Solicitor. Training Contract included seats in Family, Litigation, Wills & Probate and Conveyancing Department.

1995 to 1999 **Callaghans, Guildford, Surrey**
Assistant Solicitor in matrimonial and family law.

1999 to 2002 **Hartnells Family Law Practice, Exeter, Devon**
Associate Solicitor in matrimonial and family law.

2002 to 2004 **Walker Law Associates, Exeter, Devon**
Assistant Solicitor in Conveyancing Department.

2004 to 2007 **Boyce Hatton, Torquay, Devon**
Assistant Solicitor in Conveyancing Department.

October 2007 to
Dec 2008 **Self Employed**
Various locum assignments in Conveyancing

Jan 2009 to
May 2010 **F J Haskins & Co, St Peter Port**
Assistant to Partner in family law.

May 2010
to date **The States of Guernsey**
Deputy Legal Aid Administrator - assisting the
Administrator in the administration of the interim legal aid
scheme.

FURTHER EDUCATION

1989-1992 Westminster University, London LLB (Hons)
1993 Solicitors Final Examinations, College of Law, Guildford

**THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY**

THE COMMITTEE *for* EMPLOYMENT & SOCIAL SECURITY

THE GUERNSEY LEGAL AID SERVICE – APPOINTMENT OF THE LEGAL AID ADMINISTRATOR

The President
Policy & Resources Committee
Sir Charles Frossard House
La Charroterie
St. Peter Port
GY1 1FH

21th December 2017

Dear Deputy St Pier

Preferred date for consideration by the States of Deliberation

In accordance with Rule 4(2) of the Rules of Procedure of the States of Deliberation and their Committees, it is requested that the Policy Letter entitled 'The Appointment of the Legal Aid Administrator' be considered by the States of Deliberation at its meeting on 7 February 2018.

The request is made because the Committee would like the vacant post filled as soon as possible. The proposed appointment date is 12 February, so the meeting on 7 February will be the final opportunity for the States to appoint without amending the date. Ms Haywood is an excellent candidate, so we are confident that the States will approve the proposition quickly and very little time will be required to consider this item.

Yours faithfully



Michelle Le Clerc
President

Shane Langlois
Vice President
Matthew Fallaize, John Gollop, Emilie Yerby

Mike Brown, Andrew Le Lievre
Non-States Members

**THE EMPLOYMENT AND DISCRIMINATION TRIBUNAL (GUERNSEY) (AMENDMENT)
ORDINANCE, 2018**

The States are asked to decide:-

Whether they are of the opinion to approve the draft Ordinance entitled "The Employment and Discrimination Tribunal (Guernsey) (Amendment) Ordinance, 2018", and to direct that the same shall have effect as an Ordinance of the States.

This proposition has been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

EXPLANATORY MEMORANDUM

This Ordinance amends section 1(6) of the Employment and Discrimination Tribunal (Guernsey) Ordinance, 2005 in order to remove the requirement for members of the Employment and Discrimination Panel to retire on reaching the age of 70.

The Employment and Discrimination Tribunal (Guernsey) (Amendment) Ordinance, 2018

THE STATES, in pursuance of their Resolution of the 6th September, 2017^a,
hereby order:-

Amendment of Ordinance.

1. For section 1(6) of the Employment and Discrimination Tribunal
(Guernsey) Ordinance, 2005^b, substitute –

"(6) Members of the Panel shall be appointed for a term of
three years (or such shorter period as the States may specify)."

Interpretation.

2. (1) In this Ordinance -

"**enactment**" includes a Law, an Ordinance and any subordinate
legislation and includes any provision or portion of a Law, an Ordinance or
any subordinate legislation, and

"**subordinate legislation**" means any regulation, rule, order, rule of
court, resolution, scheme, byelaw or other instrument made under any
statutory, customary or inherent power and having legislative effect, but
does not include an Ordinance.

^a Article III of Billet d'État No. XV of 2017.

^b Ordinance No. XXX of 2005; as amended by Ordinance No. IX of 2016.

(2) Any reference in this Ordinance to an enactment is a reference thereto as from time to time amended, re-enacted (with or without modification), extended or applied.

Citation and commencement.

3. This Ordinance may be cited as the Employment and Discrimination Tribunal (Guernsey) (Amendment) Ordinance, 2018, and shall come into force on the 12th February, 2018.

**THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY**

THE COMMITTEE FOR EMPLOYMENT & SOCIAL SECURITY

EMPLOYMENT AND DISCRIMINATION TRIBUNAL (GUERNSEY) (AMENDMENT) ORDINANCE, 2018

The President
Policy & Resources Committee
Sir Charles Frossard House
La Charroterie
St. Peter Port
GY1 1FH

29th December 2017

Dear Deputy St Pier

Preferred date for consideration by the States of Deliberation

In accordance with Rule 4(2) of the Rules of Procedure of the States of Deliberation and their Committees, it is requested that the legislation entitled 'Employment and Discrimination Tribunal (Guernsey) (Amendment) Ordinance, 2018' be considered by the States of Deliberation at its meeting on 7th February 2018.

The request is made because the terms of office for the current Tribunal Panel members expire on 28th February. Two of the people that the Committee is recommending be reappointed as members of the Tribunal Panel can only be reappointed if the current retirement age for Panel members is removed via this Ordinance. The Policy Letter to approve the appointments has been requested to be considered by the States of Deliberation on 7th February 2018. The Ordinance will need to be approved before the States can consider the recommendations in the Policy Letter. In the event that the appointments are not approved by the States before their term of office expires, the Tribunal will be unable to convene until appointments are made.

Yours faithfully



Michelle Le Clerc
President

Shane Langlois
Vice President
Matthew Fallaize, John Gollop, Emilie Yerby

Mike Brown, Andrew Le Lievre
Non-States Members

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE FOR EMPLOYMENT & SOCIAL SECURITY

EMPLOYMENT AND DISCRIMINATION TRIBUNAL: REAPPOINTMENT OF PANEL
MEMBERS AND DESIGNATION OF THE CONVENOR AND DEPUTY CONVENOR

The States are asked to decide:-

Whether, after consideration of the Policy Letter entitled 'Employment and Discrimination Tribunal: Reappointment of Panel Members and Designation of the Convenor and Deputy Convenor', dated 29th December 2017, they are of the opinion:-

1. To reappoint the 14 members of the Employment and Discrimination Panel ("the Tribunal Panel"), from 1st March 2018 until 28th February 2021;
2. To designate Mrs Tina Jane Le Poidevin as Convenor of the Tribunal Panel from 1st March 2018 until 28th February 2021;
3. To designate Mrs Christine Diane Le Lièvre as Deputy Convenor of the Tribunal Panel from 1st March 2018 until 28th February 2021.

The above Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE FOR EMPLOYMENT & SOCIAL SECURITY

EMPLOYMENT AND DISCRIMINATION TRIBUNAL: REAPPOINTMENT OF PANEL
MEMBERS AND DESIGNATION OF THE CONVENOR AND DEPUTY CONVENOR

The Presiding Officer
States of Guernsey
Royal Court House
St Peter Port

29th December 2017

Dear Sir

1. Executive Summary

1.1 The Committee *for* Employment & Social Security recommends the reappointment, until 28th February 2021, of 14 members of the Employment and Discrimination Tribunal Panel, and the designation of a Convenor and Deputy Convenor of the Panel. The members, whose terms of office are all due to expire on 28th February 2018, have confirmed their willingness to be reappointed to the Panel for a further three years. Mrs Tina Le Poidevin and Mrs Christine Le Lièvre consent to designation as Convenor and Deputy Convenor respectively.

2. Panel Membership and Reappointment

2.1 The Employment and Discrimination Tribunal Panel ("the Tribunal Panel") is made up of independent people, appointed under the Employment and Discrimination Tribunal (Guernsey) Ordinance, 2005 ("the Ordinance"), from which a Tribunal of three is formed to hear and determine complaints under relevant employment and discrimination legislation, such as unfair dismissal, sex discrimination, and failure to be paid the minimum wage.

2.2 Section 1 of the Ordinance requires the States, on the recommendation of the Committee *for* Employment & Social Security, to draw up and maintain the Employment and Discrimination Panel. Panel members are appointed for a three-year period, or such shorter period as the States may specify.

- 2.3 The Ordinance requires that the Panel must consist of such number of persons as, in the opinion of the States, is necessary for the purpose of hearing and determining complaints under the provisions of the relevant enactments.
- 2.4 To ensure the States maintains a credible and appropriately skilled Panel, the Committee conducts a local advertising and recruitment campaign whenever recruitment is required. Applicants are shortlisted against objective criteria and the shortlisted candidates are required to take part in an assessment process run by trained staff from the UK Advisory, Conciliation and Arbitration Service (ACAS). Following this independent assessment, recommendations for appointment are made to the Committee to consider.
- 2.5 The members were assessed by this process and have served the Employment Tribunal Service well, gaining valuable experience which would be difficult to replace.
- 2.6 The Committee recommends that the 14 members of the Tribunal Panel listed below are reappointed for a term of three years, expiring on 28th February 2021:

Ms Alison Jayne Thompson Girollet (formerly Anderson)
Mrs Christine Diane Le Lièvre
Mr Andrew Douglas Vernon
Mr Wayne Hassall
Mrs Joanne Antonia de Garis
Mr Jason Hill
Mrs Tina Jane Le Poidevin
Mr George Charles Sidney Jennings
Mr Roger John Brookfield
Mr Peter Robert Woodward
Ms Georgette Scott
Mrs Paula Mary Brierley
Ms Helen Sheena Martin (formerly Hubbard)
Mr Darren Etasse

- 2.7 Brief resumes of the members are provided in the Appendix to this report.
- 2.8 Two members of the Tribunal Panel, Mr Roger Brookfield and Mr Peter Woodward, reached the retirement age stipulated in section 1(6)(b) of the Ordinance during this current term of office. On 6th September 2017, following consideration of the Committee's Policy Letter entitled 'Employment and Discrimination Tribunal: Removal of the retirement age of Panel members and designation of the Convenor and Deputy Convenor' (Billet d'Etat XV of 2017), the States resolved to remove the requirement for members of the Tribunal Panel to retire on reaching the age of 70, and to direct the preparation of such

legislation as may be necessary to give effect to that decision. At the time of drafting this Policy Letter, it was expected that the necessary legislation change would have entered into force before the commencement of the new term of office for the Tribunal Panel Members. Therefore, the Committee recommends the reappointment of these two valued members of the Panel, to ensure that expertise is not lost, and also to eliminate the substantial cost of running a recruitment and assessment process to bring the Panel back up to appropriate numbers.

- 2.9 The States is required to “designate” one Panel member as Convenor and another as Deputy Convenor, in order to convene the Panel members and appoint one as Chairman for each Tribunal.
- 2.10 The Committee recommends that Mrs Tina Le Poidevin and Mrs Christine Le Lièvre be designated to the roles of Convenor and Deputy Convenor respectively.

3. Compliance with Rule 4 of the Rules of Procedure

- 3.1 Through the drafting of this Policy Letter, the Committee has considered the need to consult with other bodies in accordance with Rule 4(5) of the Rules of Procedure of the States of Deliberation and their Committees. Consultation was not deemed necessary on this occasion.
- 3.2 The Committee has consulted with the Law Officers regarding the legal implications and legislative drafting requirements resulting from the propositions set out in this Policy Letter.
- 3.3 The Committee has set out its proposals for reappointment of Employment and Discrimination Tribunal panel members, and the designation of the Convenor and Deputy Convenor, throughout this Policy Letter, and seeks the States support for the propositions, which are based on the Committee’s purpose, which is:

“To foster a compassionate, cohesive and aspirational society in which responsibility is encouraged and individuals and families are supported through schemes of social protection relating to pensions, other contributory and non-contributory benefits, social housing, employment, re-employment and labour market legislation.”

- 3.4 In particular, the propositions are aligned with the priorities and policies set out in the Committee’s Policy Plan, which was approved by the States in June 2017 (Billet d’État XII, Article 1). The Committee’s Policy Plan is aligned with the States objectives and policy plans.

3.5 In accordance with Rule 4(4) of the Rules of Procedure of the States of Deliberation and their Committees, it is confirmed that the propositions have the unanimous support of the Committee.

Yours faithfully

M K Le Clerc
President

S L Langlois
Vice-President

M J Fallaize
J A B Gollop
E A Yerby

M J Brown
Non-States Member

A R Le Lièvre
Non-States Member

4. APPENDIX: Brief Resumes of Members of the Employment and Discrimination Tribunal Panel

Ms Alison Jayne Thompson Girollet (formerly Anderson)

Ms Girollet has been employed by Specsavers Optical Group, (SOG), as a Manager within the Legal Department since 1997. She is part of a small team which is responsible for all aspects of employment law covering the Group's interests in the UK and Republic of Ireland. The role includes providing advice and the co-ordination of store partner issues (such as investigations, grievances, disciplinary action etc.), the co-ordination and guidance of 'store' formal board meetings, employment litigation, and regulatory compliance. Prior to working for Specsavers, Ms Girollet served eight years in the Royal Air Force. Tours of duty included Officer Commanding HR, Accounts, Facilities Management, and Project Management, respectively. She is an Associate member of the Chartered Institute of Personnel and Development, and has been a member of the Employment and Discrimination Panel since 2009.

Ms Christine Diane Le Lièvre

Ms Le Lièvre has twenty seven years' experience working for Northern Trust (previously Barings). Since 1997 she has been a Manager in Human Resources, and was appointed Head of Human Resources in 2005, shortly after the acquisition of the Barings Guernsey Group of Companies by Northern Trust. In this role, she was responsible for the management of the HR function including recruitment, employment relations, change management, payroll, pensions and terminations (the latter including redundancies). Since 2012, she has worked part-time and has been primarily responsible for employee relations, pensions and various HR projects. Ms Le Lièvre has wide experience in dealing with employment relations issues including interpersonal conflict, stress related issues, absenteeism, and performance and capability issues. In 2000, she achieved the Postgraduate Diploma in Personnel Management through Portsmouth University and the GTA, and became a Chartered Member of the Chartered Institute of Personnel and Development (CIPD). Ms Le Lièvre has been a member of the Guernsey Employment and Discrimination Panel since 2009, and is currently the Deputy Convenor.

Mr Andrew Douglas Vernon

Mr Vernon was a bus company executive during a career in public transport of over 30 years. He moved to Guernsey on his early retirement following the sale of his Company. As Commercial Director, he was responsible for all aspects of route planning, fares, trade union pay and conditions negotiations, pension schemes, and budgeting. He was an Associate of the Institute of Logistics and Transport with a wide range of experience in employment issues, ranging from the recruitment of staff, to dealing with disciplinary matters, from the initial investigations through to the appeals process. He has also represented the employer in Employment Tribunals and in dispute resolution processes, often

with ACAS involvement. In addition, he negotiated terms and conditions of employment with both local and paid Trade Union Officials. He is a member of the local Parole Review Committee, and has been a member of the Employment and Discrimination Panel since 2006.

Mr Wayne Anton Hassall

Mr Hassall joined Frontier Economics Ltd as an Associate within its public Policy Practice in October 2015, following retirement from a forty one year career in Guernsey's Civil Service. The greater part of his Civil Service career was undertaken in the former Social Security Department, where in 1987 he was appointed to the post of Manager of Contributory Benefits. Principal responsibilities of the post included the ongoing review and development of contributory benefits policy.

In 2000, Mr Hassall took up a position as the Assistant Policy Analyst at the former Advisory and Finance Committee. In 2006, he moved to the Commerce and Employment Department, latterly becoming Director of Policy, and then Director of Economic Development. Mr Hassall's responsibilities for strategy and policy development included communications and connectivity, enterprise, labour/workforce (including the development of a Skills Strategy), land use/planning, and security of supply and contingency planning relevant to economic needs. He was appointed to the Tribunal Panel in 2016.

Mrs Joanne Antonia de Garis

Mrs de Garis has thirty years' practical management experience in both public and private sectors, gaining considerable experience in employment relations, change management, and quality of service. A science graduate from Cardiff, University of Wales, Mrs de Garis also holds the Institute of Directors Diploma in Company Direction. She was appointed to the Guernsey Employment and Discrimination Tribunal Panel in 2011.

Mr Jason Hill

Mr Hill is a Crown Advocate in the Civil Litigation Directorate of the chambers of the Law Officers of the Crown, and as such is part of the team of lawyers that advises and represents the States of Guernsey and other quasi-governmental organisations in civil matters. He was appointed a Crown Advocate in 2013, having been called to the Guernsey Bar in 2011, and appears regularly before the various courts in the Bailiwick. He is particularly experienced in cases involving public law, land law, financial services, commercial litigation, and company law. Prior to coming to Guernsey in 2009, he was a barrister in private practice in Sheffield, after being called to the English Bar in 1995, and specialized in civil and chancery practice. He is also an accredited mediator and a Member of the Chartered Institute of Arbitrators. He was appointed to the Employment and Discrimination Tribunal Panel in 2016.

Mrs Tina Jane Le Poidevin

Mrs Le Poidevin is currently working for the States of Guernsey in a Human Resources capacity. She has an extensive career history spanning over 25 years in personnel, office management, and training. Her experience has been gained within the public, legal, financial, and retail service sectors. She is a Chartered Fellow of the Chartered Institute of Personnel and Development. As a senior HR practitioner, Mrs Le Poidevin has a wide range of experience in dealing with both strategic and operational aspects of human resource management. She currently holds the position of Convenor, has been a member of the Employment and Discrimination Panel since 2006, and prior to that had served as an Adjudicator since 2004.

Mr George Charles Sidney Jennings

Mr Jennings is now retired, but was previously employed as Operations Director at Guernsey Post. Prior to this, he held the position of Union Secretary of the Communications Union for over 20 years, where he represented over 200 postmen and women. As a result of both positions, he has been involved in a wide range of negotiations and discussions with both management and the Union. Mr Jennings was a member of the Panel set up under the Industrial Disputes and Conditions of Employment (Guernsey) Law, 1993, for two years, and in June 2008, sat as a panel member to hear the dispute in respect of The Generation Engineers and the Control Room Operators, (represented by Prospect Union and Unite the Union) vs Guernsey Electricity. He gained a BSc (Hons) in Labour Studies in 2006 through Southampton University. He has been a member of the Guernsey Employment and Discrimination Panel since 2009.

Mr Roger John Brookfield

Prior to his retirement, Mr Brookfield was Fire Safety Manager with the Guernsey Fire & Rescue Service. Throughout his 31 year career, Mr Brookfield has had first-hand experience of managing staff and working closely in a team environment. His training and subsequent Fire Service examinations require a good working knowledge of sex and race discrimination and the Fire Service disciplinary regulations. In recent years, his experience extended to dealing with routine staffing matters and the application of Guernsey's Fire Laws, as a qualified Fire Safety inspector. He is an experienced Fire Service Instructor with responsibility for overseeing both practical and theory examinations. He is a graduate of the Institution of Fire Engineers and currently works as a part-time Fire Safety Consultant and trainer. He has been a member of the Employment and Discrimination Panel since 2006.

Mr Peter Robert Woodward

Mr Woodward qualified in Business Studies at Nene College of Further Education and commenced his professional career as a graduate trainee with Texas Instruments UK Ltd in 1970. By 1978 he was responsible for a high volume electronic parts manufacturing department, numbering some 200

employees, including supervisory and management staff. In 1979, after postgraduate studies at Nuffield College Oxford, sponsored by his employer, he was appointed as UK Labour Relations Manager. Mr Woodward has experience in representing his former employer at Employment Tribunals.

His career in Human Resources continued to progress, and by 1986, he had been appointed by the Intel Corporation as Director for European Human Resources, with HR responsibility for staff in 15 international jurisdictions. His final role at Intel was as Director of Training and Development for Europe, Africa and the Middle East. He moved to Guernsey in 1997, undertaking the role of independent management consultant, providing training and coaching for a wide variety of organisations in the Channel Islands, France, Eire, Germany and Spain. He served as a member of the Jersey Employment Tribunal Panel for ten years and is a Fellow of the Chartered Institute of Personnel and Development. He was originally appointed as an Adjudicator in 2003, and has been a member of the Guernsey Employment and Discrimination Panel since 2006, previously appointed as Convenor.

Ms Georgette Scott

Ms Scott is a Director (HR & Company Secretary) for Sovereign Trust (Channel Islands) Limited, which she joined in April 2012, after working as an HR Consultant for them for 12 months. Before setting up her own consultancy business in 2009, she was Director of Human Resources, Channel Islands and Isle of Man, for a local telecom operator. Prior to that, she worked in senior HR roles for a local law firm, the GFSC, and a major trust company, which was preceded by a 12 year period in senior HR roles in the Public Sector. A graduate, she is also a member of the Chartered Institute of Personnel and Development, and holds other professional memberships. She has been a member of the Employment and Discrimination Tribunal Panel since 2006, and prior to that served as an Adjudicator from 2000.

Mrs Paula Mary Brierley

Mrs Brierley is currently Chief Operating Officer for EMEA HR for Northern Trust, and has been employed with Northern Trust for eight years in various HR roles. Previously, she was employed for 16 years as Head of HR for HSBC Securities Services (Guernsey) Limited (formerly the Bank of Bermuda), where she was responsible for all areas of HR. Her roles have involved overseeing the operational side of HR for the region, including HR risk and governance. She supports the various business lines to ensure fair and effective employee integration, overcoming resistance to change, and dealing with acquisition and integrations from the Human Resources perspective. During her career, she has gained wide experience in dealing with employee relations issues from informal discussions to full formal disciplinary and grievance procedures. Mrs Brierley has a Masters in Strategic and HR Management from the University of East London, and has a Certificate in Company Direction from the Institute of

Directors. She has been a member of the Guernsey Employment and Discrimination Panel since 2009.

Ms Helen Sheena Martin

Ms Martin joined the Finance Sector in Guernsey in 1994, following a career in the UK as a qualified teacher and lecturer. From 1996-2012, Ms Martin worked at Credit Suisse in Guernsey where she was a Director and Member of the local Executive Board, and Senior Country Head of Human Resources with regional responsibilities. As Group Head of Human Resources at Generali Worldwide from 2012 to 2017, Ms Martin assumed global responsibility for Human Resources in multiple jurisdictions, and was a member of the local executive committee.

Ms Martin semi-retired in May 2017. She is involved in a long-term research project focused on developing resilience in the workplace, and maintains a strong interest in diversity and inclusion. Ms Martin is joint Chairperson of the Guernsey branch of the Chartered Institute of Personnel and Development (CIPD). She has studied employment-related legalisation to a high level and holds a Bachelor of Education, and a Masters in Education (special field: Professional Studies) from Exeter University. She has been a Chartered Fellow of the Institute of Personnel and Development since 2003 (FCIPD) and a Member of the Institute of Directors (MIoD), also since 2003. Ms Martin is an accredited Mediator, and has been a member of the Employment and Discrimination Panel since 2006.

Mr Darren Karl Etasse

Mr Etasse is an independent facilities management and building services consultant. Prior to this, he was Managing Director of AFM Ltd across the Channel Islands, and has over 20 years of experience in running a large organisation with a workforce of over 400 staff. He is a qualified IoD Director and a qualified building services engineer. He was also Chairman of the Channel Island branch of BIFM. As a long serving and practicing Director of a large organisation, he has been involved in a number of internal disciplinary investigations and hearings, taking in a broad range of cultural and ethnic backgrounds. He was appointed to the Panel in 2016.

**THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY**

THE COMMITTEE *FOR* EMPLOYMENT & SOCIAL SECURITY

**EMPLOYMENT AND DISCRIMINATION TRIBUNAL: REAPPOINTMENT OF PANEL MEMBERS
AND DESIGNATION OF THE CONVENOR AND DEPUTY CONVENOR**

The President
Policy & Resources Committee
Sir Charles Frossard House
La Charroterie
St. Peter Port
GY1 1FH

29th December 2017

Dear Deputy St Pier

Preferred date for consideration by the States of Deliberation

In accordance with Rule 4(2) of the Rules of Procedure of the States of Deliberation and their Committees, it is requested that the Policy Letter entitled 'Employment and Discrimination Tribunal: Reappointment of Panel Members and Designation of the Convenor and Deputy Convenor' be considered by the States of Deliberation at its meeting on 7th February 2018.

The request is made because the terms of office for the current Tribunal Panel Members expire on 28th February. Therefore, the meeting of the States of Deliberation on 7th February is the last suitable opportunity before that date. In the event that the appointments are not approved by the States before their term of office expires, the Tribunal will be unable to convene until appointments are made.

Yours faithfully



Michelle Le Clerc
President

Shane Langlois
Vice President
Matthew Fallaize, John Gollop, Emilie Yerby

Mike Brown, Andrew Le Lievre
Non-States Members

APPOINTMENT LAID BEFORE THE STATES OF DELIBERATION

Committee for Economic Development

APPOINTMENT OF THE CHAIRMAN OF THE OFFICE OF THE FINANCIAL SERVICES OMBUDSMAN

In pursuance of paragraph 2(2) of Schedule 1 to the Financial Services Ombudsman (Bailiwick of Guernsey) Law, 2014, the appointment by the Committee *for* Economic Development of Mr David Thomas as Chairman of the Office of the Financial Services Ombudsman with effect from 31 January 2018 is laid before the States. The States of Deliberation have the power to annul the appointment.

The Office of the Financial Services Ombudsman was established by section 1 of the Financial Services Ombudsman (Bailiwick of Guernsey) Law, 2014. After due consideration and in conjunction with the States of Jersey, the Committee *for* Economic Development concluded that Mr David Thomas is suitable to continue to be Chairman of the Board of the Office of the Financial Services Ombudsman and has reappointed Mr David Thomas for a further 4 years with effect from 31 January 2018. Mr David Thomas has held this position from 31 January 2015.

A summary of the curriculum vitae of Mr David Thomas is attached for information:

Mr David Thomas

Mr Thomas qualified as a lawyer in England and Wales (1969) and Ireland (1991).

Mr Thomas was:

- managing partner of a firm of lawyers with offices in Liverpool and London;
- a Council member of The Law Society (regulator for solicitors in England & Wales);
- a Committee member of the City of London Law Society;
- President of Liverpool Law Society;
- the UK Banking Ombudsman;
- a member of the small steering group that designed the unified statutory UK Financial Ombudsman Service, which acquired its legal powers in 2001; and
- on establishment of the UK Financial Ombudsman Service, Mr Thomas became Principal Ombudsman and subsequently Chief Ombudsman and part-time strategy adviser (on retirement).

Mr Thomas is currently:

- Chairman of the Board of the Office of the Financial Services Ombudsman (Guernsey) which operates jointly with the Office of the Financial Services Ombudsman (Jersey) of which he is also Chairman;
- a senior consultant on financial consumer protection for the World Bank; and

- a member of the Regulatory Board of the Association of Chartered Certified Accountants.

He was formerly:

- a non-executive director of the statutory Legal Ombudsman (covering all lawyers and claims management companies in England and Wales) which he helped to design;
- a member of the steering committees of the worldwide International Network of Financial Services Ombudsmen and FIN-NET (the European Union network of financial ombudsmen); and
- a member of the Audit Advisory Committee, and then Independent Service Delivery Reviewer, of the Scottish Public Services Ombudsman.

APPOINTMENTS LAID BEFORE THE STATES OF DELIBERATION

Committee for Economic Development

APPOINTMENTS TO THE BOARD OF THE OFFICE OF THE FINANCIAL SERVICES OMBUDSMAN

In pursuance of paragraph 1(2) of Schedule 1 to the Financial Services Ombudsman (Bailiwick of Guernsey) Law, 2014, the appointments by the Committee for Economic Development of Miss Deborah Guillou, Mr John Curran and Mr John Mills as ordinary members of the Board of the Office of the Financial Services Ombudsman with effect from 31 January 2018 are laid before the States. The States of Deliberation have the power to annul the appointments.

The Office of the Financial Services Ombudsman was established by section 1 of the Financial Services Ombudsman (Bailiwick of Guernsey) Law, 2014. Following the proposal by the Chairman of the Board of the Financial Services Ombudsman and in conjunction with the States of Jersey, the Committee agreed with the Chairman's proposal that Miss Deborah Guillou, Mr John Curran and Mr John Mills are suitable to be members of the Board of the Office of the Financial Services Ombudsman and the Committee has reappointed them as follows:

- Mr John Curran for a term of 3 years from 31 January 2018;
- Mr John Mills for a term of 4 years from 31 January 2018; and
- Miss Deborah Guillou for a term of 5 years from 31 January 2018.

These terms are of differing durations which aims to ensure that there is no overlap or gap and that 3 ordinary members (in addition to the Chairman) are in situ at all times and in order to assist with succession planning and in line with good board corporate governance.

A summary of the curriculum vitae of Miss Deborah Guillou, Mr John Curran and Mr John Mills are attached for information:

Miss Deborah Guillou

Deborah Guillou is a Fellow of the Chartered Institute of Management Accountants (CIMA) after qualifying in 1993 and became a Chartered Director in 2002.

She was:

- Finance Director at Guernsey Electricity;
- Head of Finance and then Chief Financial Officer at Generali Worldwide Insurance Company Ltd; and
- Head of Generali International.

She is currently Chief Executive of the Medical Specialist Group and a Director of MSG Ltd.

Mr John Curran

John Curran was:

- a member of the private office of three Ministers in the Irish government;
- a regulatory advisor in the Australian telecoms market;
- Deputy Director and then Director General of the Office of Utility Regulation in Guernsey; and
- Chief Executive of the Channel Islands Competition and Regulatory Authorities.

He is now an independent consultant specialising in regulation and government policy and is Chairman of Guernsey Mind, a leading mental health charity.

Mr John Mills

John Mills' full time career was spent in the public sector where he held a number of senior roles until 2007.

During his full time career in the public sector, he was:

- Principal Secretary to a UK Minister;
- Member of the Prime Minister's Policy Unit (leading on local government policy and finance);
- Director of Consumer affairs at the Office of Fair Trading;
- Chief Executive of Cornwall County Council;
- Chief Executive of the States of Jersey; and
- Director of Rural Policy, DEFRA.

He has since held a number of other positions including:

- Commissioner of the Jersey Financial Services Commission;
- Board member of Ports of London Authority; and
- Deputy Chairman of Ports of Jersey Board.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE FOR EMPLOYMENT & SOCIAL SECURITY

LONGER WORKING LIVES

The States are asked to decide:-

Whether, after consideration of the Policy Letter entitled 'Longer Working Lives', dated 10th November, 2017, they are of the opinion:-

1. To support the strategic aims of Longer Working Lives outlined in section 5 and the progression of the plan of action by the Committee *for* Employment & Social Security outlined in section 8 of this Policy Letter.
2. To agree that the Committee *for* Employment & Social Security will use its annual Benefits and Contribution Rates uprating Policy Letter to report on the progress of the plan of action outlined in section 8 of this Policy Letter.
3. To agree that the Committee *for* Employment & Social Security will return to the States with detailed proposals for the enactment of legislation to provide employees in Guernsey with a right to request flexible working as outlined in section 6.3 of this Policy Letter.
4. To agree that the Committee *for* Employment & Social Security will return to the States with detailed proposals for the enactment of legislation to prevent age discrimination in Guernsey under the Prevention of Discrimination (Enabling Provisions) (Bailiwick of Guernsey) Law, 2004 as outlined in section 6.4 of this Policy Letter.

The above Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE FOR EMPLOYMENT & SOCIAL SECURITY

LONGER WORKING LIVES

The Presiding Officer
States of Guernsey
Royal Court House
St Peter Port

10th November, 2017

Dear Sir

1 Executive Summary

- 1.1 People experience barriers which prevent or discourage them from staying in work up to or past retirement age. They would like to have more opportunity to continue to work and options about how and when they retire. The projected changes in the population age profile will have a significant impact on our workforce, economy and revenue. Longer life expectancy may also present challenges to people hoping to fund long retirements. If people work for longer this will help to mitigate the impact of these demographic changes, help to maintain the workforce, and help to sustain public and household finances.
- 1.2 In response to a resolution “to investigate measures aimed at supporting Longer Working Lives”¹ the Committee *for* Employment & Social Security has examined barriers that may prevent or discourage older people from working. Much work is already being done that will help people to work for longer through, amongst other services and strategies, the Job Centre, the Skills Strategy, the Supported Living and Ageing Well Strategy, the Disability & Inclusion Strategy, and the Supporting Occupational Health & Wellbeing Project.
- 1.3 More can be done. The Committee recommends that action is taken in a number of key areas. Further work should be undertaken to improve the islands’ occupational health and wellbeing. The use of retirement ages in contracts is a concern; employment decisions should be based on a person’s ability to do a job, not their age. To support change in this area, developing age

¹ Personal Tax, Pension and Benefits Review; Billet d’État IV of 2015

discrimination legislation was suggested in the Longer Working Lives consultation, 77% of respondents supported this suggestion², and its introduction is included in the recommended actions in section 8. To help people to balance family responsibilities with work, flexible working should be promoted, including via a legal right to request flexible working. Culture and attitudes towards older people, carers and flexible working can be biased and need to be engaged with. Employers should be supported to share best practice to prepare for an ageing workforce. Better access to information and advice on career change, retirement income, health and care is important for people in mid-life so that they can make good decisions and plan. In addition, further thought needs to be given as to whether there could be any adjustments to the pensions and benefits system to support those most affected by changes, and whether subsidised re-training can be provided to a targeted group.

- 1.4 All of these actions will need to be subject to prioritisation. Longer Working Lives is not currently one of the prioritised workstreams identified in the Policy & Resource Plan and so it is anticipated this will mean medium to long term implementation. Given this is a long-term strategy the Committee is happy to proceed on this basis. The Committee asks for States support to take the programme forward, and, in particular, endorsement for the in principle development of detailed proposals on the legislative elements – a right to request flexible working and age discrimination legislation.

2 Background

- 2.1 The Personal Tax, Pension and Benefits Review³ was brought forward by the Treasury and Resources Department and Social Security Department in March 2015 to address the long-term sustainability of public finances in the face of future pressures on income and expenditure, particularly due to the ageing population. As part of these proposals it was agreed that the State Pension Age would increase at a rate of two months per year from 2020 to reach the age of 70 by 2049. The report recognised that some older workers experienced barriers to working and may need support to work up to the higher pension age, and so there was also a States Resolution:

To direct the Social Security Department, in consultation with all other relevant Departments, to investigate measures aimed at supporting longer working lives and assisting older people who wish to work to remain in the workforce, and to report to the States of Deliberation with

² See Longer Working Lives Consultation on Draft Proposals: Summary of Findings – Appendix 1

³ Billet d'État IV of 2015

its findings no later than December 2017.

This Policy Letter is a response to that resolution.

- 2.2 In addition, regarding population policy, the Policy Council's Maintaining Guernsey's Working Population report⁴ highlighted that due to population ageing "...without some sort of intervention, by 2035 Guernsey's workforce could be 13% smaller than it is today, albeit the overall population numbers would be similar to those seen in 2014..."⁵; and suggested that there was a need to focus on maintaining the island's working population. It was recognised one way to do this was to increase labour market participation rates of the existing population (thus reducing the need for immigration), including supporting more older people to stay in work. As a consequence there was a resolution coming from that report:

To direct all States Departments to consider how best to support and encourage employees to remain in the workplace until retirement age is reached.

- 2.3 Work is being undertaken by the States as Employer to further this resolution in alignment with the work undertaken by the Committee *for* Employment & Social Security (which focuses on the whole island). More information on the States as Employer workstream is included in section 9.

3 Why Longer Working Lives?

Demographic change

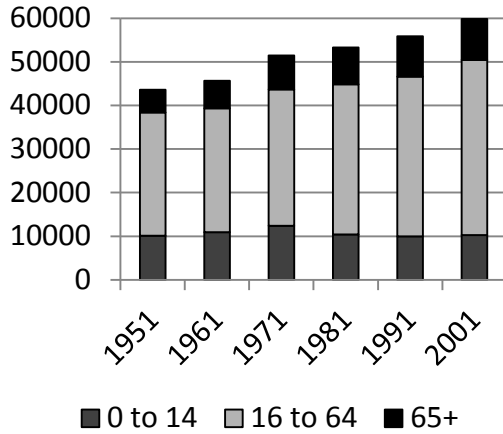
- 3.1 The populations of Guernsey and Alderney are ageing. In the past the working age populations have increased (see figure 3.1 and 3.2). In Alderney the working age population has already begun to decrease (figure 3.2). However, it is expected that in the next 50 years there will be a lower proportion of the populations in both Guernsey and Alderney under the age of 65. This is because of increased life expectancy, lower birth rates and the fact that the generation currently moving into retirement is larger than the generations following. This anticipated future change is illustrated in Figure 3.3, where it can be seen that the overall population remains over 60,000 but the mid-grey bars representing the population aged 16-64 begin to decrease⁶.

⁴ Billet d'État XXIV of 2015

⁵ Para 2.1, Billet d'État XXIV of 2015

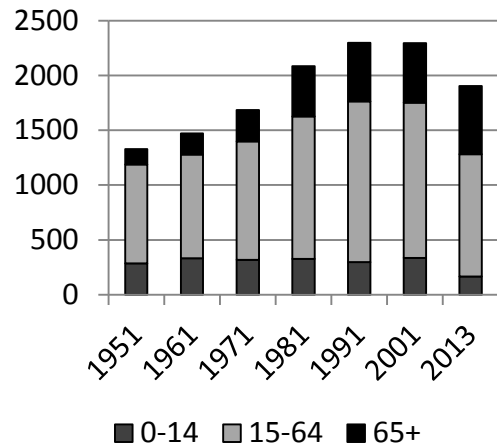
⁶ N.B. In the projections we can show the proportion of the population expected to be between 65-69 – some of these people will be gradually affected by the increase in the pension age from 65 to 70 between 2020 and 2049.

Figure 3.1 – Historic population growth Guernsey



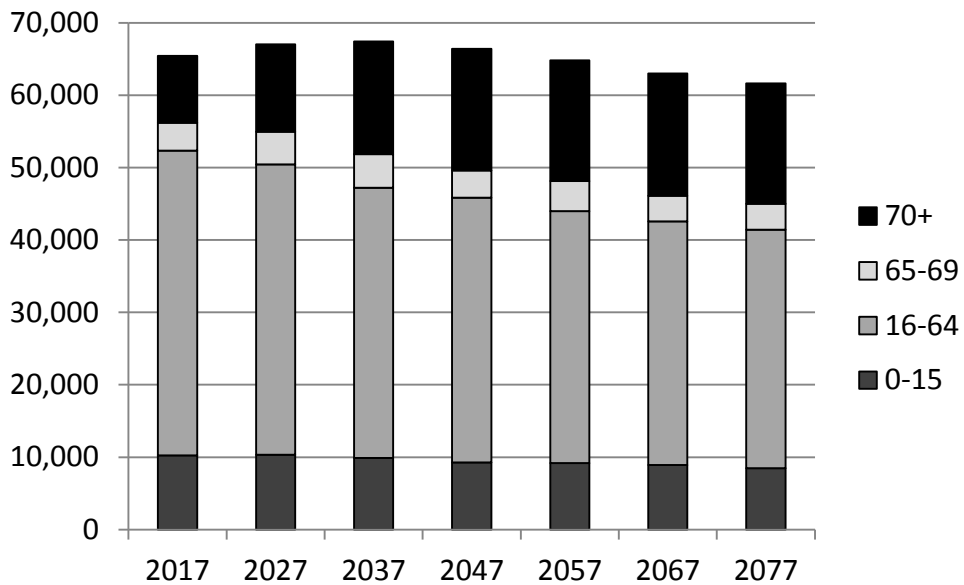
Source: States of Guernsey Censuses

Figure 3.2 Historic population growth and ageing in Alderney



Source: Alderney Census Report 2013

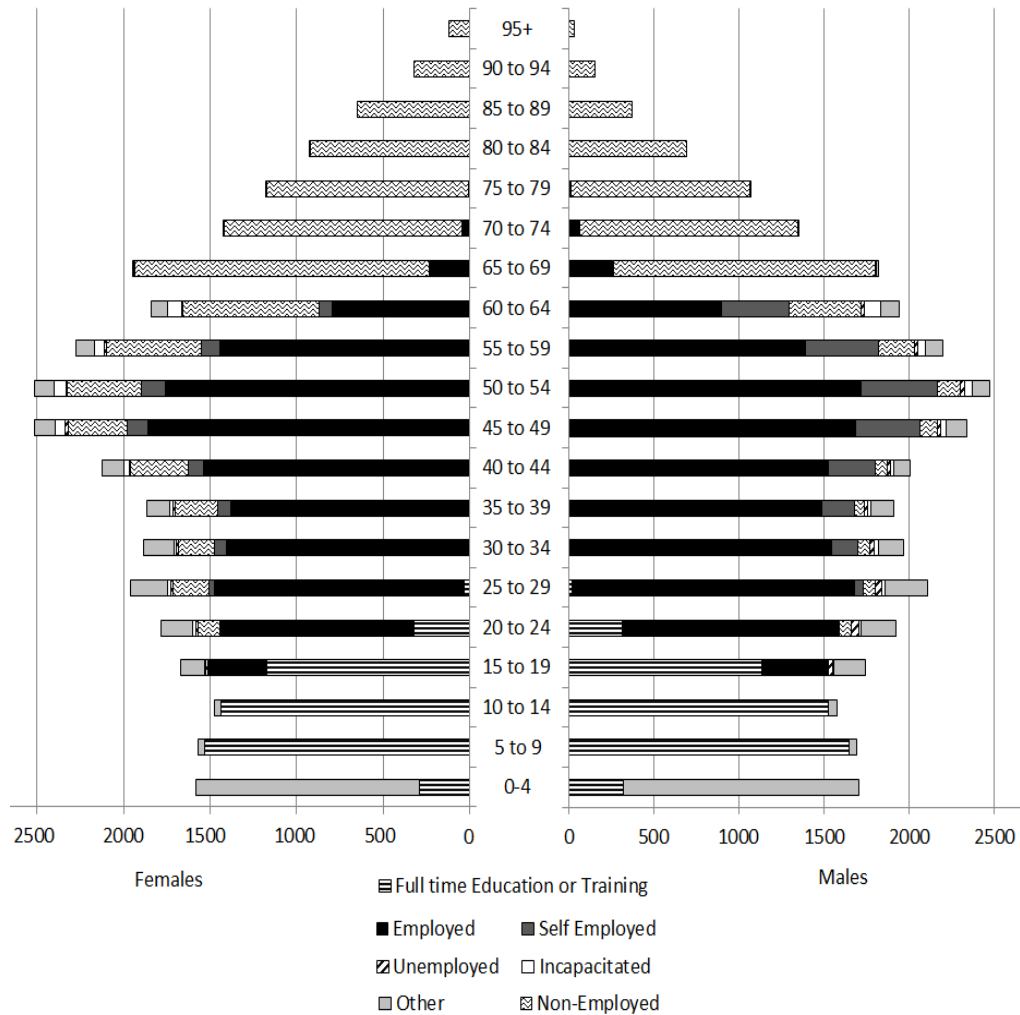
Figure 3.3 – Population projection, Guernsey and Alderney



Source: Government Actuary Department projections, 2016; Projections based on +100 net migration

3.2 At present (as illustrated in figure 3.4 below), labour market participation rates start to decrease when people are in their 50s.

Figure 3.4 Population of Guernsey by economic status and age (at September, 2016)



Source: States of Guernsey Data and Analysis, as published in the Guernsey Quarterly Population, Employment and Earnings Bulletin

*N.B. we do not currently have data on numbers of self-employed people over the age of 65, they will appear 'non-employed' but may be self-employed

Strategic reasons to promote longer working

- 3.3 The ageing population gives rise to five key strategic reasons why it is important to consider how to support and enable people to work for longer:
- 3.4 Firstly, it is important to the wellbeing of older people themselves. Some older people would like to work but they experience barriers which discourage or prevent them from working (outlined in section 6.1). They may feel that being able to work is important to help them to keep active, meet people, have a sense of purpose or maintain their finances. They would like more choice about when to retire⁷.
- 3.5 Secondly, being able to work longer can help people to have a better income in retirement⁸. As well as this having benefits for people's personal finances, with more retirees in the population in future, good retirement income will be key to maintaining consumer spending, which supports our economy. People who have better retirement incomes will also be less likely to require supplementary benefit in later life, which could help reduce the pressure on public finances. Whilst the Committee is seeking to support improvements in retirement income through the Secondary Pensions project⁹, the effects of this project will take some time to have an impact, and earned income will remain important to a person's ability to save. More opportunity to work and save aligns with the Policy & Resource Plan¹⁰ aim to "Encourage personal responsibility among individuals and families in planning for the future, including retirement".
- 3.6 Thirdly, it is important to maintain our workforce. As illustrated in figure 3.3, the current 'working-age' population may decline. If the number of people working is to be maintained (without resorting to high immigration), this will mean that the islands will need some of the people who are currently not working to do so – older people will be a significant group who may wish and be able to work but do not. Many of the barriers that might discourage or prevent older people from working (which are discussed in section 6.1) may also be experienced by younger people, so addressing these barriers will support more older people to stay in work but may also support greater workforce participation across all age groups – thereby helping to maintain the

⁷ See Longer Working Lives Consultation on Draft Proposals: Summary of Findings - Appendix 1

⁸ See examples in section 6.1: Department for Work & Pensions (2017) Fuller Working Lives Evidence Base 2017. Available at: <https://www.gov.uk/government/publications/fuller-working-lives-evidence-base-2017> [accessed 6th Sept 2017].

⁹ Billet d'État III, v.III of 2016

¹⁰ Billet d'État XXVIII of 2016

working population (a key aim of the Policy & Resource Plan¹¹).

- 3.7 Fourthly, the Policy & Resource Plan¹² also recognises that maintaining a balanced public sector budget is key. People who are over State Pension Age usually pay different rates of tax and Social Insurance Contributions¹³. People who retire ahead of State Pension Age often have a lower income than when they were working. If we see a higher proportion of people retired and/or past State Pension Age, then this will be likely to reduce both tax and social insurance contribution income. At the same time, demand for public sector services (particularly healthcare) and pensions are likely to increase. Consequently, the population ageing presents a significant challenge to the structure of public finances. However, if people work for longer, the effect on public finances of the population ageing will be reduced.
- 3.8 A decision was made as part of the Personal Tax, Pensions and Benefits Review¹⁴ that in order to improve the sustainability of the Guernsey Insurance Fund, the State Pension Age would increase at a rate of two months per year from 2020 to the age of 70 by 2049. However, increasing the State Pension Age will only be truly effective in improving public finances if more people work up to the age of 70. If we see significantly increased claims for unemployment or incapacity benefits from people in their late 60s this will also draw on the Guernsey Insurance Fund. Additionally, it is possible that if people are unable to work until pension age and do not have full contribution records, that this would imply further claims on supplementary benefit¹⁵, and, therefore, increased General Revenue costs. The effectiveness of the increase in the State Pension Age at improving the sustainability of the Fund is directly related to people's ability to continue to work. It is vital, therefore, to address barriers which prevent or discourage older people from staying in work.
- 3.9 Lastly, aside from the above points, it is likely the workforce in coming years will be older, simply because the population is ageing. It is important that both the States of Guernsey and employers start to consider what this means and plan to adapt to a situation in which there are more older people in work to ensure that, in the context of this demographic shift, the needs of older employees, and the needs of others, are met.

Strategic concerns about longer working

- 3.10 The three most frequent concerns that have been raised during our

¹¹ Billet d'État XXVIII of 2016

¹² *Ibid.*

¹³ See <https://www.gov.gg/tax> and <https://www.gov.gg/non-employedcontributions> for detail.

¹⁴ Billet d'État IV of 2015

¹⁵ Supplementary benefit will in future be called 'income support'

consultation about the aim “to support and enable people to work for longer” are:

- 3.11 Firstly, that people working for longer will mean that there will be fewer jobs available for younger people. There are two responses to this. One response is that there is not a limited number of jobs available. At a very simple level (and the picture is of course more complex) we might expect that if more people work, they will earn more, spend more and create demand for goods and services which will mean more jobs will be created. So more older people working may mean more jobs available. (In economics the idea that there is a limited number of jobs is called “the lump of labour fallacy”; internationally we do not see a pattern of higher youth unemployment in countries with higher labour market participation of older people¹⁶). Older and younger people are not necessarily in direct competition for a limited supply of jobs. The other response to the concern that younger people will not be able to find work is that we are expecting that the number of people retiring will still exceed the number of people coming into the jobs market from school or university, so there may be challenges in maintaining the workforce at its present size (see figure 3.3 above). Even with the increase in pension age to 70, we anticipate that our ‘working age’ population will be slightly smaller in ten years’ time and more than 10% smaller in 50 years’ time. During this time period we expect more people will be retiring than entering the workforce, though the age at which individuals begin and end their working lives varies, we know that the younger generation is predicted to be smaller than the generation retiring. In ten years’ time (2027) we are expecting around 660 islanders to turn 16 where we expect around 900 people to reach State Pension Age.
- 3.12 The second and third common concerns are related - that not everyone will be able to work for longer; and that if more older people worked this would mean that older people would be less available to care for grandchildren, family members or volunteer in the community. Whilst recognising that there may be some impacts on people needing to work for longer associated with the increase in pension age, the Committee’s focus in this Policy Letter is on removing barriers to work. It is recognised that some people may have health conditions, other priorities or responsibilities and will not be able to, or will choose (and be able to afford) not to work.

¹⁶ See for example Banks, Blundell, Bozio and Emmerson (2008) “Releasing Jobs for the Young? Early Retirement and Youth Unemployment in the United Kingdom”, Institute for Fiscal Studies Working Paper W10/02, available at: <http://www.ifs.org.uk/publications/4785> [accessed 12th Sept 2017]. or Section 3c of Department for Work & Pensions (2014) “Fuller Working Lives – Background Evidence”. Online. Available at: <https://www.gov.uk/government/statistics/fuller-working-lives-background-evidence> [accessed 6th Sept 2017].

- 3.13 Having considered both the reasons to promote Longer Working and the concerns, it is clear to the Committee that supporting people to work for longer is of strategic importance.

4 Method and consultation

- 4.1 Four stages were undertaken in the development of the proposals in this document.
- 4.2 Following an initial discussion about the aims of the project, a ‘discovery’ phase was undertaken in which small group discussions were held with a wide range of stakeholders in order to explore in-depth what their thoughts were on working in later life and what barriers to working they were aware of. These discussions included employees from a range of different roles and sectors, interested members of the public who came forward in response to a news article, self-employed people, employers, third sector organisations, recruitment agencies, HR professionals, benefit claimants, and unions. Key documents and research papers on the topic from the UK and elsewhere were also reviewed.
- 4.3 Secondly, a series of sessions were held with a sub-committee of the Committee *for* Employment & Social Security, chaired by Deputy Shane Langlois, to discuss the barriers to working which had been identified in the first phase and the opportunities to take action. The sub-committee prioritised the actions to identify those which it felt were most important to take forward and formulated these into a set of ‘draft proposals’.
- 4.4 Thirdly, the sub-committee’s ‘draft proposals’ were agreed with the full Committee and then used as a basis for consultation. Meetings were attended with the Committee *for* Economic Development, the Committee *for* Education, Sport & Culture, the Committee *for* Health & Social Care, the Policy & Resources Committee, the Supported Living and Ageing Well Strategy (SLAWS) Supervisory Group; and externally with a group of business and employer representatives, HR professionals, and Ageing Well in the Bailiwick. An evening session was held with people who had been engaged in the first ‘discovery phase’ to feedback their thoughts on the developments. A public consultation was issued online from 15th June, 2017 to 14th July, 2017 to which 248 responses were received, a summary of these responses is included in Appendix 1.
- 4.5 Lastly, the proposals were modified in light of the feedback received during consultation and drafted into this Policy Letter. Further discussion was undertaken with key relevant contacts during the drafting process.

5 Strategic framework

5.1 Longer Working Lives is underpinned by the following Policy & Resource Plan goals:

<p>Our Economy</p>	<ul style="list-style-type: none"> - Focus on maintaining an appropriately-sized working population - Look to remove barriers that are discouraging or preventing some people from pursuing or remaining in paid employment and provide additional support to those who need it to find and sustain employment - Achieve and maintain a balanced budget in the short-term and surplus in the medium-term
<p>Our Quality of Life</p>	<ul style="list-style-type: none"> - Focus on the prevention of, early intervention in, and protection from negative health outcomes, supporting the ongoing transformation work being undertaken in health and social care provision - Encourage active lifestyles for the benefit of the community's health and mental wellbeing
<p>Our Community</p>	<ul style="list-style-type: none"> - Provide support to informal carers - Encourage personal responsibility among individuals and families in planning for the future, including retirement - Ensure everyone in our community has the fullest opportunity to develop the knowledge and skills needed to pursue happy, healthy and fulfilling lives meeting the needs of our economy today and in the future - Provide and encourage opportunities for continuous personal development to all in our community - Improve digital and financial literacy across our community, for young and old

5.2 The strategic aims of Longer Working Lives can be articulated as follows:

Purpose	To support and enable people to work for longer		
Primary desired outcomes	People have more opportunity to work until pension age, and choose how and when to retire	Maintain workforce	Sustainable benefit expenditure
Secondary desired outcomes	Improved opportunities for work/life balance and support for carers	Higher levels of savings and private pensions on retirement	Better opportunities for finding employment or changing career in later life
	Workplaces that support health and wellbeing with better access to occupational health advice	Employment decisions based on performance and aptitude, not age. Misperceptions about older employees addressed.	

5.3 In order to monitor the impact that changes are having it is recommended that the following Key Performance Indicators (outlined in more detail in Appendix 2) are gathered and reviewed by the Committee *for* Employment & Social Security annually:

- KPI 1 Increase in labour market participation rate amongst those aged between 50¹⁷ and State Pension Age ('SPA' - currently 65, gradually increasing to 70)
- KPI2 Increase in median earnings amongst those aged 50-SPA
- KPI3 Decrease in the proportion of people aged 50-SPA claiming benefits related to unemployment
- KPI4 Shorter claim length for all unemployment related benefits amongst those aged 50-SPA
- KPI5 Decrease in proportion of those aged 50-SPA claiming long-term incapacity benefits

¹⁷ At present age 50 is around the point at which we begin to see a decrease in workforce participation.

- KPI6 Shorter claim length for those within ages 50-SPA claiming incapacity benefits
 - KPI7 Lower proportion of those aged 50-SPA persons claiming supplementary benefit
 - KPI8 Smaller (lower cost) claims for supplementary benefit amongst those aged 50-SPA
- 5.4 A number of decisions have been made which have influenced which actions were prioritised for inclusion in this Policy Letter.
- 5.5 The Committee has focused on how to remove barriers that may discourage or prevent older people who want to work from working. The focus of the project has been on barriers to work and not to alter the intentions of people who make a positive choice to retire. A decision was also made to focus primarily on supporting those who will be under (the increased) State Pension Age to work, and only secondarily those who wish to work beyond State Pension Age.
- 5.6 This Policy Letter has been written within a context where there is already significant work underway which is relevant to the aims of this Strategic Framework. The recommendations made focus on actions which are not already being pursued through other workstreams.

6 Addressing the barriers to working in later life

6.1 Barriers to working in later life

6.1.1 Through both the desk-based research, and in-depth conversations (see section 4) project staff identified a number of barriers to older people staying in work.

6.1.2 Different people can experience different barriers to work, these can include:

- health conditions or starting to feel 'worn out', which mean that people struggle or are unable to continue with the kind of work that they had previously been doing
- difficulty balancing work with caring for older relatives, their partner, children or grandchildren
- 'retirement' ages written into contracts of employment where people are asked, or feel they have to, leave work at the specified age
- leaving work and experience difficulty getting back into work once they have left (due to a range of factors such as attitudes, job search skills, out-of-date qualifications and so on)
- finding that the jobs market changes so that their skills are no longer in demand or relevant and experiencing difficulty finding opportunities to retrain

6.1.3 We know that people's attitudes about age can also affect people's job opportunities. This includes both employers' attitudes (for example, thinking that people close to State Pension Age are not worth hiring because they will not stay with the company long) and people's own attitudes (people thinking that they are too old to learn new skills).

6.1.4 There is a lot of work already happening which can help people to overcome these barriers. However, there are also opportunities to do more to support people. This section reviews a range of topics to identify what work is already being done and propose further action. The areas discussed will be:

- Working with employers
- Supporting people with family responsibilities
- Ageism
- Back-to-work support and preventing job loss
- Career change and training
- Self-employed people and small businesses
- Retirement planning, access to pensions and other financial support
- Monitoring progress

6.2 Working with employers and employees

6.2.1 While government can take some action to support people to work for longer,

it is line managers and employers whose day to day interactions with their employees, and employees themselves, who can make the most difference.

What is already being done?

- 6.2.2 Some local employers have established HR policies that demonstrate aspects of best practice in managing older workers. Professional and employer organisations at both the national (for example CIPD) and local level, often facilitate discussions around best practice in management. The Employment Relations Service routinely advises businesses and employees on a number of areas including retirement and changing working hours¹⁸. Social Security has also engaged with employers around the Supporting Occupational Health and Wellbeing Project¹⁹, including hosting events in March and July 2017 on workplace wellbeing.

What more could be done?

- 6.2.3 This foundation can be built on. The ageing workforce will bring about changes which the island will need to adapt to. Improving the management and retention of older workers can help to prepare for a future in which we expect fewer younger people will be available in the workforce; where more consumer spending will come from older people; and where retaining older staff may have a new importance in helping businesses to cope with an uncertain international labour environment. There are benefits - staff retention can reduce recruitment costs²⁰ and help to retain organisational knowledge, skills, experience and professional networks. We know that there will also be challenges to overcome – for example, in how firms manage succession planning.
- 6.2.4 The island will not make the most of the opportunities we have without raising awareness of the issues. Part of what is required is cultural change and good communication will be an essential component of addressing this. It is important to encourage conversations within business communities about how to adapt to a new demographic context. Government has a critical role to play in sharing information, challenging misconceptions and raising the profile of issues related to an ageing workforce. It may also have a role in working in partnership with business organisations to facilitate the sharing of best practice and look for opportunities to encourage conversations within the business

¹⁸ see www.gov.gg/employmentrelations of particular relevance, there are guides on “Dealing with Retirement” and “Varying Terms & Conditions of Employment”

¹⁹ see www.gov.gg/fittogether

²⁰ For information on recruitment costs see CIPD (2007) “Recruitment, retention and turnover” Available at: <http://www2.cipd.co.uk/NR/rdonlyres/746F1183-3941-4E6A-9EF6-135C29AE22C9/0/recruitmentsurv07.pdf> [accessed 6th Sept 2017].

community around finding solutions to the challenges. Raising awareness about the changing context amongst employees will also be important.

