

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE *FOR THE* ENVIRONMENT & INFRASTRUCTURE

THE ISLAND'S FUTURE AGGREGATE SUPPLY

The States are asked to decide: -

Whether, after consideration of the Policy Letter entitled 'The Island's Future Aggregate Supply' dated 28th June, 2021 they are of the opinion: -

- 1a. To agree the principle of on-island quarrying in order to provide the future supply of aggregate for Guernsey (Option A in the policy letter).

Or, only if Proposition 1a shall have been defeated,

- 1b. To agree the principle that the future supply of aggregate for Guernsey shall be through importation (Option B in the policy letter) on exhaustion of existing aggregate reserves at Les Vardes Quarry.

2. If Proposition 1a is approved:

- a) to agree that Phase 3 of the development of Chouet Headland for quarrying will be subject to a decision of the States as to whether on-island quarrying remains the most appropriate method of supply of aggregate for Guernsey at that time, and to direct the Committee *for the* Environment & Infrastructure to provide the States with updated evidence to inform their decision no later than five years before the completion of Phase 2.
- b) to direct the Policy & Resources Committee, in consultation with the Committee *for the* Environment & Infrastructure, to continue negotiations with land owners in relation to Les Vardes Quarry and Chouet Headland, including, where appropriate, in relation to the acquisition of land or the right to use land, in order to best achieve the States of Guernsey's strategic aims in relation to on-island quarrying and other potential future strategic uses and to bring forward its recommendations to the States of Deliberation.
- c) to direct the Development & Planning Authority to complete the Development Framework for Chouet Headland in order to give planning guidance for the area safeguarded for mineral extraction; and

- d) to note Ronez Limited's agreement to offset local negative environmental impacts in the short and long term, to achieve overall biodiversity net gain (see section 10.68).
- 3. If proposition 1b is approved, to direct the States' Trading and Supervisory Board and the Committee *for the* Environment & Infrastructure to submit propositions and a policy letter to the States which establishes the infrastructure requirements associated with the importation of aggregate and includes updated estimates of any financial implications to the States of any improvements needed in relation to infrastructure, storage space and other matters to allow for future supply of aggregates through import and any proposals needed for approval of funding of the same.

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.

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THE ISLAND'S FUTURE AGGREGATE SUPPLY

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

28th June, 2021

Dear Sir

1 Executive Summary

- 1.1 Security of supply of aggregate is essential for construction in the Island. Ronez Limited ("Ronez") (the operator of the existing quarry) has advised that current workable unconstrained¹ reserves of granite at Les Vardes Quarry, which are used for aggregate, are expected to be exhausted by the end of 2023. This may be sooner if demand increases, with a corresponding increase in the extraction rate, which could potentially be triggered by large infrastructure projects and/or increased house building which might be required as part of the Island's economic recovery actions. The Committee recognises that the future strategic requirements for waste, water and stone would be most appropriately considered together to provide a co-ordinated response to the short, medium and long-term requirements. However, the previous estimate in 2016 had suggested that unconstrained reserves would not be exhausted until 2028, but this date has since been brought forward to 2023 by Ronez. This means that the matter of future aggregate supply now needs to be resolved with greater urgency than previously understood and the Committee has therefore needed to consider this matter within a short time period ahead of other strategic requirements.

¹ 'Unconstrained' reserves relate to the area of granite which can be extracted through continuing existing quarry operations; 'constrained' reserves relate to the area of granite located beneath the operator's plant and equipment at the quarry, which cannot be extracted until that plant is re-located to give access to the reserves.

- 1.2 In order to make a recommendation to the States Assembly, the Committee *for the Environment & Infrastructure* (“the Committee”) has assessed two options:

OPTION A – To continue the principle of on-island quarrying by quarrying a new site in order to meet the majority of aggregate demand, with the balance of additional aggregate requirement met through importation when required (as existing); and

OPTION B – On exhaustion of existing aggregate reserves at Les Vardes Quarry, to meet the demand for aggregate through importation from suppliers overseas.

- 1.3 The Committee has evaluated as much evidence as possible to assess the relative merits and disadvantages of each option, taking into careful account economic, social and environmental factors. As these span such issues as security of aggregate supply, effects on construction costs and employment, infrastructure demand and requirements, pollution impacts, carbon emissions, biodiversity and nature loss, a strategic assessment is neither simple nor straightforward. In summary, there is a clear economic case for the continuation of on-island quarrying (Option A), but the environmental and social amenity cases are much more complex.
- 1.4 Option A has more positive and fewer negative economic impacts than Option B, as importation would increase the cost of aggregate and necessitate the loss of jobs. Both options have some social amenity impacts. In terms of environmental impacts, Option A has lower energy and climate change impacts than Option B, but higher localised environmental impacts. Having assessed all the impacts at a strategic level, the Committee recommends, by a majority, Option A – the continuation of on-island quarrying of aggregate. However, in doing so, the Committee stresses that the negative localised environmental impacts need to be minimised, mitigated and more than offset. There are in fact opportunities to realise net positive environmental improvements, both at Chouet Headland and (by virtue of restoration and offsetting projects) in other parts of the Island as well. Ronez’s agreement to Biodiversity Net Gain (“BNG”), which would deliver this overall environmental improvement locally, is a key factor in the Committee’s majority recommendation of Option A.
- 1.5 There are three phases of development of Chouet Headland as a quarry that could potentially progress over approximately 35 years (see Image 1 on p.12), but the effects of this large-scale infrastructure development will be wide ranging over a significant time period. Baseline evidence and the nature of impacts and effects have the potential to change significantly over that timeframe. These include potential changes to carbon impacts due to

developments in shipping and vehicle technology, and the transition away from hydrocarbon fuels.

- 1.6 Given that impacts on social amenity are particularly focussed in Phase 3 of Chouet Headland and that there may be changes to demand and the amount of aggregate required due to innovations in building and construction techniques over time, the Committee considers it is appropriate to recommend that the States has the opportunity to review up-to-date evidence before agreeing to the commencement of Phase 3 extraction at Chouet Headland so that it can be determined if evidence continues to support on-island quarrying as the most appropriate aggregate supply option. The quarry operator has confirmed that quarrying the headland would remain a viable proposition in the event that Phase 3 is not commenced.

2 Introduction

- 2.1 The intention of this policy letter is to provide security of supply of aggregate for Guernsey. Aggregate is particulate material, which is supplied to the local construction market, either as 'dry stone' or for use in the manufacture of concrete, concrete products and asphalt. It is an essential commodity, the supply of which has significant impacts on the construction industry and on the supply and cost of asphalt and concrete. Notwithstanding options for alternative building techniques, such as modular buildings, aggregate continues to be essential for elements of building construction as well as roadbuilding and repair. It is not anticipated that alternative building methods will have a noticeable impact on aggregate demand locally in the short to medium term as some methods reduce aggregate requirements e.g. structural insulated panels (SIPS) replacing concrete blocks but others require more aggregate (e.g. Sustainable Urban Drainage Systems).
- 2.2 Aggregate is used in the production of a range of concrete blocks and road kerbs, lintels etc. Local companies rely on concrete supplied by Ronez in order to manufacture other products used in construction such as the beams for beam and block flooring and rings for drainage systems. The States of Guernsey is the primary consumer of asphalt for road building and repair, the costs of which would increase should the cost of aggregate increase.
- 2.3 Guernsey's base aggregate demand (110,000 tonnes per annum) is currently met by mineral extraction at Les Vardes Quarry ("Les Vardes") in the north of the Island which is the only currently workable local commercial quarry. Sand, cement and the balance of aggregate required to meet demand is met by importation from the UK or mainland Europe. Sand and cement are not available

locally so will always need to be imported, although the amount imported has reduced consistently in recent years.

- 2.4 In addition to the extracted reserves, Ronez currently imports 500 tonnes of coarse aggregate to supplement local production, 10,500 tonnes of sand and 8,000 tonnes of bulk cement per annum. As well as Les Vardes, Ronez also operates a site, Les Monmains, Vale, which is used to produce concrete and concrete products as well as for storage and recycling.
- 2.5 In the last five years, the average annual production rate at Les Vardes was 103,000 tonnes, and in the last 10 years it was 125,000 tonnes. The predicted average production rate going forward is 110,000 tonnes. In 2020, production was reduced to 92,000 tonnes as a result of the pandemic, but this is expected to return to at least the average predicted extraction rate in the near future. Ronez has advised that current workable unconstrained reserves of granite (211,000 tonnes as of June 2021) at Les Vardes, which are used for aggregate, are expected to be exhausted by the end of 2023 at the average extraction rate. The remaining constrained reserves (488,000 tonnes) can only be extracted if the existing plant and equipment is then removed. This would allow extraction to continue to 2029 if all the existing plant and equipment is removed and replaced elsewhere. However, if replacement plant and equipment is not provided at Chouet Headland mobile plant would be required to process extracted constrained reserves at Les Vardes. This could extend extraction until 2032 but due to limitations of space and maximum production when mobile plant is required, it would not be possible to meet the full base demand volume from extraction at Les Vardes if Chouet Headland is not developed. As a result, volumes would need to be supplemented by increased importation potentially from 2024. However, this date would be influenced by the balance between the rate of extraction and amount of aggregate imported, which in turn would influence the cost of aggregate. Timelines may be brought forward if demand were to increase, with a corresponding increase in the extraction rate which could potentially be triggered by large infrastructure projects and/or increased house building which might be required as part of the Island's economic recovery actions.
- 2.6 Estimates prior to 2016 suggested that unconstrained reserves would not be exhausted until 2028, but this has now been brought forward to the end of 2023. There would be implications for ports infrastructure which would have considerable lead in times to resolve should importation be agreed as the future route of aggregate supply. Although the Committee recognises that ideally the future strategic requirements for waste, water and stone should be considered together to provide a co-ordinated response, considering this information, there is now some urgency in determining if the principle of continuing on-island

quarrying on a new site is acceptable or whether full importation would be the most appropriate route for future aggregate supply.

2.7 Since the Island Development Plan (“IDP”) was approved in 2016 there has been a requirement for some developments to provide site waste management plans, which has led to greater reuse of inert material on site and increased recycling, including aggregate. However, the grading of recycled aggregate restricts what it can be used for. It can also be difficult to assess the quality of used aggregate without knowing the specific particulates that it comprises. Therefore, there are limitations to what recycled aggregates can be used for. Ronez and other local companies have confirmed that they are already recycling and reusing as much aggregate as they feasibly can, so it is unlikely that future recycling rates will impact significantly on the level of local demand for aggregate.

2.8 Market forces may change the level of demand over time and any large-scale infrastructure project may significantly increase demand. Capital projects agreed and implemented by the States of Guernsey contribute significantly to the demand for aggregate, as does house building and the road resurfacing programme. The decision on the most appropriate route for future aggregate supply will directly influence the cost of development and will therefore have implications for our economic recovery.

2.9 Two options have been investigated to provide an appropriate future supply of aggregate for Guernsey once existing reserves are exhausted. These are:

OPTION A – To continue the principle of on-island quarrying by quarrying a new site in order to meet the majority of aggregate demand, with the balance of additional aggregate requirement met through importation when required (as existing); and

OPTION B – On exhaustion of existing aggregate reserves at Les Vardes, to meet the demand for aggregate through importation from suppliers overseas.

2.10 A draft Development Framework for the use of Chouet Headland for quarrying was prepared by the Development and Planning Authority (“DPA”) and was published for public consultation in April 2019. The DPA received over 100 responses. Although it was decided at that stage that the States of Deliberation should decide whether the principle of on-island quarrying was acceptable before progressing further with the Development Framework, the Committee has taken the responses received into consideration at the appropriate strategic level in drafting this policy letter and related propositions. These matters will be considered in greater detail at the planning application stage, which will require the submission of a full Environmental Impact Assessment (“EIA”).

- 2.11 A summary of the main topics covered within the representations is as follows:
- The need for a quarry and investigation of alternatives;
 - Process and procedures;
 - Cost vs benefit;
 - A need for further investigation and evidence;
 - Concerns regarding the effects on health implications;
 - Visual impacts;
 - Traffic and road safety – welcome the inclusion of a Traffic Impact Assessment;
 - Impacts on neighbouring businesses;
 - Maintaining access to the coastal path;
 - Historic environment;
 - Environmental impact;
 - Concerns regarding the discharge of water from the site;
 - The continuation of quarrying in respect of maintaining employment levels and keeping down the costs of construction; and
 - Location and demand of the Chouet Range and pistol shooting facilities.

3 Background

- 3.1 Quarrying in Guernsey started in the late 18th century and peaked during the 19th century, with more than 250 quarries being actively mined for stone. The quarry at Les Vardes is understood to have originated in the early 19th century and remained in operation until it was abandoned shortly after the Second World War. Ronez re-opened the quarry in 1961 and has operated there continuously ever since. Permission for a north-western extension to the quarry containing about 750,000 tonnes of reserve was granted in 2010. There are no further feasible extensions to Les Vardes.
- 3.2 The quarry extracts granite deposits from the Bordeaux Northern Diorite formation to produce a range of aggregate products which are supplied to the local construction market, either as 'dry stone' or for use in the manufacture of concrete, concrete products and asphalt.
- 3.3 In 2012, the former Policy Council decided to investigate and consult on options for how the Island's future requirements for aggregate could be most appropriately met. In October 2014, a sub-group (later subsumed into the Environmental Policy Group, or EPG) considered a paper that evaluated potential options for dealing with the future supply of aggregate in Guernsey. The group specifically considered whether Guernsey should continue to quarry aggregate locally once Les Vardes was exhausted, or whether there was a viable alternative that would better balance the environmental, economic and social objectives of the States of Guernsey.

- 3.4 In 2015, the Policy Council subsequently agreed to ratify the recommendations of the EPG and agreed to support the principle of quarrying the Chouet Headland (comprising land owned by the States and by Ronez) following the exhaustion of stone at Les Vardes, negotiate terms for an exchange of land with Les Vardes, and prepare a policy letter to be presented to the States Assembly seeking support to enable quarrying of Chouet Headland (and by implication on-island quarrying).
- 3.5 In July 2016, having considered the handover document and the conclusions of the EPG in relation to the principle of mineral extraction on-island, the newly-formed Committee *for the* Environment & Infrastructure (the former Committee) endorsed the previous decision of the Policy Council to generally support the continuation of quarrying in Guernsey and to continue to negotiate with Ronez regarding the Chouet Headland and Les Vardes. This decision also endorsed the Policy Council's previous intention that the strategic decision about whether to continue on-island quarrying once Les Vardes was exhausted should be a decision of the States Assembly. It is important to note that the then Committee agreed to advise Ronez that the decisions were made without prejudice to any final decision on the carrying out of quarrying operations at the Chouet Headland.
- 3.6 At that time, the anticipated exhaustion date for unconstrained reserves at Les Vardes was 2028. Therefore, although it endorsed the continuation of negotiations with Ronez, the work was not prioritised. However, in 2019 the former Committee became aware that the anticipated exhaustion date for unconstrained reserves at Les Vardes had been significantly revised to mid-2021 at predicted average extraction rate. This has since been revised to the end of 2023 because of the impacts on demand of the COVID-19 pandemic and a resurvey of the quarry.
- 3.7 The former Committee noted, however, that its position was based on evidence which was well over five years old at the time and did not consider in depth some relevant issues that had since become more prominent, such as the carbon impacts of the various options for aggregate supply and other environmental considerations. It also did not have up-to-date information on the economic impacts and costs associated with the various options. It therefore determined that further evidence was required which reflected the current and future situation, to enable a robust consideration of the economic, environmental, social and infrastructural impacts of the options. That evidence is central to this policy letter.
- 3.8 After being approached by the quarry operator, the former DPA began to draft a Development Framework for the use of Chouet Headland for quarrying, which is now substantially progressed. The public consultation on the draft Development Framework attracted a significant number of representations which notably

questioned the principle of quarrying on-island instead of importation of aggregate. Although no consent is conferred by a Development Framework, the former DPA considered that it would not be appropriate for it to continue to develop this policy delivery mechanism ahead of the Assembly's decision about the future supply route for aggregate. It paused the completion of the Development Framework until the matter had been debated.

- 3.9 The Committee recognises that this policy letter and States debate is the most effective mechanism by which the public can engage with policy makers about the most appropriate route for the future supply of aggregate, the principle of on-island quarrying, and the potential use of Chouet Headland for mineral extraction.

4 Mineral Reserves at Les Vardes Quarry and Chouet Headland

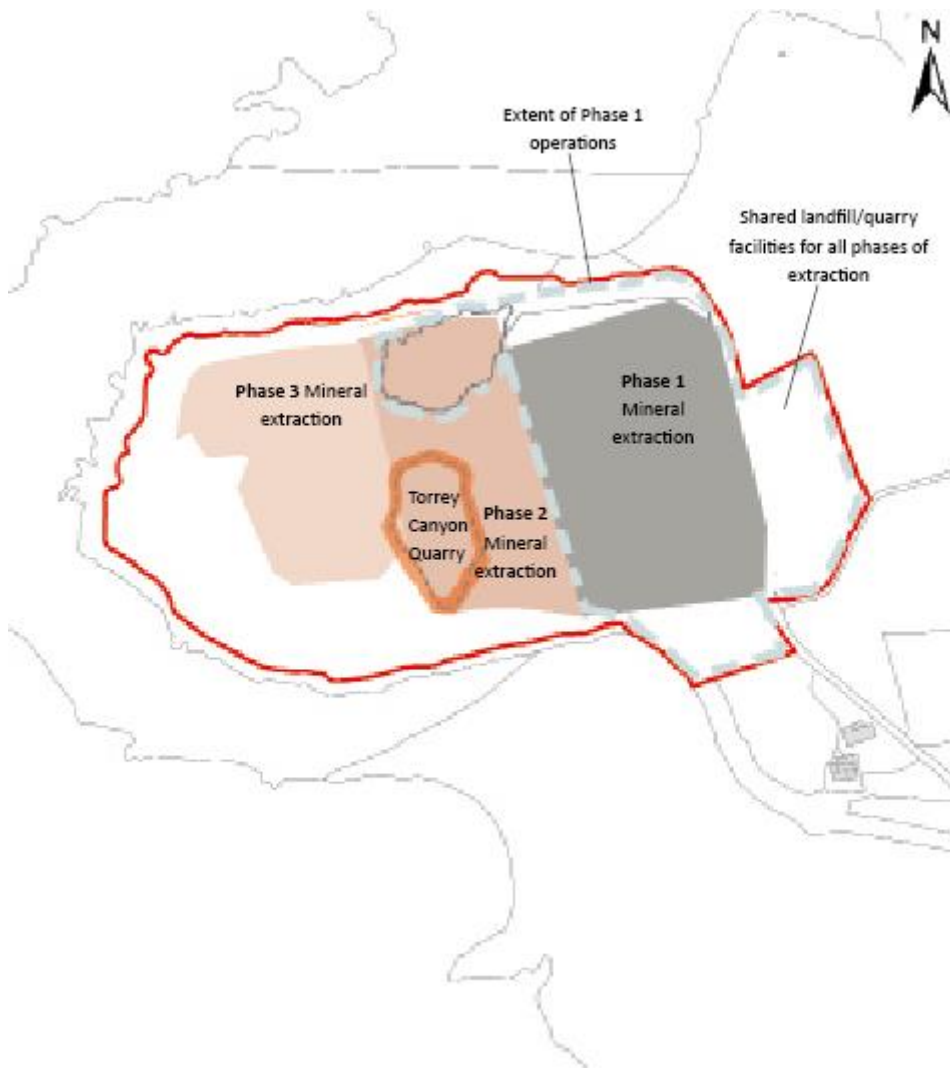
- 4.1 The Committee was informed in 2016 that the unconstrained reserves at Les Vardes would be exhausted by the middle of 2021. However, this estimate has now been revised further: unconstrained reserves are now expected to last until the end of 2023 at the predicted average extraction rate. This is a consequence of various circumstances. Pandemic-related lockdowns in both 2020 and 2021 have resulted in a lower demand and a corresponding reduced average aggregate production rate. In addition, Les Vardes' design was updated towards the end of 2020 following a resurvey, allowing for optimal reserve extraction.
- 4.2 Therefore, as of 23 June 2021, the remaining unconstrained reserves were 211,000 tonnes. Using a predicted average annual demand of 110,000 tonnes, this is anticipated to last just under two years. However, this will be influenced by factors such as increased house building or infrastructure projects coming forward.
- 4.3 The constrained reserves (situated under existing plant) are now estimated to be 488,000 tonnes, giving a total reserve at Les Vardes of 699,000 tonnes. However, the time period in which reserves will be extracted will depend to some extent on the Assembly's decision regarding the future supply of aggregate, as each option necessitates different logistical arrangements.
- 4.4 If the Assembly decides not to continue to quarry on-island at Chouet Headland, Ronez would consider locating a new asphalt plant at its Les Monmains site, if it is viable to do so. It would then remove the existing asphalt plant and quarry process plant at Les Vardes so that constrained reserves could be extracted and processed using mobile plant. This would maximise extraction at Les Vardes. However, restrictions due to the size of the quarry and capacity limitations associated with the use of mobile processing plant would negatively affect supply. It is anticipated that 60,000 tonnes per annum could be achieved through extraction in these circumstances, so the balance of demand (on average 50,000

tonnes) would be required to be imported. Production will reduce as the quarry reaches the lowest 'bench' (or layer of rock) with a corresponding increase in importation to meet demand. Following this, the Island would be reliant upon imported aggregates to meet all construction industry needs.

- 4.5 Chouet Headland, located in the north of the Island, has an area of winnable aggregate which is 70% owned by the States of Guernsey and 30% owned by Ronez². There are no other viably recoverable reserves of stone within the Island other than at Chouet Headland according to all available information.
- 4.6 Preliminary quarry design work for Chouet Headland indicates that there is potential for 3.5-4.1 million tonnes of granite to be worked from the headland in three distinct phases. Image 1 below shows the potential phasing plan for the headland.

² The National Trust and the heirs of the Estate of Mr Marlow also own very small pieces of land within the area.

Image 1 – Potential Phasing of Chouet Headland



- 4.7 Phase 1 encompasses land owned by Ronez, with Phases 2 and 3 falling within States-owned land. Based on the average extraction rate, development of the full headland would represent between 32 and 37 years of supply, although again this could increase or decrease depending on the level of future demand.

5 Policy Context

- 5.1 Chouet Headland has been identified as an important strategic reserve of stone for a considerable time. It was identified in the Rural Area Plan as a Mineral Resource Safeguarding Area in 2005. At that time, the Planning Inquiry Inspector noted that the policy was consistent with the 2003 Strategic and Corporate Plan. Strategic Policy SP27(S) stated that provision may be made in the Detailed Development Plans to protect those areas where there are known reserves of stone from development that would compromise future extraction. The

Inspector further noted that the safeguarding is different from a firm commitment to extraction, as that can only arise once the States have resolved on their future extraction policy. The headland was also identified as a strategic reserve for mineral extraction by the Strategic Land Use Plan (2011) ("SLUP"). This is reflected in the IDP designation of the site as a Safeguarded Area for possible mineral extraction (Policy IP5: Safeguarded Areas). The IDP policy relating to Safeguarded Areas underwent full Environmental Impact Assessment and the corresponding Environmental Statement was considered by the States, as required by the Planning Law, when it adopted the IDP in 2016. The IDP designation does not signify a commitment to extraction but rather protects the designated area from any development that may prejudice its potential for future mineral extraction should it be required for that use.

- 5.2 The relevant policies of the SLUP and IDP seek to balance protection of the physical and natural environment with the need to offer flexibility for those businesses that have a legitimate need to operate from and carry out development in particular locations. It is accepted that mineral extraction can only occur where reserves are located. The remaining mineral reserves have been recognised by the States as strategically important to the Island through the designation in the IDP.
- 5.3 Proposed development within the Safeguarded Area for possible mineral extraction will require a Development Framework to be approved by the Development & Planning Authority which, once approved, will be taken into account when considering planning applications for the site. A detailed Environmental Impact Assessment will be required as part of the planning application process and an Environmental Statement must be submitted with a planning application. The Development Framework is therefore part of the policy delivery mechanism for bringing forward quarrying at Chouet Headland if the States determines that this option is most appropriate for future aggregate supply. Whilst it confers no consent or commitment to extraction, it would set out the best way of achieving it in terms of impacts should planning applications be submitted.
- 5.4 In May 2020, the States of Guernsey Energy Policy 2020-2050³ was approved and the following objectives were agreed:
- Decarbonisation;
 - Security and resilience of supply;
 - Consumer value and choice;
 - Equity and fairness;
 - Supportive of a vibrant economy; and
 - Greater energy independence.

³ "States of Guernsey Energy Policy 2020-2050", [Billet d'État XI, May 2020](#)

5.5 In addition, the vision for Guernsey's energy future included:

“By 2050 at the latest, the vast majority of Guernsey's energy supplies will come from clean, low carbon sources and residual emissions will be offset... Conscientious use of on-island natural resources will safeguard our healthy environment and clean air, whilst protecting Guernsey's unique surroundings, biodiversity, and natural beauty. Generation of on-island (where 'on-island' includes within our territorial waters) renewable, clean, affordable energy is supported by implementation of the Energy Policy and will provide value and choice for everybody and will play its part in helping Guernsey to mitigate climate change. Guernsey's energy supply will be resilient and secure, as well as sustainable, to meet reasonable demands for energy. Guernsey will be aligned with global efforts to reduce emissions and development of renewable technologies.”

5.6 Guernsey is already experiencing the impacts of climate change through localised sea level rise around the Channel Islands and more extreme weather (more intense rainfall, greater frequency of storm damage, and flooding to name a few examples) and the majority of the last decade has been warmer than average. The Climate Change Policy & Action Plan⁴ was agreed by the States of Deliberation in August 2020, legislating the target of net zero emissions (or carbon neutrality) by 2050 in relation to greenhouse gas emissions and an interim target of reducing emissions by 57% on 1990 levels by 2030. These targets include all emissions for Scope 1, Scope 2, and Scope 3, the latter initially limited to waste management and off-island travel. Achieving these targets requires significant co-ordination from government, businesses and individuals, and therefore, climate change should be carefully considered in the development of all future policies.

5.7 One of the outcomes of the Government Work Plan (“GWP”) is to provide “resilient and sustainable infrastructure and connectivity”. The GWP also aims to enable opportunities for regeneration, secure transport connectivity and infrastructure, invest in the visitor economy and to meet Guernsey's housing need all of which, together with infrastructure previously agreed by the States, such as significant developments for educational purposes, will play a large role in determining the future aggregate demand but the delivery of which will be impacted by the decision about the future aggregate supply route for reasons of cost and supply. The decision on the most appropriate route for future aggregate supply will therefore have implications for our medium and long-term economic recovery and may impact on many of the priority recovery actions in the GWP.

⁴ “Mitigate Climate Change – States of Guernsey Climate Change Policy & Action Plan”, Billet d'État XVI, August 2020

- 5.8 The Committee, under its mandated responsibility for policy for infrastructure and waste, water and stone, has been exploring future strategic requirements and the potential opportunities for presenting a co-ordinated response to the short, medium and long term requirements for inert waste disposal and aggregate supply and the longer term requirements for fresh water storage. It would not be appropriate to seek to combine a decision about the future strategic use of Les Vardes, once mineral reserves are depleted, with the decision about the future supply of aggregate because of the different timescales and the pressing need for a decision on the future supply route for aggregate; however, the Committee recognises the interdependencies.
- 5.9 The Assembly's decision about the principle of future aggregate supply, and therefore on-island quarrying, is an important first step and could, depending on the decision, act as a catalyst for further negotiation with the quarry operator regarding the potential future strategic use of Les Vardes.
- 5.10 If the principle of on-island quarrying is agreed, this policy letter is asking the Assembly to delegate authority to the Policy & Resources Committee, in consultation with the Committee, to continue with negotiations with land owners in relation to Les Vardes and Chouet Headland in order to best achieve the States of Guernsey's strategic aims in relation to on-island quarrying and other potential future strategic uses, and to return to the States with its recommendations.

6 Potential Options for Future Supply of Aggregate

- 6.1 The two potential options which have been considered for the future supply of aggregate on Guernsey are:
- OPTION A – To continue the principle of on-island quarrying by quarrying a new site in order to meet the majority of aggregate demand, with the balance of additional aggregate requirement met through importation when required (as existing); and
- OPTION B – On exhaustion of existing aggregate reserves at Les Vardes, to meet the demand for aggregate through importation from suppliers overseas.
- 6.2 Option A has the greatest negative localised environmental impacts and the lowest overall carbon emissions impact. It also has the most beneficial economic impact, some social impacts and the least infrastructural impact with respect to the port/s, storage and logistics. These various impacts are explained in detail in the sections of this policy letter that follow.

- 6.3 Option B has no localised negative impacts on the environment of Chouet Headland and its immediate surroundings, but no positive environmental improvement opportunities arising as a requirement of, and funded by, the developer. It has wider environmental and economic impacts associated with the importation and transportation of aggregate which are also considered in detail in the sections that follow.
- 6.4 Both options have been assessed against their expected environmental, economic, infrastructural and social impacts in order to assess which best balances the environmental, economic and social objectives of the States of Guernsey whilst providing a consistent and affordable aggregate supply. Fig.1 below gives a summary of each of these options, with the following sections adding further detail.

Fig.1. Summary of Options against Impact Criteria

	Environmental	Economic	Infrastructure	Social
Option A positive impacts	<ul style="list-style-type: none"> + Lowest total carbon emissions (Scopes 1 and 3), particularly if all three phases completed + Biodiversity Net Gain pilot will mitigate negative impacts plus increase biodiversity overall + Carbon intensity of Guernsey's on-island quarrying is comparatively low versus quarrying and processes in other jurisdictions + Contamination at the old Torrey Canyon quarry cleared without a potential capital spend of £1.5m 	<ul style="list-style-type: none"> + Aggregate prices will be more predictable, reducing potential for knock-on inflationary impacts (e.g. house prices) + Predictability/reliability of continuity of supply as now will benefit construction industry + Security of supply + Strategic capital projects (e.g. hospital, schools) will not be impacted by loss of supply or inflationary impacts + Government Work Plan and economic recovery actions and workstreams supported and facilitated + Retains jobs directly associated with quarrying and associated services 	<ul style="list-style-type: none"> + Seamless transition of aggregate supply from one on-island source to another + Plant, workforce and processes all available from Les Vardes operation + Fully extracted Les Vardes quarry would maximise its future strategic value 	<ul style="list-style-type: none"> + Opportunity for social amenities such as enhancements to nature/coastal path/heritage interpretation boards to be incorporated into quarry surroundings during operation (e.g. similar to Les Vardes walk) + Long-term improvement of biodiversity through Biodiversity Net Gain with associated benefits for health and wellbeing

	Environmental	Economic	Infrastructure	Social
Option A negative impacts	<ul style="list-style-type: none"> - Direct Scope 1 carbon emissions are highest - Localised short- and medium-term impact on ecology and heritage of Chouet Headland - Localised air quality, noise and vibration effects (although can be mitigated) - Visual impact, especially in initial stages - Increase in traffic volumes, including HGVs 	<ul style="list-style-type: none"> - Supply route determined for up to approximately 35 years only - Cost of aggregate could rise proportionately with economic inefficiencies of reducing local supply 		<ul style="list-style-type: none"> - Loss of some wider use of Chouet Headland area for 30+ years - Potential loss of pistol & model aircraft club areas and requirement to relocate (incurring potential costs) if Phase 3 is progressed - Physical alteration of the headland, affecting landscape and vista - Loss of heritage features, including historic tunnel complex - Adverse effects on local businesses and residents through noise, air quality, loss of views

	Environmental	Economic	Infrastructural	Social
Option B positive impacts	<ul style="list-style-type: none"> + Lowest direct (Scope 1) carbon emissions + Chouet Headland remains unaffected in terms of localised ecology, heritage, traffic impacts etc. 	<ul style="list-style-type: none"> + Potential for additional jobs at the harbours + Support for some local businesses (e.g. Guernsey Stevedores) as needed in the process + No adverse effect on the businesses in the vicinity 	<ul style="list-style-type: none"> + Potential for new cranes at St Sampson harbour 	<ul style="list-style-type: none"> + Chouet Headland retains existing social amenity and landscape value and positive wellbeing potential

	Environmental	Economic	Infrastructural	Social
Option B negative impacts	<ul style="list-style-type: none"> - Highest overall carbon emissions (Scopes 1 and 3), mainly due to emissions from shipping - Potential traffic impact and associated emissions due to higher number of HGVs needed to transport large amounts of imported aggregate to destinations (either directly from ports or from storage areas) - The Torrey Canyon quarry will not be cleared, meaning contamination remains 	<ul style="list-style-type: none"> - Increased cost of aggregate, with likely consequential cost increases for aggregate-related products and services and potential inflationary impact on house prices and other development costs, including road repairs/maintenance - Construction industry may experience downturn in projects due to rising cost - Reduced control over continuity of supply and security of supply: more points of potential failure increase risk to supply chain due to elements outside of control (e.g. weather conditions, tidal conditions, storage capacity, availability of vessels, dependency on other jurisdictions for supply, off-island pricing influenced by off-island demand, competition for goods off-island) - Likely reduction in range of concrete products produced on-island - States capital projects could be negatively impacted due to increased costs and availability of supply - Loss of jobs in quarrying sector and supporting services - Risk of reputational damage to the Bailiwick should an importation route with higher associated carbon emissions be adopted - Large rocks used for sea defence (rock armour) will need specialist ships to import, adding further cost - Identification and provision of storage areas for imported aggregate, increasing land use pressures and costs 	<ul style="list-style-type: none"> - Significant costs for increased maintenance or purchase of new cranes and equipment - Storage for imported aggregate will require large and conveniently situated areas 	

7 Transitional requirements

Transition of quarrying operations from Les Vardes to Chouet Headland as per Option A

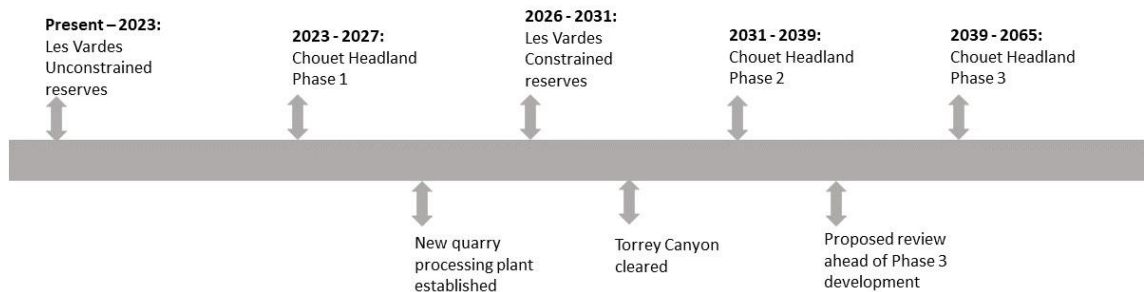
- 7.1 The issues associated with the principle of future aggregate supply and quarrying at Chouet Headland have been conflated over time. However, reference to quarrying the specific location and establishing a principle of on-island quarrying are one and the same, as there is in practical terms only one site available. Therefore, agreeing to the principle of on-island quarrying is effectively agreeing to quarrying the specific location and vice versa, although this is an in principle policy decision and not the same as any later planning decision relating to a specific development which is made on the basis of the detailed proposed development and the full material planning considerations.
- 7.2 If Option A is approved, development of a new quarry site would be progressed through a phased development of Chouet Headland described below and shown in Image 1 above. If quarrying at Chouet Headland is approved, production capacity could increase to 150,000 tonnes per annum within 6 months of starting quarrying operations if required.
- 7.3 The development of Phase 1 only (land owned by Ronez) would place significant limitations on the capacity of production and would be likely to require importation of aggregate to supplement on-island production. As a result the development of Phase 1 only could be economically unviable and would attract the negative impacts of both importation and on-island quarrying.
- 7.4 As the operator, Ronez would like to extract the full extent of mineral reserves if quarrying is approved at Chouet Headland, therefore their ideal scenario would be to progress all three phases. However, Ronez has confirmed that it would still be economically viable for them to progress just the first two phases. The Committee recognises that if Option A is approved, the effects of this large-scale infrastructure development will vary over its operational life: baseline evidence and the nature of impacts and effects have the potential to change significantly over that timeframe. Proposition 2 therefore recommends that the States agree that Phase 3 of the development of Chouet Headland for quarrying will be subject to a decision of the States towards the end of Phase 2, so that up-to-date evidence can be assessed as to whether on-island quarrying remains the most appropriate method of supply of aggregate for Guernsey at that time.
- 7.5 If the Assembly agrees the option of continuing quarrying on-island (Option A – Proposition 1a), there will be a transition between quarrying at Les Vardes and Chouet Headland. The unconstrained reserves at Les Vardes would be extracted until the end of 2023. Quarrying at Chouet Headland would be in three phases with Phase 1 anticipated to begin towards the end of 2023 and the constrained reserves at Les Vardes being extracted between 2026 and 2031. Phase 2 of

Chouet Headland is then expected to begin in 2031. Extraction at Chouet Headland is expected to continue until 2065 based on current predicted extraction rates if all three phases are progressed.

- 7.6 The three phases of development at Chouet Headland would advance westwards and align with the completion of Les Vardes. Operations would commence within the eastern part of the site (which is owned by Ronez) and progressively deepen the mineral working through successive levels, each nominally 10m high, to create a suitable platform below surface level upon which a new processing plant could be erected. During Phase 1 the extracted granite from Chouet Headland would undergo crushing using a mobile primary crusher located within an old quarry on the northern edge of the headland (currently used for green waste recycling). This would make the material more suitable for road transportation to Les Vardes for further processing to produce aggregates using the established plant.
- 7.7 Once a suitable platform below ground level has been created in the Chouet quarry void, a new quarry processing plant would be established and the existing plant at Les Vardes dismantled. This would allow the remaining constrained reserves at Les Vardes to be worked, with the extracted rock transported by road to the new plant at Chouet for processing. Following exhaustion of the reserves at Les Vardes, the workings at the Chouet Headland would progress into Phase 2, extending westwards into land owned by the States of Guernsey and taking in the Torrey Canyon Quarry and current green waste site.
- 7.8 Phase 3 (the final phase) would extend the workings further to the west and include land currently used by the Guernsey Pistol Club and the Guernsey Model Aircraft Club. If this final phase is progressed, the quarry would develop to its maximum lateral extent which would allow the workings in Phase 2 to be deepened. If Phase 3 is not progressed, it should be noted that the maximum extraction of Phase 2 cannot be achieved.
- 7.9 At the end of Phase 2, the plant would be dismantled, and the remaining reserves worked, again being processed using a mobile plant. The design of the quarry would take into account the volume of soils and other deposits (known as overburden) stripped to expose the granite and how this can be beneficially used to help screen the workings to ameliorate both visual and acoustic impacts. It would also be necessary to consider what volume of material might need to be retained for final restoration works. Should there be a surplus of such materials then a scheme would need to show how this material can be beneficially used off site as part of the planning application. Any overburden not used for screening or other schemes agreed with the States would be placed in the worked-out sections of Les Vardes.