- 6.2.5 It is proposed in section 8 that the Committee *for* Employment & Social Security undertake a programme of engagement with employers and employees and seek to work with them to adapt to change.

6.3 Supporting people with family and care responsibilities

- 6.3.1 Many grandparents care for their grandchildren in order to support parents to remain in the workforce²¹. We know that many people in their 50s and 60s also provide support to older family members²² (we refer to people who support family members as ‘carers’). Some people are simultaneously supporting children or grandchildren and their parents. As our population gets older, there are likely to be more older people who need support and we might expect that there will be more people providing care or support to one or more older family members in future than we see now.

- 6.3.2 People who support family members or friends in the years approaching retirement undertake important roles and should be supported in these. Many people will wish to combine work with their care responsibilities but may encounter difficulties doing so.

- 6.3.3 Parents of young children may also struggle to combine work and caring for their children. Whilst parents’ ability to manage care will link to how much demand there is on grandparents to provide support, there are also some direct effects to consider when thinking about Longer Working Lives. Parents who leave work to support children (who have historically been largely women) can encounter challenges returning to the workforce after a career break²³. This can have long lasting impacts on their career paths which could impact decisions about remaining in work later in life. In their own right, enabling more parents to work would also help to maintain the on-island workforce, alongside supporting older workers to remain in work.

- 6.3.4 In order to support carers, parents and grandparents to participate in the workforce, the Committee believes that the States should seek to make work and care responsibilities more compatible.

²¹ States of Guernsey Childcare Needs Survey 2009/2010

²² States of Guernsey Public Health (2013) Healthy Lifestyle Survey. Available at: <https://gov.gg/article/154885/Healthy-Lifestyle-Survey> [accessed 6th Sept 2017].

²³ See for example, research PWC (2016) “Women returners” available at: <https://www.pwc.co.uk/services/economics-policy/insights/women-returners.html> [accessed 18th October 2017].

What is already being done?

- 6.3.5 Community care services can and do help to support people with care and support needs in the community. Through the Supported Living and Ageing Well Strategy²⁴ (SLAWS) the States has already agreed to further develop community care services, reablement services and to develop the coordination of care services to make care easier to navigate. By supporting people with care and support needs, these services are crucial to assisting carers in managing their caring role and will also help carers to balance care and work better. SLAWS also included a resolution to develop a Carer's Strategy; this Strategy will look in more detail at how to support carers better in all aspects of their roles.
- 6.3.6 In Social Security, Carer's Allowance²⁵ was amended in 2014 so that working carers could receive the Allowance if they met the eligibility criteria. The Job Centre also supports carers who are able to work to find work and people whose care responsibilities have come to an end to get back into work.
- 6.3.7 The Disability and Inclusion Strategy²⁶, agreed by the States in 2013, included the development of disability discrimination legislation which will "prevent discrimination against disabled people and carers and provide for equality of opportunity". This should help to challenge discrimination against people because of their caring roles. A website 'signpost.gg' was also developed as part of the Disability and Inclusion Strategy work to provide better information about services and benefits for carers and people with care and support needs. As part of the Longer Working Lives work, information was added to this website on 'Working and Caring'.
- 6.3.8 The Committee *for* Education, Sport & Culture introduced free pre-school placements for 3-4 year olds for up to 15 hours per week, 38 weeks a year²⁷. This may help to support parents or grandparents to work.

What more could be done?

- 6.3.9 There are many things which could be explored to help to support carers and grandparents to stay in work. The Committee has discussed a number of avenues, including leave arrangements for carers, best practice in supporting carers in employment, accreditation schemes for employers relating to carers, advice for carers on balancing work and care, and has also discussed with the

²⁴ Billet d'État III v.II of 2016

²⁵ Decision made by States in Billet d'État XVII of 2011

²⁶ Billet d'État XXII of 2013

²⁷ Billet d'État XX of 2015

Committee *for* Education, Sport & Culture its intentions around reviewing the structure of the school day. However, it is felt that out of all that the Committee *for* Employment & Social Security could do, promoting flexible working was a priority.

6.3.10 Flexible working incorporates a range of ways in which working patterns and work locations can be varied to provide a better balance between personal and business needs. This includes but is not limited to part time working, working from home and remote working, job shares, flexitime (flexibility in when employees start or finish), annualised hours (a set number of hours a year but with different intensity at different periods in the year), compressed hours (full-time hours but over fewer days); only working during school terms; phased retirement (where someone may reduce hours as they approach retirement) and more. To give one example, an employee caring for their elderly parent may need to routinely help them to get up in the morning and help them to prepare lunch. In order to support the employee to do this an employer might offer slightly adjusted working hours (a later start and a longer lunch but working later in the day to maintain hours).

6.3.11 Flexible working is a priority because of the number of people it could assist: most people have care responsibilities for children or other family members at some point in their lives. As well as supporting older workers with care responsibilities, better access to flexible working might help people who want to ease into retirement, or manage health conditions also. Flexible working might help younger workers manage childcare responsibilities (which could, in turn, reduce pressure on grandparents to provide care).

6.3.12 It is clear that many employers already offer some kind of flexible working²⁸. At its best, flexible working can help to improve staff loyalty and productivity. However, it is recognised that some employers, due to the nature of their business, could not offer certain kinds of flexible working. Consequently, the strategic focus for change is on making sure that requests for flexible working are considered sufficiently by employers who are able to implement flexible working, but perhaps, are too quick to dismiss an idea which they are unfamiliar with.

6.3.13 While there is not a representative study to illustrate the difficulties employees might experience, it is noted that 20% of the carers interviewed in the second

²⁸ Commerce and Employment Department (2009) "Results of a survey on workforce participation"
CIPD and Mind Guernsey (2017) "Employee Outlook, Guernsey: Mental health in the workplace"

part of the Disability Needs Survey²⁹ reported that they had been unable to change their working hours to fit with their caring duties (and within this survey this was the most common barrier to work carers experienced). The survey reported that “These findings suggest that certain employers’ attitudes towards employees who are carers needs to change”³⁰ and the authors of that report were of the view that “Supporting carers in employment should be a relatively high policy priority”³¹. 81% of respondents to the Longer Working Lives consultation³² agreed or strongly agreed that flexible working would help people to overcome some of the challenges which prevent them from working for longer. The Committee believes that there is a case to promote flexible working.

6.3.14 This leaves a challenge around how to promote flexible working. In the Longer Working Lives consultation consultees were asked whether they thought the Committee should promote flexible working through communications and sharing best practice or whether the Committee should consider introducing a legal right to request flexible working. 82% of respondents thought that an approach to promoting flexible working which incorporated a legal right to request flexible working would ‘work best’³³.

6.3.15 Both Jersey³⁴ and the UK³⁵ have already implemented a legal right to request flexible working. The principle behind this legislation is not to force employers who really are unable to provide flexible working to do so against their business interests; but to require employers to seriously consider requests for flexible working and, where it is not possible to support their staff with flexible work arrangements, to explain why it is not possible. The UK originally introduced this right only for parents³⁶, then extended it to carers³⁷ and has since extended it to all employees³⁸. Respondents to our consultation suggested that singling out carers for special treatment may be counter-productive, as it may leave other team members feeling like carers are receiving special treatment which could increase bullying or reduce the number of carers willing to make

²⁹ BMG Research and the University of Nottingham (2012) Disability Needs Survey – Stage Two. Available at: <https://www.gov.gg/article/154882/Disability-Needs-Survey> [accessed 7th Sept 2017].

³⁰ *Ibid.* pg.114

³¹ *Ibid.* pg. 115

³² See Appendix 1

³³ See Appendix 1

³⁴ Employment (Jersey) Law 2003; Part 3A

³⁵ Employment Rights Act 1996; Part 8A (as amended)

³⁶ Employment Act 2002; Section 47

³⁷ Work and Families Act 2006; Section 12

³⁸ Children and Families Act 2014; Part 9

requests³⁹. There may be a range of legitimate reasons for requesting flexible working. Therefore, it is recommended (in section 8) that the Committee *for* Employment & Social Security develops detailed proposals to introduce a legal right to request flexible working for all employees in Guernsey, along similar lines to the UK and Jersey legislation. Good quality guidance for employers will need to be issued whilst the legislation is being drafted.

6.3.16 A change of practice amongst some employers will be needed if more people are to be able to work flexibly. A legal change will help to encourage a cultural change but will not be sufficient in itself. It is, therefore, also proposed that further information is provided to employers on flexible working and how flexible working can be implemented and that this be incorporated into wider communications around the Longer Working Lives project.

6.4 Ageism

6.4.1 During the initial discussions undertaken as part of Longer Working Lives, staff encountered a number of people who were concerned about the fact that they believe they were being asked to leave work, or that their employer moved them onto a different contract, once they reached 'retirement age' as specified in their contract of employment (this specified retirement age was sometimes lower than State Pension Age).

6.4.2 During the research, staff also encountered people who believed that they had witnessed discrimination in recruitment practices on the basis of age. In addition, there were concerns that people's attitude about age (both from the employee and employer) could mean that older and younger staff are managed in different ways and that less attention is paid to older staff's performance and training due to an assumption that they are 'winding down' to retirement. This does not help to support older workers who are good at their job, wish to maintain their skills and stay in work and can create resentment amongst younger staff.

6.4.3 The Committee *for* Employment & Social Security believes that age is not a good predictor of productivity, skills or capability to undertake a role. The Committee believes that, if the States is to encourage longer working, there is a need to move towards a culture where employment decisions and management practices focus on an individual's competency, aptitude and skills and not their age.

What is already being done?

³⁹ See Appendix 1

- 6.4.4 The States resolved as part of the Supported Living and Ageing Well Strategy⁴⁰ to investigate the impact of ageism in Guernsey and Alderney; though this work has not yet begun, this investigation has a wider remit than employment and is intended to consider ageism in social care settings also.
- 6.4.5 There is no Default Retirement Age in Guernsey at present. The Employment Relations Service provides advice to employers on managing retirement⁴¹.
- 6.4.6 Under existing legislation, whilst many employers may follow sound procedure, if an employee is retired in a way which they believe to be unfair and they qualify for the right not to be unfairly dismissed, they may make a claim for unfair dismissal. The employer would then need to demonstrate that there was a fair reason for dismissal and a fair procedure was followed. Some employers currently include a retirement age in contracts which may provide some support to a defence in the event of a Tribunal. However, the legal force of a contractual retirement date has not been fully tested at a Guernsey Employment Tribunal⁴². In cases where employers have reason to pursue a dismissal, other routes may be followed, for example through capability procedures.
- 6.4.7 The Disability & Inclusion Strategy⁴³ included a resolution to establish an Equality & Rights Organisation which, if established, could raise awareness about ageism amongst other forms of prejudice and discrimination.

What more could be done?

- 6.4.8 The Committee has reviewed different options to address the issues of ageism (and particularly issues of contractual retirement ages which was of significant concern to some people). Ageism is a cultural issue and requires people's attitudes and misconceptions about older people (and people of other ages) to be challenged, this must involve communication. However, the Committee believes that if a standard of behaviour is to be set by which employers cannot unreasonably 'force' people to retire or change their contracts once they reach a certain age, then the introduction of age discrimination legislation will be necessary (as recommended in section 8 below). This aligns with the response to the Longer Working Lives consultation, where 77% of respondents expressed

⁴⁰ Billet d'État III v.II of 2016

⁴¹ Employment Relations Service (2016) "Dealing with Retirement". Available at: www.gov.gg/employmentrelations [accessed 7th Sept 2017].

⁴² Examples of the use of constructive unfair dismissal with regards age discrimination from the UK are available here: http://www.agediscrimination.info/search?q=constructive%20unfair%20dismissal&f_collectionId=5799e43f8419c26c922dbda2

⁴³ Billet d'État XXII of 2013

support for the introduction of age discrimination legislation⁴⁴.

6.4.9 Many other countries globally have introduced age discrimination legislation. Some consultees commented that they felt that it was good for Guernsey's international image to have comparable discrimination legislation to other jurisdictions⁴⁵. By introducing such legislation we would be following in the footsteps of other jurisdictions and not breaking new ground. The US first introduced federal age discrimination legislation in 1967; from the late 1970s it was introduced in all Canadian provinces; in Ireland and New Zealand legislation was in place from 1993; the UK from 2006 (now replaced by the Equality Act, 2010)⁴⁶; and in Jersey from 2016⁴⁷. Whilst some of this legislation did originally allow for a Default Retirement Age at which it was acceptable for companies to 'retire' staff, most of these countries now only permit mandatory retirement where objectively justifiable and by exception rather than as a rule. Legislation in Jersey is being phased in with the legislation initially permitting all employers to set a retirement age at or over State Pension Age. This provision will be removed from 1st September 2018⁴⁸.

6.4.10 The UK and Jersey models have a number of exceptions outlined in their age discrimination laws. It is still permissible in the UK, for example, in goods and services provision to offer discounts for pensioners or to organise 'under 30s' group holidays. Certain financial products, such as insurance, are allowed to vary premiums on the basis of age. In the realm of employment a concept of an 'employer justified retirement age' is used whereby some employers can set a retirement age for their staff if they can provide objective evidence that this is a proportionate means of achieving a legitimate aim within their business context (this could be on grounds of safety in certain professions, for example). Defining a set of exceptions to the rule of non-discrimination may be part of the development of any proposals in Guernsey and this is an area which can be consulted upon during the development work recommended in this Policy Letter.

6.4.11 The majority (52%) of employers who responded to the Longer Working Lives consultation supported the introduction of age discrimination legislation⁴⁹. However, some employers are concerned about the introduction of age

⁴⁴ See Appendix 1

⁴⁵ *Ibid.*

⁴⁶ Hornstein, Encel, Gunderson and Neumark (2001) "Outlawing age discrimination legislation: Foreign lessons, UK choices." Policy Press and Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/age-discrimination-legislation-choices-uk> [accessed 7th Sept 2017].

⁴⁷ Discrimination (Age) (Jersey) Regulations 2016

⁴⁸ Discrimination (Age) (Jersey) Regulations 2016; paragraph 31

⁴⁹ See Appendix 1

discrimination legislation because they feel that this will increase 'red tape'; and would mean that older staff who previously would have been asked to retire may have to be 'managed out' through capability procedures if they under-perform. They are concerned that this may be less dignified for individuals than retiring. There are also concerns that knowing when a person is going to retire helps firms with succession planning and considering the promotion and careers of younger staff within their firms. Some firms who also operate in the UK or Jersey have already adapted their HR practices to comply with age discrimination in order to maintain the same employment standards across jurisdictions. Other companies in Guernsey have removed the use of contractual retirement ages from their working practices and have explored alternative ways of working and agreeing retirement dates with their staff. The fact that some local firms are already examples of good practice suggests that the concerns and problems raised by some employers can be overcome if this best practice is shared.

6.4.12 It is worth bearing in mind that age discrimination is often experienced by young people as well as older people⁵⁰. The development of the legislation will need to take into account all forms of ageism, not just ageism experienced by older workers. Good quality guidance on the legislation will need to be made available to employers before any law is introduced so that they can begin to adapt.

6.5 Back-to-work support and preventing job loss

6.5.1 We know that there are some issues which are experienced more frequently amongst older jobseekers. We also know that a higher proportion of older jobseekers than younger jobseekers come to the Job Centre from incapacity benefit claims rather than directly from the labour market⁵¹. Older jobseekers can need specific kinds of support in the Job Centre (help with contemporary job search skills, for example); but creating change may also involve considering how the States of Guernsey, health professionals and employers can better prevent people from losing work due to health conditions in the first place, and how we can support people back into work following illness or injury.

What is already being done?

6.5.2 The Job Centre provides support including advice and guidance; matching

⁵⁰ Abrams and Swift (2012) "Experiences and Expressions of Ageism: Topline Results for the UK from Round 4", European Social Survey. Available at: http://www.europeansocialsurvey.org/docs/findings/ESS4_gb_toplines_experiences_and_expressions_of_ageism.pdf [accessed 7th Sept 2017].

⁵¹ Internal Social Security Data

people to job vacancies; work experience placements; voluntary work placements (providing jobseekers will give this work up if they find paid work); and one-to-one work rehabilitation to provide more intensive support to people that have significant barriers to employment.

- 6.5.3 The Job Centre can also offer short-term and basic skills training; work trials where a person can be taken on for a trial basis whilst continuing to receive benefits for up to two weeks; the Community and Environmental Project Scheme (CEPS) which provides work and training opportunities for people who are not working, the person works under contract to Social Security and receives minimum wage; Kick Start – where people receive training on-the-job with an employer for up to thirteen weeks, the person works under contract to Social Security and receives minimum wage; and Work2Benefit, a mandatory work and training scheme for unemployed people in receipt of supplementary benefit. Placements are tailored to address an individual’s specific barriers to work and participation is intended to be a work rehabilitation tool. Placements on the Work2Benefit scheme are unpaid but benefit remains in payment.
- 6.5.4 In addition there is some financial support and incentives available. Recruitment grants are available to employers who recruit someone who has been claiming unemployment benefit or sickness benefit for more than six months. A back to work bonus is available to a person who has been unemployed for six months or longer (payable only once they have stayed in work for four weeks and not more than once in twelve months); longer term claimants may also be able to apply for support with the expenses associated with starting a job if this would otherwise be a barrier to them working.
- 6.5.5 Alongside the Job Centre, the Guernsey Employment Trust supports disabled people to secure and maintain work. GROW Ltd also provides training, employment and occupation for people with learning disabilities.
- 6.5.6 As part of the Disability and Inclusion Strategy⁵², Disability Discrimination Legislation is being developed. The introduction of this legislation should help the island move towards a culture where reasonable workplace adjustments can be made and discrimination against disabled people can be challenged. This will help people (including older people) to be supported with workplace adjustments which enable them to take up work or continue in work when they would not otherwise be able to.
- 6.5.7 The Employment Relations Service provides advice and guidance about stress in the workplace and bullying and harassment at work (amongst other things)⁵³. This can support people to resolve difficulties before leaving a job.

⁵² Billet d’État XXII of 2013

⁵³ www.gov.gg/employmentrelations

- 6.5.8 The Health & Safety Executive regulate workplace health and safety in Guernsey and Alderney including providing advice, undertaking workplace inspections, investigating accidents and incidents and taking action to enforce Guernsey Health & Safety legislation. The Executive will be reviewing current legislation in order to update it.
- 6.5.9 The Supporting Occupational Health and Wellbeing project aims to examine how the States of Guernsey can maximise the Island's workforce by ensuring there is better occupational health and wellbeing advice for employers and employees. If more people are supported in work, at an earlier stage, this will also have a secondary benefit of reducing the duration of some incapacity benefit claims. The first phase of the project focused on medical certificates from GPs for sickness benefit. Certificates were adapted to provide opportunities for medical practitioners to give advice on an employee's present work capability, including the obstacles that may prevent an employee from returning to work. Space is now provided on the certificate for practitioners to also make basic recommendations about reasonable adjustments which may make an earlier return to work more likely. The second phase of SOHWELL is underway and has involved communicating with employers about managing sickness absence, return to work, and accessibility and experiences of using occupational health providers. The project has also seen the launch of the FitTogether⁵⁴ initiative.
- 6.5.10 The Primary Care Mental Health and Wellbeing Service provides support and individual and group therapy sessions free to those referred by their GP. It was established with the aim of providing early intervention and treatment to try and help people (with a mental health condition) stay in work. A service improvement plan has been implemented to make the service even more effective.
- 6.5.11 Recreation Services will ensure that access to its sports and leisure facilities will continue to be as accessible as possible to all, through the provision of a variety of initiatives, including LifeFit Exercise on Referral. It is the intention of this Service Area to continue working closely with other agencies in developing this provision as much as it is able.
- 6.5.12 The Committee *for* Health & Social Care has a number of strategies in place to help people to stay healthy. There are a number of island wide Public Health Strategies (including smoking, obesity and drug and alcohol) as well as screening programmes⁵⁵. The Health Promotion Unit also undertakes work to promote healthy lifestyles with the general public. The 2020 vision included a

⁵⁴ www.gov.gg/fittogether

⁵⁵ www.gov.gg/healthyliving

strategic focus for Health & Social Care on early intervention and prevention.

6.5.13 Person centred enabling care is part of the aim of the Supported Living and Ageing Well Strategy⁵⁶ and a number of projects are underway to help people to maximise their wellbeing and support their ability to do what they want to do. This includes a 'reablement' project which helps provide therapeutic support to return someone to the community after a health crisis.

What more could be done?

6.5.14 Through its routine work, the Committee will seek to support ongoing improvements in the way that the Job Centre functions to support people back to work. More can also be done to improve the way that incapacity benefits claims are managed.

6.5.15 The Committee believes that there is potential to build on the first two phases of the Supporting Occupational Health and Wellbeing project to further improve the chances of people staying in work or returning to work earlier.

6.5.16 Three issues have arisen from both the discussions coming out of Longer Working Lives and from the second phase of SOHWELL:

- the need for access to early interventions for back pain and other musculo-skeletal injuries, in the form of physiotherapy and occupational health advice (this is the second largest cause of sickness absence after mental health and is more common amongst older claimants);
- access to occupational health advice and support – particularly for self-employed people and small businesses. More than 80% of employers in Guernsey employ 10 people or less⁵⁷.
- negative beliefs about or attitudes towards Occupational Health from employees and/or managers and employers (for example, some employees seem to see Occupational Health negatively as a management tool rather than a potential source of support).

6.5.17 Further work will need to be undertaken to determine what changes could be made or work could be undertaken to address these issues effectively. The next step for SOHWELL, therefore, will be to further investigate all three of these areas and to test the feasibility of different approaches to addressing them.

⁵⁶ Billet d'État III v.III or 2013

⁵⁷ States of Guernsey (2017) Guernsey Quarterly Population, Employment and Earnings Bulletin. Available at: <https://gov.gg/population>

6.6 Career change, planning for the future and training

6.6.1 It is likely that we are moving towards a situation where it is normal for people to change career several times during their lifetimes. The Committee is pleased that the Committee *for* Education, Sport & Culture has recognised this – the new Bailiwick of Guernsey Curriculum Teacher Handbook notes in the Careers section that “Developing a young person’s career management skills is essential preparation for a changeable future with transitions throughout their working life”. Whilst some people will have some choice about how and when to change career; others may find that they simply cannot continue doing what they are doing due to health reasons or because their work is not compatible with their family care responsibilities. Unplanned and unavoidable changes in career may be difficult to navigate.

6.6.2 The Committee has considered how to support people who are unable to continue in their original role. It has concluded that changing career is an individual process where the best outcome depends on a clear understanding of an individual’s skills and life experience and the opportunities in the labour market at the time.

What is already being done?

6.6.3 The Job Centre already supports jobseekers and can fund training to improve the chances of a person’s employability. This can include general and basic skills (such as IT skills training) but can also include support to get into particular sectors (for example, the Job Centre has recently run a ‘Getting into Care’ course which has successfully supported a number of jobseekers to find employment in the care sector).

6.6.4 The Committee *for* Education, Sport & Culture provides adult career guidance through Careers Guernsey which is open to all on appointment via the Careers Service. There is some funding for courses available through their Student Financing team (currently limited to people under 55) for on and off island training courses or degrees.

6.6.5 The College of Further Education, the Institute of Health and Social Care Studies, the Guernsey Training Agency and BPP professional education provide on island training opportunities for adults who are looking to obtain skills which will help them in their careers. Some employers also offer degree level training opportunities for other career paths, for example KPMG working with the Digital Strategy has developed an on-island digital apprenticeship in association with the University of Exeter. Online and distance learning courses are also becoming increasingly available, though these are more relevant to some careers than others.

6.6.6 The States recognises the need to develop islanders' digital skills across the population. Digital skills will be key to the economic success of all sectors and ensuring that everyone has a minimum standard of digital skills will become increasingly important as job search resources, public services and work environments increasingly rely on a universal basic ability to use computers and the internet. Part of the Framework for Public Service Reform⁵⁸, SMART Guernsey, focuses on moving towards effective digital service provision within the States of Guernsey. In the context of 'going digital' it is important that people are not left behind, both in terms of those who currently are less confident using online services or working online, and that the younger workers keep pace with changing technology over the coming years. The Committee for Economic Development's Digital Sector Strategy Framework⁵⁹ contains an aim to develop 'the digitally skilled workforce of the future' and one of the action points being pursued is 'developing best in class digital skills, education and training'. An action plan for this point is under development at the time of writing this Policy Letter.

6.6.7 There are some existing services to support people with digital skills. The Digital Greenhouse undertakes a core role to 'improve the skills, knowledge and experience people and business have with technology and digital services'⁶⁰ and runs a series of events, clubs and special interest groups to support this aim. It has also developed online resources through their app and website for digital career pathway information with Careers Guernsey, with specific advice around digital opportunities for all ages. The College of Further Education currently provide basic IT skills training courses through their adult education programme. The Guille-Allès Library run a range of community groups around digital inclusion including 'First Click' training and 'Cyber Seniors'. The University of the Third Age have also run a group via the Digital Greenhouse to support the older generation with digital skills. These kinds of initiatives will be important in ensuring people have the skills they need to work, but also that they have the skills they need to find information and find work.

What more could be done?

6.6.8 Two areas might be further developed – one providing people with support and information to help them to better plan their later careers; and secondly to ensure that there is good access to training which can help people to change to a different career when they become unable to continue.

6.6.9 Sometimes people may face situations where they know that they need to

⁵⁸ <https://gov.gg/change>

⁵⁹ <https://gov.gg/article/159650/Digital-Sector-Strategic-Framework-published>

⁶⁰ <http://www.digitalgreenhouse.gg/about/overview/>

make changes to plan for their later life but struggle to access information or advice that they need to help them to think through their situation. The Longer Working Lives 'Draft Proposals' outlined the idea of introducing 'mid-career reviews' which would be marketed at people in their 40s or 50s to provide a structured way of thinking through their plans for later life. This could help to support people to plan effectively for their retirement and also to make career changes, where needed, before a crisis point is reached. These reviews could cover career development and career change but could also provide an opportunity to think about health, pension and retirement finances, managing care responsibilities and more. There were some concerns from the Longer Working Lives consultation respondents that any 'mid-career review' should be voluntary and it was important that the advice provided needed to be reliable⁶¹.

6.6.10 In considering how best to meet the need for information and advice identified it is suggested that the most effective starting point would be to develop a web-based resource that works through the challenges people might face, provides basic information and case studies, and signposts people to sources of more in-depth, specialist information (in order to maintain a high quality of information and advice). Since not everyone will find interacting with text-based information on the internet easy, it is suggested that other ways of communicating the information are also considered, including a face to face drop in opportunity or a series of presentations people can attend if they choose. One-to-one follow up with existing specialist advisers would be possible. This should be run on a trial basis and reviewed based on customer feedback.

6.6.11 The second point of action follows from the consultation on the Draft Proposals for Longer Working Lives: many respondents felt that more should be done to ensure that people who were no longer able to continue in the work they were doing had access to subsidised training to support them to retrain into a new kind of work⁶². The Committee *for* Education, Sport & Culture's Skills Guernsey Group have been reviewing workforce skill gaps to inform the development of training provision on the island. The Committee *for* Employment & Social Security believes that any retraining options should be linked to the Committee *for* Education, Sport & Culture's provision. The two Committees will work together to identify whether it is possible to improve access to on-island training opportunities for those who are unable to continue in their roles due to their health or due to care responsibilities. The Committee *for* Employment & Social Security will further investigate whether there is a 'spend to save' opportunity to invest in retraining for individuals who have not yet lost their jobs but have to change career when they otherwise might be at risk of

⁶¹ See Appendix 1

⁶² See Appendix 1

becoming long-term benefit claimants.

6.7 Those unable to continue working until 70

- 6.7.1 It is clear that there will be some people who will not be able to continue working until the age of 70 for a variety of reasons (including health and care responsibilities). Whilst it is true that not everyone is able to work until the age of 65 at present, the Committee is aware that the increase in the State Pension Age will disadvantage some people more than others, particularly those who are in low-paid work (who have been less able to save pensions throughout their lives), who are in contract work (not from choice), who are in work which depends heavily on physical fitness, who are in work which doesn't permit any flexibility in hours worked, who do not have private or occupational pensions or savings to enable them to retire early, and who do not have partners who can support them.
- 6.7.2 At present, if someone is unable to work until State Pension Age, depending on their contribution record and how much income and savings they have they may be able to access incapacity benefits, unemployment benefit or supplementary benefit. Some respondents to the consultation felt that the existing system of working-age benefits provided sufficient support to those who would be unable to continue working⁶³. The Committee intends to give further consideration as to whether existing benefits suffice or whether adjustments are needed.

6.8 Monitoring progress

- 6.8.1 As outlined in Appendix 2 the Committee intends (through the key performance indicators) to monitor developments in the labour market so that action can be adapted as necessary as the situation changes in order to meet the overall aims. Recent developments in data, such as the Rolling Electronic Census, will, with time, provide new kinds of data which will help to better understand how people move in and out of the labour market as they approach retirement age. However, it is clear that there are some significant gaps in the information the States of Guernsey currently have available about what work people are undertaking. In particular, we do not have information on how many hours people work or what occupation they work in. This can be significant for a number of policy aims, including understanding how people change career as they approach retirement, understanding the average wages of different professions, but also in helping us to understand pay gaps between different demographic groups to help us to develop equality policy, and to help us to monitor how many people work on the minimum wage.

⁶³ See Appendix 1

6.8.2 The Committee is reviewing whether it will be possible to incorporate into wider system changes a way to gather this information through our routine processes to allow for greater analysis of the labour market in future.

6.9 Topics considered but not recommended for further action

6.9.1 Some further topics were raised in the consultation, which have not been addressed in this outline of action.

6.9.2 Pension deferral (the ability to postpone taking the State Pension until a later date in return for a slightly larger amount each week when it was eventually claimed) was suggested as a potential way to both encourage people to work for longer and improve people's retirement finances. Whilst not denying that this may be a useful option for some people, the Committee feels that this is not a priority for Longer Working Lives compared to the other proposals presented (in section 8 below). Convincing evidence that pension deferral significantly increases the number of people who continue to work past State Pension Age has not been identified. The Committee also feels that demand for pension deferral will likely decrease as the State Pension Age increases to 70. As with any proposal, there would be costs attached to making such a change and resources directed to the strategic aim of supporting more people to work up to the new State Pension Age, would be more effective if used elsewhere.

6.9.3 It has also been suggested that people be allowed to access their State Pension earlier at an actuarially reduced rate – i.e. that people be able to claim their pension before they reach State Pension Age, but that the weekly amount is actuarially adjusted so that they receive less per week over the course of their retirement in response to having opted to do this. The Committee is concerned that allowing people to claim their pensions earlier in this way, whilst it could be calculated to be cost-neutral to the pension fund, would mean that people's annual retirement income would be lower which could mean that they may be more likely to need supplementary benefit later in retirement.

6.9.4 It is recognised that there might be wider issues around people who are (involuntarily) undertaking contract work. People who are working on contracts may have less access to benefits such as sick leave, paid leave, employer pension schemes or health insurance. They also live with higher levels of job insecurity. This is an issue which might affect some older workers. However, the Committee believes that support for contract workers needs to be looked at more generally and that the proper place to consider contract working is not within the Longer Working Lives programme.

6.9.5 The Committee has considered financial incentives, such as tax or contribution breaks, for people who are past pension age and continuing to work. Of course,

there are implicit costs associated with tax or contribution breaks. The feasible options for tax breaks tend also to be for people who have already passed State Pension Age. The Committee believes that the priority of these proposals should be on supporting people to work up to the new State Pension Age and removing barriers to work rather than providing incentives to work to those past State Pension Age. These options have not, therefore, been included.

- 6.9.6 Work was undertaken during the course of this project to consider how older people may relate to self-employment and whether self-employment might offer a route to continue working for some people. The Committee felt that there were substantial financial risks associated with starting up as self-employed or starting a small business. People may sometimes take risks with their pension savings in order to start a small business. Failure rates for start-up companies are high. This means that people could stand to lose substantial sums of money if they are not successful. The Committee, therefore, does not believe it is prudent to actively encourage people to go into self-employment in later life. It is important that if people wish to pursue self-employment that they receive the appropriate advice and support. Start-up Guernsey does currently offer advice to people starting small businesses.

7 Alderney

- 7.1 Alderney residents will face many of the barriers that Guernsey residents face to accessing work in later life. There are also some differences in the Alderney context which need to be taken into account.
- 7.2 During the first phase of consultation around Longer Working Lives a Public Meeting was held in Alderney and some in-depth discussions were undertaken to better understand residents' feelings on the barriers to working for longer. During the summer of 2017, the States of Alderney were also asked to comment on the Longer Working Lives Draft Proposals.
- 7.3 In terms of the general policy direction, the States of Alderney Policy and Finance Committee expressed "broad support for encouraging and empowering people to work past the current retirement age, if they are able to do so." However, they also expressed concern about the effect of an increase in pension age on manual workers in Alderney.
- 7.4 It is suggested that the proposed actions could be applied to Alderney as follows:
- 7.5 Working with employers and employees - Employers in Alderney may already have valuable experience of adapting to an ageing workforce, but it will be important to engage with and include employers in Alderney in discussions around the issues of the ageing workforce, and age-friendly employment to

ensure that best practice is shared on the island and between islands.

- 7.6 Supporting people with family and care responsibilities - Some Alderney residents will also struggle to combine working and caring for grandchildren and family members or friends who need support. The States of Alderney indicated that it does not wish to implement legislation around flexible working at this time. Some employers in Alderney already offer flexible working. It may be possible to promote this further in Alderney through engagement with employers.
- 7.7 Ageism – Whilst some employees in Alderney may encounter ageism, the legal context in Alderney is substantially different. Whilst Guernsey residents have reported challenges around the inclusion of retirement ages in contracts, there is not yet an existing legal right to a contract of employment, in Alderney. Without a foundation of employment legislation, the policy mechanisms to address the challenges of ageism must be different.
- 7.8 Having discussed employment legislation with the States of Alderney, the Policy & Finance Committee has advised that “there is total support for employees having the basic right to a written contract setting out the terms of employment”. The Committee for Employment & Social Security would encourage the States of Alderney to make progress in working towards realising this.
- 7.9 This has wider relevance to the provision of unemployment benefits and supplementary benefit to Alderney, as well as to the Equality and Rights Programme. If workers in Alderney are not properly supported by local employment and discrimination legislation this can impact demand for provision of social insurance and supplementary benefit, which Employment & Social Security have statutory responsibility to provide. A right to a written contract would be a fundamental first step.
- 7.10 In terms of addressing wider cultural issues around ageism, it may be possible to do so through engagement with employers.
- 7.11 Back-to-work support and preventing job loss – Alderney have been included in the first phases of the Supporting Occupational Health and Wellbeing Project, including work around medical certificates (as outlined in 6.5.9. above). It is the intention to seek to include Alderney in the next investigative stage.
- 7.12 Career change, planning for the future and training – Any information resources developed to support ‘mid-career reviews’ should also include information relevant to Alderney. Further consideration of potential subsidies for re-training opportunities should incorporate consideration of opportunities for Alderney residents.

- 7.13 Those unable to continue working until 70 and Monitoring Progress – the pensions and benefits available to Alderney residents are the same as those available to Guernsey residents, so any consideration of these will include Alderney. The Social Security data systems also incorporate data on Alderney residents and employers, so any adjustments to these systems will also apply to Alderney.
- 7.14 With some adjustments, it should be possible to include Alderney residents when taking forward these proposals.

8 Proposed plan of action

- 8.1 Following the policy discussion in section 6, it is recommended that the following key actions are taken forward if the States wish to address the strategic challenges (outlined in section 3).
- 8.2 In November this year the States agreed a set of priorities as part of the Policy & Resource Plan. For the Committee *for* Employment & Social Security these priorities included:
- Social and affordable housing policy
 - Disability and inclusion policy
 - Supported Living and Ageing Well Policy (for Employment *and* Social Security this includes consideration of Long-term Care Insurance)
 - Social welfare policy (which includes both the development of the recommendations of the Social Welfare Benefits Investigation Committee and the development of secondary pensions)

Progress on these four areas of work will be the priority of the Committee. Any work on the recommendations of Longer Working Lives, which does not fit into these priorities, will need to be taken forward around these priorities if possible, and/or will need to await prioritisation by the States.

- 8.3 The resources required to take forward this work will largely be staff time within Employment & Social Security. Rather than seeking new resource, it is intended that these actions will be taken forward by existing staff if and when it is possible around work on the priorities in 8.2. In order to give an indication of the amount of resource required, an estimate of the staff time required to implement the actions, and an estimated cost, are indicated (see Appendix 3 for further detail). It should be noted that these indications are Full Time Equivalent (FTE) estimates – i.e. the amount of time it would take a staff member to implement if this was all they were working on. If someone is working on the project as part of a larger workload, it will take longer than the time indicated to deliver. The cost estimates should not be read as funding bids – they indicate the estimated equivalent cost of existing resources (as at 2017), and are included for the sake of transparency only.

8.4 This approach to resourcing may mean that some actions will not be taken forward immediately. The Committee is satisfied that the objectives for this project are in the medium to long term. So, even if delayed, actions should have a positive impact. The timescale for the implementation of actions has not been specified for a number of reasons. Firstly, available resources will need to be allocated strategically to have the greatest impact towards the overall aims. For example, engagement with employers around age-friendly working practices could have a more immediate positive impact ahead of any legislative developments, so if limited resources become available this may be pursued earlier than other actions. Secondly, the order in which workstreams are developed may be influenced by the availability of specific staff resources and skill sets. Thirdly, the timescales for the implementation of some workstreams depends on other developments – for example, for discrimination legislation, disability is the highest priority for development, age following closely after. The form the age discrimination legislation takes and the date by which it can be implemented will be shaped by the disability discrimination legislation work. All of these factors indicate some judgement will be needed about how and when it is best to progress work; consequently, implementation timescales have not been specified.

8.5 Further detail on the intended scope of the actions outlined is included in Appendix 3.

8.6

Action	Estimated staff resource required
1. Communication and engagement with employers and employees around the ageing workforce, age-friendly employment and flexible working (<i>section 6.2 above</i>)	Initial 8 months FTE <i>including some admin costs equivalent to approximately £39,000</i>
2. The development of detailed proposals for a right to request flexible working to be returned to the States (<i>section 6.3</i>)	6 months FTE <i>equivalent to approximately £34,000</i> (ongoing: may impact demand on Employment Relations Service)

<p>3. The development of detailed proposals for age discrimination legislation to be returned to the States (<i>section 6.4</i>)</p>	<p>1 year FTE <i>equivalent to approximately £67,000</i> (ongoing: may impact demand on Employment Relations Service)</p>
<p>4. Providing information and advice to people mid-career about career change, career development and other relevant issues such as retirement income, health and caring for family members (<i>section 6.6.9</i>)</p>	<p>8 months FTE to set up. <i>Including some admin costs equivalent to approximately £39,000</i> Potential ongoing 1 month per year to maintain</p>
<p>5. A third phase to the SOHWELL project investigating access to Occupational Health (especially for small businesses), attitudes to Occupational Health and early intervention for musculo-skeletal disorders (<i>section 6.5</i>)</p>	<p>It is intended that this is resourced as the continuous improvement element of the business as usual work of the Benefits Section. If, having undertaken further investigation, it becomes clear that additional resource is required this will be raised at a later date.</p>
<p>6. The Committee will work with the Committee <i>for</i> Education, Sport & Culture to investigate whether there is a 'spend to save' opportunity to provide subsidised training to a targeted group. (<i>section 6.6.11</i>)</p>	<p>2 months FTE for initial investigation <i>equivalent to approximately £10,000</i></p>
<p>7. The Committee will review whether the pensions and benefits system could be adjusted to support those most impacted by the pension age changing (<i>section 6.7</i>)</p>	<p>2 months FTE for initial investigation <i>equivalent to</i></p>

	<i>approximately £10,000</i>
8. The Committee will explore whether it will be possible to gather data on working hours and occupation through changes planned in existing workstreams (<i>section 6.8</i>)	n/a - integrated into existing project
Total resource estimate	Just over 3 years FTE staff time plus admin costs (not necessarily consecutively) <i>Equivalent to approximately £199,000</i>

8.7 Updates on the progress of these actions can be provided annually via a short summary in the Benefit and Contribution Rates Up-rating Policy Letter.

9 States as Employer

9.1 The States of Guernsey (SOG) is the largest single employer in the Bailiwick employing approximately 5,500 Full-Time Equivalent's (FTE's) across a range of services including Health and Social Care, Education, Uniformed Services, Civil Servants and Public Service Employees. The Policy Council Review of the Public Sector Pension Schemes (PSPS), which was debated in April 2015, acknowledged that any increase in the State Pension Age and proposed PSPS changes would result in the employment of an older workforce. To consider this further the SOG as employer has been working with the Office of the Committee for Employment & Social Security during a discovery phase to understand the issues as employees see them; this approach enabled both the Office of the Committee for Employment & Social Security and the SOG as employer to undertake joint focus groups to gather what essentially may have been the same information for both parties.

9.2 Following the publication of the Committee for Employment & Social Security's proposals, the SOG as employer will be consulting with its employees and Trade

Unions both in response to the Committee *for* Employment and Social Security proposals and on its own position as an employer and measures it could take to support its employees working up to the increased State Pension Age.

SOG as employer – current position

9.3 Like all employers in the Bailiwick the SOG as employer adheres to local employment legislation and statutory provision; as the deliverer of public services and the largest employer in the Bailiwick it is arguably well placed to be able to consider and share best practice in changing processes to support Longer Working Lives. There are a number of areas in which the SOG is already delivering or working towards as follows:

9.4 Flexible Working for States' employees: There are lots of models of good practise across all staff groups where employees have a flexible working pattern to suit their particular needs such as:

- Compressed hours –working full time hours but over a shorter amount of days
- Variable working hours - particularly to suit caring responsibilities
- Part-time hours
- Term time only hours
- Shift patterns
- Job share
- Formal non-office locations
- Agile working
- Phased and flexible retirement

The SOG will consider these further to see if the options could be made available to more staff.

9.5 Occupational pension scheme – The SOG moved to a Career Average Revalued Earnings (CARE) model within the pension scheme in 2015 for all new starters, this is linked to the increase in State Pension Age. More information will be provided to employees to be able to understand their personal benefits in a timely manner and to be able to make informed decisions about the financial impact of retirement. Annual benefit statements will be issued this year for CARE and there is work underway on developing annual statements for those who have a mix of CARE and Final Salary Scheme benefits. Some investigation is being undertaken in to whether this could be made even more accessible electronically for employees.

9.6 A review of the States of Guernsey Occupational Health service has been undertaken so that it is more accessible to all SOG employees; this will change the model of the service to be a proactive partner to the organisation.

- 9.7 The SOG is implementing a Happy and Healthy Workforce Strategy which will have a number of strands:
- Supporting the Public Health Strategies i.e. Tobacco Control Strategy and Healthy Weight Strategy which has specific resolutions for the SOG as employer to provide
 - Reviewing Attendance Management policies and processes to change the culture to a supportive rather than punitive model
 - Building an intranet site for all employee groups to support their health and wellbeing
- 9.8 The SOG aims to make it easier for employees to consider their skills and other roles that they may be able to do by having conversations as part of the Personal Impact Programme and regular 1:1's. This will help to encourage career changes across the various staff groups.
- 9.9 More employees could be enabled to take a phased retirement option; this can address several of the barriers identified in Longer Working Lives, i.e. to support caring responsibilities; or to enable those working with health conditions to work for longer.
- 9.10 Retirement ages in contracts – the SOG will review these in line with possible legislative changes; early conversations with employees regarding their retirement plans enable SOG to plan for employee retirements or to extend the contract beyond the state pension age.

SOG as employer – future position

- 9.11 The impact of Longer Working Lives as a longer term project will require further consultation by the SOG with its employees and unions and will be developed over the coming months. There are likely to be further considerations that are specific to the SOG as employer.
- 9.12 Whilst a limited amount of budget has been secured (for a number of HR projects) the cost implications of changes/proposals have not yet been fully modelled.

10 Conclusion

- 10.1 People face barriers to working in later life. The States of Guernsey need to address these barriers in order to support more people to work up to or past the new State Pension Age. While this is important for the sustainability of public finances, it is also important for maintaining the workforce, for people's retirement income in a context of longer life expectancy and, perhaps most importantly, for people themselves not to be unnecessarily excluded from

work, potentially to the detriment of their wellbeing.

- 10.2 The Committee recommends that further work is undertaken to support islanders' occupational health and wellbeing; that age discrimination legislation is introduced to ensure that people are treated fairly and not asked to retire too soon; that a legal right to request flexible working is introduced so that people's needs to balance work and other responsibilities in later life are given reasonable consideration by employers; additional information and advice should be provided for people in mid-career about career, health, finances and more; access to training and financial support for those no longer able to continue in work should be further explored and a programme of engagement and communication with employers and employees around the issues should be undertaken in recognition of the important role that employers, line managers and employees themselves play in supporting people to continue in work.
- 10.3 Whilst there are implementation costs, the actions proposed should help the islands to adapt to a future in which it will be easier for more of the population to be economically active. If people continue to be discouraged or prevented from working, this will generate costs for the States, so there are also costs implicit in not taking action.
- 10.4 The Committee asks the States to support the programme of action outlined in section 8, and, in particular, for in principle support to develop age discrimination legislation and a legal right to request flexible working.

11. Compliance with Rule 4 of the Rules of Procedure

- 11.1 As outlined in section 4, when developing draft proposals, the Committee sent a representative to attend a meeting, or wrote to all of the principal Committees. During the drafting of the Policy Letter the Committee has sent representatives to attend meetings of the Policy & Resources Committee and the Committee *for* Education, Sport & Culture as well as writing to the Committee *for* Health & Social Care and the Committee *for* Economic Development.
- 11.2 Whilst there are no legislative drafting requirements directly following from this Policy Letter, the Committee has consulted with the Law Officers regarding the propositions contained within this Policy Letter and, should the States support the development of detailed proposals on a right to request flexible working and age discrimination, will work with the Law Officers when developing these proposals.

11.3 The Committee has set out its proposals for supporting Longer Working Lives throughout this Policy Letter, and seeks the States support for the propositions, which are based on the Committee's purpose:

To foster a compassionate, cohesive and aspirational society in which responsibility is encouraged and individuals and families are supported through schemes of social protection relating to pensions, other contributory and non-contributory benefits, social housing, employment, re-employment and labour market legislation.

11.4 The propositions contained within this Policy Letter are aligned with the Policy & Resource plan, as outlined in paragraph 5.1 above. They are aligned with the priorities and policies set out in the Committee's Policy Plan, which was approved by the States in June 2017 (Billet d'Etat XII, Article 1).

11.5 In accordance with Rule 4(4) of the Rules of Procedure of the States of Deliberation and their Committees, it is confirmed that the propositions above have the unanimous support of the Committee.

Yours faithfully

M K Le Clerc
President

S L Langlois
Vice-President

M J Fallaize
J A B Gollop
E A Yerby

M J Brown
Non-voting Member

A R Le Lièvre
Non-voting Member



Longer Working Lives

Consultation on Draft Proposals:

Summary of Findings

Executive Summary

Longer Working Lives aims to support people who want, or need, to continue to work up to or past State Pension Age to do so. There was support for this aim. However, many respondents were concerned about the pension age increasing, and whether this would impact some more than others. Whilst some respondents advocated longer working for economic reasons; others supported the project because they felt that choice about when to retire was important and that working could support people's health and wellbeing. Some respondents were concerned that supporting people to remain in work would impact opportunities for younger people to get into work or progress.

Feedback on the proposals

There was a range of views but for the most part respondents were broadly supportive of the proposals.

There was significant support for promoting flexible working and introducing age discrimination legislation. There were also concerns about both the compliance burden on businesses and the potential for there to be unintended consequences associated with introducing new legislation – for example, employers may avoid employing older people or use contracts more frequently.

There was support for the idea of mid-life reviews but concerns that they be implemented in a way which was accessible and that any information or advice given should be reliable. There was demand for improved information about retirement finances and pensions to support people to make good decisions about when to finish work.

With regards reviewing financial support for those most affected by pension age changes, some felt this was vital; others felt that the existing benefit system was sufficient; whilst others felt that there should be a transitional arrangement in place to support people who had not prepared sufficiently for the higher pension age, but that any arrangement should not be permanent.

Other points to consider

Some felt that more needed to be done or that there were other priorities not covered in the draft proposals and suggested areas for further investigation. These included, amongst other things, suggestions to review: financial incentives for employing older

workers; access to Sickness Benefit for those over State Pension Age; encouraging people into self-employment; legal and financial intervention to support people to change career or retrain in later life; and allowing people to defer taking the State Pension for an actuarial increase when claimed at a later date.

Related issues

A number of other related policy issues were raised, particularly around pensions, but also including other topics relating to economic development, health and education.

Introduction

In 2015 the States asked the Committee *for* Employment & Social Security to investigate measures aimed at supporting Longer Working Lives.

During 2016, through in-depth discussion groups, the Project Team talked to people from a range of backgrounds including recruitment agencies, HR professionals, employers, employees, self-employed people, and people claiming benefits. The Committee drew on these discussions to identify what seemed to be people's key concerns about working for longer and formulated a set of Draft Proposals in response. These proposals included actions to:

- Continue to develop the Island's Occupational Health and Wellbeing to support people at work with health conditions and disabilities and to prevent people from developing work related illness or injury in the first place
- Promote flexible working and part time work options
- Consult on the possibility of introducing age discrimination legislation
- Provide information and advice to support people to undertake 'mid-life reviews' to think through where they are with their career, health and finances
- Work with businesses to help them to take action by providing information on why adapting to an ageing workforce is important and by helping businesses to share good practice around supporting older workers

Through June and July 2017, the Committee has asked for feedback on these draft proposals. This document summarises the feedback received.

The feedback will be used to help the Committee to agree a final set of proposals to return to the States in December 2017.

Who was consulted and how?

The purpose of the consultation was to provide an opportunity for the public to give feedback on the draft proposals before any proposals are finalised.

The consultation included:

- An online survey which received 248 responses
- Email submissions
- Evening discussion session for people already engaged in the project
- A meeting with key business representatives
- A meeting with HR professionals
- Meetings with other Committees
- A meeting with Ageing Well in the Bailiwick Executive Committee

The consultation launch was publicised via local TV, radio and newspapers; on the States of Guernsey gov.gg website; via a mailing list of people who had already engaged with the project; and via the States of Guernsey social media accounts. Contact was also made with particular groups in order to encourage responses from a range of sectors and interested parties.

The response is not from a representative sample and should be read as an opportunity for interested people to raise pertinent points and not as an accurate opinion poll or survey. Similarly, it is worth noting that a range of views have been represented and these are views of members of the public, and should not be read as the views of the Committee *for* Employment & Social Security.

General comments on Longer Working Lives

Comments were received supporting the general direction of travel outlined in the proposals.

Support for the principle of working longer

CHOICE

"Give more people a choice and chance of working" - some respondents supported the idea that people should have more choice when to retire and supported the removal of unnecessary barriers to this choice. They valued *"being able to retire when it is right for the person"*

ECONOMIC

Some strongly supported the idea of working longer for reasons that seemed to be associated with their economic outlook: *"Everyone should work as long as possible"*
And supported workforce maximisation in order to *"reduce the taxation burden"*

WELLBEING

Others were keen to work for longer for personal reasons and felt they gained from the social interaction and activity as well as the finances:

"because I need to keep my brain active"

"working I believe keeps you young and healthy longer"

GOOD RETIREMENT INCOME

If Guernsey's population is ageing then ensuring that people have good income in retirement is key to maintaining the island's consumer economy. Working longer may help people to choose when to retire when they have enough savings.

CONDITIONAL SUPPORT

Some respondents seemed to support all or some of the proposals outlined but were concerned about the overall aim and about the changes in pension age.

Concerns about working longer

DISADVANTAGED GROUPS, NOT FEASIBLE FOR ALL

Some felt that manual workers and self-employed people would be particularly disadvantaged by changes in the State Pension Age and that the proposals did not do enough for these groups. Some felt that the increase in Pension Age was unfair for these groups *“it is important that those people are not marginalized and left disadvantaged”*

Others shared their personal circumstances outlining the fact that their health conditions and care responsibilities meant that they could not work until 70.

TIMING

“Having proposals is fine but change doesn’t happen overnight and people are being affected now”

CONCERNS ABOUT PENSION AGE

As outlined later in this document many people were concerned about the pension age increase

FUTURE UNKNOWN

There were concerns about *“the speed of technology and the change of pace in the world”* - technological and cultural change could mean workforce issues in 2049 would be different than those the proposals seek to address which are based around people’s current concerns.

CONSULTATION

One respondent felt that policy development should be more participatory: *“This needs to be a decision with people at the focus of the discussions”*

EFFECT ON YOUNGER WORKERS

Some respondents believed that if people worked for longer there would be less jobs available for younger people, less promotion opportunities, and therefore less motivation for young people to move back to, or stay, in Guernsey. One respondent suggested that *‘there are a finite number of jobs’*

SECTOR BASED APPROACH

There was a suggestion that more detailed proposals should be brought forward based on specific economic sectors and types of work.

VOLUNTEERING

There were concerns about the impact of having more people of this age group working on the availability of volunteers. It was suggested *“support local charities to offer pay for some of their voluntary positions.”*

PROFIT MOTIVATIONS

Some were concerned businesses would not change their attitude towards older workers if older workers were not value-for-money *“these priorities will not make a shred of difference... simply because the employer will do what they want”*

FAMILY CARE AND CHILDCARE

There were concerns that if older workers were encouraged to stay in work for longer this could make childcare more complicated for families on the island who relied on grandparents. It was also highlighted that some people relied on the State Pension to support them to provide care, and there were concerns that increasing pension age and encouraging more people to work would limit the supply of informal care, creating costs for the public and third sector.

Priorities

There was a comment that legislation should be a priority and some felt that it would be necessary to implement age discrimination legislation as soon as possible to ensure that employees were not discriminated against in the context of other changes.

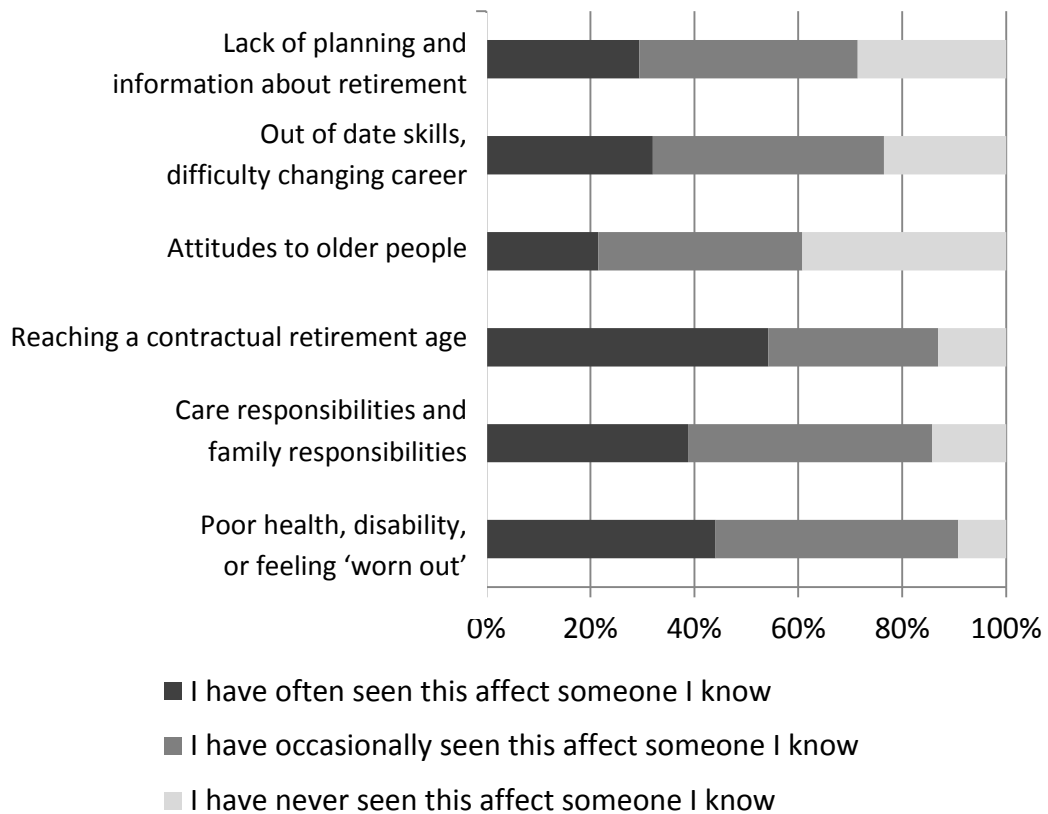
Others felt that the project should avoid using legislation and that social change was more fundamental.

Identified causes for leaving labour market

Many of the online consultation respondents recognised the issues identified, with 'poor health disability and feeling 'worn out'', 'care responsibilities and family responsibilities' and 'reaching a contractual retirement age' receiving the highest levels of recognition.

Have you seen any of these affect someone's decision to work or not?

(246 responses)



Other comments on the causes for early labour market exit included (comments from individual respondents unless stated otherwise):

- Unexpected redundancies
- Wanting to retire at the same time as a partner who was older
- Lack of availability of pension deferral
- Not getting sick pay / sickness benefit once you have passed retirement age
- Financial necessity (4 respondents)
- Lack of part time or flexible options
- Older staff being [seen as] less productive and more expensive to employ, especially in manual labour
- Desire to do voluntary work
- Difficulty finding well paid work when older
- Lack of appropriate jobs available
- Lack of work/life balance due to demanding work and long hours
- Work related stress, workplace bullying, poor management
- The need to treat people as individuals
- Older people viewing themselves as too old to work.
- Difficulty using new technology, lack of confidence
- The risk of causing danger to others due to health problems
- Younger respondents were concerned about keeping up with technological change *“As someone in their mid-thirties who already struggles with technology, then care needs to be given to ensuring that we can all still work in a digitally place world.”*

Other comments on these barriers:

- Some factors are within the individual’s control, others are not
- Sometimes attitudes need to be changed to enable people to change career

Suggested actions not included in proposals

Issues which could be further considered

At present, some workers are moved onto short term contracts or only offered contracts of up to a year once they are approaching or past State Pension Age. Contract workers can face particular challenges when trying to stay in employment. As a way of working it often leads to less security, and less access to employment rights and pension schemes. Questions were raised about whether more could be done to support people undertaking contract based work.

“many Guernsey employers adopt short term fixed contracts for employees once they reach retirement age. These contracts are detrimental with regard to pay and terms & conditions. They also offer no security.”

Suggested actions

The following actions and changes were suggested by respondents:

CHANGES TO PENSIONS AND BENEFITS

- **Pension deferral** – it was suggested that the option of being able to defer taking the State Pension when a person reached State Pension Age in return for an actuarial increase when the pension is claimed at a later date be introduced.
- **Early access to State Pension** – it was suggested people should be able to claim their pension sooner but receive less per week if they chose to.
- **Sickness benefit and sick pay** – it was suggested that people should be able to claim sickness benefit past State Pension Age
- **Contributions based access** – some respondents suggested people should be able to access pensions once they had made a certain number of contributions.

JOB CREATION

It was suggested that some work be undertaken to create jobs suitable for older people to undertake.

PHASED RETIREMENT

It was suggested that the States promote phased retirement.

CAREER BREAKS

It was suggested that more people be offered career breaks if their working lives were going to be longer

INTERVENTIONS IN MANAGING JOB CHANGE

- One respondent suggested legally requiring employers to find employees, who were unable to continue in their current role, **a new job within the organisation** which paid them an equal or greater salary to their previous role.
- A service which could step in to **support employers/employees when someone is unable to continue** in the same capacity.
- A **resource for finding work** specifically targeted at those over 55
- Encouraging employers to **make allowances for age** and retain people.
- A back-to-work benefit **subsidy for employers taking on older jobseekers**
- New language – need to talk about working for longer in terms of opportunities to pursue new **career directions people are passionate about**

TRAINING

- Promote services that **help people to develop computer skills** (one person suggested via the third sector)
- **Subsidised retraining** for people who can't continue in their original role
- Provide **vouchers for training** targeted at a particular age group
- Legally **requiring employers to release staff to undertake training**, whether or not relevant to their current role.
- A **careers event** for older people
- **Free training** when employers take on older workers
- A **grant to employers to retrain older workers** into new roles in the construction sector
- In order to encourage employers to invest, it was suggested that the States implement a **pay back scheme** so that all employees reimbursed their employer for the cost of training if they left soon after having completed the training.
- **Funding for retraining** should be available dependent on an occupational health assessment showing a person cannot continue in their current role.
- **Work experience and secondment** opportunities

ALTERNATIVE WAYS OF MAXIMISING WORKFORCE

It was suggested that other ways of maximising the workforce be explored, such as younger workers working longer hours to avoid working later in life.

PRIVATE PENSIONS

It was suggested that it be made mandatory for private pension providers to **provide annual statements** to clients.

CARERS

Care banking or time banking was suggested as an option that might help.

TAX AND CONTRIBUTION INCENTIVES

- Provide or subsidise **Permanent Health Insurance** for older employees
- Review **tax and contribution rules** for people past State Pension Age

PLANNING FOR RETIREMENT COURSES

It was suggested that a planning for retirement course be run.

CAREER BREAKS

It was suggested that work should be undertaken to promote sabbaticals and action should be taken to provide a legal right to career breaks

FUNDING FOR PEOPLE WITH DISABILITIES AND HEALTH CONDITIONS

It was suggested that the Committee investigate introducing a Guernsey equivalent to the UK 'Access to Work' Fund which provides funding to support people with health conditions and disabilities overcome barriers to work

Responses to specific proposals

Continuing to develop Islands' Occupational Health and Wellbeing

This proposal was mentioned in the consultation but was not covered in depth. This is due to the fact that the action is likely to be progressed through the Supporting Occupational Health and Wellbeing (SOHWELL) project; consideration of what action to prioritise will be based on data gathered through the SOHWELL work, knowledge of services, and evidence from causes of sickness absence, incapacity claims and Public Health data. Depending on what is proposed, there may be further engagement at a later date. There were, however, a few comments.

Some people highlighted that they felt that workplace wellbeing was important and it was vital to take a preventative approach to stop people from needing to change role, leave work or claim benefits in the first place. The importance of employers in supporting wellbeing was highlighted.

One person raised concerns about the effect of shift work on older workers. Some felt that the focus should not only be on manual workers and that sedentary office jobs were also of concern.

Concerns were also raised about stress being a factor that led people to want to leave work sooner. It was felt that budget cuts could lead to increases in stress.

It was suggested that coaching people to help them find purpose was key to wellbeing. Reference was made to the recent *Journey to 100* event.

The idea of providing medical assessments for manual workers to ensure that they were fit to continue working and would not make themselves ill by doing so was suggested.

Where it was possible, some employees felt it to be better to keep a person within a role, or at least within the same organization, through adaption rather than finding them a new job.

It was felt that if there were additional costs to keeping someone in work these should be met in preference to that person claiming sickness benefit.

Partnership approach – working with businesses

It was suggested that one way to encourage employers to adopt age-friendly policies would be to introduce an accreditation scheme comparing firms to their peers in order to provide motivation for adopting suitable policies. It was also suggested that there be an award for outstanding practice when it came to employing an age diverse workforce.

Several respondents commented that they were supportive of this proposal *“It is important that employers see the benefits of adapting to people working longer”*.

Some respondents commented that they felt that employers should not just treat older people equally but should pay special attention to including different age groups by adapting jobs to their needs in order to demonstrate social responsibility towards an ageing population.

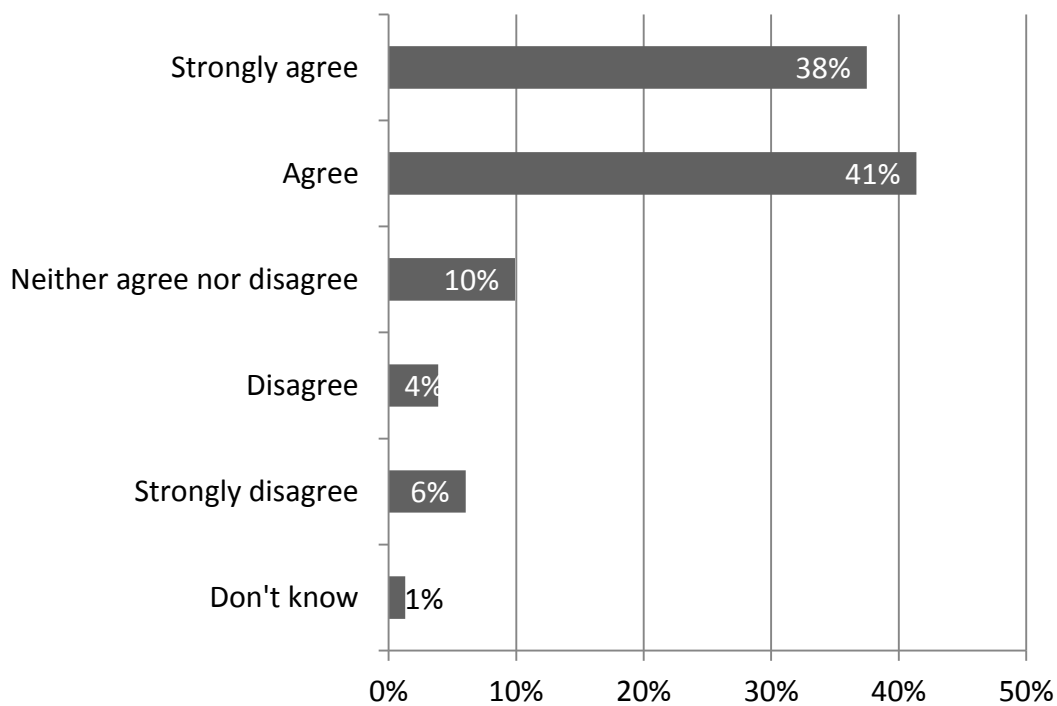
It was noted that cultural change within businesses, not just policy change, was needed – though the two could influence each other.

Flexible working

The majority of respondents to the consultation (79%) agreed or strongly agreed that flexible working could help people to work for longer.

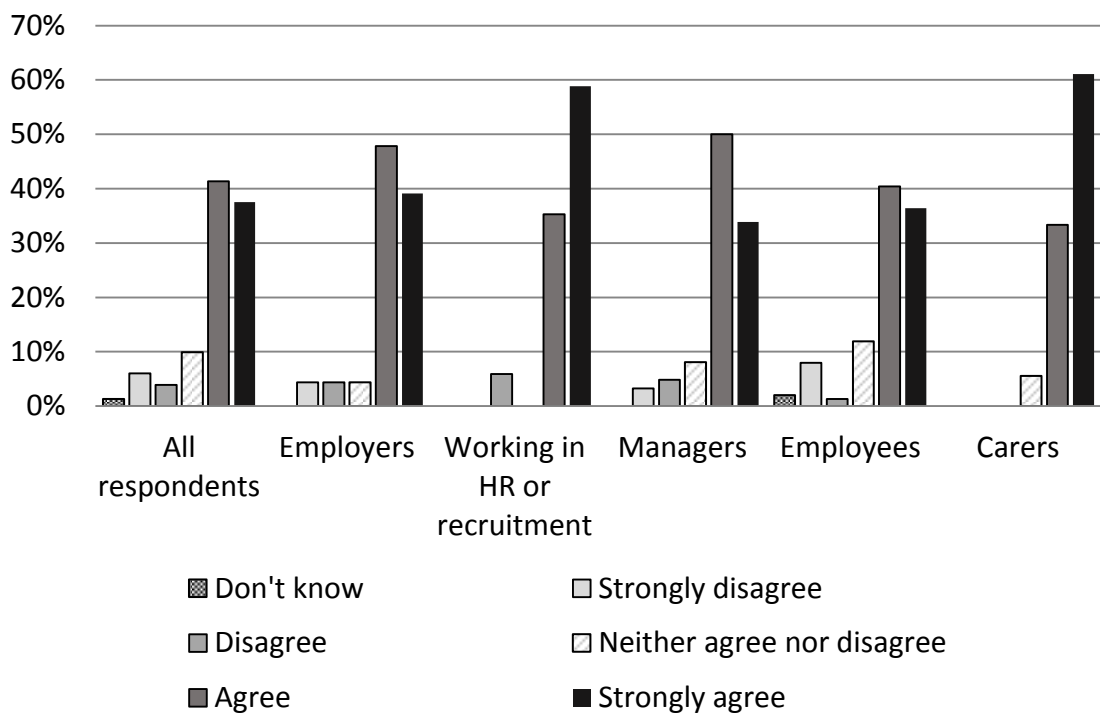
“We think more part-time and flexible working will help people to overcome some of the challenges which prevent people from working for longer.” Do you agree or disagree with this statement?

(232 responses)



Broken down by respondent type we can see that of the people that responded there is significant agreement amongst managers, employers and employees. HR professionals and people who support family members or have childcare responsibilities agreed more strongly. It should be noted, however, that the sample size for these groups is small and that this is not a representative survey.

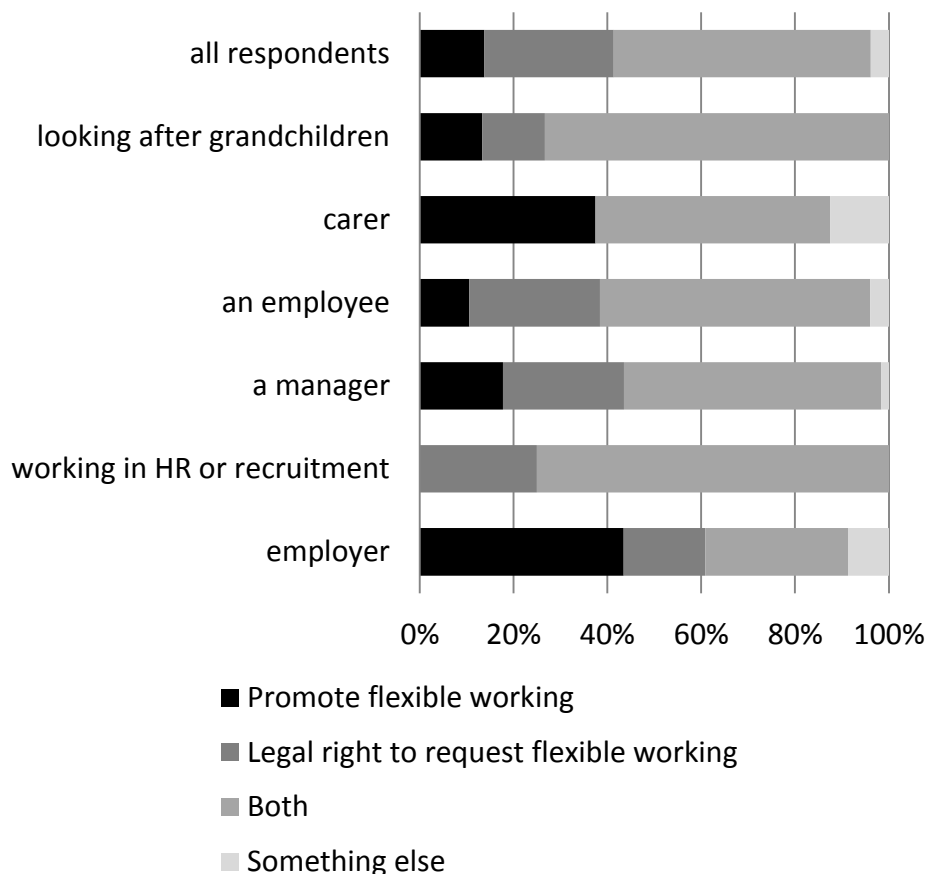
Broken down by respondent type:



The majority of respondents (82%) were in support of the idea of introducing a legal right to request flexible working. Whilst these groups were small and may not be representative, the group most in support of a legal right was HR professionals, and least supportive were employers and carers (carers seemed to be concerned that a right to request flexible working would lead to discrimination against them as employers would see them as 'risky'; employers were concerned about business costs).

The following could be used to promote flexible working – which do you think would work best?

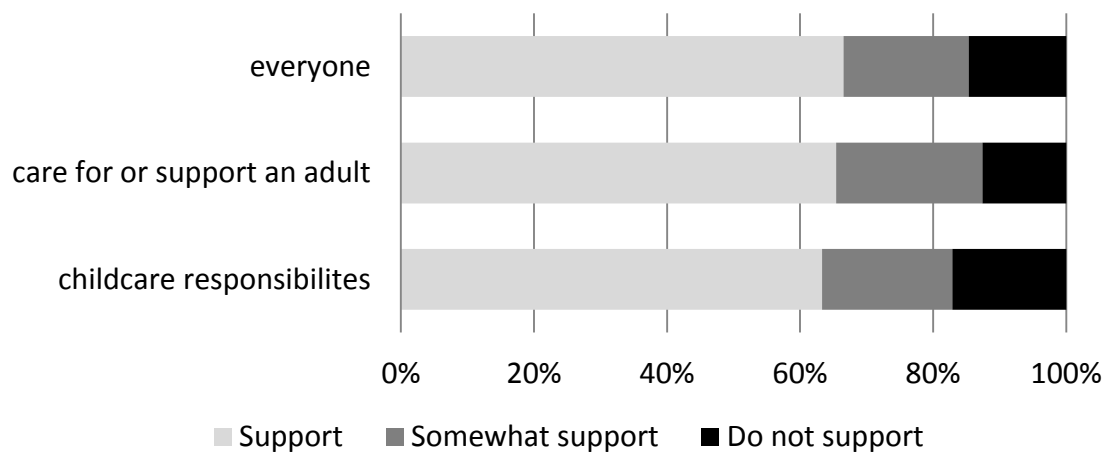
(232 responses)



There was not a lot of variation amongst respondents about *who* should have a right to request flexible working – i.e. a legal right to request flexible working would not be significantly more popular if access to the right was limited to a certain group.

If a legal right to request flexible working were introduced, do you feel this should be available to particular groups of people or available to everyone?

(225 responses)



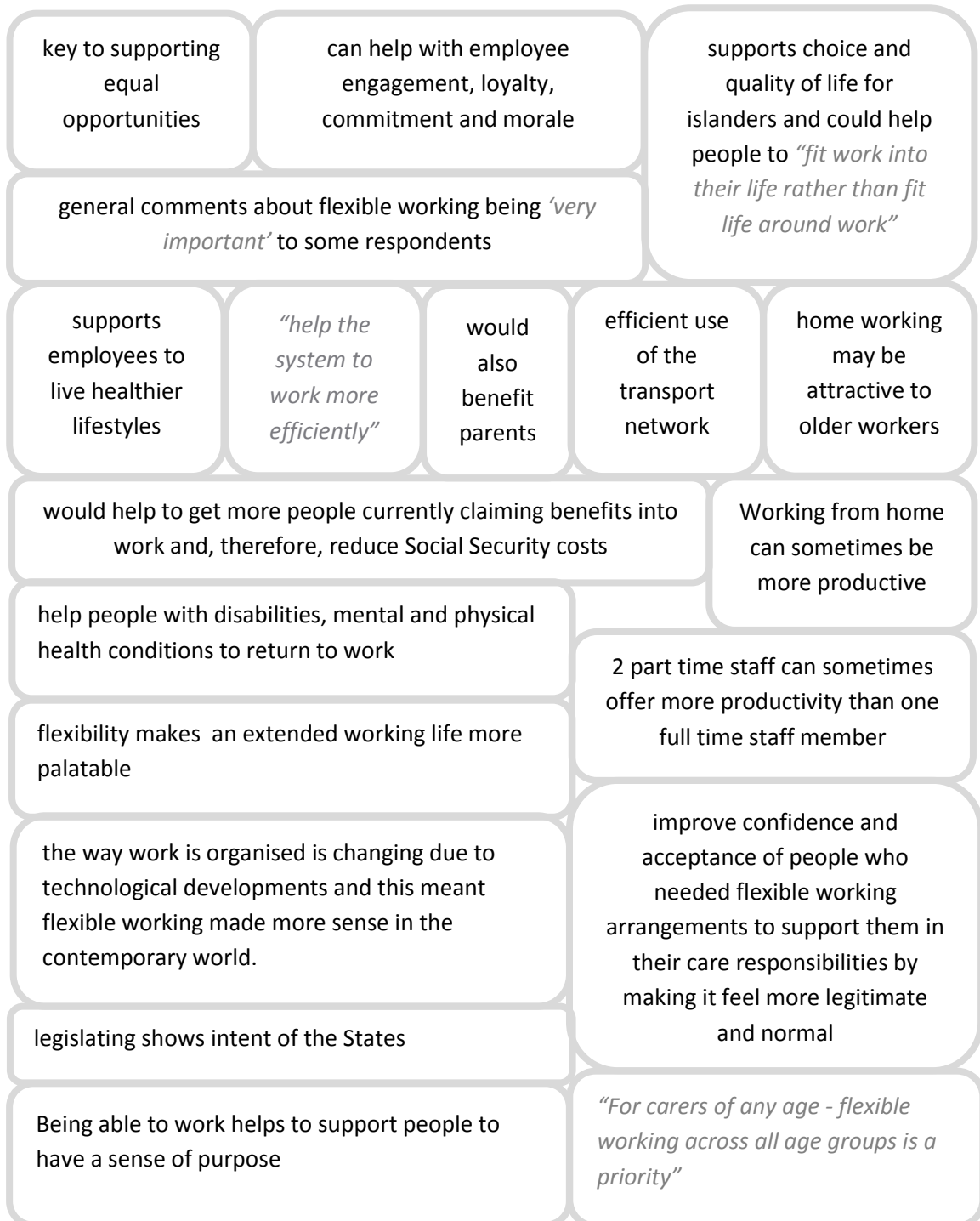
In terms of groups of respondents, HR and recruitment professionals were most positive about a legal right and seemed to be more keen that the right to request flexible working be extended to everyone equally than to a particular group (e.g. carers).

In line with the above, employers were slightly less positive about the legal right being extended, but this did not vary significantly based on who it should be extended to.

Further discussion around flexible working

Some people made comments in favour or against the principle of promoting flexible working.

Points in favour of promoting flexible working:



Concerns about promoting flexible working:



Legislation or best practice?

Many thought that legislation was necessary for change:

“A legal right... will be absolutely essential for any headway to be made in this area”

There was a feeling that employers would not seriously consider flexible working requests unless they were required to.

Some felt that best practice was a better option.

“I do not support the use of legislation to force employers to listen to employees. Our community is small and we have an entirely manageable number of employers for promotion of flexible working to come from government and the third sector.”

It was suggested this was better for smaller businesses. It was suggested that there should be public recognition of firms that are supportive of flexible working hours because this would promote good behavior whilst employers may otherwise discriminate against carers or others in recruitment in order to avoid receiving, and needing to consider, flexible working requests. Others felt that employers were already often offering flexible working because this may be necessary to attract staff.

It was felt that ability to offer flexible working varied by sector and depended on the nature of the business.

Do some groups have more claim on a right to request flexible working than others?

A significant number of respondents expressed a strong feeling that if a right to request flexible working were introduced it should be available for everyone and not just for particular groups. Reasons for this included:

- A general feeling that rights should be universal and equal, and that people may have different but equally valid reasons for making requests that a law should not try to pre-empt.
- There were concerns that there was a risk of singling out particular groups (e.g. carers) because this could make them less attractive to employers thus leading to discrimination against the group.

- There were also concerns that legal rights for particular groups would increase incidence of workplace bullying and resentment from colleagues against those individuals, whereas a universal right would reduce this effect.
- There was a suggestion that the right be available to everyone but that flexible working for particular groups be incentivised.
- A feeling that most people had care responsibilities at some point in their lives so this was a universal need and not the need of a particular group.

Some felt that employees should have to offer some kind of justification, but there might be other reasons which were valid as well as care responsibilities. Others felt that given you generally were paid less for working fewer hours people did not request flexible working unless they needed it for a genuine reason.

There were some concerns that higher-economic-status individuals had more access to flexible working at present and that there would be benefits in trying to extend this to all people.

One respondent felt that they would support people having flexible working for family responsibilities but not if they were supporting a friend.

One respondent felt that people with care responsibilities should have priority access to flexible working.

A few people supported the idea of flexible working for all people who were close to, or continuing to work past, State Pension Age.

A few respondents felt that people should not be given special working arrangements to help them manage childcare as having children was a personal choice and not the employer's responsibility. A few respondents felt that families should be given a priority and that flexible working was important for parents given the financial pressure for both parents to work.

Implementation

The following points were raised that would need to be considered if flexible working were implemented:

- Suggestion that a right to request flexible working should be dependent on length of service with a particular employer
- Ensuring that good, clear guidance is available for employers about how to manage requests, what process to follow, how to evaluate requests, whether requests can be prioritised and what were good reasons for refusing requests.

- Consider whether flexible working arrangements could be reviewed annually rather than agreed on a permanent basis.
- Consider whether flexible working arrangements could be offered on a trial period and then reviewed.
- It was suggested that very small businesses not be required to implement flexible-working arrangements.
- One respondent suggested that employers be allowed to pro-rata benefits as well as pay – i.e. only covering half the health insurance costs of part time staff.
- It was suggested that the States could have a role in developing best practice *“Illustrating how flexible working can work for employers is important; this could be an area for ongoing involvement, to work with employers, run pilots, review where it works well and where not (for employers and employees), to better understand different working models, and continue to inform advisory information and associated initiatives”*.

Other Comments

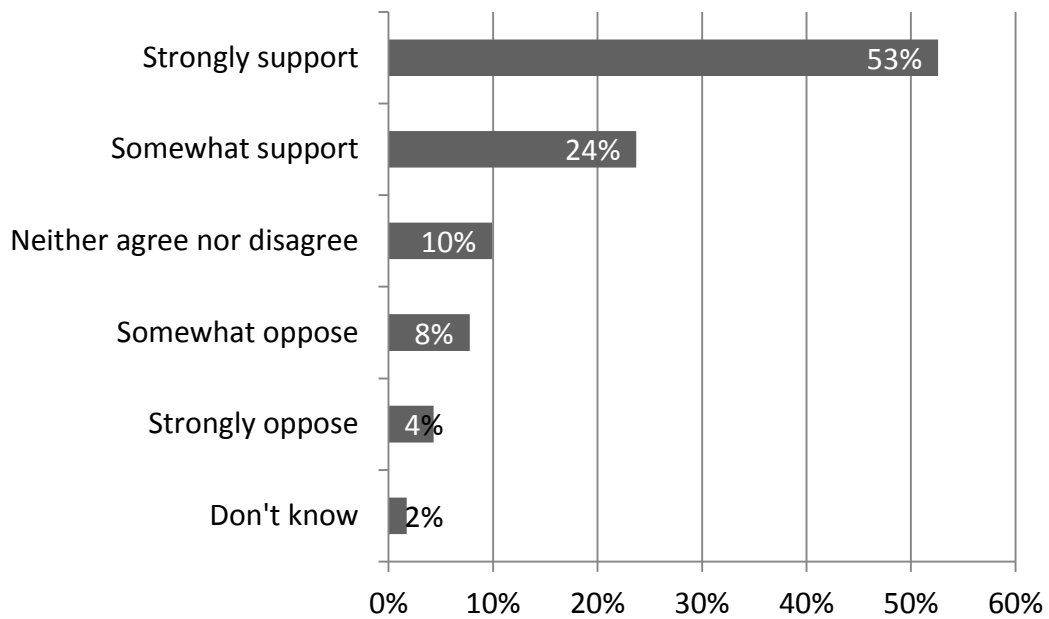
- Flexible working as a measure by itself was felt to be insufficient support for working carers, social care support for the person they were caring for, information and advice were also important.
- The gendered dimension of flexible working was mentioned. Often women were taking on caring roles and family responsibilities.
- Some people felt they were unable to afford to work flexibly, or reduce hours as this entailed lower income and they, for various reasons, had been unable to save for retirement.

Age Discrimination Legislation

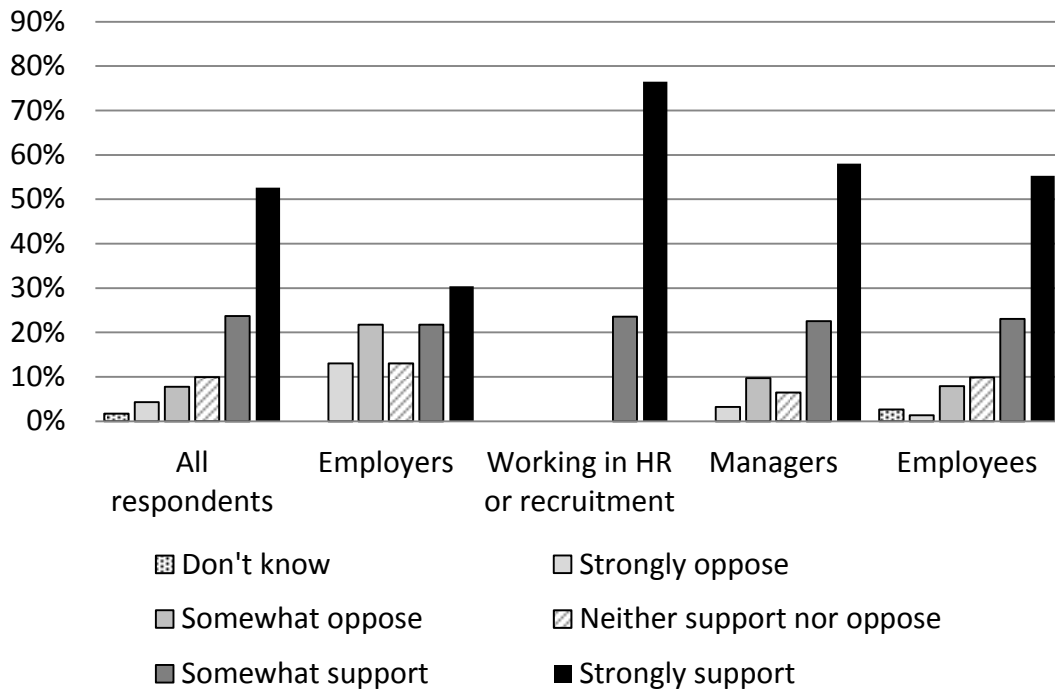
The vast majority of respondents seemed to agree that age did affect employment decisions including, but not limited to, the use of contractual retirement ages. There was more debate around whether age discrimination legislation was an effective way to address this, with 77% of respondents supporting legislation but concerns and debate raised in comments.

Would you support the introduction of Age Discrimination Legislation?

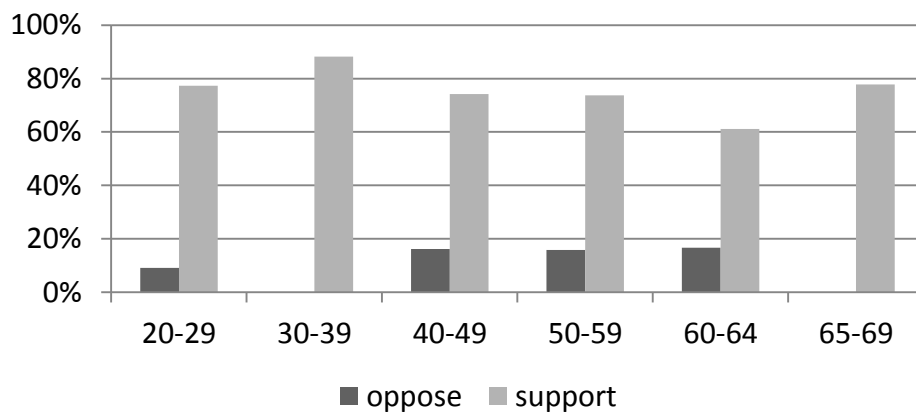
(232 responses)



There was more opposition and less support amongst employers compared to other groups, though 52% of employers who responded supported the introduction of age discrimination legislation.



There was majority support in all age groups though this was not as strong in respondents approaching state pension age.



Equality law

One respondent suggested developing an overarching piece of equality legislation for all protected characteristics rather than focusing only on age discrimination.

Retirement age

There was a division amongst respondents. Some felt strongly that people should be able to choose when they wanted to retire - whether this was earlier or later than State Pension Age. A small but significant minority suggested that they felt that a fixed retirement age (at State Pension Age or higher) was helpful as it helped people to plan retirement, helped employers to plan succession and gave a clear date for a performance review and discussion about continuing with the possibility of contractual working being offered from this date forward. There were concerns that in the absence of a specified retirement age there were overtones of *'work until you die'* and that a set retirement age in some way protected a person's ability to retire and was *'almost an excuse to leave work'*.

Some of those that were supportive of the idea of a fixed/default retirement age were also supportive of legislation which prevented people under the State Pension Age being discriminated against on the basis of age.

As an alternative to retirement ages specified in contracts, some companies already used incentive systems to encourage employees to give good notice about when they intended to retire so that they could use this when planning their workforce. Honest conversations could also help to plan around individual's retirement or progression into new roles or careers. If there was concern that these conversations would make employees suspicious that employers were trying to dismiss them, then it could help to develop a practice of having conversations from an early point in a person's career.

Redundancy and discrimination

There were concerns that age discrimination legislation would not protect older workers from redundancy.

Some felt that discrimination was likely to happen through other routes if age discrimination legislation were introduced *"no policy, regulation and assistance will stop older workers being discriminated against"*.

Insurance

There were concerns that Permanent Health Insurance and other forms of insurance were more expensive for older employees, or were not provided by insurers for people beyond a certain age. This meant that to provide the same benefits package to older staff would not be possible or would be more expensive. Some felt that older people should be provided with the same benefits, others felt that it would be against the interests of older employees to require employers to provide the same insurance for them, as this would likely incentivise discrimination.

Dependent on sector

Some respondents felt that the issues associated with age discrimination were very sector-specific as age-related conditions had little effect on the ability to perform in some roles, and more effect on others.

Points respondents made AGAINST introducing age discrimination legislation:

“having a fixed retirement age also ensures a turnaround in staff and vacancies”

concerns about job availability for younger workers, concern about career progression, the need for people to step into different or less demanding roles as they approach the end of their career

Concerns around the dignity of employees being managed out on grounds of performance. For example:

“I think big issues will arise with older workers no longer being able to do the job. This can result in problems for both the worker (anxiety about technology, performance issues), and the employer who will have to potentially end peoples career on a low point by using performance as a reason to terminate a contract rather than a planned retirement at a younger age.”

“a bitter end to a long and fruitful career”

There were concerns that an individual would not be able to accurately judge whether or not they were continuing to perform well.

Concerns about ‘red tape’ and business costs associated with legislation:

“Before we introduce age discrimination legislation I would like to see some meaningful statistics of incidents. Additional laws increase costs to doing business - Guernsey needs to avoid replicating the complex red tape in other jurisdictions”

“must not be too restrictive upon small employers”

“excessive burden of legislation”

“Legislation simply leads to cost to the employer, employee and State”

some job roles take a significant time to train someone into and recruiting older people into these roles would mean that the cost of training would never be recuperated

organisations that discriminate will continue to do so but offer alternative explanations to mask their treatment of older workers: *“no policy, regulation and assistance will stop older workers being discriminated against”*

“their salaries and perks built up over many years far outweigh what a new younger staff member would earn. The younger staff member would often reach the level of competency quickly”

some job roles take a significant time to train someone into and recruiting older people into these roles would mean that the cost of training would never be recuperated

Concerns, from the employee’s perspective, about the quality of performance management and the potential, if performance management became more of a focus, for this to be used to ‘*get rid of staff*’

age discrimination legislation would allow younger people to challenge decisions made which favoured older workers

legislation would make short term contracts and zero hour contract working arrangements more attractive to employers in order to avoid performance management

older people may benefit from different kinds of roles so there should be a focus on initiatives specifically targeted at older workers rather than a focus on equalising different treatment

employers will be more confident about employing older people on contracts – legislation could lead to unintended consequences

Where contractual retirement ages are used, it was noted that both parties choose to sign the contract

“larger organizations will find ways around this with no problem at all for instance a fixed term contract”

Points respondents made FOR introducing age discrimination legislation:

Some people mentioned incidences of people being asked to leave because they had reached a contractual retirement age. *"I constantly see valuable resources being forced to retire at 65".*

"age discrimination would also protect younger workers"

"Guernsey wants to sell itself as a progressive powerhouse where new industries evolve. Our out of date discrimination laws directly oppose this."

Many respondents felt that using age to make employment decisions was arbitrary and the important factor was performance:

'arbitrary cut off date of 65 seems nonsensical to me'

'I know 90 year olds who look after their 65 year old neighbours'

'Dad is 72 years old and he is fitter than me'

legislation was necessary as employers would not follow best practice guidance without it

"I cannot see attitudes changing quickly enough without legislation in place."
Attitudes were felt to be important in making sure that opportunities were available to older people and it was felt that legislation was important in driving attitude change.

Some respondents were positive about age discrimination but were cautious about the need for there to be good performance management alongside this to ensure that people who stayed on were capable of doing their work. *"something included in the legislation to say that an Employer has rights if someone was to continue working but ended up not being capable"*

Some supported all discrimination legislation and fundamentally believed in equal treatment

access to work is vital to help to support wellbeing - legislation is necessary on these grounds

There were concerns about a myth many employers believed about people 50+ having 'less years' left compared to younger workers, when younger workers may leave their jobs for other employers, to relocate, or for family reasons.

“the more choice the better”

age discrimination legislation would offer more choice for both employees and employers with regards employment decisions.

“Mature people have a lot to offer in the workplace”

“older person is better placed to deliver in certain sectors”

Some felt that attitudes needed to change towards ‘retirement age’: *“I have already encountered an attitude from some colleagues that I will ‘be retiring soon’ despite the fact I have never mentioned it. I would like to work to age 70 and feel capable of it, and have kept up all my skills in anticipation of this”*

Some suggested that the legislation was necessary to deal with the public financial situation and the need to support people to have good income post State Pension Age.

“no protection for individuals” without legislation

Legislation would assist older employees to gain access to training

Doesn’t affect employers who have already adopted best practice, it would level the playing field.

Could save money on health and welfare and lead to long-term economic expansion.

Other comments:

- *“Don’t consult just introduce the law”*
- Employees were concerned that older staff members may not receive the same sick pay or health insurance as younger workers.
- There were concerns that people were being kept on by the same employer but moved from a permanent position to a short term contract in which the remuneration package offered was less even though the work and hours undertaken was the same.

- It was suggested that employers be given the right to reduce a person's contracted hours once they reached a certain age.
- There was a concern about timing and that if the pension age were introduced gradually and age discrimination legislation were not introduced before 2020, this would give employers the opportunity to dismiss older members of staff before the legislation is introduced.
- It was requested that if legislation was introduced, good quality guidance was issued to employers about how to manage changes. A source of ongoing guidance and a place to direct enquiries would also be helpful.
- It was suggested that employers and employees did not understand the current position on using ages in contracts well, and that education on this could help employers to manage the process better.
- If legislation is not introduced it was suggested that there would be need for significant change to culture and attitudes.
- It was noted that there were special rules around judiciary at the moment and the use of peer reviews to determine competency was discussed.
- It was queried whether, if a law was introduced, this would have implications for existing contracts with ages in or whether it would apply only to new contracts.
- It was felt that if an employer wanted to retain an employee at present they would extend a contract when they reached retirement age. Consequently, it was felt that this was not a priority compared to other proposals.

Mid-life reviews

Overall reaction to mid-life reviews

Many people showed support for the idea of a mid-life review and thought that having this information and option available would help.

Some respondents raised concerns about mid-life reviews, the following points were made:

- mid-life reviews are a good thing but not enough on their own to support people to change career when they need to
- may be effective to provide more mid-life training opportunities and apprenticeships rather than promoting mid-life reviews
- a State-funded Careers advice service which was specifically targeted at older people would be more effective than mid-life reviews
- concerns about the cost of providing mid-life reviews and concerns about the service being contracted to the private sector
- concerns that the reviews not offer specialist information from people who were not qualified to give this information as this may give the government a liability for people making poor decisions if this was based on poor advice, recipients also needed to be able to trust the advice they were given.
- concerns that the reviews would need to meet such a diverse range of needs in order to be effective that they would not be workable
- some people may '*adopt the "ostrich" position*' and not engage with planning for their future. Some felt that there needed to be a clear reason or incentive for people to participate.
- mid-life reviews would not help people who had 'golden handcuffs' (i.e. mortgages, and other financial commitments that require them to earn a higher salary).
- some felt the concept was patronising
- there were concerns about the cost implications of creating a facility that people actually wanted to use.
- There was a suspicion that mid-life reviews would be seen as an 'HR tool' and people would avoid them, believing that they were not in their best interests.

- It was felt that the mid-life review was not necessary as the information and advice was already available if people went looking for it and it did not need to be formalised.
- There were concerns that family responsibilities meant people could not change career in mid-life

Age of review

There were a number of comments that suggested that there should be information and advice about pensions, savings, finances and career planning from school upwards – particularly given the expectation that people may change career several times in their lifetimes.

It was suggested that an online pension calculator be provided to help people to work out how much they needed to save in order to have a comfortable retirement. It was also suggested that the amount the States pension pays out should be more widely publicised in order to highlight that this was not enough to live on.

Others suggested that the reviews start at a younger age, with suggestions about 30 being an important age; that two reviews be offered one earlier and one later; or that reviews be offered every 10 years from age 30.

Content

With regards the content of the reviews the following comments were received:

- It was suggested that the reviews include career guidance with referral to the Careers Service but was noted that it was perceived that the Careers Service tended to focus on school-aged people and graduates at the moment.
- It was suggested that the review could help people to create a plan focusing on what a person would need to do to achieve their goals and when.
- Several people highlighted the importance of a financial element and thought this should include:
 - Pensions advice
 - Mortgages
 - Equity-release
 - Access to pension statements
 - Costs of long-term care to plan for
 - Financial changes to plan for (e.g. loss of health insurance when you leave employment)

- Savings schemes
- It was suggested that the different types of flexible working could be considered in a review
- Care and support options for relatives
- Helping people to transform 'bad habits'
- 'peaceful parenting workshops'
- How to change career
- Health - Current health and how to keep healthy in old age; occupational health advice if needed
- Writing a will
- Capacity legislation
- Access to training courses
- The projected cost of living was requested
- Job satisfaction *"let's try to make people HAPPY in work"*

Who should deliver?

There was some discussion about the idea that employers provide the service for their staff. Some felt that employer-led mid-life reviews would be a helpful way to manage performance. Others were concerned that this would be inappropriate as the advice provided would not be impartial.

Some respondents were concerned about the idea that private sector firms could offer mid-life reviews but not provide impartial information, which could lead to people making bad decisions. An accreditation was suggested, which people needed to earn to prove that their service was a particular standard in order to be able to offer reviews.

Delivery

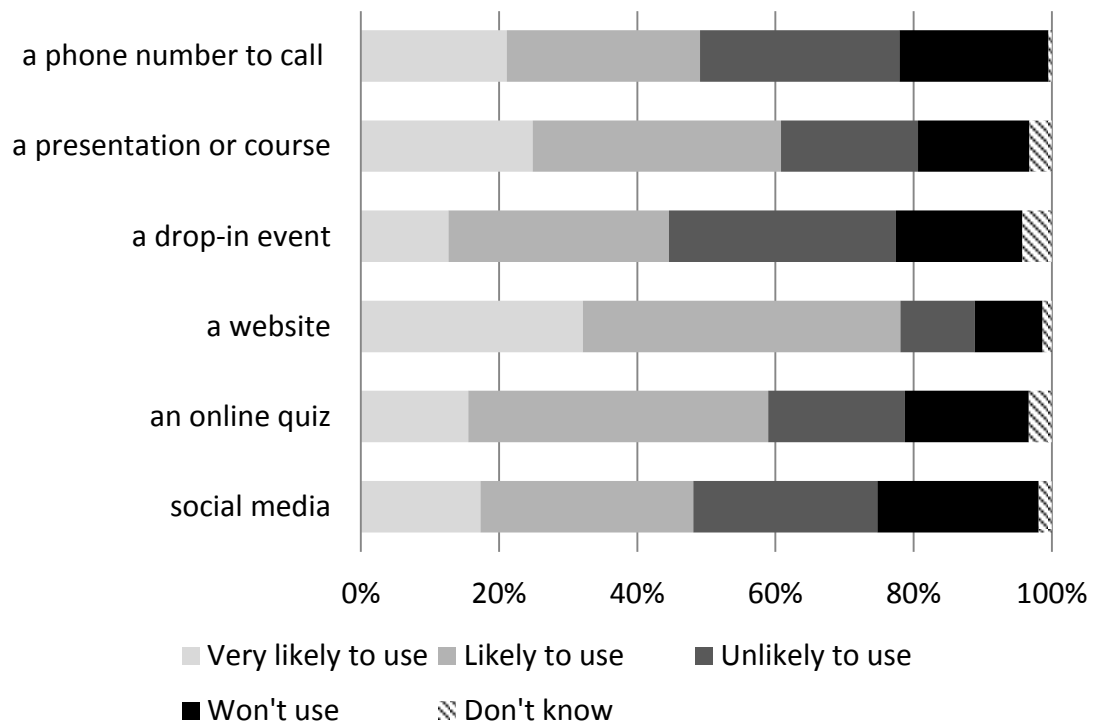
- Several people commented that they would prefer to see someone one-to-one and face-to-face than to use a group or web or phone based delivery.
- Involving people in their 60s to give advice in mid-life reviews was suggested.
- It was suggested that case studies should be publicised around islanders who had successfully made changes in their career, and how.

- A number of respondents suggested that a website would be insufficient and there would need to be some post/e-mail/ phone-call contact in order to engage people.
- It was suggested that having a few different options of how to engage with the information would be important (e.g. a website, a presentation, a hotline)
- Some suggested a questionnaire which could be analysed and then discussed.
- Some felt it should be mandatory, others voluntary.
- Could be marketed through tax returns
- It was important that it be personal, relevant, independent, objective, approachable
- It was suggested that there might be trigger points at which someone could be directed for a review – e.g. becoming a carer, divorce/relationship breakdown
- Some felt there should be the option for follow ups after a review
- Multimedia presentation of information was thought to be helpful as it made the information more accessible. Some preferred a printed format.
- It was highlighted that there needed to be inclusive options as not everyone had numeracy or literacy skills to read through complex information themselves.
- It was suggested that GPs could socially prescribe mid-life reviews.
- Need to ensure there are not issues with waiting times.

In terms of format, of those listed the website seemed to be by far the most popular option across all age groups.

If you were undertaking a mid-life review, which format would you be most likely to engage with?

(229 responses)

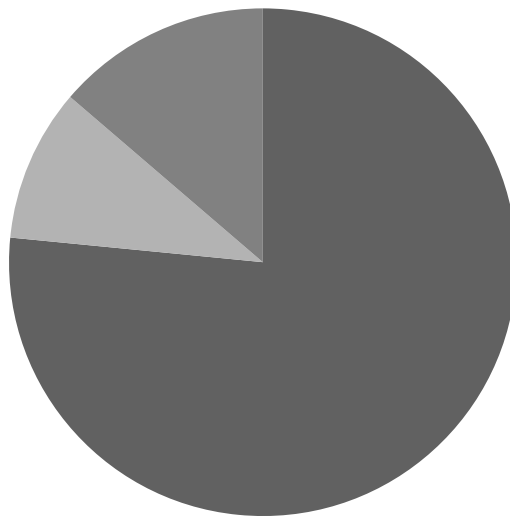


Financial impact on those unable to continue

Most respondents supported the idea of reviewing whether there was a possible way to limit the financial impact for those who will be most affected by the change in the State Pension Age.

Would you like to see us review whether it is possible to limit the financial impact for those who will be most affected by the change in the State Pension Age?

(226 responses)



- Yes, I would like to see you review this
- No, I do not think there should be any additional support
- Don't know

Be proactive in making people aware of support available

It was suggested that there was a need for Social Security to be proactive in making people aware of the support available – both for people who were at risk of leaving the labour market early, but also for old age pensioners who have been unable to save for a second pension.

Support for a review

- There were some concerns raised about the pension age increase being too high.
- Some felt that the increase in pension age adversely affected some more than others and that the States should compensate for this.
- Some felt there was a need for a transitional arrangement to support people as people got used to the new, higher, pension age.
- Some respondents felt that it would be unfair to ask a person to re-train to a different career if they had become unable to continue in their original career.
- Several respondents were clear that they would only support financial assistance for people who were genuinely in need and were below a means-test threshold.

Arguments against undertaking a review

- Some felt that people in this age group should not be treated any differently from other benefit claimants if they were in need of support and could have access to invalidity benefit or other incapacity benefits if they were unable to continue to work. Benefits should provide a 'safety net'.
- There were concerns about the costs of investigating this option.
- There were also concerns about the cost of delivering this option given the existing sustainability issues with public finances.
- There were concerns that benefits could impact a person's incentive to save if too generous.
- One respondent was concerned about universal benefits giving money to those who do not need it.
- Some felt strongly that people should be re-employed wherever possible before considering providing benefits.

It was suggested that support for people unable to work up to State Pension Age should include alternative employment, voluntary work, community service or 'time banking'.

There was a suggestion that it would be better to focus on prevention of people ending up in the situation where they were unable to work than to need to provide support for people through benefits.

Some respondents felt strongly that financial support for those most affected and unable to continue working should be a priority.

One respondent suggested lower retirement ages for manual workers.

There were concerns about the current rate of benefits paid being insufficient.

Some respondents suggested their support would depend on which options were being reviewed and for whom.

One respondent suggested that: *"There needs to be a much wider review of welfare/pension reform that also includes the impact of technology on employment and the health consequences of a penal welfare system. We need to have a more generalised basic income pilot and a huge focus on how we can use things like the sharing economy to reduce cost of living to tackle this in a much more progressive way than this. The challenge is much bigger than we realise."*

Retirement Planning

There were comments suggesting that an easier way to access pension statements should be made available, preferably via the internet. It was suggested that a good time of year to publish statements would be just before most people completed their tax returns.

Pension education for people throughout their lives was felt to be key as well as better public understanding of how the UK and Guernsey pension systems interact.

There were some comments about people not understanding their social security contributions.

Self-employment

There were concerns that self-employed people had less access to health insurance or private pension schemes and were often less able to save for their retirement. This means they could be disproportionately affected by increases in State Pension Age and could face challenges if the State Pension were not sufficient to live on.

One respondent felt that *“The big issue is the penal rates of tax/social security self-employed face post retirement (if before statutory OAP age) should they try to work on their own account.”*

There were suggestions that there should be more support for people going into self-employment and support for older people to start-up businesses.

Comments and concerns about other policy areas and workstreams

These concerns connect to other work that is underway and have been grouped approximately according to Committee mandate.

Committee *for* Economic Development

Economic Development

Job creation - Some respondents highlighted the needs for more of the 'right kind' of jobs to be available for people to work in if people were to continue to work into their late 60s.

The need to address the **cost of living** in order to ensure that services and housing were affordable was highlighted as being important to enabling people to retire comfortably.

The general **need for a strong economy** to allow for growth and job creation was highlighted.

There was some concern that the ageing workforce would affect some industries more than others, and **industries which could not attract younger people** into them would suffer.

Committee for Employment & Social Security

Financial education

The need for good quality **financial education**, not only about pensions, but also about mortgages, taxation, social insurance, credit cards and banking was suggested as being important and it was suggested that there was a lack of impartial advice and guidance at present.

Secondary Pensions

Supporting people to **take out pensions** in order to support them to have a better retirement income and have more choice over when to retire was suggested (N.B. the Committee is currently developing a Secondary Pension scheme – www.gov.gg/secondarypensions).

Good information about the secondary pension scheme and about additional contributions were thought to be key.

Upper income limit for the State Pension

One respondent suggested introducing an **upper income limit for the State Pension** which would mean that people with annual income over a certain threshold could not receive the pension.

It was also suggested that people be given the opportunity to **permanently waive their right** to a State Pension if they did not need the income.

Workforce maximization and unemployment

Some suggested that they would like the States to focus on getting **unemployed people (under 65) into work** rather than trying to maximize the workforce by increasing pension age.

Claiming benefits

There were concerns about the stigma associated with claiming benefits. There was also a feeling that people unable to work beyond 65 should **not be judged** and that *'unfortunately Social Security has a poor reputation and are seen to look down on people out of work'*.

Contribution period for full State Pension

Some respondents commented on the fact that the **45 years of contributions** made it difficult for people to get a full State Pension. It was suggested that at the least there needed to be wider public understanding of this and the ability to make up missed contributions.

There were some concerns that more people did not **start paying** in to the insurance scheme until later than in previous years (due to spending longer in education) and that this had an impact on the sustainability of the scheme. Some suggested that people who started paying into the scheme earlier should be able to stop paying into the scheme sooner. One respondent suggested that people should be expected to work 50 years and those starting sooner should be able to finish sooner.

There were concerns raised about the difference between the employee and **self-employed contribution rate**.

There were concerns raised about whether **refunding contributions** to those who were working in the island temporarily was appropriate.

There were suggestions that the Social Insurance system should be opt-in and that **contributions should be voluntary**.

Equality and Rights organization

“there have been no programmes by the States to train / raise awareness of diversity initiatives with local employers. This is fundamental. Until people can see and understand how a diverse workforce might look, feel, behave and perform, there is no perceived need to change. And until change happens there will remain a significant and useful chunk of the population which is underutilised.”

Sufficiency of State Pension

It was suggested that older pensioners had been led to believe that the State Pension would provide sufficient income to live from and that they may need **additional support** due to lack of preparation for retirement.

There were general concerns raised about the State Pension being **insufficient to live on** and that this would leave people feeling that they were required to continue working, even after State Pension Age.

It was noted that **not being able to afford health insurance or private pensions** was common and it was argued that this was not the fault of individuals, but that the increase in the State Pension Age gave them less choice about when to retire.

Primary Care and Health insurance

Health insurance costs for people over 65 were a concern, particularly given the impact this had on employers remuneration packages and the perceived costs of employing older workers.

The cost of access to Primary Care was suggested to be a barrier to the continuation of working. There was felt to be a contradiction in messages coming from the Committee due to the discussion to simultaneously suggest that they wished people to work for longer alongside speaking about **the removal of the consultation grant**.

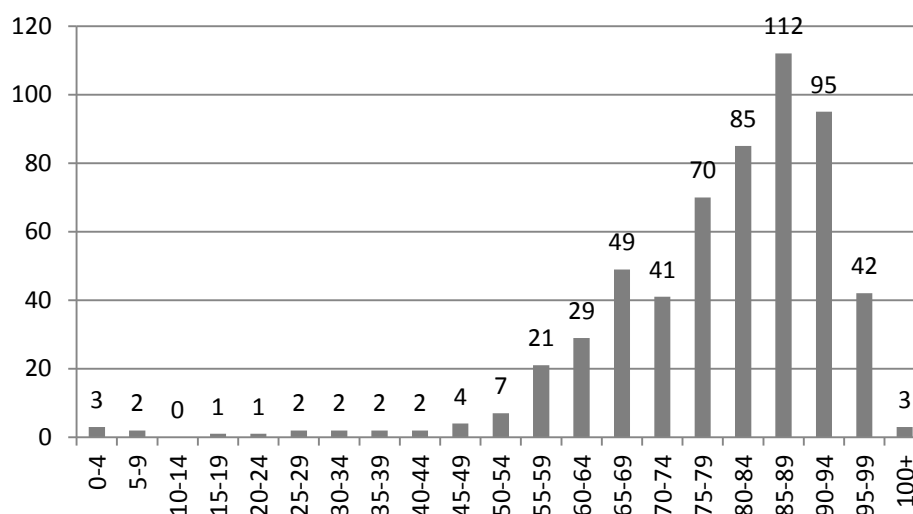
It was suggested that the States stop funding health care provision where people are being treated for **illness related to smoking or drinking**.

Pension age

A number of respondents commented on the previous decision to increase the State Pension Age which the States has legislated for. Comments included:

- A feeling that people were **entitled to a reward for working long and hard** and that this was being taken further away.
- Concern that by increasing the State Pension Age the States was **transferring cost to private business**
- Concerns that increasing the pension age was **not fair on younger islanders** if the deficit in the fund was caused by older islanders not having paid in enough over their life-times.
- It was suggested that **increasing pension contributions** would be preferable to increasing pension age.
- General objections towards the increase in pension age
- Objections that pension age was being increased and that a **perception that this was to subsidise life choices of people who were claiming benefits**. Suggestions that benefits be stopped or cut in order to protect the pension.
- Concerns that **not everyone would be able to continue** until 70.
- Concerns that increasing the pension age would **reduce morale** which would affect health and productivity.
- *“70 would make retirement age in Guernsey the oldest in Europe”*
- It was suggested that pension age be made *“20 years below Guernsey’s life expectancy”*
- Concerns about **people dying before they reach pension age**. This included a request for data on age of death. Of the 573 deaths of Guernsey residents who died in Guernsey registered at the Greffe in 2016 the age profile was as follows:

**Age at death, 2016 -
Guernsey residents who died in Guernsey**



It should be noted that the following caveats apply.

- This is only one year's data and may not be representative.
- The profile of age at death may change significantly by 2049 when the pension age reaches 70. It is difficult to take all factors into account to do this accurately (changes in lifestyle, developments in medicine etc.).
- Retirement age may sometimes influence age of death.
- Deaths of people resident in Guernsey is not the same as deaths of people eligible for a State Pension – some people may be resident without being eligible for a pension, others may live elsewhere in the world and be eligible for a Guernsey pension.

Information for people who have pensions in other jurisdictions

It was felt that there should be better information about how pensions worked for people who had spent some time working in the UK, Jersey or elsewhere.

Concerns were also raised about the fact that some women expected to retire at 60 in Guernsey and their pension age had now been raised beyond 65 – more than a five year increase. It should be noted that the state pension age for men and woman has always been the same in Guernsey (it was originally 70, was reduced to 65 and is being gradually increased from 2020 to return to 70). It used to be different in the UK where women could retire at 60 and men at 65. Women who have spent some of their working lives in the UK may have their UK pensions, administered by the Department for Work and Pensions, affected by the decisions on state pension age made by the UK

government. This might mean that women who have moved to Guernsey from the UK may have a more complicated picture with regards to accessing their pensions.

You can find further information about UK State Pension age here:

<https://www.gov.uk/state-pension-age>

The pensions team can assist with enquiries around how the UK and Guernsey state pension link (01481 732506; socialsecurity@gov.gg).

Equality and Rights Programme

Some consultees noted the importance of **Disability Discrimination** Legislation in supporting people to work for longer.

Some consultees felt that there was a need for comprehensive anti-discrimination legislation to be brought forward.

SLAWS / Long-term Care insurance

Some respondents objected to the fact that if they worked hard for longer they may then have to use their savings or property assets **to pay for long-term care** and would not benefit because the States would meet the cost otherwise.

One respondent raised concerns about the profit levels of care homes on the island.

Policy & Resource Committee

Cost of government

There was the suggestion that the States could **operate more efficiently** to reduce tax spending. It was suggested that by efficiency savings enough could be gained to prevent the need for a pension age increase to sustain the pension fund.

Others felt **tax increases** were necessary to support public services.

There were concerns raised about the States of Guernsey **employee's pension scheme** being more generous than those available in the private sector.

A **Guernsey University** was suggested as a way to bring more younger people onto the island.

Revenue impact of career change

There was some concern that if people were changing career more frequently in their working lives then this would **affect tax revenue** as they were likely to go through periods of earning less.

Tax on pension contributions

It was noted that under the current system people contributing to a pension fund must claim from that fund and ceased to be eligible for tax-relief on contributions at the age of 75. It was queried whether, in future, this age would be too low.

Carers Strategy

One person who had experience of being a carer highlighted that flexible working was not enough to prevent a carer from approaching burn out and that there was a need for more professional/social care support. They also highlighted that *“I was in no state to search out [support] by the time I was in most need”*.

One person queried whether there should be a *‘top up on the pensions contributions of someone who leaves work to become an unpaid carer’*. In response – it should be noted that if that carer claims Carers Allowance from Social Security, they will receive a credit towards their pension at present.

Committee *for* Health & Social Care

Diet

It was suggested that to support people to live longer healthier lives the States should **increase the cost of unhealthy goods** and encourage people and communities to **grow and share food**.

Mental Health

It was suggested that Guernsey **trial using psychoactive drugs** to treat mental health conditions.

Committee *for* Education, Sport & Culture

Childcare provision

Some respondents highlighted the **high cost of childcare** and its impact on the workforce availability.

Technological capability

It was felt that the issues to do with **older workers struggling with new technologies** were likely to be ongoing and not necessarily limited to this generation of older people as technology was constantly developing. Ongoing support for people to keep their tech skills up to date was suggested. It was also highlighted that many older workers had good skills when it came to using smart phones and it would be helpful for training to build on this.