- 7.10 Image 2 below shows a visual representation of the transition of quarrying operations from Les Vardes to Chouet Headland.

Image 2 – Transition Timeline



- 7.11 If the principle of on-island quarrying continues (Option A), the impacts on local infrastructure are unlikely to substantially differ from the present situation.

Requirements to enable importation as per Option B

- 7.12 The States’ Trading Supervisory Board (“STSB”) has been formally consulted, particularly regarding the potential impacts on and implications for the ports if the decision is made to meet aggregate demand through importation (Option B – Proposition 1b), which will significantly increase the levels of importation. Their full response is in Appendix A, but the main observations are detailed below.
- 7.13 The largest vessels currently servicing the Island can carry up to 2,200 tonnes of aggregate per voyage and at least 1,700 tonnes could be unloaded daily using existing levels of equipment. These vessels also require a minimum tide height of 7.6 metres above chart datum. This occurred on 243 days of the year in 2020. The STSB considers that, generally, importing 120,000 tonnes of aggregate per year could be achievable through existing ports.
- 7.14 It has also highlighted that any future harbour construction/reorganisation options can provide space and facilities for importation of aggregate to a similar volume. However, suitable vessels are becoming harder to find and anecdotally available shipping for bulk materials are becoming scarcer.
- 7.15 Norman Piette Group commented on potential infrastructure concerns related to the full importation of aggregate:

“As the Norman Piette Group is possibly the largest importer of sand into the Island, we do clearly understand some of the difficulties and costs involved in importation of bulk product. One of the recent challenges we have faced is the availability in a timely manner of bulk cargo ships small enough to enter St Sampson’s Harbour and have the ability to deal with the

fact the harbour 'dries' at low tide requiring a ship of the right shape in order for it to settle on the seabed whilst being off-loaded. The ships we currently have available to us are nearing the maximum size for entry into the harbour. Our bulk cargo landings have had to increase in size by over 30% in the last ten years, this is to match the carrying capacity of the ships now available. The long-term availability of ships of an appropriate size & type is an ongoing concern."

- 7.16 The STSB considers that the issue of harbour pilots is also a concern. All ship movements in and out of St Sampson's Harbour require the attendance of a harbour pilot. Increased movements into and out of the existing harbour for increased importation of aggregate would present challenges in providing pilotage facilities. This is a future issue not specifically related to the potential importation of aggregate but would be exacerbated by increased port movements.
- 7.17 Increased importation would substantially increase the workload on the existing ports infrastructure, particularly the two cranes which are over 30 years old. The STSB advises it would have to consider two options:
- 1) Ahead of importation, commission a full conditional survey and corrective maintenance on the existing cranes, whilst increasing regular maintenance and recruiting additional personnel; or
 - 2) Replace both cranes.
- 7.18 The cost associated with Option 1 is expected to be £300,000 initial cost with an additional £120,000 per annum for the additional members of staff required. Each new crane within Option 2 is expected to cost in the region of 2M Euro (at current exchange rates this is approximately £1.7M). Although this would result in a higher initial cost, it would demonstrate better value for money over time. More detail on the two options is included in the response from STSB (Appendix A).
- 7.19 The mechanical grabs and hoppers used to unload the aggregate are the property of Guernsey Stevedores, and are also ageing and in need of refurbishment or replacement. Guernsey Stevedores could undertake replacement at its own cost but would need assurance that the increased volumes would continue to be imported via St Sampson's Harbour. However, this may not be the case depending on any future work in relation to future ports provision.
- 7.20 The increased importation associated with Option B will necessitate sizable areas close to the port to provide storage capacity for imported aggregate once it is

unloaded from a vessel. To accommodate full importation (Option B), it is estimated that storage capacity for around 28,000 tonnes would be required.

- 7.21 The storage compound at Les Monmains in Vale owned by Ronez can currently store only 9,600 tonnes of sand and aggregate, but currently also accommodates the concrete production, concrete product production and recycling area. The current stockpile capacity at Les Vardes is 25,000 tonnes.
- 7.22 Although transporting aggregate from the port to Les Vardes would create negative environmental impacts, this arrangement would utilise the quarry benches. However, as the reserves are extracted over the next 18 months, regardless of the future supply route agreed, this capacity will reduce significantly.
- 7.23 There are few areas of land with sufficient capacity to store the volumes that would be imported on a regular basis for Option B. Griffiths Yard, St Sampson may provide a suitable site in terms of location and area. Griffiths Yard accommodates open yard storage uses which were relocated from Fontaine Vinery following a States Resolution in 2017 and provides 15,139m². The site is at maximum capacity with 30 tenants and has a waiting list of 15, with demand for sites from prospective new tenants. There are also some existing tenants wishing to expand their businesses requiring larger compounds.
- 7.24 During the development of the Policy Letter titled “Land For Industrial And Storage Uses”⁵ by the Committee for Economic Development, the tenants of the Fontaine Vinery site said that there was lack of availability of suitable sites in the private market and as a result this makes those that do become available more expensive. The current maximum capacity and waiting lists for Griffiths Yard suggests that market forces are not servicing demand for these types of use and it is likely that tenants would need to be relocated to alternative sites if Griffiths Yard is used for aggregate storage. These types of uses, due to impacts associated with them, are generally difficult to accommodate and, as emerged when considering an alternative site to Fontaine Vinery in 2017, appropriate sites are scarce and likely to have their own environmental impacts. Excluding the potential costs of purchasing land, the costs associated to relocating tenants at Griffiths Yard are anticipated to be over £1M.
- 7.25 The current estimate for the completion of the void space at Longue Hougue reclamation site is between July 2023 and July 2024. This site is now required for stockpiling inert waste before a new inert waste disposal site is established, therefore making Longue Hougue unavailable for aggregate storage.

⁵ “Land for Industrial and Storage Uses”, [Billet d’État V, February 2018](#)

- 7.26 In order to maximise extraction of constrained reserves at Les Vardes, Option B would require the locating of a new asphalt plant. The design, procurement and construction process for a new asphalt plant is estimated to take at least 12 months, so there is risk that the supply of material for road building and repair could be interrupted. If Les Monmains is utilised for a new asphalt plant it will (without further investment) reduce the capacity of the site to produce concrete, concrete products and recycling.
- 7.27 Concerns regarding the number and availability of suitable vehicles on-island to transport materials from ship to storage area when required have also been raised. Unloading a ship requires a large number of tipper trucks for a short period of time, and with limited numbers available for hire on-island it can be difficult to source sufficient transport to discharge vessels.
- 7.28 Another consideration is the need for large granite boulders that are used for rock armour around Guernsey's coast for sea defences. These are typically extracted from Les Vardes, so if full importation is the favoured future supply route (Option B), arrangements would need to be made to import these if the Island's sea defences and infrastructure is to be maintained. Due to the size and weight of this rock, it is likely that it would need to be transported by a specialist vessel and would probably only be viable for one-off large-scale projects where specialist vessels could be justified.
- 7.29 If Option B is agreed as the preferred method of supply, Proposition 3 directs that the STSB and the Committee establish the infrastructure requirements associated with the importation of aggregate and return to the States with fully costed proposals for approval of funding to facilitate importation.
- 7.30 Should infrastructure limitations not allow full importation through St Sampson's Harbour, this could be supplemented with containerised importation through St Peter Port. The associated costs for this are likely to be higher than bulk importation through St Sampson's Harbour as shipping costs for general LOLO cargo passing through St Peter Port Harbour is around £55 per tonne, compared with £20 per tonne for bulk importation through St Sampson's. There are also expected to be additional haulage costs in the UK which could add a cost of £5 to £10 per tonne.
- 7.31 In the event that Option B is agreed as the future supply of aggregate, there will be a period prior to full importation when existing reserves at Les Vardes will be extracted. This will require supplementation with imported aggregate with the associated increased costs.

8 Economic Impacts

- 8.1 Ronez employ 66 staff in Guernsey and have a further 15 contractors: 13 in direct quarry operations; 17 in downstream processing (asphalt, concrete, concrete products); 15 in road surfacing; 1 in transport; 12 in maintenance (of which 6 relate to the existing quarry); 2 in technical, and 6 in administration and management. Most transport is outsourced to on-island contractors, and current operations require 6-8 tipper drivers, 8 concrete delivery drivers and 2 concrete products delivery drivers during a normal working day.
- 8.2 Continuation of the principle of on-island quarrying (Option A) is unlikely to have an impact on the current situation regarding the employment sector. Although the quarrying site would change, operations would continue in a similar way as now, with a similar amount of aggregate and related products produced on-island and services provided by the existing workforce. The level of imported sand and 'top-up' aggregate would also be similar, so any change in economic impact would be negligible. It is estimated that full importation (Option B) would result in at least 10 redundancies. However, it should be noted that if full importation is agreed, there is a possibility that new jobs at the ports would be required.
- 8.3 Should Les Vardes need to operate on a reduced output (Option B), this will have implications for operating costs. As the quarry production rate reduces, operating costs increase, because a significant proportion of costs are fixed. For example, the explosives cost is 100% variable with the production rate, but pumping costs for the quarry are 100% fixed whatever the production rate. It is estimated that a reduction in output of 25% would increase costs by £5 per tonne, and a 40% reduction in output would increase costs by £10 per tonne. This would be reflected in an increase in the price of aggregate and would be in addition to the increased cost of aggregate due to importation to supplement on-island production.
- 8.4 Full importation of aggregate will have an economic impact. With aggregate having to be quarried and processed in another jurisdiction, transported to a port and then transported from overseas to Guernsey, it is inevitable that the price of aggregate per tonne will increase.
- 8.5 Ronez estimates that partial importation would increase prices by £7.50 per tonne, or 25%; full importation would lead to an increase of £10 per tonne, or 33%. In addition, in the UK or Europe, cost of aggregate tends to be a lot more volatile than for material produced locally. Other products which rely on aggregate would also increase in price in relation to the increase in proportion of imported stone, so asphalt would increase by 4.5%, ready-mix concrete by 6% and concrete products by 9%. This will have greatest impact on the construction industry and a potentially inflationary impact on house building costs at a

challenging time of rising house prices and low housing supply. It should also be noted that the States of Guernsey is the primary consumer for the use of asphalt for road building and repair.

- 8.6 Ronez manufacture locally and sell between 20,000 and 28,000 tonnes of concrete products each year using local aggregates. This includes a range of sizes of concrete blocks and road kerbs, lintels etc. Other local companies rely on concrete supplied by Ronez in order to manufacture other products used in construction such as the beams for beam and block flooring and rings for drainage systems. Material is also produced for road building and repair. At this time, there is uncertainty whether it would be viable or practical for Ronez to continue making concrete products using more costly imported aggregate, or whether such products would also need to be imported in the future. If the latter, these products would also then be affected by off-island supply and demand and associated costs. If more costly imported aggregate is required for asphalt, the cost of road building and repair is likely to increase.
- 8.7 Quarrying on-island provides the construction industry with a consistent and reliable source of aggregate. Increased rates of importation could have ramifications for continuity and security of supply due to factors outside of the Island's control. The availability and increased cost of appropriate shipping in a competing market would have a considerable impact and increases Guernsey's vulnerability. Weather disruption, tidal restrictions or technical faults could also have an impact. Guernsey would also be competing for supply on an international level, currently in a demand driven market, where it may not be able to compete due to economies of scale. If aggregate is supplied from outside of the UK there may be additional costs associated with Brexit related tariffs.
- 8.8 If on-island quarrying were to cease (Option B) there could be negative implications for the local economy due to the loss of skills, jobs and tax revenue generated by the local quarrying industry. In 2018, the construction sector was worth c.£114m Gross Value Added to the Island's economy and as at March 2020 it was responsible for the employment of 2,787 people⁶. A rise in the cost of construction could lower the demand for construction projects, thereby damaging the prosperity of the construction industry. The Committee *for* Economic Development has endorsed the principle of on-island quarrying and development of Chouet Headland as an area of mineral extraction for these reasons.
- 8.9 Targeted consultation has been carried out with key local stakeholders in the construction industry on the impacts of the options for the future supply of aggregate. Feedback included that the projected increased cost of aggregates if importation was implemented would have an inflationary effect on quite a large

⁶ [Guernsey Facts & Figures 2020](#)

part of the construction industry. With such large increases in costs being projected, there would be no alternative other than to pass these costs through the supply chain to the end user(s).

- 8.10 Whilst aggregate is the named product, the scope of product affected by reduced local production could be far greater. Stone hardcore, concrete blocks, lintels, concrete beams, paving slabs, pre-mix concrete, aggregates and stone dust could all be affected if local quarrying were to cease.
- 8.11 There is an economic value attached to the mineral assets located on States owned land at Chouet Headland which could be realised through Option A, but not Option B. If Option B is progressed, consideration may need to be given to the removal of the safeguarding of land at Chouet Headland for mineral reserves in the IDP which could affect land values for the States in relation to mineral reserves. However, the removal of the safeguard could not take place until after the SLUP and then the IDP had been amended in accordance with the public inquiry procedure in the land planning legislation. This would mean that development could not be carried out for any other significant purpose on the States' land, which could suffer from planning blight as a result until the IDP policy is amended.

9 Social Impacts

- 9.1 During the public consultation phase of the draft Development Framework for Chouet Headland, a number of representations were received which raised concerns about loss of public amenity should the headland be developed for quarrying.
- 9.2 As provisionally designed, Phase 3 of the development would affect an area of land that is currently used as a shooting range for the Guernsey Pistol Club, and this has raised concerns from the public and the former Committee *for* Education, Sport & Culture. The club currently operates from a specially designed range and has a lease in place until 2031. Any impact on this area of the headland would not be until much later in the development (anticipated to be around 2037), which provides a significant amount of time for alternative arrangements to be made should the States decide nearer the time that Phase 3 be progressed. However, this activity is subject to strict safety criteria for the containment of ammunition and this, together with the need to avoid noise nuisance, could make identification of an alternative site difficult. This could potentially, therefore, if Phase 3 were to be progressed, have a long-term negative impact on the sport.
- 9.3 The headland also accommodates within the area designated for Phase 3 the Guernsey Model Flying Club who operate remote controlled model aircraft with a take-off and landing area. This agreement is renewed annually. In the event

that Phase 3 is progressed, the IDP would place obligations on the developer to mitigate this social amenity impact, and there would be no costs incurred by the States.

- 9.4 Because of this and other potential impacts specific to Phase 3, it is recommended in Proposition 2 that, if the States agrees that on-island quarrying is appropriate, they also agree that Phase 3 of development of Chouet Headland for quarrying will be subject to the further agreement of the States so that they can decide whether on-island quarrying remains the most appropriate method of supply of aggregate for Guernsey in light of evidence available at that time.
- 9.5 Ronez estimates that the lead in time for the development of Phase 3 would be 42 months. This accounts for the planning process (including a further EIA), site preparation and quarrying weathered rock to expose 'blue' granite. Taking into account the time required to update evidence and the lead in time for Phase 3, the Committee recommends (if Option A is progressed) that the States reviews the principle of quarrying on-island no later than five years before the completion of Phase 2.
- 9.6 Other concerns raised through the public consultation centred on the loss of general public amenity for dog-walking, exercise and family activities. Through the Development Framework and planning application process, the quarry operator can be required to protect and enhance the public coastal path retaining public access and, especially given the biodiversity value of the land bordering the path, there is every realistic expectation that this protection and enhancement would form part of the planning conditions.
- 9.7 The loss of some of the Chouet Headland to quarrying does not mean that alternative options cannot be put in place to mitigate the loss of public amenity in the area. Les Vardes has a nature walk around the perimeter of the excavation area which allows the public to view the quarry and learn its history while providing seating and picnic areas in the vicinity. There are opportunities to enhance public access and interpretation along the coastal path at Chouet Headland that could be required of the developer through the planning process.
- 9.8 Quarrying on-island (Option A) would increase the number of vehicle movements, including HGVs, in the area but it is anticipated that traffic volumes would still be significantly less than when Mont Cuet was in operation as a landfill site a few years ago. More information is included within the environmental section of this policy letter.
- 9.9 Any inflationary impact on house prices caused by increased costs associated with importation (Option B) would obviously have negative social impacts as well.

10 Environmental Impacts

- 10.1 The Island's future supply of aggregate will have significant environmental impacts, whether the States opts to continue quarrying on-island (Option A) or to move to importation (Option B). Potential environmental impacts on-island need to be assessed in relation to potential environmental impacts in other jurisdictions. There is a tension between local impacts and wider regional or global impacts: local impacts can be minimised only at the expense of increased impacts elsewhere (a displacement known as 'offshoring'); alternatively, reducing overall environmental impact tends to come at a cost of higher localised impact. Localised environmental damage and negative impacts are inevitable if quarrying continues on-island (Option A) so the Committee considers it essential that any negative impact on ecology and habitats should be mitigated and offset through environmental improvement, both at Chouet and at other locations. Whilst Option B has less localised negative environmental impacts, it does have greater environmental impacts overall, and there are none of the near-term developer-funded opportunities for positive environmental enhancements and biodiversity net gain that Option A would bring about.

Carbon Emissions & Sequestration

- 10.2 In order to better understand the environmental impacts of the options in terms of carbon emissions, air quality and climate change impact, the Committee commissioned a study by subject matter experts to provide measurable evidence of these impacts. The report, titled 'Carbon impacts of different quarrying options for Guernsey'⁷, considered among other things the following aspects:
- Energy used in on-island quarrying and transportation;
 - Energy used for transportation of imported materials;
 - Consideration of the global impacts;
 - Energy intensity of quarrying practices in Guernsey, compared to international standards and neighbouring countries that could supply imported materials; and
 - Possible impacts on carbon sequestration/release.
- 10.3 The report considered four different supply scenarios and two demand scenarios.
- 10.4 A significant factor in understanding the impact of predicted emissions is distinguishing between direct (on-island) emissions and indirect (off-Island) emissions.

"Using internationally recognised metrics, emissions can be accounted for as follows: Scope 1 – emissions from all activities that occur within Guernsey;

⁷ The full report is available as Appendix B and a summary document is available as Appendix C.

Scope 2 – indirect emissions from the generation of purchased or acquired electricity in Guernsey; and Scope 3 – all other indirect emissions. By quantifying emissions in this way, Guernsey can responsibly work towards a target for carbon neutrality in a meaningful way that has a local and global impact.”⁸

- 10.5 If only Scope 1 (direct) emissions are considered, scenarios that involve significant importation will have considerably lower emissions than those with greater on-island supply. Emissions associated with the quarrying of rock will be accounted for in the jurisdiction that the activities occur, and emissions associated with shipping are accounted for in the jurisdiction where the fuel is sold. Therefore, should the Assembly agree to total importation as the appropriate aggregate supply route rather than quarrying on-island, Guernsey’s ability to meet its agreed target of achieving net zero by 2050 as set out in the Climate Change Policy may not yet be affected, but only because of the current methods of accounting, which are expected to change in future.
- 10.6 As a mature and responsible jurisdiction, Guernsey is expected to be cognisant of global implications and take responsibility for our own emissions, rather than offshoring and passing those impacts to another jurisdiction. This is recognised in the States’ approved Climate Change Policy. Although currently only Scope 3 emissions from exported waste and travel are calculated towards our targets, our Climate Change Policy recognises the need to consider the wider global context and intends that “further work with the aim of incorporating further Scope 3 emissions [be undertaken] once there is a suitable method for measuring these emissions for the Island.” In view of the requirement of the Climate Change Policy, it is considered appropriate to consider the Scope 3 indirect emissions associated with importation of aggregate when assessing such a long-term strategic infrastructure proposal.
- 10.7 There are also community initiatives to be considered. In 2019, the ‘Keep Guernsey Green Award’ was incorporated into ESI Monitor’s ‘Environmental Operations Award’. ESI Monitor (“ESI”) is a not-for-profit organisation which is passionate about the environment and wants to develop Guernsey as a centre for green finance and a recognised leader in sustainable business. An MOU between the Committee and ESI was signed to ensure that the award aligns with government priorities. Enrolled organisations can demonstrate to clients and the public that they are committed to sustainability as well as environmental, social and governance issues through the alignment with UN Sustainable Development Goals. There are currently 50 local organisations enrolled (correct at the time of writing).

⁸ “Mitigate Climate Change – States of Guernsey Climate Change Policy & Action Plan”, Billet d’État XVI, August 2020

- 10.8 The Guernsey Financial Services Commission's ("GFSC") Guernsey Green Fund provides a platform upon which investments into various green initiatives can be made. The scheme has strict eligibility criteria of green investing and has the objective of a net positive outcome on the planet's environment. Guernsey Green Finance is an initiative through which Guernsey Finance delivers on the strategic commitment to sustainable finance.
- 10.9 Consideration of the carbon emissions associated with our aggregate supply through the narrow lens of direct emissions only and failure to consider the wider implications and impacts of indirect emissions in the global context could negatively impact on these initiatives and potentially cause reputational damage.
- 10.10 One of the significant conclusions of the report is that the full development of Chouet Headland (all three phases) results in the lowest carbon impact for both high and low demand scenarios. Because there are additional carbon emissions associated with importation (mostly from shipping), the embodied carbon emissions for Option B (no development of Chouet/full importation) are around twice as high as embodied carbon emissions associated for Option A (on-island quarrying/full development of Chouet Headland).
- 10.11 The 'cradle-to-gate'⁹ carbon intensity of Guernsey's on-island quarrying is comparatively low when benchmarked against similar operations in other jurisdictions: it tends to be close in value to the average carbon intensity of aggregate quarried from land (c.4.4kg CO₂e per tonne). The report considered 134 individual supplies of aggregate quarried from land to form an average, and the Guernsey embodied carbon factor sits somewhere between the 50th and 75th percentile in value, suggesting that it is fairly typical of an aggregate source of its type in terms of carbon intensity.
- 10.12 It is important to note that the carbon intensity of quarrying aggregate from land is lower than 'marine-won' and recycled aggregate. This sets a high bar for the carbon intensity of any imported supply of aggregate to be lower than Guernsey's own supply, when solely considering 'cradle-to-gate' emissions. In other words, the carbon intensity of Guernsey's own supply of aggregate is low, largely due to the type of extraction and processing that quarrying from land requires. The use of electricity in processing also contributes to its low value relative to aggregate from other sources. If aggregate is quarried in another jurisdiction and imported as would be the case for Option B, Guernsey would

⁹ A boundary condition associated with embodied carbon, carbon footprint and LCA (Life Cycle Assessment) studies. It considers all activities starting with the extraction of materials from the earth (the cradle), their transportation, refining, processing and fabrication activities until the material or product is ready to leave the factory gate (<https://www.designingbuildings.co.uk/wiki/Cradle-to-gate>)

have no control over the methods of extraction and processing and the wider carbon impacts as a result.

- 10.13 In terms of carbon sequestration/release from the development of Chouet Headland, in 2018, only 4.3% of Guernsey's total greenhouse gas emissions originated in the AFOLU sector (Agriculture, Forestry and Other Land Use), which corresponds to 17.3kt CO₂e. With most emissions in this category originating from livestock and agricultural processes, only a small proportion of emissions are likely to be sensitive to changes in land use. Any removal of vegetation for quarrying purposes at Chouet Headland will result in a net removal of sequestered carbon, but given the size of the area affected and the low carbon sequestration value of this land currently, this impact will be fairly minimal and can be mitigated or offset. Accounting for these considerations, it seems likely that the impact on carbon sequestration/release from the development of a new quarrying site on-island would not be significant.
- 10.14 Most of the significant carbon impacts associated with Option B are related to emissions and transportation impacts as a result of importation and haul to site from port. There will also be other unknown carbon and wider environmental impacts around the quarrying activity in whatever jurisdiction supplies the off-island aggregate. Whichever option is agreed, there will be inevitable carbon impacts associated with Guernsey's aggregate supply, be that on-island or in other jurisdictions.

Other Environmental Impacts

- 10.15 As well as the carbon impacts described above, excavating stone from land has other potential environmental impacts including impacts on ecology and habitats and air quality and from noise and vibration. The most significant localised environmental impacts will therefore result from Option A (on-island quarrying).
- 10.16 This policy letter considers environmental impacts at a strategic level: specific impacts will be considered in closer detail through an Environmental Impact Assessment at the detailed planning application stage, along with specific mitigation requirements and will be subject to any necessary statutory permissions, licences or other consents. A planning application will also require a Traffic Impact Assessment and Construction Environmental Management Plan. Planning conditions can require mitigation and suitable monitoring regimes.
- 10.17 Larger jurisdictions, including the UK, Australia and Canada, require high level Strategic Environmental Assessments ("SEA") when a new policy or plan or major infrastructure is being developed. The UK's SEA requirements are based on the European Commission's Protocol on Strategic Environmental Assessment to the

Convention on Environmental Impact Assessment in Transboundary Context (SEA Protocol, Kyiv 2003).

10.18 Environmental aspects included are:

- Biodiversity;
- Population;
- Human health;
- Fauna;
- Flora;
- Soil;
- Water;
- Air;
- Climatic factors;
- Material assets;
- Cultural heritage, including architectural and archaeological;
- Landscape; and
- The inter-relationship between the issues mentioned above.

10.19 SEAs consider many of the same factors as more detailed Environmental Impact Assessments but, importantly, this is much wider and at a much higher level to inform large-scale strategic decisions and would not be expected to include specific detail that would be considered at the EIA stage.

10.20 Wider SEAs like those carried out in other jurisdictions are not required under Guernsey planning laws. However, the IDP policy relating to Safeguarded Areas, including the designation of Chouet Headland as a site for possible mineral extraction, underwent full Environmental Impact Assessment and the corresponding Environmental Statement was considered by the States, as required by the Planning Law, when they adopted the IDP in 2016, so the strategic decision was informed by relevant environmental information.

10.21 The Land Planning and Development (Environmental Impact Assessment) Ordinance, 2007 requires a full EIA at the planning application stage when detailed information and studies will be needed to determine impacts and the ways in which to mitigate those impacts. Full detailed analysis of the impacts and the mitigation required is therefore undertaken in Planning Law through the planning application process.

10.22 However, to make an informed decision, the Assembly will require certain information and evidence, at an appropriately high level, in the form of an environmental assessment. This helps to identify and understand potential impacts of this kind of strategic development on the localised environment around the site and the environment of Guernsey as a whole.

- 10.23 The purpose of an environmental assessment is to identify the primary potential effects of the development and to highlight potential mitigations. It does not preempt the EIA which attributes the significance of those effects and considers them at a more detailed level. The Land Planning and Development (Environmental Impact Assessment) Ordinance, 2007 sets out when an EIA is required and the process to be followed. If Option A is agreed, a draft scope of the EIA will be appended to the draft Development Framework.
- 10.24 The DPA's draft Development Framework attracted a number of representations during its public consultation process, and the majority of these centred on the potentially negative localised environmental impacts that quarrying an area of Chouet Headland might have. As owners of a third of the Chouet Headland, safeguarded by the IDP for possible mineral extraction, and operators of the current quarry at Les Vardes, Ronez commissioned subject matter experts to carry out an environmental assessment of developing a quarry at Chouet Headland¹⁰. While this environmental assessment will be developed further with more detail to form the EIA to be submitted with a planning application, it provides a summary of findings and covers many of the aspects considered in other jurisdictions under SEAs. The ecological section was peer reviewed locally (at the instigation of the Committee), which confirmed that the methodology is appropriate, taking account of EIA requirements and the nature and scale of the potential development, the nature of the receiving environment, best practice for EIAs and consultation commitment.
- 10.25 The conclusions of the assessment are based on a number of baseline studies which have been conducted through survey, fieldwork and desktop-based studies since 2017 into:
- Air quality;
 - Archaeology and cultural heritage;
 - Ecology (this section has subsequently been updated and is available as appendix E);
 - Landscape and visual impact;
 - Noise;
 - Transportation;
 - Vibration; and
 - Water environment.
- 10.26 It should be noted that the environmental assessment only covers Phases 1 and 2 of quarrying at Chouet Headland. This policy letter recommends a review between Phases 2 and 3 to allow for up-to-date evidence to be considered in determining if quarrying on-island is still the appropriate supply route for aggregate in the future. A further EIA should be conducted at that time, as the

¹⁰ The full environmental assessment is available as Appendix D

receiving environment may have changed significantly over the time period.

- 10.27 In some sections of the environmental assessment the data has been identified on a national or international basis, rather than local, specifically within the ecology section. It is important that the EIA takes a detailed approach based on the local importance and significance of habitats and species, especially regarding Sites of Special Significance (“SSS”) and Areas of Biodiversity Importance (“ABI”). To ensure this, the information provided for the EIA could be reviewed by a local ecologist as part of the EIA process. Notwithstanding the above, it is considered that sufficient information is available in order to support the high-level assessment of the likely environmental impacts as required for this stage of the process.
- 10.28 The proportionality of available records locally and within the Guernsey Biological Records Centre should be acknowledged. The records may not be representative of the actual distribution and abundance of species within Guernsey due to the absence of available data. A summary of the key findings of the environmental assessment is below.

Air Quality, Noise and Vibration

- 10.29 Particulate matter (“PM”) is a common proxy indicator for air pollution and affects more people than any other pollutant. The major components are sulphate, nitrates, ammonia, sodium chloride, black carbon, mineral dust and water. Nitric Oxide (“NO_x”) is a chemical compound of oxygen and nitrogen that is formed by reacting with each other during combustion at high temperatures.
- 10.30 The environmental assessment concludes that, using available data relating to Les Vardes, there have been few occasions where air quality falls outside of the UK’s national standards as a result of the quarrying operation. However, this data arises from monitoring NO₂ (nitrogen dioxide) and SO₂ (sulphur dioxide) through diffusion tubes, not PM¹⁰ and NO_x as alluded to. Diffusion tubes provide a monthly mean figure which is not directly comparable to the standard. Therefore, through the Environmental Impact Assessment, it is important to assess this in detail. The Committee recommends that the DPA works closely with the Office of Environmental Health & Pollution Regulation in order to ensure that accurate and localised information is obtained. In addition, quarry operations require a licence as it is a prescribed operation within the Environmental Pollution (Air Pollution) Ordinance, 2019.
- 10.31 The quarry operator has advised that additional monitoring along the route which would be used to haul rock between Chouet and Les Vardes as part of the transition and static dust monitoring would be undertaken, and the data updated accordingly for the EIA, which would be submitted at the planning application stage.

- 10.32 An assessment of predicted blast-induced vibration levels has been made to vibration-sensitive receptors near Les Vardes, which is considered representative for Chouet headland. This has shown that acceptable standards can be achieved. The specific effects of blasting-related vibration on the integrity of the Mont Cuet landfill site and engineered cells should also be addressed in detail within the full EIA.
- 10.33 However, it should be recognised that, although using Les Vardes as a proxy may be acceptable in the absence of data, there will be differences between the existing quarry and the proposed site at Chouet Headland because of the depth of the existing quarry compared to the surface level work that will be required initially at Chouet Headland. There are also differing factors such as wind, due to Chouet's exposed headland location, and that nearby receptors to the existing quarry operation may be acclimatised to a certain extent to quarrying and its effects. A full and detailed assessment would form part of the detailed EIA at the planning application stage.

Noise

- 10.34 Noise surveys have been undertaken to determine the existing environment at the nearby noise-sensitive receptors:
- Location 1 – Adjacent to Roc Salt restaurant on Mont Cuet Road, approximately 150m to the south-east of the quarry workings;
 - Location 2 – Property off Mont Cuet Road, approximately 290m to the south-east of the quarry workings; and
 - Location 3 – Adjacent to L'Ancrese Golf Club on La Jaonneuse Road, approximately 590m to the east of the quarry workings.
- 10.35 The soundscape has been considered as distant road traffic and natural sounds such as birdsong.
- 10.36 At a strategic level, the conclusion is that there is no indication that there are any air quality issues, noise or vibration effects which are of such significance that they cannot be acceptably mitigated and/or controlled through legislation and which would prevent quarrying at Chouet Headland, and there are no significant dust impacts on ecological receptors.
- 10.37 The current quarry operators are accustomed to implementing mitigations on air quality, noise and vibration as they operate quarries in Jersey as well as Les Vardes.

Archaeology and Cultural Heritage

- 10.38 There are 32 sites of archaeological and cultural heritage importance within the headland (although not all of these are within the site of the proposed quarry), including the Pre-Martello loophole Tower No. 10 and its associated battery buildings and a magazine and World War II structures and features. Of these 32, eight sites stand within the potential quarry development area.
- 10.39 There are also six protected monuments on L'Ancrese Common. No protected buildings or monuments will be demolished as a result of the quarry development.
- 10.40 The Pre-Martello loophole Tower No.10 and its associated battery buildings are marked on the Duke of Richmond survey map of 1787. These would be afforded a high degree of protection from both direct and indirect impacts of the site due to their location.
- 10.41 There would need to be a range of mitigation measures in place for sites both within the boundary and on the headland should quarrying on-island be the option that is progressed. As part of the EIA process, the Committee recommends that the archaeology and cultural heritage section of the EIA is peer reviewed by local experts.

Ecology

- 10.42 The Ecology section (the updated version of which is attached as Appendix E) includes a baseline study of habitats using the States' 1999 and 2010 habitat reports as well as a commissioned survey from 2018. A further habitat site survey was undertaken in 2020 to ensure the information was still valid. In summary, the habitats mapped in 2017 remain largely unchanged. There has been a negligible loss of semi-improved grassland and a lack of management has resulted in a downturn in overall conditions across the site.
- 10.43 The main habitats listed within the headland are:
- Scrub/tall ruderal, which includes a number of non-native shrubs/trees;
 - Semi-improved grassland, found to be species-poor;
 - Coniferous woodland (Monterey Pine);
 - Standing water/inland cliffs; and
 - Maritime grassland, where regular mowing has reduced the species complement.
 -
- 10.44 The most naturalistic and species-rich examples were found near the public path around the headland, which is not in the area that would be quarried.

10.45 Flora and fauna found within the headland include:

- Terrestrial mammals;
- Invertebrates;
- Reptiles and amphibians;
- Birds; and
- Plant species.
-

10.46 A peer review of the ecological section has been undertaken which has confirmed that the methodology was appropriate and takes account of EIA requirements and the nature and scale of the potential development, the nature of the receiving environment, best practice for EIA and consultation commitment.

10.47 The site is adjacent to the Foreshore Area of Biodiversity Importance, which extends to almost all of Guernsey's inter-tidal area, and further afield there is the L'Ancrese Site of Special Significance. Chouet Headland would have to be developed in a way to ensure no unacceptable impacts on the special interests of these areas. However, although the site itself has some biodiversity and ecological value, and the loss of any habitat is regrettable, the biodiversity and ecological value of that at Chouet Headland has been found to be relatively low and does not warrant statutory or non-statutory protection, such as a Site of Special Significance and Area of Biodiversity Importance.

Landscape and Visual Impact

10.48 The headland is generally rural in appearance and located away from built up areas.

10.49 Visual receptors include:

- Inhabitants of properties at Rousse;
- Visitors to the Peninsular Hotel;
- Inhabitants of properties on the southern side of Ladies' Bay;
- A small number of properties at Mont Cuet;
- Users of the public highway and car parks; and
- Users of the cycle and walking route.

10.50 The EIA will require a full landscape and visual impact assessment, expanding on the detail provided below, but in summary the high-level environmental assessment concluded that no significant effects to the landscape are identified, other than on the headland itself. The main source of significant visual effect would be the disturbance generated by the stripping of soils and overburden at the quarrying preparation stage. Impacts from this stage can be minimised by the re-use of a significant amount of overburden material to provide screening bunds for the site and to finish the adjacent Mont Cuet landfill site which will

remove the need for transportation of excess overburden by road to Les Vardes for disposal and transportation of inert material from Longue Hougue to restore the Mont Cuet site.

- 10.51 Guernsey Waste anticipates that 75,000 tonnes of inert material will be needed to complete the final profile of Mont Cuet. This will extend the plateau to provide space for all green waste composting activities at Mont Cuet, instead of transferring it to Longue Hougue for maturation as currently takes place. Should the development of Chouet Headland for quarrying not go ahead (as per Option B), inert waste from Longue Hougue will need to be transferred to Mont Cuet in large tipper trucks which are expected to have a 10 tonne capacity. This would equate to approximately 7,500 lorry movements from Longue Hougue to Mont Cuet. The use of the overburden for restoration of Mont Cuet is being considered along with shared facilities for a weighbridge and welfare facilities at the entrance compound should the quarrying of Chouet Headland be approved. Therefore, these would be positive environmental impacts of Option A (on-island quarrying).
- 10.52 Phase 2 of the proposed development at Chouet headland would include the Torrey Canyon Quarry which has been used to store crude oil removed from Guernsey's beaches in 1967. Although there has been some remediation, contamination remains a risk. It is also likely that munitions have been disposed of in the quarry in the past, raising the possibility of unexploded ordnance, although confirmation of this is not possible. The clearing of Torrey Canyon quarry would be a significant positive environmental impact of Option A and, should it need to be funded by the States, could be funded by the royalties associated with the value of aggregate on States-owned land at Chouet Headland. This would not then require capital expenditure should the States pay for the work to be undertaken. The cost is anticipated to be around £1.5m but is dependent on what is found in the quarry on further investigation and the options for removal within environmental legislation. The positive environmental implications of clearing Torrey Canyon would obviously not be realised if the Assembly agreed to Option B (full importation).

Transportation

- 10.53 An initial environmental assessment of the impacts on the local transportation network as a result of developing a quarry on the headland has been undertaken. Traffic movements have been considered for the maximum export from the site within the operational period. The assessment has determined that the volume and composition of the resulting traffic would have no significant impact on the operation and safety of the local road network, and the amenity of local residents. The EIA will include a full Traffic Impact Assessment

- 10.54 Further information and clarification have since been provided by the quarry operator and is available below.
- 10.55 A 10-hour working day was used within the environmental appraisal to be consistent with the working hours stipulated in planning conditions applied to the permission for the quarry extension at Les Vardes. Should quarry production increase to 125,000 tonnes then it is likely that additional hours would need to be worked. However, production has not exceeded 110,000 tonnes in the last 6 years, and haulage contractors currently work an 8-hour day.
- 10.56 Ten tonne trucks are currently used by the contractor as they are more manoeuvrable and can be used for a variety of tasks, including island-wide deliveries. However, the quarry operator has said that hauling part-processed aggregate from Chouet to Les Vardes during the transition phase will require dedicated trucks with specialist rock bodies, so it is likely that it would specifically require 3 axle, 14 tonne payload trucks. Ten tonne trucks might be used to cover breakdowns.
- 10.57 The table below sets out how many truck movements (return journeys) would be anticipated per hour across all options for HGV capacity and working hours:

Table 1 – Anticipated HGV Movements

Annual Tonnes	Truck Capacity (t)	Working Hours	Vehicles per hour
125,000	14	10	3.5
125,000	14	8	4.4
125,000	10	10	4.9
125,000	10	8	6.1
110,000	14	10	3.1
110,000	14	8	3.8
110,000	10	10	4.3
110,000	10	8	5.4

- 10.58 It is relevant to note that there was previously a significant number of vehicle movements in the vicinity of Chouet Headland as both commercial and domestic vehicles visited the Mont Cuët landfill site before the site stopped accepting general waste. Other than green waste for composting, the site is now restricted to hazardous wastes and waste unsuitable for energy recovery.
- 10.59 In 2017, which was the last full year when waste was accepted at the landfill site at Mont Cuët, there were approximately 125 commercial movements over the weighbridge per day and roughly half of these were HGVs. This equates to

around 16 per hour. Waste inputs in 2017 had also fallen significantly compared to historical movements, due to the introduction of recycling initiatives and charging policies and were less than half of those received in the early years of the site, which opened in 1998. Traffic volumes would therefore rise under Option A, but not to anything like levels typical of the last two decades in the area.