It was suggested that it was worth finding ways to use the skills that older people do have in ways that complement the skills of younger workers.

Committee *for* Environment & Infrastructure

It was suggested that **public transport links** were key to support people to work for longer.

Overseas Aid Commission

One respondent was concerned about the fact that money was allocated to the Overseas Aid Commission and was not used in the local community.

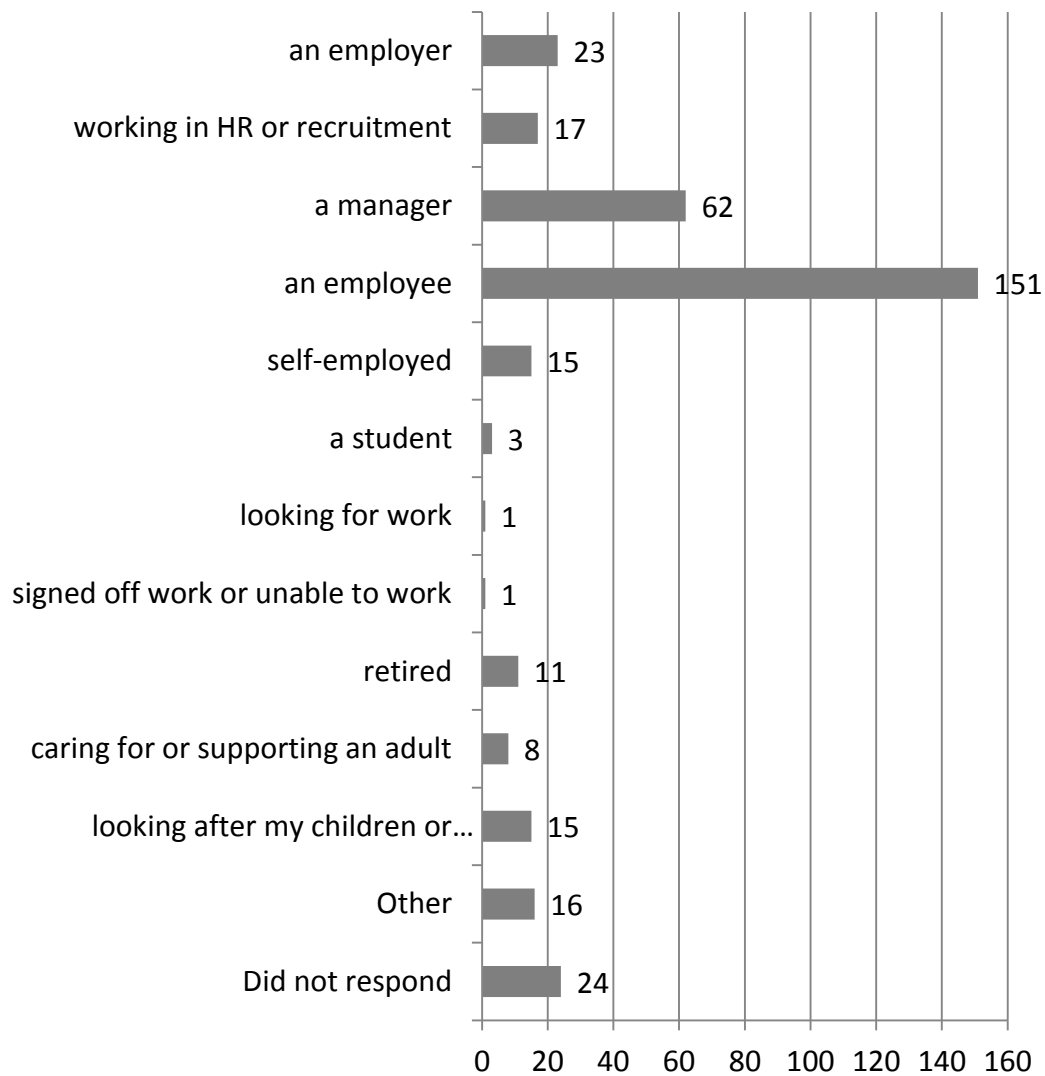
Profile of online respondents

The majority of online respondents were middle-aged employees who work primarily in offices, but responses were received from a range of others.

Economic activity of respondents

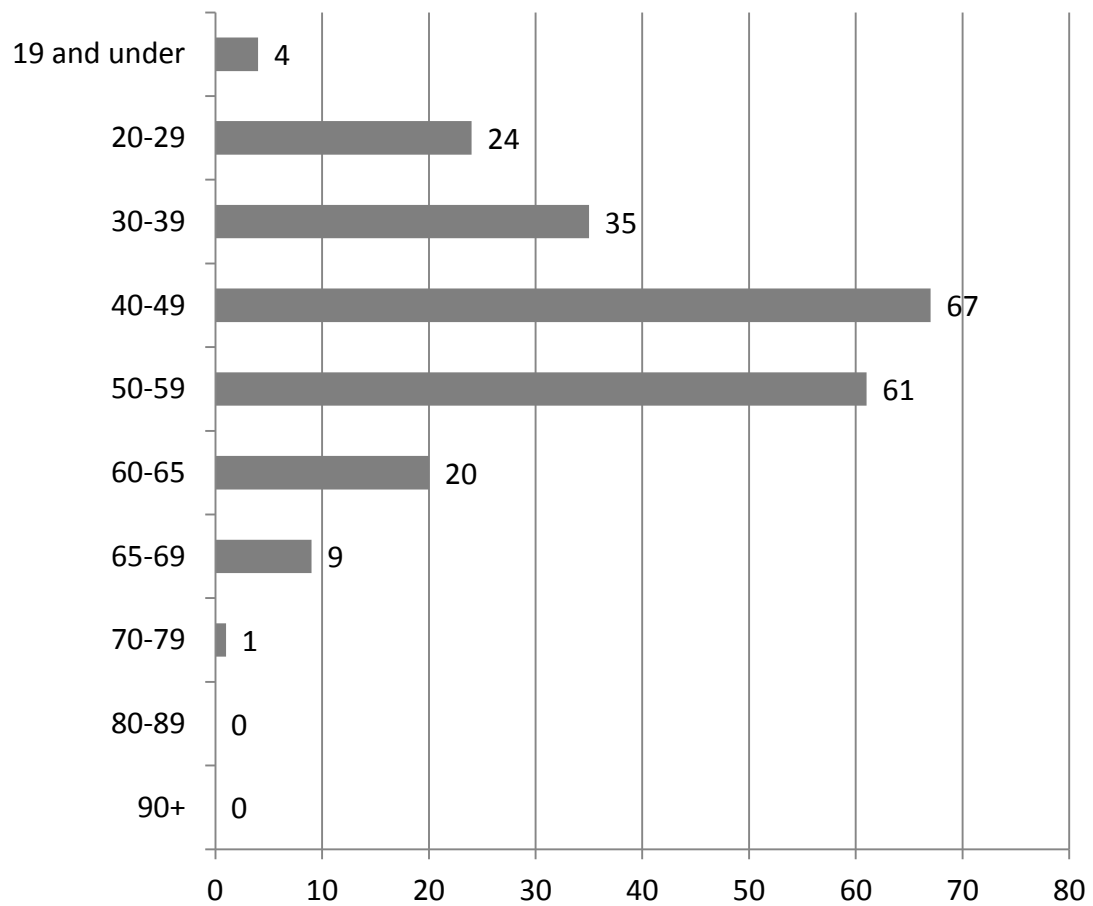
Respondents selected all that applied.

(no. of respondents out of 248)



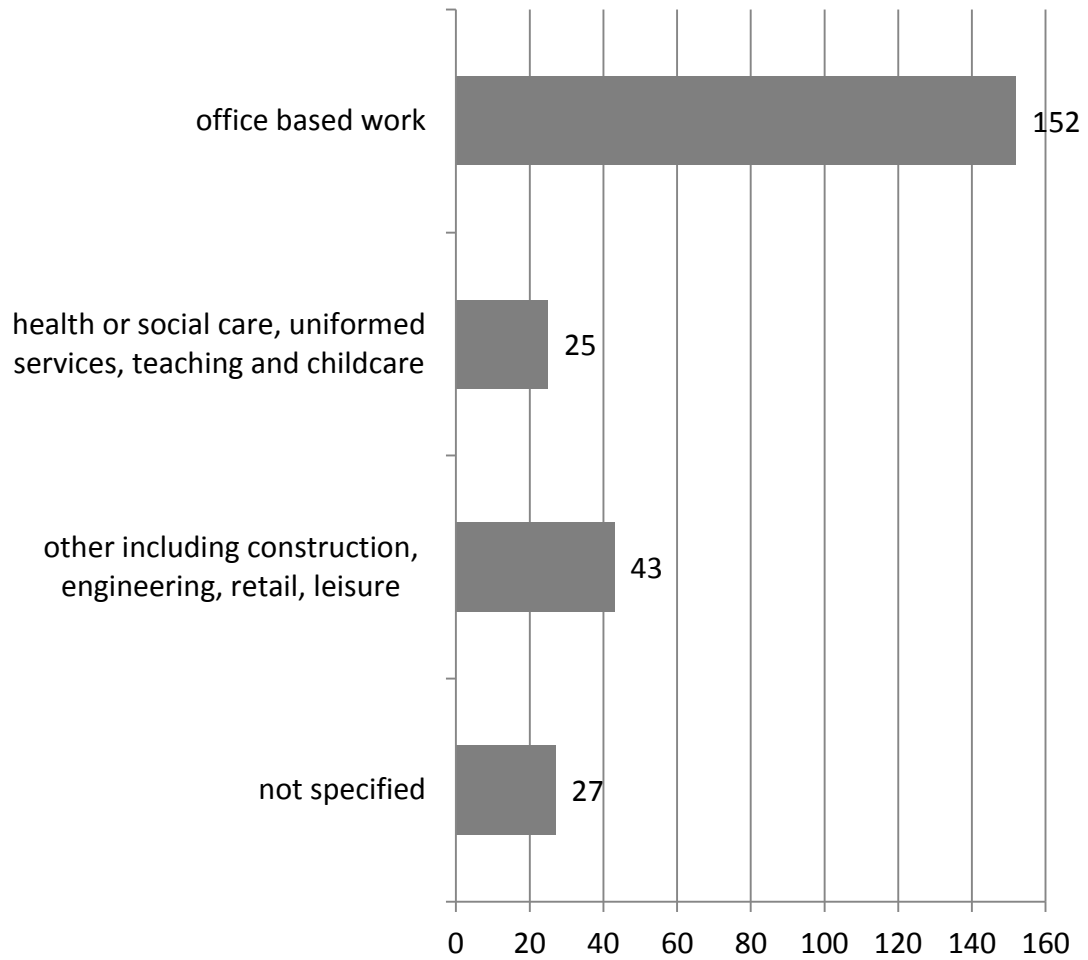
Age of respondents

(no. of respondents out of 248)



Type of work

(no. of respondents out of 248)



Key Performance Indicators

It is intended that the Committee will review these Key Performance Indicators annually to help to understand how the situation is changing.

Trends have been included where available, but it was not possible to generate a historic data series for all indicators. It is worth noting that, whilst, for the most part, the KPIs are either stable or already trending in the desired direction, once the State Pension Age starts to rise in 2020, it may become more challenging to keep trends stable.

As the pension age is rising at a rate of 2 months per year, it is not clear yet whether it will be possible to break data down to align with the State Pension Age as it increases. This is because, for example, people in the five year age bracket before pension age could be 63 and 4 months – 68 and 4 months, which may be more complex (or impossible) to extract from the data systems compared to the relatively easy 60-64 age bracket. As the pension age is moving, it will also mean that people who are 5 years younger than the current pension age during the transitional period will not actually be able to claim their State Pension in 5 years' time (rather, it will be in 5 years and some months' time). It may be that five year age bands will need to suffice if more detail is not available - the age bands should at least give an impression of how trends are changing.

KPI 1:	Increase in labour market participation rate amongst those aged 50-State Pension Age
Data source:	<i>States of Guernsey Data and Analysis (gov.gg/data): from internal data (as published in Facts & Figures), after 2016 participation numbers are from the Guernsey Quarterly Population, Employment and Earnings Bulletin; after 2015 Population number in the age group are taken from the Guernsey Annual Electronic Census Reports</i>
Islands covered	<i>Guernsey, Lihou, Herm, Jethou</i>
Explanatory notes:	This is the total number of people employed and self-employed according to Social Security data, divided by the total number of people in the age group (as per the Electronic Census). Figures are used for the end of March each year.

Data:	March	Employed aged 50-64	Self-employed aged 50-64	Total population aged 50-64	%																								
	2006	6721	1405	11508	70.6%																								
	2007	7005	1429	11789	71.5%																								
	2008	7197	1427	12139	71.0%																								
	2009	7380	1441	12353	71.4%																								
	2010	7447	1437	12522	71.0%																								
	2011	7678	1502	12790	71.8%																								
	2012	7679	1443	12642	72.2%																								
	2013	7766	1439	12768	72.1%																								
	2014	7913	1450	12852	72.9%																								
	2015	7848	1556	12946	72.6%																								
	2016	8036	1591	13162	73.1%																								
	2017	8327	1597	<i>available Jan 2018</i>																									
Graph	<p style="text-align: center;">Labour market participation rates of 50-64</p> <table border="1"> <caption>Labour market participation rates of 50-64</caption> <thead> <tr> <th>Year</th> <th>Rate (%)</th> </tr> </thead> <tbody> <tr><td>2006</td><td>70.6%</td></tr> <tr><td>2007</td><td>71.5%</td></tr> <tr><td>2008</td><td>71.0%</td></tr> <tr><td>2009</td><td>71.4%</td></tr> <tr><td>2010</td><td>71.0%</td></tr> <tr><td>2011</td><td>71.8%</td></tr> <tr><td>2012</td><td>72.2%</td></tr> <tr><td>2013</td><td>72.1%</td></tr> <tr><td>2014</td><td>72.9%</td></tr> <tr><td>2015</td><td>72.6%</td></tr> <tr><td>2016</td><td>73.1%</td></tr> </tbody> </table>					Year	Rate (%)	2006	70.6%	2007	71.5%	2008	71.0%	2009	71.4%	2010	71.0%	2011	71.8%	2012	72.2%	2013	72.1%	2014	72.9%	2015	72.6%	2016	73.1%
Year	Rate (%)																												
2006	70.6%																												
2007	71.5%																												
2008	71.0%																												
2009	71.4%																												
2010	71.0%																												
2011	71.8%																												
2012	72.2%																												
2013	72.1%																												
2014	72.9%																												
2015	72.6%																												
2016	73.1%																												
Trend:	Ten year trend suggests a gradual increase in labour market participation amongst 50-64 year olds.																												

KPI 2:	Increase in median earnings amongst those aged 50-State Pension Age					
Data source:	<i>States of Guernsey Data and Analysis (internal data)</i> <i>States of Guernsey Data and Analysis RPI used for reflation.</i> <i>Figures at 31st Dec each year</i>					
Islands covered	<i>Guernsey, Lihou, Herm, Jethou</i>					
Explanatory notes:	We cannot currently determine the number of hours people work. Consequently, an increase in earnings could indicate that more people of that age group are working more hours, rather than that they are being paid more per hour. If working hours data becomes available this KPI will need to be reviewed.					
Data:	Age band	Median earnings (£ p.a.)				
	Year	2014		2015		2016
		2016 prices	NOMINAL	2016 prices	NOMINAL	
	50-54	34,172	33,412	35,181	34,778	35,971
	55-59	32,223	31,506	32,381	32,010	33,002
	60-64	27,806	27,187	28,448	28,122	29,002
	65-69	21,388	20,912	20,265	20,033	20,551
Trend:	There have been real increases in the median earnings of 50-64 year olds in the two year period between 2014 and 2016.					

KPI 3:	Decrease in the proportion of people aged 50-State Pension Age claiming benefits related to unemployment					
Data source:	<i>States of Guernsey Social Security – Monthly data published by Job Centre</i> <i>Total population figures from States of Guernsey Data and Analysis, Annual Electronic Census Bulletin.</i> <i>All figures at end of March each year</i>					
Islands covered	<i>Guernsey, Lihou, Herm, Jethou</i>					

Explanatory notes:	This covers all people 50-64 who claim unemployment benefit or supplementary benefit and are unemployed, including those who have undertaken a small amount of work during the week but are still looking for work (i.e. 'Total registered unemployed' rather than 'ILO definition unemployed').					
Data:		2012	2013	2014	2015	2016
	50-59	1.2%	1.4%	1.3%	1.2%	1.4%
	60-64	1.4%	1.1%	1.2%	0.8%	1.1%
	50-64	1.2%	1.3%	1.3%	1.1%	1.3%
	Total registered unemployed all working age	1.9%	2.0%	2.6%	2.4%	2.4%
Trend:	Trend seems to be steady with some fluctuation and has remained lower than the all working age figure.					

KPI 4:	Shorter claim length for all unemployment related benefits amongst those aged 50- State Pension Age
Data source:	<i>States of Guernsey Social Security – Monthly data published by Job Centre</i> <i>Snapshot at last week in the year each year</i>
Islands covered	<i>Guernsey, Lihou, Herm, Jethou</i>
Explanatory notes:	Includes people claiming unemployment benefit and jobseekers claiming supplementary benefit.

Data:		2012	2013	2014	2015	2016
	0 days	1	3	0	0	0
	1-3 days	0	1	1	0	1
	4-7 days	0	0	0	0	0
	1-2 weeks	4	3	1	1	3
	3-4 weeks	9	9	10	4	8
	5-8 weeks	10	19	3	15	17
	9-13 weeks	13	10	17	16	21
	14-26 weeks	28	21	21	27	19
	27 weeks-1year	12	14	18	16	18
	1 year-3 years	21	20	5	14	11
	3-10 years	6	7	7	2	3
	estimated mean claim length per claimant (years)	1.01	1.02	0.98	0.72	0.68
Graph:	<p>As we can see the longer claim lengths have a trend to shift towards the right, this means that the proportion of claims (of 50-64 year olds) being dealt with which are long-term is decreasing.</p>					
Trend:	<p><i>Claim length for unemployment related benefits have been decreasing in this age group.</i></p>					

KPI 5:	Decrease in proportion of those aged 50-State Pension Age claiming invalidity benefit		
Data source:	<i>States of Guernsey Social Security – internal data Population figures from Guernsey Annual Electronic Census and Alderney eCensus reports Both figures taken for end of March each year.</i>		
Islands covered	<i>Guernsey, Alderney, Lihou, Herm, Jethou</i>		
Explanatory notes:			
Data:		2016	
	50-54	3.1%	
	55-59	3.2%	
	60-64	6.5%	
	50-64	4.1%	
Trend:	[Historic data series not available]		

KPI 6:	Shorter claim length for those aged 50-State Pension Age claiming invalidity benefits		
Data source:	<i>States of Guernsey internal data – Social Security Data snapshot 1st February 2017</i>		
Islands covered	<i>Guernsey, Alderney, Lihou, Herm, Jethou</i>		
Explanatory notes:			

Data:		2017
	3-4 weeks	1
	5-8 weeks	0
	9-13 weeks	0
	14-26 weeks	12
	27 weeks – 1 year	44
	1-3 years	115
	3-5 years	83
	6-20 years	135
	11-20 years	139
	estimated mean claim length per claimant (years)	7.2
	Graph	<p>2017</p> <p>0% 20% 40% 60% 80% 100%</p> <p> <input type="checkbox"/> less than 13 weeks <input type="checkbox"/> 14-26 weeks <input type="checkbox"/> 27 weeks - 1 year <input type="checkbox"/> 1-3 years <input type="checkbox"/> 3-5 years <input type="checkbox"/> 6-10 years <input type="checkbox"/> 11-20 years </p>
Trend:	<i>[Historic data series not available]</i>	

KPI 7:	Lower proportion of people aged 50-State Pension Age claiming supplementary benefit					
Data source:	<i>Supplementary benefit claim figure from internal Social Security Data- snapshot at year end</i> <i>Population figures from Guernsey Annual Electronic Census and Alderney eCensus reports – using the figure for March the following year</i>					
Islands covered	<i>Guernsey, Alderney, Lihou, Herm, Jethou</i>					
Explanatory notes:	<i>This covers all categories of claim</i>					
Data:		2012	2013	2014	2015	2016
	<i>50-54</i>	<i>142</i>	<i>148</i>	<i>160</i>	<i>167</i>	<i>170</i>
	<i>55-59</i>	<i>135</i>	<i>137</i>	<i>139</i>	<i>130</i>	<i>140</i>
	<i>60-64</i>	<i>150</i>	<i>149</i>	<i>141</i>	<i>151</i>	<i>152</i>
	<i>50-64</i>	<i>427</i>	<i>434</i>	<i>440</i>	<i>448</i>	<i>462</i>
	Total population 50-64	13,291	13,381	13,459	13,669	
	Proportion of age group	3.2%	3.2%	3.3%	3.3%	
Trend:	Proportion of age group may be seeing a very small increase but relatively stable (number of claims is increasing because the age group is increasing)					

KPI 8:	Smaller (lower cost) claims for supplementary benefit amongst those aged 50-State Pension Age		
Data source:	<i>Internal Data – States of Guernsey Data & Analysis</i>		
Islands covered	<i>Guernsey, Alderney, Lihou, Herm, Jethou</i>		
Explanatory notes:	<i>Real prices calculated based on RPIX as published by States of Guernsey Data & Analysis based on December figure each year.</i>		
Data:	Average weekly claim amount for supplementary benefit claimant aged 50-64:		
		nominal	Real (2016 prices)
	2016	£139p.w.	£139p.w.
	2015	£133p.w.	£135p.w.
	2014	£134p.w.	£138p.w.
Trend:	[Historic data series not available]		

Further detail on proposed workstreams

This appendix provides further detail on what work is intended to be undertaken in the proposed actions outlined in section 8 of the Policy Letter. The proposed actions are:

1. Communication and engagement with employers around the ageing workforce, age-friendly employment and flexible working (section 6.2)
2. The development of detailed proposals for a right to request flexible working to be returned to the States (section 6.3)
3. The development of detailed proposals for age discrimination legislation to be returned to the States (section 6.4)
4. Providing information and advice to people mid-career about career change, career development and other relevant issues such as retirement income, health and caring for family members (section 6.6.9)
5. A third phase to the SOHWELL project investigating access to Occupational Health (especially for small businesses), attitudes to Occupational Health and early intervention for musculo-skeletal disorders (section 6.5)
6. The Committee will work with the Committee *for* Education, Sport & Culture to investigate whether there is a 'spend to save' opportunity to provide subsidised training to a targeted group. (section 6.6.11)
7. The Committee will review whether the pensions and benefits system could be adjusted to support those most impacted by the pension age changing (section 6.7)
8. The Committee will explore whether it will be possible to gather data on working hours and occupation through changes planned in existing workstreams (section 6.8)

Please note, as above, that where the length of staff time required is estimated this is based on Full Time Equivalent (FTE). This means that even if the right staff resources are available, if the staff member is undertaking several projects at once this will take longer than the stated time to deliver.

1. Communication and engagement with employers around the ageing workforce, age-friendly employment and flexible working (section 6.2)

<p>Desired outcome:</p>	<p>More employers and line managers adopting and implementing best practice in HR procedures for flexible working, managing older workers, supporting carers and supporting Occupational Health and Wellbeing. More employers innovating around phased retirement options, workplace wellbeing, and recruiting career changers. More employees aware of the increased pension age and what this might mean for them.</p>
<p>Options considered:</p>	<p>This work is likely to involve development and sharing of information with employers in written (and possibly multi-media) formats and the arrangement of meetings and events to discuss issues with relevant key stakeholders, working with partner organisations where possible and appropriate. It is felt that the exact methods of communication and engagement would need to be considered as part of the work by the officers taking the work forward.</p> <p>It would be possible to undertake some communications work through existing routes (for example the Employment Relations Service webpage, the Health Promotion Unit, the Health & Safety Executive and, if established, the Equality and Rights Organisation). Whilst these organisations can be involved, some central coordination of key messages and engagement with employers is recommended.</p>
<p>Scope:</p>	<p>Developing a 'business case' around why businesses in Guernsey should be interested in Longer Working Lives and the ageing workforce.</p> <p>Promoting improvements in occupational health and wellbeing at work.</p> <p>Addressing misconceptions about older people.</p> <p>Discussing issues that arise from the proposed introduction of age discrimination legislation – the performance management of older people, managing retirement and succession planning.</p>

	<p>Promoting phased retirement, sabbaticals, and flexible working. Offering case examples of arrangements that have worked well.</p> <p>Raising awareness of the issues carers face, and ways in which employers can support carers.</p> <p>Promoting entry-level opportunities for career changers in mid to late life.</p>
Resourcing:	<p>If this were taken as a stand-alone project it is estimated that this would require 8 months FTE staff time. However, it will also be explored as to whether it is possible to integrate this work with communications work from other projects underway within Employment & Social Security.</p>

2. The development of detailed proposals for a right to request flexible working to be returned to the States (section 6.3)

Desired outcome:	<p>A higher proportion of people able to combine work with family responsibilities</p>
Options considered:	<p>Promoting flexible working through communications was considered and consulted on but there was significant support for also introducing a law in the consultation.</p>
Scope:	<p>Develop a code of practice on flexible working and advice for employers.</p> <p>Develop the legislation for a legal right to request flexible working, modelled on the UK and Jersey legislation and issue guidance to employers.</p>
Resourcing:	<p>If largely following the existing UK and Jersey model it is anticipated this would take 6 months FTE staff time to introduce. There would potentially change in demand in the form of further queries for the Employment Relations Service to respond to (though they already do manage some queries in relation to flexible working).</p>

3. The development of detailed proposals for age discrimination legislation to be returned to the States (section 6.4)

<p>Desired outcome:</p>	<p>To address issues around people being ‘retired’ prematurely. To address other issues associated with age discrimination including around recruitment and training.</p>
<p>Options considered:</p>	<p>There are a number of options in terms of how this could be addressed. It would be possible to try to influence employer behaviour through communication. More research could be done before taking action. Neither of these would move towards providing protection to people who are at risk of being discriminated against.</p> <p>Legislation could be introduced covering only employment (not goods and services). Whilst this would meet immediate concerns raised in Longer Working Lives, it would be beneficial to other workstreams (for example the Supported Living and Ageing Well Strategy) to consider ageism in the provision of goods and services, and makes sense to take this work together.</p> <p>It was felt that age discrimination legislation covering employment, goods and services would be the preferred option.</p>
<p>Scope:</p>	<p>To introduce a law protecting people against age discrimination in employment, goods and services, to adjust the tribunal system to enable the enforcement of such a law and to produce guidance on the law for employers.</p>
<p>Resourcing:</p>	<p>It is estimated that this would require around 1 year FTE of an experienced Policy Officer’s time, not including legal drafting resources.</p> <p>Some input would be needed from the Employment Relations Service, so the work would depend on some capacity to contribute to the workstream from that team.</p> <p>There will be ongoing costs associated with answering queries</p>

	and administering the tribunal. It is hard to predict what additional ongoing demand this will place on the Employment Relations Service. However, in some cases this will not be 'new' cases as the Service already provide some advice to enquiries about ageism and retirement.
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4. Mid-Career Reviews (section 6.6.9)	
Desired outcome:	<p><i>Primarily:</i> To prompt people who are at risk of not being able to continue in their career until retirement age to be able to take action to change career before a crisis point is reached.</p> <p><i>Secondarily:</i> To provide people with other useful planning information which can improve their retirement income and help them to stay in the workforce; to help people to recognise and address emerging lifestyle and health issues; to support motivation, personal development and purpose at work.</p>
Options considered:	<p>There are a range of different ways that could progress towards the outcomes identified. These range from low-intensity interventions like boosting the advertising and awareness of existing information and advice providers at the target age group, through to providing one-to-one sit down reviews to discuss individual concerns. It seems sensible to trial something that balances the need for improved information, against managing the resource costs of one-to-one intensive support. Consequently, it is suggested that web-based information is developed which provides a structured way to think through common issues and signposts people to sources of support whilst simultaneously running an event or series of events which can provide an opportunity for face to face contact.</p>
Scope:	<p>The information is not limited to career change, but should help to prompt people to think through planning their later career and transition to retirement.</p>

Resourcing:	It is estimated that the creation of a source of web-based information would take 6 months FTE and a further 2 months FTE would be required to arrange an event(s); some of this work could be administrative level. Further costs might be incurred in printing, advertising and room hire. If the event(s) were taken forward annually this would be a further 1 month FTE per year.

5. SOHWELL 3 (section 6.5)	
Desired outcome:	To maximise the workforce by increasing the number of people staying in work or returning to work earlier, after an illness or injury.
Options considered:	<p>The possibility of prioritising only one of these workstreams to progress was considered. However, as all three have connections to other work underway and since attitudes and access to occupational health might be investigated and/or addressed simultaneously; it makes sense to take all three of these actions forward.</p> <p>It is felt that with the professional connections of the Benefits team and Social Security's Medical Adviser it will not be necessary to hire external consultants to investigate these areas in the first instance, but that work can be done by staff.</p>
Scope:	<p>This work should include engagement, consultation and research with employees, employers and partner organisations; analysis of available in-house statistics; and review of the success of trial interventions in the UK and further afield.</p> <p>The following three issues should be investigated further:</p> <ul style="list-style-type: none"> - the need for access to early interventions for back pain and other musculo-skeletal injuries - access to occupational health advice and support – particularly for self-employed people and small businesses. - addressing negative beliefs about or attitudes towards

	Occupational Health from employees and/or managers and employers Different options for addressing each issue should be assessed.
Resourcing:	It is intended that this is resourced as the continuous improvement element of the business as usual work of the Benefits Section. If, having undertaken further investigation, it becomes clear that additional resource is required this will be raised at a later date.

6. The Committee will work with the Committee <i>for</i> Education, Sport & Culture to investigate whether there is a 'spend to save' opportunity to provide subsidised training to a targeted group. (section 6.6.11)	
Desired outcome:	To come to an agreement between the Committee <i>for</i> Employment & Social Security and the Committee <i>for</i> Education, Sport & Culture around whether or not there is an opportunity to provide an effective subsidy for (re)training opportunities that will support people to change career in order that they can stay in work for longer; and, if there is an opportunity, what might the next steps be in moving towards implementing this.
Options considered:	This is essentially envisaged as Policy Officer work to support the Committees to identify what options there might be for further stages if this work is taken forward.
Scope:	This is intended to focus specifically on training opportunities for people who, for reasons of health or care responsibilities, are no longer able to continue in their existing role in the long term and may need training to transition to an alternative. It is intended that the training will be made available through on-island provision. The aim is to create an intervention which is cost-effective in the long-term.
Resourcing:	It is estimated that an initial investigation will require 2 months FTE of a Policy Officer's time (spread over a period longer than two months amongst other aspects of an officer's

	workload). It is not anticipated that further costs (such as advertising or room hire) would be needed for this work.
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7. The Committee will review whether the existing pensions and benefits system is sufficient or whether modifications are needed to support those most impacted by the pension age changing (section 6.7)

Desired outcome:	To identify whether or not it is necessary or fair to offer additional support to those most affected by the pension age increase.
Options considered:	The work essentially involves supporting the Committee to give due consideration to the financial impact of the pension age increase on individuals. This could include the use of a consultant, a public consultation or desk-based research by a Policy Officer. Whilst a consultant may offer additional independence, a Policy Officer would likely offer better value for money for an initial investigation. It is likely to be necessary to review options before deciding on whether a public consultation is required.
Scope:	Work will include examining whether the pension and benefits system is sufficient or whether it needs to be adapted to better support those most impacted by the increase in the State Pension Age. At this stage, work is limited to an initial investigation, options appraisal and costing of any viable options. If changes to benefits are thought to be necessary this would need to be returned to the States.
Resourcing:	It is estimated that an initial investigation will require 2 months FTE of a Policy Officer's time (spread over a period longer than two months amongst other aspects of an officer's workload). It is not anticipated that further costs (such as advertising or room hire) would be needed for this work.

8. The Committee will explore whether it will be possible to gather data on working hours and occupation through changes planned in existing workstreams (section 6.8)

<p>Desired outcome:</p>	<p>The desired outcome is to have a better evidence base for making policy decisions in relation to both Longer Working Lives, the equality and rights programme and wider policy in relation to the labour market. This data would allow us to understand part-time working and career change in later life and would also allow us to benchmark against international data on wages and the labour market, which we cannot currently do.</p>
<p>Options considered:</p>	<p>Several options were considered, including surveys and initiating a stand-alone project. However, it was decided that the most effective way to collect ongoing data on what occupations people work in and what hours they work would be to explore whether it would be possible to incorporate a request for this data into existing data submissions from employers which are used for States of Guernsey's tax and social security contributions systems.</p> <p>The Contributions and Tax Services (CATS) project is examining options for creating efficiencies by combining Income Tax and Social Security contributions operations. The Committee is exploring how this might be taken forward and whether changes which would allow the collection of this data could be worked into any wider system changes associated with the CATS project.</p>
<p>Scope:</p>	<p>This work focuses on identifying working hours and occupation for all of Guernsey's working population. There are other gaps in Labour Market data, but these are considered the most useful.</p>
<p>Resourcing:</p>	<p>No separate resourcing has been allocated to this as it is currently incorporated into another workstream.</p>

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE *for* EMPLOYMENT & SOCIAL SECURITY

LONGER WORKING LIVES

The President
Policy & Resources Committee
Sir Charles Frossard House
La Charroterie
St Peter Port

10th November, 2017

Dear Sir,

Preferred date for consideration by the States of Deliberation

In accordance with Rule 4(2) of the Rules of Procedure of the States of Deliberation and their Committees, the Committee *for* Employment & Social Security requests that the Longer Working Lives Policy Letter be considered at the States' meeting to be held on 13th December 2017.

The original States resolution on Longer Working Lives from Billet d'État IV of 2015 directed the Committee "to report to the States of Deliberation with its findings no later than December 2017". Interested parties in the public, based on this resolution, will be anticipating that the Policy Letter will be debated in December.

However, the Committee also recognises that the implementation timescale for the propositions is long-term, so a delay would not be critical should the Policy & Resources Committee feel either that other matters are more pressing, or that, due to the agenda being too substantial, a delay is required in order not to rush consideration of the item.

Yours faithfully

M K Le Clerc
President

S L Langlois
Vice-President

M J Fallaize
J A B Gollop
E A Yerby

M J Brown
Non-States Member

A R Le Lièvre
Non-States Member

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE *for* ECONOMIC DEVELOPMENT

GUERNSEY ECONOMIC VISION: INVESTMENT, GROWTH AND HIGH VALUE EMPLOYMENT

The States are asked to decide whether, after consideration of this Policy Letter, titled "Guernsey Economic Vision: Investment, Growth and High Value Employment", dated 13 November 2017, they are of the opinion:

1. To support the proposals set out within this policy letter in accordance with Rule 17(9) of the Rules of Procedure. The Committee is of the opinion that these proposals are of general policy and that this Proposition should be considered by the States without amendment on the understanding that if it is accepted the Committee will return with detailed proposals which could be accepted or rejected with or without amendments.
2. To agree that administration and control of the Future Guernsey Economic Fund shall be immediately transferred to the Committee *for* Economic Development in support of the delivery of the proposals set out in this paper.

The above Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE *for* ECONOMIC DEVELOPMENT

GUERNSEY ECONOMIC VISION: INVESTMENT, GROWTH AND HIGH VALUE
EMPLOYMENT

The Presiding Officer
States of Guernsey
Royal Court House
St Peter Port

13 November 2017

Dear Sir

1 Executive Summary

- 1.1 The States of Deliberation’s vision of Future Guernsey emphasises that it requires “*a successful, diverse economy*¹.” This is essential to provide jobs, growth and investment, which in turn provide the general revenue for investment in public services. Such a successful and diverse economy will not happen without active encouragement and material initial investment by the States of Guernsey (“the States”), given its policy making role and controlling stakes in key areas of infrastructure, property and landholdings.
- 1.2 The Committee *for* Economic Development (“the CfED” or “the Committee”) has a wide ranging brief to support Guernsey’s economy. It is responsible for promotion and development of all sectors of business, securing and promoting air and sea links, competition and regulation, broadcasting and media and living marine resources.
- 1.3 This Policy Letter sets out the next level of detail in the delivery of the high level economic development ambitions which are set out in phase 2 of the Policy & Resource Plan². Since approval of this plan the CfED has sought to refine its policy plans in order to create a vision of the actions required to deliver the envisaged

¹ Future Guernsey – Policy & Resource Plan – Phase 1. Approved by the States on 16 November, 2016.

² Billet d’Etat XII – 21 June 2017, Policy & Resource Plan Phase 2

success for the Island's economy. As such, the following accords with the prioritised policy initiatives approved by the States of Deliberation ("*the Assembly*") in November 2017³. This Policy Letter focuses on Guernsey but the CfED will also seek to work wherever possible with the representatives of the other Islands within the Bailiwick.

- 1.4 This Policy Letter is presented under Section 17.9 of the Rules of Procedure of the Assembly and their Committees. This states: "*Where a Committee originating a matter for debate before the States is of the opinion that the proposals it is submitting to the States are of general policy, and where it is desirable that the principles of that policy should be considered, the Committee may have its propositions considered by the States without amendment on the understanding that if the propositions are accepted the Committee would return with detailed proposals which could be accepted or rejected with or without amendments. Where a Committee invokes the provisions of this paragraph it shall make express reference to it in its propositions.*" The CfED will, over the forthcoming months, bring a series of detailed proposals to the Assembly in each of the areas set out below for their consideration, and Section 10 of this Policy Letter summarises the approximate timetable for such actions.
- 1.5 The Guernsey economy has been remarkably successful in recent decades with the standard of living enjoyed by its residents reflecting its success in providing a location where business has been able to trade which is safe, tax efficient and resilient. At its best, the Guernsey economy has encouraged innovation by being flexible to new developments and supported them appropriately through legislation and policy.
- 1.6 However, over recent years the Guernsey economy has, at best, appeared to tread water. Real Gross Domestic Product (GDP) has only grown by 0.47% in total over the last three years for which full year information is available (subject to potentially significant revision), real median wages have recently fallen, construction is at an historically low level, and all anecdotal evidence is that business confidence remains low⁴. In addition, the States investment in infrastructure has consistently been below international norms and the Island has to address the instability posed by Brexit to its international relationships and customer base.
- 1.7 Over recent months a series of local stakeholders have raised concern over the Islands current and future economic performance. In short, the economy is not in

³ Billet d'Etat XX – 2018 Budget Report

⁴ The States has limited evidence on the performance of the local economy, hours worked, productivity and business confidence, so precision on these issues is difficult.

the position that it once was (in real terms) or should be and this is a pivotal point for the economic future of the Island. However, the CfED believes that all the characteristics of a successful Guernsey economy still remain, and with appropriate stimulus the economy can once again deliver the performance that is critical for the Island and its population.

- 1.8 This Policy Letter identifies a series of initiatives which, when taken together, provide the potential to substantially increase economic activity within Guernsey, delivering the investment, growth and high value employment that will be required to ensure the prosperity of the Island over forthcoming years.
- 1.9 There are, however, only limited areas where the CfED can influence the direction of economic activity through its own actions, and where these exist the Committee has already begun to act. In a number of other areas the CfED could support activities that will help deliver the approaches outlined in this Policy Letter, given the financial ability to do so. To this end the Policy & Resources Committee (“P&R”) set out in the budget⁵, that the control and governance of the Future Guernsey Economic Fund (FGEF) should be considered by the States in relation to this Policy Letter. More details of this fund and its potential uses consistent with this Policy Letter are set out in Section 9.
- 1.10 However, the vast majority of the actions outlined in this Policy Letter need to be conducted in partnership with other Committees of the States and the private sector. The role of the CfED is to set out the direction of travel and then work alongside other stakeholders to ensure their delivery. Such a proactive stance, whilst remaining in partnership, will be the key to the successful delivery of the proposals presented below.
- 1.11 The CfED has set out this Policy Letter across seven core areas for action:
 - i. Improving strategic transport links.
 - ii. Improving digital connectivity, infrastructure and skills.
 - iii. Developing the Island’s physical resources.
 - iv. Promotion of the Island.
 - v. Developing the right labour force for economic success.
 - vi. Supporting the finance sector.
 - vii. Supporting the real economy.

In each of these areas the direction of policy is outlined, alongside the actions that will need to be followed and, where possible, approximate timescales.

⁵ Billet d’Etat XX – 2018 Budget Report

1.13 The States are asked to decide whether, after consideration of this Policy Letter, titled "Guernsey Economic Vision: Investment, Growth and High Value Employment", dated 13 November 2017, they are of the opinion:

1. To support the proposals set out within this policy letter in accordance with Rule 17(9) of the Rules of Procedure. These proposals are of general policy and that this Proposition should be considered by the States without amendment on the understanding that if it is accepted the Committee will return with detailed proposals which could be accepted or rejected with, or without, amendments.
2. To agree that administration and control of the Future Guernsey Economic Fund shall be immediately transferred to the Committee *for* Economic Development in support of the delivery of the proposals set out in this Policy Letter.

2 Improving strategic transport links

2.1 Air and sea infrastructure review

2.1.1 The provision of effective transport linkages are critical to the operation of the economy as well as having a wider impact upon society. Whilst the CfED has an overall responsibility for the development of strategic air and sea links, to and from, the Bailiwick, a series of States Committees have a role in the provision and financing of these services today and in the future.

2.1.2 Following a resolution of the Assembly⁶, a comprehensive review of the approach to the provision of sea and air infrastructure has been launched. This is a major initiative which will be co-ordinated by P&R and actively involve the CfED, States Trading Supervisory Board ("STSB") and the Committee *for the* Environment & Infrastructure ("CfE&I"). They will work together through a working party (the air and sea infrastructure group) to assess the findings from the review, taking recommendations to their Committees and then to the States during 2018.

2.2 Sea transport

2.2.1 The goals of the CfED for ferry and freight services can be summarised as:

- i. A frequency of service and schedule that meets the needs of freight users, Islanders and visitors to the Island / the tourism trade, and industry. Recent years have seen a reduction in the scheduled sailings for ferry passengers to, and from, Guernsey, the UK, inter-island and France.
- ii. Fleet configuration and capacity to provide a service that has sufficient resilience and reliability.

⁶ Billet d'Etat XII, June 2017, Amendment 29

- iii. Fares which are reflective of the cost of the service and limited to a reasonable economic return to the provider, in order not to discourage the use of the service.
 - iv. Customer service of appropriate professional standards.
- 2.2.2 There have, over recent years, been widespread concerns as to the extent to which these goals have been met. The reconfiguration of the ferry fleet has been at the core of this issue and mistakes appear to have been made on all sides in this regard. The CfED is continuing with discussions with Condor and the States of Jersey to seek to identify an operating model which can deliver these goals both now and over the longer-term.
- 2.2.3 However, there is no guarantee that these discussions will result in a solution that is acceptable to all parties. As such, the air and sea infrastructure group is conducting a strategic review of the way in which Guernsey is served in both the ferry and freight markets. This review will consider all alternative ways in which the services provided to the Island may better meet its goals. Work has started on this issue and terms of reference issued for additional advisors to be in place in the New Year.
- 2.2.4 It is not possible to comment further on this work at this stage due to commercial sensitivities but the intention of the air and sea infrastructure group, and the respective Committees they represent, is to place recommendations before the Assembly by mid-2018. The CfED emphasises it will consider all options to best deliver the goals set out above for the Bailiwick in the shortest possible period.
- 2.2.5 In the shorter term the CfED has, in conjunction with the States of Jersey recently conducted an exercise to judge the interest of the market in providing an inter-island passenger ferry service. The service will create a net positive economic benefit to the Island, primarily through island-hopping tourism, as well as delivering social benefits to Guernsey residents. The CfED is hopeful that a service will be operational for the 2018 season based on the responses to the recent expression of interest.

2.3 Air transport

- 2.3.1 The air and sea infrastructure review will consider the strategic, economic and financial case for any:
 - i. Form of airport commercialisation. At present Guernsey and Alderney airport is one of the few fully State-owned airports in the British Isles (alongside Cardiff and Jersey).
 - ii. Investment into Guernsey airport and its infrastructure, including issues such as low visibility landing systems and the extension of the runway. It is important that these questions are professionally addressed rather than

being discussed in a court of public opinion with no outcome.

2.3.2 More widely, the goals of the CfED for air transport can be summarised as:

- i. Maintaining and expanding air links so that Guernsey is well connected with the UK, the other Channel Islands and Europe.
- ii. Reliable, sustainable and affordable air links for all parts of the population.
- iii. Air links which enable existing business to function appropriately and support the expansion of all types of economic activity.
- iv. Providing residents access to specialist healthcare and emergency evacuation services when their medical needs cannot be catered for on-Island.

2.3.3 The framework for air transport licensing is set by the CfED with decisions on individual applications made by the Transport Licensing Authority.

2.3.4 The CfED will shortly propose a new air licensing framework for the States' consideration which is designed to best meet the above goals for air transport. This framework will be based on a "quasi open skies" approach, where there is a presumption of competition on routes but with a recognition of the requirement to provide a different approach on key lifeline routes, where required, given the scale of the Island's population and its need for sustainable air traffic. The proposed framework will define in more detail three categories of route:

- i. Lifeline routes are those which are critical for the economy, residents' health and/or residents' social welfare. Due to the size of the Bailiwick's market, these routes must be protected and provided by a single operator, for a defined period and at an agreed service level.
- ii. Strategic routes are those which are important for one or more of the above reasons. It is expected that these routes will be provided by commercial operators (including Aurigny) and, where sustainable, that competition should be encouraged. Should it not be possible to provide sustainable services on strategic routes under these conditions the CfED will consider alternative models of provision.
- iii. Development routes are those which provide additional connectivity to the Island. It is expected that these routes will be provided by commercial operators. Where start-up support is requested for a given route, the CfED will consider providing this for a limited period, subject to a positive economic cost-benefit analysis. It is intended that the FGEF is used for this approach (see section 9 below) and that the fund would be topped up assuming these routes delivered the expected economic benefit.

2.3.5 The CfED will propose initial classifications of routes within this framework. At this time, two lifeline routes are envisaged (Guernsey – Gatwick and Guernsey –

Alderney), with three strategic routes from Guernsey to Southampton, Manchester and Jersey. All other routes will initially be defined as development routes although the CfED will ensure that these classifications are subject to continuous review and update. Further discussions are, in particular, continuing with the States of Alderney with respect to the Alderney – Southampton route.

- 2.3.6 Connectivity to London, primarily now only available via Gatwick following Aurigny's decision to remove the City service, is critical to the operation of the Island's economy and therefore worthy of further discussion in this Policy letter. The Gatwick route is run by Aurigny and is understood to be profitable. As such, this route could potentially attract a number of commercial operators interested in providing a service, either in competition or as a sole provider.
- 2.3.7 However, given the criticality of this link for the Island, the CfED has concluded that it would not be appropriate to seek competition on this route at a time where there is considerable uncertainty with Brexit and the development of European air linkages. The CfED will therefore recommend to the States that Aurigny should continue to be the sole operator of the lifeline route to Gatwick for a time-limited period of five years, but will review this position before the end of this period to ensure that this is still the best approach to fulfil the Island's needs.
- 2.3.8 The CfED has, however, at the same time strongly encouraged the STSB to consider whether during this five-year period this route could be run more effectively through a leading international airline providing services through one of a number of forms of 'wet' and 'dry' lease arrangements commonly adopted within the industry. Such approaches would protect the slots themselves, whilst increasing the potential for better economic returns from their operation and therefore the economic development of the Island.
- 2.3.9 It is important to provide plurality of air routes to London where additional routes meet the needs of consumers and business and will therefore increase air travel (and its convenience) to, and from, the Island. As such, the CfED is carefully considering approaches from airlines seeking to re-establish the London City, or any alternative London routes, which have the potential to provide a positive economic cost-benefit.

3 Improving digital connectivity, infrastructure and skills

- 3.1 Guernsey's economy is, and will increasingly be, reliant on our telecommunications infrastructure to support its current position within the global economy. Good digital connectivity is the key enabler to the delivery of virtually all sectors of the economy. Ensuring world class telecommunications connectivity will be a requirement to maintain, never mind expand, the Island's economic footprint. The requirement to establish a flexible and world class digital infrastructure was, at a high level, articulated in the Committee's Digital Sector Strategic Framework ("the Digital Framework") and has subsequently been recognised as one of the policy objectives in the recent P&R plan.
- 3.2 Guernsey currently has a level of digital connectivity which is broadly sufficient for its current needs. The Island has basic broadband penetration to 97% of residential homes at 4 Mbps (the second highest in the world), three suppliers of 4G mobile connectivity and a range of connectivity services for small and medium sized businesses.
- 3.3 However, the speed of progress of digitally enabled business means that the Island cannot stand still. There is a pressing need to enhance the Island's connectivity so that it can maximise the benefits of digital from both a social and economic perspective. The CfED is therefore committed to delivering ongoing world class telecommunications and digital connectivity to Guernsey's businesses and consumers.
- 3.4 The CfED will shortly propose a telecommunications sector policy statement which has four key objectives:
- i. All defined geographic business areas will be connected by fibre to the premises within two years.
 - ii. All homes across the Island will be provided with connectivity allowing access to superfast broadband providing in the order of 100 Mbps connectivity within three years.
 - iii. A commitment to the development and deployment of a single 5G mobile network allowing such services to be marketed at least as soon as in the UK and preferably earlier.
 - iv. Ensuring all telecommunications costs are proportionate, including residential, business, mobile and off Island connectivity.
- 3.5 Taken together, these objectives will provide the level of connectivity which ensures that homes and businesses ongoing telecommunications needs are supported for a substantial number of years, allowing the use of home offices and enabling consumers to enjoy the economic and social benefits of high speed broadband. It is,

however, based on plans which can be achieved through a mixture of technologies and which is not reliant on a very costly and heavily disruptive programme of laying fibre to every house on an Island without the base duct structure to support this.

- 3.6 Discussions with the Island's telecommunications companies suggest that the vast majority of homes and all defined business areas should be able to receive this level of connectivity through the acceleration of commercially justified roll out plans over this period. For the remaining minority of homes, where costs of such connections do not fully provide a commercial case for such connectivity, a universal service fund will be proposed to cover the incremental cost of providing the levels of broadband described above to ensure that all homes on the Island are able to reach these levels of connectivity within the next three years.
- 3.7 The opportunities provided by the development of mobile superfast broadband, or 5G, will be significant but so is the change required to mobile networks. The current expectation is that 5G will require smaller but vastly more masts, requiring greater financing and therefore a different approach for deployment. The CfED will propose that Guernsey moves to a single network provider for 5G infrastructure, thereby reducing overall costs to telecommunications companies, and eventually the consumer, whilst ensuring multiple service providers can still provide a competitive market. It is likely that the States will provide physical and network resources to this operator in order to ensure the roll out of this network and in return will take a minority stake in this provider of wholesale services.
- 3.8 The CfED has begun, and will continue, to work with the Channel Islands Competition and Regulatory Authority so that they can regulate effectively in accordance with this policy direction. The CfED is also working with the Island's telecommunications companies to develop detailed plans for the delivery of these objectives.
- 3.9 The four key objectives are a commitment to ensuring that Guernsey remains in the top 10% of digitally connected jurisdictions. Where funding for the delivery of the objectives is required, and if appropriate, the Medium Term Financial Plan has already identified digital connectivity as a medium scale project⁷. The CfED will be working closely with P&R to ensure that any such capital funding is used in a proportionate and appropriate manner.
- 3.10 A world class telecommunication infrastructure is a required step for digital provision but is not, in itself, sufficient. A series of developments are required to provide the infrastructure and skills in the workforce to maximise the potential of communication networks. Work has begun across different States' bodies and in connection with the private sector to support the development of Guernsey as a digital centre.

⁷ Billet d'Etat XX – 2018 Budget Report

- 3.11 The Digital Framework identified the role the States can play in directly supporting the digital, and wider, economy. P&R has commenced a substantial piece of work looking at the way technology is delivered to the States of Guernsey, its service delivery areas and ultimately customers. Alongside delivering improved public services this project has been structured so that potential strategic partners will need to demonstrate how they can provide a significant contribution to the Island's digital value chain and its economy. The CfED welcomes and encourages the manner in which this project is being implemented.
- 3.12 The CfED has reviewed the Digital Greenhouse and will shortly announce a new strategic, operational and financial plan. Whilst the concept of the Digital Greenhouse as an incubator for firms, developer of skills and centre for digital enablement in our economy is sound, the execution of this concept needed development and improvement. The revised plan will set out how the Digital Greenhouse will deliver against these key roles, and at the same time achieve a break-even financial position over the next period, as opposed to the current levels of support from the FGEF. The CfED has received three-year commitments of significant financial and operational support from several private sector companies allowing this development of the Digital Greenhouse.
- 3.13 A more structured approach has already been adopted to the Digital Guernsey steering group, the forum where stakeholders from across government and industry seek to work together to ensure the Island's digital offering is appropriate. This group focuses on ensuring the "product" is correct in terms of connectivity, infrastructure and skills, alongside the accompanying legal structures required. The CfED, supported by the Digital Guernsey steering group, will release an update on the Digital Framework in the near future.
- 3.14 A particular focus is being paid to legislation and instruments which will enable electronic commerce to thrive from the Island. The importance of such legislation is demonstrated by the decision of Northern Trust to base their innovative blockchain technology in Guernsey, which (alongside other factors) was significantly influenced by the Island's leading Electronic Transactions Legislation⁸. Legislative requirements in this area are developing rapidly and the CfED, in liaison with P&R and the Guernsey Financial Services Commission ("GFSC"), are currently considering the potential to further develop this, and other connected legislation, in order to keep Guernsey at the forefront of a range of sophisticated electronic trading approaches.
- 3.15 The eGaming sector has developed successfully based on the development of a strong and internationally well respected regulator in Alderney, alongside effective promotion. This industry has attracted a significant stream of licence income to the

⁸ Electronic Transactions (Guernsey) Law, 2000

States of Alderney. Whilst Guernsey has benefited in the past from the location of eGaming businesses which are licensed in Alderney, the level of such business and the subsequent benefit to Guernsey has reduced in recent years. The CfED, alongside the States of Alderney and other States Committees, are considering how they can work together to promote Alderney licenses and increase the attractiveness of Guernsey as a location for such firms.

- 3.16 It is critical that Guernsey has the skills to succeed as a digitally-based economy. Employers have identified a lack of suitably qualified students coming into the workplace. In the longer term, the provision of digital skills on Island is key. To this end, the CfED and the Committee *for* Education, Sport & Culture ("CfES&C") has developed a digital skills strategy, which forms an integral part of the wider skills strategy for the Island (see section 6 below).
- 3.17 Whilst the strategy for the development of digital skills is too wide to discuss in detail in this Policy Letter, it includes developing and expanding a number of key programmes. The Digital Internship program is aimed at pre-degree students and will now be extended following its success in its initial year with 12 students. At degree level, the CfED and KPMG are supporting the first on-Island digital degree local placement student in Guernsey attached to the University of Exeter. This model of delivery has the potential, if successful, to create sustainable and effective digital graduate skills on-Island. In the shorter term it will be critical to attract to the Island individuals with digital skills which are not available in Guernsey. The CfED is working with a series of parties on ways in which to improve the attraction of such skills to the Island, and will work alongside the Committee *for* Home Affairs ("CfHA") in order to prioritise the recruitment of individuals meeting these critical skill gaps through the population management work-permit system.
- 3.18 Finally, in addition to providing world class connectivity, creating the infrastructure and encouraging local industry to thrive, it is important to seek to attract existing digital businesses to move to the Island. Locate Guernsey, which has previously been reactive to business relocation, will shortly be announcing a revised strategy which includes focusing on the proactive attraction of businesses to the Island with a focus on particular types of digitally enabled businesses.

4 Developing the Island's physical resources

- 4.1 Guernsey's size demands that the most is made of its limited landmass to support and foster economic activity. To an extent, this can be aided by attracting high value, low footprint businesses. The Island has struggled to achieve this due to a combination of planning policies which, although only recently adopted, are based on older strategies of the States. These extant strategies no longer reflect the economic realities faced by the Island, and encourage government hoarding of land resources in

an inefficient manner and a general reluctance to embrace change. The environment, look and feel of Guernsey is critical to Islanders and potential investors but development conducted in an appropriate and sympathetic manner can enhance the Island, protect and showcase its heritage as well as enable economic activity.

- 4.2 The States owns or controls approximately 5,060 vergées (8,291,633 square metres) of land excluding roadways. Whilst a good proportion of this is actively employed, there is a question over whether it is being used as effectively as it could be, and there are many large and valuable land packets which should be released and used to stimulate investment, growth and employment.
- 4.3 The States have now recognised this and the STSB and P&R are leading a review of the States estate. The CfED welcomes this work and expects it to be delivered expeditiously. The CfED has, separately, liaised extensively with a series of developers to capture their views of what developments could be commercially conducted on the land which may be made available, as well as considering which of these potential schemes could have the greatest economic impact upon the Island. This information has been provided to the STSB.
- 4.4 The effective release of the States' estate has the potential to create economic development (starting with construction and then subsequent economic activity) in a manner which few other policy measures will be able to achieve. The CfED will assist in a proactive manner, under the leadership of the STSB and P&R, but remains concerned that this programme does not yet have the appropriate levels of professional support to fully succeed.
- 4.5 The application of the States' planning policies is the mandate of the Development and Planning Authority ("DPA"). There is a check and balance which rightly exists in the planning system between economic development and protection of the Island's built heritage, natural environment, and infrastructure. However, the CfED has become concerned that a series of recent planning decisions have limited development unnecessarily and that the scope of planning decisions has had the effect, whether intentional or not, of straying into an interpretation of economic decisions. The CfED will seek to work within the planning process in a far more proactive manner to support economic development, building on the presumption within the Island Development Plan ("IDP") that development should proceed unless there are sound reasons to the contrary. This process has recently begun and will continue further.
- 4.6 The CfED is responsible for shaping a number of the economic development policies of the States which are used in the formulation and updating of the Strategic Land Use Plan ("SLUP") and the IDP. Historical strategies, dating back to the previous Commerce and Employment Department, notably in the tourism and retail sectors,

have had the effect, in planning terms, of restricting development opportunities in a manner which are not consistent with reasonable commercial intentions. The CfED will be proposing changes to this guidance (see section 8 below) which will be presented to the Assembly for their consideration. Taken together these changes will have the potential to create significant construction opportunities and economic development.