- 10.60 Under Option B, containerised importation would significantly increase the number of HGV movements travelling through the St Peter Port Main Centre to St Sampson and beyond, with the associated negative localised environmental (and social) impacts.

Water

- 10.61 The Water Environment baseline section of the environmental assessment covers: geological setting; potential contamination; hydrogeological setting; and hydrological setting. No significant effects are expected on the regional groundwater flow regime given the following factors:

- The permeability of the bedrock is measured as being very low at depth;
- No groundwater inflows have been observed from the quarry faces;
- There are no visible surface water streams present;
- The proposed site is not located in a groundwater catchment area; and
- The area is not deemed to be at risk from flooding.

- 10.62 The potential effects on groundwater and surface water quality are included within section 9.2.2 of the environmental assessment and precautionary measures are recommended. There may be regulation of any discharges of water involved in the quarrying process if the proposed Water Pollution Ordinance is approved in the next year.

Biodiversity Net Gain Pilot

- 10.63 Notwithstanding the conclusions of the environmental assessment, particularly regarding ecology, it is recognised that the development of a new quarry at Chouet Headland would have unavoidable localised ecological and environmental impacts which the Committee is keen to emphasise will need to be appropriately mitigated.
- 10.64 Maintaining a healthy natural environment with adequate habitat connectivity and species resilience is vital in underpinning the economy and serves as an enabler to strategic actions within the Government Work Plan and other States policies and objectives.

- 10.65 The IDP policies provide protections for ecologically valuable sites through designation of Sites of Special Significance and Areas of Biodiversity Importance. However, there is little requirement to mitigate the impacts of development on 'lower value' habitats, the cumulative impact of which is significant. The 2018/19 Habitat survey of Guernsey identified a significant loss of biodiversity, including 'lower value' habitat, due to development and land management practices. These findings emphasise that cumulatively, even seemingly insignificant losses of habitat at a development scale can add up to significant rates of biodiversity loss overall.
- 10.66 Biodiversity Net Gain is a work stream in the GWP and needs to be developed for the Guernsey context. The UK legally mandated BNG in October 2019. As an interim measure, the DPA has adopted the 2020 'Strategy for Nature' as supplementary planning guidance, which includes provisions for the delivery of voluntary BNG.
- 10.67 The primary aim of BNG is to secure a measurable improvement in the value of our natural assets and to help maintain the Island's ecological network, while also streamlining development processes.
- 10.68 In addition to delivering a net gain in biodiversity, supporting good practice principles such as BNG can demonstrate the leadership by the States in sustainable management practices, for example by:
- Demonstrating that the States is committed to investing in integrated benefits for our local environment, community and the economy through BNG, especially in terms of strategic developments proposed in the Government Work Plan;
 - Gaining trust and confidence from stakeholders through the transparent reporting of biodiversity losses and net gains;
 - Demonstrating through BNG efforts that Guernsey is supporting the delivery of the UN Sustainable Development Goals¹¹, specifically 'Climate Action' and 'Life on Land'; and
 - Giving opportunities to share lessons learned to support wider uptake of BNG in neighbouring jurisdictions.
- 10.69 Although BNG has yet to be developed for Guernsey, there is an opportunity, particularly given the long-term nature and scale of the potential strategic development at Chouet Headland and its impacts, to require overall biodiversity net gain on completion of the development in mitigation. If quarrying at Chouet Headland is considered the best route for the future supply of the Island's aggregate, the development would provide a good opportunity to pilot a BNG project for the site. Ronez has agreed to be the pilot scheme. In addition, Ronez has agreed to offset local negative environmental impacts in the short term,

¹¹ <https://sdgs.un.org/goals>

which will continue to be developed further at the planning application stage.

10.70 In May 2020, the Committee endorsed the redesigned biodiversity strategy for Guernsey, titled the 2020 Strategy for Nature, to drive the long-term management of nature in Guernsey.

10.71 The vision of the Strategy is “Guernsey’s nature; great today, better tomorrow” and the three goals are:

- **Goal A:** Connect our Island community with nature;
- **Goal B:** Care for nature to ensure the diversity and resilience of our natural capital and assets; and
- **Goal C:** Foster and share knowledge about nature.

10.72 There are 9 objectives in total¹², but the three within Goal B are most relevant to the Island’s future aggregate supply:

- **Objective 4:** Ensure an integrated, broad-scale approach to the conservation and management of our nature;
- **Objective 5:** Maximise the diversity of species and ecosystems; and
- **Objective 6:** Reduce pressures on nature and ensure the resilience of our natural capital assets.

10.73 By taking the opportunity to make Chouet Headland a pilot and case study for BNG, there would be a clear alignment with the States’ Strategy for Nature.

¹² <https://gov.gg/strategyfornature>

11 Conclusions

- 11.1 In view of the limited workable reserves remaining at Les Vardes and the lead in times associated with ensuring adequate infrastructure at the ports there is now urgency in establishing the principle for future aggregate supply. The decision will have significant impacts on economic as well as environmental factors. Determining the most appropriate future supply route for aggregate for Guernsey entails a difficult balancing of issues between economic, environmental and social impacts, in both the local and wider global context.
- 11.2 Notwithstanding potential for environmental enhancements and improvements, localised environmental damage is inevitable if such large-scale infrastructure is provided on-island and this should be mitigated to have the least possible adverse impacts using BNG and offsetting. Whichever option is agreed, there will inevitably be environmental impacts associated with Guernsey's aggregate supply, on-island and/or in other jurisdictions, but there is also potential for positive local environmental improvements and benefits.
- 11.3 Option B would have no localised environmental impacts on Chouet Headland, but there would be wider environmental impacts both locally and globally, associated with importation, transportation and indirect carbon impacts. This option has the highest total carbon emissions. Taking into account the current uncertainty about whether or when a new harbour might be completed, which would provide the infrastructure for the bulk importation of aggregate at the scale required, the limitations of existing ports infrastructure, and the likely negative economic impacts of full importation, the Committee, by a majority, considers that Option B (full importation of aggregate) is not an appropriate future supply option at this time.
- 11.4 Option A (the continuation of on-island quarrying) is the most closely aligned of the two options to the States' Climate Change Policy and the Energy Policy as it delivers the lowest overall carbon emissions when including both direct (Scope 1) and indirect (Scope 3) emissions. The development of Biodiversity Net Gain through Option A, and the positive environmental improvements that would result, align this option with the objectives of the Strategy for Nature.
- 11.5 Although Option A has the greatest localised environmental impact, proportionate consideration of the impacts generally against the infrastructure requirements, continuity and security of supply issues and the significant potential negative economic impacts of importation has led the Committee, by majority, to the conclusion that Option A is the best option to balance the environmental, economic and social objectives of the States. With proactive environmental protection, restoration and offsetting, the Committee, by a majority, considers the most appropriate and least damaging approach for future

aggregate supply overall would be to allow on-island extraction at Chouet Headland.

- 11.6 The Committee recognises that if Option A is approved, the effects of this large-scale infrastructure development will vary over its operational life, and that baseline evidence and the nature of impacts and effects have the potential to change significantly over that timeframe. Not least of these are potential changes to carbon impacts because of developments in shipping and vehicle technology, and the transition away from hydrocarbon fuels. Given that impacts on social amenity would be particularly focussed in Phase 3, and that there may be changes to demand and the amount of aggregate required due to innovations in building and construction techniques over time, the Committee recommends that the States has the opportunity to review up-to-date evidence before agreeing to the commencement of Phase 3 extraction at Chouet Headland. This would enable the States nearer the time to determine whether the evidence continues to support on-island quarrying as the most appropriate aggregate supply option. This should be completed no later than five years before the completion of Phase 2. The quarry operator has confirmed that quarrying the headland would remain a viable proposition in the event that Phase 3 is not commenced.

12 Compliance with Rule 4

- 12.1 Rule 4 of the Rules of Procedure of the States of Deliberation and their Committees sets out the information which must be included in, or appended to, motions laid before the States.
- 12.2 In accordance with Rule 4(1), the Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications. She has advised that there is no reason in law why the Propositions should not to be put into effect.
- 12.3 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 within this policy letter have the majority support of the Committee. Deputy Haskins does not support Proposition 1a; Deputy Haskins supports Proposition 1b.
- 12.4 In accordance with Rule 4(5), the Propositions relate to the duties of the Committee *for the* Environment & Infrastructure: infrastructure, including but not limited to water, wastewater, the ports and the airports; waste, water and stone reserves.
- 12.5 The Propositions also relate in particular to the following Government Work Plan outcomes:
- Resilient and sustainable infrastructure and connectivity;

- Enable opportunities for regeneration;
- Secure transport connectivity and infrastructure;
- Invest in the visitor economy; and
- Meet Guernsey's housing need.

12.6 Also, in accordance with Rule 4(5), the Committee consulted:

- The States' Trading Supervisory Board;
- The Committee *for* Economic Development; and
- The Development & Planning Authority.

Yours faithfully

Committee *for the* Environment & Infrastructure

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22 April 2021

Dear Deputy de Sausmarez

Future Supply of Aggregate – Potential Importation Requirements

Thank you for your letter dated 24th March 2021, which provides useful insight into the potential volumes of aggregate which might be required to be imported, depending on the decisions reached regarding extraction within the Island.

There are a number of questions which the Committee has posed, and which will be answered in turn.

What will be the impact of such an increase in importation levels upon existing and potential future ports infrastructure and capacity, including operational limitations such as bulk storage areas and the availability of suitable ships and pilots?

The current infrastructure at St Sampson's harbour is capable of receiving 120,000 tonnes of aggregate per year. The largest vessels which currently service the island can carry up to 2,200 tons of aggregate per voyage and at least 1,700 tonnes of this could be unloaded daily, using the existing cranes and associated equipment. Given their loaded draft, the vessels require a minimum height of tide of 7.6 metres above chart datum. In 2021, for example, this occurred on 243 days of the year. If we allow 2 days per cargo, this means that the notional maximum quantity of aggregate which could be imported per year is over 200,000 tonnes. This takes no account of weather, which might impact deliveries, but it is assessed that the total of 120,000 tonnes discharge would easily be achievable.

In respect of future planning, and the Future Harbour Development Programme, this is a factor which has been considered. Any new harbour construction or reorganization will provide space and facilities for such volumes of aggregate import. Since this work will also inform the work of the Seafront Regeneration Sub-Committee it is reasonable to assume that it will be reviewed in the future planning for the eastern seaboard.

An area would need to be provided for bulk storage of such materials. While there is no space within the harbour confines at St Sampson, it is noted that Griffiths yard, which could provide a suitable venue, remains under States' ownership, and is conveniently adjacent to the harbour.

Regarding the availability of suitable vessels: discussions with local shipping agents confirms that vessels of a suitable size which can safely dry on their moorings are becoming harder to find. That said, it is likely that availability will remain adequate for the period until the Future Harbour Development Project is likely to begin deliver its outcomes, i.e. for approximately the next 10 years. It is possible to import aggregates via unitized or bulk methods into St Peter Port, but both options will present logistical challenges in terms of moving the goods to storage and/or managing the increased volume of ISO containers (up to 150 in circulation or storage at any one time).

The issue of general pilots is of wider concern. All ship movements in and out of St Sampson's harbour require the attendance of a harbour pilot. The pilots are self-employed and rely on a regular demand for their services to generate income. Two of the 4 current pilots are nearing retirement age, and the reduction in demand for pilotage duties due to the pandemic has cast doubt on the long-term viability of the pilotage service in its current form. Recruiting pilots locally is challenging, since they need a significant level of experience and ability in ship handling. At the same time, it is difficult to recruit from off-island, due to the lack of guaranteed income, relocation costs, and inability to provide a suitable relocation package. Guernsey Ports is exploring the viability of recruiting a harbour pilot as a States employee, working under the Harbourmaster and alongside the existing pilots. This may be a precursor to subsuming the pilotage service in-house. It is thought that this process would be close to cost neutral.

What new infrastructure or resources would be required to support this level of importation?

Sustained full importation of aggregates would substantially increase the workload on the existing two St Sampson's cranes. The current cranes are over 30 years old and, while mechanically sound, they are showing their age and there are 2 options to consider:

- At the very least, it would be prudent to commission a full conditional survey and corrective maintenance before importation of such an increased volume commenced. It would also be necessary to increase the amount of regular maintenance, which in turn would require the recruitment and training of 2 additional personnel. It is also likely that Guernsey Ports would need to recruit an additional crane driver to cope with the additional workload. This cost would be partially offset by craneage dues, but it takes 2 years to train a driver for these particular cranes, so there is significant lead time and associated cost. The process of recruiting these 3 staff would need to commence immediately. This option carries the significant risk that one or both cranes could fail, leading to additional cost, delays in supply, and potential claims from shipping companies and/or importers.

- The safer and preferred option would be to replace both cranes. This would negate the need for additional maintenance and associated staff uplift, and significantly reduce the training time for the additional crane driver.

The mechanical grabs and hoppers used to unload the aggregate are the property of Guernsey Stevedores. These too are ageing and in need of refurbishment or replacement. It is likely that Guernsey Stevedores would undertake this replacement at its own cost, given the assurance that these increased volumes would continue to be imported via St Sampson's harbour.

What additional associated costs are attached to the above?

Option	Description	Cost	Time required	Manpower Implications	Risks/Cons
1	Deep survey and remedial maintenance of existing cranes	£150k each	8 weeks estimate	Additional 2 FTE maintenance staff £40k each plus overtime and hazard pay as required per annum. Additional 1 FTE crane driver £35k estimate per annum plus up to 30% additional overtime.	Likely retirement of specialist maintenance staff. Difficulty in obtaining manufacturer support and/or spares.
2	Replace existing cranes with similar	1.9M Euro each	12 months lead time for Liebherr crane, 4 rope LHM120	Additional 2 FTE maintainers £40k each plus overtime and hazard pay as required Per annum Additional 1 FTE crane driver £35k estimate per annum plus up to 30% additional overtime.	May also need to procure a grab, but likely that Guernsey Stevedores will invest, given an 8-year commitment to import

What other operational constraints might occur with increased aggregate importation?

Conversations with the main importers of bulk aggregate reveal that they are concerned about the number and availability of heavy trucks to transport their materials, particularly given the lack of onsite storage at St Sampsons, which demands an immediate fleet to ensure efficient discharge of any vessel. This same constraint would apply for any potential

plans to import aggregate via St Peter Port. It is believed that the market will find its own solution to this issue, without direct cost to the States.

I trust this response assists your Committee's deliberations and ongoing discussions.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. Roffey', with a stylized flourish at the end.

Deputy P Roffey

President

States' Trading Supervisory Board

CC: Managing Director, Guernsey Ports


Carbon impacts of different quarrying options for Guernsey

Report to the States of Guernsey

August 2020



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1 Introduction

The States of Guernsey is currently considering options relating to on-island quarrying for aggregates. Currently, there is one quarry in Guernsey, Les Vardes, which produces approximately 100,000 to 165,000 tonnes of aggregate per year and is the primary source of aggregates for the island. Other quarried materials including sand and aggregate, are imported from the UK and mainland Europe. However, Les Vardes is moving towards being expended. With the recognition that Guernsey will not move away from concrete products in the immediate future, the States of Guernsey have a need to gather evidence and knowledge on the options for quarrying and supply of aggregates. This report will consider the carbon impacts of different options. It sits within a wider programme of work to assess quarrying options including economic and other environmental impacts.

1.1 Background

Les Vardes quarry currently meets the on-island demand for base aggregate, producing a 10-year average of 125,000 tonnes per year. The quarry operator is Ronez Ltd. The quarry works granite to produce aggregate that is supplied to the local construction market as 'dry stones' or used in the manufacture of concrete or asphalt. Rock is extracted using drill and blast techniques with the extracted rock transported using dump trucks to a processing plant located within the quarry site.

Once Les Vardes has been expended, the only remaining accessible area of quality stone on the island is at Chouet Headland. The Chouet Headland site is within the Vale Parish, at the north-western top of Guernsey. The site is bordered by Mont Chouet landfill to the east and by the sea to the north, west and south. The site contains a mix of uses including residential, leisure and recreation, open land, public amenity land, car parking, heritage and refuse and recycling facilities.

Ronez Ltd intends to continue with the current extraction rate at Les Vardes until reserves are exhausted. It is estimated that current workable reserves at Les Vardes will be exhausted in approximately 6 to 7 years. After this, demand for aggregates will need to be met either by moving to the Chouet Headland or by increasing importation (historically more expensive). Preliminary analysis suggests that 3.5 to 4.1 million tonnes of granite could be extracted from Chouet Headland (based on a phased transition). Using historical demand for aggregate, this equates to approximately 33 years of supply.

The Chouet Headland area is safeguarded for mineral extraction. In April 2019, a draft Chouet Headland Development Framework Supplementary Planning Guidance was shared for public consultation. With a large proportion of the 100+ responses objecting to quarrying of the headland, the Development Framework was put on hold. The States of Guernsey are subsequently reviewing the principle of on-island quarrying and gathering robust evidence to support policy decisions. Any plans for future mineral extraction at Chouet Headland must be sustainable, respecting and protecting the local environment as well as the amenity of local communities and residents and the local infrastructure.

1.2 Project overview

In June 2020, the States of Guernsey commissioned Aether to undertake work to assess the potential carbon impacts of different quarrying options for Guernsey. The project will consider the following:

- The energy used in on-island mining and quarrying and on-island transportation.
- Energy used for transportation of imported materials.
- A consideration of the global impacts.
- Energy intensity of quarrying practices in Guernsey, compared to international standards and neighbouring countries that could supply imported materials.
- Potential for increased use of recycled aggregate materials in Guernsey.
- Possible impacts on carbon sequestration/release.
- Modelling of different scenarios that may arise out of the recovery plan and future policy directions.
- A consideration of the options for different stone types e.g. granite, mason stone.

The project will provide the following outputs:

1. **Scenario tool** - A tool will be developed that allows the user to explore the emissions associated with different quarrying scenarios. User will be able to build scenarios by adjusting demand and supply variables (**Section 3**).
2. **Project report** – The project report (this document), will provide detail on the results of scenarios covering the range of different options for on island production (**Section 2**), details of the tool, including methodology, input data and outputs (**Section 3**), and other considerations that should be made when thinking about the possible carbon impacts of quarrying (**Section 4**).

2 Scenario analysis

The scenario tool has been used to develop a range of scenarios that encompass carbon emission outcomes for constraints in the development of on island supply (at Chouet) as well as two demand scenarios:

The different development phases for Chouet Headlands (see Error! Reference source not found.), from no development to full development have been modelled.

- **Supply Scenario A: No development of Chouet Headland:** Using an extraction rate of 110 kilotonnes per year, unconstrained reserves at Les Vardes will be exhausted in February 2022 and constrained reserves will be exhausted in December 2025¹. Following exhaustion of Les Vardes, Chouet Headland will not be developed.
- **Supply Scenario B: Phase 1 development of Chouet Headland:** Development of part of Chouet Headland and all constrained reserves at Les Vardes.
- **Supply Scenario C: Phases 1 and 2 development of Chouet Headland:** Les Vardes will be quarried until exhaustion alongside development of the phase one Chouet Headland area. After this, all processing activities will move to Chouet for Phase 2.
- **Supply Scenario D: Full (phases 1, 2 and 3) development of Chouet Headland:** This includes the phases above with additional extraction during Phase 3.

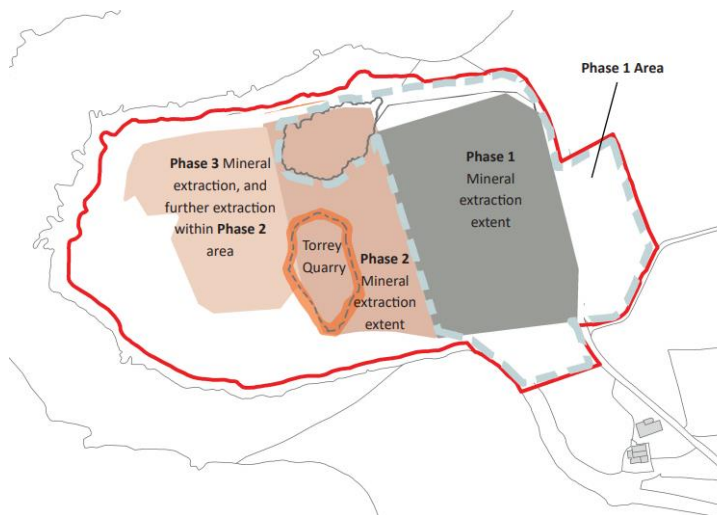


Figure 1 - Proposed phases of development for Chouet Headland

Different assumptions around demand (including an initial decline in activities (down to 80%) followed by recovery and a high growth (10% increase per year) scenario). These include:

- **Demand Scenario A: Demand drops to 80% of current levels** for next three years before returning to and plateauing at 2020 levels.
- **Demand Scenario B: Demand rises by 10% per year on 2020 levels for next 5 years** then plateaus at 50% above 2020 levels.

¹ Unconstrained reserves: Reserves that are currently available

Constrained reserves: Reserves that are currently unavailable as they are located beneath the processing plant

2.1 Headline messages

The carbon dioxide emissions for 6 emissions scenarios with and without Chouet development (supply scenarios) and high and low growth demand scenarios have been estimated for each year in the timeseries 2020 – 2035 and for the total sum of the timeseries. The emissions scenarios are shown in **Table 1** and the key messages can be summarised as follows:

- Full development of Chouet results in the lowest carbon impact for both high and low demand scenarios. Due to additional carbon emissions from importation (mostly shipping) of materials the embodied carbon emissions with supply scenario A no development of Chouet (emissions scenarios 1 and 4) are around a factor of two higher than emissions for supply scenario D for the full development of Chouet (emissions scenarios 3 and 6). The carbon intensity of Guernsey's on-island supply of aggregate is comparatively low.
- The differences in high and low growth demand scenario are more significant where there is full development of Chouet. The difference in emissions between the two no Chouet development supply scenarios (scenarios 1 and 4) is 21%. In contrast, the difference between the two full Chouet development supply scenarios (scenarios 3 and 6) is 46%.
- It is important to distinguish between direct (on-island) emissions and indirect (off-island) emissions. Scenarios with no development of Chouet have the lowest direct emissions but the highest indirect emissions and vice versa for full Chouet development scenarios. Only direct emissions count towards Guernsey's national total emissions however indirect emissions are important for considering the global impact of Guernsey's activities.

Table 1 - Report scenarios

Emissions Scenario	Demand Scenario	Supply Scenario - Chouet development	Total 2020-2035 tonnes CO ₂ e
1	A: Drops to 80% of current levels for next three years before returning to and plateauing at 2020 levels.	A: No development of Chouet site.	46,628
2		B: Only phase 1 of Chouet site development.	39,254
3		D: Full development of Chouet site.	21,026
4	B: Rises by 10% per year on 2020 levels for next 5 years then plateaus at 50% above 2020 levels.	A: No development of Chouet site.	56,623
5		B: Only phase 1 of Chouet site development.	48,913
6		D: Full development of Chouet site.	30,682

Figure 2 and **Table 2** show the trend in total emissions up to 2035 associated with each scenario outlined above. Scenarios that shows a growth in demand accompanied with the need for importation of materials (scenarios 4 and 5) are associated with the highest total emissions. In contrast, the two scenarios that involve full development of the Chouet Headland site (scenarios 3 and 6) are associated with the lowest total emissions.

The difference in emissions between scenarios with significant importation and those with little importation can largely be attributed to the embodied emissions of imported products, particularly from transportation.

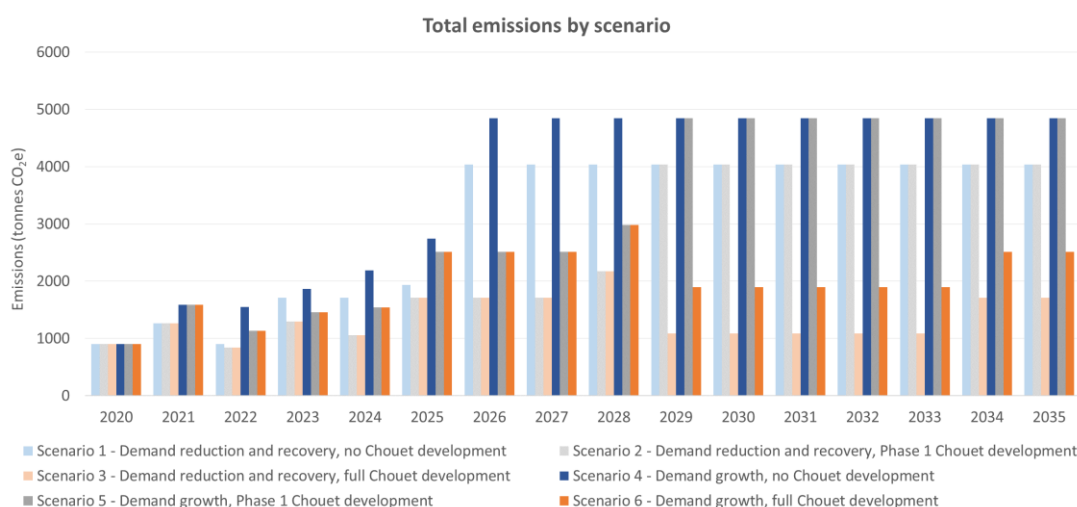


Figure 2 - Total emissions 2020-2035 by scenario

Table 2 - Total emissions 2020-2035 for each scenario (tonnes CO₂e)

Emissions scenario		2020	2025	2030	2035	Total emissions 2020-2035
Scenario 1 – Demand reduction and recovery, no Chouet development	Direct	630	625	204	204	48,766
	Indirect	271	1,309	3,831	3,831	
Scenario 2 – Demand reduction and recovery, Phase 1 Chouet development	Direct	630	670	204	204	40,900
	Indirect	271	1,037	3,831	3,831	
Scenario 3 – Demand reduction and recovery, full Chouet development	Direct	630	670	795	670	21,514
	Indirect	271	1,037	295	1,037	
Scenario 4 – Demand growth, no Chouet development	Direct	630	665	245	245	59,256
	Indirect	271	2,076	4,597	4,597	
Scenario 5 – Demand growth, Phase 1 Chouet development	Direct	630	711	245	245	51,039
	Indirect	271	1,803	4,597	4,597	
Scenario 6 – Demand growth, full Chouet development	Direct	630	711	835	711	31,650
	Indirect	271	1,803	1,061	1,803	

The total emissions shown in **Figure 2** and **Table 2** refer to both direct and indirect greenhouse gas emissions and therefore reflect Guernsey's global impact. However, Guernsey's total national emissions, as described in the national greenhouse gas inventory, only include direct emissions. Direct emissions are those which occur due to activities within a jurisdiction. In the context of this analysis that means that direct emissions are those associated with on-island quarrying activities and indirect emissions

are those from off-island activities associated with imported materials (e.g. shipping, quarrying in the source country and transport of material in the source country).

If only direct emissions are considered (as per the greenhouse gas inventory), scenarios that involve significant importation (scenarios 1, 2, 4 and 5) will have considerably lower emissions than scenarios with greater on-island supply (scenarios 3 and 6). Indirect emissions will be accounted for in the jurisdiction that the activities occur in (in the case of this analysis, the UK). Considering both direct and indirect emissions, whilst not in line with international inventory reporting methodologies, allows for consideration of the global impacts of Guernsey's quarrying activities. This is considered further in the individual scenario sections below.

Figures 3 and Table 3 show the average emissions per tonne of aggregate for 2020 to 2035 by scenario (also called implied emission factors). Off-island implied emission factors do not vary between the scenarios. On-island emission factors vary very slightly between scenarios due to differences in the amount of transport between Les Vardes and the Chouet Headland site that is required. With the no Chouet development supply scenarios, there is no transport required between the two sites. With the Phase 1 Chouet development only supply scenario, there is a transition between the sites and a time where transportation between the two sites will be required due to extraction happening at one site and processing at the other. This also occurs as part of the full Chouet development supply scenario however in this case there is a longer period after transition where all activities occur at Chouet and transport is no longer needed between the sites.

There is variation in emissions intensities when considering all supply. This is due to the scenarios having different amounts of imported materials. Imported materials have high embodied emissions and therefore, the more material that is imported, the higher the average emissions per tonne of aggregate.

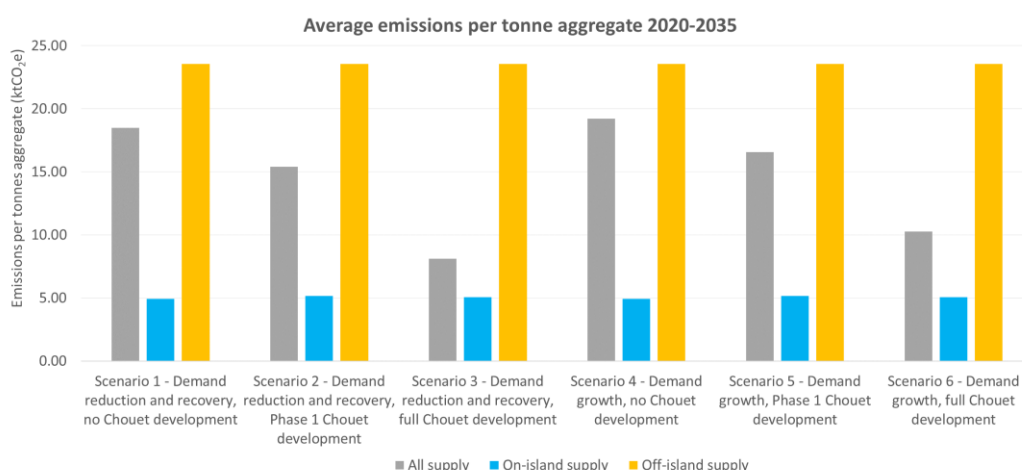


Figure 3 - Average emissions per tonnes aggregate 2020-2035

Table 3 - Average emissions per tonnes aggregate for each scenario, split by on-island and off-island supply

	Average emissions per tonne aggregate 2020-2035 (ktCO ₂ e)		
	All supply	On-island supply	Off-island supply
Scenario 1	18.48	4.92	23.55
Scenario 2	15.41	5.16	23.55
Scenario 3	8.11	5.05	23.55
Scenario 4	19.21	4.92	23.55
Scenario 5	16.55	5.16	23.55
Scenario 6	10.26	5.05	23.55

The embodied carbon intensity for on-island production and supply ranges from 4.9 to 5.2 ktCO₂e per tonne of aggregate across all development scenarios compared to the imported equivalent of 23.6 kt CO₂e per tonne of aggregate.

The “cradle-to-gate” carbon intensity of Guernsey’s on-island supply of aggregate is comparatively low². It tends to be close in value to the average carbon intensity of virgin ‘land-won’ aggregate (approx. 4.4 kg CO₂e per tonne³). Of the 134 individual supplies of virgin ‘land-won’ aggregate considered in this average, the Guernsey embodied carbon factor sits somewhere between the 50th and 75th percentile in value, suggesting that it is a fairly typical aggregate source of its type in terms of carbon intensity. Crucially, the carbon intensity of this type of aggregate source is the lowest of all the averages listed. Other types of source, including ‘marine-won’ and recycled, tend to have a higher carbon intensity. This sets a high bar for the carbon intensity of any alternative, imported, supply of aggregate to be lower than Guernsey’s own supply, when solely considering “cradle-to-gate” (in-earth to processed product) emissions. For more technical detail on the terminology used here, and calculations behind this conclusion, see section 3.2.4.

Therefore, the carbon intensity of Guernsey’s own supply of aggregate is low, largely due to the type of extraction and processing that virgin, “land-won” sources involve. The use of electricity in processing also contributes to its low value relative to aggregate from other sources. Any changes in fuel mix used in processing and extraction would result in changes to the carbon intensity of Guernsey’s own supply.

When analysing scenarios, it is important to remember that the uncertainties associated with the tool are high. They are also subject to a number of assumptions, which are summarised in section 3.1 and explained in detail throughout the tool and the detailed analysis presented in this report. Therefore, the results are best considered relative to other scenarios, instead of as absolute numbers for an individual scenario.

² Using a cradle-to-gate scope means emissions from in-earth through to processed product. Note that, for the sake of comparison to other existing data, this scope includes slightly fewer sources of emission than for the data of on-island carbon intensity in Table 3. For more detail, see section 3.2.4.

³ ICE Database V3.0, 2019

2.2 Individual scenario analysis

As mentioned above the key variables adjusted while generating these scenarios are demand and the phasing for on-island quarrying activities. For this analysis, all other variables available in the scenario tool have been kept constant, including:

- Constraints on production – the ‘probable’ estimate for the Chouet reserves, for scenarios where Chouet is developed, and upper quarry production capacity are used in all scenarios
- Storage capacity – The maximum storage capacity is assumed to be 20 kilotonnes and the amount in storage in the base year is assumed to be 0 kilotonnes in all scenarios
- Materials that can be imported – In all scenarios it is assumed that all materials except for masonry stone and rock armour can have some share of demand met by imported materials
- The mix of imported materials – In all scenarios it is assumed that the mix of imported aggregates will reflect the UK market average
- Source of imported materials – In all scenarios it is assumed that imported materials will come from the Teignmouth (33%), Plymouth (34%) and Swansea (33%).

2.2.1 Scenario 1: Demand scenario A (80% drop in demand followed by recover), supply scenario A (no Chouet development)

In this scenario, demand drops to 80% of expected 2020 levels from the start of 2020 to the end of 2022 and then recovers to the expected 2020 levels where it remains constant. The Chouet Headland site is not developed (**Table 4**).

Table 4 - Timing of on-island supply phases in scenario 1

On-island supply	Start year	End year
Les Vardes remaining unconstrained	2020	2022
Les Vardes constrained	2022	2030 (or earlier if exhausted)
Phase 1 Chouet development	Never	N/A
Phase 2 Chouet development	Never	N/A
Phase 3 Chouet development	Never	N/A

Once Les Vardes has been fully quarried, all demand must be met by imports (**Figure 4**).

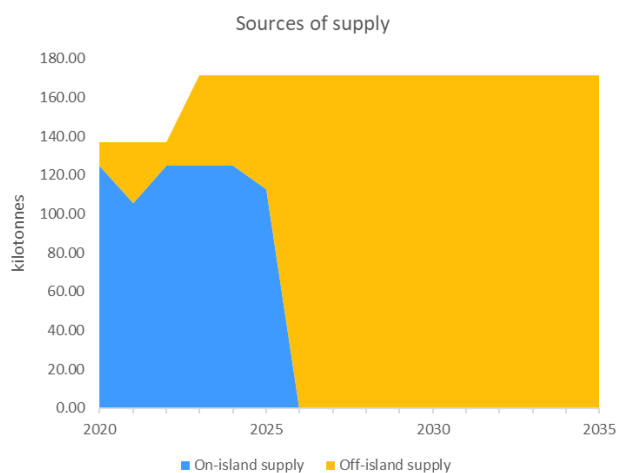


Figure 4 - On-island and off-island supply required to meet demand under scenario 1

The overall emissions per tonne of aggregate timeseries reflects the move from on-island supply to entirely imported materials that have a higher emissions intensity (Figure 5). As mentioned previously, this is largely due to the emissions associated with shipping, but also the increase in emissions associated with production and transportation of imported materials (Figure 6).

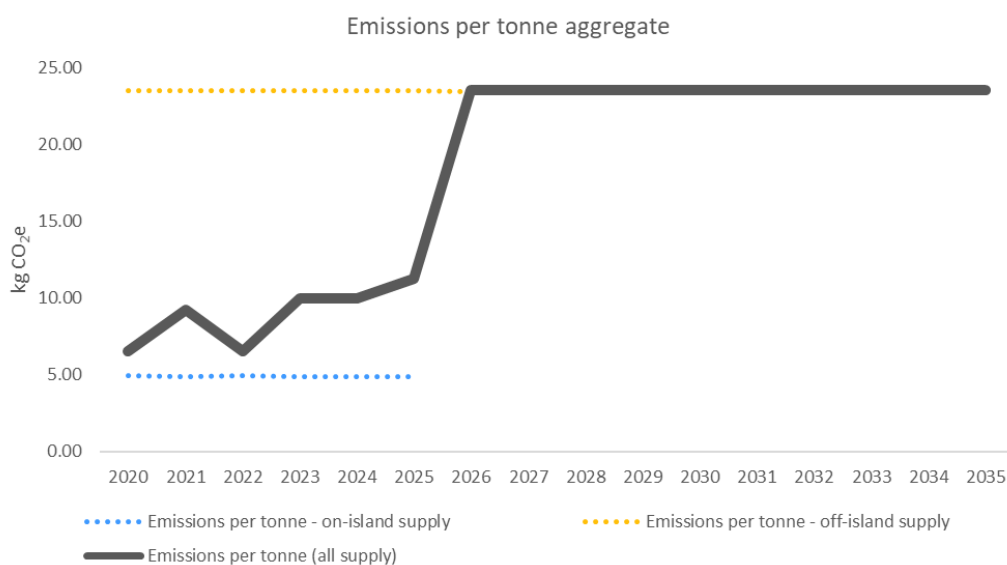


Figure 5 - Emissions per tonne of aggregate under scenario 1

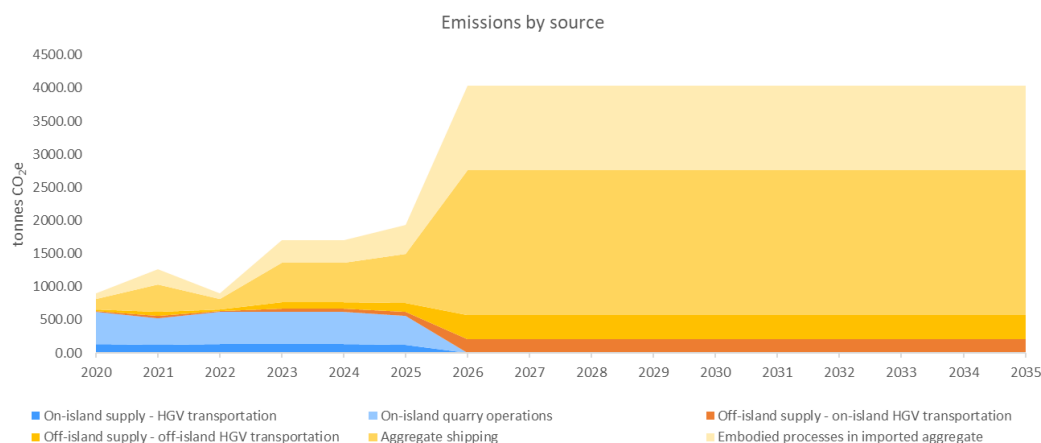


Figure 6 - On-island (blue) and off-island (yellow) emissions under scenario 1

It is important to distinguish between direct and indirect emissions. Direct emissions are those associated with on-island activities and are therefore counted in Guernsey's total national emissions. Indirect emissions are those associated with activities occurring off-island, for example the production, processing and transportation of imported materials. These are not counted in Guernsey's total national emissions but are important when considering the global impact of Guernsey's quarrying activities.