- 4.7 There has been considerable discussion of the redevelopment of the St Peter Port harbour area in recent months. The CfED believes that unlocking the St Peter Port harbour area can create significant commercial opportunities and could enable the largest-scale development the Island has seen for a century. It has the potential to lead to, for example, land reclamation, retail, office and hotel developments, provision of a range of housing types, harbour-related infrastructure, cultural and leisure developments, car parking, and public realm improvements.
- 4.8 The CfED has proposed a work programme which will lead to the:
- i. Delivery of a clear vision for the redevelopment of the St Peter Port Harbour Action Area which can be considered by the Assembly and the wider community.
 - ii. Creation of a master plan for this development that can form the basis of wide consultation, a single planning inquiry, and an investable proposition for public and private capital.
 - iii. Establishment of an independent funding vehicle which can ensure the delivery of this development. This funding vehicle is likely to need to combine both private and public sources of funds for a development of this importance, size and nature.
- 4.9 The Presidents of four of Guernsey's Committees (P&R, CfED, CfE&I and the STSB) have met to co-ordinate the approach to the enhancement of the Harbour Area, one of the States 23 prioritised policies. As a result, the air and sea transport infrastructure group has issued terms of reference for professional advisors on the first stage of this work programme and the Committees represented expect to come back to the Assembly with the results of this work in 2018.
- 4.10 It is critical that all parts of the community are able to help shape this project, but at the same time the States must set out a vision for this development and ensure that, once accepted, its delivery will not be limited by political revisions in the manner which has, in recent years, stymied other large projects that span electoral cycles.
- 4.11 The St Peter Port Harbour Action Area has the potential to revitalise the town and significantly enhance Guernsey's attractiveness as a place to invest, live and spend leisure time, while remaining sensitive to Guernsey's architectural

heritage. Further, it has a unique potential to increase economic activity in a manner that will sustain long after the construction phase and result in a larger, stronger and more successful economy. The CfED believes this project must be progressed with due alacrity.

5. Promotion of the Island

5.1 Guernsey currently has three promotional agencies, each focused on different markets with different relationships to the States and funding:

- i. Finance: Guernsey Finance ("GF") is the promotional agency for the sector and is an executive agency with the shareholding equally split between the States and the Guernsey International Business Association. The total budget for Guernsey Finance is c.£1.9m of which £1.2 is provided by the States through different forms of funding. It employs 13 people.
- ii. Tourism: The Marketing and Tourism ("M&T") service area of the CfED is responsible for tourism promotion under the banner Visit Guernsey ("VG"). This service area has a core budget of £2.6m, with additional grants provided for defined activities from the FGEF. It employs 13 full time equivalents directly within M&T and another three in the tourist information centre.
- iii. Inward Investment: Locate Guernsey is funded by the FGEF under the direction of the CfED. It has an annual budget of c. £400K and employs four people focused on the attraction of high-net-worth-individuals to the Island, and corporate relocations.

5.2 The performance and structure of these promotional agencies has recently been subject to a review by the CfED considering:

- i. The levels of effectiveness of the three agencies in the delivery of their respective roles.
- ii. Whether public money was being utilised in the most efficient possible manner.
- iii. The coherent overall promotion of Guernsey, as a location for business, with three agencies developing separate but related views of Guernsey.
- iv. Whether the current approach, based on three promotional agencies, allows for the wider promotion of business on the Island.

5.3 This review has identified a series of areas in which the promotional activity of each of the promotional agencies could potentially be improved. These recommendations have been provided to the board of GF and the CfED for their consideration and implementation. The review has also suggested the potential for these promotional agencies to work together in a manner which can provide coherence in the marketing of the Island and to take advantage of the considerable

economies of scale that appear available in terms of digital marketing, other promotion and marketing, IT and back office and other support facilities.

- 5.4 The CfED has a core role to support the promotion of further business (of whatever type) to be attracted to the Island. The CfED is clear that the level of promotional activity for business in Guernsey is far lower than that of a series of competitor jurisdictions. Whilst it is not always necessary to match the levels of expenditure of others, this level of discrepancy is too high. The nature and level of promotional support will need to increase given the levels of change in international markets from which Guernsey is seeking to attract business of all types.
- 5.5 Alongside this, the CfED is keen to ensure that all promotional spend is focused on the market, as opposed to duplication of resources. The CfED will support further financial support for the Island's promotional agencies but in doing so believes it is critical that such public expenditure is spent in the most effective manner possible.
- 5.6 As such, the CfED is working with stakeholders to agree a better structure for the promotion and attraction of the Island. The proposed model will be configured with the following design principles at its centre:
- i. The ability to respond to rapidly developing markets for finance, tourism and inward investment.
 - ii. The ability to promote other developing parts of the Island's economy, e.g. digital business opportunities.
 - iii. Organisational efficiency such that promotional funding is best focused on the market.
 - iv. Provision of a coherent view of the Island.
 - v. Ensuring staff with specialist skills in one sector continue to focus in that area and that such specialisation is further encouraged.
 - vi. A framework such that more focused and sophisticated marketing is encouraged.
 - vii. Encouraging the ongoing input of industry into financing the promotion of their own activities. In particular, the CfED welcomes the role the finance sector play in this regard and encourages other parts of the economy to contribute in a similar manner.
- 5.7 In the meantime, the existing business promotion and attraction agencies continue to promote the Island to their respective audiences. Within the CfED, the M&T service area is working on the development of a new tourism strategy as well as marketing tourism to the Island in conjunction with the release of the film of the book *The Guernsey Literary and Potato Peel Pie Society* (see section 8 below). Similarly, Locate Guernsey will shortly announce a revision of its approach to the proactive attraction of businesses (see section 3 above) as well as the development of an advisory group to assist in its continued marketing of the Island to high net

worth individuals. Locate Guernsey currently has a higher level of quality leads reflecting economic conditions elsewhere and are actively marketing the lower tax caps for the open market⁹ and the helpful recent clarification from the CfHA's in relation to the requirement for investor visas.

- 5.8 Finally, the CfED is actively considering alternative ways in which Guernsey can best demonstrate its attractiveness to potential inward investors and customers of existing businesses. To this end, initial discussions have been held with business groups, stakeholders and exhibition organisers as to the potential for a Guernsey EXPO and a formal business case is under development for consideration and, if required, support from the FGEF will be considered.

6. Developing the right labour force for economic success

- 6.1 The delivery of economic success for Guernsey is critically dependent upon ensuring the Island has the appropriate workforce both today and in the future. The CfED has the responsibility to develop and implement policies that lead to appropriate skills existing in our workforce to support the ongoing operation and development of the economy. In order to deliver upon this requirement, the CfED, working in conjunction with the CfES&C, have restarted Skills Guernsey in order to identify skills gaps in the economy, ensure that providers of education and training address these problems, and coordinate ongoing monitoring and actions in this area.
- 6.2 In recent years three major audits of the skills gaps in the local economy have been conducted by consultancy companies and the firm who conducts such surveys for the UK Government. Each of these studies has identified a gap in softer skills in the workforce, whilst the latest and largest exercise in 2014 also focused on an increasing lack of a number of technical skills. Whilst many have noted the importance of this issue, this evidence base has not led to any effective action. Rather than repeat these exercises, Skills Guernsey has collated the previous work and sought to confirm / extend the analysis through extensive discussions with employers, business groups and providers of training and education.
- 6.3 These consultations have proven to be very consistent in confirming the previously identified skills gaps and have also identified developing challenges in terms of the digital agenda and the development of outsourcing. Skills Guernsey is now working to develop a set of clear recommendations to address a number of key themes and these are summarised below. Skills Guernsey, via the CfED and CfES&C, will report back to the States more fully on the work conducted and the recommendations that follow.

⁹ Billet d'Etat XX – 2018 Budget Report

- 6.4 Digital skills are essential for all sectors of the economy. Technology is now universal amongst industry but local businesses are struggling to find individuals with the level of digital skills required. Consistent with the requirement of the Digital Framework (see above), the CfED and CfES&C are committing to develop the digitally skilled workforce of the future. This work is combining the attraction of digital skills to the Island alongside education and training.
- 6.5 Short term actions are being taken alongside the development of longer term digital educational roadmaps which outline how training will be provided for children throughout the educational process, and for older workers seeking to develop new skills. An update on the approach to digital skills will be produced shortly and has been supported by firms throughout the economy. This work focuses on growing future digital skills, inspiring the future workforce, developing industry partnerships and the specialist skills that will need to be brought onto the Island. The core outcomes of this strategy are that business demand for a skilled digital workforce is identified and can be met, leading to an increase in the number employed in key digital roles. In the longer-term, the Guernsey education and training system will need to deliver graduates, apprentices, specialist, generic and vocational skills (this includes retraining), and ensure that graduate and post-graduate level qualifications can be offered with a focus on digital and cyber courses.
- 6.6 As with all major economies, outsourcing in Guernsey has become a reality in the finance sector as well as in selected other areas of the economy. Interviewees were clear that the motivation for such outsourcing is not just lower costs but also the quality of the labour obtained in some cases. The initial work for Skills Guernsey is to document and build a fuller understanding of the roles being outsourced, in order to understand whether there is opportunity to address these skill gaps with local resources, and to consider if training or other policy responses can address this trend.
- 6.7 A consistent theme of the studies of skills in Guernsey is that attitudes and employability skills are a concern for employers. This conclusion continues to be strongly presented by industry with specific concerns on employability skills, productivity and attitudes, as well as communication and business skills. There are specific steps already being taken by the CfES&C to increase the 'employability' of school leavers via the curriculum and further specific work-streams are being considered.
- 6.8 The role of apprenticeships and work-based learning is critical to the Guernsey economy where a large number of smaller firms are responsible for substantial levels of employment. There is clear evidence that in terms of return on investment, over time, government's contribution to skills development through

such schemes as apprenticeships repays investment several times, in terms of high earnings, economic activity and tax returns. Industry is clear that there is considerable appetite for apprenticeships to provide deeper levels of skill and cover a wider range of the economy than present. The development of 'modern apprenticeships' are therefore essential and encouraged as part of the review of the States' Apprenticeship Scheme. Further work-based learning options, as well as flexible training provisions and support for small businesses will be reviewed in addition to funding mechanisms which could be employed to offer a much wider 'modern apprenticeship' approach across the economy.

- 6.9 In line with other economies, there is an industry shift in Guernsey to seek to recruit people with higher-level qualifications. Discussions with Industry suggests a shift away from recruitment of school leavers in a number of sectors with an increasing focus on more qualified and graduate qualified labour and fewer GCSE appropriate posts. Skills Guernsey will work with the Guernsey Careers Service and CfES&C to monitor developments in this area and consider if there are better ways in which to encourage Guernsey graduates back to the Island.
- 6.10 Finally, there is a clear demand for Guernsey's workforce to be innovative and for greater entrepreneurial growth. Interviews across all types of firms, from the most sophisticated to more basic operations, reported the opportunity for further innovation in their sector, as well as a demand for more entrepreneurship. Guernsey is not unique in this challenge and Skills Guernsey will consider what can be learnt from others in how to further foster and encourage innovation in the workforce and schools.
- 6.11 Moving forward, the CfED will work closely with the CfES&C to create a robust and sustainable engagement framework between Industry and Skills Guernsey. The creation of a Guernsey Enterprise Agency ("GEA", see section 8 below) will form a focal point for the activity that has been missing. This has been welcomed by educational and training providers.
- 6.12 There are, however, a series of gaps in the amount of people with requisite skills on the Island today and the continued growth of the economy will expose further skill gaps. The CfED's current understanding is that there is a need for net immigration of at least 200 people per annum to keep the working age population at its current level, irrespective of any need to increase it. As such there is a need to look further afield. It has already been acknowledged by the States that "*...there will always be a need to import key skills and labour in order to grow the economy, stabilise public finances and sustain our quality of life*¹⁰." It is also accepted that there is a need to focus on developing and maintaining Guernsey's workforce at a size and make-up

¹⁰ Billet d'Etat XVII, 2015

consistent with achieving the States' strategic economic, social and environmental objectives.

- 6.13 This work directly supports the strategic outcomes in the P&R plan of being a centre of excellence and innovation as well as a strong, sustainable and growing economy, and, consequently, it is not incompatible with existing strategic population policy if it results in more people relocating to Guernsey for employment purposes. The CfED will, in any event, work closely with P&R and the CfHA in respect of their work on strategic population policies and, between the Committees, will ensure the balance needed to grow the working population against other factors.

7. Supporting the finance sector

- 7.1 The finance sector remains Guernsey's primary source of employment, export earnings and tax revenues: combined, the sector comprises the economic sectors of finance and business services. Current informal estimates suggest, subject to the potential revision of national accounting data that is ongoing, that the sector generates in the region of £1.5bn in economic value added, i.e. generating in the region of half of the Island's economic output, a third of all employment and accounts for a significant proportion of tax revenues. Securing a sustainable future for the sector is clearly the most critical activity for the economy of Guernsey.
- 7.2 Despite demonstrating resilience in the face of the global finance crisis, the sector has faced more challenges over recent years. Whilst some institutions have been very successful, aggregate growth has largely been absent. Only in the insurance sector, which has demonstrated product and technology leadership, has there been demonstrable growth. Relative to some of our competitors there are some challenging comparisons in terms of growth, the delivery of a clear financial services strategy and framework, and effective promotion of the sector.
- 7.3 To address these issues the role of government is to:
- i. Create the conditions for investment by the private sector.
 - ii. Ensure a clear vision and a collaborative framework where all parties (private companies, regulator and government) work together in a clear and understood manner.
 - iii. Ensure that such a framework has leadership and direction and that a clear coherent strategy is followed.
- 7.4 In recent years a sense of direction has been missing. The CfED will shortly propose a policy framework that reaffirms the States' commitment to the finance sector, a commitment to creating a supportive environment for the sector, and one that sets out a clear set of principles, priorities, way of working and a series of actions to

reinvigorate growth and innovation in the sector. This policy framework will be a first step in the delivery of a strategy to boost growth and the competitiveness of the sector.

- 7.5 The framework will also set out a revision to the fora through which effective and focused co-ordination between industry, government and regulator is achieved and which is required to provide the leadership needed to focus and harness the efforts of stakeholders on delivery.
- 7.6 Guernsey has maintained a policy commitment over time to being a well-regulated tax-transparent jurisdiction. However, being well-regulated and tax-transparent is a necessary but not sufficient condition for growth. Setting and maintaining a proportionate risk and regulatory environment is pivotal to growth of the sector and proportionate compliance with international standards is a route to secure trade and market access.
- 7.7 Central to successfully creating growth and supporting the policy framework will be a clear development strategy. This will not be a long strategy but an action-focused plan to create the conditions for success.
- 7.8 Guernsey's proven route to economic success has been to build on its strengths, areas of comparative advantage and, in particular, being the first to develop and capture new markets, as demonstrated by the development of Protected Cell Companies and Guernsey's ongoing role as a leader in this area. Key to growth is the creation of a supportive and collaborative environment for firms and industry, and co-ordinating and driving action when opportunities arise. The strategy is to build on existing strengths, 'extend from the core', to move first to develop and secure new markets and products where Guernsey has real, or perceived, sources of comparative or competitive advantage.
- 7.9 To summarise, the policy framework sets out how the CfED, in conjunction with industry, the regulator and other States Committees, will seek to create the right environment for the sector. The development strategy seeks to catalyse and kick-start sector growth.
- 7.10 Initial action areas include funds (including green finance), fintech (including blockchain and smart contracts), fiduciary services (including family offices), wealth management and brokerage services, and global passporting. Action plans will be the subject of confidential development and dialogues and work streams are already underway with industry. The results of this work will be communicated to members in due course in an appropriate form.

- 7.11 Geographically, the focus will recognise changing patterns of global wealth generation and as such pivot to a handful of priority target markets will be absolutely necessary.
- 7.12 Sitting within the overall strategy for the finance sector is a Brexit strategy (including World Trade Organisation entry). In this area the CfED, alongside P&R, are seeking to leverage better trading relationships with both the UK and EU by contributing to the regulatory recognition debate in the UK to improve market access, and by focusing on the complementary economic role Guernsey plays supporting the City of London.

8. Supporting success across the real economy

- 8.1 Guernsey has a broad economy outside of the finance sector, often referred to as the real economy for simplicity. The CfED has been working with representatives from across Guernsey's real economy to develop strategic approaches to supporting their success. The remainder of this section summarises the work and initial conclusions together with the next steps that will be adopted.
- 8.2 Guernsey Enterprise Agency ("GEA")
 - 8.2.1. The lifecycle of businesses can be summarised into three phases: start up, growth and exit. In Guernsey, support for firms across this lifecycle has been limited and there is widespread academic and practical business literature showing the ways in which such support can increase the productivity of firms, their ability to survive over the critical first three years of their lifetime, and then to grow and become substantial employers. The CfED will invest in the development of an effective GEA, which encompasses and extends the activities currently performed by Start-Up Guernsey, to support this development path for businesses of all types.
 - 8.2.2. The GEA, which will be an Agency outside of the States with a private sector-led board, will form a centre for firms from across all sectors of the economy and provide a one stop shop for all matters for businesses of all types and all stages of their development. The terms of reference for the GEA will shortly be published, alongside the key performance indicators that the CfED will expect them to deliver against. The GEA is expected to be funded by a combination of existing funds and the FGEF for three years and over this time will be expected to prove its worth for ongoing support by the CfED. The key roles of, and therefore opportunities from, the GEA are discussed below.
 - 8.2.3. There are numerous requirements for setting up a business and its ongoing management in Guernsey which the GEA can guide firms through. The GEA will be the source for businesses providing information on all regulations that impact

businesses, and ensuring these are readily available and shared through a variety of media to reach all parties. The CfED will also ask the GEA to work with firms from across the economy to audit and make recommendations for the simplification of these requirements.

- 8.2.4. Firms require access to effective advice and mentoring throughout their lifecycle. The CfED has conducted a series of discussions with business organisations, successful businesses, and individuals who have succeeded in the creation, growth and exit of businesses, and who have indicated their willingness to act as sources of advice and mentoring. Similarly, the ability to talk to peers, sources of business, and individuals who can add to the development of a business are key to all types of businesses. Guernsey has a series of business organisations and networks which seek to address some of the requirements in this regard, however, representations to the CfED have identified many other opportunities in this area. The GEA will work alongside existing networks in a collaborative fashion and develop further fora as required.
- 8.2.5. As discussed above, there are challenges facing Guernsey businesses in obtaining the skills they require to be successful both immediately and in the future. A series of short and longer terms measures to address skills gaps are proposed through Skills Guernsey, which will work in collaboration between the CfED, CfES&C, training providers and industry. The GEA will be the focal point for industry, ensuring that their needs are captured and ensuring that the delivery meets these requirements.
- 8.2.6. Businesses of different types and in different phases of their lifecycle require different types of finance. For some business owners this can be a daunting prospect and the GEA will work actively with these firms to help them with advice on the appropriate form and sources of financing. The development of more active angel investment networks (locally and in London) and the recently agreed Guernsey Innovation Fund provide just some of the potential sources of finance alongside more traditional forms of finance. The GEA will also review and report to the CfED whether sufficient sources of financing exist for smaller firms in Guernsey and, if there are market failures in the provision of capital to businesses with appropriate business plans, work with the CfED to consider how this issue may be addressed.
- 8.2.7. The size and nature of the economy in Guernsey means that many businesses will need to export to succeed. Working alongside a series of related organisations in the UK and elsewhere, the GEA will work to proactively support firms seeking to export their goods / services. The GEA will work closely alongside the digital development team within the CfED and the revitalised Digital Greenhouse will form a hub for such activity.

8.2.8. Whilst the GEA will be an organisation primarily focused on working with businesses to overcome challenges to their development, it will be important to make sure that Guernsey firms remain suitably informed of market developments and opportunities. The GEA will seek to make use of both physical and digital approaches to delivering this role, ensuring that where on-island events are used, the focus is on quality rather than quantity, and on opportunities for doing business with the world.

8.3 Tourism

8.3.1 Tourism is in the blood of Guernsey and it has been a key part of the economy for many years. Whilst measuring the economic impact of tourism is an imprecise science, in direct terms the hospitality sector contributes c. 2% of the GDP and employs c. 2,000 people. However, tourism has a larger indirect footprint due to the expenditure created in retail and other sectors of the economy. The sector also has critical externality effects on the economy, for example, tourists' use of air and sea links creates additional traffic on routes and hence increases their viability. As such, tourism will continue to be part of a balanced economy for Guernsey. There have, however, been falls in visitor numbers to the Island over an extended period, leading to significant questions being posed both within the sector and outside about the cost of travelling to, and from, Guernsey and the tourism product itself.

8.3.2 The CfED has set itself the task to undertake a challenging review of the sector and policy adopted to support it. The review has consulted with tourists, visitor accommodation providers, hospitality providers, attraction owners, and other key stakeholders. The key areas and preliminary policy direction are set out below. Following the finalisation of work in these areas the CfED will set out its proposals to the Assembly for its consideration early next year.

8.3.3 The CfED currently intends to return to the Assembly with proposals to remove the particular restrictions placed on the entry and exit of visitor accommodation from the Guernsey market over, and above, other uses of land. At present, guidance provided to the SLUP and IDP means that new visitor accommodation is limited to the main centres of St Peter Port and St Sampson/Vale and to the sites already in visitor accommodation use. Visitor accommodation seeking a change of use away from the visitor accommodation 'Use Class' have to meet strict policy criteria and pass a viability test. The guidelines applied by the DPA also require a property to have been marketed in the UK / Guernsey for at least two years.

8.3.4 The conditions put in place to limit exit from the sector were an attempt to protect bed stock should the number of tourists increase to numbers seen a number of decades ago, in line with the tourism strategy adopted by the Commerce & Employment Department but not put before the States for

endorsement. However, the average full-year level of visitor accommodation annual occupancy / utilisation in 2016 was 52%. The lower levels of utilisation faced by some visitor accommodation means that they are essentially committed to the sector even if their business becomes commercially unviable and unsustainable. This has resulted in challenges to the quality of some visitor accommodation, due to inability to invest and a number of properties have already been closed for business with the risk of additional closures.

- 8.3.5 In removing these restrictions, visitor accommodation will be able to apply for change of use with proposals being assessed against the other policies of the IDP. The CfED will confidentially consult further with hotel owners to understand which business owners want to exit or expand their operations and whether any transition measures might be needed to ensure that the Island's bed stock meets market demands. Alongside exit from the sector it is important that new investment into visitor accommodation is encouraged from those operators who wish to develop the type of facilities necessary to meet the expectations of today's tourist. The CfED is therefore proposing to remove the particular restrictions placed on the entry and exit of hotels from the Guernsey market over, and above, other uses of land.
- 8.3.6 The nature of the Island's attractions is broadly unchanged from that of three decades ago. Guernsey's attractions are predominantly based on heritage and the outdoors. The early conclusions from a consultancy study of the attractiveness of these attractions is that whilst they appeal to the target audience for the Island, they are not unique and do not have the appeal to this audience that marks Guernsey out as a special destination to visit. As a result, work is being conducted to understand the way in which the attractions of the Island may be better enhanced, and if there are alternative attractions that could contribute to Guernsey's appeal to its target tourist markets. This work is at an early stage but indications are that developments of the type envisaged are likely to require the States to invest in the tourism product alongside private capital. Assuming this is the case, the CfED will consider the extent to which this can be supported from existing funding sources or, if necessary, approach the Assembly to consider any such investments.
- 8.3.7 The tourism strategy will also need to consider how the Island is best promoted. As identified above, the CfED is considering the best approach for the delivery of the promotion of the sector and it would appear appropriate that the industry moves to a position where it invests alongside the States in its own promotion in a similar manner to the finance sector. In the meantime, the CfED is working to continue to best promote the tourism product and has agreed with P&R to invest up to £337,000 from the FGEF to back a series of tourism marketing activities to

capitalise on the release of the major film of the book *The Guernsey Literary and Potato Peel Pie Society*. This support will include both advertisements that can be run in the cinema and online, events on and off Island, as well as public relations and promotional work with the Island's tourism sector. This investment will be made gradually as the plans of the film's producers crystallise beyond the known Spring release date. Levels of investment will also depend on the success of the film.

8.3.8 Clearly tourism is impacted by how people can get to the Island. The work identified above in relation to air and sea transport is expected to help address the challenges the sector faces in this regard. However, it is important that strategies are developed and implemented that are not reliant on major infrastructure developments occurring in short order. As such, the CfED is working with tourism stakeholders to seek to understand how it can better maximise tourism spend in the period prior to transport infrastructure decisions being made. This includes defining the promotional target consumer in a better manner and working with the retail and other sectors, as described further below, in a proactive manner.

8.4 Retail

8.4.1 Retail and wholesale activities employ c. 4,000 people in Guernsey and are a key part of business and community life. However, the current Retail Strategy for Guernsey, endorsed by the former Commerce & Employment Department but not the States as a whole, is now almost five years old, and the research which informed it dates from as long ago as 2009. More importantly, this strategy does not place the views of consumers themselves at its centre. The CfED has reviewed this strategy and the policies resulting from it, to ensure that the approach reflects the needs of today's consumers, enables the retail sector to operate without unnecessary barriers, and creates the conditions to enable retailers to offer the best possible customer experience. This review has already included a survey of the opinions of 700 consumers, discussions with retailers and developers, and a review of international trends and actions. Following further consultation in forthcoming months the CfED will formally set out a new retail strategy to the States for its consideration early next year.

8.4.2 The CfED intends to return to the States with proposals aimed at removing restrictions placed on the location of retail that limit accessibility and convenience. The present retail strategy sought, via the retail-related planning policies of the IDP, to broadly limit many types of retail development (in particular the sale of non-essential goods) outside of St Peter Port and the Bridge to protect these main retail centres. Initial feedback from consumers has suggested this has not met many consumers' preferences and developers have indicated some developments have been halted as a result of these policies.

- 8.4.3 Making retail a career of choice and equipping employees with the skills for success is critical to the success of the sector and the development of employees. At present many people do not see retail as a viable, attractive career option, however, the sector offers significant opportunities to employees who wish to develop a career in a variety of roles. Appropriate training is required to equip individuals with the skills they need to fulfil their potential and access progression opportunities, and to make people aware of the opportunities available in this diverse sector. The work of Skills Guernsey (see above) has identified the potential for the introduction of a retail apprenticeship and the CfED are working alongside the College of Further Education and industry to consider the best format for such a modern apprenticeship, how it may be financed and best suit the needs of the sector.
- 8.4.4 In order to maximise expenditure from both local consumers and tourists, the retail sector needs to work in the most effective manner possible with the hospitality / tourism sector. The manner in which retail and leisure activities have combined has developed over recent years in both Guernsey and other jurisdictions. The CfED is therefore launching a series of workshops with stakeholders from the retail, hospitality and tourism sectors to understand the best ways in which they may work together to maximise consumer value and therefore spend.
- 8.4.5 There is a need for the retail sector to promote itself in a positive and joined up manner for the benefit of retailers, stakeholders and the community. The evidence of other jurisdictions, and indeed in Guernsey, is that retail benefits most when various parties combine to promote the offering and increase activity in the area. The CfED is actively considering how the sector may work together to promote and enhance retail across the island, learning from how bodies in other jurisdictions are structured and financed. A single promotional group would also provide a way for a currently fragmented sector to achieve a regular, cohesive, two-way dialogue with government in a manner beneficial to the sector and the community. This approach requires collaboration with retailers and the CfED is working with various parties to establish in which way this may be best achieved.
- 8.4.6 The basis of retail has changed completely with the development of the Internet and e-commerce becoming a key (or in some cases only) way to market for many retailers. The CfED believe it is critical to encourage and support retailers in Guernsey to work with, alongside and also compete with the online retail offering. Retail is a rapidly developing competitive activity where Island based companies must compete not only with alternative local providers, but also with online competitors and off Island locations. Retailers' responses will, primarily, be based on the profitability of their options, therefore the CfED has commissioned consumer research to understand what influences Guernsey consumers' decisions

whether to shop online or in store. As well as threats, online retailing presents opportunities for local stores in terms of local customer reach, new markets internationally and working as part of the fulfilment chain. These form a specific focus of this research and will be shared with retailers to inform their business decisions.

- 8.4.7 Finally, it is important to consider concerns about parking and access to the main retail centres in both the short and the longer term. Survey evidence commissioned by the CfED suggests that the availability of parking in St Peter Port is an important criteria for consumers as to whether they shop in St Peter Port or elsewhere, but less so in the decision of whether to shop online or physically. A working party has been established with the CfE&I to consider shorter term opportunities to improve parking and access to town as well as informing the work being carried out by the air and sea infrastructure group to develop a master plan for the redevelopment of the St Peter Port Harbour Action Area (see above). The redevelopment of St Peter Port Harbour has the potential to deliver longer term comprehensive solutions to the issues of accessing and parking in town for retail, leisure and work purposes, but should this project not proceed at the pace envisaged it may be necessary to consider alternative approaches.

8.5 Golden Guernsey

- 8.5.1 The CfED is seeking ways to support the promotion of Guernsey produce, services and goods. One method of achieving this is to recognise that produce, services and goods come from, or have substantial use of, Guernsey goods and labour in the form of a “marque” of origin. Internationally, there are many examples of such schemes which suggest that such recognition can:

- i. Encourage local consumers, proud of the Island, to purchase locally.
- ii. Be a basis for tourist expenditure on unique Guernsey goods.
- iii. Highlight our production legacy.
- iv. Be built into a brand which wider markets begin to recognise as championing the uniqueness and quality of the produce, services and goods Guernsey produces.

- 8.5.2 The CfED will be bringing forward proposals for a “Golden Guernsey” scheme that seeks to recognise goods from Guernsey-resident businesses where at least one of the following criteria applies at a significant level:

- i. Ingredients are produced, reared, grown or caught in Guernsey and its surrounding waters; or
- ii. The manufacturing process is conducted in Guernsey; or
- iii. Creativity and/or professional skill is applied within Guernsey.

8.5.3 The Golden Guernsey scheme need not be burdensome or bureaucratic, rather it can be developed in conjunction with industry and producers, and aim for them to take on its ongoing management and administration. As such, discussions are being held with employer groups to understand how this can be achieved.

8.6 Construction

8.6.1 The construction sector within Guernsey has faced demand based challenges in recent years as larger projects have not sustained the levels of activity enjoyed by the sector previously. This Policy Letter has focused on the creation of investment and growth in many areas of the Island's economy. This will create construction activity at both the larger scale and, if effective, flow through the housing stock of the Island as the economy grows. This should create the activity to support the development of the sector, particularly when combined with a series of States' building projects brought forward by other Committees, and the States recognising the importance of investing in infrastructure and allocating 3% of GDP per annum to this.

8.6.2 It is important that the relative economic impact of the provision of large scale construction activity from on Island providers and their labour forces is considered when letting such contracts. This is not to unduly favour local providers or seek to discriminate against off Island providers who may be able to provide appropriate quality at lower costs, but simply to appropriately recognise the economic multiplier effects that exist from local profits, employment and expenditure. The States' procurement approach has a recognition of local input but the CfED will work with them to look at ways this may best reflect economic impact. It is also important that, where possible, States building activity is phased in a manner to avoid an immediate glut of activity followed by another fallow period. The CfED will work with all States Committees to find practical ways in which such phasing can be best achieved. Finally, support from the States to allow previously approved housing schemes to progress, provides an important route through which the CfED would encourage the States to support the construction sector as well as wider economic development goals. The CfED also believe it is important that the States act upon, recommendations provided within, the KPMG report in their Guernsey Housing Market Review.

8.6.3 The provision of skills within the construction sector is important. The likely revision of the apprenticeship model from the CFE will provide opportunities for the sector but may also reduce the financial incentives they receive. The CfED will work with employers within the sector, through its role within Skills Guernsey (see above) to best support businesses to continue to invest in, and obtain the required skills for, the sector to flourish.

8.7 Continuing economic diversification

- 8.7.1 The scale and success of the finance industry has over recent decades dominated the Guernsey economy, in a way in which horticulture and tourism have in past periods. Whilst the CfED is committed to the ongoing success of our primary sector it remains critical to support ways in which the economy can be further diversified.
- 8.7.2 The scale and nature of Guernsey means that any industry that will succeed within the Island must have the ability to succeed with a limited scale of labour force and land. The CfED is currently working with a series of different parties who have approached the States with opportunities that meet this criteria but to date there is no progress that can yet be announced. The CfED is of the view that its key role is not to pick any such winners but rather to create the conditions where such firms may prosper. This Policy Letter has focused on policies to create just such conditions, i.e. digital connectivity, transport connectivity, skills in the workforce, land for industry, promotion of economic activity and the support for firms through their lifecycle.

8.8 Brexit

- 8.8.1 There has been considerable discussion of the economic effects of Brexit on the finance sector given the unknowns in relation to trading patterns following the UK's exit from the EU. In the real economy the questions are, in the main, clearer and have been central to the ongoing debate between the UK and the EU, e.g. the movement of people, any additional tariffs and requirements on the movement of goods and non-tariff barriers to trade that may develop. The CfED, alongside the external relations team in P&R, will continue to work with representatives of each part of the real economy to understand the specific requirements within Guernsey and to best advance this in representations to the UK Government.
- 8.8.2 The fishing sector is likely to be particularly impacted by the changes that will accompany Brexit in relation to fisheries management, access arrangements and trade in fisheries products, as has already been seen with UK serving notice on the London Fisheries Convention. The interests of this sector are, and will remain, central to the concerns of CfED.

9 **Future Guernsey Economic Fund**

- 9.1 The FGEF is a fund that was created by the States to provide investment into areas where the potential exists for economic growth, and therefore taxation revenue, but where commercial investments would not currently invest due to market failures or the need to invest as a jurisdiction being greater than the return to an individual investor. To date this fund has been administered by P&R and it has invested in:

- i. Additional support for Guernsey Finance.
 - ii. Additional support for marketing campaigns for Visit Guernsey.
 - iii. Support to the promotion of the film of the book The Guernsey Literary and Potato Peel Pie Society.
 - iv. The establishment of Locate Guernsey.
 - v. The establishment of the Digital Greenhouse.
 - vi. Route support for the Cardiff to Guernsey air route.
 - vii. A study on the establishment of a Guernsey University.
- 9.2 The FGEF currently has £4.7m remaining for investment. The States has agreed to top up the FGEF based on the provision of half of any additional tax revenue obtained that is over and above each investment made. To date, no formal calculation of the impact of these activities has been made and the CfED will be conducting this in the next few months to understand the return from these past investments.
- 9.3 The CfED has proposed a series of actions within this Policy Letter. In many cases these actions will not require investment from government over and above the time of staff within the CfED. In other cases a source of funding, such as the States' Capital Reserve, has already been identified. However, for a number of the proposals made, investment will be required from the FGEF.
- 9.4 In particular, the use of the FGEF has been identified as the source of funding for the following initiatives:
 - i. Support for air routes to the Island which can be confidently expected to have a positive economic impact upon the Island. In particular, the CfED is already involved in a series of discussions in relation to alternative air routes to London airports.
 - ii. Establishment and operation of a proposed GEA which will support firms of all types through their lifecycle and form a hub for the development of skills in the economy.
 - iii. Further promotional support for business on the Island.
 - iv. Support, if required, for an Inter-Island ferry service.
 - v. Support, if required, for a proposed Guernsey EXPO.
- 9.5 Each of these investments is expected to have a positive impact on the Guernsey economy over the longer term but will need to be conducted in a fashion to obtain the maximum possible return.
- 9.6 In the budget¹¹, P&R set out that the control and governance of the FGEF should be considered by the States in relation to this Policy Letter.

¹¹ Billet d'Etat XX – 2018 Budget Report

10. Timetable for further States consultation

- 10.1 In presenting this Policy Letter and associated propositions to the States, the CfED has invoked the provisions of Rule 17.9 of the Rules of Procedure of the Assembly and their Committees, which allows for propositions to be debated and approved without amendment on the basis that more detailed proposals will be brought to the States for approval. The CfED will, over the forthcoming months, bring a series of detailed proposals to the States in each of the areas set out below for their consideration.
- 10.2 The timing of the following actions is an estimate at this stage and will reflect both the feedback from stakeholders and the ongoing workload of the CfED.
- i. Air Transport Licensing Policy Letter: January 2018.
 - ii. Telecommunications sector policy statement: February 2018.
 - iii. Updated digital framework: February 2018.
 - iv. Skills strategy: February 2018.
 - v. Tourism strategy: March 2018.
 - vi. Retail strategy: March 2018.
 - vii. Conclusions and recommendations on air and sea transport: Mid 2018.
 - viii. Conclusions and recommendations for St Peter Port Harbour development: Mid 2018.

11. Propositions

- 11.1 The States are asked to decide whether, after consideration of this Policy Letter, titled "Guernsey Economic Vision: Investment, Growth and High Value Employment", dated 13 November 2017, they are of the opinion:
1. To support the proposals set out within this policy letter in accordance with Rule 17(9) of the Rules of Procedure. The Committee is of the opinion that these proposals are of general policy and that this Proposition should be considered by the States without amendment on the understanding that if it is accepted the Committee will return with detailed proposals which could be accepted or rejected with or without amendments.
 2. To agree that administration and control of the Future Guernsey Economic Fund shall be immediately transferred to the Committee *for* Economic Development in support of the delivery of the proposals set out in this Policy Letter.
- 11.2 These Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the Assembly and their Committees.

12. Committee Support for Propositions

12.1 In accordance with Rule 4(4) of the Rules of the Procedure of the Assembly and their Committees, it is confirmed that the propositions above have the unanimous support of the Committee.

Yours faithfully,

PTR Ferbrache
President

J Kuttelwascher
Vice President

A Dudley Owen
J Merrett
J Mooney

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE *for* ECONOMIC DEVELOPMENT

LAND FOR INDUSTRIAL AND STORAGE USES

The States are asked to decide:-

Whether, after consideration of the Policy Letter dated 13th November, 2017 they are of the opinion:-

1. To note that the Committee *for* Economic Development is of the opinion that the States should facilitate the use for industrial and storage purposes of any of the following areas of land owned by the States of Guernsey: Mont Crevelt/the Longue Hougue reclamation site, Griffith's Yard, Brickfield House industrial area (as described in section 5.3 of the Committee's policy letter, and excluding the field where the pump house is located), and/or Pitronnerie Road.
2. To direct the States Trading Supervisory Board to make available any of the areas of land listed in Proposition 1, to provide:
 - a. basic open yard facilities for the purposes of open storage of plant, materials, and equipment principally for the construction industry; and
 - b. land for heavy industrial purposes.
3. To agree that the provision of these facilities should be in line with the policy framework set out in section 4.2 of this policy letter.
4. Subject to the approval of Proposition (1), to direct the Committee *for* Economic Development to review, by no later than 13th November, 2022, the provision of these facilities by the States of Guernsey.

The above Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE *for* ECONOMIC DEVELOPMENT

LAND FOR INDUSTRIAL AND STORAGE USES

The Presiding Officer
States of Guernsey
Royal Court House
St Peter Port

13th November, 2017

Dear Sir

1 Executive Summary

- 1.1 The Committee *for* Economic Development (“the Committee”) is required by Resolution of the States to set out its opinion, in a policy letter, on whether the States should facilitate the use for industrial purposes of any of the following areas of land, all of which are owned by the States: Mont Crevelt/the Longue Hougue reclamation site, Griffith’s Yard, Brickfield House (excluding the field where the pump house is located), and Pitronnerie Road.
- 1.2 The Committee is of the opinion that although the Island Development Plan (“IDP”), which came into effect last November, now provides much greater flexibility for the private sector to bring forward sites for industrial and storage uses, these policies are yet to fully deliver in terms of meeting the immediate commercial premises needs of two broad categories of business as described elsewhere in this policy letter.
- 1.3 The Committee would ordinarily wish for the delivery of commercial premises to be left to market forces, and is of the opinion that there is no case for providing a financial subsidy for any such accommodation. However, the Committee recognises that the States is in a position to increase the availability of premises suitable for these types of business, and would support making any of the above sites available for this purpose but on commercial terms and with no form of subsidy.
- 1.4 The Committee recognises that if the States resolves to make such land available for commercial use, the States Trading Supervisory Board (“STSB”) would be responsible for giving effect to this resolution. The Committee understands that the STSB would require a policy framework within which to establish and administer any such facility. This policy letter therefore proposes a policy framework which would, subject to States’ approval, provide the STSB with the direction to carry out this function.

- 1.5 The Committee also proposes that if the States resolves to direct the provision of land for this purpose, that decision should be reviewed after five years by the Committee.

2 Background

- 2.1 The relevant background is set out in the policy letter dated 25th April, 2017 by the Development & Planning Authority (“DPA”) and the Committee *for the Environment & Infrastructure* (“E&I”), hereafter referred to as “the DPA/E&I policy letter”, which the States considered at their meeting on 7th June, 2017 (Billet d’État XI of 2017).

- 2.2 This policy letter therefore does not repeat that background, other than to add that at the aforementioned meeting, after consideration of the DPA/E&I policy letter and further to an amendment by Deputies L B Queripel and M J Fallaize, the States resolved *inter alia*:

“To direct the Committee *for Economic Development*, in accordance with its policy and advisory responsibilities "to advise the States and to develop and implement policies on... the promotion and development of all sectors of business", to submit a policy letter to the States by no later than December 2017 in which it shall set out its opinion on whether the States should facilitate the use for industrial purposes of any of the areas of land listed in Proposition 1 [of the propositions submitted by the DPA/E&I with their policy letter of 25th April, 2017, namely: Mont Crevelt/Longue Hougue reclamation site, Griffith’s Yard, Brickfield House (excluding the field where the pump house is located), and Pitronnerie Road]”.

3 The Committee’s opinion

- 3.1 The Committee recognises that the IDP provides flexibility for the private sector to bring forward sites for industrial and storage uses, but is of the opinion that these policies, which came into effect in November last year, are yet to fully deliver in terms of meeting the immediate commercial premises needs of the following broad categories of business:

3.1.1 Category 1 businesses

Businesses which require basic open yard accommodation, principally for the storage of construction-related equipment, plant, and materials. The primary requirement of these businesses is for basic and secure ‘lock up and leave’ storage accommodation, rather than for workshop and office accommodation, though some may benefit from the provision of some basic covered storage.

3.1.2 Category 2 businesses

Businesses which require open yard accommodation for the storage of construction-related equipment, plant, and materials but which would also benefit from the ability to undertake heavy industrial activities on-site, such as the screening of rubble and the processing of inert waste.

- 3.2 Nearly all of the tenants currently accommodated at the States-owned Fontaine Vinery temporary open storage compounds would fall within Category 1. A much smaller number of tenants fall within Category 2.
- 3.3 In interviews conducted in 2015 and 2016 with tenants of the temporary open storage compounds at Fontaine Vinery, the principal concern reported was lack of availability of suitable sites in the private market and the impact this had on the affordability of sites which did become available. Tenants reported that open storage sites rarely became available, and storage premises on the commercial market tended to be built warehouse-style structures, which were unsuitable for these businesses, as smaller buildings may not have sufficient internal height to accommodate plant and equipment, and larger premises were often too expensive for these businesses to rent wholly and would need to be subdivided into smaller units, again affecting the cost of these premises.
- 3.4 A small number of tenants also reported that they would also benefit from being able to carry out heavy industrial activities relating to the processing of inert waste (e.g. stone, metal, and timber from construction sites) at the site of their accommodation if they had suitable premises with the necessary planning permission to carry out these activities, but that options in the commercial premises market were limited because of the high impact of these heavy industrial activities on neighbouring uses.
- 3.5 Further, in late 2016/early 2017, the Committee carried out a survey of businesses requiring industrial and storage accommodation. The majority of respondents (59% of 56 businesses) agreed that availability of suitable premises was a limiting factor for their growth. Though the survey sample was small and may not be fully representative, these findings would appear to reinforce the concerns relating to availability of premises as expressed by the tenants of Fontaine Vinery.
- 3.6 The DPA/E&I policy letter refers to an island-wide oversupply of industrial and storage premises. However, the Committee understands that this oversupply principally relates to built industrial and/or storage premises rather than the type of open yard accommodation required by businesses in both categories. This being the case, the Committee does not consider that an oversupply of built industrial and/or storage accommodation represents an immediate and pragmatic solution for the particular needs of the Category 1 and 2 businesses described above. Further, the Committee notes the findings of the most recent IDP Quarterly Monitoring Report (for Quarter 2, 2017), which reported that there was no land (as opposed to built premises) available on the general market for rent or sale for employment uses during that period. This underscores the point that despite a reported over-provision of built industrial and storage and distribution premises, there does not appear to be sufficient market provision of land for storage and industrial purposes

- 3.7 The Committee would ordinarily wish for the delivery of commercial premises to be left to market forces. However, whilst in time a greater number of premises suitable for Category 1 businesses should become available in the commercial market, the Committee accepts that there is presently an issue of availability, which the States is in a position to address by making premises available for these types of business.
- 3.8 The Committee considers that it is less likely that premises suitable for Category 2 businesses will become available through market forces owing to the particular operating requirements of these businesses, planning restrictions in view of the high impact of these operations on neighbouring uses (particularly in terms of noise and dust), and the limited availability of suitable sites. The Committee would therefore also support making available premises suitable for these types of business.
- 3.9 The Committee does not, however, consider that there is a case for providing any form of direct or indirect financial subsidy for the provision of accommodation for these types of business. The role of the States should be solely to make available suitable premises, on commercial terms and with no form of subsidy.
- 3.10 For Category 1 businesses, the Committee would wish to see the provision of basic open yards for storage but with a higher standard of facility than is available at Fontaine Vinery, which is limited by planning restrictions and the temporary nature of the site. The principal need is for secure, open storage but there should be the potential for some basic covered storage to be provided if required by tenants.
- 3.11 For Category 2 businesses, the Committee would wish to see the provision of accommodation which would be suitable, in planning terms, for heavy industrial use.
- 3.12 The Committee does not seek to prescribe the precise layout or size of any site or sites to be set aside for this purpose but would as a minimum expect the STSB to make available a total area (which may be provided across more than one site) of no less than is currently available at the Fontaine Vinery open storage compounds.
- 3.13 The Committee does not seek to prescribe which site or sites should be put to such use but recognises that location options for Category 2 businesses are likely to be far fewer in number than for Category 1 businesses because of the impact of heavy/specialist industrial activities on neighbouring uses. The options for Category 2 businesses may therefore be limited to the Mont Crevelt/the Longue Hougue reclamation site. The Committee recognises that Mont Crevelt/the Longue Hougue reclamation site is strategically a highly valuable site and that accommodating Category 1 businesses at that site may not represent the most appropriate use of this resource (as there are more site options for this type of business elsewhere). However, noting that Longue Hougue is zoned for heavy/specialist industrial activities, the Committee would support the use of part of this site to accommodate Category 2 businesses. To that end, it is relevant to add that STSB has confirmed to the Committee that there is potential for some limited industrial compounds at Longue Hougue to be made available for this purpose, but not until 2018 when most of the construction of the waste facility should be completed.

- 3.14 The DPA/E&I policy letter also refers to the potential for redundant winery sites to provide land for industrial and storage uses. The Committee recognises that this potential exists and, prior to its work to investigate the use of States-owned sites, the Committee endorsed efforts by States of Guernsey Property Services to facilitate the relocation of Fontaine Winery tenants to privately-owned redundant winery sites. This resulted in the identification of a private redundant winery site which, earlier this year, was granted the necessary planning permission for change of use. The relocation of businesses from Fontaine Winery to the privately-owned site is now a commercial matter between the landowner and the businesses.
- 3.15 The Committee is also aware of a number of recent planning applications (pending at the time of writing) having been submitted for the provision of accommodation for industrial/storage purposes, including at redundant winery sites. In view of the potential for a greater number of suitable sites than at present to be provided by private landowners, the Committee recommends reviewing after five years any decision to provide States-owned land for industrial/storage purposes, to ensure that the provision of such facilities by the States does not have a detrimental effect on the commercial marketplace, either as a result of stymieing new developments coming on-stream or by undermining the commercial viability of existing sites.
- 3.16 Importantly, whilst the Committee is supportive of making available a States-owned site or sites to help meet the needs of the two categories of business described above, the Committee is of the opinion that these facilities should be provided on commercial terms and with no form of subsidy provided. This would enable the States to address the issue of availability of suitable premises whilst ensuring a level playing field for businesses renting premises in the private market. The Committee proposes, in section 4, below, a policy framework to provide direction to STSB on these and other matters relating to the provision of any such facility or facilities.
- 3.17 Whilst the DPA/E&I explained in their joint policy letter that it would be acceptable, in principle, under the existing policies of the IDP, and subject to the relevant policy criteria, to use the aforementioned sites for industrial purposes without amendment to the IDP, the Committee recognises that any such proposal for the use of these sites would still need to go through the planning process, and that the relevant policies of the IDP would be applicable. Section 3 of the DPA/E&I policy letter provides an assessment of the aforementioned sites, providing guidance on the policies of the IDP which would apply to each of the sites.

4 Policy framework

- 4.1 During the States' debate on the amendment by Deputies Queripel and Fallaize, the President of the STSB indicated that his Board would require the Committee to provide a policy framework for the use of any of the aforementioned sites.

4.2 The Committee would therefore propose the following policy framework:

(1) The STSB shall make available any of the following areas of land owned by the States of Guernsey: Mont Crevelt/the Longue Hougue reclamation site, Griffith's Yard, Brickfield House (excluding the field where the pump house is located), and/or Pitronnerie Road, to provide:

- a. basic open yard facilities for the purposes of open storage of plant, materials, and equipment principally for the construction industry; and
- b. land for heavy industrial purposes.

(2) The STSB shall run these facilities on a commercial basis. No financial subsidy will be provided and no preference will be shown to any particular businesses.

(3) Notwithstanding (2) above, land set aside for heavy industrial purposes should be limited to businesses able to demonstrate a genuine need for such premises.

5 Consultation

5.1 In accordance with Rule 4 (1), the propositions set out in this policy letter have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications.

5.2 The Committee consulted with the STSB on the propositions and policy framework set out in this policy letter. The STSB raised no objections, and welcomed the recommendation to set commercial terms and rates. The STSB also welcomed the Committee's commitment to review on a five-yearly basis the need for this type of land to be provided by the States.

5.3 The STSB also took the opportunity to clarify that the site referred to in the DPA/E&I policy letter as "Brickfield House" constitutes 8,266m² of industrial land on each side of the entrance to the Guernsey Water facilities on the site, excluding the pump station. The image of the site depicted on p23 of the DPA/E&I policy letter ('Map 3') could have been interpreted as including the entirety of the land parcel at Brickfield House, which would not be a practical proposition. The STSB has provided an annotated aerial photograph of the site, enclosed with this policy letter as Appendix 1, which more clearly marks (in green hatching) the area potentially eligible for industrial/storage uses. It is to this area that the Committee's policy letter also refers when using the term 'Brickfield House'.

6 Resource

6.1 The STSB estimated that if the sites in States ownership were developed sequentially as demand dictates, then a single site would not require any additional resource than is currently employed for this purpose as part of the duties of States of Guernsey Property Services staff. The STSB advises that there will be a significant capital and resource cost to develop any new site, with the set up and operation cost taking an estimated five years' rental income to be recovered.

7 Propositions

The States are asked:-

1. To note that the Committee *for* Economic Development is of the opinion that the States should facilitate the use for industrial and storage purposes of any of the following areas of land owned by the States of Guernsey: Mont Crevelt/the Longue Hougue reclamation site, Griffith's Yard, Brickfield House industrial area (as described in section 5.3 of the Committee's policy letter, and excluding the field where the pump house is located), and/or Pitronnerie Road.
2. To direct the States Trading Supervisory Board to make available any of the areas of land listed in Proposition 1, to provide:
 - a. basic open yard facilities for the purposes of open storage of plant, materials, and equipment principally for the construction industry; and
 - b. land for heavy industrial purposes.
3. To agree that the provision of these facilities should be in line with the policy framework set out in section 4.2 of this policy letter.
4. Subject to the approval of Proposition (1), to direct the Committee *for* Economic Development to review, by no later than 13th November, 2022, the provision of these facilities by the States of Guernsey.

8 Committee Support for Proposition(s)

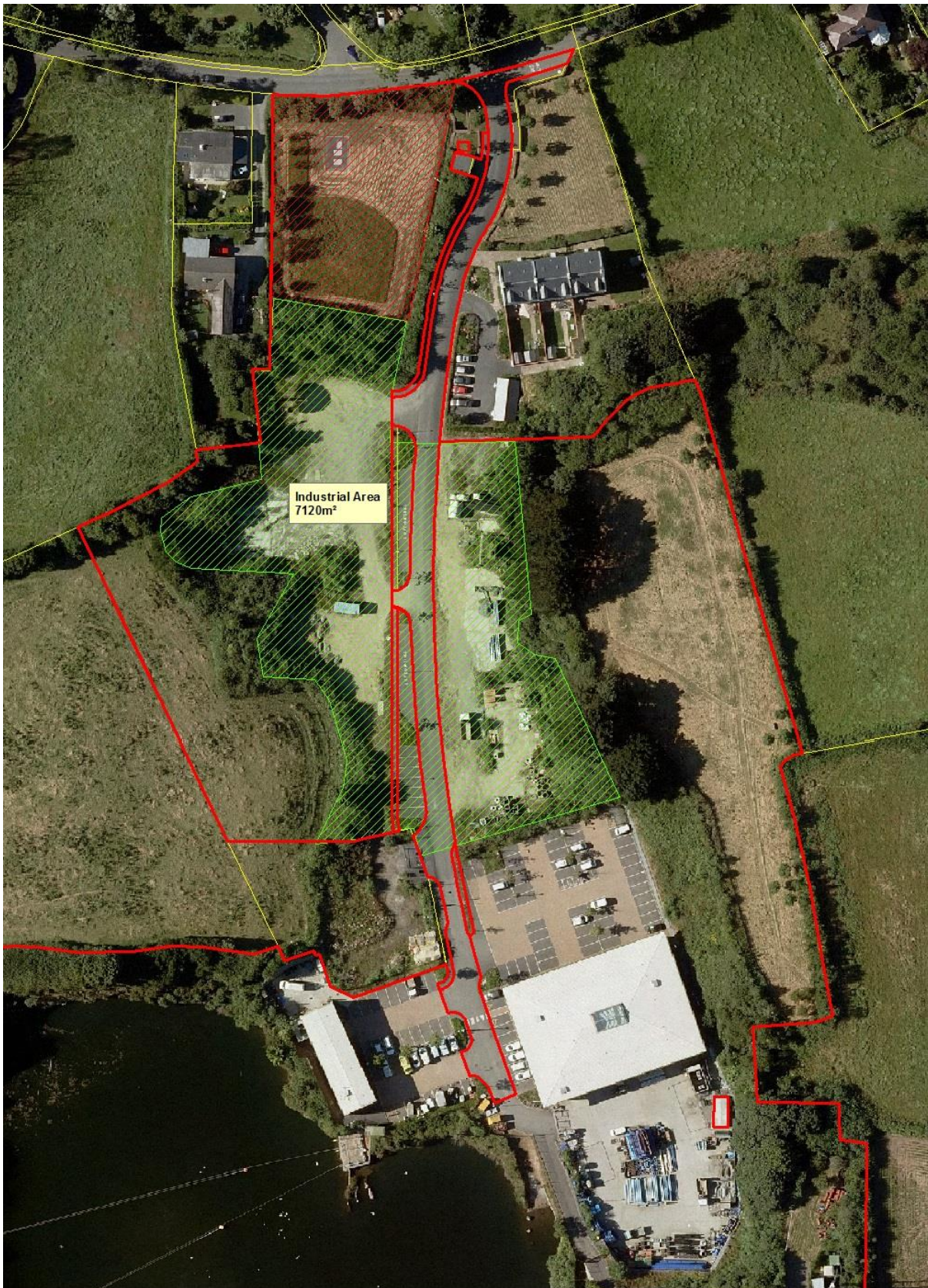
- 8.1 In accordance with Rule 4(4) of the Rules of Procedure of the States of Deliberation and their Committees, it is confirmed that the propositions above have the unanimous support of the Committee.

Yours faithfully

P T R Ferbrache
President

J Kuttelwascher
Vice-President

A C Dudley-Owen
J S Merrett
J I Mooney



Industrial land at Brickfield House

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

STATES' TRADING SUPERVISORY BOARD

**MERCHANT SHIPPING – INTRODUCTION OF NEW COMMERCIAL VESSELS CODE AND
CONSEQUENT MINOR LEGISLATIVE AMENDMENTS**

The States are asked to decide:-

Whether, after consideration of the policy letter entitled 'Merchant Shipping – Introduction of New Commercial Vessels Code and Consequent Minor Legislative Amendments', they are of the opinion:-

1. To note the intention of the States' Trading Supervisory Board to issue a Small Commercial Vessels Code governing construction standards, crew licencing, operating limits and other related matters under regulations to be made under the Merchant Shipping (Bailiwick of Guernsey) Law, 2002.
2. To agree to the amendment, repeal or suspension (as appropriate) of such legislative provisions as is necessary to facilitate the introduction of such a Code.
3. To direct the preparation of such legislation as may be necessary to give effect to the above decisions.

The above Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rule of Procedure of the States of Deliberation and their Committees.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

STATES' TRADING AND SUPERVISORY BOARD

MERCHANT SHIPPING – INTRODUCTION OF NEW COMMERCIAL VESSELS CODE AND
CONSEQUENT MINOR LEGISLATIVE AMENDMENTS

The Presiding Officer
States of Guernsey
Royal Court House
St Peter Port

6th November 2017

Dear Sir

1. Report

- 1.1 The Bailiwick's legislation in respect of commercial vessels is out of date, with elements of it dating back almost thirty years, and needs updating. To address this problem, Guernsey Harbours has consulted extensively on a new draft Small Commercial Vessels Code, based on existing similar Codes in force in other jurisdictions and to be made under regulations, to set out in one place modern, detailed provisions in respect of construction standards, crew licencing, operating limits and related matters, to apply throughout the Bailiwick. This will be a major step change in this area, providing local operators with a modern regulatory regime that reflects the best of current practice while ensuring it remains appropriate and proportionate for the Bailiwick. The Code and its parent regulations will also be easily amendable, making it easy to ensure that standards in this area remain current going forward.
- 1.2 Comments on the draft Code have been received from stakeholders and suitable amendments made, and the States' Trading & Supervisory Board ("**the Board**") is now ready to issue the Code and make the regulations (made under the Merchant Shipping (Bailiwick of Guernsey) Law, 2002) under which the Code will be issued.
- 1.3 Before that can be done, a small amount of legislative housekeeping needs to take place, to amend or repeal by Ordinance the out of date provisions which the regulations and Code will replace, to ensure there is no inconsistency on the face of the statute book. In one instance that has been identified (the Hired Boats and Passenger Boats (Guernsey) Law, 1989) it is expected that this will involve the

suspension of certain provisions by Ordinance, for which, unusually, that Law provides. Other changes are likely to include the substantial amendment or repeal of the Passenger Vessels (Bailiwick of Guernsey) Ordinance, 1970, and the commencement of one or more repeals of old legislative provision, provided for in the 2002 Law.