Figure 7 illustrates the split between direct and indirect emissions for scenario 1. It shows that, after 2030, direct emissions from quarrying activities will be negligible and therefore Guernsey's total national emissions will decrease. However indirect emissions will increase considerably. Whilst these will be accounted for in the source country's inventory, they should be considered when trying to reduce Guernsey's global impact. Indirect emissions are largest under scenarios 1 and 3 as these scenarios are associated with the greatest need for importation (no Chouet site development).

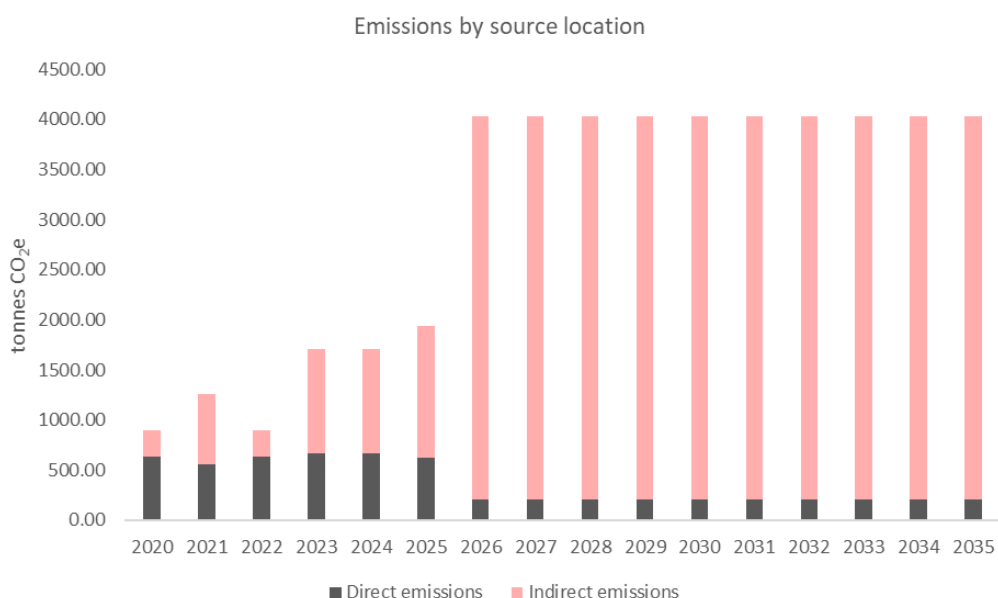


Figure 7 - Emissions split by direct and indirect sources for scenario 1

2.2.2 Scenario 2: Demand scenario A (80% drop in demand followed by recovery), supply scenario B (Phase 1 Chouet development only)

In this scenario, demand drops to 80% of expected 2020 levels from the start of 2020 to the end of 2022 and then recovers to the expected 2020 levels where it remains constant. The Chouet Headland site is only subject to Phase 1 development (**Table 5**).

Table 5 - Timing of on-island supply phases in scenario 2

On-island supply	Start year	End year
Les Vardes remaining unconstrained	2020	2022
Les Vardes constrained	2024	2030 (or earlier if exhausted)
Phase 1 Chouet development	2022	2025
Phase 2 Chouet development	Never	N/A
Phase 3 Chouet development	Never	N/A

Once Les Vardes reserves and the reserves associated with Phase 1 development of the Chouet Headland site have been exhausted, demand must be met by imports (**Figure 8**).

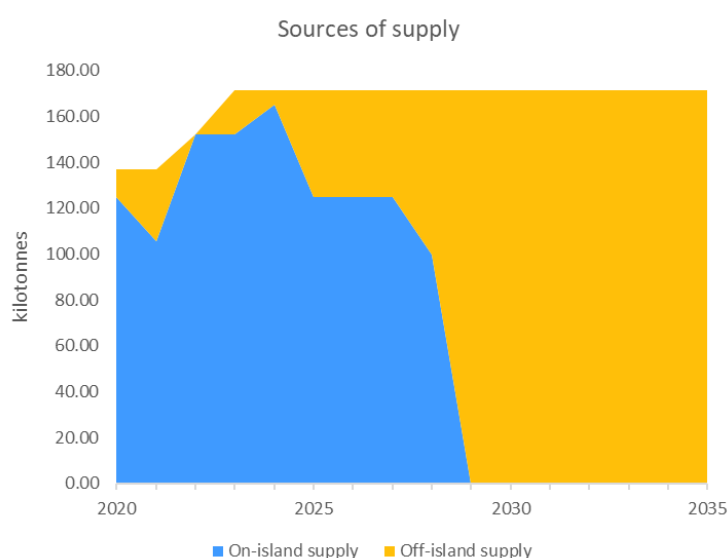


Figure 8 - On-island and off-island supply required to meet demand under scenario 2

As with scenario 1, the overall emissions timeseries per tonne of aggregate reflects the move from on-island supply to entirely imported materials that have a higher emissions intensity (**Figure 9**), however in scenario 2 this transition occurs later due to the additional Chouet reserves. There is a drop in emissions per tonnes of aggregate for off-island supply in 2022 as in this year, both Les Vardes and Chouet are operational and therefore on-island supply is greater than demand and there is no need for imports.

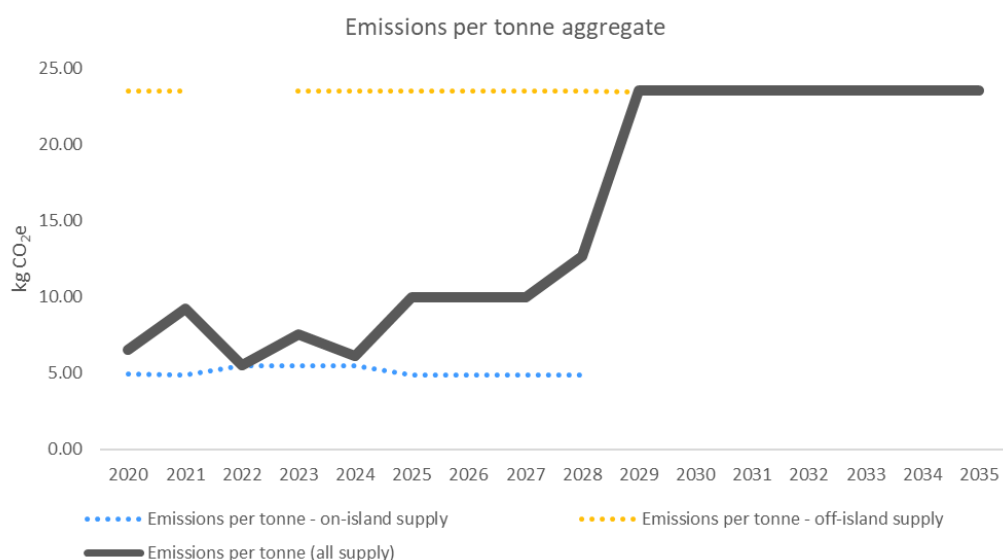


Figure 9 - Emissions per tonne of aggregate under scenario 2

As with scenario 1, the move to fully imported supply causes higher emissions due to emissions from shipping as well as production and other transportation on imported materials (Figure 10).

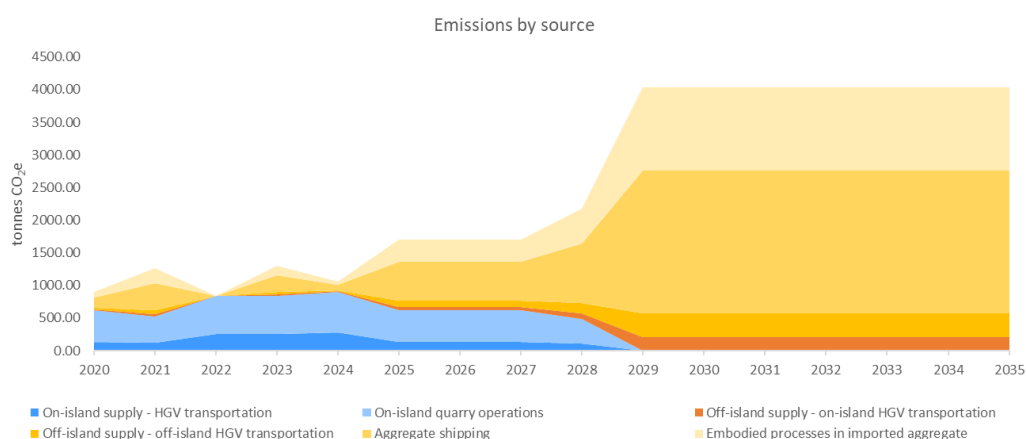


Figure 10 - On-island (blue) and off-island (yellow) emissions under scenario 2

As mentioned previously it is important to distinguish between direct and indirect emissions. Figure 11 shows a similar trend to scenario 1 with direct emissions being replaced by indirect emissions with the transition to imported materials. In scenario 2 however, this transition occurs later and therefore Guernsey's direct emissions will decrease over a longer time period. Considering Guernsey's global impact, total direct and indirect emissions will be lower for scenario 2 in comparison to scenario 1 due to the later transition to imported materials.

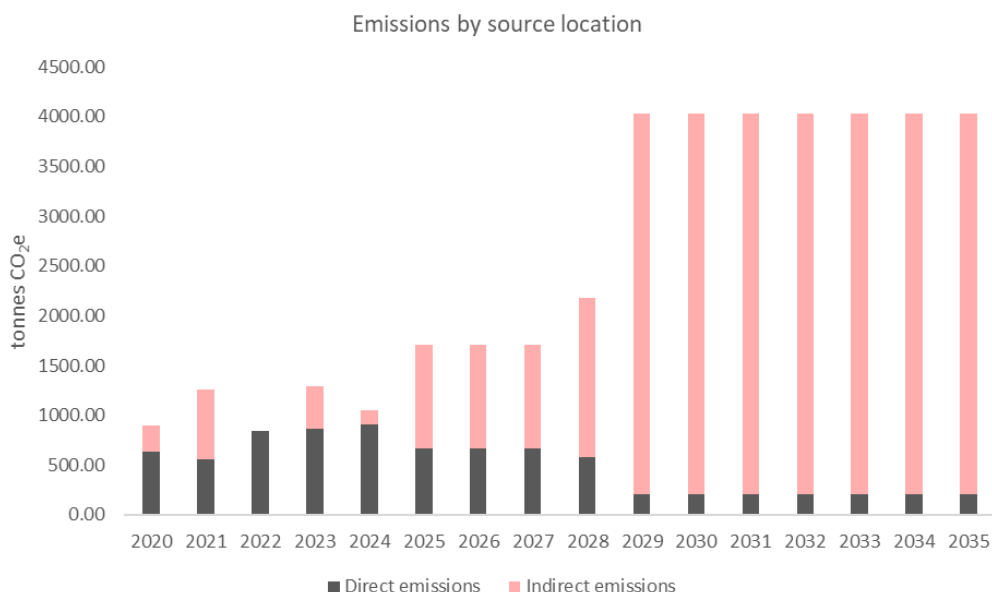


Figure 11 - Emissions split by direct and indirect sources for scenario 2

2.2.3 Scenario 3: Demand scenario A (80% drop in demand followed by recovery), supply scenario D (full Chouet development)

In this scenario, demand drops to 80% of expected 2020 levels from the start of 2020 to the end of 2022 and then recovers to the expected 2020 levels where it remains constant. The Chouet Headland site is fully developed including phases 1, 2 and 3 according to the schedule presented in **Table 6**.

Table 6 - Timing of on-island supply phases in scenario 3

On-island supply	Start year	End year
Les Vardes remaining unconstrained	2020	2022
Les Vardes constrained	2024	2030
Phase 1 Chouet development	2022	2025
Phase 2 Chouet development	2029	2034
Phase 3 Chouet development	2034	2060

In this scenario, there is no transition to only imported materials as on-island quarrying occurs throughout the timeseries. Imported materials therefore make up the difference between on-island supply and demand (**Figure 12**).

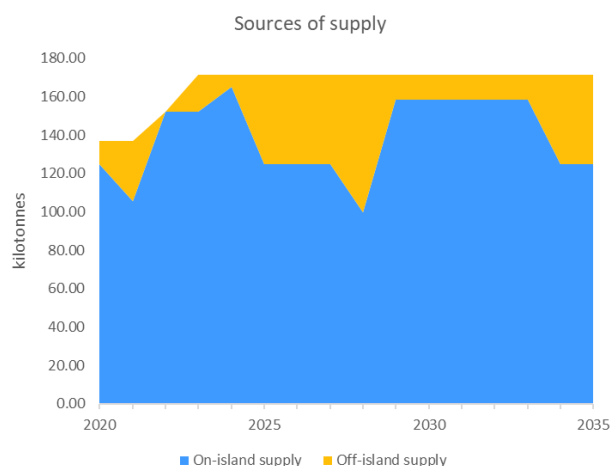


Figure 12 - On-island and off-island supply required to meet demand under scenario 3

As there is no need for large-scale importation of aggregate with associated production and transportation emissions, the overall average emissions per tonnes of aggregate for scenario 3 remain at a lower level across the timeseries (**Figure 13**). As with scenario 2, there is a decrease in emissions per tonne of aggregate in 2022 due to Les Vardes and Chouet being operational and able to meet demand.

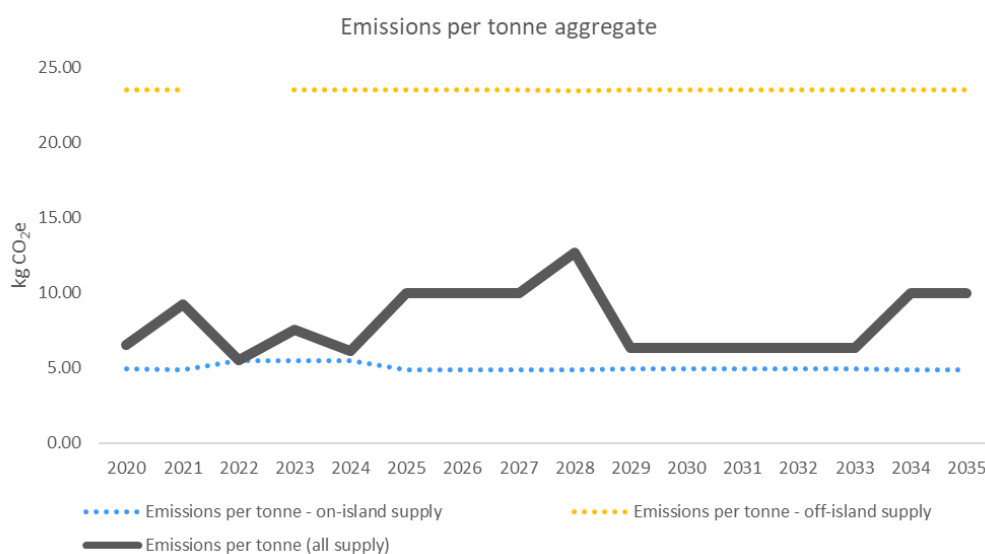


Figure 13 - Emissions per tonne of aggregate under scenario 3

Total emissions for scenario 3 are lower than all other scenarios as emissions from imported material are the lowest out of all emissions scenarios due to the high on island capacity supply scenario and low demand scenario (**Figure 14**). Fluctuations across the timeseries relate to the phasing of Les Vardes and Chouet development (see **table 6**) and therefore the on-island availability of supply.

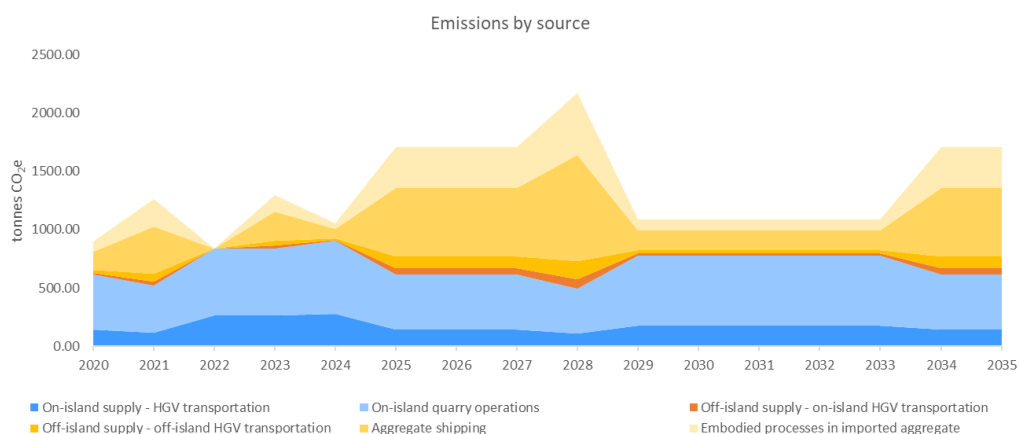


Figure 14 - On-island (blue) and off-island (yellow) emissions under scenario 3

However, as Guernsey is producing more of its own materials there will be more direct emissions that contribute to its official national totals (that exclude indirect embodied emissions) (Figure 15).

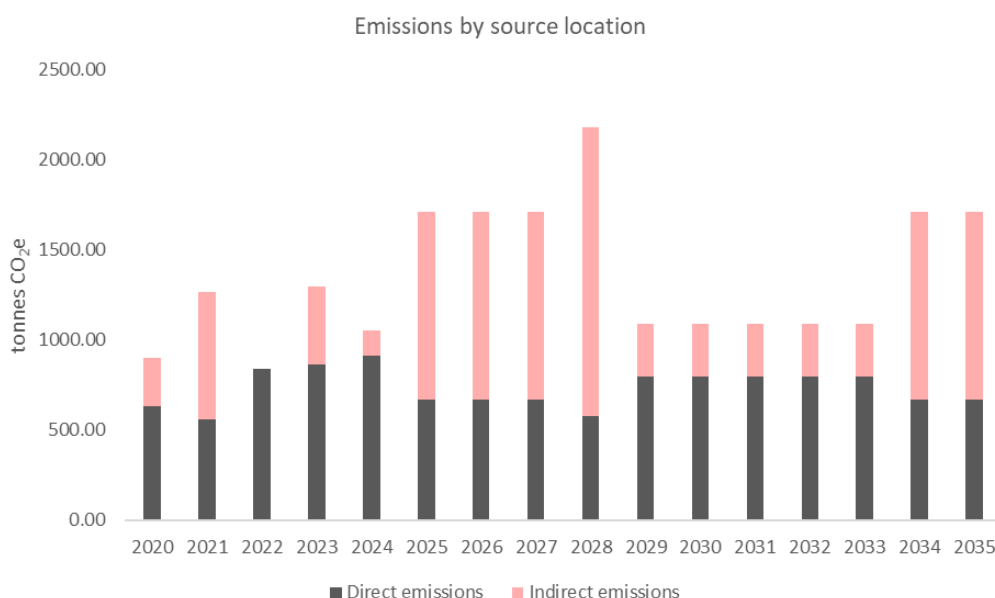


Figure 15 - Emissions split by direct and indirect sources for scenario 3

2.2.4 Scenario 4: Demand scenario B (Demand increases by 10% per year for 5 years), supply scenario A (no Chouet development)

Scenario 4 is the first of the high growth scenarios, with demand increasing by 10% per year for 5 years (2020-2025) before plateauing. There is no development of the Chouet Headlands site (Table 7). This demand scenario pushes the demand for materials above the capacity of on island supply to provide.

Table 7 - Timing of on-island supply phases in scenario 4

On-island supply	Start year	End year
Les Vardes remaining unconstrained	2020	2022
Les Vardes constrained	2022	2030 (or earlier if exhausted)
Phase 1 Chouet development	Never	N/A
Phase 2 Chouet development	Never	N/A
Phase 3 Chouet development	Never	N/A

As with scenario 1, once Les Vardes has been fully quarried, all demand must be met by imports (**Figure 16**). In addition, Les Vardes does not have the capacity to meet the demand while operating.

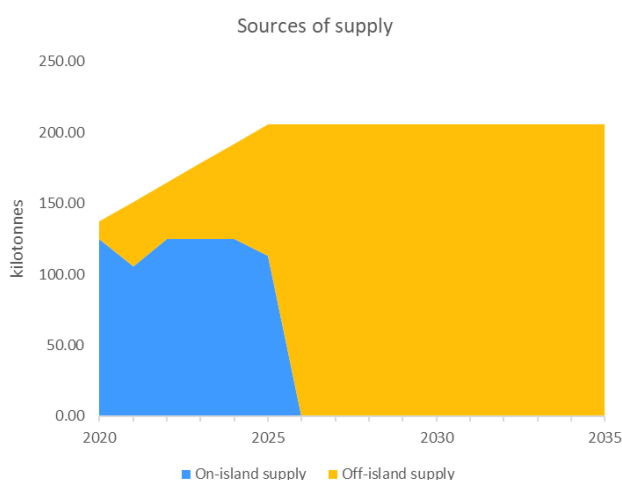


Figure 16 - On-island and off-island supply required to meet demand under scenario 4

The overall average emissions per tonne of aggregate timeseries is similar to that of scenario 1 however there is a steeper rise in emissions between 2020 and 2025 associated with the demand growth (**Figure 17**) especially as this is met through imports. The transition to a full importation results in an increase in indirect emissions as imported materials have a higher emissions intensity. The increase in emissions can largely be attributed to slightly higher embodied emissions in production of materials and from the additional transportation of imported materials (shipping) (**Figure 18**).

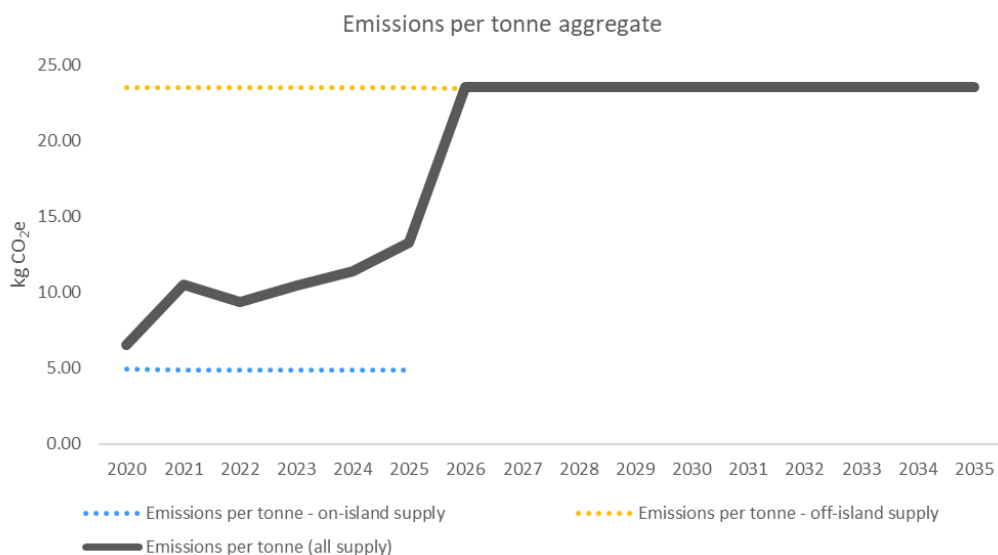


Figure 17 - Emissions per tonne of aggregate under scenario 4

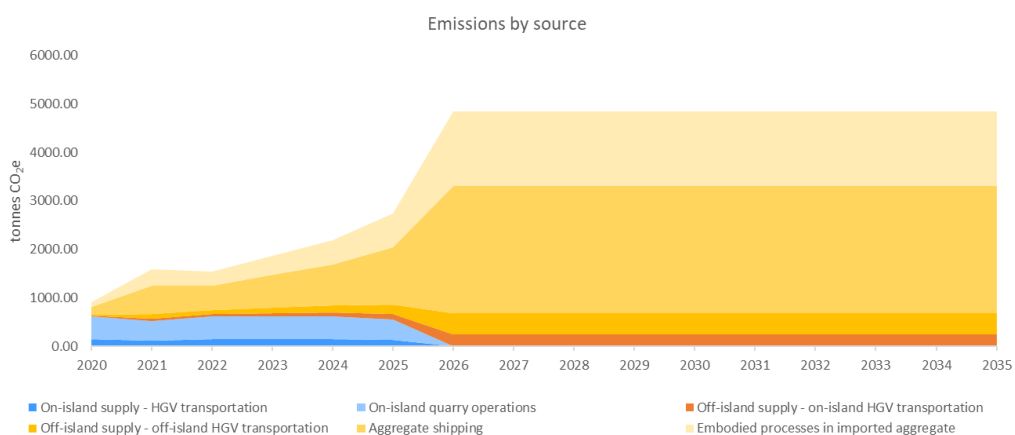


Figure 18 - On-island (blue) and off-island (yellow) emissions under scenario 4

In comparison to scenario 1, scenario 4 results in total emissions for the timeseries due to increased demand. However, the trend in direct and indirect emissions remains the same with direct emissions becoming negligible (only transportation emissions remaining) but indirect emissions increasing significantly after 2025. Therefore, in this scenario, Guernsey's total direct emissions will decrease. However, when considering Guernsey's global impact, scenario 4 will result in the greatest indirect emissions of all the scenarios (**Figure 19**).

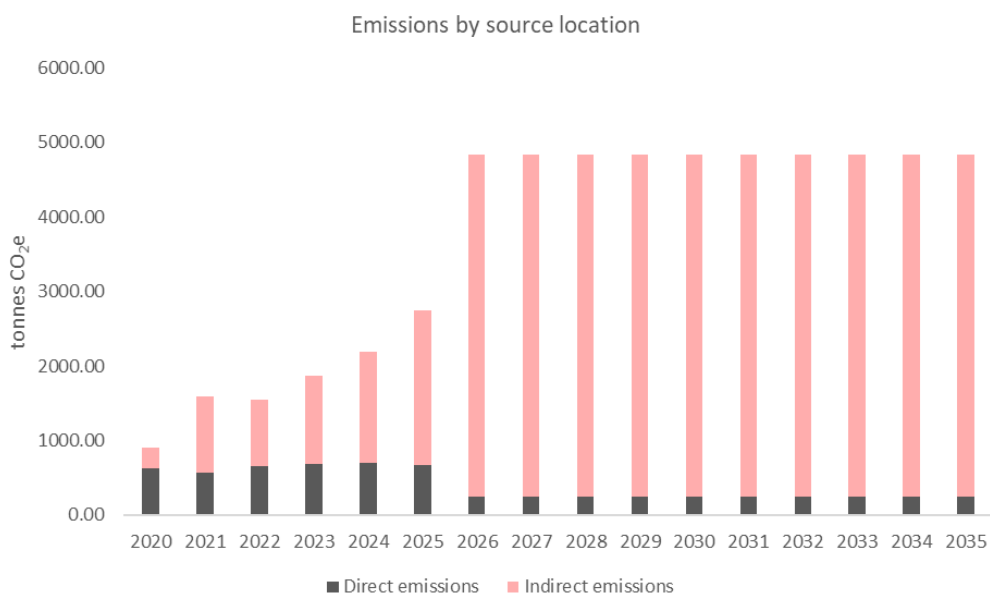


Figure 19 - Emissions split by direct and indirect sources for scenario 4

2.2.5 Scenario 5: Demand scenario B (Demand increases 10% per year for 5 years), supply scenario B (Phase 1 Chouet development only)

As with scenario 4, in scenario 5, demand grows by 50% between 2020 and 2025 before plateauing. The Chouet Headland site is only subject to Phase 1 development (**Table 8**).

Table 8 - Timing of on-island supply phases in scenario 5

On-island supply	Start year	End year
Les Vardes remaining unconstrained	2020	2022
Les Vardes constrained	2024	2030 (or earlier if exhausted)
Phase 1 Chouet development	2022	2025
Phase 2 Chouet development	Never	N/A
Phase 3 Chouet development	Never	N/A

Once Les Vardes reserves and the reserves associated with Phase 1 development of the Chouet Headland site have been exhausted, demand must be met by imports (**Figure 20**). Variation in the on-island supply trend relate to the phase timings mentioned above. For example, between 2022 and 2024, both Les Vardes and Chouet are operational and therefore on-island supply increases.

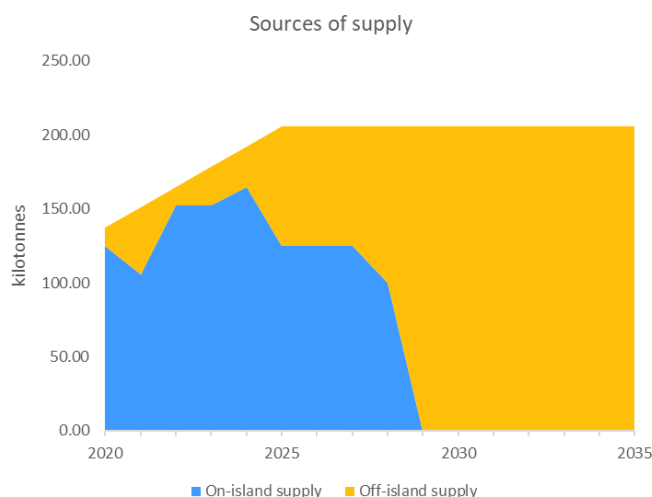


Figure 20 - On-island and off-island supply required to meet demand under scenario 5

Like scenarios 1, 2 and 4, the overall average emission per tonnes of aggregate timeseries reflects the transition to imported materials that have a higher emissions intensity (Figure 21). The emissions intensity is higher in the early part of the timeseries in comparison to scenario 2 as increasing demand is greater than on-island supply and therefore some importation is needed. The increasing emissions per tonne of aggregate due to increased emissions is also reflected in the total emissions timeseries (Figure 22). On-island emissions reduce to a very low level once on-island quarrying ceases, with only emissions from transportation left. However, off-island emissions significantly increase, especially those associated with transportation and processing of materials.

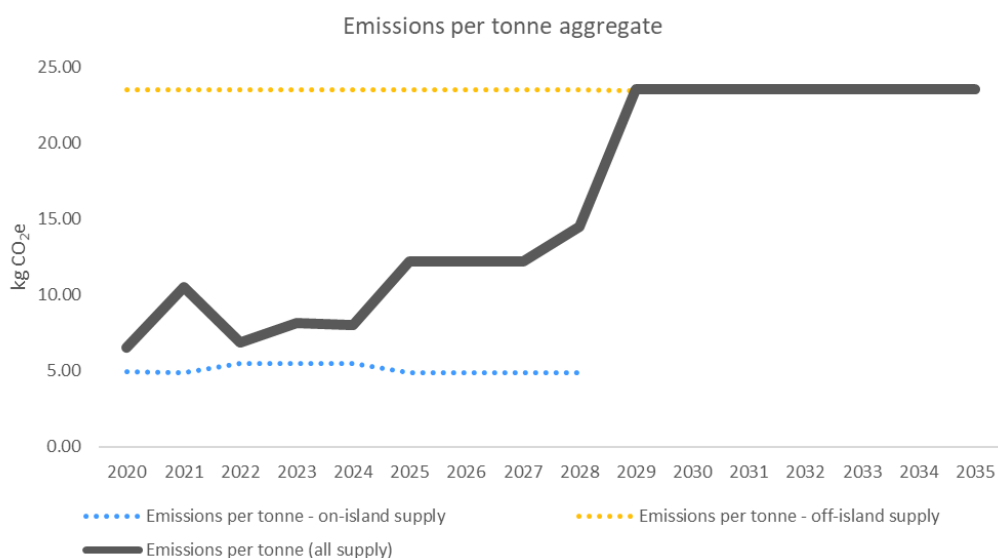


Figure 21 - Emissions per tonne of aggregate under scenario 5

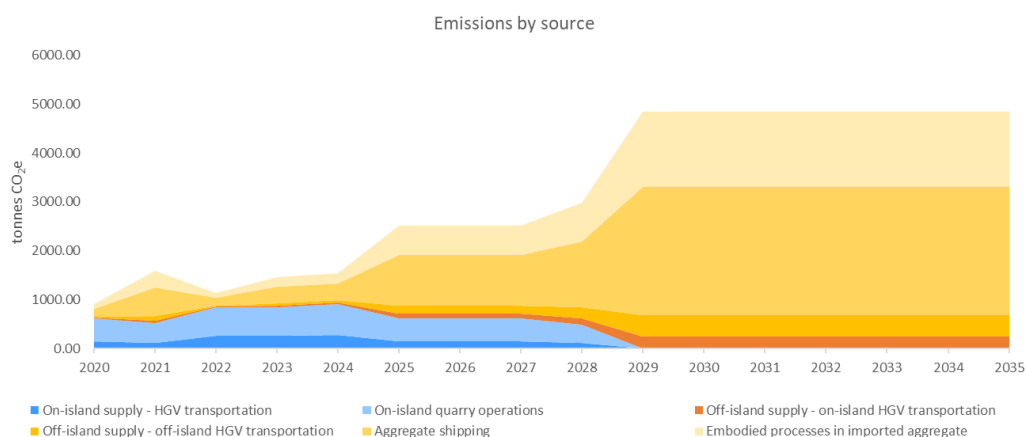


Figure 22 - On-island (blue) and off-island (yellow) emissions under scenario 5

The split between direct and indirect emissions is similar in trend to scenarios 1, 2 and 4. Direct emissions are significant until on-island quarrying ceases and are then negligible. Indirect emissions are higher in scenario 5 compared to scenario 2 as the additional demand requires imports to supplement on-island supply. A large increase in indirect emissions is seen once all material is imported (**Figure 23**).

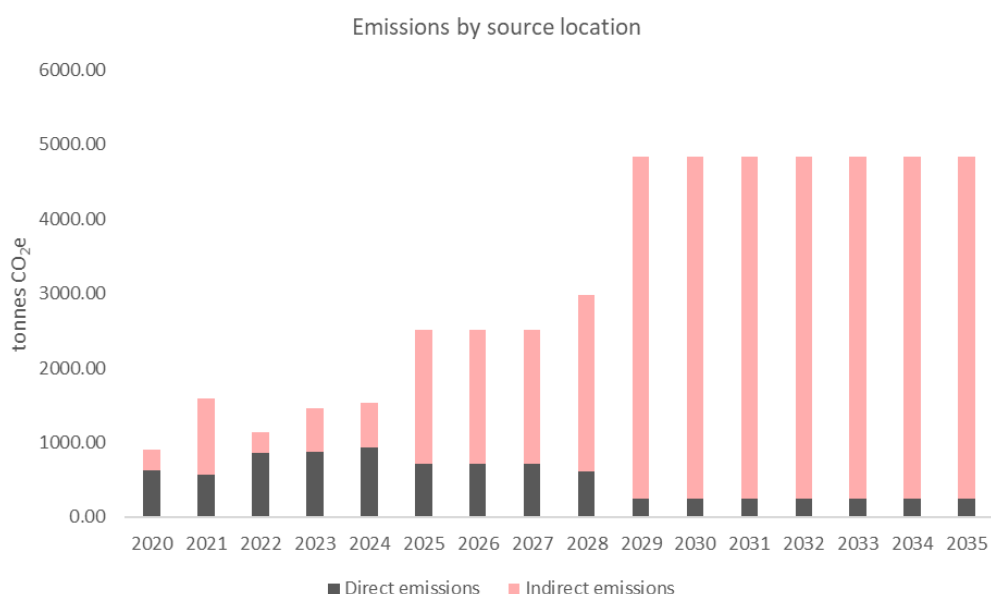


Figure 23 - Emission split by direct and indirect sources for scenario 5

2.2.6 Scenario 6: Demand scenario B (Demand increases 10% per year for 5 years), supply scenario D (full Chouet development)

In scenario 6, demand increases by 50% of the first 5 years (2020-2025) and then remains constant. The Chouet Headland Site is fully developed including phases 1, 2 and 3 (Table 9).

Table 9 - Timing of on-island supply phases in scenario 6

On-island supply	Start year	End year
Les Vardes remaining unconstrained	2020	2022
Les Vardes constrained	2024	2030
Phase 1 Chouet development	2022	2025
Phase 2 Chouet development	2029	2034
Phase 3 Chouet development	2034	2060

As with scenario 3, there is no transition to only imported materials and on-island quarrying occurs throughout the timeseries. The majority of demand is met by on-island supply with imports supplementing supply when demand requires it (Figure 24). On-island supply is the same as in scenario 3 however off-island supply is greater in scenario 6 due to higher demand.

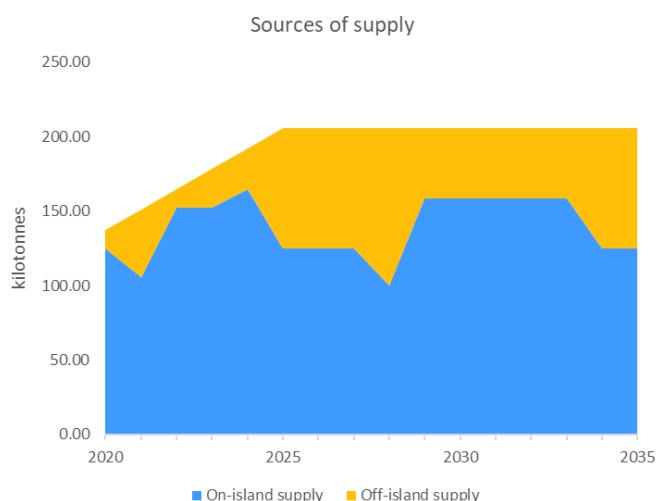


Figure 24 - On-island and off-island supply required to meet demand under scenario 6

There is no large-scale importation of aggregate under scenario 6 and therefore the average overall emissions per tonne of aggregate remains relatively constant across the timeseries (Figure 25). Total emissions under this scenario are lower than all other scenarios except scenario 3 (scenario 3 has lower demand). This is due to most material being produced on-island with lower associated emissions intensities. Imported materials are associated with high emissions from processing and transportation (Figure 26). Fluctuations across the timeseries relate to the phasing of Les Vardes and Chouet development and therefore the on-island supply.

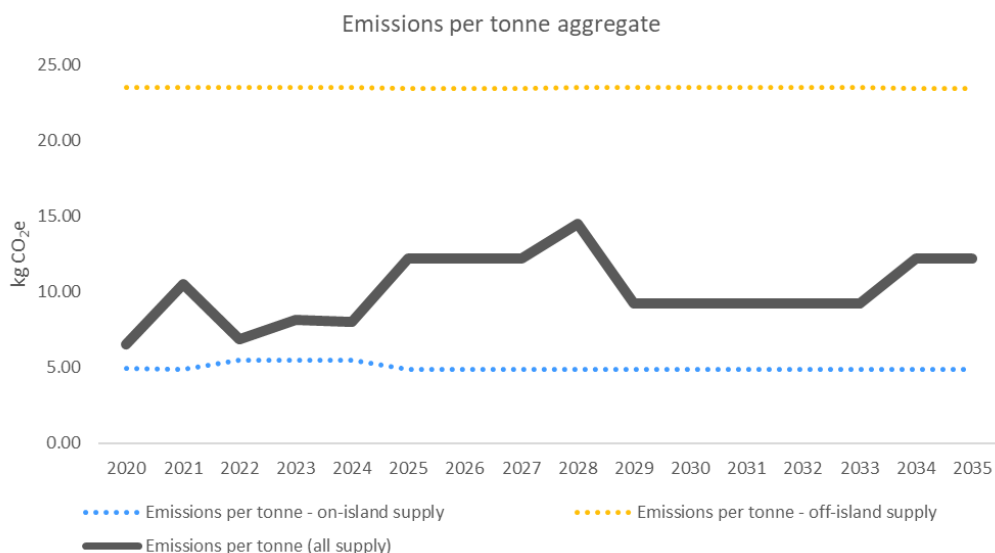


Figure 25 - Emissions per tonne of aggregate under scenario 6

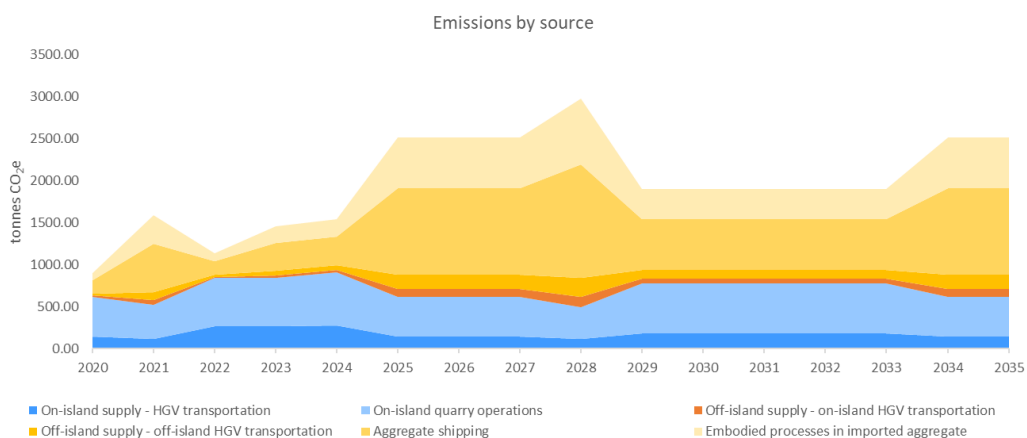


Figure 26 - On-island (blue) and off-island (yellow) emissions under scenario 6

Whilst scenario 6 has one of the lowest total emissions when analysing direct and indirect emissions, it has the highest direct emissions of all the scenarios. This means that, if looking at only Guernsey's total direct emissions, this scenario will produce the highest value. However, indirect emissions are lower than all scenarios except scenario 3 (scenario 3 has lower demand). Therefore, scenario 6 could be considered to have a lower global impact than scenarios 1, 2, 4 and 5 (Figure 27).

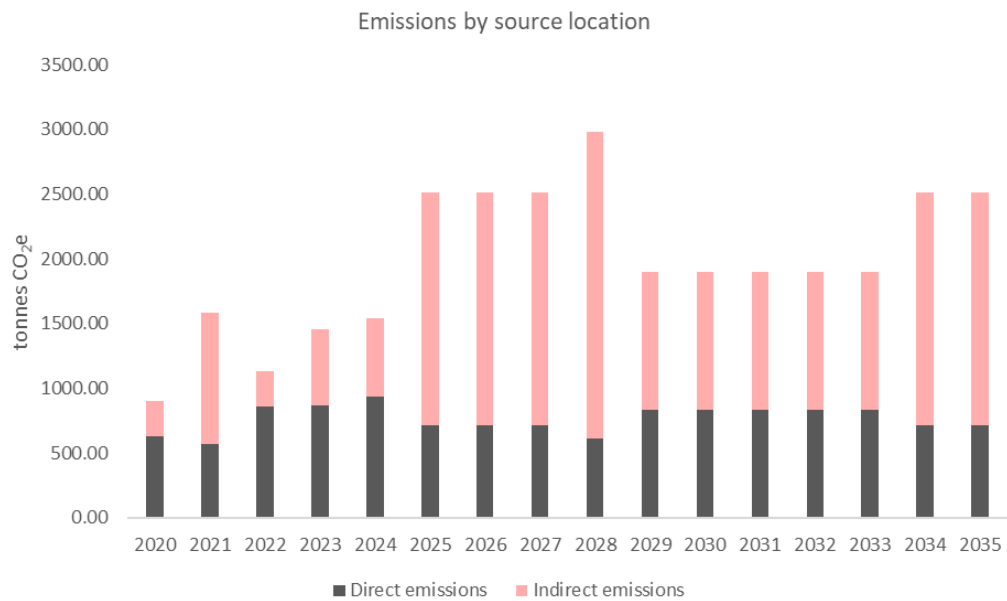


Figure 27 - Emissions split by direct and indirect sources for scenario 6

3 Scenario tool methodology

The scenario tool is an Excel based tool that brings together activity data and emission factors to estimate possible future emissions scenarios relating to aggregate supply in Guernsey. The activity data is estimated on the balance of on-island demand, supply, and existing constraints, such as on-island reserves and storage capacity. Where on-island supply cannot satisfy on-island demand, the activity data also accounts for the source and port of origin of imported material. Users of the tool can generate emissions scenarios by adjusting these variables. Scenarios can be saved and compared.

This section will go into further detail about the tool including methodology and key functionalities.

3.1 Key assumptions

For the scenario tool to produce emissions estimates, it relies on some key assumptions. These are listed below; where relevant they are informed by the background information provided by and consultation with Ronez Limited and/or States of Guernsey:

- Historical data is assumed to be representative of future supply and demand, and Ronez Limited's activities in producing aggregate.
- It is assumed that the emission factor used in each calculation is the most relevant available to characterise the activity taking place (see Table 10 for data sources). The assumptions made here are particularly well supported by the evidence provided by Ronez Limited and States of Guernsey.
- There are assumed to be no major changes to predominant technologies used in the 15-year period considered. For example, fossil fuel-based shipping and diesel fuel-based HGV transportation are assumed as constants.
- Relatedly, the constraints of Ronez Limited's operations are largely assumed to stay constant, unless the user input section of the tool indicates otherwise. For example, it assumes that the same number of vehicles, rate of extraction, storage capacity available and production capacity will persist over the time series considered.
- On-island demand is assumed to always be met or exceeded by supply from on-island and imported materials.
- It is assumed that all journeys made on-island to transport aggregate are both ways. Therefore, for the purposes of emissions calculations, half of journeys are assumed to be completely laden, while the other half are assumed unladen.
- For journeys made off-island (HGV and shipping), it is assumed that only the one-way, "A to B" journey is relevant to Guernsey's aggregate supply – so only the emissions from these journeys, as fully-laden journeys, are included.
- More specific assumptions are made throughout the scenario tool – these are indicated in text boxes and in this report where relevant.

3.2 Scenario Builder

The Scenario Builder allows the user to customise supply and demand variables to build emissions scenarios.

The tool allows the user to select which of these phases will occur and adjust the start and end date for each phase. In the “Scenario Composer” section the user can also adjust the following:

- Constraint selection – users can select whether to use the probable, maximum, or minimum estimate for the reserves at Chouet Headland, and the on-island production capacity
- Demand scenario – users can select a starting point of high, average, or low levels of demand for each product type, and the predominant driver of its trend in future years
- Storage capacity – users can change the maximum storage capacity (kilotonnes) available on-island
- Alternative supply – users can prioritise the types of aggregate product that can be imported, the type(s) of aggregate source making up the imported supply, the port(s) from which it is shipped and the distance travelled between source (e.g. quarry) and port

Once these variables have been selected, the user can then use the supply, demand and balance modules to further refine the scenario. If the user wants to edit any part of the supply, demand or balance modules, it is advisable to work with the current in-cell formulae rather than overwrite them (where feasible).

3.2.1 Supply module

Taking into account the phases and timings that are selected in the scenario composer, the supply module uses reserve quantities and threshold minimum and maximum capacity to calculate the amount quarried from Les Vardes and Chouet Headlands each year. The reserves quantities and threshold values were supplied to Aether by Ronez Ltd. The output of this module is a timeseries of the amount of product quarried from each site per year and a timeseries of the on-island transport distances associated with the scenario.

The tool assumes that material is quarried at a constant rate per site across the active period of a phase. For example, a reserve of 300 kilotonnes quarried over three years would produce 100 kilotonnes per year.

The tool accounts for the need for activities to be economically viable. If the estimate of quarried material exceeds the maximum capacity available, outputs are rescaled to this capacity. Similarly, if production is predicted to be below the minimum threshold, it is assumed that production will be increased to this threshold value.

3.2.2 Demand module

The demand module starts with a base year assumption on the level of demand for each stream of aggregate use. This base level demand has been supplied to Aether by Ronez Ltd. Future demand is scaled using one of the following proxies which are individually selected for each product:

- Population
- Gross Domestic Product (GDP)
- Flat – demand is flatlined from the base year estimate as no change in demand is predicted
- User input – users can define their own trajectory

3.2.3 Balance module

The main function of the balance module is to balance demand with on-island supply, importation and storage capacity, per stream of aggregate use. It assumes that if supply is greater than demand, then no imports are required, although some material may be stored for use in future years or exported. It also assumes that if demand is greater than supply, then use of imports (or previously stored material) is needed.

Where imports are required, the module decides which streams of aggregate use to supplement with imports based on the prioritisation set out by the user in the Scenario Composer section of the Scenario Builder sheet. This is important where imports make up a share of the total supply to Guernsey, as it determines the level of processing still taking place for the on-island supply. Where imports make up the whole supply of aggregate, this prioritisation remains but has no impact on the emission calculations.

3.2.4 Calculating emissions

On-island quarrying and transportation

Activity data for extraction, production operations and transportation are calculated using the supply, demand and balance modules. Emission factors for on-island quarrying are sourced from a range of UK government databases, as activities in Guernsey are assumed to be comparable to those in the UK. A number of conversion factors, based on the data input from Ronez Ltd, facilitate the adaptation of activity data such that its units are matched to that of the best available emission factor. Activity data and emission factors are multiplied together to generate greenhouse gas emissions estimates.

Imported materials

As with on-island quarrying, activity data for imported materials (quantities and on-island transportation) are calculated using the supply, demand and balance modules. User input largely dictates the activity data informing off-island transportation (HGV and shipping). Emission factors are taken from the Inventory of Carbon & Energy (ICE) Database (2019) which provides emission factors for the embodied carbon and energy in construction materials.

Embodied emissions

The ICE (Inventory of Carbon & Energy) database is the result of an ongoing project which seeks to assess the embodied carbon in construction materials in the UK. As part of the project, data has been collated for embodied carbon from aggregates and average embodied carbon factors calculated for different types of aggregate source. For example, for “land-won” aggregate sources they have taken the average of 134 aggregate sources of this type to calculate the average embodied carbon factor of “land-won” sources. In other cases, a considerably smaller sample size is available to calculate an average, though each factor is accompanied by an indication of data quality. This average factor can be thought of as the expected carbon intensity of production of aggregate from any given source.

In the scenario tool, 8 of the ICE embodied carbon factors are offered for the purpose of comparison (and so the user can determine the types of aggregate source making up the imported supply). By looking at the same scope of activities from the Guernsey supply, it

is possible to gain an indication of how carbon intensive the supply of aggregate is from Guernsey relative to the averages of other types of source.

The ICE database uses a cradle-to-gate scope, which refers to the emissions that occur between the material being extracted to the end of its processing. Therefore, this includes emissions related to the quarry operations (extraction and processing) and any transportation between quarry and processing plant. To ensure comparability, therefore, calculating the relevant factor for Guernsey's on-island aggregate supply includes the energy used in extraction, any travel between Les Vardes and Chouet and the energy used in processing. Travel between Les Vardes and Chouet is conditional on extraction taking place at a site while the chief processing for that material takes place at the other site. For the outcome of this analysis, see section 2.2.

It is worth noting that, in part, the modelled carbon intensity data for Guernsey reflects a limitation of the data in the scenario tool. As future fuel use for extraction and processing is determined on the basis of a historical average for fuel use per tonne of aggregate extracted/produced, it does not reflect any changes in intensity of fuel use associated with the quantity processed (or any other factor). For example, in reality, less fuel use per tonne processed may occur when higher tonnages of aggregate are produced, resulting in lower carbon intensity.

3.2.5 Outputs

This section shows a summary of emissions calculations for the scenario prescribed in the Scenario Composer section. This includes key metrics, indicating the total emissions over the time period considered and average emissions per tonne for the whole supply, on-island supply and off-island supply. The range below each large number indicates the minimum and maximum value for that metric, accounting for all saved scenarios in the tool.

The graphs that follow indicate the year-to-year changes to estimated activity data and emissions. The accompanying text boxes are designed to provide some context to the data presented.

3.2.6 Saving scenarios

There are two buttons at the top of the Scenario Builder, which enable the storage, manipulation, and comparison of data from different scenarios.

- **Save this scenario** - adds a new sheet in the "Archive" section of the tool, with a copy of all the data from the Scenario Builder in its present form, allowing the scenario to be reloaded at a later time. This also saves key data into the Scenario Comparison sheet, so that the scenario can be compared to other saved scenarios. The name of the scenario must be different from all other saved scenarios.
- **Restore saved scenario** - allows the user to restore all the data from a previously saved scenario back into the Scenario Builder so that they can work with this scenario again. For example, the user could restore the data from a scenario created previously, edit parameters of their choice, and then re-save as a new scenario. The dropdown below the button allows the user to select the saved scenario to be re-loaded to the Scenario Builder.

3.2.7 Data sources

Further to the information listed above, information on the source of each data point used in the scenario tool is contained in the “Central Data Store”, which is a hidden sheet in the tool. This follows a matrix structure where each parameter, with supporting information, is listed and recorded for all the years relevant to this project. The user can use this sheet and the filters available at the top of the data table to trace each number back to its specific data source. **Table 10** provides information on data sources used for the tool.

Table 10 - Sources of data used in or consulted for the scenario tool

Name	Year of publication/ completion	Data source for:
SLR Report: Chouet Headland – Environmental Appraisal of Establishing a Quarry, Prepared for Ronez Limited	2020	Scenario tool constraints; background information
Draft Chouet Headland Development Framework: Supplementary Planning Guidance 2019	2019	Background information and context
Confidential Consultation Questionnaire: Ronez Response	2020	Scenario tool constraints; activity data for quarrying in Guernsey
Response to Follow up States of Guernsey Questionnaire 050620	2020	The majority of activity data for quarrying in Guernsey; constraints; conversion factors
ICE (Inventory of Carbon & Energy) Database v3.0	2019	Embodied emission factors for different types of aggregate
UK Government GHG Conversion Factors for Company Reporting	2020	Emission factors for transportation activity and fuel use
Guernsey Electricity: http://www.electricity.gg/about/carbon-reporting/	Accessed: 2020	Emission factor for Guernsey’s electricity factor
Ports.com: http://ports.com/sea-route/	Accessed: 2020	Shipping distances between St Peter Port and other port locations
Chouet Reserve Range, provided by Ronez Limited	2020	Scenario tool constraint
Google Maps	Accessed: 2020	Distance between Chouet Headland site and Les Vardes
States of Guernsey Population Projection Bulletin June 2018	2018	Scenario tool constraint

3.3 Scenario comparison

The scenario comparison tool allows users to compare different scenarios to highlight the key differences and sensitivities. The user can select two scenarios to see data tables and graphs side-by-side for various key metrics, including the make-up of supply source (on-island or off-island), the emissions per tonne of aggregate consumed and location of

emissions sources. This can be helpful in analysing the key messages that the collated scenarios convey.

3.4 Considering uncertainties and sensitivities

For quarrying operations on-island and associated on-island transportation, the activity data is largely sourced from Ronez Limited. This goes a long way to minimising the uncertainty in data for on-island activities. Input from Ronez Limited also underpins much of the logical process applied to the scenario tool, regarding the rate and phasing of extraction on-island, and the balancing of on-island supply with imported aggregate to meet demand. This too will work towards minimising the uncertainties in the tool's method.

The tool allows the user some choice over the range of likely reserves at the Chouet Headland site and the on-island production capacity. This can allow the user some indication of the range of uncertainty according to feasible changes in these parameters.

Given that emissions associated with imported materials are highly sensitive to the location and nature of material source(s) supplying Guernsey, which have regularly changed in the past, the emissions estimate here likely have a far greater range of uncertainty. In particular, the emission factors used for shipping of imports are relatively generic (i.e. they are not specific to the type of cargo ship involved in the importation of various materials). Given the magnitude of emissions from shipping, the results of each scenario will be relatively sensitive to refinements of these emission factors.

In a similar fashion, the outputs from the tool are also sensitive to the embodied emission factors used. These are mostly based on averages from variably sized datasets, so the uncertainty varies from factor to factor (the ICE database gives an indication of data quality with each factor). Crucially, aggregates are renowned for having a wide range of embodied emissions, relative to many other construction materials. Therefore, embodied emissions estimates are likely to be a key source of uncertainty in the projected total emissions.

4 Other considerations

4.1 Global impacts

The decision over the development of the Chouet headland site, and subsequent impacts on the share between on-island and off-island aggregate supplies, has a small global impact through greenhouse gas emission on island and off island for extraction of and import of materials.

Beyond the modelled approach detailed above, it becomes very difficult to quantify these impacts in a way that meaningfully relates to meeting the aggregate demand on-island. In particular, the long-term upstream and downstream effects of decisions made in Guernsey are difficult to disentangle and compare. For example, a decision in favour of importing aggregate from a nearby, existing quarry, with a relatively low-carbon fuel mix in its operations, could have a minimal impact on a global scale. However, the extra demand on this quarry may push the site closer to exhaustion on a shorter timescale, contributing to the environmental impacts of establishing another quarrying site. As the chain of impact grows longer, the uncertainties of impacts are likely to grow. This kind of impact has not been modelled.

Nonetheless, this should not take away from decisions over sources for imported aggregate that favour quarrying operations with a low environmental impact, operated by an organisation which places emphasis on environmental sustainability.

4.2 Carbon sequestration/release from development of Chouet

In 2018, only 4.3% of Guernsey's total greenhouse gas emissions originated in the AFOLU sector (Agriculture, Forestry and Other Land Use), which corresponds to 17.3 kt CO₂e⁴. With most emissions in this category originating from livestock and agricultural processes, only a small proportion of emissions are likely to be sensitive to changes in land use. Any removal of vegetation for quarrying purposes will have a net removal of sequestered carbon. However, the land use change proposed for the development of a quarry at Chouet Headland only affects a small proportion of the total island area. Changes away from the existing land use, of grassland and agricultural fields, are not normally associated with significant releases of carbon stores. Accounting for these considerations, it seems likely that the impact on carbon sequestration/release from the development of a new quarrying site on-island would be negligible.

5 Conclusions

This report has presented details for a number of scenarios for the provision of aggregate materials to meet Guernsey's needs to 2035. The work includes a model for the development of additional scenarios that can help in assessing the estimated carbon impact of decisions relating to Guernsey's aggregate supply. In particular, the tool outputs can be used to direct decisions regarding the potential development of a new quarrying site at Chouet Headland. The users of the tool can also change other variables, such as the make-up of the imported supply, future demand and other factors relevant to GHG emissions, to enable a more comprehensive comparison of future scenarios for quarrying and aggregate supply in Guernsey.

⁴ From 'Guernsey Annual Greenhouse Gas Bulletin, 2018'

Through the analysis of the six scenarios presented above, it can be seen that demand met by imports has a significant impact on greenhouse gas emissions. This is due to imported materials having high emissions from the processing and transport of materials, especially shipping. Imported material emissions are indirect emissions and not attributable to Guernsey's official national totals. Scenarios with high on-island supply throughout the timeseries are associated with lower total emissions which are included in Guernsey's national total emissions.

It is therefore important to consider any decision within the wider context:

- Guernsey's national total emissions and associated targets for carbon neutrality – direct emissions will be particularly important for on-island carbon neutrality targets
- Global impact – Under international emission reporting practices, all emissions will be accounted for in the source country however, indirect emissions are important to consider when thinking about the global impact of Guernsey's activities
- Economic and other environmental considerations – the emissions impacts outlined above need to be considered as part of a wider assessment of Guernsey's quarrying activities including economic factors and other environmental factors such as impacts on biodiversity and water resources.

6 Recommendations for further work

Following the work undertaken in this project, we recommend progress in the following areas to further aid the consideration of carbon impacts in future decisions regarding Guernsey's aggregate supply.

Training and engagement

The tool and report currently contain instructions to aid the user in understanding the data inputs required and the likely reasons for differences between scenarios. A deeper engagement with the emissions calculations and the process used by the tool would allow for the uncertainties of outputs to be reduced, methodologies to be refined and a more detailed understanding of decision-relevant factors to be obtained. This could be achieved through training sessions for staff in using the tool to inform decision-making, and workshops to allow further input from key stakeholders. This tool can also be used as part of a wider engagement on the impacts of quarrying options for Guernsey, including a consideration of how carbon impacts balance with economic and other environmental impacts and priorities.

Tool improvement

There is scope for the current assumptions and uncertainties in the model to be reduced with further stakeholder engagement and tool development. Further factors relevant to the carbon impacts of quarrying could also be considered by adding more functionality to the model. For example:

- Further consideration of development of technology that decarbonises certain emissions sources
- The use of projected emission factors, so that the emissions estimate reflects changes to the carbon intensity of an activity over time

- More refined consideration of recycled aggregate supply, to give more detailed consideration to the carbon impacts of recycled aggregate relative to virgin resources
- Refinement of the tools user interfaces and user interaction to its output. This could include developing more refined user workflows, input screens and development of online data visualisation of different scenario outputs and scenario comparisons.



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Carbon Impacts for Different Quarrying Options for Guernsey Summary Report

August 2020

Introduction

The States of Guernsey is considering options relating to on-island quarrying. Currently, there is one quarry in Guernsey, Les Vardes, which produces up to 165,000 tonnes of granite per year, with a 10 year average of 125,000 tonnes, and is the primary source of aggregates for the island. Other quarried materials including sand and other aggregate, are imported from the UK and mainland Europe. With Les Vardes moving towards becoming expended and the recognition that Guernsey will not move away from concrete products in the immediate future, the States of Guernsey have a need to gather evidence and knowledge on the options for quarrying and supply of aggregates.

Once Les Vardes has been expended, the only remaining accessible area of quality stone on the island is at Chouet Headland. The Chouet Headland site is within the Vale Parish, at the north-western top of Guernsey. The site is bordered by Mont Chouet landfill to the east and by the sea to the north, west and south. The site contains a mix of uses including residential, leisure and recreation, open land, public amenity land, car parking, heritage and refuse and recycling facilities

Aether Ltd were commissioned to undertake a review of future quarrying options, including a range of phased development and demand led scenarios. Recovery action plans may impact on future demand, and also if the Island entered in and out of lockdown due to the ongoing global pandemic. A 'scenario tool' had been developed to help future decision making.

This report summarises the findings of that review on the carbon impacts of potential different future options for the provision of rock and aggregates.

Background

The Chouet Headland area is identified as an area for mineral extraction. In April 2019, a draft of the Chouet Headland Development Framework Supplementary Planning Guidance was shared for public consultation. Following the consultation the States of Guernsey are reviewing the principle of on-island quarrying and gathering robust evidence to support policy decisions. Any plans for future mineral extraction at Chouet Headland must be sustainable, respecting and protecting the local environment as well as the amenity of local communities and residents and the local infrastructure. The work on carbon impacts of

quarrying options will feed into this wider body of work which will be taken to the States in the future.

Scope

The report focusses only on carbon emissions and not on other factors such as wider environmental factors, economics or rock availability (beyond the anticipated lifetime of the on island quarries as informed by Ronez). Ronez contributed technical information on the amounts of material they quarry as well as providing information allowing a detailed assessment of their on-island carbon footprint.

The following factors were considered when undertaking the scenarios and creating the tool for future use:

- The energy used in on-island mining and quarrying and on-island transportation.
- Energy used for transportation of imported materials.
- Global carbon impacts.
- Energy intensity of quarrying practices in Guernsey, compared to international standards and neighbouring countries that could supply imported materials.
- Potential for increased use of recycled aggregate materials in Guernsey.
- Possible impacts on carbon sequestration/release.
- Scenarios that may arise out of the recovery plan and future policy directions.
- The options for different stone types e.g. granite, mason stone.

An Excel spreadsheet based tool was developed which enables consideration of further scenarios allowing re-evaluation as further information is made available. The following scenarios were explored in the report:

- Supply Scenario A: No development of Chouet Headland
- Supply Scenario B: Phase 1 development of Chouet Headland
- Supply Scenario C: Phases 1 and 2 development of Chouet Headland
- Supply Scenario D: Full (phases 1, 2 and 3) development of Chouet Headland
- Demand Scenario A: Demand drops to 80% of current levels
- Demand Scenario B: Demand rises by 10% per year on 2020 levels for next 5 years

Key findings

When accounting for carbon across the entire supply chain; full development of Chouet results in the lowest carbon impact for both high and low demand scenarios. Due to additional carbon emissions from importation (mostly shipping) of materials the embodied carbon emissions with no development of Chouet are around a factor of two higher than emissions for supply scenario for the full development of Chouet. The carbon intensity of Guernsey's on-island supply of aggregate is comparatively low.

It is important to distinguish between direct (on-island) emissions and indirect (off-island) emissions. Scenarios with no development of Chouet have the lowest direct emissions but the highest indirect emissions and vice versa for full Chouet development scenarios. Only direct emissions count towards Guernsey's national total emissions however indirect emissions are important for considering the global impact of Guernsey's activities

Table's 1 and 2 and figure 1 below illustrate the different carbon intensities of the scenarios modelled. Figure 2 and table three illustrate the average emissions per tonne of aggregate and the breakdown of on and off-island supplies. These all clearly illustrate that additional global carbon impact of importation.

The carbon intensity of Guernsey's own supply of aggregate is low, largely due to the type of extraction and processing that virgin, "land-won" sources involve. The use of electricity in processing also contributes to its low value relative to aggregate from other sources. Any changes in fuel mix used in processing and extraction would result in changes to the carbon intensity of Guernsey's own supply.

When considering supplies of virgin 'land-won' aggregate, the Guernsey embodied carbon factor sits somewhere between the 50th and 75th percentile in value, suggesting that it is a fairly typical aggregate source of its type in terms of carbon intensity. Crucially, the carbon intensity of this type of aggregate source is the lowest of all the averages listed. Other types of source, including 'marine-won' and recycled, tend to have a higher carbon intensity. This sets a high bar for the carbon intensity of any alternative, imported, supply of aggregate to be lower than Guernsey's own supply, when solely considering "cradle-to-gate" (in-earth to processed product) emissions.

Table 1 - Report scenarios

Emissions Scenario	Demand Scenario	Supply Scenario - Chouet development	Total 2020-2035 tonnes CO ₂ e
1	A: Drops to 80% of current levels for next three years before returning to and plateauing at 2020 levels.	A: No development of Chouet site.	46,628
2		B: Only phase 1 of Chouet site development.	39,254
3		D: Full development of Chouet site.	21,026
4	B: Rises by 10% per year on 2020 levels for next 5 years then plateaus at 50% above 2020 levels.	A: No development of Chouet site.	56,623
5		B: Only phase 1 of Chouet site development.	48,913
6		D: Full development of Chouet site.	30,682

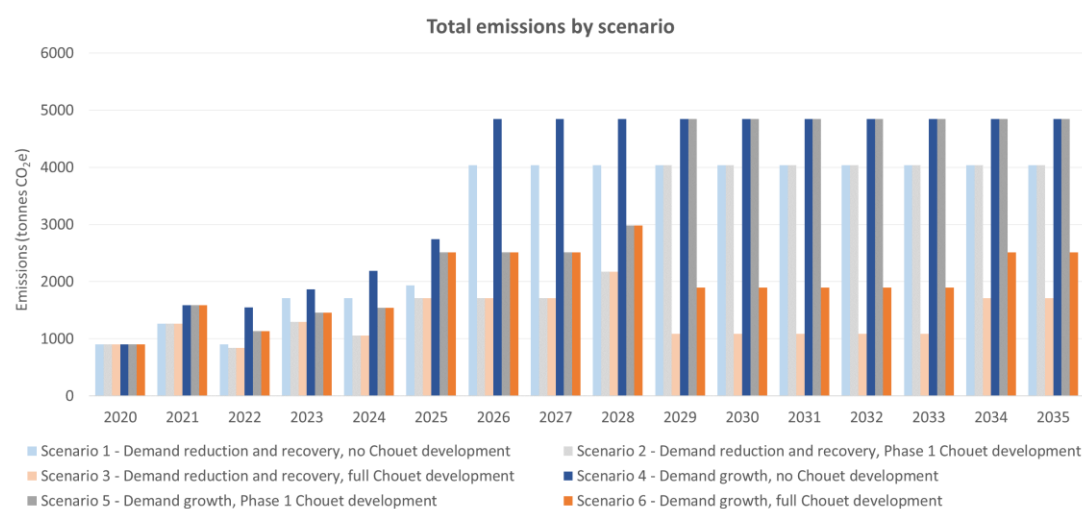


Figure 1 - Total emissions 2020-2035 by scenario

Table 2 - Total emissions 2020-2035 for each scenario (tonnes CO₂e)

Emissions scenario		2020	2025	2030	2035	Total emissions 2020-2035
Scenario 1 – Demand reduction and recovery, no Chouet development	Direct	630	625	204	204	48,766
	Indirect	271	1,309	3,831	3,831	
Scenario 2 – Demand reduction and recovery, Phase 1 Chouet development	Direct	630	670	204	204	40,900
	Indirect	271	1,037	3,831	3,831	
Scenario 3 – Demand reduction and recovery, full Chouet development	Direct	630	670	795	670	21,514
	Indirect	271	1,037	295	1,037	
Scenario 4 – Demand growth, no Chouet development	Direct	630	665	245	245	59,256
	Indirect	271	2,076	4,597	4,597	
Scenario 5 – Demand growth, Phase 1 Chouet development	Direct	630	711	245	245	51,039
	Indirect	271	1,803	4,597	4,597	
Scenario 6 – Demand growth, full Chouet development	Direct	630	711	835	711	31,650
	Indirect	271	1,803	1,061	1,803	

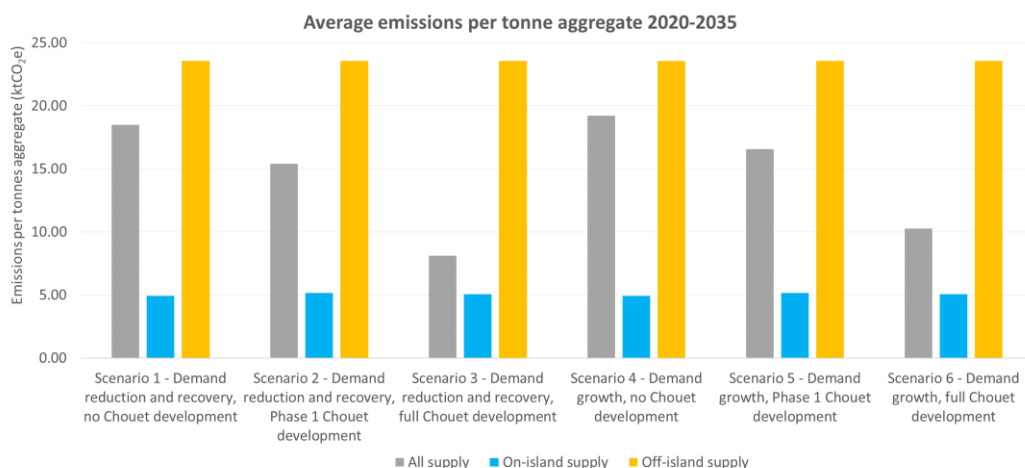


Figure 2 - Average emissions per tonnes aggregate 2020-2035

Table 3 - Average emissions per tonnes aggregate for each scenario, split by on-island and off-island supply

	Average emissions per tonne aggregate 2020-2035 (ktCO ₂ e)		
	All supply	On-island supply	Off-island supply
Scenario 1	18.48	4.92	23.55
Scenario 2	15.41	5.16	23.55
Scenario 3	8.11	5.05	23.55
Scenario 4	19.21	4.92	23.55
Scenario 5	16.55	5.16	23.55
Scenario 6	10.26	5.05	23.55

The difference in emissions between scenarios with significant importation and those with little importation can largely be attributed to the embodied emissions of imported products, particularly from transportation. It should be noted that changes in international shipping practices to low carbon fuel would greatly reduce the impact of importing aggregate.

However, if only direct (scope 1) emissions are considered (as per the greenhouse gas inventory), scenarios that involve significant importation will have considerably lower emissions than scenarios with greater on-island supply. Emissions associated with the quarrying of the rock will be accounted for in the jurisdiction that the activities occur in (in the case of this analysis, the UK) and shipping in the jurisdiction where the fuel is sold. Considering both direct and indirect emissions allows for consideration of the global impacts of Guernsey's quarrying activities and also is in alignment with the aims of Guernsey's Climate Change Policy.

Conclusions

- It is important to consider any decision within the wider context;
- Local vs global impact – Under international emission reporting practices, all emissions will be accounted for in the source country however, indirect

emissions are important to consider when thinking about the global impact of Guernsey's activities; and

- On island aggregate production has the lowest associated emissions;
- Off island aggregate has a lower impact on Guernsey's national reporting of emission;
- The climate change policy supports accounting for whole life emissions, with E&I tasked to provide more comprehensive reporting in the future;
- Decarbonisation of supply chains has the potential to significantly reduce the carbon intensity of imported aggregate;
- Guernsey's source of rock is a low carbon intensity source.

CHOUET HEADLAND

Environmental Appraisal of Establishing a Quarry

Prepared for: **Ronez Limited**

Client Ref:



BASIS OF REPORT

This document has been prepared by SLR with reasonable skill, care and diligence, and taking account of the manpower, timescales and resources devoted to it by agreement with Ronez Limited (the Client) as part or all of the services it has been appointed by the Client to carry out. It is subject to the terms and conditions of that appointment.

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Appendix 01: Dust Mitigation Measures

Appendix 02: HER Records and SLR additions

Appendix 03: Data Search Results (At Risk and Endangered Species only)

1.0 Introduction

SLR Consulting Limited ('SLR') has been appointed by Ronez Limited to advise on the potential effects on the environment and local amenity through developing a quarry at the Chouet Headland. This work has been undertaken as part of a formal Environmental Impact Assessment ('EIA') which has been undertaken to assess the likelihood of significant effects by developing the eastern part of the headland.

This document is an Environment Appraisal of the likely effects and in essence is an extended summary of the EIA (not a Non Technical Summary as required under the EIA Ordinance) and has been prepared to inform States of Guernsey Committee of the Environment and Infrastructure as part of their consideration of evaluating the options for the future supply of aggregates to the Island construction sector.

It should be noted that the environmental work commenced in c. 2017 and is ongoing and will be refined following the provision of a Scoping Opinion relating to the development. The detailed assessment work also relates to development in the eastern part of the headland as part of the initial phase of developing the headland to establish a new processing plant site. Notwithstanding this, most of the baseline work undertaken relates to the whole of the headland. However, it is considered that this work will provide a reasonable basis for considering the effects of developing a quarry on the headland as an 'on-Island' source of aggregates.

1.1 Quarrying on Guernsey

The granite trade started in the late 18th century. At its peak in 19th Century there were over 250 active quarries within Guernsey. Today there is one active quarry on Guernsey (Les Vardes Quarry) located in the north of the island at St Sampson. The origins of the quarry at Les Vardes are understood to date back a couple of hundred years. It was operated during WW II and abandoned afterwards. The quarry was reopened by Ronez in 1961 and has been operated continuously ever since. Permission for a north-western extension to the quarry containing about 750,000 tonnes of reserve was granted in 2010. There are no further feasible extensions to Les Vardes Quarry.

The quarry works granite deposits from the Bordeaux Northern Diorite formation to produce a range of aggregate products which are supplied to the local construction market, either as 'dry stone' or used in the manufacture of concrete or asphalt.

The quarry has sufficient reserves to sustain production for around six to seven years. Notwithstanding this, over half of the consented reserves lie underneath the processing plant within the southern part of the quarry void and so cannot be accessed until the plant is dismantled.

It is therefore important to source new reserves of granite if supplies of aggregates and related products (concrete, asphalt etc.) are to continue to be available to the island construction sector from an on-island source.

1.2 The Chouet Headland

The Chouet Headland is located at the north-western tip of Guernsey, some 5.6km to the north of St Peter Port, immediately to the west of Mont Cuét landfill site. To the north, west and south the headland is surrounded by sea. To the south is Ladies Bay whilst to the south-east is L'Ancrese Common (within which is the Royal Guernsey Golf Club).

The eastern part of the headland comprises five linear agricultural fields orientated in an east to west fashion with clearly delineated boundaries formed by low vegetated stone walls. To the east of the fields is a road (Rue des Grands Camps) and ancillary land associated with the Mont Cuét landfill site. To the south-west of the fields

is a residential property (bungalow), whilst to the north-west is an old quarry which is being used for recycling/processing green (garden) waste.

The western part of the headland is more open and without any formal structure, comprising an area of coastal grassland on the higher ground surrounded by scrub, bare ground, old quarries and historic buildings, including 18C Pre-Martello tower and associated magazine, batteries and WWII fortifications. The grassland area is used by a model aeroplane club and includes benches and picnic tables. On the western edge of the headland, to the north of the largest WWII structure is a building and shooting range associated with a pistol club. The range, which is located within an old quarry, is securely fenced with chain link fencing, with a flagpole located at the north-western corner. On top of the WWII bunker are an array of masts and solar panels within a fenced compound associated with a weather station.