- 1.4 Guernsey Harbours had hoped to be able to introduce the Code in January 2018. It has not proven possible to meet that ambitious target. This is partly because the consultation process has taken longer than anticipated: Guernsey Harbours has had to work carefully through the detailed comments received, including feedback recently received from the UK's Maritime and Coastguard Agency, and the Board is of the firm view that taking proper account of the consultation responses in respect of this substantial and important piece of work is vital. It is expected that the Code will be issued in the first half of 2018.

2. Consultation

- 2.1 Following public consultation on a first draft of the Code, a revised draft was published for consultation in June 2017, with a deadline for responses set for 1st September 2017. That consultation response can be found here: <http://www.harbours.gg/CHttpHandler.ashx?id=110731&size=10>
- 2.2 The authorities in Sark and Alderney have been consulted on the Code, as has the UK's Maritime and Coastguard Agency. The Law Officers of the Crown have been consulted about the proposals in this Policy Letter and have advised in respect of the legislative changes required.
- 2.3 The Jersey Maritime Administration have also had sight of the Code and are considering the merits of adopting the Code to enable a Channel Island Code to be in operation. This would allow a pan-island regime for the operation of small commercial vessels which would be attractive to locally based operators, whilst ensuring appropriate and proportionate standards.

3. Cost/resources

- 3.1 These proposals would not lead to any increase in public expenditure, nor would they have any other significant impact on the public sector.

4. Propositions

The States are asked to decide whether they are of the opinion to:

1. To note the intention of the States' Trading Supervisory Board to issue a Small Commercial Vessels Code governing construction standards, crew licencing, operating limits and other related matters under regulations to be made under the Merchant Shipping (Bailiwick of Guernsey) Law, 2002.

2. To agree to the amendment, repeal or suspension (as appropriate) of such legislative provisions as is necessary to facilitate the introduction of such a Code.

3. To direct the preparation of such legislation as may be necessary to give effect to the above decisions.

5. Committee support for Propositions

5.1 In accordance with Rule 4(4) of the rules of Procedure of the States of Deliberation and their Committees, it is confirmed that the proposition above has the unanimous support of the Board.

Yours faithfully,

C N K Parkinson
President, STSB

J C S F Smithies
Vice-President, STSB

S J Falla, MBE, Non-States Member, STSB
J C Hollis, Non-States Member, STSB

ORDINANCES LAID BEFORE THE STATES

THE VENEZUELA (RESTRICTIVE MEASURES) (GUERNSEY) ORDINANCE, 2017

In pursuance of the provisions of the proviso to Article 66A(1) of The Reform (Guernsey) Law, 1948, as amended, "The Venezuela (Restrictive Measures) (Guernsey) Ordinance, 2017", made by the Policy & Resources Committee on the 28th November, 2017, is laid before the States.

EXPLANATORY MEMORANDUM

This Ordinance is made under the European Communities (Implementation) (Bailiwick of Guernsey) Law, 1994. The Ordinance gives effect to EU Regulation No. 2017/2063 of the 13th November, 2017 concerning restrictive measures against Venezuela.

The Ordinance was made by the Policy & Resources Committee in exercise of its powers under Article 66A(1) of the Reform (Guernsey) Law, 1948, and came into force on the 28th November, 2017. Under the proviso to Article 66A(1) of the Reform (Guernsey) Law, 1948, the States of Deliberation have the power to annul the Ordinance.

THE BENEFICIAL OWNERSHIP OF LEGAL PERSONS (GUERNSEY) (AMENDMENT) (NO. 2) ORDINANCE, 2017

In pursuance of the provisions of the proviso to Article 66A(1) of The Reform (Guernsey) Law, 1948, as amended, "The Beneficial Ownership of Legal Persons (Guernsey) (Amendment) (No. 2) Ordinance, 2017", made by the Policy & Resources Committee on the 5th December, 2017, is laid before the States.

EXPLANATORY MEMORANDUM

This Ordinance amends the definition of "relevant legal person" and two related definitions in the Beneficial Ownership of Legal Persons (Guernsey) Law, 2017 ("the Law") to include limited partnerships with legal personality. It also amends Schedule 2 to the Law so as to provide that regulations made under paragraph 5 and under section 37 (Nominee relationships) may provide for the general partner, or a nominated general partner, of a limited partnership with legal personality to provide the information specified in those provisions to the Registrar, as limited partnerships are currently not required to have resident agents.

The Ordinance was made by the Policy & Resources Committee in exercise of its powers under Article 66A(1) of the Reform (Guernsey) Law, 1948, and came into force on the 5th December, 2017. Under the proviso to Article 66A(1) of the Reform (Guernsey) Law, 1948, the States of Deliberation have the power to annul the Ordinance.

STATUTORY INSTRUMENTS LAID BEFORE THE STATES

The States of Deliberation have the power to annul the Statutory Instruments detailed below.

No. 99 of 2017

THE BENEFICIAL OWNERSHIP (DEFINITION) (AMENDMENT) (NO.2) REGULATIONS, 2017

In pursuance of sections 31 and 39 of the Beneficial Ownership of Legal Persons (Guernsey) Law, 2017, "The Beneficial Ownership (Definition) (Amendment) (No.2) Regulations, 2017", made by the Policy & Resources Committee on 15th November 2017, are laid before the States.

EXPLANATORY NOTE

These Regulations amend the definition of beneficial owner in the Beneficial Ownership (Definition) Regulations, 2017 with regard to legal persons where there is a trust in the ownership structure with a Guernsey or non-Guernsey corporate trustee.

These Regulations come into force on 21st November 2017.

No. 102 of 2017

THE BENEFICIAL OWNERSHIP OF LEGAL PERSONS (NOMINEE RELATIONSHIPS) REGULATIONS, 2017

In pursuance of sections 37, 39 and Schedule 2 of the Beneficial Ownership of Legal Persons (Guernsey) Law, 2017, "The Beneficial Ownership of Legal Persons (Nominee Relationships) Regulations, 2017", made by the Policy & Resources Committee on 5th December 2017, are laid before the States.

EXPLANATORY NOTE

These Regulations make provision in relation to powers exercisable by, and duties owed by, the resident agents of relevant legal persons in respect of persons who hold interests in those legal persons as nominee for another.

These Regulations come into force on the 11th December, 2017.

No. 109 of 2017

THE REGISTRATION OF NON-REGULATED FINANCIAL SERVICES BUSINESSES (BAILIWICK OF GUERNSEY) (FEES) REGULATIONS, 2017

In pursuance of section 31 of the Registration of Non-Regulated Financial Services Business (Bailiwick of Guernsey) Law, 2008, "The Registration of Non-Regulated Financial Service Businesses (Bailiwick of Guernsey) (Fees) Regulations, 2017", made by the Policy & Resources Committee on 12th December 2017, are laid before the States.

EXPLANATORY NOTE

These Regulations make provision in respect of the payment of an application fee and an annual fee for the purposes of the Registration of Non-Regulated Financial Services Businesses (Bailiwick of Guernsey) aw, 2008

These Regulations come into force on the 1st January, 2018.

No. 110 of 2017

THE CRIMINAL JUSTICE (PROCEEDS OF CRIME) (LEGAL PROFESSIONALS, ACCOUNTANTS AND ESTATE AGENTS) (BAILIWICK OF GUERNSEY) (AMENDMENT) REGULATIONS, 2017

In pursuance of section 54 of the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999, “The Criminal Justice (Proceeds of Crime) (Legal Professionals, Accountants and Estate Agents) (Bailiwick of Guernsey) (Amendment) Regulations, 2017”, made by the Policy & Resources Committee on 12th December 2017, are laid before the States.

EXPLANATORY NOTE

These Regulations update the fees payable by prescribed businesses under the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999.

These Regulations come into force on the 1st January, 2018.

No. 111 of 2017

THE PROTECTED CELL COMPANIES AND INCORPORATED CELL COMPANIES (FEES FOR INSURERS) REGULATIONS, 2017

In pursuance of section 25 of the Financials Services Commission (Bailiwick of Guernsey) Law, 1987; and section 86 of the Insurance Business (Bailiwick of Guernsey) Law 2002, “The Protected Cell Companies and Incorporated Cell Companies (Fees for Insurers) Regulations, 2017”, made by the Policy & Resources Committee on 12th December 2017, are laid before the States.

EXPLANATORY NOTE

These Regulations prescribe the fees payable to the Guernsey Financial Services Commission by any company which is a protected cell company or an incorporated cell company, and by an incorporated cell, and which applies to be licensed to conduct insurance business under the Insurance Business (Bailiwick of Guernsey) Law, 2002, and the fees payable periodically thereafter by such a company or cell when licensed and also for the creation of a new cell or the reactivation of a dormant cell by a licensed protected cell company. Furthermore, the Regulations prescribe the fee payable to the Guernsey Financial Services Commission by any company for consent for the conversion of a licensed company into a protected cell

company or an incorporated cell company, for the conversion of an existing licensed protected cell company into an incorporated cell company, or for the conversion of a licensed protected cell company or incorporated cell company into a non-cellular company.

These Regulations come into force on the 1st January, 2018.

No. 112 of 2017

THE FINANCIAL SERVICES COMMISSION (FEES) REGULATIONS, 2017

In pursuance of section 25 of the Financial Services Commission (Bailiwick of Guernsey) Law, 1987; section 21 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987; section 60 of the Banking Supervision (Bailiwick of Guernsey) Law, 1994; section 86 of the Insurance Business (Bailiwick of Guernsey) Law, 2002; and section 63 of the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002, “The Financial Services Commission (Fees) Regulations, 2017”, made by the Policy & Resources Committee on 12th December 2017, are laid before the States.

EXPLANATORY NOTE

These Regulations prescribe for the purposes of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000, the Insurance Business (Bailiwick of Guernsey) Law, 2002 and the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 the fees payable in respect of the licensing of controlled investment business and the authorisation and registration of collective investment schemes, a designated territory investment business notification, a non-Guernsey open-ended collective investment scheme notification, the licensing of a bank, the licensing of fiduciaries, the licensing of an insurer, the service of notice of an application to the Royal Court for an order sanctioning a transfer of long term insurance business, the licensing of an insurance manager, the licensing of an insurance intermediary, and the fees payable annually thereafter.

These Regulations come into force on the 1st January, 2018.

No. 113 of 2017

THE HEALTH SERVICE (MEDICAL APPLIANCES) (AMENDMENT) REGULATIONS, 2017

In pursuance of section 35 of the Health Service (Benefit) Law, 1990, the Health Service (Medical Appliances) (Amendment) Regulations, 2017, made by the Committee for Employment & Social Security on 12th December, 2017, are laid before the States.

EXPLANATORY NOTE

These Regulations further amend the Health Service (Medical Appliances) Regulations, 1990, as amended, by increasing the charges payable to authorised appliance suppliers in

Guernsey and Alderney by persons supplied with Part I, II or III medical appliances, who are not exempt from such charges. The increased charges amount to £3.90 for each appliance. These Regulations come into force on the 1st day of January, 2018.

No. 114 of 2017

THE HEALTH SERVICE (PAYMENT OF AUTHORISED SUPPLIERS) (AMENDMENT) REGULATIONS, 2017

In pursuance of section 35 of the Health Service (Benefit) Law, 1990, the Health Service (Payment of Authorised Suppliers) (Amendment) Regulations, 2017, made by the Committee *for* Employment & Social Security on 12th December, 2017, are laid before the States.

EXPLANATORY NOTE

These Regulations revoke and replace the Schedules to the Health Service (Payment of Authorised Suppliers) Regulations, 2003. The amendments have the effect of increasing the graduated fees paid out of the Guernsey Health Service Fund, in connection with the supply of certain pharmaceutical benefit, to pharmacists not employed by a medical practice. These Regulations come into force on 1st January, 2018.

No. 115 of 2017

THE SOCIAL INSURANCE (BENEFITS) (AMENDMENT) REGULATIONS, 2017

In pursuance of section 117 of the Social Insurance (Guernsey) Law, 1978 the Social Insurance (Benefits) (Amendment) Regulations, 2017, made by the Committee *for* Employment & Social Security on 12th December, 2017, are laid before the States.

EXPLANATORY NOTE

These Regulations correct a typographical error in Regulation 43B of the Social Insurance (Benefits) Regulations, 2003, which was inserted, with effect from the 1st day of January, 2017, by Regulation 21 of the Social Insurance (Benefits) (Amendment) (No.2) Regulations, 2016.

These Regulations also replace the schedules to the Social Insurance (Benefits) Regulations, 2003 and prescribe the reduced rates of benefit payable from 1st January, 2018 to claimants who do not satisfy the conditions for entitlement to payment of the maximum rate of benefit.

These Regulations come into force on the 1st January, 2018.

No. 116 of 2017

THE HEALTH SERVICE (PAYMENT OF AUTHORISED APPLIANCE SUPPLIERS) (AMENDMENT) REGULATIONS, 2017

In pursuance of section 35 of the Health Service (Benefit) Law, 1990, the Health Service (Payment of Authorised Appliance Suppliers) (Amendment) Regulations, 2017 made by the

Committee *for* Employment & Social Security on 12th December, 2017, are laid before the States.

EXPLANATORY NOTE

These Regulations revoke and replace the Schedules to the Health Service (Payment of Authorised Appliance Suppliers) Regulations, 2003. The Schedules set out the payments which may be made out of the Guernsey Health Service Fund for the supply of medical appliances.

These Regulations come into force on the 1st January, 2018

No. 117 of 2017

THE HEALTH SERVICE (BENEFIT) (LIMITED LIST) (PHARMACEUTICAL BENEFIT) (AMENDMENT NO.5) REGULATIONS, 2017

In pursuance of section 35 of the Health Service (Benefit) Law, 1990, the Health Service (Benefit) (Limited List) (Pharmaceutical Benefit) (Amendment No.5) Regulations, 2017 made by the Committee *for* Employment & Social Security on 28th November, 2017, are laid before the States.

EXPLANATORY NOTE

These Regulations add to the limited list of drugs and medicines available as pharmaceutical benefit, and remove the requirement in respect of two of the listed drugs and medicines for them to be supplied only via homecare delivery.

These Regulations came into operation on 28th November 2017

No. 118 of 2017

THE FIRE SERVICES (FEES AND CHARGES) (GUERNSEY) REGULATIONS, 2017

In pursuance of Sections 1A(1), 12(4AB), 24(2A) and 26A of the Fire Services (Guernsey) Law, 1989, The Fire Services (Fees And Charges) (Guernsey) Regulations, 2017, made by the Committee *for* Home Affairs on 11th December 2017, is laid before the States.

EXPLANATORY NOTE

These Regulations prescribe fees and charges for equipment and services provided by agreement with the Committee *for* Home Affairs (acting through the Guernsey Fire & Rescue Service) ("**the Committee**"), fees for notification of controlled premises, and charges in respect of mandatory consultation with the Committee.

These Regulations will come into force on the 1st January, 2018.

No. 119 of 2017

**THE PUBLIC HIGHWAYS (TEMPORARY ROAD CLOSURES) (FEES AND PENALTIES)
(AMENDMENT) ORDER, 2017**

In pursuance of section 3(5) of the Public Highways (Co-ordination of Temporary Road Closures etc.) (Guernsey) Law, 2003, the Public Highways (Temporary Road Closures) (Fees and Penalties) (Amendment) Order, 2017 made by the Committee for the Environment and Infrastructure on 21 December 2017, is laid before the States.

EXPLANATORY NOTE

This Order amends the Public Highways (Temporary Road Closures) (Fees and Penalties) Order, 2016 to prescribe the fees payable to the Committee for the Environment & Infrastructure in respect of applications under the Public Highways (Co-ordination of Temporary Road Closures etc.) (Guernsey) Law, 2003 for permission for the temporary closure of a road or pavement, or the application of traffic management measures in a road, when the relevant work will involve the resurfacing of the road or pavement.

The Regulations came into force on 1st January, 2018.

The full text of the statutory instruments and other legislation included in this document can be found at:

<http://www.guernseylegalresources.gg/article/158414/2017>

THE ELECTORAL SYSTEM REFERENDUM (GUERNSEY) LAW, 2018

The States are asked to decide:-

Whether they are of the opinion to approve the draft Projet de Loi entitled "The Electoral System Referendum (Guernsey) Law, 2018", and to authorise the Bailiff to present a most humble petition to Her Majesty praying for Her Royal Sanction thereto.

This proposition has been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

EXPLANATORY MEMORANDUM

This Law provides for a referendum to be held on Guernsey's voting system. Sections 1 and 2 provide for the date of the referendum and entitlement to vote in it. Sections 3 and 4 provide for the appointment of specific officials in respect of voting in the referendum and related matters: the Chief Counting Officer, Ballot Officers and deputy Ballot Officers, and Scrutineers (to assist with the counting of the votes). Section 5 provides that the Constables and Douzaines shall supervise the conduct of the ballot, and section 6 makes provision in relation to the counting of votes. Section 7 gives the States' Assembly and Constitution Committee (SACC) the power to make regulations in respect of the conduct and management of the referendum.

Sections 8 to 12 make provision in relation to campaign groups. Section 8 sets out the procedure for applying for appointment as a campaign group, and section 9 provides for there to be a panel to assess such applications. Section 10 provides for SACC to appoint campaign groups, and section 11 requires that Committee to publicise the referendum and provide information about each option. Section 12 provides for an appointed campaign group to be entitled to a grant.

Sections 13 to 22 are concerned with financial controls on spending in the referendum. They set out requirements for such expenditure by a campaign group to be incurred with the authority of a campaign official of that group, and for payment of such expenses to be made by such an official within a specified period; set out a procedure for disputed claims for payment, and restrictions on the amount of expenses that can be incurred; and make provision in relation to the making of returns and the furnishing of documents in respect of referendum expenses.

Section 23 provides that the method of voting in the referendum and the calculation of the result shall be in accordance with Schedule 2, and section 24 makes provision in respect of the publication of the result. Section 25 provides for Schedule 3 (see below) to have effect, section 26 makes provision in relation to penalties for offences under the Law, and the remaining sections are standard provisions in relation to regulations, interpretation etc. Section 33 provides for the Law to come into force by Ordinance.

Schedule 1 to the Law sets out the question to be posed on the ballot paper, and the alternative responses to that question. Schedule 2 sets out the method of voting in, and the calculation of the result of, the referendum, and is susceptible to amendment by Ordinance of the States under section 23. Schedule 3 provides for various provisions of the Reform (Guernsey) Law, 1948 and the Reform (Amendment) (Guernsey) Law, 1972 (in respect of postal voting) to apply to the holding of the referendum, with various modifications. These provisions are susceptible to amendment by regulations made by SACC under section 7. Schedule 4 makes further provision in relation to allowable types of referendum expenses.

PROJET DE LOI

ENTITLED

The Electoral System Referendum (Guernsey) Law, 2018

ARRANGEMENT OF SECTIONS

The referendum

1. The referendum.
2. Entitlement to vote in the referendum.

Conduct of the referendum

3. Chief Counting Officer.
4. Ballot Officers and Scrutineers.
5. Supervision of referendum ballot and delivery of ballot boxes.
6. Counting of votes.
7. Power of Committee to make regulations.

Campaign groups and financial assistance

8. Application for appointment as campaign group.
9. Campaign Group Assessments Panel.
10. Appointment of campaign groups.
11. Committee to publicise referendum and provide information.
12. Financial assistance for campaign groups.

Financial controls on expenditure

13. Referendum expenses.
14. Restriction on payments in respect of referendum expenses.

15. Restriction on making claims for referendum expenses.
16. Disputed claims.
17. General restriction on referendum expenses.
18. Special restrictions on referendum expenses by campaign groups.
19. Returns as to referendum expenses.
20. Delivery of returns to Committee.
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PROJET DE LOI

ENTITLED

The Electoral System Referendum (Guernsey) Law, 2018

THE STATES, in pursuance of their Resolution of the 22nd June, 2017^a, have approved the following provisions which, subject to the Sanction of Her Most Excellent Majesty in Council, shall have force of law in the Islands of Guernsey, Herm and Jethou.

The referendum

The referendum.

1. (1) A referendum is to be held on what electoral system Guernsey should have ("**the referendum**").

(2) The referendum is to be held on 10th October, 2018, or such other date prescribed for this purpose by the Committee.

(3) The question that is to appear on the ballot papers, and the alternative responses ("**the Options**") to the question, shall be in accordance with Schedule 1.

^a Article IX of Billet d'État No. XIV of 2017 (P. 2017/49).

Entitlement to vote in the referendum.

2. (1) A person who on the appointed day is entitled to vote in an election, in accordance with the provisions of the Reform (Guernsey) Law, 1948^b, is entitled to vote in the referendum.

(2) For the purposes of subsection (1), the "appointed day" means the day prescribed for this purpose by the Committee.

Conduct of the referendum

Chief Counting Officer.

3. (1) The Committee shall nominate a Chief Counting Officer who shall be responsible under this Law for the management of voting in the referendum, the counting of votes, and related matters.

(2) On the application of one of the Law Officers of the Crown, the Royal Court shall appoint the Chief Counting Officer.

(3) Upon appointment under subsection (2), the Chief Counting Officer shall be sworn as such before the Royal Court.

Ballot Officers and Scrutineers.

4. (1) The Chief Counting Officer shall nominate –

(a) a Ballot Officer for each District, and

^b Ordres en Conseil Vol. XIII, p. 288 (there are amendments not relevant to this Law).

(b) a deputy Ballot Officer for each Parish within the District concerned, where that District comprises more than one Parish.

(2) On the application of one of the Law Officers of the Crown, the Royal Court shall appoint a Ballot Officer and deputy Ballot Officer nominated under subsection (1).

(3) Upon appointment under subsection (2), a Ballot Officer and deputy Ballot Officer shall be sworn as such before the Royal Court.

(4) The Chief Counting Officer shall –

(a) count the votes cast in the referendum,

(b) calculate the result of the referendum in accordance with section 23, and

(c) appoint such Scrutineers to assist him or her in the counting of votes and the calculation of the result as he or she may deem necessary.

Supervision of referendum ballot and delivery of ballot boxes.

5. (1) The Constables and Douzaines shall supervise the conduct of the referendum ballot at the polling stations in their respective Parishes.

(2) Without prejudice to the generality of their duty under subsection (1), the Constables and Douzaines shall -

- (a) seal the referendum ballot boxes on the conclusion of the voting, and
- (b) subject to subsection (3), deliver them to the Ballot Officer for the District.

(3) Where, pursuant to section 4(2), a deputy Ballot Officer for each Parish within the District has been appointed, the Constables and Douzaines shall, after sealing the referendum ballot boxes, deliver them to the deputy Ballot Officer for the Parish, who shall thereupon deliver them to the Ballot Officer for the District.

(4) Upon receipt of the referendum ballot boxes the Ballot Officer shall deliver them to the Chief Counting Officer.

(5) A person may discharge his or her duty to deliver a ballot box under this section by making arrangements with any responsible person to deliver the ballot box on their behalf.

Counting of votes.

6. (1) The Chief Counting Officer shall count the votes cast in the referendum on the day after the day on which the referendum is held.

(2) Subject to the provisions of any regulations made under section 7, any person may attend the place where the votes in the referendum are to be counted for the purpose of watching the counting.

(3) A campaign official of a campaign group appointed by the Committee under section 10(1) present at the counting of the votes –

- (a) is to be given by the Chief Counting Officer all such reasonable facilities for overseeing the proceedings, and all such information in respect of them, as can be given consistently with their orderly conduct and the proper discharge of the Chief Counting Officer's duties in connection with them, but
- (b) must not impede the efficient counting of the votes, and
- (c) must comply with all reasonable directions given by the Chief Counting Officer.

Power of Committee to make regulations.

7. (1) The Committee may by regulation make such provision as it thinks fit in respect of the conduct and management of the referendum and associated matters.

(2) Without prejudice to the generality of subsection (1), regulations under this section may make provision in respect of –

- (a) the publication of the date of the referendum, and of other arrangements in respect of the holding of the referendum,
- (b) the establishment of polling stations,
- (c) the form of the ballot paper in the referendum,

- (d) circumstances in which the votes cast in the referendum are to be recounted and the result recalculated in accordance with the method set out at Schedule 2, and procedures governing the same,
- (e) the appointment of persons to fulfil the duties in section 5(1) to (3) in respect of any Parish in circumstances where the Committee is satisfied that the Constables and Douzaines of that Parish are not able adequately to fulfil those duties,
- (f) the meaning of "responsible person" for the purposes of section 5(5) (including the appointment of responsible persons for these purposes by the Committee), and
- (g) the imposition of conditions regarding the behaviour of those attending the place where the votes in the referendum are to be counted.

(3) Regulations made under this section may amend Schedule 3 (Application of provisions of Reform (Guernsey) Law, 1948 and Reform (Amendment) (Guernsey) Law, 1972^c).

(4) Subject to subsection (5), regulations made under this section may contain provision as to the creation of new offences.

^c Ordres en Conseil Vol. XXIII, p.476; as amended by Vol. XXVI, p. 255; Vol. XXXIV, p. 397; Vol. XXXVI, p. 478; Vol. XXXVIII, p. 295; No. XIII of 2003; No. VII of 2010; Ordinance No. III of 2004; Ordinance No. LI of 2006; Ordinance No. XIII of 2012.

(5) The power conferred by this section to create new offences does not include power –

- (a) to provide for offences to be triable only on indictment,
- (b) to authorise the imposition, on summary conviction of an offence, of a term of imprisonment exceeding three months or a fine exceeding level 5 on the uniform scale, or both, or
- (c) to authorise the imposition, on conviction of any offence, of a term of imprisonment exceeding six months or a fine, or both.

Campaign groups and financial assistance

Application for appointment as campaign group.

8. (1) On or before the relevant day, any 2 or more qualifying individuals may apply to the Committee for appointment as a campaign group which intends to publicise and represent the Option indicated in its application.

(2) An application under subsection (1) must include details of at least 2 qualifying individuals who agree to act as campaign officials for the campaign group, and the identity of the campaign official who is nominated to undertake the duties set out in sections 19(1) and 20(1) and (2) (the campaign group's "**nominated official**").

(3) The Committee may prescribe -

- (a) the form and content, and
- (b) such other matters as it thinks fit for the purpose,

of an application under subsection (1).

(4) In this section, "**the relevant day**" means the day prescribed by the Committee.

(5) The day prescribed under subsection (4) must be no later than 21 days before the day on which the referendum is to be held under section 1.

Campaign Group Assessments Panel.

9. (1) There shall be a Campaign Group Assessments Panel ("**the Panel**").

(2) Subject to subsection (3), the Panel shall consist of 3 members appointed by the States on the recommendation of the Committee.

(3) The following may not hold appointment as a member of the Panel –

- (a) a serving member of the States,
- (b) a qualifying individual who has made an application under section 8(1).

(4) The functions of the Panel are –

- (a) to review and assess any application made under section 8(1) referred to it by the Committee, and
- (b) to certify whether or not, in the opinion of the Panel, the campaign group which has submitted the application is capable of publicising and representing adequately the Option to which the application relates.

(5) Where -

- (a) more than one application has been made under section 8(1) in respect of the same Option,
- (b) the Committee has referred the applications to the Panel for review, assessment and certification under subsection (4), and
- (c) the Panel has certified more than one of the applications referred to it as adequate,

the Panel shall also indicate, based on the contents of the applications, which campaign group it believes would most effectively publicise and represent the Option concerned.

(6) Where a campaign group has been appointed in respect of an Option under section 10(1), the Panel shall not consider an application under section 8(1) in respect of that same Option unless the campaign officials for the campaign group appointed for that Option –

- (a) have been notified of the application,
- (b) consent to consideration of the application by the Panel,
and
- (c) have been given an opportunity to make representations relating to the application to the Panel.

Appointment of campaign groups.

10. (1) The Committee may appoint a campaign group, which has been certified as adequate under section 9, to publicise and represent the Option to which its application relates.

(2) The Committee may revoke an appointment made under subsection (1).

(3) For the avoidance of doubt –

- (a) the same campaign group may not be appointed in respect of more than one Option, and
- (b) each Option may be supported by one appointed campaign group only.

Committee to publicise referendum and provide information.

11. (1) The Committee shall take measures –

- (a) to publicise the holding of the referendum, and

- (b) to ensure the provision of a set of impartial and comparable information relating to each Option.
- (2) For the purposes of subsection (1)(b) the set of information –
 - (a) shall be –
 - (i) provided in such format, and
 - (ii) published in such manner,

as the Committee believes will be most readily accessible to all qualifying individuals, and
 - (b) shall be, as far as reasonably practicable, sufficient to enable those qualifying individuals who wish to participate in the referendum to reach an informed decision for the purpose of voting in the referendum.
- (3) The obligations of the Committee under this section apply –
 - (a) equally in respect of each Option, and
 - (b) irrespective of whether or not a campaign group has been appointed under section 10 in respect of an Option.

Financial assistance for campaign groups.

12. (1) A campaign group appointed under section 10 shall be entitled to a grant funded from the general revenue of the States of –

(a) £5,000, or

(b) such other amount as may be prescribed.

(2) The Committee may pay the grant to such person as a campaign official of the campaign group shall nominate in writing for the purpose.

(3) A grant may be paid –

(a) in one lump sum, or

(b) in whatever instalments the Committee considers appropriate.

(4) A grant shall be applied solely for the purpose of enabling the campaign group entitled to the grant to publicise and represent the Option to which its application relates.

(5) Where a grant is not applied as required by subsection (4), the Committee may recover the grant as a civil debt from the members of the campaign group concerned, who shall be jointly and severally liable.

Financial controls on expenditure

Referendum expenses.

13. (1) No amount of referendum expenses shall be incurred by or on behalf of a campaign group appointed under section 10 unless it is incurred with the authority of -

- (a) a campaign official of that campaign group, or
- (b) a person authorised in writing by such a campaign official.

(2) A person who, without reasonable excuse, incurs any expenses in contravention of subsection (1) commits an offence.

Restriction on payments in respect of referendum expenses.

14. (1) No payment (of whatever nature) may be made in respect of any referendum expenses incurred or to be incurred by or on behalf of a campaign group unless it is made by -

- (a) a campaign official of that campaign group, or
- (b) a person authorised in writing by such a campaign official.

(2) Any payment made in respect of any such expenses by a person within subsection 1(a) or (b) must be supported by an invoice or a receipt.

(3) Where a person within subsection (1)(b) makes a payment which must be supported by an invoice or a receipt under subsection (2), that person must deliver to a campaign official of the campaign group -

- (a) notification that he or she has made the payment, and
- (b) the supporting invoice or receipt,

as soon as possible after making the payment.

- (4) A person who, without reasonable excuse -
 - (a) makes any payment in contravention of subsection (1),
or
 - (b) contravenes subsection (3),

commits an offence.

Restriction on making claims in respect of referendum expenses.

15. (1) Subject to subsection (4), a claim for payment in respect of referendum expenses incurred by or on behalf of a campaign group during the referendum period shall not be payable unless the claim is sent to -

- (a) a campaign official of that campaign group, or
- (b) a person authorised in writing by such a campaign official,

not later than 30 days after the end of the referendum period.

(2) Any claim sent in accordance with subsection (1) shall be paid not later than 60 days after the end of the referendum period.

(3) A person who without reasonable excuse -

(a) pays any claim which by virtue of subsection (1) is not payable, or

(b) makes any payment in respect of a claim after the end of the period allowed under subsection (2),

commits an offence.

(4) In the case of any claim to which subsection (1) applies -

(a) the person making the claim, or

(b) the person with whose authority the expenses in question were incurred,

may apply to the Committee for permission for the claim to be paid although sent in more than 30 days after the end of the referendum period.

(5) If satisfied that for any special reason it is appropriate to do so, the Committee may grant permission.

(6) Subsection (1) or (2) shall not apply in relation to any sum paid in pursuance of a permission granted under subsection (5).

(7) Subsection (2) is without prejudice to any rights of a creditor of a campaign group to obtain payment before the end of the period allowed under that subsection.

Disputed claims.

16. (1) This section applies where –

(a) a claim for payment in respect of referendum expenses incurred by or on behalf of a campaign group as mentioned in section 15(1) is sent to –

(i) a campaign official of that campaign group, or

(ii) any other person with whose authority it is alleged that the expenditure was incurred,

within the period allowed under that provision, and

(b) the campaign official or other person to whom the claim is sent fails or refuses to pay the claim within the period allowed under section 15(2).

(2) A claim described in subsection (1) is referred to in this section as "**the disputed claim**".

(3) The person by whom the disputed claim is made may bring an action for the disputed claim, and nothing in section 15(2) shall apply in relation to any sum paid in pursuance of any judgment or order made by a court in the proceedings.

(4) For the purposes of this section, section 15(4) and (5) shall apply in relation to an application made by the person mentioned in subsection (1)(b) for leave to pay the disputed claim as they apply in relation to an application for leave to pay a claim (whether it is disputed or otherwise) which is sent in after the period allowed under section 15(1).

General restriction on referendum expenses.

17. (1) The total referendum expenses incurred by or on behalf of any individual or body during the referendum period must not exceed £100 (in money or money's-worth) unless, in the case of a body, the body is a campaign group.

(2) Where during the referendum period any referendum expenses are incurred by or on behalf of any individual in excess of the limit imposed by subsection (1), he or she commits an offence if he or she knew, or ought reasonably to have known, that the expenses were being incurred in excess of that limit.

(3) Where –

(a) during the referendum period any referendum expenses are incurred by or on behalf of any body in excess of the limit imposed by subsection (1), and

(b) the body is not a campaign group appointed under section 10,

any person who authorised the expenses to be incurred by or on behalf of the body commits an offence if he or she knew, or ought reasonably to have known, that the

expenses would be incurred in excess of that limit.

(4) Where subsection (3)(a) and (b) apply, the body in question is also guilty of an offence.

Special restrictions on referendum expenses by campaign groups.

18. (1) The total referendum expenses incurred by or on behalf of any campaign group appointed under section 10 during the referendum period must not exceed £10,000 (in money or money's-worth).

(2) Where any referendum expenses are incurred by or on behalf of a campaign group during any such period in excess of any limit imposed by subsection (1), then –

- (a) a campaign official of the campaign group is guilty of an offence if he or she authorised the expenses to be incurred by or on behalf of the group and he or she knew or ought reasonably to have known that the expenses would be incurred in excess of that limit, and
- (b) the members of the campaign group body also commit an offence.

(3) For the purposes of this section and section 19, any reference to referendum expenses incurred by or on behalf of a campaign group during the referendum period includes any referendum expenses so incurred by the members of the group, or any member of the group, at any time before they became a campaign group appointed under section 10.

Returns as to referendum expenses.

19. (1) Where –

- (a) any referendum expenses are incurred by or on behalf of a campaign group during the referendum period, and
- (b) that period ends,

the nominated official of the campaign group shall make a return under this section in respect of the referendum expenses incurred by or on behalf of the group during that period.

(2) A return under this section must contain –

- (a) a statement of all payments made in respect of referendum expenses incurred by or on behalf of the campaign group during the referendum period,
- (b) a statement of all disputed claims (within the meaning of section 16), and
- (c) a statement of all the unpaid claims (if any) of which the campaign official is aware in respect of which an application has been made, or is about to be made, to the Committee under section 15(4).

(3) A return under this section must be accompanied by all invoices or receipts relating to the payments mentioned in subsection (2)(a).

(4) The Committee may prescribe a form of return which may be used for the purposes of this section.

Delivery of returns to Committee.

20. (1) Where any return falls to be prepared under section 19 in respect of referendum expenses incurred by or on behalf of a campaign group, the nominated official of that campaign group shall deliver the return to the Committee, within six months of the end of the referendum period.

(2) Where after the date on which a return is delivered to the Committee under this section, permission is granted by the Committee under section 15(5) for any claim to be paid, the nominated official shall, within seven days after the payment, deliver to the Committee a return of any sums paid in pursuance of the permission.

(3) A person who, without reasonable excuse –

(a) fails to comply with the requirements of subsection (1) in relation to a return under section 19,

(b) delivers a return which does not comply with the requirements of section 19(2) or (3), or

(c) fails to comply with the requirements of subsection (2),

commits an offence.

Declaration of campaign official as to return under section 19.

21. (1) Each return prepared under section 19 in respect of referendum expenses incurred by or on behalf of a campaign group must be accompanied by a declaration which complies with subsection (2) and is signed by a campaign official of the campaign group.

(2) The declaration must state –

(a) that the campaign official has examined the return in question,

(b) that to the best of his or her knowledge and belief–

(i) it is a complete and correct return as required by law, and

(ii) all expenses shown in it as paid have been paid by –

(A) him or her,

(B) another campaign official of the campaign group in question, or

(C) a person authorised by him or her or another campaign official of the campaign group in question.

(3) A person commits an offence if –

- (a) he or she knowingly or recklessly makes a false declaration under this section, or
- (b) subsection (1) is contravened at a time when he or she is a campaign official in the case of the campaign group to which the return relates.

Public inspection of returns under section 19.

22. (1) Where the Committee receives a return under section 19 it shall –

- (a) as soon as reasonably practicable after receiving the return, make a copy of the return and of the documents accompanying it available for public inspection, and
- (b) keep any such copy available for public inspection for the period for which the return or other document is kept by them.

(2) At the end of the period of two years beginning with the date when any return or other document mentioned in subsection (1) is received by the Committee –

- (a) it may cause the return or other document to be destroyed, but

- (b) if requested to do so by the campaign official who submitted the return, it shall arrange for the return or other document to be returned to that person.

Method of voting and calculation of result, and publication of result

Method of voting, and calculation of result.

23. (1) The methods of –

- (a) voting in, and
- (b) calculating the result of,

the referendum shall be in accordance with Schedule 2.

(2) The States may amend Schedule 2 by Ordinance.

Publication of result.

24. The Chief Counting Officer shall certify and publish in such manner as appears to him or her to be fit –

- (a) the total number of ballot papers counted, and
- (b) the total number of votes cast in favour of each Option,

in all Districts.

General and final provisions

Application of provisions of Reform (Guernsey) Law, 1948 and Reform (Amendment) (Guernsey) Law, 1972.

25. Schedule 3 has effect.

Penalties for offences.

26. A person guilty of an offence under this Law is liable –

- (a) on summary conviction, to a term of imprisonment not exceeding three months, or a fine exceeding level 5 on the uniform scale, or both, or
- (b) on indictment, to a term of imprisonment not exceeding six months, or a fine, or both.

Criminal liability of directors etc.

27. (1) Where an offence under this Law is committed by a body corporate, limited partnership with legal personality or foundation and is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of –

- (a) in the case of a body corporate, any director, manager, secretary or other similar officer,
- (b) in the case of a limited partnership with legal personality, any general partner,
- (c) in the case of a foundation, any foundation official, or
- (d) any person purporting to act in any capacity described

in paragraphs (a) to (c),

that person as well as the body corporate, limited partnership or foundation is guilty of the offence and may be proceeded against and punished accordingly.

(2) Where the affairs of a body corporate are managed by its members, subsection (1) applies to a member in connection with the member's functions of management as if the member were a director.

(3) In this section -

"foundation" means -

- (a) a foundation created under the Foundations (Guernsey) Law, 2012^d, or
- (b) an equivalent or similar body created or established under the law of another jurisdiction (however named),

"foundation official" means -

- (a) in relation to a foundation created under the Foundations (Guernsey) Law, 2012, a foundation official within the meaning of that Law, and

^d Order in Council No. I of 2013; as amended by Order in Council No. VI of 2017 and Ordinance No. IX of 2016.

- (b) in relation to an equivalent or similar body created or established under the law of another jurisdiction, a person with functions corresponding to those of a foundation official described in paragraph (a) of this definition, and

"general partner" means –

- (a) in relation to a limited partnership falling within paragraph (a) of the definition in this section of **"limited partnership"**, a general partner within the meaning of the Limited Partnerships (Guernsey) Law, 1995^e, and
- (b) in relation to a limited partnership falling within paragraph (b) of the definition in this section of **"limited partnership"**, a person whose liability for, and functions in relation to, the partnership correspond to that of a general partner described in paragraph (a) of this definition.

(4) In this section and in section 28 **"limited partnership"** means -

- (a) an arrangement which is registered as a limited

^e Ordres en Conseil Vol. XXXVI, p. 264; as amended by Ordres en Conseil Vol. XXXVI, p. 571; Order in Council No. IV of 2001; No. X of 2007; No. VIII of 2008; Ordinance No. XXXIII of 2003; No. IX of 2016; G.S.I. No. 89 of 2008; and G.S.I. No. 51 of 2016.

partnership, and in respect of which there is a valid certificate of registration, under the Limited Partnerships (Guernsey) Law, 1995, or

(b) an arrangement entered into under the laws of a jurisdiction outside Guernsey between two or more persons, under which-

(i) one or more of them is, or are jointly and severally, liable without limitation for all debts and obligations to third parties incurred pursuant to the arrangement, and

(ii) the others have, by whatever means, contributed or agreed to contribute specified amounts pursuant to the arrangement and are not liable for those debts and obligations (unless they participate in controlling the business or are otherwise subjected to a greater liability by those laws in specified circumstances) beyond the amount contributed or agreed to be contributed,

whether with or without legal personality.

Criminal proceedings against unincorporated bodies.

28. (1) Where an offence under this Law is committed by an unincorporated body and is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of -

- (a) in the case of a partnership (not being a limited partnership with legal personality or a limited liability partnership), any partner,
- (b) in the case of any other unincorporated body, any officer of that body who is bound to fulfil any duty of which the offence is a breach or, if there is no such officer, any member of the committee or other similar governing body, or
- (c) any person purporting to act in any capacity described in paragraph (a) or (b),

that person as well as the unincorporated body is guilty of the offence and may be proceeded against and punished accordingly.

(2) Where an offence under this Law is alleged to have been committed by an unincorporated body, proceedings for the offence must, without prejudice to subsection (1), be brought in the name of the body and not in the name of any of its members.

(3) A fine imposed on an unincorporated body on its conviction for an offence under this Law must be paid from the funds of the body.

(4) In this section "**limited liability partnership**" means -

- (a) a limited liability partnership formed in Guernsey under the Limited Liability Partnerships (Guernsey)

Law, 2013, or

- (b) an entity formed under the laws of a jurisdiction outside Guernsey, being an entity corresponding to a limited liability partnership described in paragraph (a).

General provisions as to Ordinances.

29. (1) An Ordinance under this Law -

- (a) may be amended or repealed by a subsequent Ordinance hereunder;
- (b) may contain such consequential, incidental, supplementary and transitional provision as may appear to the States to be necessary or expedient.

(2) Any power conferred upon the States by this Law to make an Ordinance may be exercised -

- (a) in relation to all cases to which the power extends, or in relation to all those cases subject to specified exceptions, or in relation to any specified cases or classes of cases;
- (b) so as to make, as respects the cases in relation to which it is exercised -
 - (i) the full provision to which the power extends, or any lesser provision (whether by way of

exception or otherwise);

- (ii) the same provision for all cases, or different provision for different cases or classes of cases, or different provision for the same case or class of case for different purposes;
- (iii) any such provision either unconditionally or subject to any prescribed conditions.

(3) Any power conferred by this Law to make an Ordinance may be exercised at any time after the registration of this Law and before Commencement; provided that no Ordinance so made shall come into force until Commencement.

General provisions as to regulations.

30. (1) Regulations under this Law -

- (a) may be amended or repealed by subsequent regulations hereunder,
- (b) may contain such consequential, incidental, supplemental and transitional provision as may appear to the Committee to be necessary or expedient, and
- (c) shall be laid before a meeting of the States as soon as possible and shall, if at that or the next meeting the States resolve to annul them, cease to have effect, but without prejudice to anything done under them or to

the making of new regulations.

(2) Any power conferred by this Law to make regulations may be exercised -

(a) in relation to all cases to which the power extends, or in relation to all those cases subject to specified exceptions, or in relation to any specified cases or classes of cases,

(b) so as to make, as respects the cases in relation to which it is exercised -

(i) the full provision to which the power extends, or any lesser provision (whether by way of exception or otherwise),

(ii) the same provision for all cases, or different provision for different cases or classes of cases, or different provision for the same case or class of case for different purposes,

(iii) any such provision either unconditionally or subject to any conditions specified in the regulations.

Interpretation.

31. (1) In this Law -

"Ballot Officer" and **"deputy Ballot Officer"**: see section 4,

"body corporate" means a body of persons, of whatever description, incorporated with or without limited liability in any part of the world,

"campaign group" means a group of qualifying individuals appointed by the Committee under section 10,

"campaign official" means a qualifying individual who has agreed to act as a campaign official for a campaign group under section 8(2),

"the Chief Counting Officer" means the Chief Counting Officer appointed under section 3,

"the Committee" means the States' Assembly & Constitution Committee,

"District" means an Electoral District under the Reform (Guernsey) Law, 1948,

"enactment" includes a Law, an Ordinance and any subordinate legislation and includes any provision or portion of a Law, an Ordinance or any subordinate legislation,

"Guernsey" includes the Islands of Herm and Jethou which Islands shall be deemed for all purposes of this Law to be part of the Parish of St. Peter Port,

"nominated official": see section 8(2),

"Option": see section 1(3),

"the Panel": see section 9(1),

"person" includes -

- (a) an individual,
- (b) a body corporate,
- (c) any other legal person, and
- (d) an unincorporated body of persons,

"prescribe" and **"prescribed"** means prescribe or prescribed, as the case may be, by regulations made by the Committee,

"qualifying individual" means a person who is entitled to vote in the referendum (see section 2),

"the referendum": see section 1(1),

"referendum expenses" –

- (a) means expenses incurred by or on behalf of any individual or body –

- (i) in connection with the conduct or management of any campaign conducted with a view to promoting or procuring a particular outcome in relation to any question asked in the referendum, or
 - (ii) otherwise in connection with promoting or procuring any such outcome, and
- (b) includes expenses incurred for any purpose described in Schedule 4,

"the referendum period" means the period –

- (a) commencing on the day prescribed for this purpose by the Committee, and
- (b) ending on the day on which the referendum is held,

"the Royal Court" means the Royal Court sitting as a Full Court,

"Scrutineer" means a person appointed by the Chief Counting Officer under section 4(4)(c) for the purposes set out in that section, and

"subordinate legislation" means any regulation, rule, order, rule of court, resolution, scheme, byelaw or other instrument made under any statutory, customary or inherent power and having legislative effect, but does not include an Ordinance.

(2) Any reference in this Law to an enactment is a reference thereto as from time to time amended, re-enacted (with or without modification), extended or applied.

Citation.

32. This Law may be cited as the Electoral System Referendum (Guernsey) Law, 2018.

Commencement.

33. This Law shall come into force on the day appointed by Ordinance of the States; and different dates may be appointed for different provisions and for different purposes.

SCHEDULE 1

Section 1(3)

QUESTION AND ALTERNATIVE RESPONSES (OPTIONS)

Question.

Which of the following options should be used to elect Deputies?

Alternative responses.

Option A

- 1 island-wide electoral district to elect 38 Deputies
- An election would be held every 4 years for all Deputies at once
- Each voter would have 38 votes at each election
- Each Deputy would serve for 4 years.

Option B

- 7 electoral districts to elect 38 Deputies
- An election would be held every 4 years for all Deputies at once
- Each voter would have 5 or 6 votes at each election (number of votes dependent on the size of the population of the district)
- Each Deputy would serve for 4 years.

Option C

- Electoral Districts:
 - 1 island-wide electoral district to elect 10 island-wide Deputies; and

- 7 electoral districts to elect 28 district Deputies
- Elections would be held every 4 years for all Deputies, with the election for the island-wide Deputies taking place first and the election for the district Deputies taking place at a later date
- Each voter would have:
 - 10 votes for island-wide Deputies; and
 - 3, 4 or 5 votes for district Deputies in their own electoral district (number of votes dependent on the size of the population of the district)
- Each Deputy would serve for 4 years.

Option D

- 4 electoral districts to elect 38 Deputies
- An election would be held every 4 years for all Deputies at once
- Each voter would have 9, 10 or 11 votes at each election (number of votes dependent on the size of the population of the district)
- Each Deputy would serve for 4 years.

Option E

- 1 island-wide electoral district to elect 38 Deputies
- An election would be held every 2 years for a third of Deputies each time
- Each voter would have 12 or 13 votes at each election
- Each Deputy would serve for 6 years.

SCHEDULE 2

Section 23

METHOD OF VOTING, AND CALCULATION OF THE RESULT

1. A voter may vote for one, two, three, four, or all five Options, and must rank the Options by marking "1" on the ballot paper beside his or her first-choice Option, "2" beside the second-choice Option, and so on. For the avoidance of doubt, a vote by a voter who votes for only one Option shall be treated for the purposes of this Schedule as being a vote for that voter's first-choice Option.
2. Votes for voters' first-choice Options shall be counted initially. If one Option receives a majority of such votes (excluding, for the avoidance of doubt, void ballot papers) that Option shall be declared the winner.
3. If no Option receives a majority of votes at the end of the initial round of counting, the Option receiving the fewest first-choice votes shall be eliminated, and each vote cast for the eliminated Option shall be transferred to the Option which was the voter's next choice (if any), and counted as a vote cast for that Option in the next round of voting.
4. Options with the fewest votes shall continue to be eliminated as described in paragraph 3 in that next round of counting, and in subsequent rounds, and a vote cast for an eliminated Option shall be transferred to the Option which was the voter's next choice (if any), and counted as a vote cast for that Option, until an Option receives a majority of votes in that round of counting (excluding, for the avoidance of doubt, void ballot papers, and ballot papers declared exhausted under paragraph 5, 6 or 7), when that Option shall be declared the winner.
5. If a ballot paper has no more available choices ranked on it, that ballot paper

shall be declared exhausted. A ballot paper that is declared exhausted in a round of counting under this paragraph, or under paragraph 6 or 7, shall not be counted in that round of counting or any subsequent round of counting.

6. If a ballot paper skips numbered choices, then that ballot paper shall be declared exhausted in the round where that skipping is reached.

7. If a ballot paper has the same number ranking for two or more Options, then that ballot paper shall be declared exhausted in the round where that same number ranking is reached.

8. Subject to paragraph 9, if in any round of counting there is a tie between Options for last place, the tie shall be resolved so as to eliminate the Option which received the lower number of votes in the previous round of counting. In the case of a tie in the first round of counting, or if there was a tie in the previous round of counting, the tie shall be resolved by drawing lots.

9. If the tie occurs when there are only two Options remaining, the Committee shall submit proposals to the States as to how that tie should be resolved.

SCHEDULE 3

Section 25

APPLICATION OF PROVISIONS OF REFORM (GUERNSEY) LAW, 1948 AND REFORM (AMENDMENT) (GUERNSEY) LAW, 1972

Application of provisions of Reform (Guernsey) Law, 1948

1. (1) The following provisions of the Reform (Guernsey) Law, 1948 shall apply in respect of the holding of the referendum, subject to the modifications set out in this paragraph: articles 27(3),(3A) and (4), 27A (Prisoners), 28 (Persons not to vote unless inscribed on the Electoral Roll. Penalties for plural voting), 30 (Elections to be determined by Secret Ballot Law), 34(9), 34(9A), 38B (Maintenance of order at elections), 39 (Hours of polling), 40 (Duties on completion of Ballot), 43 (Persons physically incapable of recording a vote), 46 (Obligation of secrecy) and 74 (Limitation of application of the Secret Ballot Laws).

(2) In article 27(3) –

- (a) for "At an election the Returning Officer" substitute "At the referendum to be held under the provisions of provisions of the Electoral System Referendum (Guernsey) Law, 2018 ("**the referendum**"), the Ballot Officer",
- (b) for "Returning Officer shall cause" substitute "the Ballot Officer shall cause", and
- (c) for "that election" substitute "the referendum".

(3) In article 27(3A), for "the Returning Officer" in both places

substitute "the Ballot Officer".

(4) In article 27A(2)(a), for "or any Ordinance thereunder" substitute "(as applied in respect of the holding of the referendum by the provisions of the Electoral System Referendum (Guernsey) Law, 2018)".

(5) In article 28(1), for "at any election" (in both places) substitute "at the referendum", and for "the election" substitute "the referendum".

(6) In article 30, for "Elections" substitute "The referendum".

(7) In article 34(9) –

(a) for "an election for any of the offices of People's Deputy, Constable or Douzenier, and at any election", substitute "the referendum, and at the referendum", and

(b) in both places it appears, for "Returning Officer" substitute "Ballot Officer".

(8) In article 34(9A), for "the Returning Officer" substitute "the Ballot Officer".

(9) In article 38B(1), for "A Returning Officer, or any person appointed by him to be in charge of a polling station," substitute "A Ballot Officer or a deputy Ballot Officer", and delete from "or" at the end of (2)(b) to the end of (2)(c).

(10) In article 39, for "at every election" substitute "on the day on

which the referendum is held".

(11) In article 40, for "as aforesaid each Returning Officer shall in respect of his District" substitute "the Chief Counting Officer shall".

(12) In article 43, for "the Returning Officer" substitute "the Chief Counting Officer".

(13) For article 46(2), substitute –

"(2) Any person who contravenes the provisions of this Article shall be guilty of an offence and liable, on conviction to a fine not exceeding level 5 on the uniform scale, or to a term of imprisonment not exceeding three months, or to both."

Application of provisions of Reform (Amendment) (Guernsey) Law, 1972: voting by post in the referendum.

2. (1) Sections 2 to 15 of Part II (Voting by Post) of the Reform (Amendment) (Guernsey) Law, 1972 shall apply in respect of the holding of the referendum, subject to the modifications set out in this paragraph.

(2) In section 2, for the words from "an election for" to the end, substitute "the referendum to be held under the provisions of provisions of the Electoral System Referendum (Guernsey) Law, 2018 ("**the referendum**")".

(3) In section 5, for "that election" substitute "the referendum", in sections 5, 6A(1) and 14(1), for "an election" substitute "the referendum", and in sections 8, 11, 12, and 13, for "the election" substitute "the referendum".

(4) In section 11, for "each Returning Officer a copy of the section of the Register for his Electoral District" substitute "the Chief Counting Officer a copy of the Register".

(5) In section 13, for "the Returning Officer of the Electoral District indicated by the letter on the envelope", substitute "the Chief Counting Officer".

(6) For section 14, substitute –

"Recording of vote of absent voter.

14. (1) The Chief Counting Officer shall, immediately before counting starts of the votes cast in the referendum, cause any pre-paid envelopes sent to him under section 13 to be opened in the presence of at least one Scrutineer appointed by him and, after satisfying himself that the number on the form of declaration of identity coincides with the number on the envelope marked "BALLOT PAPER ENVELOPE" and that the form of declaration of identity has been duly completed, he shall then place the envelope marked "BALLOT PAPER ENVELOPE" unopened with the other votes to be counted, and seal in a separate package used solely for that purpose the forms of declaration of identity and the pre-paid envelopes and the copy of the Register sent to him as aforesaid.

(2) If the number on the form of declaration of identity does not coincide with the number on the envelope marked "BALLOT PAPER ENVELOPE", the Chief Counting Officer shall endorse the form of declaration of identity with the words "VOTE REJECTED" and place the envelope marked "BALLOT PAPER ENVELOPE" unopened and the form of declaration of identity and the pre-paid envelope in a separate package used solely for that purpose.

(3) On the completion of the counting of the votes and the calculation of the result, the Chief Counting Officer shall seal, in a package used solely for that purpose, the envelopes marked "BALLOT PAPER ENVELOPE" not placed in a separate package under subsections (1) and (2).".

(7) In section 15(1) –

(a) for "forty-eight hours", substitute "three days",

(b) for "the date appointed for the holding of an election the Returning Officer", substitute "the date of the referendum the Chief Counting Officer", and

(c) for "subsections (2) and (3)" substitute "subsections (1), (2) and (3).

(8) For section 15(2), substitute –

"(2) Not earlier than three days after the publication of the result of the referendum (or of the result of any recount), the Registrar-General shall destroy all the sealed packages delivered to him in pursuance of subsection (1).".

SCHEDULE 4

Section 31(1)

REFERENDUM EXPENSES

1. Advertising of any nature (whatever the medium used) including agency fees, design costs and other costs in connection with preparing, producing, distributing or otherwise disseminating such advertising or anything incorporating such advertising and intended to be distributed for the purpose of disseminating it.

2. Unsolicited material addressed to qualifying individuals (whether addressed to them by name or intended for delivery to households within any particular area or areas) including design costs and other costs in connection with preparing, producing or distributing such material (including the cost of postage).

3. Market research or canvassing conducted for the purpose of ascertaining voting intentions.

4. The provision of any services or facilities in connection with press conferences or other dealings with the media.

5. Transport (by any means) of persons to any place or places with a view to obtaining publicity in connection with a referendum campaign including the costs of hiring a particular means of transport for the whole or part of the period during which the campaign is being conducted.

6. Rallies and other events, including public meetings organised so as to obtain publicity in connection with a referendum campaign or for other purposes connected with a referendum campaign including costs incurred in connection with

the attendance of persons at such events, the hire of premises for the purposes of such events or the provision of goods, services or facilities at them.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

STATES' ASSEMBLY & CONSTITUTION COMMITTEE

THE ELECTORAL SYSTEM REFERENDUM (GUERNSEY) LAW, 2018

The President
Policy & Resources Committee
Sir Charles Frossard House
La Charroterie
St Peter Port

19th December, 2017

Dear Deputy St Pier,

Preferred date for consideration by the States of Deliberation

In accordance with Rule 4(2) of the Rules of Procedure of the States of Deliberation and their Committees, the States' Assembly & Constitution Committee requests that the Proposition be considered at the States' meeting to be held on 7th February, 2018.

The Committee proposes that the referendum should take place on 10th October, 2018 and it is therefore important that the legislation is presented to the States of Deliberation on 7th February to enable the necessary arrangements to be put in place to hold the referendum.