The initial area to be developed as part of the establishment of a new quarry comprises the eastern part of the headland, namely the agricultural fields and property. In addition, an old quarry and the reception area of Mont Cuét landfill would also be used for ancillary operations, whilst an area to the south of the fields would be used to create a landscaped screen mound. An outline of the development is set out in section 1.3 below.

1.3 The Development of a Quarry on Chouet Headland

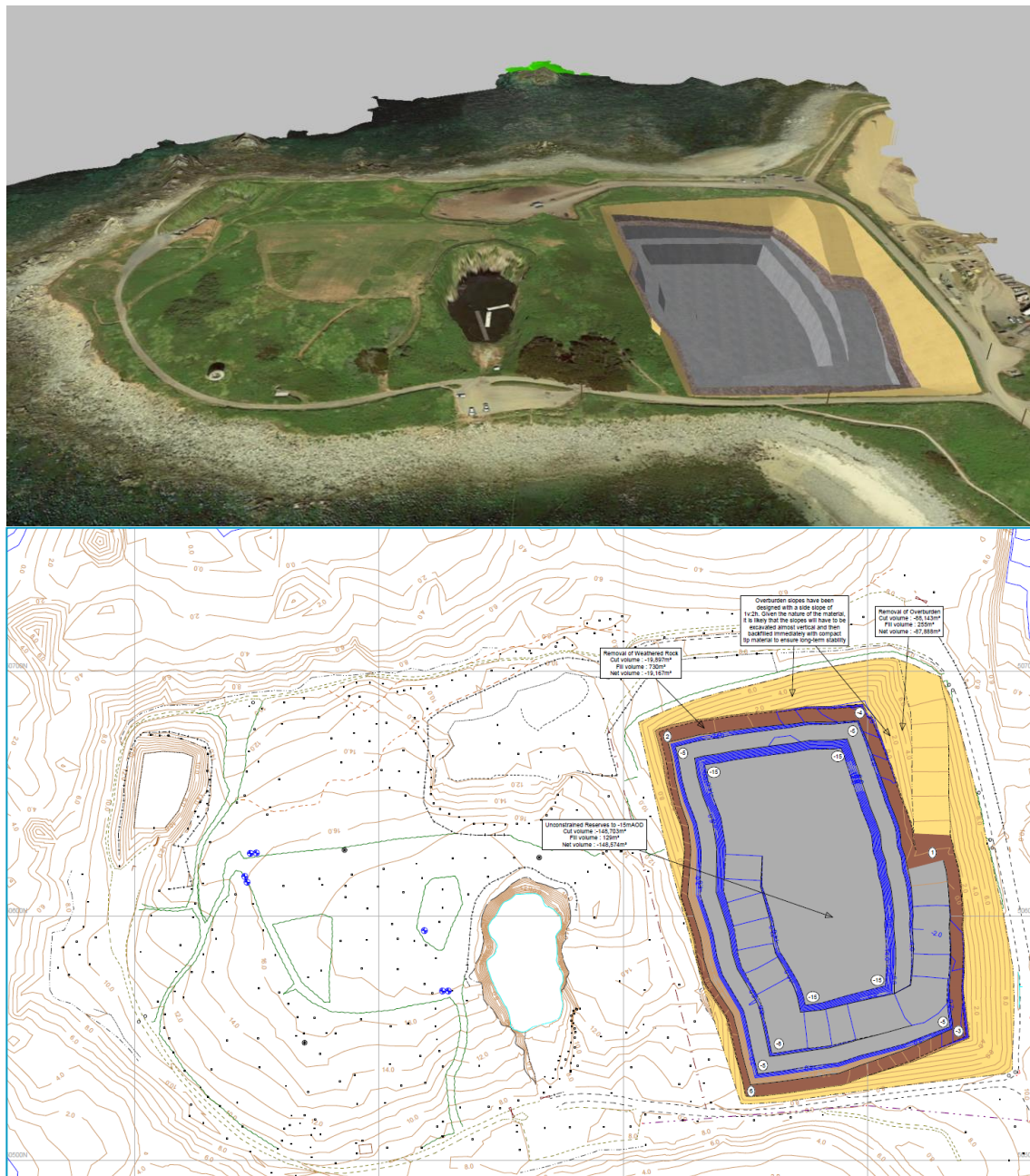
It is anticipated that the Chouet Headland would be developed in three phases, progressively advancing westwards and dovetailing with the completion of Les Vardes Quarry. Operations would commence within the eastern part of the site (which is owned by Ronez Limited) and progressively deepen the mineral working through successive levels, each nominally 10m high, to create a suitable platform below ground level upon which a new processing plant could be erected. During the first phase it is likely that the extracted granite would undergo crushing using a mobile primary crusher located within an old quarry on northern edge of the headland (currently used for green waste recycling). This would make the material more suitable for transporting to Les Vardes Quarry for further processing to produce aggregates using the established plant. Once a suitable platform had been created in the quarry void a new quarry processing plant could be established and the plant at Les Vardes dismantled, allowing the remaining reserves at Les Vardes to be worked, with the extracted rock transported to Chouet for processing.

Following exhaustion of the reserves at Les Vardes Quarry, the workings at the headland would progress into the second phase, extending westwards taking in the old Torrey Canyon Quarry and current green waste tip. The final phase would extend the workings further to the west and include land occupied by a pistol club and model aircraft runway. During this final phase, the quarry would develop to its maximum lateral extent which would allow the workings in Phase 2 to be deepened. At the end of this phase, the plant would be dismantled and the remaining reserves worked, again being processed using a mobile plant.

The design of the quarry would take into account the volume of soils and other deposits (known as overburden) stripped to expose the granite and how this can be beneficially used to help screen the workings to ameliorate both visual and acoustic effects. It would also be necessary to consider what volume of material would need to be retained for final restoration works. Should there be a surplus of such materials then the scheme would need to show how this material can be beneficially used off site. Any overburden not used for screening or other schemes agreed with the States would be placed in the worked out sections of Les Vardes Quarry. As part of the design work consideration would be given to the perimeter treatment of the site to deter access into the working area.

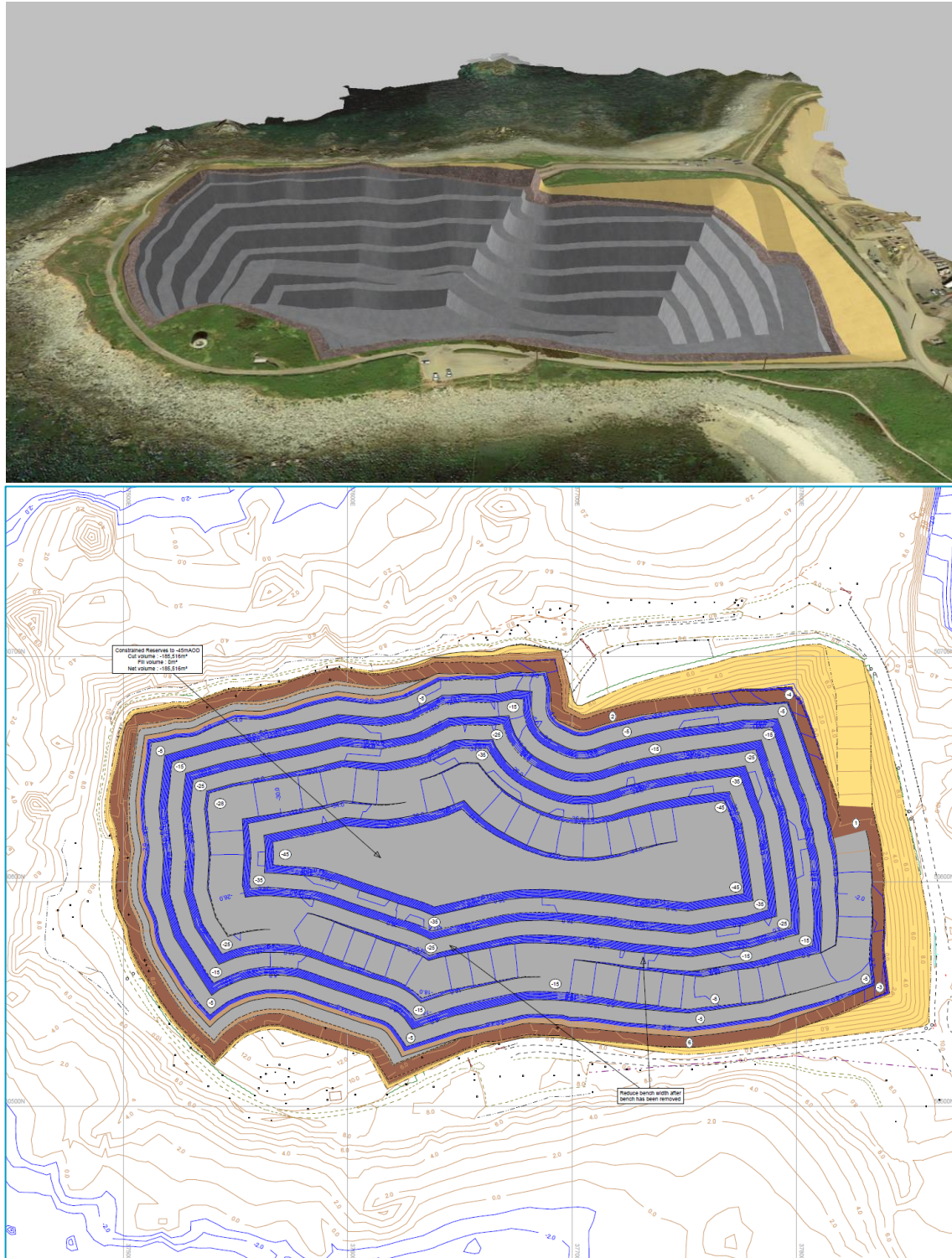
Based on a quarry design work undertaken for Ronez Limited it is anticipated that the first phase of the development could release around 400,000t of saleable rock (allowing for production losses) and so sustain production for around 3 years. After this, the remaining 480,000t of reserves at Les Vardes Quarry would be transported to Chouet for processing, which could last for around 3 to 4 years. Figure 1-1 provides an illustration of how the eastern part could be developed; however, the illustration is not meant to be prescriptive as the final design would be informed by various environmental studies as well as geotechnical considerations.

Figure 1-1
Phase 1 Development within the Headland



Phase 2 of the development could release a further 685,000t of saleable rock whilst Phase 3 could release an additional 3.05Mt of saleable rock. The overall design of the quarry, allowing for reserves lying underneath the processing plant, could yield in total 4.1Mt. Figure 1-2 illustrates the possible maximum quarry design (again it is not meant to be prescriptive).

Figure 1-2
Maximum Extraction Potential



In terms of restoration without importing fill materials the quarry void would fill with water over time to create a new waterbody. At this stage it is not possible to be prescriptive over the final restoration scheme and after-use for the quarry. However, the following options present themselves:

- Infill the quarry void with inert waste materials; or

- Allow the void to fill with water for the supply of water; or
- Link the quarry void to the bay to the south and create a marina.

1.4 The Environmental Studies

SLR has undertaken a range of baseline studies to be able to characterise the environment of the headland and the immediate surrounding area. These studies comprise the initial part of the EIA work and form the basis against which assessments can be undertaken. The baseline studies include survey and other field work alongside desk based data gathering. In this respect the following surveys have been undertaken:

- Archaeology and Heritage – desk based data gathering and ‘walk over’ survey of the headland by qualified archaeologist.
- Ecology – an extended Phase 1 habitat survey along with targeted surveys for:
 - Reptile Survey;
 - Bat Survey;
 - Wintering Bird Survey; and
 - Breeding Bird Survey.
- Landscape and Visual – desk based assessment in relation to landscape character and the potential zones of visibility followed by site work to examine potential viewpoints.
- Noise – measuring background noise levels at sensitive receptors around the headland.
- Transport – undertaking traffic counts on local roads and survey of local road network.
- Vibration – gathering of data on recorded vibration levels as a result of blasting operations at Les Vardes Quarry;
- Water Environment – desk based data gathering, groundwater monitoring, walk over survey by qualified hydrogeologist.

1.5 Structure of this Report

The following sections in this report address each environmental topic that has been studied; the topics have been addressed in alphabetical order as opposed to any perceived order of importance.

- Section 2 Air Quality Assessment
- Section 3 Archaeology and Cultural Heritage
- Section 4 Ecology
- Section 5 Landscape and Visual Impact
- Section 6 Noise
- Section 7 Transportation
- Section 8 Vibration
- Section 9 Water Environment

1.6 SLR Consulting Limited

SLR is a multi-disciplinary environmental consultancy to *inter alia* the minerals, energy and waste management industries, and also provides advice to local authorities together with both nongovernment and government bodies on strategic issues. SLR is a registered Environmental Impact Assessor Member of IEMA and has secured the EIA Quality Mark awarded by IEMA.

In undertaking the environmental assessment work, SLR has drawn upon the expertise of an in-house team of specialists comprising planners, landscape architects and environmental scientists for the technical assessments. SLR has also worked closely with the management teams and technical staff of Ronez Limited, as part of an iterative process, to ensure that the proposed development is practical, feasible and optimises environmental protection.

SLR has a specialist capability in mineral and waste planning. SLR is a member of the 'Institute of Environmental Management and Assessment' (IEMA) with an awarded EIA 'Quality Mark'. The EIA Quality Mark is a voluntary scheme, operated by IEMA through which EIA activity is independently reviewed, on an annual basis, to ensure it delivers excellence in the following areas:

- EIA Management
- EIA Team Capabilities
- EIA Regulatory Compliance
- EIA Context & Influence
- EIA Content
- EIA Presentation
- Improving EIA practice

2.0 Air Quality

2.1 Baseline

2.1.1 Air Quality Review and Assessment

The Office of Environmental Health and Pollution Regulation (OEHPR) prepares air quality screening and assessment reports to provide an overview of the air pollution levels on-island and the local contributors to the measured pollutants.

The most recent 'Screening and Assessment Document' for air quality in Guernsey is the report issued in July 2015, representing the second comprehensive document following the 2010 Air Quality Screening and Assessment. The reports seek to provide a detailed review of air quality monitoring data collected and present trend analysis data. The reports focus on sources and levels of local ambient (outdoor) air pollution in comparison with the standards and objectives set in UK law.

The 2015 Screening and Assessment Document states that ambient air quality has been monitored across the island by the OEHPR since 1992 with strong evidence that generally air quality is good. There is evidence of pollutants that pose notable concern locally and the presence of hotspots where there are localised high concentrations of pollutants.

The 2015 report concluded that over the five year period (2010 to 2014) ongoing compliance with standards (UK AQO) for nitrogen dioxide have been achieved whilst PM₁₀ concentrations in the built up industrial area on the south of the Island exceeded the more stringent Scotland AQO in 2014. This area of concern is located approximately 3.5km south of the headland and is not therefore identified as an area that would be affected by the proposed development of a quarry.

2.1.2 OEHPR Monitoring Data

The OEHPR currently maintain two permanent monitoring locations; Lukis House monitoring for NO_x (and CO) and Bulwer Avenue monitoring for NO_x & PM₁₀ (& SO₂).

Lukis House station is located on a busy road between St Sampson and St Peter Port, in a built up urban area approximately 5.5km southwest of the headland. Bulwer Avenue is a roadside location in the industrial area of St Sampson, located approximately 3.5km south of the headland.

Given the distance and the location in the built up urban / industrial environments of the permanent automatic monitors, pollutant concentrations are not considered to be representative of the rural locale of the headland. Monitoring data for the two permanent monitors for 2017 is presented below in Table 2-1.

There are no data sources for which to predict background concentrations of PM₁₀ or NO₂ for the area of the application site and surrounding receptors.

Table 2-1
2017 Automatic Monitoring Data

Monitor	Classification (& distance from Site)	PM ₁₀		NO ₂	
		PM ₁₀ Annual Mean	No. 24hr exceedances >50µg/m ³	NO ₂ Annual Mean	No. hrly exceedances >200µg/m ³
Bulwer Avenue	Roadside 3.5km from Site	27	0	14	0
Lukis House	Roadside 5.5km from Site	-	-	27	0
a) Lukis House monitor monitors for NO₂ only					

Table 2-1 demonstrates that in the built up urban / industrial areas where SoG consider monitoring of air quality to be required, the UK AQOs have been met during 2017. On this basis, it would be reasonable to assume that PM₁₀ and NO₂ levels within the rural setting of the application site would be considerably less.

Nitrogen dioxide (NO₂) levels are also monitored on a monthly basis using diffusion tubes situated at roadside locations across Guernsey. The annual mean objective level for NO₂ of 40µg/m³ is being achieved across each individual monitoring location.

The closest diffusion tube monitoring location to the headland is approximately 2km distant within the residential area of La Passee on the northern coastline. There are no diffusion tubes located in rural areas similar to that of the application site that would be considered to be representative of air quality in the locale of the Site.

2.1.3 PM₁₀ Monitoring at Les Vardes Quarry

A 3 month monitoring programme was undertaken in 2012 by Aggregate Industries¹ to establish the ambient baseline concentrations of PM₁₀ in relation to the extension of operations at Les Vardes Quarry. The monitoring was undertaken at a property to the west of the quarry, representing the closest residence to the extension area.

The results concluded the following:

- the 3 month mean was 24.7 µg/m³, well within the AQO of 40 µg/m³;
- the scheme recorded 2 exceedances of the daily limit of 50 µg/m³;
- easterly winds transported a notable influence of secondary particles from mainland Europe;
- the predominant southwest and westerly winds conveyed considerable concentrations of sea salt, resulting in an addition 15 µg/m³ when compared to data collected from Plymouth and Southampton City Centres; and
- southwest and westerly winds accounted for over 50% of wind within Guernsey.

2.1.4 Disamenity Dust Monitoring and Complaints Records

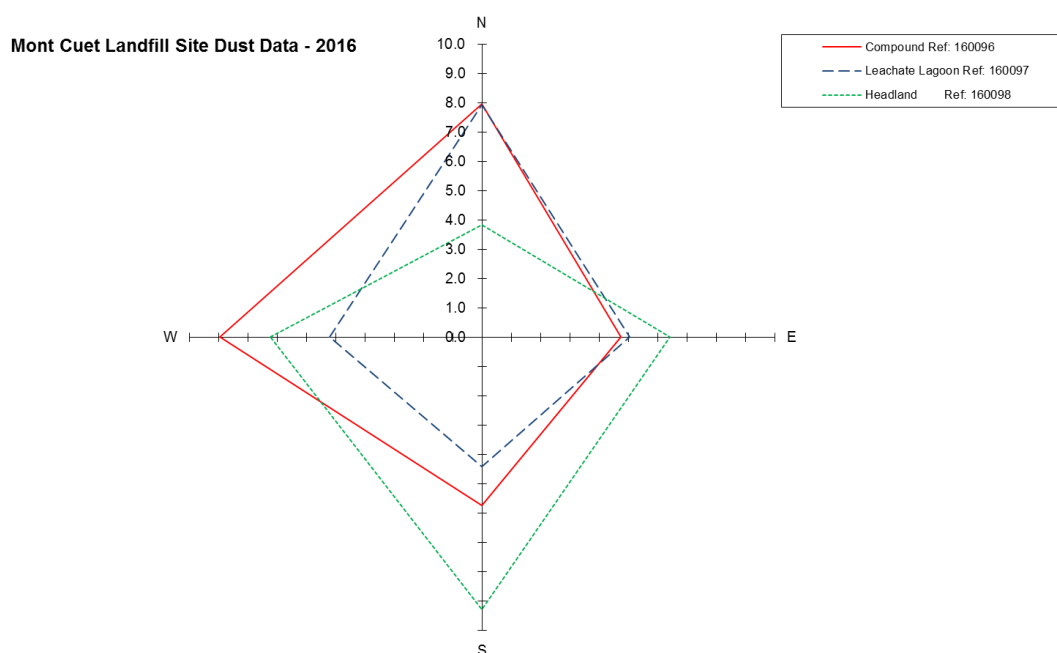
Monitoring of dust levels have been undertaken at the adjacent Mont Cuet Landfill site. Monitoring is undertaken at three locations:

¹ Advance Environmental, 2012. Report on PM₁₀ in the vicinity of the Les Vardes Quarry Guernsey. November 2012

- southern boundary (“Leachate Lagoon”);
- north western corner (“Headland”); and
- southwestern corner of the operational landfill site. (“Compound”).

Dust is monitored by the determination of the 10-day percentage obscuration on samples collected in the directional dust gauges. The 10-day obscuration percentage (TDO) is a measure of the percentage of horizontal area which would be covered by dust during 10 days exposure. The 2016 dust-roses for the three monitors at Mont Cuet landfill site is presented below in Figure 2-1.

Figure 2-1
Mont Cuet Disamenity Dust Monitoring Results (2016)



Disamenity dust at the compound monitor have strong northerly and westerly components, corresponding with internal infrastructure and onsite areas where vehicle movements are likely to be frequent. The monitor at the headland demonstrates a strong southerly component likely to be attributed to the active filling area. The monitor at the leachate lagoon indicates a northerly component of disamenity dust likely to correspond to the landfill area utilised for stockpiling purposes.

2.1.5 Complaints

Given the likely similarity of operations, working techniques and attitude towards environmental management between the current operations at Les Vardes Quarry and the proposed development a review of complaints received in relation to dust in the local area of Les Vardes Quarry has been undertaken. Les Vardes Quarry is located in an area where residential properties of high sensitivity to dust are located within 100m; more than 200 dwellings are located within the IAQM screening distance of 400m. For comparison, for the proposed development at the headland has 4 residential properties located within this distance.

It has been confirmed during discussions with the OEHPR that no complaints in recent years have been received with regard to dust emissions from existing operations undertaken at the working Les Vardes Quarry.

Following discussions with the Waste Services and Environmental Monitoring department of States of Guernsey, it was confirmed that complaints regarding dust from the landfill site are 'rare'. Active dust suppression on site includes a perimeter misting system along the southern boundary of the site and a mobile sprinkler system to dampen down internal roadways.

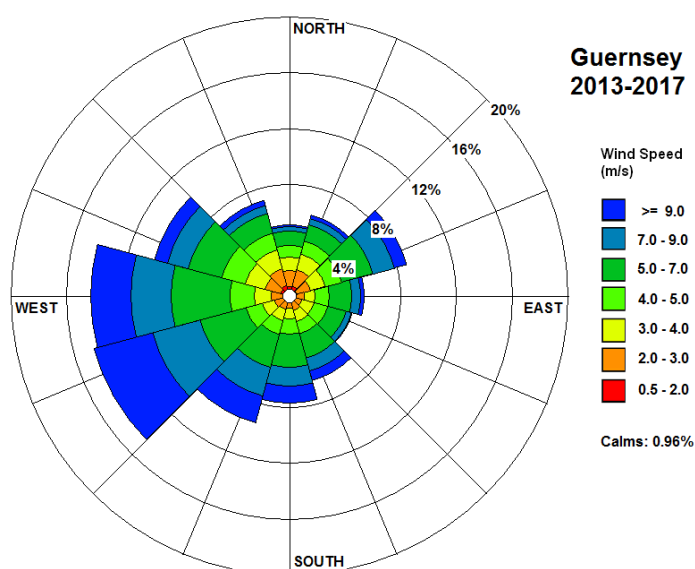
2.1.6 Meteorology – Dispersion of Emissions

The most important climatic parameters governing the release and dispersal of fugitive emissions from the proposed development are wind speed, direction and rainfall (for dust emissions):

- wind direction determines the broad direction of dispersal;
- wind speed affects ground level concentrations by increasing the initial dilution of pollutants in the emission. It will also affect the potential for dust entrainment; and
- rainfall naturally suppresses dust release.

A five year windrose from Guernsey Airport (located approximately 9km to the south west) is presented in Figure 2-2.

Figure 2-2
Wind Rose of Guernsey Airport Meteorological Station (2013 to 2017)



The windrose from Guernsey Airport shows that the majority of winds are from the western sectors, with winds from 195° to 315° occurring for approximately 49% of the year. High winds (greater than 5m/s) occur for an average of 56% of the year, with the dominant directions being between 215° to 285°. On this basis, locations to the east and northeast would expect to have the highest potential for impacts from any dust emissions generated by the proposed development.

Relevant rainfall data applicable to the application site has been obtained from the Met Office website² of UK mapped climate averages for 1981-2010. The average annual rainfall >1.0mm/day for the area of the site is 130.5 days per year, comprising approximately 36% of the year. As such, the number of days with sufficient rainfall to suppress dust emissions (>0.2mm/day) is expected to be greater still.

² Meteorological Office Website <http://www.metoffice.gov.uk/climate/uk/averages/key-features-1981-2010>, accessed August 2018

Table

2-2

Rainfall (Total) Data: Guernsey Observation Station

highlights seasonal rainfall variation during the climate period 1981 - 2010. As anticipated, winter months experience an increase in the quantity of rainfall. As such, the potential for dust emissions are higher during the summer months.

Table 2-2
Rainfall (Total) Data: Guernsey Observation Station

Rainfall (mm)											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
92.5	70.2	66.7	53.1	51.2	45.5	42.1	47.8	57.6	95.0	104.3	112.7

2.2 Appraisal

2.2.1 Screening Criteria

The IAQM³ uses a distance-based screening criteria for both airborne concentrations and deposited dust. It states that dust impacts associated with disamenity effects from hard rock sites are considered to occur mainly within 400m of the operations.

In accordance with the IAQM methodology, if there are relevant receptors within 400m and 1km then further assessment of dust deposition and PM₁₀ will be required, respectively.

2.2.2 Assessment of Vehicular Emissions

Atmospheric emissions from vehicles related to site proposals are primarily associated with the exhaust emissions from Heavy Duty Vehicles (HDVs). The decision as to whether an assessment of potential impact is required is based upon the screening criteria set out in the EPUK/IAQM guidance.

The primary criteria set out in the EPUK/IAQM to assist in the determination of whether further assessment of vehicle exhaust emissions is required, as presented in Table 2-3.

Table 2-3
EPUK / IAQM Vehicle Emissions Screening Criteria

Vehicle Category	Relevant Criterion for Application Site
LDVs (vehicles <3.5 tonnes)	>500 AADT additional movements
HDVs (vehicles >3.5 tonnes)	>100 AADT additional movements

In the event that, as a result of the proposed development there is an increase in vehicle movements that exceeds the IAQM/EPUK guidance criteria, further assessment would be undertaken.

³ Institute of Air Quality Management

2.2.3 Sensitive Receptors

The term 'sensitive receptors' includes any persons, locations or systems that may be susceptible to changes in abiotic factors as a consequence of the development. These have been identified as human receptors and ecological receptors sensitive to fugitive dust and vehicular emissions.

Human Receptors

The IAQM Guidance states that the majority of impacts from fugitive dust emissions from hard rock quarries are experienced within 400m of the dust generating activity. A desk study was undertaken to identify sensitive receptors within 400m of the application site.

The receptors considered in the assessment of dust amenity impacts are presented within Table 2-4 **Human Sensitive Receptors**

2-4 and on **Drawing CH 1**. Where these are referenced within the report text, they are referred to as R1 – R9. It is noted that the residential property within the headland would be demolished as part of the proposals.

Table 2-4
Human Sensitive Receptors

Receptor		Distance / Direction from Development Boundary		Sensitivity to Dust
R1	Residence Mont Cuet Road	<100m	South	High
R2	Restaurant Mont Cuet Road	<100m	South	High
R3	Residence	250m	East	High
R4	Residence	<200m	South-east	High
R5	Café	<200m	South-east	High
R6	Golf Club (playing green)	350m	South-east	Low
R7	Car Park	<50m	West	Low
R8	Golf Club (playing green)	>400m	East	Low
R9	Recreational RC flying area	<100m	West	Low

Ecological Receptors

There are no designated ecological designations within the application site, with isolated areas of the Site of Special Significance (SSS) L'Ancrese Common located within 400m of the development site boundary. L'Ancrese Common is a large area of unenclosed land in the north of Guernsey, which consists mainly of dune grassland and scrub. Areas of the SSS within 400m of the Site include a small area comprising a water body with dense scrub located 190m to the west of the site, and an area of dune grassland located 100m to the south.

The IAQM Guidance states the sensitivity of an ecological receptor to dust emissions should be based on both the value of the habitat (i.e. level of designation) and the sensitivity of features within the areas to dust deposition. The guidance suggests that sites of National importance with designated features with the potential to be affected by dust deposition should be classified as medium in sensitivity.

On the basis of discussions with SLR's ecologist and information provided in Section 4 (Ecology), there are not considered to be any feature of specific sensitivities to dust within the L'Ancrese Common SSS. In accordance with IAQM guidance, the SSS has been classified in the assessment as a receptor of medium sensitivity.

On the basis that the L'Ancrese Common SSS does not have any features with any specific sensitivities to dust, it has been included in the assessment as a receptor of medium sensitivity.

2.2.4 Potential Sources of Fugitive Dust

The potential sources of airborne dust emissions are considered to include the following activities:

- site preparation activities (stripping of soils, screen mound formation);
- mineral extraction;
- handing and transfer of material;
- mineral processing;
- storage and stockpiling of material; and
- off-site vehicle movements.

Table 2-5
Residual Source Emission Magnitude

Phase	Dust Generating Activity	Justification	Maximum Source Magnitude
Preparation	Construction of ancillary areas	Limited to plant site, stockpiling areas and loading / unloading area (<5,000m ²) Minimum stand off to receptors	Small
	Soil stripping and overburden removal	Unsurfaced haulage routes Water bowser on site Discrete areas worked Minimum stand off to receptors	Small
	Construction of screening mounds	Material potentially dry and high dust potential Located along periphery of site Duration of 3 months for southern mound seeded immediately on completion	Medium
	On-site vehicle movements	Unsurfaced haulage routes Water bowser on site	Small
Operational Phase	Mineral processing (Plant Site)	Mobile screen and jaw crusher (with incorporated dust suppression system) 125,000 tonnes per annum throughput Majority of processing offsite initially (at Les Vardes Quarry)	Small

Phase	Dust Generating Activity	Justification	Maximum Source Magnitude
	Mineral stockpiling (Plant Site)	Location at greatest distance from off-site receptors	Small
	Soil stripping and overburden removal (Excavation Area)	limited to discrete sections <2.5ha	Small
	On-site vehicle movements	2 x dump trucks for internal transfer Proportion of route above ground would reduce as working depth increases Unsurfaced haulage routes Water bowser on site	Small
	Mineral extraction	Single excavator (such as Komatsu PC450 or similar) Sheltering effect as working face deepens Blasting 2-4 times / month Blasting equipment with incorporated dust collection system Excavated mineral of low dust potential	Small
	Off-site vehicle movements	Approx. 64 HDV movements per working day (46 AADT) Offsite vehicles restricted to paved roads to access loading area at plant site Minimum of 200m paved road prior to using wheel wash Additional 70m paved road after wheel wash before joining public road network Loads if <75mm particle size sheeted	Medium <200m from Site Access Small >200m from Site Access

Activities associated with the site preparation phase have the potential to cause a slight adverse effect on receptors R1, R2 and R3. Predicted effects at the remaining receptors and for the operational phase are considered to be negligible.

The stripping of soils and overburden and the construction of the southern screening mound during the preparation phase would be located within 200m of the identified receptors (R1, R2 and R4) for a maximum period of up to 6 months. During this period there would be the potential for slight adverse effect on disamenity in the absence of any additional dust control on site. Following the seeding and subsequent stabilisation of the mound, the potential for dust generation would reduce to negligible.

In terms of the impact assessment of off-site transportation the source of dust emissions that would cause trackout on the local road networks would be the site itself, including the site access road. As such, the potential for trackout would reduce with distance from the quarry as the dust source is reduced.

The dust impact assessment for trackout has identified that there is one receptor (R1, Residence on Mont Cuet Road) where there is potential for a slight adverse effect from trackout. Receptor R1 is located within 10m of the road for which HDVs would be travelling on route to Les Vardes Quarry, 100m from the site access. However, it should be noted that the effects would be similar to those associated with HGVs visiting the Mont Cuet landfill site.

The overall assessment of effect is considered to be not significant. Additional mitigation has, however, been recommended (see **Appendix 01**) with particular attention to those activities that have been identified as having the potential to cause 'slight adverse' effects on the receptors in the immediate locale.

2.2.5 Assessment of Effects and Significance – Vehicular Emissions

The increase in vehicle movements from the headland during the operational phase of extraction would be around 46 HDV movements as AADT⁴. The predicted trip generation is significantly below the EPUK-IAQM screening criteria of 100 HDV AADT movements for which further assessment of emissions would be required. Therefore, consistent with EPUK-IAQM guidance, no further quantitative assessment is required and the impacts of traffic emissions in the local area can be considered 'not significant'.

2.3 Conclusions

A qualitative dust impact assessment has been undertaken in order to assess predicted impacts as a result of dust emissions from the proposed development, in line with the IAQM document *Guidance on the Assessment of Mineral Dust Impacts*.

The assessment of PM₁₀ effects on human health concluded that air quality would remain well within the UK national air quality standards, with no significant effects predicted.

With regard to disamenity effects from deposited dust, the overall significance of effect of the proposed activities is predicted to be negligible in accordance with IAQM guidance. The assessment takes into account the environmental designed in measures in addition to range of recommended dust controls that would be incorporated into the proposed working scheme. A number of mitigation measures in accordance with industry best practice have been recommended for inclusion within the proposed working scheme.

The proposed working of the headland is considered unlikely to cause any adverse effects with regard to dust or air quality. The overall residual impact of the site on PM₁₀, suspended dust and deposited dust is considered to be not significant.

All potential dust impacts from the proposed development are considered to be reversible i.e. the risk of impact will cease on completion of the extraction and restoration activities at the site, with no significant impacts on local air quality during the operation or following completion of the development.

⁴ Annual Average Daily Traffic

3.0 Archaeology and Cultural Heritage

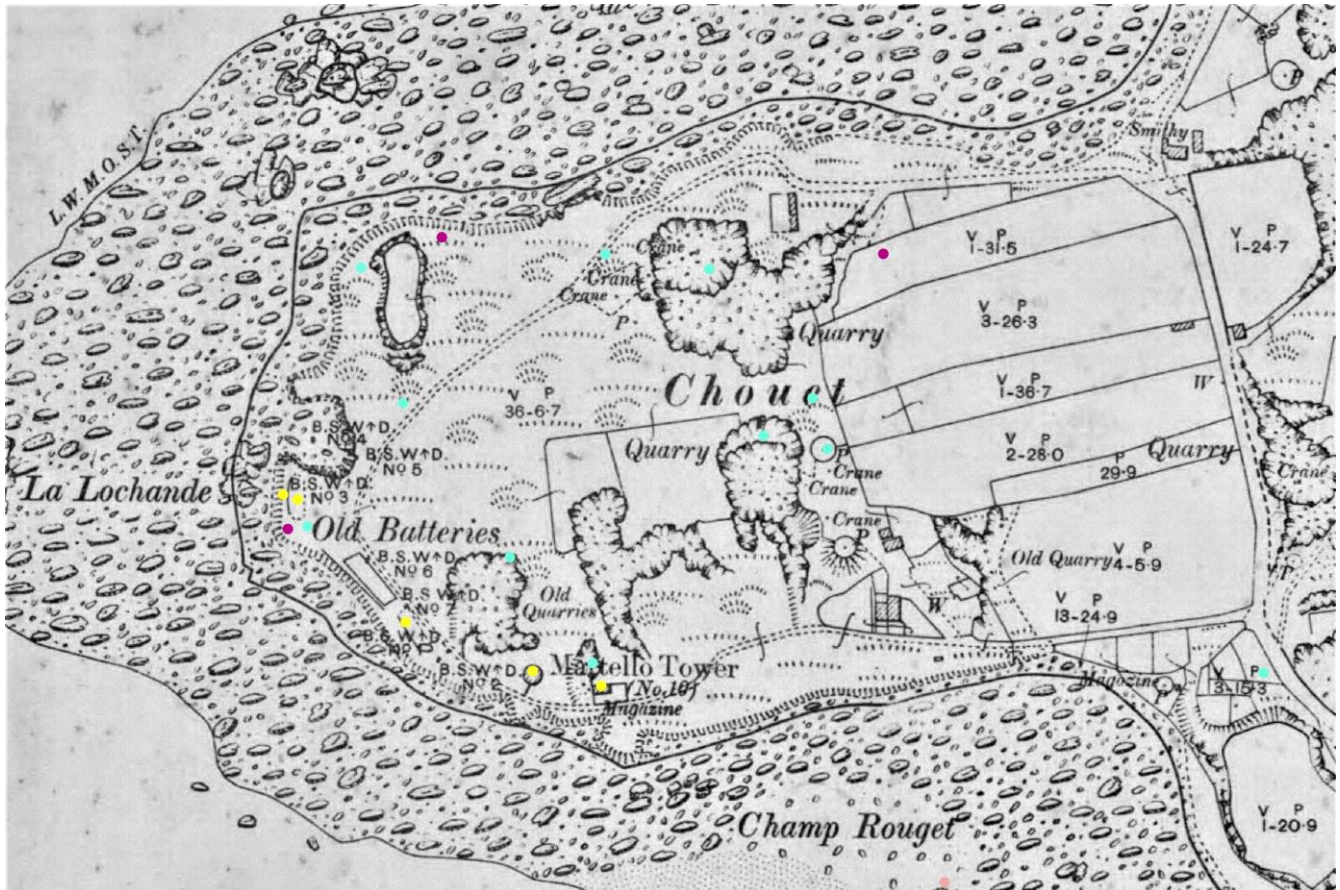
3.1 Baseline

Despite historic and recent quarrying activity, the archaeology and cultural heritage in and surround the Chouet Headland is extensive. Many sites, including Registered Buildings and Registered Sites, are mainly within the foreshore zone, with eight sites located within the core of the Headland (Figure 3-1). Many of the sites are considered industrial, associated with recent former quarrying industry (Figure 3-2). Immediately east of the quarrying is a linear field system, constructed of five rectangular east-west plots.

Figure 3-1
List of sites present on the States of Guernsey's Historic Environment Record (HER)



Figure 3-2
Ordnance Survey map dated 1898 showing the quarried landscape of the Headland and the rectangular plots to the east



The Chouet Headland is located within the northern part of Vale⁵ Parish. The history of this part of Guernsey extends as far back as the Mesolithic period (if not earlier). The neighbouring L'Ancrese Common, much of it used for public recreation, is home to a number of significant Protected Monuments and includes:

- Le Dolmen de Déhus;
- La Varde passage grave;
- Les Fouaillages;
- La Platte Mare, cist-in-circle;
- La Mare es Mauves, cist-in-circle; and
- Martello loophole Tower No. 7 cist-in-circle.

In addition to these sites, the parish also contains a number of archaeological findspots that date from the prehistoric era to the post-medieval period; findspots are recorded on the States of Guernsey Historic Environment Record (HER). The distribution of the prehistoric findspots provides some indication of the

⁵ Guernésiais French: Lé Vale, one of the ten parishes of Guernsey

potential density of prehistoric activity within this part of the island. For example, identified within the western section of the Chouet Headland are seven prehistoric findspots.