Yours sincerely,

M. J. Fallaize
President

P. J. Roffey
Vice-President

M. H. Dorey
M. K. Le Clerc
H. L. de Sausmarez

**THE PAROCHIAL CHURCH PROPERTY (GUERNSEY) LAW, 2015 (COMMENCEMENT)
ORDINANCE, 2018**

The States are asked to decide:-

Whether they are of the opinion to approve the draft Ordinance entitled "The Parochial Church Property (Guernsey) Law, 2015 (Commencement) Ordinance, 2018", and to direct that the same shall have effect as an Ordinance of the States.

This proposition has been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

EXPLANATORY MEMORANDUM

This Ordinance brings the remaining provisions of the Parochial Church Property (Guernsey) Law, 2015 into force, relating to the status of parochial church property (other than rectories), the establishment of management boards and amending various parochial laws.

The Parochial Church Property (Guernsey) Law, 2015 (Commencement) Ordinance, 2018

THE STATES, in exercise of the powers conferred on them by section 18 of the Parochial Church Property (Guernsey) Law, 2015^a, hereby order:-

Commencement of the Law.

1. The following provisions of the Parochial Church Property (Guernsey) Law, 2015 shall come into force on 16th February 2018 -

- (a) Parts I and II, and
- (b) sections 12 to 14.

Citation.

2. This Ordinance may be cited as the Parochial Church Property (Guernsey) Law, 2015 (Commencement) Ordinance, 2018.

^a Order in Council No. III of 2017.

**THE INCOME TAX (GUERNSEY) (APPROVAL OF AGREEMENT WITH THE BAHAMAS)
ORDINANCE, 2018**

The States are asked to decide:-

Whether they are of the opinion to approve the draft Ordinance entitled "The Income Tax (Guernsey) (Approval of Agreement with the Bahamas) Ordinance, 2018", and to direct that the same shall have effect as an Ordinance of the States.

This proposition has been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

EXPLANATORY MEMORANDUM

This Ordinance specifies, as an approved international agreement, an agreement providing for the obtaining, furnishing and exchanging of information in relation to tax, made for the purposes of the Income Tax (Guernsey) Law, 1975.

The agreement specified was made between the States of Guernsey and the Commonwealth of the Bahamas, contained in a Protocol signed on the 16th May 2017 and the 12th April, 2017 on behalf of Guernsey and the Bahamas respectively (which amends the agreement between the States of Guernsey and the Commonwealth of the Bahamas providing for the exchange of information relating to tax matters signed on the 29th July 2011 and the 8th August 2011).

The Income Tax (Guernsey) (Approval of Agreement with the Bahamas) Ordinance, 2018

THE STATES, in exercise of the powers conferred on them by section 75C of the Income Tax (Guernsey) Law, 1975 as amended^a and all other powers enabling them in that behalf, hereby order:-

Approval of Agreement.

1. (1) Pursuant to section 75C of the Income Tax (Guernsey) Law, 1975, as amended, the agreement in subsection (2) providing for the obtaining, furnishing and exchanging of information in relation to tax is specified for the purposes of that Law.

(2) The agreement made between the States of Guernsey and the Commonwealth of the Bahamas contained in a Protocol signed on the 16th May 2017 and the 12th April, 2017 on behalf of Guernsey and the Bahamas respectively (which amends the agreement between the States of Guernsey and the Commonwealth of the Bahamas providing for the exchange of information relating to tax matters signed on the 29th July 2011 and the 8th August 2011^b).

Citation.

2. This Ordinance may be cited as the Income Tax (Guernsey) (Approval of Agreement with the Bahamas) Ordinance, 2018.

^a Ordres en Conseil Vol. XXV, p. 124; section 75C was inserted by section 5 of Order in Council No. XVII of 2005, and section 75C has subsequently been amended by Ordinance No. XVI of 2012; No. I of 2014; and No. XXXI of 2014.

^b Ordinance No. XXXVII of 2011.

Commencement.

3. This Ordinance shall come into force on the 8th February, 2018.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE FOR HOME AFFAIRS

AMENDMENTS TO CRIMINAL JUSTICE LEGISLATION IN RESPECT OF MONEY
LAUNDERING AND TERRORIST FINANCING

The States are asked to decide: -

Whether, after consideration of the Policy Letter dated 11th December, 2017, of the Committee *for* Home Affairs, they are of the opinion to endorse the policy approaches set out in the Policy Letter :-

1. to agree to amend the regulation making powers of the Committee under the Disclosure (Bailiwick of Guernsey) Law, 2007 and the Terrorism and Crime (Bailiwick of Guernsey) Law, 2002 to include the power to identify the type of reports which trigger the information – gathering powers of the Financial Intelligence Service, and the power to put in place protection against claims of breach of confidence for any reports made to the Financial Intelligence Service that would not be covered by the existing breach of confidence provisions in those Laws;
2. to agree to amend the Terrorism and Crime (Bailiwick of Guernsey) Law, 2002 to
 - a. include specific terrorist financing offences in respect of terrorist fighters and ransom payments;
 - b. replace the current definition of proscribed organisations with a definition which expressly incorporates the list of proscribed organisations under the Terrorism Act 2000 by way of ambulatory reference;
 - c. replace the current definition of cash with a definition which expressly incorporates the definition of cash in the Cash Controls (Bailiwick of Guernsey) Law, 200 by way of ambulatory reference;
3. to agree to amend the Terrorist Asset-Freezing (Bailiwick of Guernsey) Law, 2011 to extend ambulatory references to all relevant EU lists;
4. to agree to amend the definition of cash in the Cash Controls (Bailiwick of Guernsey) Law, 2007 to make provision for recent innovations in the storing and transfer of asset; and

5. to direct the preparation of such legislation as may be necessary to give effect the foregoing, including any necessary consequential and incidental provision.

The above Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE FOR HOME AFFAIRS

AMENDMENTS TO CRIMINAL JUSTICE LEGISLATION IN RESPECT OF MONEY
LAUNDERING AND TERRORIST FINANCING

The Presiding Officer
States of Guernsey
Royal Court House
St Peter Port

11th December 2017

Dear Sir

1. Executive Summary

- 1.1. The purpose of this Policy Letter is to recommend amendments to criminal justice legislation in respect of money laundering and terrorist financing.

2. Strategic Context

- 2.1. The purpose of the Committee *for* Home Affairs is “to support a high standard of living and quality of life by maintaining and promoting a safe, stable and equitable society which values public protection and justice and respects that rights, responsibilities and potential of every person.” The proposed amendments to criminal justice legislation in respect of money laundering and terrorist financing are an important part of ensuring both the Bailiwick’s international standing and responsiveness to cross-border crime, whilst maintaining the safety of the Bailiwick and its residents. The need to amend the legislation has been identified by Her Majesty’s Comptroller.

3. Advice from Her Majesty’s Comptroller

- 3.1. Her Majesty’s Comptroller has advised in the following terms:

“Introduction

The purpose of this letter is to recommend some amendments to the Bailiwick's criminal justice framework for addressing money laundering and terrorist financing.

The legislation concerned is the Terrorism and Crime (Bailiwick of Guernsey) Law, 2002 ("Terrorism Law"), the Disclosure (Bailiwick of Guernsey) Law, 2007 ("Disclosure Law"), the Cash Controls (Bailiwick of Guernsey) Law, 2007 ("Cash Controls Law"), the Forfeiture of Money, etc. in Civil Proceedings (Bailiwick of Guernsey) Law, 2007 (Civil Forfeiture Law), and the Terrorist Asset-Freezing (Bailiwick of Guernsey) Law, 2011 ("Terrorist Asset Freezing Law").

The amendments relate to the information gathering powers in support of investigations available to the Financial Intelligence Service, a division of the Guernsey Border Agency, some technical changes to definitions in respect of terrorism and terrorist asset freezing, and the definition of cash for the purposes of cross-border declarations and the powers of seizure and confiscation. Except for the amendment to the Civil Forfeiture Law, all of these amendments may be made by Ordinance.

Information in support of investigations

Under the Disclosure Law and the Terrorism Law respectively, a person must report to the Financial Intelligence Service suspicions of money laundering or terrorist financing which that person has acquired in the course of a business. The Disclosure Law and the Terrorism Law also contain a power for the Committee for Home Affairs to make regulations enabling the Financial Intelligence Service to obtain additional information following the making of such a report. Under regulations that have been made in the exercise of this power, the Financial Intelligence Service may request additional information in relation to a report of suspicion from the person who has made it or from any third party whom it reasonably believes has relevant information.

This power to obtain additional information is not limited to domestic cases so may be, and regularly is, used to provide assistance to other jurisdictions as well as in support of domestic investigations. However, as it is triggered by a disclosure of suspicion made in the course of a business, the Financial Intelligence Service cannot invoke the power in order to obtain information in circumstances where it is made aware of the existence of relevant information within the jurisdiction by intelligence from a foreign counterpart or from another domestic competent authority such as the Guernsey Financial Services Commission or the Director of Income Tax. This applies whether the additional

information is required in support of a domestic investigation arising from that intelligence or to support an overseas investigation connected with it. To date, this has not caused any significant difficulties in practice, because if the Financial Intelligence Service gives an informal indication to a party that it needs certain information which that party holds, this has generally been sufficient to give rise to suspicion, with the result that the party in question has then made a disclosure and the information gathering powers have been engaged. The 2016 MONEYVAL report accepted that in practice no problems had been experienced but nevertheless recommended that this issue should be addressed at a technical level to avoid problems in future.

The Jersey legal framework has been amended to address the same issue in respect of the information gathering powers of the Joint Financial Crimes Unit within the Jersey police, which is Jersey's equivalent of the Financial Intelligence Service. In addition to reports of suspicion from industry triggering the relevant information gathering powers, those powers are now also triggered by other reports from Jersey financial services businesses (or businesses with a link to Jersey operating elsewhere) as well as by reports from the following parties;

- *the Jersey Financial Services Commission*
- *a financial intelligence unit outside Jersey,*
- *the Jersey Comptroller of Taxes*
- *a Jersey police officer*
- *an administrative or law enforcement agency (other than the States of Jersey Police Force) concerned with combating money laundering and the financing of terrorism.*

I therefore advise that the information gathering powers of the Financial Intelligence Service should apply at least as widely as noted above. I also advise that the powers should extend to reports from other competent authorities whose functions concern financial crime such as the Alderney Gambling Control Commission and the Guernsey Registry, as well as to reports from any private organisations or individuals who do not come within any of the categories referred to above. This should apply to any kind of report received by the Financial Intelligence Service, whether or not it comes within the ambit of the reporting obligations in the Disclosure Law and the Terrorism Law. These powers should be made subject to the same tests of relevance and reasonableness as those that apply to the existing power to obtain additional information. Extending the information gathering powers in this way will help to ensure that the Bailiwick meets relevant international standards which

require Financial Intelligence Units to have access to all information necessary for the effective discharge of their functions.

The easiest way to achieve this is would be by regulations made by the Committee for Home Affairs under the Disclosure Law and the Terrorism Law, either by amending the existing regulations or by enacting new standalone regulations. However, the current regulation making power in the Disclosure Law and the Terrorism Law is not wide enough to permit this, as it only applies to circumstances where a report of suspicion has been made by a person in the course of a business. Therefore I advise that the Disclosure Law and the Terrorism Law be amended to give the Committee for Home Affairs the necessary regulation making powers, including the power to identify the type of reports which will trigger the information –gathering powers and to put in place protection against claims of breach of confidence for any reports made to the Financial Intelligence Service that would not be covered by the existing breach of confidence provisions in the Disclosure Law and the Terrorism Law.

Terrorism and terrorist financing

Following recent changes to international standards on terrorist financing to reflect the growing threat posed by terrorist organisations, the Law Officers of the Crown have begun a review of the Bailiwick’s legal framework to ensure that it continues to comply with these standards and remains robust. While the review is at an early stage, and I expect it to lead to detailed recommendations for change in due course, an issue has been identified in respect of the scope of the terrorist financing offences which I advise should be addressed now. The same is also true of an issue which has been identified in relation to the definition of designated persons for the purposes of certain financial restrictions under the Terrorist Asset Freezing Law, and an issue which has been identified in respect of the definition of proscribed organisations under the Terrorism Law which has been brought to my attention by the Policy and Resources Committee following liaison with the Committee for Home Affairs.

The first issue relates to the removal of some possible gaps in the terrorist financing offences under the Terrorism Law. International concern in respect of so-called terrorist fighters has led to a specific requirement by the Financial Action Task Force to criminalise the provision of funds to them. Where funds are provided to assist them in perpetrating a terrorist act or some other form of criminality, there is no doubt that this would be covered by ancillary offences such as aiding and abetting under the Bailiwick’s existing legal framework.

However, the position is arguably less clear cut in relation to funding for their travel costs and related expenses that cannot by themselves necessarily be linked to criminal activity. Therefore I advise that to put this beyond doubt, the Terrorism Law should be amended specifically to criminalise the provision of funds to terrorist fighters. A similar point arises in relation to insurance payments that are made to cover ransom demands issued by terrorists, which is also an issue of great concern to the international community. Where the transmission of funding to a terrorist group is clear, there is no doubt that existing offences would apply, but it is arguable that this may not be the case in some other situations, particularly where intermediaries are involved. Therefore, I advise that here too the Terrorism Law should be amended, to criminalise any insurance payments that are made in relation to a ransom demand by terrorists. These amendments also mean that the Bailiwick legal framework will remain in line with those in comparable jurisdictions such as the UK and Jersey, where similar changes have recently been made.

The second and third issues referred to above concern the use of so-called “ambulatory references” to keep lists relating to terrorism up to date. This is a provision in an enactment which specifies that any reference to another enactment should be taken as including amendments to that second enactment. The practical effect of this in the context of terrorist listing is that where, for example, a Guernsey Law gives effect to a list made under a UK Act of Parliament, any updates to that list made by the UK are automatically included within the scope of the Law without the need for any further domestic legislation or other action. This mechanism is frequently used in Bailiwick legislation to give effect to listings by external parties such as the EU or HM Treasury, particularly in areas such as financial sanctions where time is of the essence in order to prevent asset flight.

The Terrorist Asset Freezing Law applies financial restrictions to the assets of designated persons, which includes persons designated by the EU on a list provided for by article 2(3) of Council Regulation (EC) No 2580/2001 (‘the first Regulation’). The first Regulation is subject to an ambulatory reference in the Terrorist Asset Freezing Law so that any changes to the list that forms part of it have effect automatically. However, in 2016 some listings of persons subject to restrictions under article 2(3) were made in a separate EU Regulation (‘the second Regulation’) on a temporary basis. It is unusual for terrorist listings relevant to one Regulation to be made by a separate Regulation, and it arose in this case because the listing procedures under the first Regulation are different from those for other EU measures that impose financial restrictions. Because

the second Regulation was not in contemplation when the Terrorist Asset Freezing Law was drafted, the listings in it were not covered by the ambulatory reference in that Law. Therefore, if any changes had been made to the list under the second Regulation they would not have taken effect domestically. No changes were in fact made, but this situation could occur again in future and clearly it is important to remove the risk of this technicality giving rise to a potential loophole in the Bailiwick's asset freezing framework. I therefore recommend that the Terrorist Asset Freezing Law should be amended to ensure that its ambulatory reference applies to any future regulations which set out lists for the purposes of the first Regulation, not just to lists set out in the first Regulation itself.

Under the Terrorism Law, terrorist financing offences and other key measures apply to proscribed organisations, that is, organisations that are listed in Schedule 1 to the Terrorism Law (or which operate under the same name as an organisation listed in Schedule 1). The list in Schedule 1 may be amended by regulations made by the Policy and Resources Committee, subject to the proviso that such regulations may only make an addition or deletion to the list if a corresponding change has been made to the equivalent list under the UK's Terrorism Act 2000. This mechanism for updating listings is out of step with that contained in more recent Bailiwick legislation such as the Terrorist Asset Freezing Law and various sanctions Ordinances. As outlined above, the approach under this other legislation is to incorporate external listings automatically and make them subject to ambulatory references, in order to give immediate effect to international developments without the need for any intermediate action to be taken domestically. This approach has developed as standard practice in the years since the Terrorism Law was introduced, in consequence of the fact that in this period the international situation in respect of terrorism and other activity giving rise to financial restrictions has been subject to increasingly rapid changes. It is important that the Bailiwick keeps pace with these changes, both to comply with its international obligations and to prevent the abuse of its financial systems.

The Policy & Resources Committee has informed me that it wishes to align the provisions in the Terrorism Law with current practice and it is therefore content to relinquish its regulation making power, which will be redundant if provision is made for ambulatory references. I concur with that view and advise that the Terrorism Law should be amended to delete Schedule 1 and to replace the domestic regulation-making power with a provision that defines proscribed

organisations for the purposes of the Terrorism Law by way of an ambulatory reference to organisations proscribed under the Terrorism Act 2000.

Definition of cash

The untraceable nature of cash presents obvious challenges in the fight against money laundering, terrorist financing and other forms of financial crime. For this reason, there are well established measures in place under the Bailiwick's criminal justice framework to mitigate the risk of cash being used to facilitate criminal activity. These measures comprise the obligation to declare cross-border movements of cash above a certain threshold under the Cash Controls Law (and under other legislation governing the transportation of cash by mail or freight), and the power to seize and confiscate cash under the Civil Forfeiture Law and the Terrorism Law. The definition of cash for these purposes is not confined to coins and banknotes but includes instruments such as cheques and money orders.

The Bailiwick authorities have a longstanding policy of reviewing the financial crime framework to take account of changes in the risk situation, and this includes measures relating to the use of cash. For example, amendments have previously been made to extend the definition of cash for certain purposes to other forms of portable assets considered to constitute an emerging threat, namely postage stamps and bullion. In line with this policy, the risks related to cash have been subject to further consideration in the last few months. This has been done as part of specific work targeted at the risks relating to cash carried out by the Guernsey Border Agency, and it has also featured in the work being carried out to draw up an overall assessment of the money laundering and terrorist financing risks faced by the Bailiwick.

These considerations of risk have identified the use of recent innovations in methods of storing or moving assets (for example, stored value cards, cash passports, tokens or other devices that electronically store or provide access to funds and may be used to make funds available to others) as a growing money laundering and terrorist financing threat. These innovations are not currently included in the definitions of cash in any of the enactments referred to above. It is obviously important that the Bailiwick's legal framework captures these emerging threats if it is to remain effective. I therefore advise that the definition of cash for the purposes of the different enactments referred to above should be amended to capture recent innovations in the storing and transfer of assets and to ensure that the definition of cash is consistent across the Bailiwick's legal

framework. The most effective way to do this is to update the definition in the Cash Controls Law and to replace the definition of cash in the Terrorism Law with an ambulatory reference which cross refers to the updated definition in the Cash Controls Law. This would mirror the existing approach taken in the legislation governing the transporting of cash by mail or freight. There is no power to do this by Ordinance under the Civil Forfeiture Law, but I advise that this should be included as part of a future work stream involving a number of other changes that will require the Civil Forfeiture Law to be amended by primary legislation. In the interim, I also advise that the point is addressed by enacting regulations which will add the innovations referred to above to the existing definition of cash, these regulations may be made by the Committee for Home Affairs after consultation with the authorities in Alderney and Sark under section 3 of the Civil Forfeiture Law.

The above recommendations have been discussed and agreed with Her Majesty's Procureur."

4. Engagement and Consultation

- 4.1. The Guernsey Border Agency and the States of Guernsey's Director of Financial Crime Policy have been consulted and are supportive of the recommendations set out above.
- 4.2. The States of Alderney and Chief Pleas of Sark have been consulted and are content with the recommendations set out above.

5. Propositions

- 5.1. The States are asked to decide whether they are of the opinion to endorse the policy approaches set out in this Policy Letter and: -
 1. to agree to amend the regulation making powers of the Committee under the Disclosure (Bailiwick of Guernsey) Law, 2007 and the Terrorism and Crime (Bailiwick of Guernsey) Law, 2002 to include the power to identify the type of reports which trigger the information – gathering powers of the Financial Intelligence Service, and the power to put in place protection against claims of breach of confidence for any reports made to the Financial Intelligence Service that would not be covered by the existing breach of confidence provisions in those Laws;
 2. to agree to amend the Terrorism and Crime (Bailiwick of Guernsey) Law, 2002 to

- a. include specific terrorist financing offences in respect of terrorist fighters and ransom payments;
 - b. replace the current definition of proscribed organisations with a definition which expressly incorporates the list of proscribed organisations under the Terrorism Act 2000 by way of ambulatory reference;
 - c. replace the current definition of cash with a definition which expressly incorporates the definition of cash in the Cash Controls (Bailiwick of Guernsey) Law, 200 by way of ambulatory reference;
3. to agree to amend the Terrorist Asset-Freezing (Bailiwick of Guernsey) Law, 2011 to extend ambulatory references to all relevant EU lists ;
 4. to agree to amend the definition of cash in the Cash Controls (Bailiwick of Guernsey) Law, 2007 to make provision for recent innovations in the storing and transfer of asset; and
 5. to direct the preparation of such legislation as may be necessary to give effect the foregoing, including any necessary consequential and incidental provision.

6. Committee Support for Propositions

- 6.1. In accordance with Rule 4(4) of the Rules of Procedure of the States of Deliberation and their Committees, it is confirmed that the propositions above have the unanimous support of the Committee.

Yours faithfully

M M Lowe
President

R H Graham
Vice-President

M P Leadbeater
V S Oliver
R G Prow

Annual Report 2016



OVERVIEW

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Our mission

Statement of Purpose

To fully discharge our statutory duties, as an independent body, to enhance information governance across the Channel Islands ensuring continued recognition as well-regulated jurisdictions.

To assist organisations meet their obligations; to regulate where the required standard has not been met and to ensure that individuals are confident and able to exercise their information rights.

Areas of Focus

Develop
Educate
Lead
Influence
Visible
Enforce
Regulate

DEVELOP – ensuring our staff are highly skilled and motivated, working effectively and efficiently across the Islands.

EDUCATE – working with key organisations and individuals to promote awareness and understanding of information rights and responsibilities.

LEAD – as the subject matter expert within the Channel Islands, ensuring the Islands' continued recognition on the European and international stage

INFLUENCE – seeking to embed information rights in all relevant areas especially new laws and policies across the private and public sector

VISIBLE – conducting our work in an open and transparent manner, ensuring relevant and useful information is proactively published on our website

ENFORCE – taking targeted and meaningful regulatory action in a fair and consistent manner

REGULATE – making effective use of our statutory powers to achieve consistency in approach across the Channel Islands

Governance statement

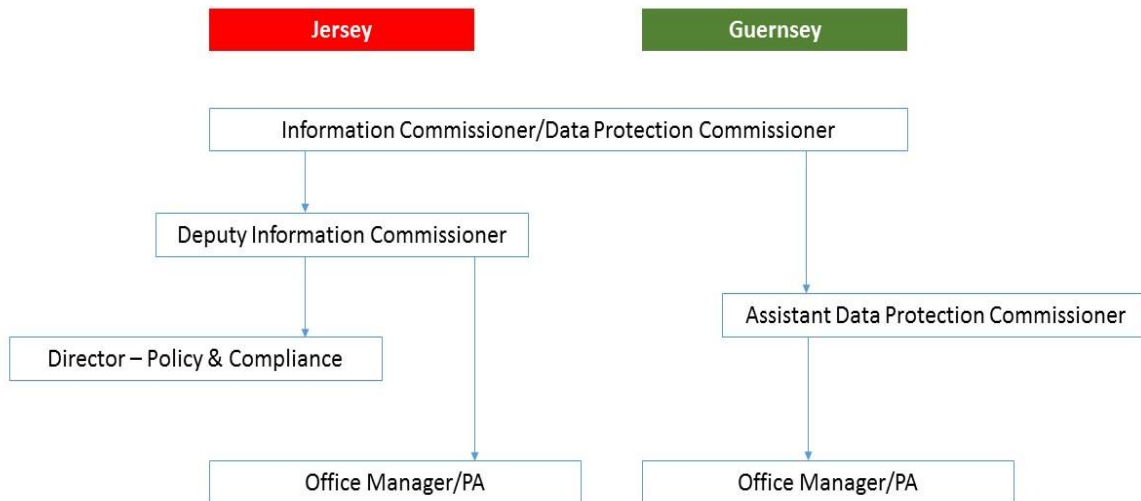
The position of Data Protection Commissioner and Information Commissioner are established in the Data Protection (Bailiwick of Guernsey) Law, 2001, the Data Protection (Jersey) Law 2005 and the Freedom of Information (Jersey) Law 2011. Under the terms of the EU Directive 95/46 the Commissioner must be independent of government and this has been enshrined in legislation. In Guernsey the sponsoring department for the Office is the Office of the Committee for Home Affairs. In Jersey the sponsoring department for the Office is the Chief Minister's Department. The Commissioner is accountable to the States for the exercise of statutory functions and is subject to States audit.

Risks

Risks are routinely assessed

1. **Budgeting 2016 and beyond:** The Offices have an agreed budget for 2017. Additional funding has been allocated to the Office to assist with GDPR preparation. Further detailed work will be required to establish the long term resource requirements, as well as income options. In addition, long term funding for Fol in the Jersey Office has yet to be agreed.
2. **Implementation of GDPR:** The GDPR no longer contains the requirement for data controllers to notify the processing of personal data to the supervisory authorities. The abolition of indiscriminate general notification obligations will need careful consideration as it will impact the way in which authorities are funded. How the Channel Island Offices continue to be funded within the context of EU reform, future cuts in government expenditure together with increasing workloads and expectations is now under detailed review.
3. **IT strategy:** The Offices have taken the extremely important step of moving away from government IT support. Independence is a crucial part of a successful data protection and freedom of information regulation and we must ensure our own data is held securely and independently. Preparation has started on the major internal IT reform needed to deliver GDPR.
4. **Increasing pressure on resources:** An important element of our work is to ensure individuals are informed of their rights and empowered to raise concerns. If we do this well, we are then faced with managing the volume of enquiries and complaints. Not only does our workload expand year on year, the increased complexity of cases is also noticeable. Managing the volume of work as well as expectations at the same time as the Offices are going through significant changes will be a challenge for us all.
5. **Robust independence from government:** In order for us to be an effective regulator and to deliver on the GDPR requirements, we need to ensure a workable and sustainable funding system as well as a clearer guarantee of independence across the Islands.

Office structure



The part time role of Office Manager/PA in Guernsey was the subject of review in light of Officer 'retirement' at the end of 2016 and the additional pressures to prepare for GDPR.

In coordination with the sponsoring department in Guernsey, it was agreed to create a full time position of Executive Officer in the Guernsey Office.

Your information rights

The **Data Protection (Jersey) Law 2005** and the **Data Protection (Bailiwick of Guernsey) Law, 2001** give citizens important rights including the right to know what information is held about them, how that information is going to be handled, and the right to correct information that is wrong. The Data Protection Laws across the Channel Islands help to protect the interests of individuals by obligating organisations to manage the personal information they hold in a fair and lawful way.

The **Freedom of Information (Jersey) Law 2011** gives people a general right of access to information held by most public authorities in Jersey. Aimed at promoting a culture of openness and accountability across the public sector, it enables a better understanding of how public authorities carry out their duties, why they make the decisions they do and how they spend public money by requiring the disclosure of information in those areas.

The **Code of Practice for Access to Public Information – Guernsey**

In July 2013, the States of Guernsey agreed the Code of Practice on Access to Public Information. The Code contains the following core principles:

- A presumption of openness
- A corporate approach
- A culture of openness
- Proactive publication; and
- Effective record management.

The mechanism for requesting does not replace the process of applying for personal data under the Data Protection (Bailiwick of Guernsey) Law, 2001. Unlike this Law, our Office has no statutory functions with regards appeals/complaints. All such matters are dealt with by the relevant service area and may be referred to the Policy and Resources Committee.

Commissioner's foreword

This is my sixth report as Data Protection Commissioner for the Channel Islands.

2016 was certainly a landmark year for data protection. After four years of lengthy debate, negotiation and preparation, the General Data Protection Regulation (GDPR) was approved by the EU Parliament on 14th April 2016. It entered into force twenty days after that and will be directly applicable in all EU member states two years from that date, on 25th May 2018. It replaces the Data Protection Directive 95/46/EC (the Directive).

The GDPR marks the most significant reform of European data protection regulation in decades and is set against the backdrop of this digital era that sees data collected and used in ways and at speeds unimaginable only a few years ago. It comes after many years of discussion and negotiation and is designed to equip individuals and regulators with strengthened rights.

Whilst directly applicable to EU Member States, the GDPR is also important for the Channel Islands. Both Jersey and the Bailiwick of Guernsey implemented legislation in response to the Directive and are currently recognised as 'adequate' jurisdictions for those purposes. It is clearly vital for the Islands to retain this position, to protect the free flow of data and 2016 saw agreement by both governments to work together in implementing equivalent legislation to come into force at the same time as the GDPR.

There are two powerful drivers for Channel Islands data protection reform. Firstly, the need to ensure that we, as citizens, are all provided with appropriate legal protections and remedies in this digital era. Secondly, the desire to retain the current adequacy status of the Islands allowing unfettered data flows. With data increasingly important to all business, government and domestic activity, providing a safe and strong regulatory environment must be recognised as a key requirement for a successful economy.

Once high level political agreement had been reached on reform, both governments committed to an implementation plan with the Islands working together to make best use of resources and with an understanding of the importance of a harmonised Channel Island approach. This reform moves data protection into a new, exciting but hugely challenging realm. High level engagement and commitment across the Islands would not have been possible without the support and vision of a number of key individuals. In particular I would like to thank Mark Lempriere, Chief Secretary at States of Guernsey Committee for Home Affairs and Senator Philip Ozouf of the States of Jersey. In addition, the expert input of the Channel Islands Brussels Office has been invaluable and will continue to be so as we progress with our adequacy review. I am clear that we are at an absolutely crucial point for the Islands. To embrace the enormous opportunities that data offers to our economic and social wellbeing requires those in key positions to engage with a raft of issues; intellectual, political, legal, social and ethical. Each one of these areas plays a vital role and this must not be seen as a zero sum game. The Channel Islands has a unique opportunity to approach this new era in an enlightened way, one which embraces the opportunities without sacrificing the rights and freedoms of the individuals that make up its society. Change is never easy and this project will be no exception. My Office is ill equipped to deal with the current increasing workload so it is

clear that implementing the standards GDPR will require will also mean a transformation in what we do and how we do it. If we do that well, it will benefit our economies, our citizens and our reputation.

The Channel Islands now have dedicated senior policy Officers working on the reform project with this Office. At the same time we are engaging with stakeholders and strategic partners to help communicate the changes and work together to deliver them.

This involves drafting new legislation to reflect the GDPR requirements. It also includes a full review of the way our Office is structured and resourced to ensure that we are in a strong position to deliver on the new duties that the GDPR requires. If we are going to apply increased accountability requirements to data controllers and processors we must also apply those to ourselves. With our new powers will come new responsibilities and we will build those into the new regulatory structure.

GDPR is certainly high on our priority list and we will be using all available platforms to communicate the forthcoming changes. Whilst those organisations that take their current legal obligations seriously in respect of data protection compliance will be well positioned to respond to the GDPR, we also recognise the need to ensure businesses are supported as much as possible during this time of change.

I am clear that the benefits of a high quality data governance regime, whatever business you are in, go beyond a fear of regulatory action if you fail. Ensuring individuals have trust and confidence in your brand relates so much to the way in which you handle their personal data. The high profile data breaches we see in the media with alarming frequency highlight the very real damage that can result. Business relationships are built on trust. Data protection is a condition of trust and therefore a condition of growth. Good data protection is therefore so much more than doing what the law tells you to do. It is recognising that personal information is the single most valuable non-consumable asset possessed by an organisation and should be treated as such.

Whilst this is true for both public and private sector alike, different pressures exist for public authorities and we need to be alive to those. Unlike the private sector, there are no market forces at play and public authorities are often collecting and using our personal information in a way that is mandated by law. This broad and compulsory nature of data processing carries with it a special responsibility and this is recognised in the GDPR which includes a requirement for all public bodies to have a data protection Officer. This dedicated, skilled resource is a very significant element of the GDPR and will, I think, herald an era where data professionals are increasingly recognised and valued. Indeed, it is a field in which we have a track record in the form of compliance professionals in the finance industry. It is an area in which I think the Channel Islands could excel by developing and supporting data professionals who work to enhance processing standards and build on the existing high quality compliance standards of the Islands.

It is worthy of note that both the States of Guernsey and States of Jersey have committed to working internally to review and improve on the skills in this area. If citizens are going to trust government with big projects such as e-Gov, getting the data handling right must be the priority and must be built in to the project from the outset.

We used Data Protection Day in January as an opportunity to highlight the changes GDPR will bring, specifically targeting small businesses who are unlikely to have the resources available to larger organisations to prepare themselves. As the project develops we will continue to provide as much assistance and guidance as possible to data controllers and processors to enable them to continue preparations.

As a small jurisdiction, it is important for us to work as effectively and efficiently as possible and the annual meeting of small data protection authorities continues to provide a valuable platform for us to share experiences and resources where appropriate. This year it was held in June and hosted by Malta. Unsurprisingly the main topic of conversation was GDPR and there was much discussion about how the smaller authorities were starting to prepare. Whilst there is divergence in certain areas, there is also much common ground. The Channel Islands can, I believe, benefit from taking a clear, focused and autonomous route to high quality data protection regulation that does not detract from the real benefits of sharing experiences and thoughts in a trusted and knowledgeable environment.

With so much attention on the new Regulation it would be easy to neglect the current duties we all have both in respect of data protection and freedom of information. But ensuring the current legal framework benefits from effective and independent oversight continues to be our priority. Working across the Islands provides my staff and I with the opportunity to broaden our knowledge and harmonise our approach. I am extremely proud to head up teams across the Channel Islands who first and foremost see themselves as a unified Office working in often challenging and high pressured circumstances. With an increasing and an increasingly complex workload it is clear that major reform is now required if we are going to be fit for purpose in the GDPR era.

We are at a turning point for data protection with it taking on a truly global significance. If the Channel Islands want to be considered as an attractive, well regulated jurisdiction in this new data-driven world, we need a clear vision and roadmap to take us forward understanding that it will be an essential foundation for encouraging and fostering innovation and productivity whilst ensuring the highest standards of protections for individuals.

Emma Martins

Data Protection Commissioner for Guernsey
Information Commissioner for Jersey



Our aims

Priorities

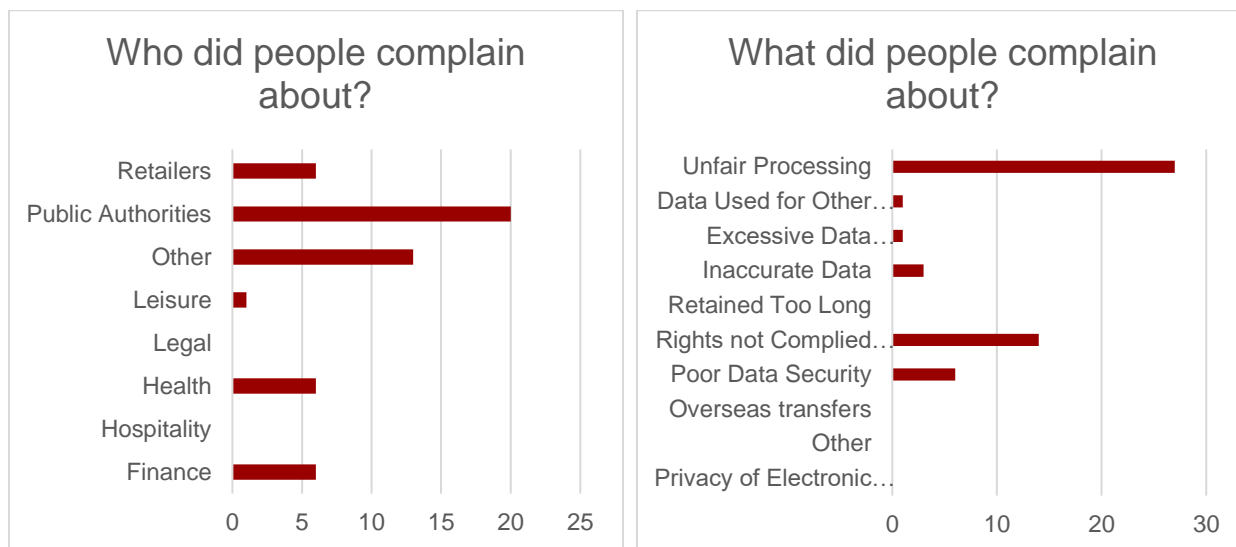
- To be a well-led and managed organisation, one that staff are proud to work for and that makes a real difference to the Islands.
- To ensure that the Channel Islands are recognised on the European international stage as well regulated jurisdictions, both now and once the EU Regulation is implemented.

What we want to achieve

- To raise the profile of information governance, highlighting the role it plays in successful organisations while protecting the privacy of the individuals with which the organisation deals.
- To ensure that all those that handle personal information do so lawfully and responsibly.
- To encourage government organisations to embrace openness and transparency in all their activities whilst respecting an individual's right to privacy.
- To ensure that individuals are aware of their information rights and are confident in exercising them.
- To provide an effective and efficient notification service that is consistent across the Channel Islands.
- To ensure there exists a pan-Island mechanism for purposeful, targeted and meaningful regulatory activity.
- To reach a point where information rights are embedded in new laws, technology and public policy.
- To be a model of good regulation :-
 - Transparent
 - Accountable
 - Proportionate
 - Consistent
 - Targeted
 - Independent

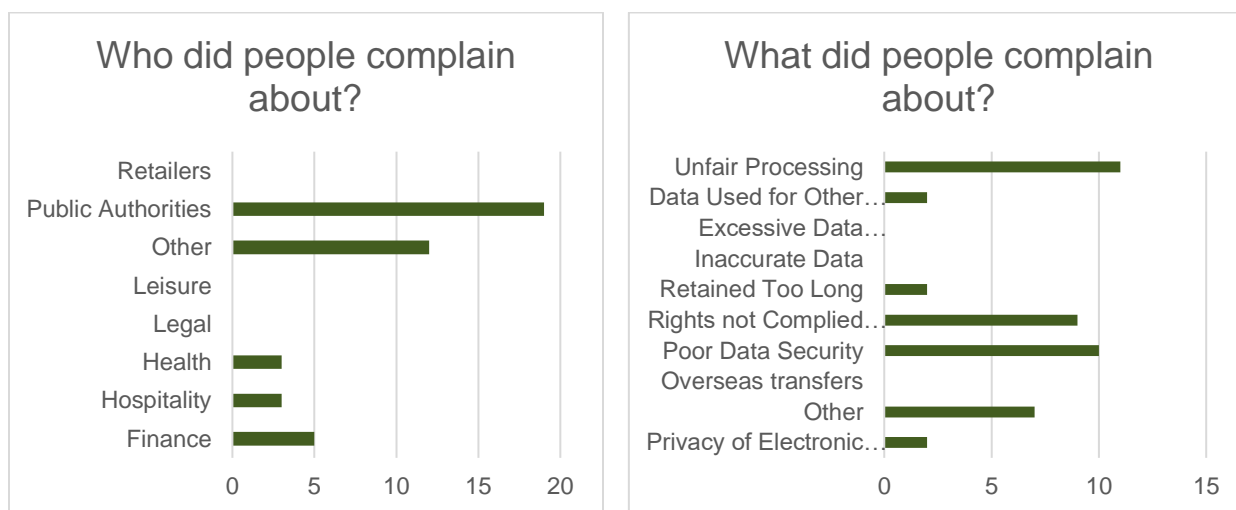
Operational performance

Complaints (Jersey)



A total of 52 data protection related complaints were recorded in Jersey during 2016, representing a 20% increase on the 43 complaints recorded in 2015. Complaints about unfair processing saw a significant rise from the previous year, however the pattern of complaints by subject shows a similar trend to 2015. As expected, Jersey's biggest sectors received the most complaints, but there has been a notable increase in the number of complaints involving the health sector.

Complaints (Guernsey)



A total of 42 complaints were recorded in Guernsey during 2016 representing a small increase in the number of cases recorded in 2015. A perceived lack of compliance with

the rights of data subjects remains a key area of concern for individuals, forming roughly a quarter of all cases. Complaints about subject access requests form the bulk of this category; usually due to requestors receiving less information than they expected or were entitled to. Organisations should have clear procedures in place regarding subject access requests, covering such areas as the acknowledging of requests, the identification of relevant personal data and responding in a timely manner. Organisations should also be aware that existing timescales are subject to change under the reform package and take this opportunity to review processes accordingly.

For the first time, a separate entry has been included in the chart for cases involving marketing by electronic means; subject to separate legislation in the Bailiwick but within the remit of this Office. As has been noted also by our UK counterparts, the Information Commissioner's Office, unsolicited marketing by telephone and email is a greater concern to individuals than ever before and the regulator needs to evolve to respond to this. It is hoped that the data protection reform currently underway will provide further powers and sanctions to assist in addressing the misuse of individuals' details for marketing purposes.

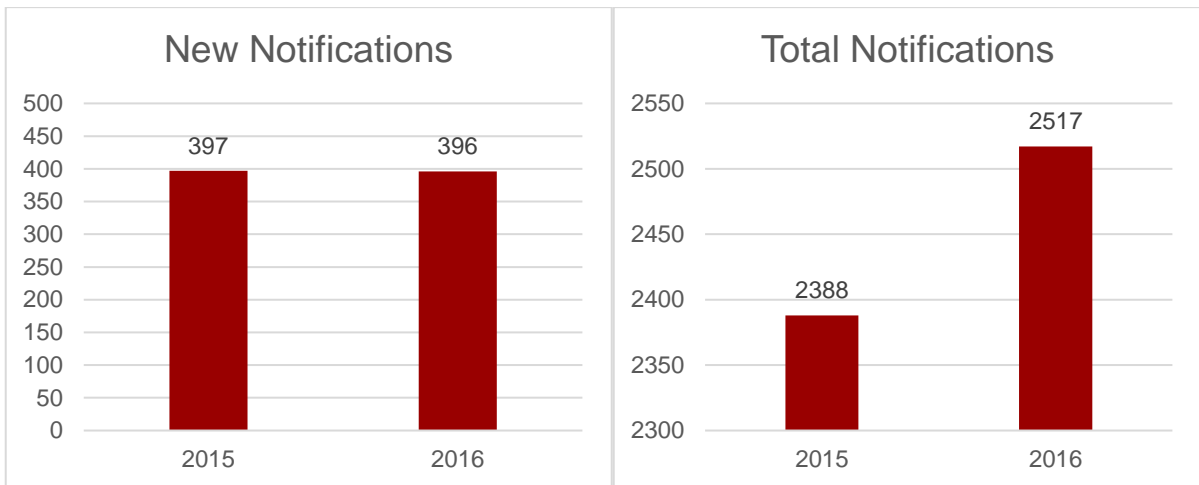
Breach Reporting

It is of note that whilst there is currently no requirement to notify either Office of a data breach, eight of the 42 cases in Guernsey during 2016 were breaches reported by the organisation rather than by an affected individual. We are happy to receive such reports and, where appropriate, provide guidance as to next steps that an organisation should consider if an incident occurs. A key feature of the impending data protection reform is mandatory breach reporting with organisations being compelled to report a data breach within 72 hours of discovery and it is encouraging to see organisations embracing this reporting requirement in advance and putting in place processes and procedures to capture issues and deal with them appropriately. This self-reporting also accounts for the increase in data security issues dealt with compared with 2015 and gives something of an indication as to how the reform will impact this Office.

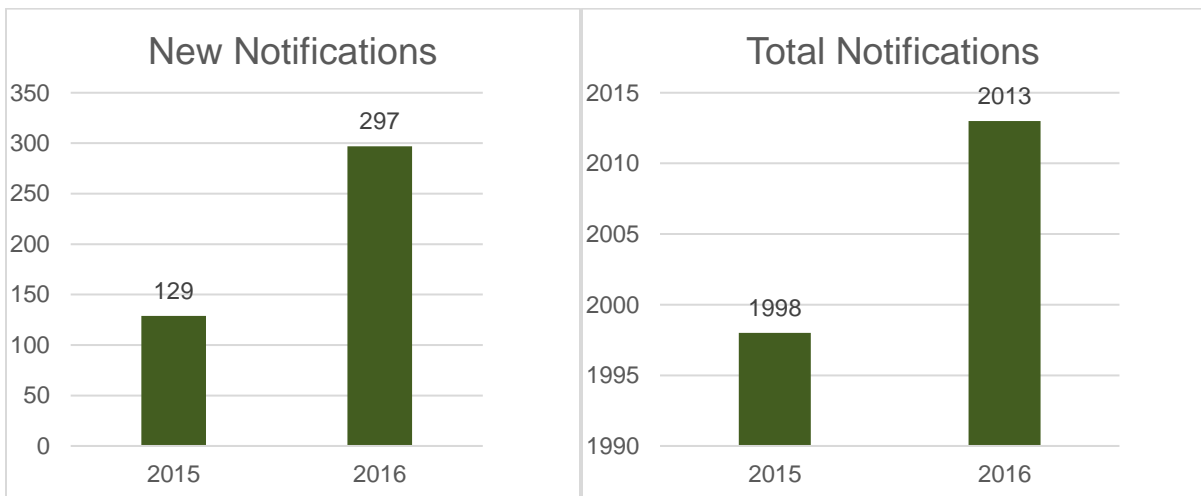
We recognise that breach reporting will be an additional duty for data controllers under the new Laws. It is our aim to ensure the process is as straight forward as possible whilst ensuring meaningful engagement and the highest levels of data security. Work has started to plan a new reporting system for our own Office and we are also talking to government and the Channel Islands Financial Services Commissions to ensure a consistent approach in this area.

We are clear that we want breach reporting to be viewed as positively as possible by all parties; it will provide the regulator with accurate information about data security incidents and allow organisations affected to enter its constructive communications aimed at support and learning. Whilst there may be occasions where regulatory action is taken as a result of a breach, any punitive sanctions will be targeted based on non-compliant activity that is deliberate, willful, negligent, repeated or particularly harmful. Failure to report a breach that comes to our attention later will also carry with it the risk of formal sanction.

Notifications (Jersey)



Notifications (Guernsey)



With regard to notifications, both Islands recorded significant increases in both the number of new notifications received and the total of live notifications active at the end of 2016. This is encouraging and demonstrates the required attention being paid to data protection compliance by local organisations.

Guidance

Guidance documents

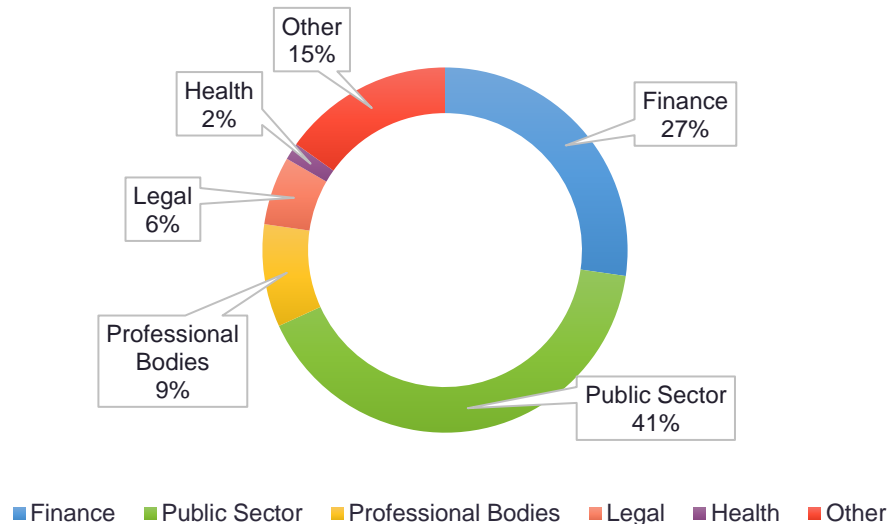
Most of the existing guidance was reviewed and updated during 2015 and 2016, and as such no new guidance has been published on either of the Commissioner's websites. However, work has already started on the task of preparing guidance in advance of the implementation of GDPR, and these will be published as and when they become available.

Awareness sessions

The Commissioner and her staff are regularly invited to undertake speaking engagements and provide awareness sessions to industry representatives and professional bodies. During 2016, a total of 66 sessions were delivered across the two Islands, and a breakdown of those sessions is detailed below.

There was an increase in awareness sessions undertaken by both the Jersey and Guernsey Offices, in large part due to the impending data protection reform, commencing in May 2016 with the adoption of the GDPR. As a result of the decision in the EU, the awareness sessions evolved as the year progressed to encompass the GDPR and how this would impact upon the Channel Islands. It is envisaged this upswing will continue into 2017 and beyond, as States of Jersey and States of Guernsey progress with their implementation plans and organisations continue to prepare for the new Laws due in May 2018.

Awareness Sessions 2016



Enforcement

Two formal undertakings were issued in 2016 in relation to Guernsey complaints. Both formal undertakings relate to failures to ensure processing was fair in accordance with the First Data Protection Principle and required the review of the relevant processes to improve procedures and ensure compliance in the future.

No enforcement notices were issued by the Guernsey Office and no investigations were undertaken in relation to the Section 55 offence of unauthorised disclosure.

Whilst Jersey experienced a significant increase in the number of complaints received during 2016, none of them resulted in any enforcement action being pursued by the Commissioner, either through enforcement notices or formal undertakings. One long standing criminal investigation is continuing in relation to the Article 55 offence of unlawful obtaining of personal data.

It remains the case that much of the workload across the two Offices relate to general enquiries, the breadth and depth of which varies significantly. Where formal complaints are made we make every effort to work with all parties towards a successful resolution. We recognise that this is not always possible, and we have also observed an increase in cases where there are complex interlinked issues regarding employment grievances or legal proceedings in a family or civil context. Such matters are very resource-intensive and highlight the need for careful consideration of GDPR obligations for our Offices.



International liaison

Representatives of the Channel Islands Office attended the Spring Conference of European Data Protection Authorities. These events are great opportunities for developing knowledge and sharing thoughts, concerns and practice about current legislation and the impending reform. By taking time to consider the bigger picture the Office is able to incorporate relevant information into its own practices and pass it on to organisations in the Channel Islands. With so many businesses from the Channel Islands operating in an international arena, we need to be able to understand and respond to the challenges and diversity that presents.



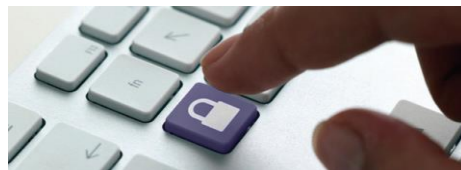
Spring conference, Budapest 2016

For a number of years now, Jersey and Guernsey have played an active role in discussions between the British, Irish and Islands' Data Protection Authorities. Representatives of the regulators from the UK, Ireland, the Channel Islands, the Isle of Man, Gibraltar, Malta and Cyprus meet annually to discuss the challenges facing each jurisdiction, to share best practice and ensure cooperation where appropriate. The annual meeting was held in Malta this year and covered a range of topics including GDPR, the Law Enforcement Directive and the EU-US Privacy Shield.

This was followed up in October with a GDPR specific meeting hosted by the UK's Information Commissioner's Office to which representatives of the Department of Culture, Media and Sport were invited. Coming some four months after the Brexit vote, the meeting considered the various challenges facing data protection authorities including those outside the EU, for which ongoing adequacy is going to be a priority.

2016 also saw Guernsey and Jersey join the Global Privacy Enforcement Network (GPEN) an international network of enforcement agencies set up to share knowledge, practical experience and dialogue about issues relating to privacy and the flow of data between jurisdictions. The Islands are by some way the smallest members of the network in geographic and population terms – other members include the US, the UK, the EU, Korea and Germany. But having successfully applied for membership, regulators in the Islands will have access to a global network of expertise and practical experience. As jurisdictions handling significant amounts of data, and with a successful finance economy, playing our part in these arenas is increasingly important.

Online safety



The Office has continued to support the multi-agency online safety committees, whose remit is to work to protect children and young people using digital and internet services. Representatives attended meetings in both Jersey and Guernsey to ensure that information rights form part of the work undertaken under these groups to safeguard and empower children in a world where digital presence seems a priority.

Across Europe, one day each year is dedicated to recognising the messages of various bodies and agencies that strive to make the internet a positive, supportive and safe environment for children and young people. The Guernsey Online Safety Committee has historically run an event to mark this day but this year efforts were stepped up to demonstrate how technology can inspire creativity and is providing the jobs of the future as well as embracing the traditional safety messages. The Office provided assistance in the organisation, staging and support for the day. Rebadged as Digital ACE (standing for Aspire, Create and Empower), the event was a huge success, attracting many more people than had attended in previous years and providing content for children, young people and their parents and we were delighted to be involved.

digitalACE
Aspire Create Empower

The internet has become an increasingly essential element of children's lives from a very young age. There are opportunities and benefits for these children in relation to education and development. There are also significant risks around inappropriate and harmful content or interactions as well as exposure to aggressive, targeted marketing activities. There is no single solution if we are seeking to improve the rights of children online. New rules in the GDPR will be an important element. Our Office will continue to work with data protection Officers working in education to prepare and deliver on the new standards. It is a complex picture though involving more than just legislative controls. How we educate children in the importance of protecting their data and themselves online needs to be done in conjunction with government and technology initiatives.

European developments



The European Commission put forward its EU Data Protection Reform Package in January 2012. More than 90% of Europeans say they want the same data protection rights across the EU – and for these rights to apply regardless of where their data is processed.

The General Data Protection Regulation (GDPR) is viewed as an essential step to strengthen citizens' fundamental rights in the digital age and facilitate business by simplifying rules for companies in the Digital Single Market. A single law will also do away with the current fragmentation and costly administrative burdens. The Directive for the police and criminal justice sector protects citizens' fundamental right to data protection whenever personal data is used by criminal law enforcement authorities. It will in particular ensure that the personal data of victims, witnesses and suspects of crime are duly protected and will facilitate cross-border cooperation in the fight against crime and terrorism.

On 15 December 2015, the European Parliament, the Council and the Commission reached agreement on the new data protection rules, establishing a modern and harmonised data protection framework across the EU. The European Parliament's Civil Liberties Committee and the Permanent Representatives Committee (Coreper) of the Council then approved the agreements with large majorities. The agreements were also welcomed by the European Council as a major step forward in the implementation of the Digital Single Market Strategy.

On 8 April 2016 the Council adopted the Regulation and the Directive. And on 14 April 2016, the Regulation and the Directive were adopted by the European Parliament.

On 4 May 2016, the official texts of the Regulation and the Directive were published in the EU Official Journal in all the official languages. While the Regulation will enter into force on 24 May 2016, it shall apply from 25 May 2018. The Directive enters into force on 5 May 2016 and EU Member States have to transpose it into their national law by 6 May 2018. This included introduction of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation). It also included Directive (EU) 2016/680 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties, and on the free movement of such data, and repealing Council Framework Decision 2008/977/JHA. The Channel Islands have committed to implementation of the requirements of both the Regulation and the Directive in 2018.

Privacy Shield Overview



The EU-U.S. and Swiss-U.S. Privacy Shield Frameworks were designed by the U.S. Department of Commerce, and the European Commission and Swiss Administration, respectively, to provide companies on both sides of the Atlantic with a mechanism to comply with data protection requirements when transferring personal data from the European Union and Switzerland to the United States in support of transatlantic commerce. On July 12, 2016, the European Commission deemed the EU-U.S. Privacy Shield Framework adequate to enable data transfers under EU law (see the adequacy determination). On January 12, 2017, the Swiss Government announced the approval of the Swiss-U.S. Privacy Shield Framework as a valid legal mechanism to comply with Swiss requirements when transferring personal data from Switzerland to the United States.

The Privacy Shield program, which is administered by the International Trade Administration (ITA) within the U.S. Department of Commerce, enables U.S.-based organisations to join one or both of the Privacy Shield Frameworks in order to benefit from the adequacy determinations. To join either Privacy Shield Framework, a U.S.-based organisation will be required to self-certify to the Department of Commerce and publicly commit to comply with the Framework's requirements. While joining the Privacy Shield is voluntary, once an eligible organisation makes the public commitment to comply with the Framework's requirements, the commitment will become enforceable under U.S. law. This is an area we expect to come under increasing scrutiny and key developments will be added to the news pages of the Offices' websites.

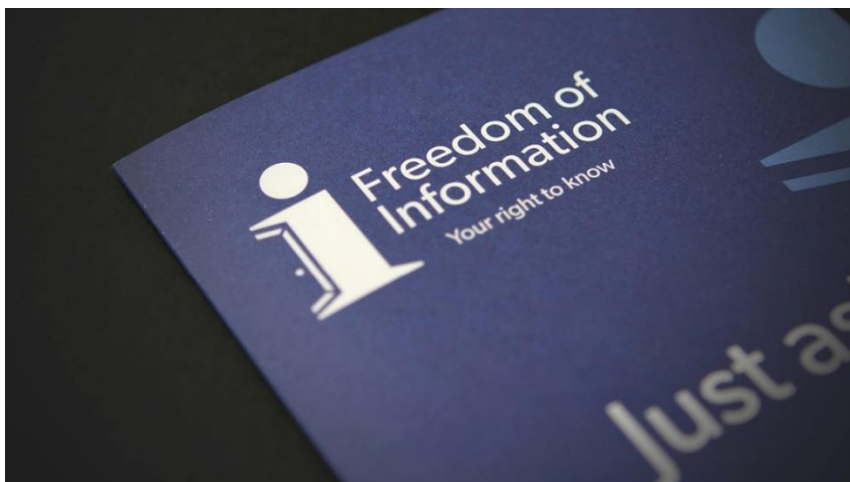
Freedom of Information

The Freedom of Information (Jersey) Law 2011 provides public access to information held by Scheduled Public Authorities (SPAs). It creates a legal basis which entitles members of the public to request information from SPAs. The Law covers any recorded information that is held by a SPA in Jersey. SPAs are listed within Schedule 1 of the Law as:

1. The States Assembly including the States Greffe
2. A Minister
3. A committee or other body established by resolution of the States or by or in accordance with standing orders of the States Assembly
4. A department established on behalf of the States
5. The Judicial Greffe
6. The Viscount's Department
7. Andium Homes Limited (registered as a limited company on 13th May 2014 under Registration number 115713).
8. The States of Jersey Police Force
9. A Parish (effective from 1st September, 2015)

Recorded information includes printed documents, computer files, letters, emails, photographs, and sound or video recordings. It is defined in the Law as meaning 'information recorded in any form.'