During the early part of the historical period, Guernsey was under the control of the Duchy of Normandy (William I). At this time much of Vale parish was under the fiefdom of Saint Michael and nearby a Benedictine Abbey was established. Also established within the parish were Vale Castle (also known as the Castle of St Michael) and the Vale Parish Church of St Michel du Vale. It was around these two prominent landmarks that the settlement of Vale became established.

During the medieval and post-medieval periods Vale Parish was involved in external conflict. In 1372 a pretender to the Welsh throne (Owain Lawgoch) attacked Guernsey (on behalf of the French Crown) killing 400 island militia before retreating. Further conflicts between the islands and French continued during succeeding centuries; most notably were the Napoleonic Wars of the late 18th and early 19th century and the German invasion of the island archipelago in 1940. For each event, Vale Parish, and, in particular, the Chouet Headland contains a number of extant buildings and monuments that reflect these military campaigns.

Prior to 1806 Vale Parish formed the island of Le Clos du Valle and land on the Guernsey mainland - Vingtaine de l'Epine. Separating this island from the Guernsey mainland was a narrow tidal channel of water known as the Le Braye du Valle which was drained and reclaimed (filled-in) to create one island. The reclaiming of this stretch of water by the British Government was for defensive reasons. It was during this time that many of the Napoleonic military installations were constructed and in use.

At the beginning of World War II, the German military invaded the Channel Islands. As part of their long-term defence strategy, the Atlantic Wall was constructed. This programme of work involved the fortification of the western and northern coastlines of Guernsey where a possible Allied invasion might occur. Evidence for this massive fortification programme is present along the coastline of Vale Parish, including gun emplacements and tunnels on the Chouet Headland.

Notable military sites within the parish include:

- The site of Vale Castle;
- Fort le Marchant;
- Fort Doyle;
- Fort Pembroke;
- Rousse Tower;
- Eight Guernsey loophole towers (Numbered 4 to 11);
- Beaucette Battery dating from the Napoleonic Wars;
- La Lochande Battery dating from the Napoleonic Wars;
- Nid L'Herbe Battery and Magazine dating from the Napoleonic Wars;
- Portinfer Battery dating from the Napoleonic Wars;
- German fortifications, built during the occupation years 1940-45.

Based on the States of Guernsey's Historic Environment Record (HER), over 7000 sites are recorded; of these 5623 sites are identified on the mainland of Guernsey. The Chouet Headland and the neighbouring L'Ancrese Common boast a rich prehistoric and historic past with a number of extant Neolithic and Bronze Sites dispersed across an open landscape, including those incorporated into the greens and fairways of the Royal Guernsey Golf Club (also known as L'Ancrese Golf Club). A prehistoric presence on the Chouet Headland is the form of

diagnostic worked flint and stone artefacts, referred to in the HER as 'findspots'. The date range for these artefacts extends between the Neolithic (4500-2000 BCE⁶) and Bronze Age (2500 to 900 BCE).

The most obvious and earliest extant monuments present within the Study Area include the Pre-Martello loophole Tower No. 10 (MGU 171) and its associated battery buildings (MGU 449 & 450) and a magazine (MGU 588). The tower and batteries are marked on the Duke of Richmond survey map of 1787. The magazine building constructed of stone and supporting a slate tiled roof is not marked but it is assumed that the tower could not function effectively with its magazine. Both this building, Pre-Martello loophole Tower and the batteries are located close to the coastal edge, on the southern and western side of the headland and are therefore afforded a high degree of protection from the Development Site, both from direct and indirect impacts.

Based on the Duke of Richmond survey map and late 19th century Ordnance Survey mapping are the field boundaries that belong to the field system that occupies the main part of the development site (SLR 002, Table 2 in **Appendix 02**). The southern-most field⁷ of this group is present on the Duke of Richmond survey map, along with a north-south field boundary that later forms the western boundaries to the other four fields appears to be the earliest; although, one could argue that the void between the southern-most field and a section of the northern coastline of the headland were in agricultural use. It is more than likely that elements of the earlier field system survive within the current field boundary alignment.

Intense industrial activity is witnessed on the Ordnance Survey map of 1898 (and its early 20th century successors). On this map (but sometimes difficult to identify within the field) are up to seven quarries (e.g. SLR 001, Table 2 in **Appendix 02**), the [current] historic layout of the five fields, the Pre-Martello loophole Tower and its magazine, the Old Batteries, an ancillary buildings associated with a quarry, locally known as 'Green Waist' Quarry, a series of cranes (and associated stanchions), water pumps and a remnant field system located immediately west of the quarry that currently holds crude oil from the Torrey Canyon (SLR 001); later quarrying has cut into the eastern section of the field. Immediately south and east of the same quarry are a number of buildings including a cottage terrace. The mapping at this time also shows the western side of the headland to be covered by grassland. It is probable that by the end of the 19th century most of the quarrying activity had ceased. Currently five of the seven quarries shown of the 1898 Ordnance Survey map have been backfilled.

There are numerous archaeological sites that arguably have a group value including World War II installations. These sites include the Pre-Martello loophole Tower (and associated magazine, a telephone switching post (MGU 2430) and military magazine building, located south-east of the headland and World War II military installations that occupy the western coastal fringes of the headland (MGU 449, MGU 565, MGU 2434 and MGU 2435). Further sites occupy the northern shoreline of the headland and include MGU 2437 and MGU 6923 (World War II military installation and the prehistoric flint findspot). A further military installation is located outside the headland and lies to the east within the current landfill area (MGU 2469).

One site, which is not visible, stands c. 63m north of the Pre-Martello loophole Tower, between two backfilled quarries, and is at depth of c. 8m below the current ground level. The tunnel system, used for generating electricity was uncovered by the Festung Guernsey Group in 2011 and later reported in detail in their publication *German Tunnels in Guernsey, Alderney and Sark* (2012) (MGU 2439). This roughly H-plan tunnel system housed three 30 KVA generators for use in an emergency should the mains electricity fail.

Archaeological and cultural heritage assets within and surrounding the development site include a number of extant monuments, find-spots and World War II (WWII) structures/features (totalling 27 sites); these sites are present on the island's Historic Environment Record (HER), see **Table 1 in Appendix 02**. In addition to this assemblage, the walkover survey, undertaken by SLR in May 2018 identified a further five sites – see **Table 2 in Appendix 02**.

⁶ Before Christian Era

⁷ Registered as land parcel C012745

3.2 Appraisal

Based on the walkover survey and online and hard-copy documentary sources, the assessments of the effects on archaeology and Cultural Heritage are considered to be largely Minor in relation to developing the eastern part of the headland; this is despite the fact that non-designated sites such as a field system (SLR 002) located within the eastern section of the proposed development site would be removed as part of the initial phase of development (a *preservation-by-record* account of these two sites is recommended - see Mitigation in Section 3.2.2 below). As the quarry develops the other sites that stand within the boundary of the proposed development site will also be affected (see Section 3.2.2 below).

No Protected Monuments would be directly affected through the development of the quarry, as these would be excluded from the footprint of any development works.

3.2.1 Archaeological/Cultural Heritage Potential

To summarise the findings of this chapter and to broadly assess the potential for survival or presence of archaeological/cultural heritage assets of the various chronological periods discussed above, the table below outlines the known archaeological and historic evidence that stands within the arbitrary study area.

Table 3-1
Summary of the archaeological potential for Developing Eastern part of Headland

Period	Evidence	Potential
Palaeolithic-Neolithic	Based on various documentary sources, there is no evidence of early prehistoric activity within the curtilage of the proposed development site or within the vicinity. There is, however, a Neolithic presence in the form of several Neolithic findspots including a stone ring (MGU 6284) and stone axe (MGU 3677) from nearby Mont Cuet. To the south of the Headland, on L'Ancrese Common are a number of extant prehistoric sites dated to the Neolithic period; however, due to the topography of the northern part of the common there is no intervisibility and therefore no indirect impacts.	LOW TO MODERATE
Bronze Age - Iron Age	Based on various documentary sources, there is limited evidence of Bronze Age or Iron Age activity within the curtilage of the site or the surrounding landscape including four findspots that have yielded flint artefacts (MGU 565, MGU 2139, MGU 5599, MGU 6923); one of these sites MGU 2139 is located within the field system (SLR 002).	LOW TO MODERATE
Romano-British	Based on various documentary sources, there is one findspot that has yielded Roman coins, located outside the proposed development site.	LOW TO MODERATE
Early Medieval	Based on various documentary sources, there is no evidence of Early medieval activity within the curtilage of the site or the surrounding landscape.	LOW TO NEGLIGIBLE
Medieval	Based on various sources, there is no evidence of medieval activity within the curtilage of the proposed development site, although one cannot dismiss the fact that certain features present on the Duke of Richmond survey map of 1787 may have their origins in the medieval period, including sections of the current field system that stands within the eastern section of the proposed development site.	MODERATE
Post-Medieval	Present within the proposed development site boundary are a number of sites that characterise the headland as a post-medieval industrial area (SLR 001, SLR 005), along with an agricultural presence (SLR 002). During and following industrial activity, the headland became the focus for military activity, especially during the late 18 th /early 19 th century and World War II (MGU 171, MGU 449, MGU 450, MGU 588, MGU 830, MGU 2438, MGU 2430 to MGU 2439, MGU 2469 and MGU 6903). Sites MGU 2430,	HIGH

Period	Evidence	Potential
	MGU 2431, MGU 2432, MGU 2434. MGU 2438, MGU 2439 and MGU 6957 inside the curtilage of the proposed development site.	
Conservation Areas	The proposed development site does not stand within a designated Conservation Area; however, two Conservation Areas (Vale Church and Les Mielles) stand some way south of the Chouet Headland and are therefore not directly or indirectly affected due to the topography of the landscape between Vale and Chouet Headland.	N/A
Protected Buildings	There are no Protected Buildings that stand within the curtilage of the proposed development site.	N/A
Protected Monuments	There are no Protected Monuments within the curtilage of the proposed development site; however, a Pre-Martello loophole Tower (and its associated magazine stands west of the Development Site boundary, within States of Guernsey land (MGU 171). Further Protected Monuments stand close by but are not affected by potential indirect impacts that may occur from quarrying operations from the proposed development site	N/A
Battlefield sites	There are no Battlefield sites within the curtilage of the site or the proposed development site.	N/A
World Heritage Sites	There are no World Heritage Sites within the proposed development site.	N/A

3.2.2 Mitigation

There are no direct impacts to those sites that stand outside the boundary of the proposed development. Several of these including the loophole Tower (No. 10) may be indirectly impacted upon. and therefore a programme of screening and possible boundary realignment to the north of this site would be required in order to protect its setting.

The post-medieval field system (SLR 002), located within the eastern section of the proposed development site would be removed as a result of proposed quarrying operations. It is therefore proposed that the field system is monitored and recorded prior to its removal. In addition, palaeoenvironmental sampling should be undertaken under selective boundaries should *palaeosols* be revealed during the monitoring stage. The *palaeosol* could determine the date of the field system and the probable palaeoclimate/environment during pre-construction, construction and early use.

As part of the mitigation process, several of the gateposts recognised within the field system should be researched as they may have once formed part of a later prehistoric landscape. It is not uncommon for standing stones and menhirs to be utilised in this way.

Archaeological fieldwork would be required to those sites that stand within the boundary of the proposed development site. Sites that will be directly impacted are mainly associated with German World War II activity. Arguably, all are of minor significance but the impact on each will be severe. Directly-impacted sites include: MGU 2139, MGU 2431, MGU 2432, MGU 2434, MGU 2436 AND MGU 2138(?). Site MGU 2439, an electrical generating supply tunnel stands north of the loophole Tower and has previously been recorded by Fustung Guernsey; however, the site would require further recording using ClfA/Historic England building recording standards.⁸

3.3 Conclusions

This assessment has followed best practice guidance in undertaking a reasonable and proportionate appraisal of the heritage assets likely to be affected, and the degree of adverse impact that the proposed development could

⁸ See *Understanding Historic Buildings: A Guide to Good Recording Practice* (Historic England 2017).

potentially incur. The assessment complies with EIA and [English] national planning policy requirements which aim to achieve a sustainable development process, so that heritage assets are conserved in proportion to their heritage significance. There is also sufficient detail included in this assessment to allow decision-makers to be confident that they can discharge their statutory duties. Although the proposed development would constitute incremental change within the setting of a limited number of designated heritage assets of the highest significance and sensitivity, the indirect harm is considered Minor or Negligible. There are designated heritage assets such as several WWII sites and remnants of the quarry industry; however, their loss should not result in a reason for refusal should proportionate mitigations measures be implemented, as long as a considerate preservation-by-record programme is installed.

Identified within the walkover survey were thirty-two sites. These were located via the SLR Walkover Survey and information supplied by the States of Guernsey's Historic Environment Record. Of these 32 sites, eight stand within the core of the Headland; six within the area of the proposed first phase of development.⁹

The direct impacts to the field system would be Severe resulting in substantial harm to the majority of the field embankments/boundaries. In addition to the extant field boundaries, a subterranean set of World War II tunnels (MGU 2439), constructed by the German Army would also be severely impacted, as well as six sites that stand within the boundary of the proposed development including MGU 2139, MGU 2431, MGU 2432, MGU 2434, MGU 2436 and MGU 2438. All the above sites, with the exception of MGU 2139 are World War II defence structures, including the German Army electricity generating tunnel (MGU 2439). Although the physical impact to all sites is Severe, their heritage value is considered Low to Moderate.

In terms of indirect impacts to identified designated heritage assets (Tables 1 and 2, **Appendix 02**), the topography of the Headland conceals those heritage assets located on L'Ancrese Common. Those sites, such as the loophole Tower and its associated magazine (MGU 171 & MGU 588) may incur an impact; however, based on the local topography immediately north of these two sites, the indirect impact will probably be Low to Negligible.

In terms of indirect impacts to those Protected Buildings and Protected Monument to the south and west of the Headland, the natural topography of the landscape of the western and southern headland above the shoreline will provide necessary screening for the proposed development site; therefore, the indirect impacts will be Negligible.

⁹ Site MGU 830 appears to have been destroyed by quarrying.

4.0 Ecology

4.1 Baseline

4.1.1 Habitats

Desk Study

A review of available aerial photography¹⁰ and comparison between the Island-wide Phase 1 habitat surveys which were undertaken in 1999 and again in 2010 show that the extent of maritime grassland decreased within the survey area during this 10 year period. Further comparison between the 2010 survey and SLR's 2017/18 habitat plan shows a further reduction in the extent of this habitat type. There is a long term trend of grazing being abandoned on coastal grassland and heath in Guernsey with an attendant increase in scrub, bracken, bramble and tree cover; a situation which has been mirrored at Chouet Headland.

The main site habitats are described below and are shown on **Drawing CH 2**.

The dominant vegetation type on Guernsey is grassland. The most threatened habitats are saltmarshes, dune slacks and open dune. The terrestrial habitats most important for their biodiversity include Dune, Coastal and Marshy Grasslands.

Field Survey – Main Habitats

Drawing CH 2 illustrates the main habits within the headland, as surveyed by SLR.

Scrub / Tall Ruderal (Target Note 1) – See Figure 5

The dominant species are bracken (*Pteridium aquilinum*) and bramble (*Rubus fruticosus*) with more localised beds of nettle (*Urtica dioica*). Thickets of blackthorn (*Prunus spinosa*) and European gorse (*Ulex europeaus*) also occur on the lower slopes. Various species of non-native shrub/tree are present in discrete patches including Muttonbird scrub (*Brachyglottis rotundifolia*), Buttonwood tree (*Conocarpus erectus* var. *sericeus*), tamarisk (*Tamarix gallica*) and German ivy (*Senecio mikanioides*).

Along the edges of tracks and where bracken/bramble is less dense, the diversity of plants is higher with a range of robust species such as red campion (*Silene dioica*), sea radish (*Raphanus raphanistrum* subspecies *maritimus*), bittersweet (*Solanum dulcamara*), lesser burdock (*Actium minus*), wood sage (*Teucrium scorodonia*), black horehound (*Ballota nigra*), Pellitory of the Wall (*Parietaria Judaica*), hedge bedstraw (*Galium album*), common ragwort (*Senecio jacobea*), common mallow (*Malva sylvestris*), hedge bindweed (*Calystegia sepium*), field bindweed (*Convolvulus arvensis*), fennel (*Foeniculum vulgare*), wild carrot (*Daucus carota*), hogweed (*Heracleum sphondylium*), wall barley (*Hordeum murinum*) and thistles (*Cirsium arvense*, *C.vulgare*, *Carduus tenuiflorus* and *C.nutans*).

Semi-Improved Grassland Fields

The fields were found to be species-poor and to be dominated by grasses such as cock's foot (*Dactylus glomerata*), Yorkshire fog (*Holcus lanatus*) and crested dog's tail (*Cynosurus cristatus*) with some white clover (*Trifolium pratense*) and cat's ear (*Hypochoeris radicata*). It is, however, unlikely that they receive regular inputs of fertilisers or manure. In one of the fields is a clump of Guernsey lily (*Nerine sarniensis*).

¹⁰ Internet search and Google Earth Pro.

Coniferous Woodland (Monterey Pine)

A mature plantation of pine trees with no discernible ground or shrub layer.

Standing Water / Inland Cliffs – Target Note 4 and Figure 3

The cliff faces and water body are largely un-vegetated.

Maritime Grassland – Target Note 5 and Figure 7

Examples of mown, rabbit-grazed and un-grazed areas of maritime grassland are present.

Regular mowing has reduced the species complement and favoured species adapted to such conditions such as chamomile (*Chamaemelum nobile*), daisy (*Bellis perennis*), yarrow (*Achillea millefolium*), common stork'sbill (*Erodium cicutarium*), scarlet pimpernel (*Anagallis arvensis*), dove's foot cranesbill (*Geranium molle*) and the uncommon Allseed (*Radiola linoides*).

The most naturalistic and species-rich examples were found around the top of the rocky shore by the public path. Frequently recorded species in the more diverse swards included birds foot trefoil (*Lotus corniculatus*), autumn hawkbit (*Leontodon autumnalis*), greater plantain (*Plantago major*), ribwort plantain (*Plantago lanceolata*), thrift (*Armeria maritima*), rock samphire (*Crithmum maritimum*), sheep's sorrel (*Rumex acetosa*), common restharrow (*Ononis spinosa*), common toadflax (*Linaria vulgaris*), wild carrot (*Daucus carota*), common fleabane (*Pulicaria dysenterica*), perennial wall rocket (*Diplotaxis tenuifolia*), sea radish (*Raphanus raphanistrum* subspecies *maritimus*), hare's tail grass (*Lagurus ovatus*), fine-leaved fescue grass (*Festuca tenuifolia*), other fescue and bent grasses (*Festuca/Agrostis*) and sea beet (*Beta vulgaris* subspecies *maritima*).

Less commonly recorded species were parsley-leaved waterdropwort (*Oenanthe lachenalii*), buck's-horn plantain (*Plantago coronopus*), galingale (*Cyperus longus*), sheep's bit (*Jasione montana*) and sea campion (*Silene uniflora*).

Non-native / invasive species included hottentot fig (*Carpobrotus edulis*), agave cactus, pink sorrel (*Oxalis articulata*), Spanish bluebell (*Hyacinthoides hispanica*) and Duke of Argyll's tea plant (*Lycium halimifolium*).

More ruderal areas comprised of bristly oxtongue (*Helminthotheca echinodes*), mugwort (*Artemisia vulgaris*), thistles, cock's foot grass (*Dactylus glomerata*), tree mallow (*Malva arborea*), smooth sow thistle (*Sonchus oleraceus*), frosted orache (*Atriplex laciniata*), spear-leaved orache (*Atriplex prostrata*), rye grass (*Lolium perenne*) and wild carrot.

4.1.2 Species

Background to Guernsey's Flora and Fauna

Terrestrial Mammals¹¹

The Bailiwick has few native terrestrial mammals. The shrew found in Guernsey (and also Herm and Alderney) is the Greater White-toothed Shrew (*Crocidura russula*), recently introduced to Ireland but otherwise not known in the British Isles. The Guernsey Vole, (*Microtus arvalis sarnius*), is a subspecies of the Common Vole of Europe, and is only found in Guernsey.

¹¹ Extract from: UK Overseas Territories and Crown Dependencies: 2011 Biodiversity snapshot. Guernsey: Appendices. Author: Dr Charles David Guernsey Biological Records Centre, States of Guernsey Environment Department & La Societe Guernesiaise. More information available at: www.biologicalrecordscentre.gov.gg

Other rodents include the Wood Mouse (*Apodemus sylvaticus*) on all major islands and the introduced House Mouse (*Mus musculus*), Brown and Black Rats (*Rattus norvegicus*) and (*R. rattus*).

The largest native mammalian carnivore is the stoat, (*Mustela ermine*) but this is believed to be extinct. Rabbits (*Oryctolagus cuniculus*) and Hedgehogs (*Erinaceus europaea*) are found in all the major islands but these were introduced.

Six species of bats have been observed in Guernsey, with caves on the south coast used as roosting sites. The species assemblage includes the rare grey long-eared bat.

Invertebrates

Guernsey is important for the conservation of several species of invertebrates which include mole cricket (*Gryllotalpa gryllotalpa*), Glanville Fritillary butterfly (*Melitaea cinxia*), blue-winged Grasshopper (*Oedipoda caerulescens*) and the Dung Beetle (*Copris lunaris*) which are either scarce on mainland UK, extinct or never occurred.

Reptiles and Amphibians

Guernsey supports three native species of amphibian and reptiles (i.e. common frog, smooth newt and slow worm) and one introduced species (Green Lizard).

Birds

The most important bird populations in the Bailiwick are its seabirds 1% of the World's Northern Gannets (*Sula bassana*) (c. 6000 pairs) breed on the Les Etacs (Garden Rocks) and Ortac off Alderney.

Guernsey has a healthy population of Barn Owls (*Tyto alba*) boosted by a scheme to provide large numbers of nest boxes.

Plant Species

Many of the UK Red Data Plant Book species are common in the Channel Islands because of their geographical position. Some species are of cultural significance as they are named after the islands, such as Guernsey Centaury and Guernsey fern and Guernsey spleenwort. Loose-flowered orchids, which do not occur in the UK, are a characteristic plant of damp meadows.

4.1.3 Desk Study Results

GBRC supplied records from within a 2km search area of the Chouet Headland as defined by a central grid reference. A summary of records of species considered to be endangered or at risk is provided in Table 1 in **Appendix 03**.

4.1.4 Summary of Baseline Survey Results – Flora

No plant species of particular rarity were recorded. The surveys recorded the presence of musk thistle (*Carduus nutans*), allseed (*Radiola linoides*) and common toadflax (*Linaria vulgaris*). All three of these species are considered to be "at risk".

A number of non-native / invasive plant species were recorded, some of which are likely to have originated from deliberate planting and others are likely to have spread from the green waste facility.

4.1.5 Summary of Baseline Survey Results – Fauna

Amphibians

The GBRC report returned records for slow worm, smooth newt and common frog from within the 2km search area.

The reptile survey undertaken in autumn 2017 recorded one juvenile slow worm. Due to the presence of a juvenile animal there must be a breeding population of this species which is likely to be small in size due to the limited extent of rough grassland and predation by rats and other predators.

No species of amphibian were recorded or are considered to be present based on the habitats which are present. It is considered unlikely that the waterbody present in the quarry void would support amphibians given its past use as a facility for the bio-remediation of oil.

Bats

The survey work undertaken in 2017/18 aimed to establish (1) whether bat roosts are present and could be affected and (2) whether the application site is of value to bats for foraging and commuting.

In respect of (1) above, structures/trees or other features within the survey area were inspected by a Natural England licensed bat worker during the daytime for evidence of bat roosts and/or the potential for them to occur. No bat roosts or potential roosting sites were identified.

In respect of (2) above, a combination of walked transects with bat detectors at dusk and dawn (with listening points at key stages) and remote recording was undertaken (with detectors being left in suitable locations for extended periods of time). The surveys aimed to achieve coverage in the spring, summer and autumn seasons.

All of the walked transects recorded very low levels of usage by bats. The August 2017 transect recorded 1-2 common pipistrelles foraging around the plantation of pines and the frontage of the quarry. An ANABAT left overnight on the edge of the pine plantation facing west (30th August 2017) and east (31st August 2017) also recorded common pipistrelle. The late October 2017 transect recorded no bats. The series of dusk and dawn transects in early May 2018 recorded virtually no activity by bats.

Further automated recording was undertaken in late October/early November 2017 which recorded very low levels of activity by mainly common pipistrelle and to a lesser extent Nathusius' pipistrelle. Further automated recording in May 2018 recorded a similar pattern of bat use by these two species with higher levels of activity (as measured by bat passes per hour) by common pipistrelle. A small number of calls were provisionally assigned to "big bat" - on the UK Mainland this would usually be a noctule. No calls attributable to grey long-eared bats were recorded.

To summarise, the bat surveys undertaken have not detected the presence of roosts. They found that the survey area is mainly used by two species of pipistrelle bats, of which common pipistrelle was the most frequently recorded. All activity by bats was at a low level and localised in distribution to the sheltered south-facing parts of the survey area such as the edges of the conifer plantation.

The survey area are therefore not considered to be of high value to bats.

Rodents

The reptile survey also recorded the presence of small numbers of the greater white-toothed shrew (*Crocidura russula*). Brown rats were seen on a number of occasions during fieldwork.

Invertebrates

No formal invertebrate surveys have been undertaken. Brown argus (*Aricia agestis*) butterfly is present within the coastal grassland on the plateau. This species has a localised presence on Guernsey. Likely foodplants in this location are low Geraniums and common stork's-bill.

Strong colonies of gatekeeper butterfly and common blue butterfly were recorded in 2017 and 2018 which are common species on the Island. In addition, other common species included red admiral, meadow brown, large white, small copper, brown-tailed moth (*Euproctis chrysorrhoea*) and the common carder bee (*Bombus pascuorum*).

Wintering Birds

Thirty bird species were recorded during the course of the winter CBC surveys.

The bird community was dominated by gulls and in particular many thousands of herring gull *Larus argentatus*. At any one time there were usually at least 1000 herring gull roosting on shoreline rocks, with several thousand more on the neighbouring landfill site or flying to/from it. Although herring gull is a Red list species, and the other four gulls are Amber list for varying degrees of population decline, they are still common, and also a pest species at landfill sites.

The scrub and semi-improved grassland habitats had low general value for birds. Wren *Troglodytes*, dunnoek *Prunella modularis*, robin *Erithacus rubecula*, goldfinch *Carduelis* and starling *Sturnus vulgaris* were frequently seen or heard in these habitats; all are common birds, although dunnoek and starling are on the Amber and Red lists respectively. Starling is listed due to a UK and Channel Islands population decline of over 50% from 1990 to 2015, while the dunnoek has suffered a longer term UK and Channel Islands population decline of 31%. A few other notable birds were seen here including individual song thrush *Turdus philomelos*, mistle thrush *T. viscivorus*, linnet *Carduelis cannabina* (all Red list), and three meadow pipit *Anthus pratensis* (Amber list).

Breeding Birds

The Breeding Bird Survey recorded 17 nesting species, comprising mostly of common species.

The survey area is notable for breeding long-eared owl (*Asio otus*) which uses old crows nests in the mature plantation of pine trees (Target Note 3). The pole/tree mounted nest boxes and quarry rock ledges support breeding / roosting kestrel (*Falco tinnunculus*) and barn owl.

A house sparrow colony is associated with the bungalow and its grounds.

No other notable bird species were recorded.

4.2 Appraisal

4.2.1 Habitat

The development of the quarry would result in the direct loss of habitats within the development footprint due to the need to expose the underlying rock. Based on the Phase 1 survey work the main habitats to be lost would be dense scrub/bracken, semi improved grassland, with smaller amounts of maritime grassland. In the context of the Island wide resource, losses would be small. Notwithstanding this, a small area of planted coniferous woodland lies within the development footprint; whilst this is a habitat with low ecological value, it can be of

importance as a place of shelter for migrant birds, nesting birds such as raptors and as for insects which specialise in the tree species present (e.g. moths). In addition, it is scarce within the Island.

4.2.2 Species

Flora

Surveys of the application site and wider area have not recorded any particularly rare species of plant.

Mammals

Surveys of the headland recorded the presence of two species of pipistrelle bat (common and Nathusius'). Low levels of foraging by these species were recorded in 2017/18. This is attributed to the generally exposed nature of the headland and the limited availability of sheltered opportunities for foraging.

No bats roosts are considered to be present.

The survey area and application site are therefore not considered to be of high value to bats.

Birds

Surveys of the headland encompassing every season did not record the presence of a particularly notable assemblage of birds using the headland for breeding or wintering.

The presence of breeding long-eared owl, barn owl and kestrel was considered to be noteworthy in an Island context.

The bungalow supports a breeding colony of house sparrows, a species which is in steep decline in the UK Mainland, but which remains a reasonably common species on Guernsey.

Reptiles and Amphibians

Reptile surveys have recorded the presence of a "small" population of slow worm.

Invertebrates

The wider survey area supports a colony of brown argus butterfly which has a restricted distribution on the Island.

4.3 Conclusions

No designated ecological sites such as Sites of Special Significance (SSS) would be affected by the development of a quarry on the headland, provided that dust suppression measures are adopted in respect of heavy goods vehicles.

Surveys have not recorded the presence of notable habitats.

Surveys undertaken for flora and fauna have not recorded any particularly rare or uncommon species.

A small population of slow worm was recorded within the wider survey area. Although no slow worms were recorded from within the development site it is possible that this species also occurs in the rough margins of the hay fields.

The survey area supports three species of raptor (barn owl, long-eared owl and kestrel) which nest/roost in purpose-built boxes, old crow nests in mature pines or cliff faces. The habitats present within the development site form part of a wider resource of rough grassland which supports their small mammal prey. A colony of house sparrows is resident in and around the bungalow. No other notable species of birds were recorded during the winter or breeding seasons; however, the site has a general value to birds in providing nesting opportunities for a variety of common species in buildings, low scrubby vegetation, cliffs, edges of standing water etc.

Bat surveys have not detected the presence of any roosts. Foraging activity by bats was attributed to two common species of pipistrelle bat. Activity levels were very low across the seasons and were restricted to sheltered areas on the south-facing flank of the site. The majority of the site is quite exposed to prevailing winds and lacks structured vegetation such as trees or hedgerows and as a consequence its value to bats is limited.

Recommendations have been made in respect of avoidance and mitigation measures required to ensure that impacts on species and off-site habitats are either avoided or their effects are reduced to acceptable levels. These relate to the timing of operations (e.g. the removal of vegetation outside of the bird nesting season) or measures required in advance of development commencing (e.g. reptile and raptor mitigation schemes).

Residual ecological impacts have been predicted in respect of house sparrow only which are considered to be of significance at local level.

5.0 Landscape and Visual Impact

5.1 Landscape Baseline

The Chouet Headland is a gently undulating promontory with visual connections to Lady's Bay and Grand Havre to the south, the Rousse Headland to the south west, and the open moorland areas associated with L'Ancrese Common to the south-east. To the north and west there is a strong and often direct connection to the open sea of the English Channel.

The headland is generally rural in appearance and located away from built up areas. The closest built up areas being Vale Marais (approximately 1km to the south east) and L'Islet / La Garenne (approximately 1-1.5km to the south). To the east, the gradually increasing topography of a working landfill site prevents visual connectivity with the eastern part of Mont Cuet and L'Ancrese/Pembroke Bay.

Despite being generally rural in appearance, Chouet Headland contains evidence of much previous development, ranging from historic coastal defences (Napoleonic and WWII) to previous quarrying and current waste management.

5.1.1 Character of the landscape

The Guernsey Character Study (Stage 1), undertaken in June 2013 and published by The States of Guernsey Government Department, describes the landscape of Guernsey and has been used to inform the assessment of landscape character as set out below.

Figure 8 (Landscape Character) within the Guernsey Character Study shows the application site is located within the Northshores Character type. Further to the south are the Wetlands and Lowland Hills character types. The Lowland Hills provide the southern and eastern backdrop to the landscape of the site.

Figure 13 of the Guernsey Character Study identifies some 49 Landscape Character Areas (LCAs), with the headland being located within LCA 1 - L'Ancrese Character Area. Each Character Area is also defined as being one of four general land uses; rural, semi-rural, built-up and urban. The "L'Ancrese" Character Area is defined as having a 'Rural' category. The Site has potential visual connectivity with LCA 11 - Les Vardes / Haut Coutis / L'Islet to the south/southeast, and LCA 49 - Vale Church to the south. Visual connectivity is more restricted for two other character areas that are part of the study area, namely LCA 5 - Braye du Valle and LCA 2 - Les Landes.

The headland has a coastal position and therefore seascape is equally important as landscape. No suitable published Seascape Character Assessments (SCA) have been identified for Guernsey, therefore this assessment proposes its own for the purpose of identifying landscape effects. Three SCAs have been defined to measure the level of effect on the marine 'landscape'. These three areas are as follows; the Grand Havre; Baie de Port Grat; and Open Sea/Baie de la Jaonneuse.

L'Ancrese

The topography of this area includes areas of exposed rock and higher ground above the general lowland landscape, including the northern coastline of Chouet and Mont Cuet, and the L'Ancrese Common. The exposed rock has resulted in the establishment of numerous historic quarries and subsequent landfill activities in the north of this character area.

The character area comprises large areas of coastal heath and rough grazing land much of this supporting its use as a golf course. Enclosure is limited with large open areas of heathland and very few agricultural field units.

Where present, field boundaries include stone walls, but are often in poor condition and overgrown by vegetation.

The scale of the landscape is large and exposed with open views towards the sea and the rising ground towards the south of the island, particularly from the areas of higher ground. The combination of heathland and golf course provides the most extensive area of terrestrial open space on the island. Open panoramic views are a noted characteristic of L'Ancrese Common.

This character area has a rich historical record with a number of Martello towers and other Protected Monuments present around the coastline at regular intervals, largely concentrated around Pembroke Bay, and in combination with other monument sites such as the Star Fort (PM127), Fort Pembroke (PM128) and Fort Le Marchant (PM126). Other protected monuments include 'La Verde Dolmen' (PM15) 'Les Fouaillages Dolmen' (PM97) and 'Platte Mare Dolmenon' (PM130) further south on L'Ancrese Common.

With regard to the headland specifically, Martello Tower (Protected Monument (PM117) and Chouet Batteries (PM134) are of particular note. The Martello Tower is the focal point for the Chouet Headland when viewed across the Grand Havre, with a visual connection across the bay to the Rousse Martello tower.

Les Vardes / Haut Coutis / L'Islet

The higher ground in this character area is concentrated on the area of the existing Les Vardes Quarry, rising above the surrounding lowland landscape.

A complex network of local roads divides this area into numerous small landscape units, and in the case of Les Vardes Quarry one larger unit. Ribbon development has been historically established along these roads, with a mixture of remnant agricultural land and larger scale development located within the centre of landscape units surrounded by such ribbon development.

Land enclosure is formed by a mixture of residential plot boundaries (garden vegetation, hedges and fencing) and tall hedgerows around the remnant agricultural fields. The scale of enclosure is generally small scale but increases to medium scale in the west.

The long-term settlement of this area has resulting in numerous historic buildings towards the more sheltered eastern side of the area. In addition, protected monuments such as the Megalithic chamber, Sandy Lane, have been preserved and add to the historic settled nature of the character area.

Preserved monuments of note for this study are the Rousse Tower (No 11), battery and magazine (PM115) and adjacent burial 'cists' (PM133), below the high-water level. These monuments are situated on the Rousse Headland where views across the Grand Havre towards the proposed development are present.

The enclosure by vegetation generally restricts views within this character area to short distances and glimpses. Although the coastal edge frequently has distant views to the sea.

Vale Church

This character area is entirely lowland, with the exception of a small rocky outcrop which is the location of Vale Church (St. Michel du Valle Protected Building PB1180). The character area is dominated by the church, and associated Mentone (PB1179) and cemetery, which are largely encircled by residential development. More open coastal heath is present to the west, with boat storage and a large pond.

The area of the church is designated as a conservation area which forms the majority of the character area and provides the character area with a strong historic nature.

Visually the church steeple is a prominent feature in the local landscape and provides a strong visual connection to the coastal area to the west. However, the enclosing residential belt and associated vegetation provide an enclosed nature for views within the character area with generally only glimpsed views out. Of more note are the views from the raised ground around the church to the south.

Les Landes

This is a semi-rural area where the underlying landform and character dominate, but the landscape is enclosed by built features restricting long range views. There are clusters of buildings and ribbon development along the main roads which enclose and impede visual connections to the remaining open space between roads.

Braye du Valle

This LCA is identified in the Island Development Plan as a built-up area with a medium level of development with large scale buildings such as the Guernsey Clematis Nursery, Alliance supermarket and Moonpig Factory. Residential development tends to have extended from the main roads via secondary side roads, as oppose to the linear ribbon development elsewhere. An exception to this general characteristic is present within the study area to the south of the Vale Church where the LCA crosses more open land around Vale Pond which is classed as part of the Pont Soif to Pont du Valle Site of Special Significance (SSS) in the IDP. This area includes the brackish pond and salt marsh of Vale Pond and a small area of coastal land. The SSS continues along the coast through the following LCA.

Seascape Character Areas

The Grand Havre SCA comprises the bay of Grand Havre, enclosed by the headlands of Rousse and Chouet. The bay is enclosed and sheltered with large areas of sand exposed at low tide as well as rocks around the edge of the low water mark. The area is influenced by adjacent recreational uses such as the shoreline path, L'Ancrese Common and tourist attractions such as the Rousse Martello Tower. Its sheltered nature makes it important for harbouring boats.

The Bais de Port Grat SCA is more exposed than that of the Grand Havre and characterised by extensive areas of exposed rock. These areas of rock include Quenon, Grands Moulinets, The Knife and La Marquie, some of which form part of the boundary with the Grand Havre in the east. To the west the area is open to the sea. Beach areas are limited to the curve of shoreline between Pulias Pool and the Rousse Headland, protected from the sea by extensive rock areas.

The Open Sea/Baie de la Jaonneuse SCA includes the English Channel to the north of the rocks of the Baie de Port Grat, and the Baie de la Jaonneuse north of the Chouet Headland. This area is predominantly open sea with very occasional small areas of rock exposed. It is wild and vast in nature with the rocky shoreline edge generally an area of spray and waves even in calm weather.

5.2 Visual Baseline

The focus of local views is generally centred on Ladies Bay and Grand Havre, one of the main bays in north Guernsey. The Rousse and Chouet headlands frame sea views from the coastline of the bay.

To the west of Rousse visibility is affected by the sinuous coastline and extensive areas of intertidal rocks, which reduce the prominence of the Chouet headland in any views present. Further visibility to the west is prevented beyond the coastline and inland vegetation near Pulias Pool.