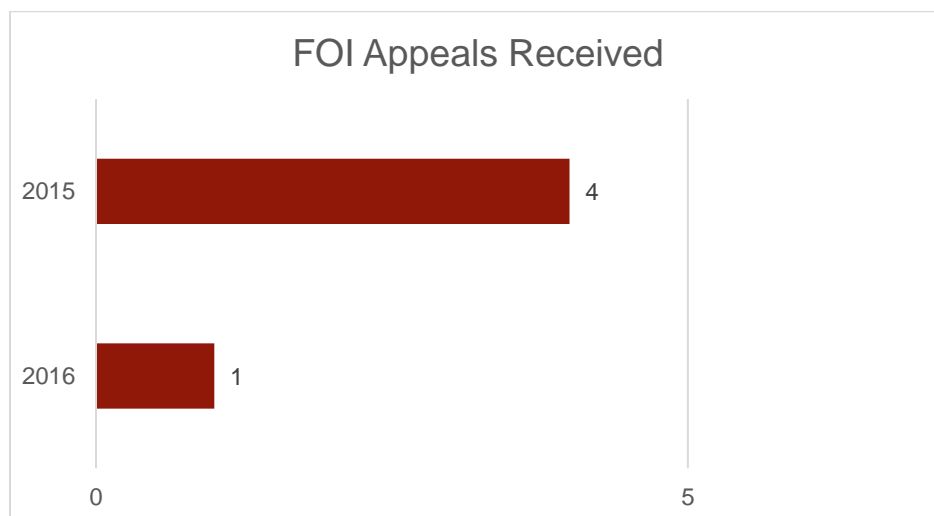
The Law does not give people access to their own personal data (information about themselves) such as their health records or credit reference file. If a member of the public wants to see information that a SPA holds about them, they should make a subject access request under the Data Protection (Jersey) Law 2005.



In Guernsey, the Commissioner attended a meeting of the Committee for Home Affairs to discuss the Island's approach to freedom of information. We welcome the opportunity for constructive dialogue in this area and in light of our responsibilities in Jersey under the Freedom of Information (Jersey) Law 2011, have experience of delivering regulation in this area which may be helpful for Guernsey when considering options for the future.

The Law came into force on 1 January 2015. A total of 736 requests were received by the Central FOI Unit during 2016, a slight increase upon the previous year's total of 691. Responses to FOI requests are published on the States of Jersey website (www.gov.je/Government/FreedomOfInformation/Pages/index.aspx).

In respect of the Office of the Information Commissioner, only one appeal under the Freedom of Information (Jersey) Law 2011 was submitted to the Commissioner during 2016, a decrease from the first full year of FOI which saw a total of four appeals made.



It is noted that whilst there was a 6.5% increase in the total annual number of FOI requests received between 2015 (691) and 2016 (736) the number of formal appeals to the Commissioner fell from four in 2015 to one in 2016. In considering the low number of appeals the Commissioner supports the view of this being partly influenced by greater communication between requestors and SPAs as well as greater public awareness of the Law. In addition, this also reflects the work of both the central FOI Unit and the Office towards increased transparency across scheduled public authorities.

The Commissioner is also aware of the intention to consider amendment and further development of the Law and looks forward to an opportunity to contribute towards this work for the benefit of the public and increased transparency of government. However, in doing so, it should be recognised that any amendment and development may result in the need for discussion regarding the resourcing and skilling of FOI practitioners engaged across the process.

In final consideration of the FOI Law it has to be noted that significant effort is extended by the Commissioner's staff in providing informal advice and assistance to both members of the public and SPAs at various stages of the FOI process prior to any formal appeal. This includes time taken for discussion, advice and mediation aimed at provision of information to the public along with greater public understanding of the machinery and workings of government. Whilst such work cannot necessarily be easily recorded, the benefits are recognisable in increased public awareness and improved transparency which is to be welcomed.

Financial statements (Jersey)

Income and Expenditure Account for the year ended 31 December 2016

	Note	£	2016 £	£	2015 £
Income:					
Registry fees			125,452		119,575
Guernsey re-charge			<u>105,968</u>		<u>n/a</u>
Total income			231,420		119,575
Contribution from the States of Jersey			308,900		273,700
Carry forward for FoI implementation/costs			<u>n/a</u>		<u>100,000</u>
Net income			540,320		493,275
Operating expenses:					
Manpower costs:					
Staff salaries, social security and pension contributions		356,128		203,368	
Supplies and services:					
Total costs (to include but not limited to)		125,462		86,114	
IT development, maintenance & software					
Books & publications					
Legal fees					
Conference and training fees					
Pan-Island travel					
Meals and entertainment					
Public Relations					
Public relations		768		5,132	
Administrative costs:					
Total costs (to include but not limited to)		11,227		16,589	
Printing and stationery					
Telephone charges					
Postage					
Other administrative costs					
Premises and maintenance:					
Total costs (to include but not limited to)		43,976		34,539	
Utilities (incl. Electricity and water)					
Rent					
Finance costs:					
Bank charges		2,759		593	
Total operating expenses			<u>540,320</u>		<u>346,335</u>
Excess of income over expenditure			0		146,940

Financial statements (Guernsey)

Income and Expenditure Account for the year ended 31 December 2015

	Note	£	2016 £	£	2015 £
Income:					
Registry fees			<u>89,960</u>		<u>88,301</u>
Total income			89,960		88,301
Contribution from States of Guernsey			<u>116,000</u>		<u>112,000</u>
Net income			205,960		200,301
Operating expenses:					
Manpower costs:					
Staff salaries, social security and pension contributions		116,528		146,408	
Supplies and services:					
Total costs (to include but not limited to)		22,905		32,664	
IT development, maintenance & software					
Books & publications					
Legal fees					
Conference and training fees					
Pan-Island travel					
Meals and entertainment					
Public Relations					
Public relations		2,770		250	
Administrative costs:					
Total costs (to include but not limited to)		4,475		4,892	
Printing and stationery					
Telephone charges					
Postage					
Other administrative costs					
Premises and maintenance:					
Total costs (to include but not limited to)		4,039		3,254	
Utilities (incl. Electricity and water)					
Rent					
Finance costs:					
Bank charges		0		0	
Total operating expenses			<u>150,717</u>		<u>187,468</u>
Excess of income over expenditure			55,243		12,833



'Spreading the word' - GDPR leaflets on chairs at a Channel Islands' conference in early 2016.



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GUERNSEY PRISON

Annual Report 2016

VISION

We ensure public protection and commit to reduce re-offending

MISSION

We provide a safe and secure environment that enables prisoners to address the causes of offending behaviour and provide them with values, skills and experience to take a positive role in the community upon release

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GOVERNORS FOREWORD

2016 was another successful year for Guernsey Prison. The prison population continued its downward trend, the highest roll was 103 and the lowest was 79; the average roll was 89. I welcome the trend which shows that criminal justice agencies and other departments are working well together and are making a difference in reducing reoffending.

I believe there is more that can be done to reduce the numbers of offenders coming to prison and in particular I would like to see the numbers of short term prisoners reduced with more alternatives to custody developed such as Home Detention Curfew (HDC). The Committee for Home Affairs will explore the options around electronic tagging in 2017.

The Prison Charity Creative Learning in Prison (CLIP) continues to develop and is successfully generating income, which is used to fund a range of creative activities for prisoners. Prisoners are engaged in activities such as making planters or restoring furniture. These work strands are carried out for the benefit of the community, charitable organisations or for sale. All donations for this work are reinvested to CLIP activities.

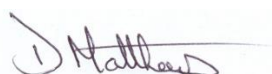
Horticulture at the prison was given a boost when an opportunity to erect another glasshouse presented itself. This was due for demolition and scrapping and was offered to the prison free of charge. A combination of this donation and capital funding from the Committee for Home Affairs meant the glasshouse could be professionally rebuilt at the prison. This means prisoners will be able to continue to work in horticulture towards qualifications and at the same time provide fruit and vegetables for the prison kitchen.

I was very pleased with the performance of the prison education centre with an average of 70% of prisoners engaging in some form of learning, education or training. In terms of qualifications a total of 69 prisoners have completed courses leading to 154 qualifications, certificates and/or awards.

The prison continued improvements to its infrastructure by installing new heating boilers with Combined Heat and Power units which will deliver efficiencies in utility bills for next year.

In addition work on a new female wing was started; this has been created from disused accommodation and provides discrete female accommodation away from the male population.

Electronic locking was installed in key areas around the prison and further security improvements were agreed with the Committee for Home Affairs. This work will commence in February 2017.



David Matthews
Prison Governor

PROGRESS AGAINST BUSINESS PLANNING PRIORITIES SET FOR 2016

Review of Physical Security

The main objective that came from the review of Physical Security at the prison in 2014 was to work with the States Capital Portfolio team to secure funding to upgrade the prison perimeter. The Committee for Home Affairs approved the necessary technological upgrades for this project. Following a tender exercise for the specification; a contractor has been selected to carry out the necessary work which will commence in February 2017; expected completion will be in June 2017.

Female Accommodation

In 2014 Her Majesty's Inspectorate of Prisons (HMIP) reported that:

"The lack of discrete accommodation for women meant that their needs were inevitably subordinated to those of the majority".

A working party was set up to address the recommendation which consisted of uniformed and non-uniformed staff with female prisoners. The working group identified the upper segregation area and a small wing as ideally suited to be developed into a new female wing. The areas were unused and no longer fit for purpose; removing redundant rooms opened up the new wing and introduced natural light which will provide a discrete facility for the female population. The new wing consists of four single cells and one double, communal kitchen, showers and association room. The new accommodation will also make best use of an existing external exercise area.

Kitchen area existing:



Kitchen area proposed:



Replacement Greenhouse on Horticulture Site

One of the two existing prison greenhouses was at the end of its useful life and was becoming expensive in terms of annual repairs and increasingly dangerous to users. The greenhouses are vital to the prison as the area provides employment and vocational training for up to 18 prisoners of all categories. Three prisoners were employed in the horticulture industry following release.

The prison could not afford to dispense with the old greenhouse as it is used to supplement the costs of running the prison kitchen. The produce grown on the horticultural site greatly enhances the variety and quality of the food available for prisoners whilst significantly reducing the cost of catering.

An opportunity arose when an on island greenhouse which was due to be demolished and scrapped was offered to the prison at no cost. Obtaining the greenhouse from the community ensured costs were kept to a minimum. A local specialist was able to erect the new greenhouse in twelve weeks with significant help from staff and prisoners.



Records Management

During 2016 administration processes within the prison have been reviewed and improved. All documents have been revised to ensure they are relevant and formatted according to recent States directives. At the beginning of the year there were fifteen electronic drives on the prison server. These have been methodically revisited with relevant and up to date information saved into one new drive, which has five main folders within it. Documents are now easy to find, permissions are tightly controlled, data protection laws adhered to and version control means retention periods can be effectively followed.

In addition the main administration office has taken the opportunity to scan all prisoner and personnel files into the electronic database to ensure that data protection is managed and that the office is running more efficiently and securely.

Approval to commission on Island Prison Officer training

The prison has developed a training syllabus for new recruits that can be delivered on-island from within the prison. Candidates undertake 50% of their Scottish Vocational Training (SVQ) in Custodial Care during the seven week initial training period.

The first two in house courses were considered a success for ten new recruits who were recognised in a presentation ceremony of achievement from the Bailiff, Sir Richard Collas.



All new operational staff have also attended training in minimised use of force for children, a joint initiative with Health and Social Care (HSC) as well as a commissioned course provided by Guernsey College of Further Education for working with young people.

On island training has provided an efficiency saving when compared with the costs of UK training.

Professional Qualifications

The prison officer's professional qualification is Scottish Vocational Qualification (SVQ) in custodial care. So far, 23 candidates have been enrolled, one Senior Officer achieved the assessor's accreditation in 2016. The SVQ has been extended to existing staff which demonstrates the prison's ongoing commitment to maintaining the highest professional standards and development.

Management qualifications

The prison now has two Governor Grade Management Development Portfolios (MDP) completed and one in progress. Additionally there are 6 staff working toward the (MDP) at first line manager level. During 2016 four staff completed CMI Diplomas; two at level 3 and two at level 5 Management and Leadership.

Generic training

Staff have participated in various courses throughout the year. Mandatory training includes Use of Force, Fire Training and First Aid, whilst supplementary training has also been provided in Mental Health Awareness, Growth Mindset, Working with Women and generic updates on security and residential issues.

OTHER INITIATIVES

Release on Temporary Licence (ROTL) change in policy

The ROTL policy was subject to a major review in the final quarter of 2016 to improve the process and service. Changes included providing an External Work Party Supervisor for those prisoners undertaking work activities outside of the perimeter fence. In the longer term it is hoped that this role will enable work parties to engage in an increased number of projects in the community.

Other changes have included the potential for regular Saturday working, by way of application and necessary risk assessment, and the opportunity for family contact in the community subject to agreed qualifying period on licence.

Body Worn Cameras

Both the UK Prison Service and local law enforcement have been using Body Worn Camera (BWC) technology with success. It has been widely evidenced that using the cameras can defuse high risk situations and present clear factual evidence. Guernsey Prison underwent a trial in 2016 using the cameras. This demonstrated the importance of keeping up to date with modern equipment and will be introduced during 2017.

FABRIC OF THE BUILDING

Combined Heating and Power Units

Phase 2 of an envisaged 5 phase backlog maintenance programme has begun to modernise the infrastructure of the prison. The upgrades continued during 2016 which included fitting two energy saving Combined Heat and Power Units (CHP) along with modern re-heating tanks and a new Calorifier for the administration area. A new computerised control unit was fitted and the prison renewed all heating valves to allow for better control and maximising economic use of heat levels throughout the prison.

HEALTHCARE OVERVIEW

Service Provision and Development

2016 continued to be a challenge to meet all expectations of Healthcare delivery.

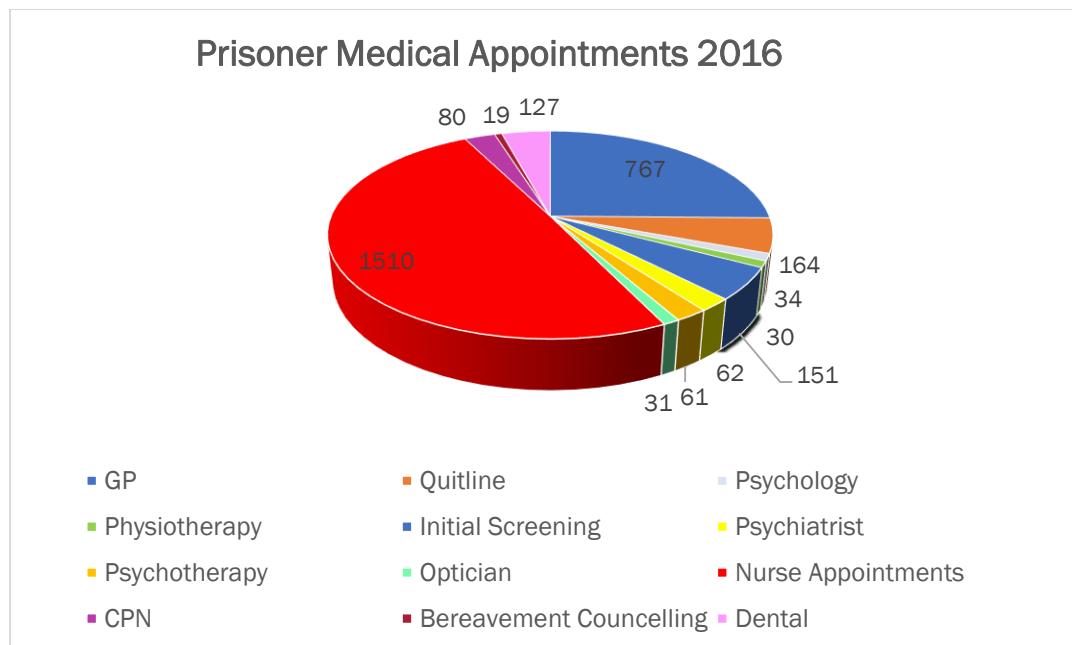
The nursing team continue to provide services equitable to those in the community. Nurse led clinics are provided daily and include, immunisation provision, well man/well women; weekly stop smoking sessions; sexual health screening, nurse 'triage'; chronic disease management; detoxification; mental health; admission and pre-release assessments.

All newly sentenced prisoners returning from court continue to be risk assessed by a Registered Nurse in Prison Healthcare, on entry into the prison. During 2016 there was an increase in new prisoners being intoxicated on reception and an increase in prisoners concealing items internally. New procedures were put in place in consultation with HSC Emergency Department and X-ray Department.

Prison Drugs and Therapeutics meetings continued bi-monthly. The prisoner in – possession medication list was extended and more prisoners were risk assessed and prescribed medication in this way.

Regular medical consultations were provided by a dedicated HSC Consultant Psychiatrist and in-reach services were provided by HSC community mental health nurses. However the psychological therapy department were unable to provide services from April 2016 due to lack of staff. Services will resume in 2017.

During 2016 there were 2975 prisoner appointments held in the Healthcare Department. The prisoners were aged between 16 and 97 years. These appointments are detailed in the table below:



Staffing, Recruitment and Training

Nurse recruitment continued to prove difficult during 2016. At the end of 2016 the nursing team consists of one FTE band 7 Healthcare Manager, 1.5 x FTE band 6 RGN senior staff nurses and 2 x band 5 RGN staff nurses. A prison nurse bank will be developed in 2017 to assist with staffing any shortfalls. Health and Social Care budget saving initiatives have resulted in non-recruitment of the vacant Healthcare Administrative post. It is hoped this post will be re-advertised in 2017.

During 2016, all prison nurses undertook mandatory Clinical Update and Orthopaedic Workshops, provided by HSC via Institute Health Care Studies (IHSCS) tutors, individualised to the needs of Guernsey prison nurses. All newly recruited nurses were afforded the opportunity to spend a shift working in other departments within HSC to gain experience in Emergency Department, Orchard Clinic, and general medical wards. It is planned to expand these areas in 2017 to include working in acute mental health and learning disability.

Nurses and midwife council (NMC) Revalidation

Revalidation was introduced and all registered nurses have to revalidate to ensure they stay 'registered'. All prison nurses are working towards their own revalidation. Two nurses are due to revalidate in 2017.

GP services

The Prison GP contract continued successfully into its sixth year providing two clinics per week, along with an on-call service Monday to Friday 9 - 5 and on Saturday until midday. The

GP continued to provide a dedicated, caring service and attended the bimonthly Prison Therapeutic Committee meeting plus several clinical and strategy meetings surrounding the development of Healthcare provision.

Quality assurance

Prison specific policies and protocols continue to be reviewed and introduced within the Healthcare department.

The Island Prescribing Advisor continued to visit the prison for two hours most weeks, to support nursing and medical staff, audit prison prescribing and move forward with policies. In addition, three randomly chosen drug administration charts were audited each month and the results fed back through the Prison Therapeutic Committee Meeting and weekly to all nurses and the GP. Medical and nursing staff were proud to achieve almost 100% on every audit throughout the year

A clinical notes audit tool completed development, based on Health Information and Quality Authority (HIQA) standards. It is aimed that regular audits commence early 2017.

Four complaints related to healthcare delivery were raised by prisoners during 2016 and were resolved, with a formal written response going to each prisoner.

Awards and Nominations

The Prison Healthcare Department and Prison Healthcare Manager were nominated for two separate HSC awards in December 2016.

A Senior Staff Nurse was presented with a Governor's commendation for her services in saving the life of prisoner.

LEARNING, SKILLS AND REGIMES

The learning and skills curriculum entitlement is available for all categories of prisoner i.e. adult male, females, young persons and vulnerable prisoners (VPs), ensuring equality of access and opportunity for all prisoners. The core learning curriculum is focused on the literacy, numeracy and ICT needs of the current prison population and is supplemented with art and independent living classes.

The learning programme is supported by different learning providers. Most tutors are employed through the Guernsey College of Further Education, although some are employed directly by the prison, whilst the Guernsey Adult Literacy Project (GALP) continues to support learners with specific learning needs including dyslexia.

In addition to the core curriculum, the prison also employs tutors through the Creative Learning in Prison (CLIP) charity and also engages volunteers who help with additional provision. This allows for many extra classes and courses such as yoga, rug craft, cookery, photography, music and drama workshops, religious studies and the production of the prison magazine Bang Up. This type of provision engages prisoners in class work – particularly those who would not otherwise engage in education.

The same could also be said for the art and craft classes which are hugely popular and successful. Many of the students submit entries to the annual Koestler awards which this year attracted 6,752 entries from across the UK with seven of Guernsey Prison's seventeen entries gaining awards – including one Gold, one Silver and two pieces chosen to be exhibited at London's Royal Festival Hall.

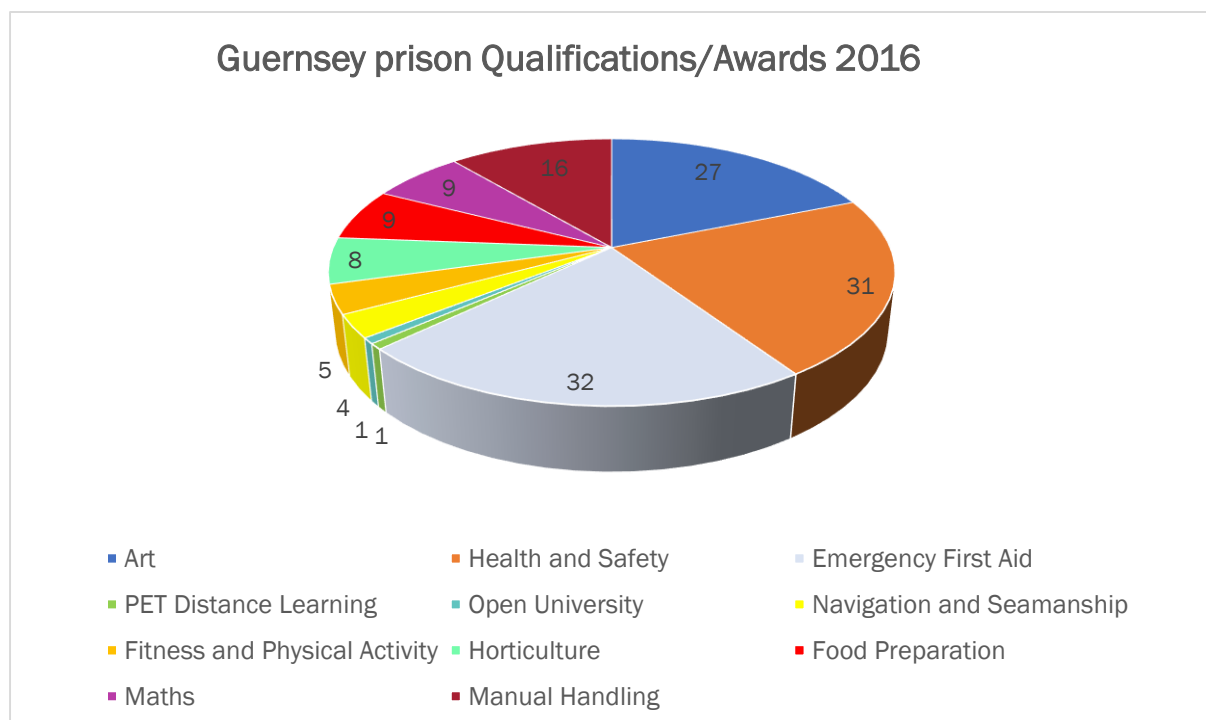
The prison is also fortunate to have support in running the library from staff at the Guille-Allés and in conjunction with them plan to introduce a new peer education reading scheme through the Shannon Trust in 2017.

There is increasing support for prisoners to undertake distance learning courses, mostly thanks to funding through the Prisoners' Education Trust. Over the past year twenty prisoners have been successful in applying for courses in a whole range of subjects including: Teaching English as a Foreign Language, Sports Nutrition, Substance Misuse and Counselling, Dog Grooming, Marine Biology & Bookkeeping; and two students have also completed modules on the way to Open University degrees.

Prisoners are also able to obtain vocational qualifications through their work and after a limited number of completed courses. The prison has recently extended the offer to provide more short courses so that prisoners serving six months or more and working in the kitchen, carpentry workshop, recycling or horticulture site will all have the opportunity to gain City & Guilds (or equivalent) qualifications, as well as anyone regularly attending the gym. The participation rate in education is also extremely encouraging with an average of approx. 70% of prisoners engaging in some form of learning, education or training during the last six months (recordings started in June 2016).

Achievements of prisoners are very impressive too. In the last year a total of 69 prisoner students have completed courses leading to 154 qualifications, certificates and/or awards.

The chart below demonstrates the breakdown of these qualifications.



Creative Learning in Prison

The prison charity was established in 2013 to provide curriculum enrichment for creative arts and continued to be successful with several fund raising streams during 2016.

The photographs below show some of the projects the prisoners have been involved in:

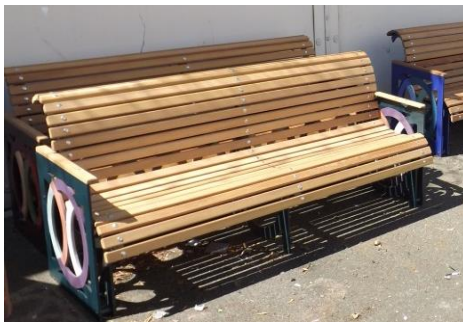
Amherst School Mud Kitchen



Church of Scotland Pews



Floral Guernsey Benches



Floral Guernsey Benches



Forest Boat



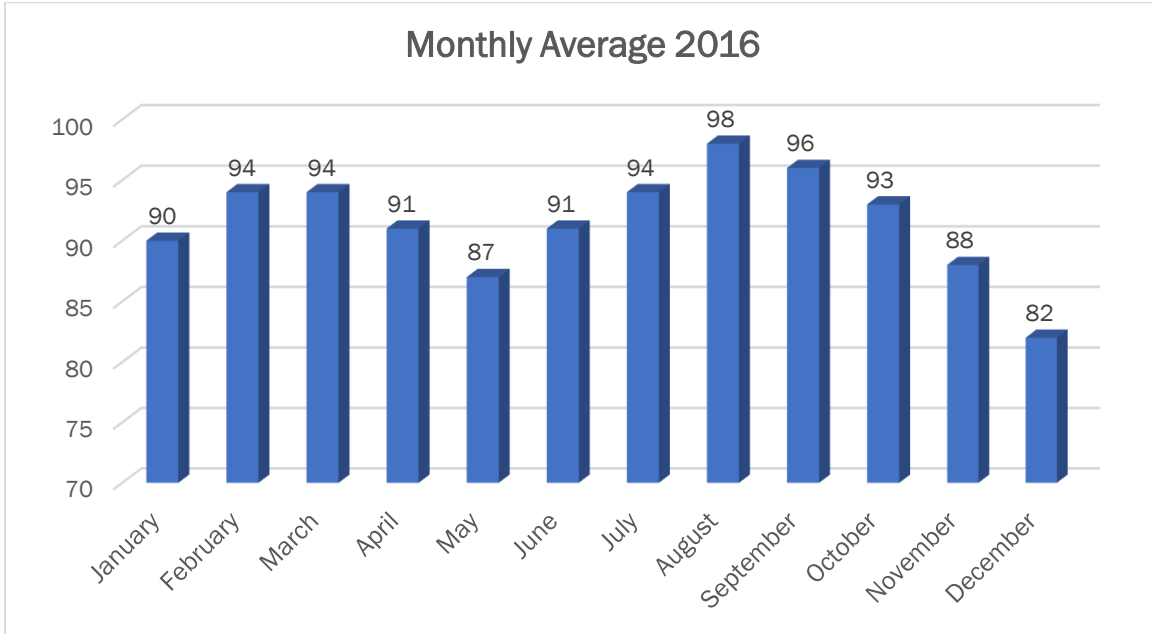
Floral Guernsey Planters



STATISTICS

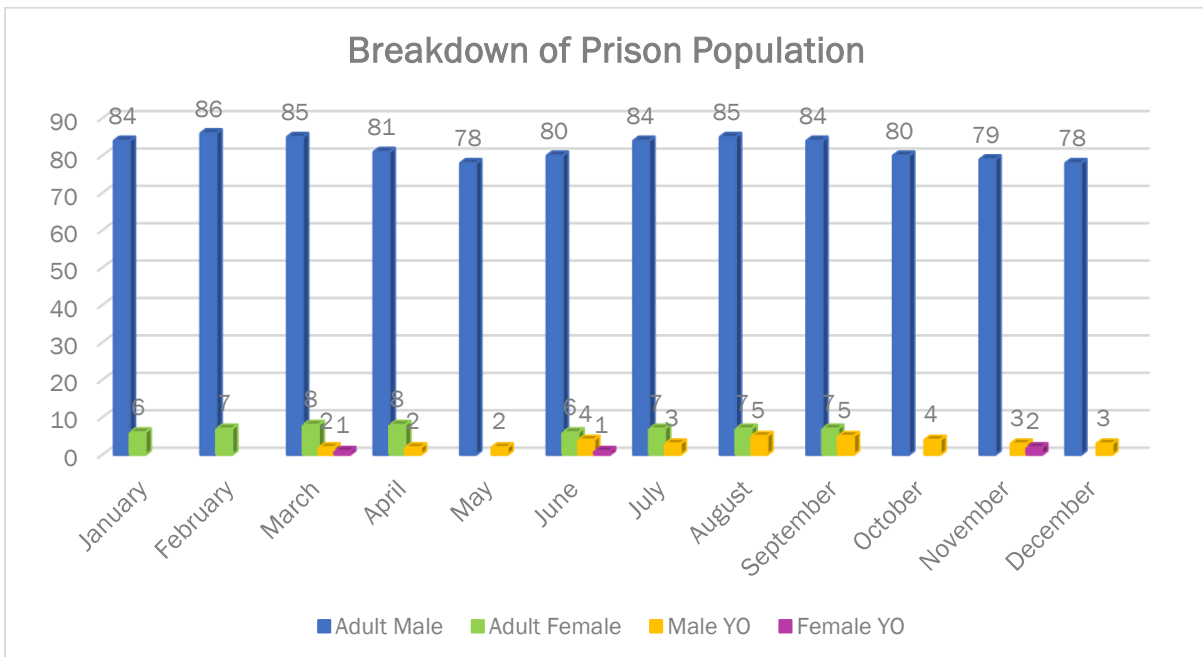
Prison Population

The Prison’s Certified Normal Accommodation (CNA) is 130; however the Prison’s maximum operational capacity is 139. The annual average figure for 2016 was 89 with the highest number reaching 103 and the lowest being 79.



Breakdown of Prison Population

During 2016 the breakdown of the population remained consistent. As the graph below shows, male adults were the majority of the population.



No children (ages 14 – 18) were admitted into custody in 2016.

Use of Force

There were twenty four incidents where prisoners were physically restrained during 2016. Of these incidents eighteen were spontaneous and six were planned interventions. All were adult male prisoners except one incident which was with a female prisoner.

Assaults

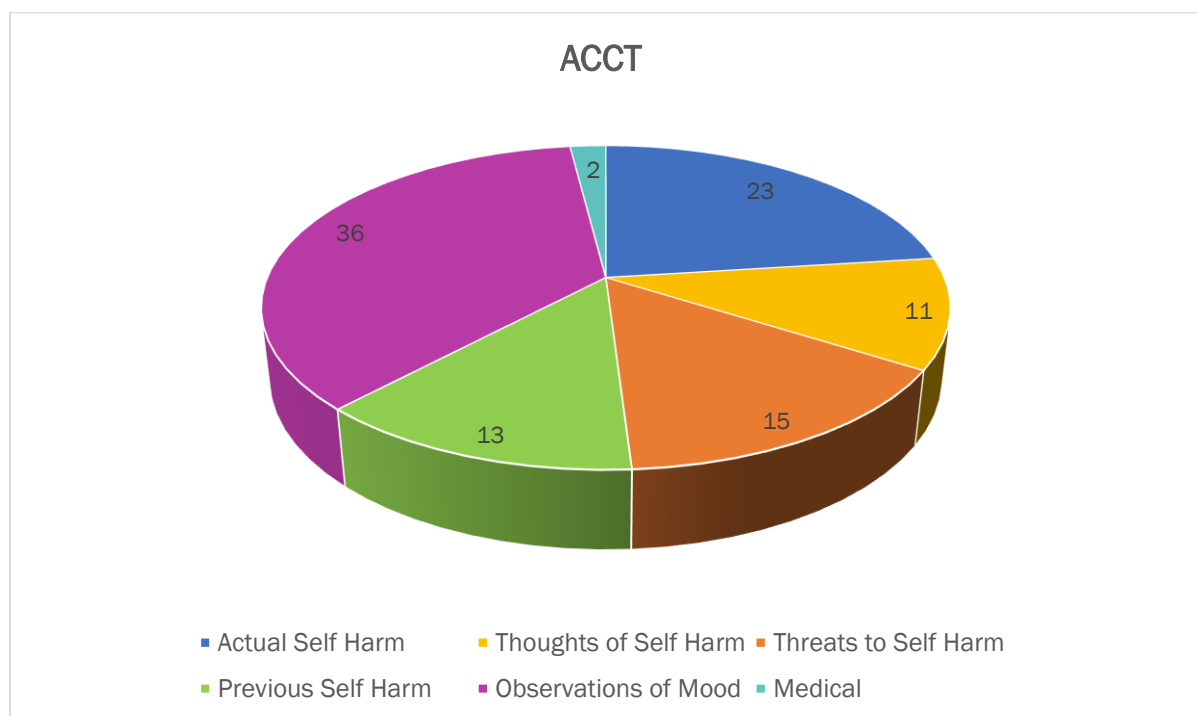
During 2016 there were twelve reported assaults, which were recorded as violence against prisoners and staff. These were isolated incidents and dealt with by way of adjudications or referral to the Police. Three were against prison staff. In addition all cases were referred to the Incentives and Earned Privileges (IEP) Board and anti-bullying panel.

Deliberate Self-Harm

Prisoners at risk of self-harming are managed through a process known as Assessment Care in Custody and Teamwork (ACCT), which is an individualised care plan for prisoners. ACCT Assessors are trained to carry out a thorough assessment of the level of risk that a prisoner presents.

In 2016, sixty one ACCT documents were opened for prisoners for various reasons on reception or during their time in custody. These events were due to a wide range of reasons and are unique to the individual. There were fourteen cases of deliberate self-harm recorded; one of which was life threatening.

The chart below breaks down the reasons for ACCT documents opened in 2016.



There were no deaths in custody in Guernsey Prison during 2016.

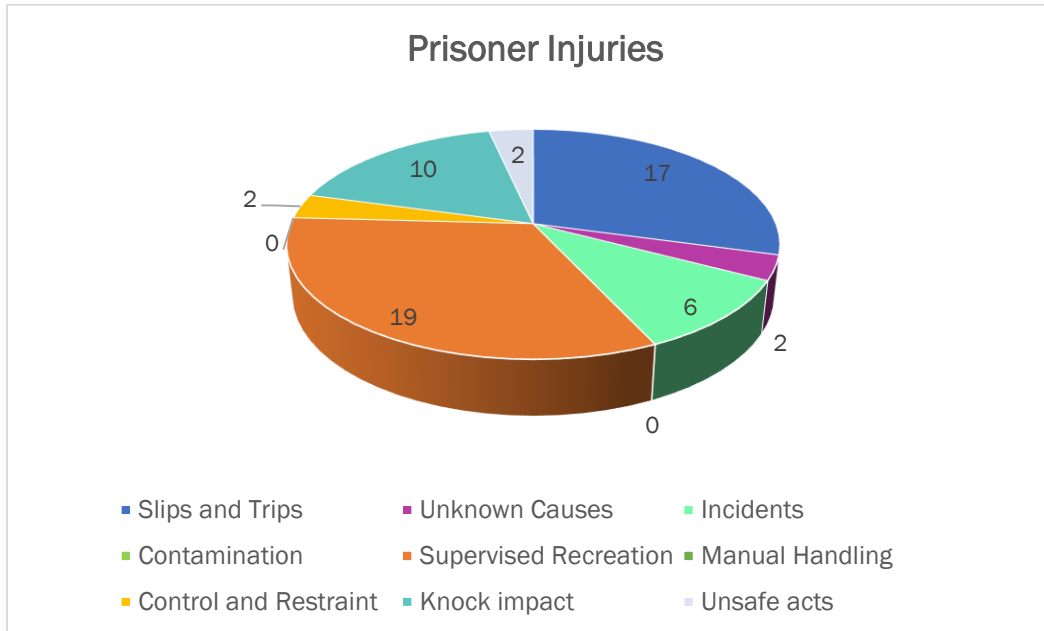
Accident / Injuries

States of Guernsey safety initiatives are quickly adopted and put in place within the establishment which ensures the prison is fully compliant with all health and safety requirements. In-house training sessions coupled with the SVQ has led to increased awareness of health and safety issues. In turn this has led to better prisoner training

inductions raising the health and safety expectations in work areas and ensuring compliance with safe working practices.

This culture has allowed for the identification of perceived hazards that lead to actions from the H&S department to remove or reduce associated risks. This also leads to reductions in accident rates and levels of injuries across the prison.

The chart below details the accidents reported during 2016.



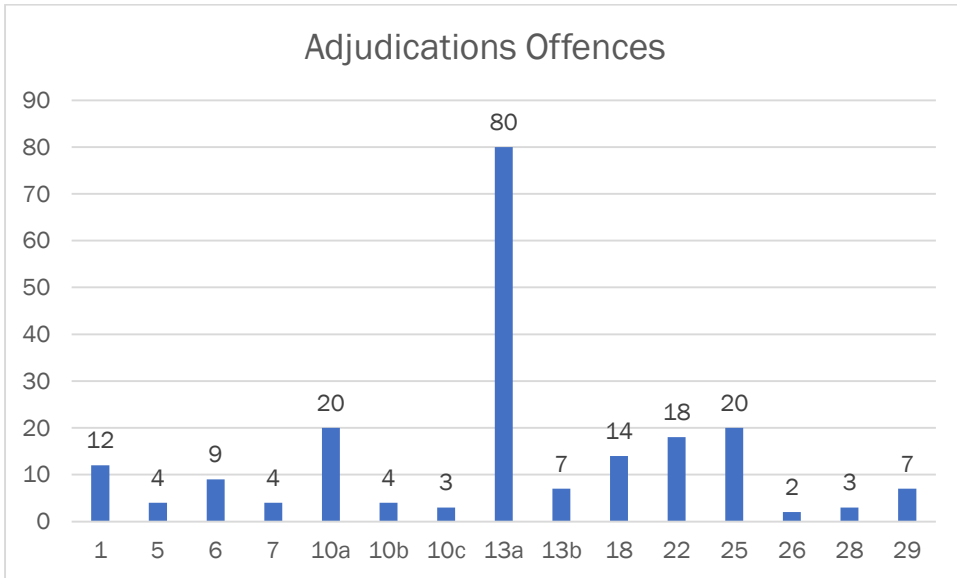
Awards for offences against discipline

During 2016 there were a total of two hundred and seven offences against discipline committed by a total of fifty two prisoners. This is up by ninety adjudications from the previous year. However the amount of prisoners being placed on adjudication has not increased significantly. There were a minority of refractory prisoners in custody during the past year.

The most regular offences were:

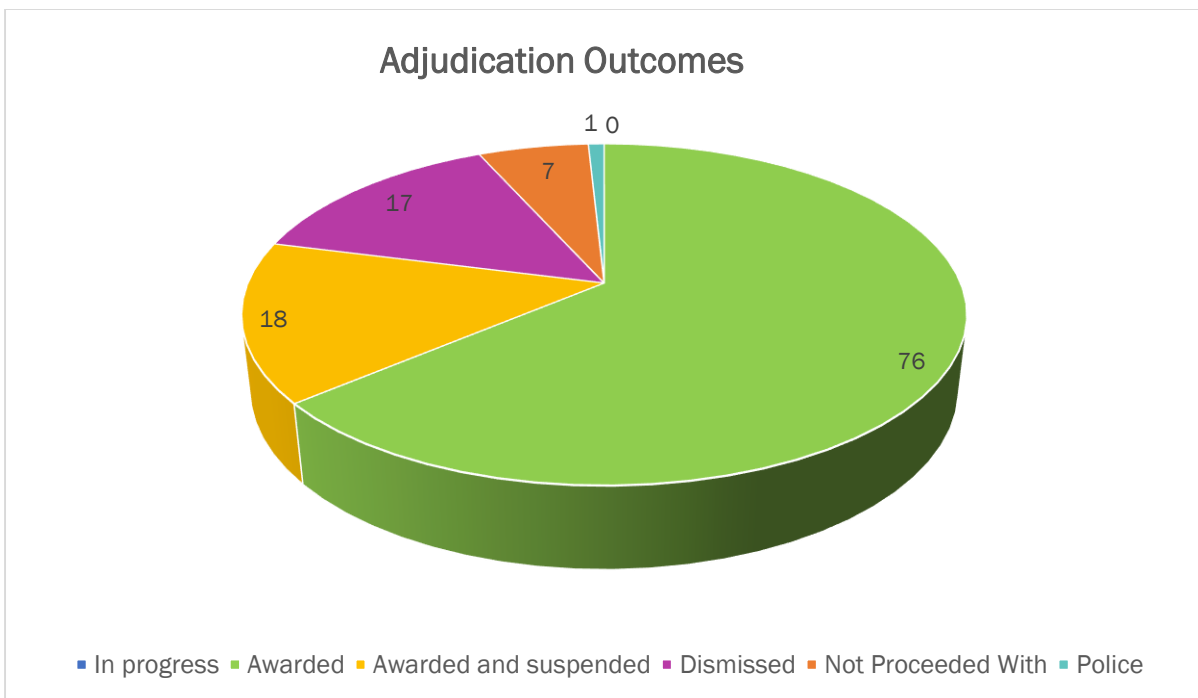
- *(13a) has in the prisoner's possession - anything the prisoner is not lawfully required or authorised to possess*
- *(25) Disobeys any lawful order*
- *(10a) is found with any substance in the prisoner's urine or breath, or other bodily matter or substance taken as a sample from the prisoner*
- *(22) uses threatening, abusive or insulting words or behaviour*

Please see appendix A for a complete breakdown of offence charges.



Of these 207 adjudications the outcomes were:

The awards were generally loss of privileges ranging from 5 days loss to 21 days loss. Loss of privileges can be Stoppage of Earnings, Loss of TV, Loss of Association, Loss of Canteen and Loss of Communal Dining. Twenty eight adjudications were referred to the independent adjudicator which resulted in seventeen being awarded loss of remission. Ten are still in progress. There were four appeals against internal adjudication awards.



Key Performance Targets

The Guernsey Prison Service is fully committed to monitoring its performance and ensuring that its managers have access to the information they require to judge effectiveness and make informed decisions against the following objectives:

Safety: Prisoners, particularly the most vulnerable, are held safely

Respect: Prisoners are treated with respect for their human dignity

Resettlement: Prisoners are prepared for their release into the community and effectively helped to reduce the likelihood of reoffending

Purposeful Activity: Prisoners are able, and expected, to engage in activity that is likely to benefit them

The prison had a successful year managing to meet its Key Performance Targets (KPTs) under these objectives on a regular basis. Full details of the monthly statistics can be found in Appendix B.

Appendix A



OFFENCES AGAINST
DISCIPLINE.docx

Appendix B



KPTs 2016.xlsx

04b.

INDEPENDENT MONITORING PANEL- ANNUAL REPORT 2016



APRIL 2017

CHAIR'S FOREWORD

In starting my third foreword as the Chair Person of the Independent Monitoring Panel (IMP), I again wish to acknowledge my fellow volunteers who sit on the Independent Monitoring Panel. In 2015, the Panel experienced a number of changes with three resignations and five new appointments taking place throughout the calendar year.

The newer members of the Panel have settled into the role seamlessly and have brought with them a breadth of experience as well as a fresh outlook to the role and a wonderful enthusiasm. The role of an IMP member can be challenging, however Members have continued to conduct themselves in a professional and committed manner, both qualities which, as Chair Person of the Panel, I do not fail to appreciate.

The role of the Independent Monitoring Panel is to provide independent oversight of the day to day operation of the prison as well as protecting the well-being of prisoners and prison staff alike. In this regard, the Panel continues to view the Guernsey Prison, its facilities and its staff to be a testament to this Island.

Year on year, the Guernsey Prison continues to develop and refine itself from its physical security and facilities to the employment opportunities and educational curriculum that are made available. All of the developments within the prison are undertaken with a particular focus on the overall vision of the Guernsey Prison. The vision of the Guernsey Prison states "*We ensure public protection and commit to reduce re-offending*".

The 2016 calendar year brought with it a busy schedule of both physical upgrades to the Guernsey Prison building and grounds as well as the introduction of a number of new initiatives and revised structures relating to the general running of the Prison.

Prison staff continued to work towards securing the requisite funding in order to upgrade the perimeter fence; the Committee for Home Affairs approved the necessary technological aspects of the project with a view to commencing the upgrades in 2017. In addition to the perimeter fence, the Guernsey Prison also replaced one of its two greenhouses which was coming to the end of its use as well as undertaking development of new female accommodation within the Prison.

As well as physical upgrades, the Guernsey Prison is consistently reviewing the way in which it delivers its educational programme and the opportunities available in relation to employment. In 2016, the Guernsey Prison introduced a revised structure which focusses on tailoring employment, learning and skills opportunities to support prisoners in their successful rehabilitation upon release as opposed to an arbitrary approach. The Panel recognises the excellent work done in order to develop the Prison into place of diversity which offers wide range of opportunity to staff and prisoners alike.

The Panel applauds the Guernsey Prison for its commitment to continually improving what is already a fantastic service and a testament to the Island.

Wendy Meade

INTRODUCTION

The Guernsey Prison Service serves the public by keeping in custody those legally committed to its care. Its duty is to look after them with decency and to help them lead law-abiding lives in custody and after release. The Prison holds a diverse population, including those sentenced and on remand, men and women, young offenders and juvenile and vulnerable prisoners.

The Independent Monitoring Panel is constituted under the Prison (Guernsey) Ordinance 2013 (“the Ordinance”) as an independent body made up of members of the public to make unannounced visits to Guernsey Prison. Members provide independent oversight of the day-to-day operations of the Prison and prison conditions, monitor the administration of the prison, the treatment of prisoners and whether the statutory objectives of the prison system are being met, and serve to protect the well-being of prisoners. In addition to this, the Independent Monitoring Panel also looks to oversee the general well-being of the members of staff who are employed by the Guernsey Prison.

The core functions of the Panel include:

- I. Undertaking a monthly unannounced visit of the Prison premises (two Members in attendance for each visit);
- II. Individual responses to prisoner requested visits;
- III. Visits to prisoners who have been admitted to the Segregation Care and Progress Unit (SCAPU);
- IV. Bi-Monthly IMP meetings;
- V. Attendance as observers at various Prison meetings.

The Ordinance requires the Panel to prepare an annual report at the end of each calendar year, which must include the following:-

(a) a summary of the Panel's activities, including the number of –

- I. Complaints or requests received from prisoners, and
- II. Inquiries conducted by Panel members,

broken down by the topics to which they relate (e.g. food, temporary release licence, privileges, use of force) and compared to statistics from previous years,

(b) Anonymous examples of prisoner's complaints and results of the Panel's inquiries into those, including recommendations made and responses received from the Governor or the Department,

(c) the Panel's observations in relation to:-

- I. the state of the prison premises,
- II. the administration of the prison,
- III. its observations on the treatment of prisoners

(d) any advice or recommendations the Panel sees fit to make.

SUMMARY OF THE PANEL'S OBSERVATIONS/COMMENTS

Throughout the 2016 calendar year, the Panel was generally satisfied with the state of prison premises during their visits and this evidently contributed to what had been a calm and peaceful atmosphere within the Prison. There were re-occurring issues raised by Prisoners throughout the calendar year; however the majority of these issues were resolved as the Guernsey Prison continued to undergo refurbishment and routine maintenance in order to improve the living conditions for prisoners and working conditions for officers.

The 2015 IMP Annual Report referenced concerns that had previously been raised with regards to the general temperature of the Prison, which was reported as being either too hot or too cold depending on the time of the year. The Panel noted that, in 2015, the Guernsey Prison updated its boiler heating and expansion systems which resulted in a reduction in the number of complaints regarding the ambient temperature. However, the Panel noted that a theme of complaints had arisen throughout 2016 in relation to the fluctuating temperature within the prison as well as complaints regarding ventilation. The Panel was pleased to learn in the latter part of 2016 that a sum of capital had been allocated to address the ongoing heating and ventilation issues that were being raised and Members hoped that these issues would not be experienced in 2017.

In the 2015 Annual Report, the Panel also had cause to raise concern with regards to complaints being made in relation to minor skin irritation that, at the time, was reportedly being experienced by a small portion of inmates. The Panel noted that reported skin irritations had continued into the 2016 calendar year and seemed to have begun affecting a larger section of the prison populace. Members acknowledged that the origin of the skin irritation had allegedly been caused by the water system, however this had been thoroughly inspected and there was no explanation for the skin eruptions in relation to the water system within the prison. The Prison Healthcare team had suggested that the possible lifestyle changes/detoxification programmes were a likely cause; the Panel hopes that the problems with skin irritations desist or are reinvestigated by the Prison.

The Panel also noted from the previous IMP report that there had been dissatisfaction amongst prisoners in relation to the condition of the showers and the frequency of flooding incidents. Members noted that the slow draining showers were once again raised by prisoners in the early stages of the 2016 calendar year; however it was acknowledged that the Prison drainage had been identified as a specific area to address within the backlog maintenance project that was conducted in 2016. The Panel is pleased to see no further complaints regarding the Prison drainage towards the end of 2016. The Panel has otherwise been satisfied with the general state of the Guernsey Prison.

The Panel continues to be impressed by the learning and skills initiatives undertaken by the Guernsey Prison and the resulting opportunities provided for its population of inmates. In support of the main educational curriculum, the Guernsey Prison employs tutors through the Creative Learning in Prison (CLIP) charity which provides a raft of

additional education opportunities for prisoners. The Guernsey Prison again submitted a number of entries into the Koestler awards initiative for arts and crafts. Seven of the Prison's seventeen entries gained a Koestler award including one Gold, one Silver and two pieces that were selected to be exhibited at London's Royal Festival Hall.

In addition to the learning and skills opportunities offered, prisoners continue to have a vast array of vocational opportunities available including work in the kitchen, carpentry workshop and the horticultural site. The Panel has noted consistently positive comments within the visitors log book within the kitchen and Members also acknowledged that the replacement greenhouse has been instrumental in allowing the continuation of employment and vocational training on the horticultural site as well as providing a cost effective option for catering.

The Guernsey Prison continued to see low numbers in terms of the prison population throughout 2016. The Prison's Certified Normal Accommodation (CAN) is 130; however the Prison's maximum operational capacity is 139. The average prison population for the 2016 calendar year was 89 with the highest number reaching 103 and the lowest recorded at 79. The Panel was pleased to note the peaceful atmosphere that was experienced throughout the year and the continued positive interactions between staff and prisoners alike which resulted in positive experiences during the Panel's visits.

UPDATE FROM 2015 RECOMMENDATIONS

Panel Awareness

Within the 2015 Annual Report, the Panel remained of the view that there was significant room for increased awareness of the IMP both within and outside of the Prison. The Panel is pleased to report the positive steps that have been taken in addressing this recommendation.

In terms of raising the profile of the Panel within the Prison, Members are grateful for the opportunity to begin attending the Prisoner Induction Meetings in 2016. This has provided Members with the chance to liaise with new prisoners and advise them of the role that the IMP has to play within the Prison regime; over time, the Panel's attendance at the prisoner induction meetings should serve to increase the knowledge of the Panel amongst inmates. As Chair Person, I am also grateful of the opportunity to liaise with newly recruited Prison Officers to explain the role of the IMP.

In terms of raising the IMP's public profile, the Panel has undertaken some work with the local media which coincided with the advertisement for the recruitment of new IMP Members.

Communication between the IMP, the Prison and Prisoners

In the previous IMP Annual Report, the Panel acknowledged the importance of ensuring positive communication between IMP Members and prisoners/officers from the prison. The Panel notes that concerns have previously been raised by prisoners in relation to the consistency in receiving tangible outcomes from the issues have been raised with the IMP.

The Panel acknowledges that an easy solution to a problem is not readily available in every circumstance. However Members acknowledged that, in these circumstances, appropriate mechanisms needed to be in place in order to ensure that sufficient feedback is delivered to prisoners in a timely manner; the information should advise, where appropriate, ongoing discussions with officers of the Guernsey Prison.

As a result, the Panel has adopted mechanisms for providing feedback to prisoners in relation to the issues raised including any outcomes and an explanation should a suitable outcome not be available; this has included sharing IMP reports with prisoners and providing feedback face-to-face.

RECOMMENDATIONS

Body Worn Camera Training

The Panel noted that the use of Body Worn Cameras was trialled by the Guernsey Prison in 2016 with a view to being permanently introduced in 2017; the IMP anticipates the possibility of future queries by prisoners in relation to the use of Body Worn Cameras. In the past, the Panel has benefitted enormously from attending various live procedures carried out by Prison staff, for example training on the correct use of force. Therefore, the IMP has considered that it would be beneficial to receive training in relation to the use of the Body Worn Cameras to ensure that Members are aware of its capabilities and the type of situations in which it will be used.

Guernsey Prison within the Wider Context of Government

In December 2016, the Panel was grateful of the opportunity to meet with the Committee for Home Affairs to discuss the Guernsey Prison, the role of the IMP and the current context of the IMP and Prison within Home Affairs and the States of Guernsey. The Panel is grateful of the support offered by the Committee as well as the support offered by officers of Home Affairs. Members consider the information provided to be invaluable and would welcome regular updates from Home Affairs in relation to key events impacting upon the Guernsey Prison, which in turn, impact the role of the Independent Monitoring Panel.

Improved Recreational Facilities

Members noted that the prisoner recreational area had seemingly been neglected and so there was a general lack of facilities available to prisoners. IMP Members have noted that the baize on the Pool table is particularly worn, the dart board appears to be missing and the television is not operational.

Members acknowledged that the prisoners who utilise the recreational area took overall responsibility for the facilities within. However, the Panel considered that an investment in recreational facilities could have a positive effect on the everyday atmosphere within the Guernsey Prison. In terms of maintenance of the recreational area, the Panel considered that this could be incorporated into a prisoner's position of employment within the Prison.

Please write to the Chairperson of Independent Monitoring Panel c/o Sir Charles Frossard House if further information is required in relation to any matter contained within the Report.

APPENDIX 1- STATISTICAL ANALYSIS

Monthly Visits- Number of complaints/ comments by theme

Theme	Number of complaints	Number of comments
Access to Offending Behaviour Work	4	
Bullying	4	
Showers/Drainage	4	
Temperature	4	
Incentives & Earned Privileges (IEP) Status	3	1
Skin Irritation	3	1
Cost of E-Cigarettes	3	
Extractor Fans/Ventilation	3	
Employment	2	1
Clothes	2	
Prior information for escorts out of the prison/wing re-organisation etc	2	
Complaints Procedure	1	
Detoxification Programme	1	
Money for Canteen	1	
Wing Cleanliness		2
Number of Staff		1

Requested Visits by theme

Theme	Number
Incentives & Earned Privileges (IEP) Status	6
Adjudications/Warnings	6
Access to Offending Behaviour Work	4
Bullying	3
Detoxification Programme	2
Moving Wing	2
Parole	2
Prisoner Money	2
Healthcare	1
Attendance of Carol Service	1
Cabin Visit	1
Support Following Release	1

SCAPU (Segregation Care and Protection Unit) Visits

SCAPU is a segregation unit used to hold prisoners separately from the main prisoner population for varying reasons. The ethos of the Unit is to identify individual prisoner needs and wherever practicable to meet those needs with a view to encouraging individual progress so that the prisoner can safely be returned to mainstream residential accommodation.

Number of SCAPU visits	6
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Breakdown of Visits by day of week

Day	Number
Monday	4
Tuesday	8
Wednesday	15
Thursday	10
Friday	6
Saturday	5
Sunday	1

Breakdown by time of day at start of visit (where known)

Day	Number
8am – 12 noon	14
12 noon – 5pm	25
5pm – 9pm	4
Unknown	6

Length of visit (where known)

Day	Number
Less than an hour	13
Between 1 and 2 hours	16
Over 2 hours	9
Unknown	11

APPENDIX 2- ANONYMOUS

In providing anonymous examples of the queries received by the Panel, the Panel is mindful of the difficulties within a small prison population such as Guernsey in ensuring that confidentiality really is maintained. Conscious that it may be possible to identify individual prisoners by virtue of the circumstances even in the absence of names, the examples below have purposively been written in such a way so to preserve the confidentiality of those seeking the Panel's assistance, but providing an illustration of the themes addressed in prisoners' concerns.

Access to Specialist Offending Behaviour Intervention

The Panel is aware of the extensive offending behaviour courses and programmes that are offered to prisoners in Guernsey in order to assist with their successful reintegration back into the community. The Panel considers the rehabilitative measures offered by the Guernsey Prison to be of an excellent standard. The Panel has however received comments in relation to the difficulty in accessing specialist offending behaviour support and has noted concerns that have been raised regarding the impact that the interruptions to specialist offending behaviour work has had on some of the inmates' rehabilitation.

The Panel has raised these concerns with officers of the Guernsey Prison and is aware that specialist training is offered to prisoners on a monthly basis through the commission of an off-Island professional. The Panel understands the frustrations that can be experienced by inmates in relation to the frequency of specialist support; however the Panel is also conscious of the limitations that can sometimes be experienced when living within a small island community and this can be seen through the difficulty in offering specialist support to prisoners. Despite these difficulties, the Panel is pleased to see that the Guernsey Prison continues to offer diverse offending behaviour programmes to assist all prisoners with their successful reintegration into the wider community.

Cost of E-Cigarettes

In the 2016 calendar year, the Panel received a theme of complaints from prisoners in relation to the cost of E-Cigarettes within the Guernsey Prison which was reportedly higher than the cost of E-Cigarettes within other Prisons. The Panel acknowledges that the Guernsey Prison introduced a total smoking ban in 2013 to reduce the effect of passive smoking on prisoners and staff, and Members consider the introduction of this ban to have been a total success.

The introduction of E-Cigarettes allows prisoners to manage their addiction to Nicotine in a safer way. The Panel understands the issues and concerns raised by Prisoners in relation to the cost of E-Cigarettes which should reflect their retail price and the prices within other Prisons; officers of the Guernsey Prison advised that the cost of E-Cigarettes was due to be reduced and therefore it is hoped that this will reduce the number of comments and concerns raised in this regard. Furthermore, the IMP remains fully supportive of the Prison's smoke free initiative.