To the east of the Chouet headland views are limited to a short section of coastline, and views east of the Marine Wildlife Observatory are screened by the existing landform of the adjacent landfill site.

5.2.1 Visual receptors

Potential visual receptors in the area with theoretical visibility include the following:

- Inhabitants of properties at Rousse, visitors to the Peninsular Hotel and residential properties on the southern side of Lady's Bay (fronting Route Du Picquerel and adjacent roads). A small number of properties at Mont Cruet;
- users of public highways such as Mont Cuet, Route Du Picquerel and a number of car parks around the bay supporting recreational purposes, including at Rousse, Picquerel Point, Pont St Michel, Amarreurs Harbour, Roc Salt Restaurant and the south side of the Chouet Headland. (recreational, local residents or workers); and
- recreational users of the surfaced, off road, cycle and walking route present around the edge of the Ladies Bay / Grand Havre. Visitors to the strategic views identified in the Guernsey Character Study, and these include panoramic views at Rousse and L'Ancrese Common.

In addition, users or passengers on vessels on the sea (recreational or workers) are also theoretically affected. However, the main ferry route from Portsmouth passes the eastern coast of the island before landing at St Peter Port, and the nearest ferry route to the north of the island is over 7km offshore. However, private boat users could pass close to the Chouet headland and Grand Havre includes 3 minor arrival points for private boats at Chouet, Les Amarreurs and Rousse (marinas, slipways and moorings), as identified in the 2013 Guernsey Character Study.

5.3 Appraisal

5.3.1 Landscape

The proposed development may potentially affect the following landscape receptors:

- physical disturbance of landscape elements and features within the site and adjacent landscape;
- alteration to aesthetic and perceptual aspects such as scale, simplicity, openness and sense of tranquillity and wildness; and
- alteration to overall landscape character and key characteristics.

Alterations to Aesthetic and Perceptual Aspects

Changes to aesthetic and perceptual aspects occur principally within the development footprint and its immediate landscape setting, with effects on the wider landscape setting being limited to visual connections with other landscape character areas and features due to the size and scale of the new elements and their visibility.

Overall Effects on Landscape Components and Character

The alterations to overall landscape character and key characteristics result from a combination of changes to physical elements and features and the changes to the aesthetic and perceptual aspects of views/inter-visibility. Such effects occur both within the application site and its immediate landscape setting (and these are considered together).

The sensitivity of the Chouet Headland is to be considered within the context of prior use of the headland for quarrying, built development (coastal defences), existing waste operations and adjacent landfill. The magnitude of any change relates largely to the loss of landform and resultant physical change to the topography.

The proposed development does not add or remove elements from the existing character of the Chouet Headland. The distinctive Martello Tower on the Chouet Headland would be retained and the visual connection between the Chouet Headland and Rouse Headland maintained.

The proposed development would not directly affect the Vale Church Conservation Area or alter any visual connectivity between the conservation area and the Chouet Headland. In many views from around the Grand Havre the steeple of the Vale Church is a key feature, linking the church to the coast. However, none of these views are orientated to take in the steeple in the same frame of view as the Chouet Headland so that both are seen at the same time.

The more important effects would be those on the landscape character areas of L'Ancrese and Les Vardes / Haut Coutis / L'Islet. This is due to perceived changes in the visual connections between these two LCA and the Chouet Headland.

Although visible from the western side of L'Ancrese Common and the coastline of Grand Havre the level of landscape change would not be sufficient to alter the composition of the landscape or dominate the key visual connections for these character areas.

In the Grand Havre SCA, the Chouet Headland would still enclose the entrance to the bay from the open sea, but the skyline of the headland would be changed and the bay slightly more open due to this. However, the change would not add or remove any important features of the existing landscape character, just modify the existing elements.

5.3.2 Visual

The extent of visual effects would generally be restricted to the coastal edge between Pulias Pool and Mont Cuet, Garden vegetation, built development and landform prevent visual effects from being perceived further inland. In addition, viewers on private boats approaching and entering the bay of Grand Havre from the north and north-west would be affected.

The visual effect would consist of two operational stages, firstly the stripping of soils and overburden from the surface, and extraction of the top layers of rock. Secondly, the extraction void deepening and descending below the level of the adjacent landscape. In the first stage earthmoving machinery and disturbance would be very evident on the landform of the headland. In the second stage the extraction process would be screened from view and the restoration process undertaken around the periphery of the quarry void. The second stage would result in less disturbance and a gradual merging of the disturbed area into the adjacent landscape. The first stage would be adverse in nature, with the second stage starting as adverse but becoming neutral in nature as the restoration establishes.

The most prominent effects have been identified for Rouse Headland and in the vicinity of Roc Salt Car Park. This level of effect would extend for viewers on the paths around the Chouet Headland, where proximity to the development generates significant change to the visible landscape.

The visual effects identified above would be created by proximity to the proposed development and the soil and overburden stripping this would entail. Once those early stages are completed and restoration of the peripheral areas of the proposed quarry carried out, the level of effect is predicted to reduce. The remaining change in the view would relate to the part removal of the skyline of the Chouet Headland, rather than the addition of elements to the view.

Similarly, views from the path around the headland are likely to remain significant due to proximity, and high level of visual change.

The visual effects from other areas would be less, and largely related to the proximity of the viewer.

5.4 Conclusions

Overall this assessment has not identified any significant landscape effects as a result of the proposed development, other than on the Chouet Headland itself, where the change in topography and loss of vegetation would be a significant change.

Moderate landscape effects have also been identified for the L'Ancrese and Les Vardes / Haut Coutis / L'Islet LCAs and the Grand Havre SCA. Moderate effects can be significant, with value, susceptibility, size/scale of effect, and whether the effect is found across a number of receptors or in a pattern that intensifies the overall impact, all carefully considered to identify significant Moderate effects. In the case of the proposed development it is considered that the change would only be perceived in certain parts of the LCAs and that the scale and size of change within visual connections between the LCAs and the proposed development would not be sufficient to generate a significant effect. With regard the Grand Havre SCA, lower angles of view between the seascape area and the Chouet headland would reduce the degree to which the reduction in the Chouet Headland skyline was perceived, and thus the landscape effect is not considered significant.

More of the identified visual effects have been considered significant due to their concentrated and directed nature, thus having a greater effect on the viewer, compared to the more diluted landscape effects. The main source of significant visual effect would be the disturbance generated by the stripping of soils and overburden, with these effects being removed from view as the extraction process worked downward into the ground. Similar disturbance is already present in many of these identified views, caused by waste management operations and/or landfill operations at Mont Cuet.

6.0 Noise

6.1 Baseline

Noise monitoring has been undertaken to determine the existing noise environment at the nearby noise-sensitive receptors. All measurement instrumentation was calibrated before and after the measurements. The calibration chain is traceable via the United Kingdom Accreditation Service to National Standards held at the National Physical Laboratory. No significant drift was observed.

To assess the potential impact of the development upon existing receptors close to the site, daytime noise measurements were taken at the following locations representative of the soundscape at the receptor:

- Location 1 – Adjacent to the Roc Salt restaurant on Mont Cuet Road, approximately 150m to the south-east of the quarry workings;
- Location 2 – Property off Mont Cuet Road, approximately 290m to the south-east of the quarry workings; and
- Location 3 – Adjacent to L'Ancrese Golf Club on La Jaonneuse Road, approximately 590m to the east of the quarry workings.

The results of the noise surveys are presented Table 6-1.

Table 6-1
Summary of Measured Noise Levels, free-field, dB

Location	Date	Period	L _{Aeq,T}	L _{A90}	L _{Amax}
Location 1	Thursday 6 th July 2017	14:36	51.2	39.9	70.8
		15:25	51.6	43.1	75.2
	Friday 7 th July 2017	12:23	44.3	36.3	56.9
		13:38	56.2	38.2	80.3
	Saturday 8 th July 2017	10:16	52.3	40.5	74.2
		11:41	50.3	35.0	60.4
Location 2	Thursday 6 th July 2017	11:59	41.2	34.9	57.7
		16:19	40.9	31.6	57.9
	Friday 7 th July 2017	12:48	45.4	40.1	57.8
		14:03	42.3	34.2	74.2
	Saturday 8 th July 2017	10:57	51.0	31.9	76.3
		12:01	37.0	31.2	47.7
Location 3	Thursday 6 th July 2017	13:33	52.6	36.0	75.9
		14:59	42.3	36.7	59.4

Location	Date	Period	L _{Aeq,T}	L _{A90}	L _{Amax}
	Friday 7 th July 2017	15:54	48.2	36.3	72.3
		13:23	52.6	36.0	75.9
	Saturday 8 th July 2017	10:38	42.2	33.9	57.9
		11:18	40.7	35.2	51.5

The soundscape at all the noise-sensitive locations considered may be described as distant road traffic and natural sounds such as birdsong.

6.2 Appraisal

Surface minerals extraction sites, by their nature, generate noise due to the use of heavy machinery. During the proposed development the potential risk of noise impacting on the nearby noise-sensitive receptors would vary depending on the type of activities being undertaken at the time and the effectiveness of any noise control measures that are in place.

6.2.1 Quarry Development

In the absence of specific guidance in Guernsey, discussions have been had with the Environmental Health department at the States of Guernsey. This has indicated that any assessment should be undertaken in accordance with the National Planning Policy Guidance and associated Planning Practice Guidance, which contains details regarding noise from mineral operations as previously presented in MPG11.

In this respect, the relevant guidance states:

“Mineral planning authorities should aim to establish a noise limit, through a planning condition, at the noise-sensitive property that does not exceed the background noise level (LA90,1h) by more than 10dB(A) during normal working hours (0700-1900). Where it will be difficult not to exceed the background level by more than 10dB(A) without imposing unreasonable burdens on the mineral operator, the limit set should be as near that level as practicable. In any event, the total noise from the operations should not exceed 55dB(A) LAeq, 1h (free field). For operations during the evening (1900-2200) the noise limits should not exceed the background noise level (LA90,1h) by more than 10dB(A) and should not exceed 55dB(A) LAeq, 1h (free field). For any operations during the period 22.00 – 07.00 noise limits should be set to reduce to a minimum any adverse impacts, without imposing unreasonable burdens on the mineral operator. In any event the noise limit should not exceed 42dB(A) LAeq,1h (free field) at a noise sensitive property”.

Based on the anticipated compliment of plant and machinery the worst case predicted noise levels associated with the initial phase of development would be as follows:

- Location 1 – 52.3dB(A)
- Location 2 – 48.6dB(A)
- Location 3 – 46.1dB(A)

These predicted limits are all above the PPG criterion of setting a noise limit that is 10dB(A) above the background noise level, but all are below the absolute maximum of 55dB(A). It should be noted that the noise predictions are worst case, when all plant is operational and working at the closest part of the site to the receptor. As such the predicted levels would only occur for a small period of the overall life of the development.

With additional mitigation based around operational practices experience shows that predicted noise levels can be reduced by around 5dB(A).

6.2.2 Traffic

According to the DMRB, *“a change in noise level of 1dB is equivalent to a 25% increase or 20% decrease in traffic flow”*. This change in noise level, in accordance with the IEMA guidelines, equates to a difference which is just perceptible under laboratory conditions; however, a change or difference of 3dB is perceptible under most normal conditions.

By comparing the total ‘baseline’ and ‘baseline + development’ flows it can be seen that the increase in traffic would be below 25%. However there is a significant increase in HGV movements.

Calculating the Basic Noise Level using the methodology outlined in the Calculation of Road Traffic Noise indicates that the increase in noise level as a result in the overall change in flow and increase in percentage HGV’s would result in a 0.2dB increase of each of the assessed roads. As such, traffic noise would have a negligible impact.

6.3 Conclusions

The noise assessment was based on a baseline sound survey undertaken over midweek and weekend periods at locations considered representative of the nearest noise-sensitive receptors to the development site.

The assessment has considered the potential noise impacts of the operation of the proposed development and has been undertaken in conjunction with BS5228:2009+A1:2014.

All sound prediction has been undertaken using the proprietary noise modelling software Cadna/A which incorporates all the relevant calculation algorithms within BS5228:2009+A1:2014.

The assessment has shown that the predicted noise levels from on-site quarrying operations would be below the absolute noise limit of 55dB $L_{Aeq,1hour}$ outlined within the PPG guidance.

The assessment has also shown that with the adoption of mitigation measures in the form of good site practices the residual impacts at the nearest noise-sensitive receptors would as a worst-case be minor.

The assessment for development related traffic movements has shown that the increase in HGV movements would lead to a negligible impact on all the roads considered.

7.0 Transportation

7.1 Baseline

Access to the headland site is via Rue des Grand Camps (which leads onto Mont Cuet Road at the junction with Les Hures) which runs south east from the headland to connect with Les Clotures Road and L'Ancrese Road. From here Les Clotures Road connects east towards La Fontella Vale and L'Ancrese Road links south towards La Tonnelle.

Initially, extracted rock would be processed at the headland using a mobile processing plant and transported by HGV's to Les Vardes Quarry for further processing and dispatch. In so doing, HGVs would travel along the following roads:

- Mont Cuet Road;
- L'Ancrese Road;
- Road between L'Ancrese and junction with La Route De L'Islet;
- La Route De L'Islet;
- La Route du Picquerel;
- Route du Port Grat; and
- Route de Pulias (to the junction of Les Vardes Quarry).

The second phase of the development would then see the reverse, with rock extracted at Les Vardes Quarry (from underneath the plant site) and transported to a new processing plant site at Chouet Headland.

The final phase of developing the headland would result in the final reserves at the headland being worked and processed at the headland, with aggregates dispatched to the local market using the most suitable route.

7.1.1 The Highway Network

Mont Cuet Road is a single carriageway with two-way flow leading off the application site in a south-easterly direction before a sweeping bend to the east adjoins the road to La Jaonneuse Road, Les Clotures Road and L'Ancrese Road via a crossroads junction with priority to La Jaonneuse Road and L'Ancrese Road. Give-way road markings on Mont Cuet Road and Les Clotures Road are visible and clear to inform this layout.

L'Ancrese Road follows on from Mont Cuet Road to the south west as a single carriageway with two-way flow. Unlike Mont Cuet Road there are residential properties fronting the link along the eastern side, and fields when heading north-east. This link ends at Route Militaire with a staggered crossroad priority junction with Ville Baudu Road extending east and La Route de L'Islet, which extends west.

La Route de L'Islet, a single carriageway road, extends west from the junction for approximately 250m before an almost 90 degree bend where it continues south west towards L'Islet. The full length contains central white line road markings. A second staggered crossroads then gives way to La Route du Picquerel in the north; Les Petites Mielles in the south; and Les Tracheries Road in the west.

La Route du Picquerel is a single carriageway road with two-way flow and central white line road markings. It extends to the north and then continues north west until a bend left after which it changes to Route du Port Grat.

Route du Port Grat is of the same road description as La Route du Piquerel and heads mostly in a westerly direction until linking with Route de Pulias which continues for a further 140m until adjoining with the access lane to Les Vardes Quarry.

There appears to be a limited area of dedicated footway and no pedestrian crossing facilities along the extent of the route from the headland to Les Vardes Quarry. The route along Route du Port Grat accommodates a footway along the southern edge of the road, as does La Route du Picquerel along its eastern edge through L'Islet. There are footpaths that extend within grassland between the road and the coast, in locations such as Route du Port Grat and La Route de L'Islet; however these do not provide direct pedestrian routes.

7.1.2 Existing Traffic Flows

Survey specialist Axiom Traffic Limited (Axiom) were commissioned to undertake traffic counts. The traffic surveys included two Automatic Traffic Counts (ATC) and two Manual Turning Counts (MTC). These were placed at the following locations:

- ATC 1 – L'Ancrese Road;
- ATC 2 – Route du Port Grat;
- MTC 1 – La Jaonneuse Road/ Mont Cuet Road/ L'Ancrese Road/ Les Clotures Road; and
- MTC 2 – La Route du Picquerel/ Les Tracheres Road/ Les Petites Mielles/ La Route De L'Islet.

The one week period during which the surveys were completed did not contain any public or bank holidays, nor did it fall within any school holiday periods; the data collected is therefore considered representative of the typical conditions on the local road network.

ATC Data

The ATC captured classified directional flow data continuously over a 7-day period between Tuesday 20th June 2017 and Monday 26th June 2017. The total vehicle numbers through an average weekday are provided for each location surveyed in Figures 7-1 and 7-2 below.

Figure 7-1
Average weekday flows (total vehicles) for L'Ancrese Road

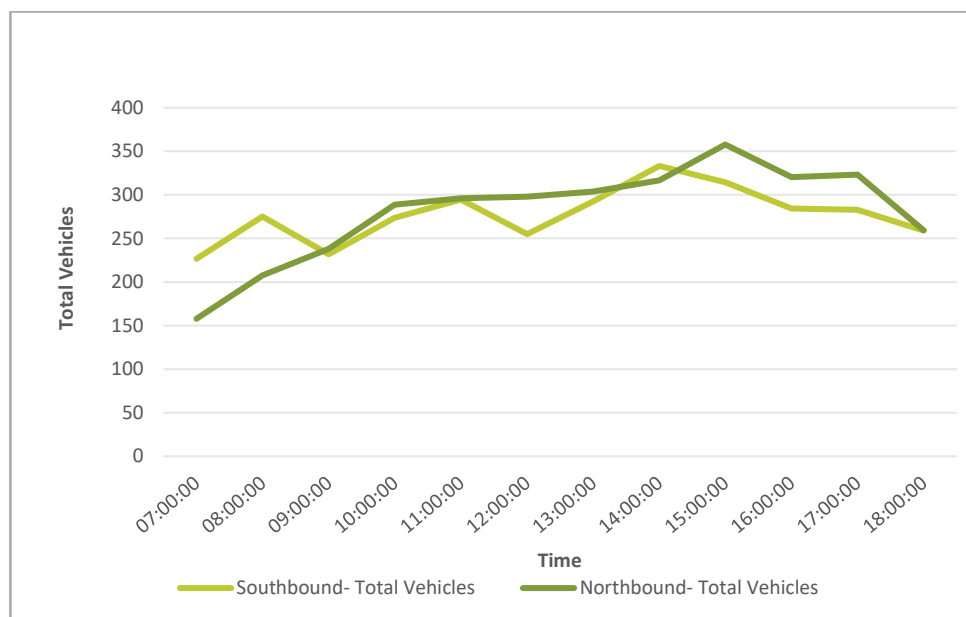


Figure 7-2
Average weekday flows (total vehicles) for Route de Port Grat



Figure 7-1 shows that the current traffic flows through an average weekday are similar for each direction on L'Ancrese Road. The southbound flows are slightly higher in the morning and the northbound flows are slightly higher in the afternoon and evening; however as the difference is not significant, and as the flows rise gradually through the day for each direction, there is no obvious commuter travel pattern to the data. Figure 7-2 shows a similar pattern for Route de Port Grat, with the eastbound flow higher in the morning, however there is an obvious peak in both flows at 08:00; from here the eastbound flow remains slightly dominant until after 15:00, with both directional flows rising gradually through the day. The time period that most stands out as the peak for both roads is between 15:00 and 16:00.

The average weekday (Monday to Friday) peak hour (15:00-16:00) and 12 hour (07:00-19:00) traffic flows are summarised below, with figures provided for total vehicles and HGVs in Table 7-1, with the Saturday 12-hour flows provided in Table 7-2.

Table 7-1
Average 5-day Traffic Flow data (Monday to Friday)

Location	Period	Northbound			Southbound			Two-Way		
		Total	HGV	%HGV	Total	HGV	%HGV	Total	HGV	%HGV
L'Ancrese Road	Peak Hour (15:00-16:00)	358	8	2%	315	6	2%	673	14	2%
	12-hour (07:00-19:00)	3367	76	2%	3323	63	2%	6690	139	2%
		Eastbound			Westbound			Two-Way		
Route de Port Grat	Peak Hour (15:00-16:00)	288	6	2%	273	3	1%	561	9	2%
	12-hour (07:00-19:00)	2860	55	2%	2656	38	1%	5516	93	2%

A review of the traffic flow data for each route confirms that between 1% and 2% of the vehicles on the roads are HGVs. The data also confirms that there is no significant dominant directional flow on either road. L'Ancrese Road has a higher flow of total traffic over the 12 hours, with 6690 vehicles compared to 5516.

Table 7-2
Saturday Traffic Flow data

Location	Period	Northbound			Southbound			Two-Way		
		Total	HGV	%HGV	Total	HGV	%HGV	Total	HGV	%HGV
L'Ancrese Road	12-hour (07:00-19:00)	3431	60	2%	3542	69	2%	6973	129	2%
		Eastbound			Westbound			Two-Way		
Route de Port Grat	12-hour (07:00-19:00)	2740	31	1%	2536	27	1%	5276	58	1%

The 12-hour flows for a Saturday are slightly higher on L'Ancrese Road than on an average weekday, although the numbers of HGVs appear to be slightly lower, while the 12 hour flows on Route de Port Grat are slightly lower for all vehicles.

MTC Data

The MTC was undertaken on Tuesday 20th June 2017, covering a 12-hour period between 07:00 and 19:00; the data provide the turning movements for each arm of the two junctions surveyed, with vehicle types classified. The MTC data has been used to create turning flow diagrams to produce a visual summary of the traffic movements at the junction of La Jaonneuse Road/ Mont Cuet Road/ L'Ancrese Road/ Les Clotures Road and the junction of La Route du Picquerel/ Les Tracheries Road/ Les Petites Mielles/ La Route De L'Islet.

The peak period for each junction has been determined from the review of the ATC data, with the hour from 15:00 to 16:00 selected. The turning flow diagrams show the numbers of total vehicles and numbers of heavy goods vehicles for each time period. The turning flow diagrams are set out in Figures 7-3 and 7-4.

Figure 7-3
Turning Count for Mont Cuet/L'Ancrese Road junction – from 15:00 to 16:00

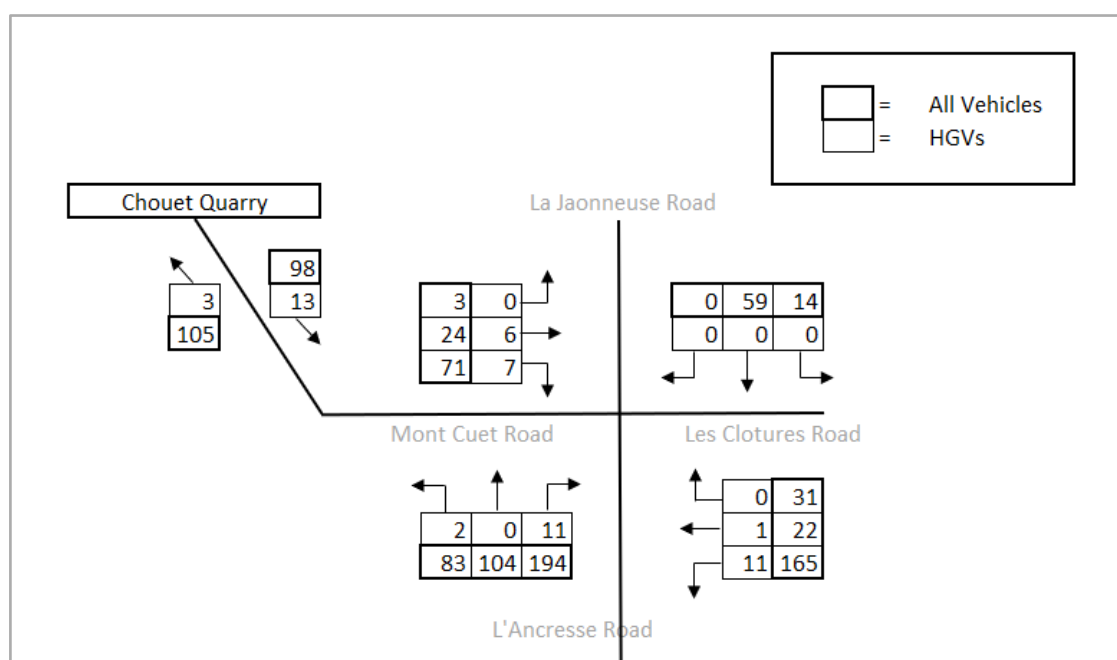


Figure 7-3 provides a summary of the existing movements on the first junction along the route from the applications site to Les Vardes quarry. This shows that the largest flows are on Les Clotures Road and L'Ancrese Road, for both the total vehicle and HGV movements. The existing flows on Mont Cuet Road include the movements to and from the landfill site adjacent to the application site, which can be seen here with larger HGV numbers on this arm of the junction (16 two-way movements). The movement of vehicles between Les Clotures Road and L'Ancrese Road is shown to be the highest, with 359 two-way total vehicle movements and 22 two-way HGV movements.

Figure 7-4
Turning Count for Les Petites Mielles/La Route de L'Islet junction (15:00 to 16:00)

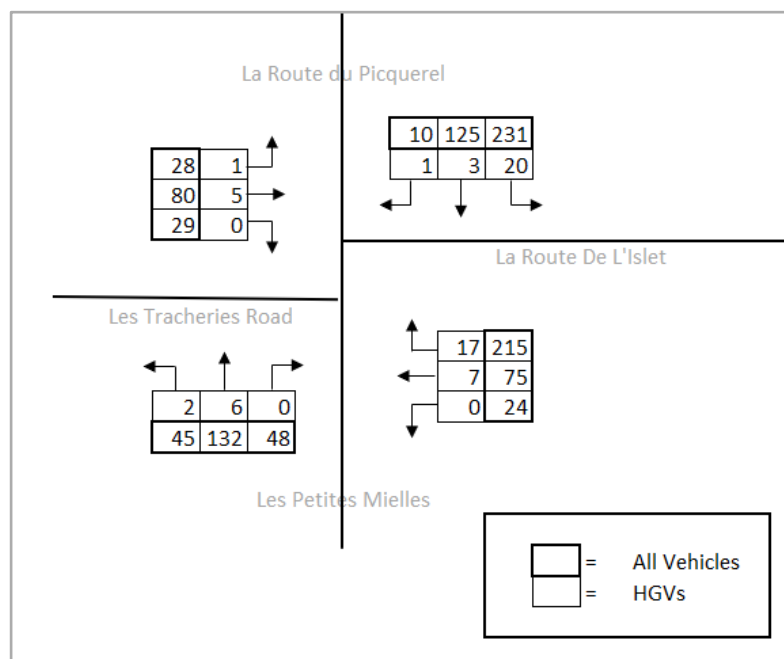


Figure 7-4 provides a visual summary of the movements at the second junction along the route to Les Vardes quarry. It can be seen that during this peak period the largest movement of all vehicles can be seen between La Route de L'Islet and La Route du Picquerel, with 215 vehicles turning right from La Route de L'Islet onto La Route du Picquerel and 231 vehicles making the opposite movement. Similarly the largest numbers of HGVs also make these movements.

7.1.3 Accidents

A total of seven accidents were recorded throughout the study area over a five year period up to 2017. Six of the seven accidents resulted in minor injuries with the most recent resulting in major injuries; there were no fatalities recorded during the five year study period. There have been no recorded injury accidents within the study area during the years of 2013 or 2016.

7.2 Appraisal

The quarry would generate on average 125,000 tonnes of material each year, all of which would initially be transported to the Les Vardes Quarry for processing. The vehicles have been confirmed as 14 tonnes capacity HGVs and so there would be on average 31 loads per day or 3 loads per hour (using a 10 hour working day).

Based on the data from the ATC, Table 7-3 below set out the existing traffic flows for the network peak period for an average weekday and the 12 hours flows for an average weekday for L'Ancrese Road.

Table 7-3
Traffic Flows (Two-way) for Opening Year Scenario – L’Ancresse Road

	2022 Base		Proposed Development		Base + Proposed Dev.		Percentage Increase	
	All Veh.	HGVs	All Veh.	HGVs	All Veh.	HGVs	All Veh.	HGVs
Peak (15:00-16:00)	673	14	8	3	681	17	1%	21%
12 Hour (07:00-19:00)	6690	139	72	62	6762	201	1%	45%

It is clear from the tables above that the impacts of all of the additional vehicles derived from the site would be negligible in terms of total vehicle numbers with a 1% increase. However, the increase in HGVs is significant in, with a 21% increase on L’Ancresse Road in the peak hour; during the 12 hour period L’Ancresse Road would see an increase of 45%. While the percentage increase is significant, it should be noted that the numbers of HGVs are currently low, with HGVs counting for less than 2% of all traffic on these routes.

7.3 Conclusions

An assessment of the impacts on the local transportation network as a result of the developing a quarry on the headland has been undertaken. To ensure a robust assessment, traffic movements have been considered for the maximum export from the site within the operational period, which equates to 125,000 tonnes per annum.

A full environmental impact assessment has been undertaken, considering the potential transport related impacts associated with the proposed development. The assessment has determined that the volume and composition of the proposed development traffic would have no significant impact on the operation and safety of the local road network, and the amenity of local residents.

In conclusion, it is considered that the proposed development traffic would have no adverse impact on the surrounding road network.

8.0 Vibration

8.1 Baseline

In order to be able to extract the rock it will be necessary to use controlled explosive charges. The detonation of explosive charges in a borehole (often referred to as a 'shot hole') generates stress waves causing localised distortion and cracking of the rock mass. Outside of this immediate vicinity of the blast permanent deformation does not occur. Instead, the rapidly decaying stress waves cause the ground to exhibit elastic properties whereby rock particles are returned to their original position.

Despite the substantial design process involved in determining the parameters of the blast, such as borehole diameter, spacing, depth, amount of explosive etc., all blasts will generate vibration. This vibration occurs both through the ground and through the air (as a pressure wave).

Research has concluded that the maximum value of particle velocity in any stress wave is the parameter of significance. Recognised best practice is to measure blast-induced vibration using a seismograph in terms of unfiltered time histories of three component particle velocities from which the peak values can be identified. As set out in BS 7385-2: 1993 measurements are taken on a well-founded hard surface at the base of the building on the side of the building facing the source of vibration; this is because in most instances, consideration is being given to compliance with prescribed limits. The vibration monitor is covered with a sandbag to ensure good contact with the ground and that the monitor does not bounce in response to a blast.

With experience and knowledge of the factors which influence ground vibration, such as blast type and design, site geology and receiving structure, the magnitude and significance of the blast induced waves can be accurately predicted at any location.

The accepted method of predicted peak particle velocity for any given situation is that of '*scaled distance*'. BS 6472-2:2008 states that in order to predict the likely vibration magnitude, a series of measurements at several locations should be taken from one or more trial blasts. For this assessment data gathered from monitoring production blasts at Les Vardes Quarry has been used (a total of 996 blasting events has been used in the assessment). The scaled distance value (*s*) for any location may be calculated as follows:

$$s = d/\sqrt{C}$$

where:

d is the separation distance (blast to receiver) in metres; and

C is the Maximum Instantaneous Charge (MIC) weight in kilograms (kg) i.e. maximum weight of explosive per delay interval in kg.

8.2 Appraisal

Recorded vibration values have then been plotted against scaled distance on logarithmic scales to give a blast regression line. Differing geology and blast design result in a degree of scatter. As noted in the Institute of Quarrying publication¹² (page 146) the statistical method adopted in assessing the vibration data is that used by Lucole and Dowding. The data is presented in the form of a graph showing the attenuation of ground vibration with scaled distance and results from log - normal modelling of the velocity distribution at any given scaled distance. The plotted data are generally presented with the mathematical best fit or mean (50%) line through

¹² The Use of Explosives in Quarrying. T E White and P Robinson. The Institute of Quarrying

the data, calculated by least squares regression, together with an upper confidence level, which is generally taken as 95%.

Analysis of the recorded vibration data from Les Vardes Quarry has been used to create a regression line, showing both the 50% and the 95% confidence limit and is shown in Figure 8-1. The regression line plot shows that the corresponding scaled distance value for a vibration criterion of 10.0mm/s PPV at 95% confidence level is 32.2mkg^{-1/2}.

Figure 8-1
Blasting Regression Line Model

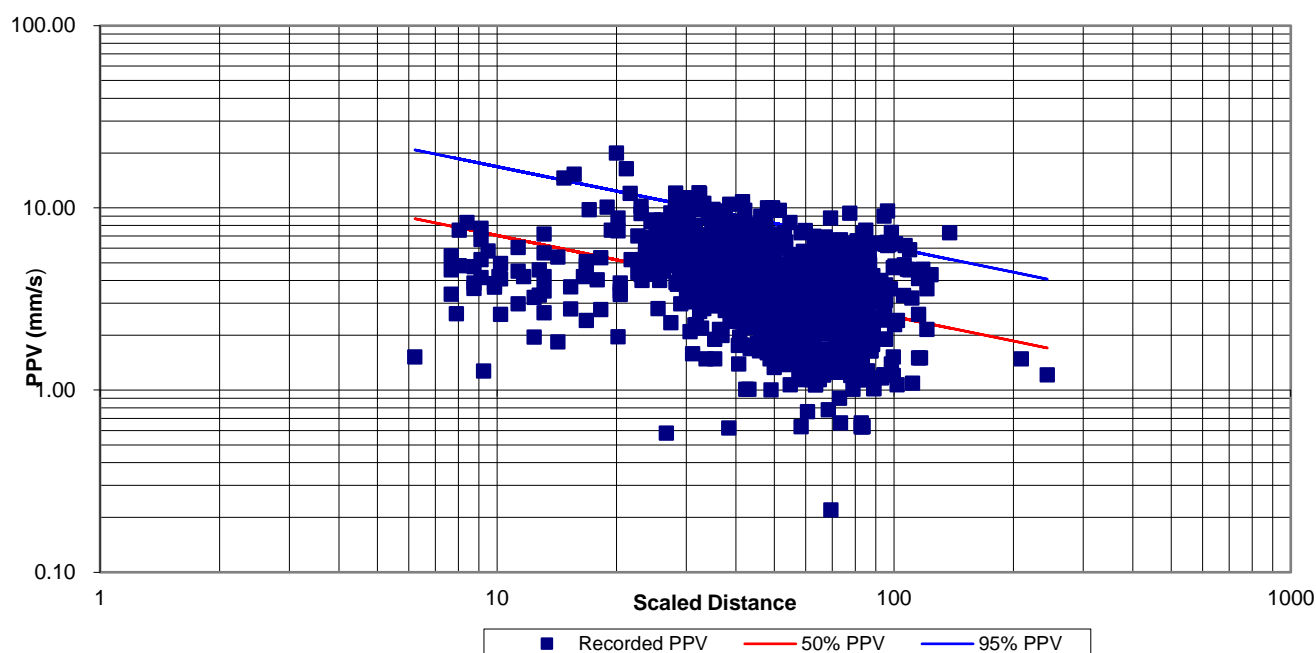


Table 8-1 shows the allowable maximum instantaneous charge weight to comply with this criterion at given separation distances.

Table 8-1
Allowable maximum instantaneous charge weights

Blast/receiver separation distance (m)	Allowable maximum instantaneous explosive charge weight to comply with 10mm/s criterion (kg)
50	2.41
75	5.41
100	9.63
125	15.04
150	21.66

Blast/receiver separation distance (m)	Allowable maximum instantaneous explosive charge weight to comply with 10mm/s criterion (kg)
175	29.48
200	38.50

Where it is predicted that the levels of vibration at a receptor would exceed the relevant criteria then it would be necessary to reduce the MIC. One method of achieving such a reduction is to 'deck' the explosives within the borehole. This technique splits the column of explosives in two (or more), separated by inert material. If blasting is required at closer distances than that where double decking would be a successful strategy, other charge reduction methods would have to be employed. These could be more complex decking strategies or changes to the blast geometry and / or the use of smaller diameter boreholes.

These are matters for the operator as part of the detailed design of individual blasts and adherence to blast vibration limits, rather than for the imposition by planning condition of prescriptive blast design requirements.

In terms of receptors, the closest residential properties are located to the south (L'Eternite) and south-east (La Morada) of the proposed quarry. L'Eternite is around 130m from the closest part of the proposed quarry workings and La Morada is over 200m. in comparison, the closest properties to Les Vardes Quarry are within 60m – 90m of the quarry workings.

To limit the environmental effects of blasting, limits are imposed on vibration levels based on the 95 percentile and maximum limit. For Les Vardes Quarry, the limits are 10mm/s. However, much higher vibration levels are required to cause damage to a property.

8.3 Conclusions

An assessment of predicted blast-induced vibration levels has been made to nearby vibration-sensitive receptors. The predictions are based on 996 blast induced vibration events which were measured at various locations around the nearby Les Vardes Quarry and considered representative for Chouet Quarry.

Using the measured data a blast regression line has been plotted and a maximum instantaneous charge weight of 16.27kg has been derived at of 130m which is the approximate distance to the nearest vibration sensitive receptor.

The assessment has shown that the criterion of 10.0mm/s PPV at 95% confidence can be achieved by suitable blast design using the suggested instantaneous charge weights.

Therefore, vibration generated by blasting events is not considered to be a limiting factor in blasting within the proposed quarry.

9.0 Water Environment

9.1 Baseline

9.1.1 Geological Setting

Soils

The vegetation across the headland includes 'semi-improved' grassland. Semi-improved grassland is a transition category made up of grasslands which have been modified by artificial fertilisers, slurry, intensive grazing, herbicides or drainage.

Information about the soil underlying the grassland has been taken from the Soil and Land Evaluation for Guernsey (2010). Whilst the exact location of the site is not assessed the L'Ancrese area is classified as Grade 4 soil due to very severe droughtiness limitation. These soils are of poor quality with severe limitations which significantly restrict the range of crops and/or level of yields. It is mainly suited to grass with occasional arable crops the yields of which are variable.

Superficial Geology

The superficial geology comprises raised beach deposits located in the La Chouet area. This comprises gravels and fine grained material cemented by iron minerals.

In the immediate vicinity of the headland, the deposits are likely to comprise 1m – 3m depth of topsoil and clay underlain by fractured granitic bedrock.

Bedrock Geology

The headland is underlain by the Bordeaux Diorite Complex, comprising a range of lithologies, but generally hard, relatively coarse grained granodiorite to dioritic rocks.

The Complex is seamed with weakness associated with joints and narrow dykes. The fracture diameter has been reported as being 'open'¹³ in some areas. However, in the walkover, the Torrey Canyon Quarry showed very tight fracturing. This is supported by the very low permeability results for the aquifer in the area of the proposed quarry.

The top of the bedrock is likely to be weathered to a soft, friable material. The depth of the weathered zone may be over 30 metres below ground.

Radon is of potential concern in Guernsey because the geology of the island is made up of a number of different types of granite that contain natural uranium in the bedrock. Most buildings in Guernsey are sited on potentially radon-emitting geology or bedrock.

9.1.2 Potential Contamination

Information supplied by the States of Guernsey¹⁴ indicates that there is no Made Ground on the proposed application site. The land use history, described in a Phase 1 Land Quality Risk Assessment Report, supports this as the land has been fully agricultural since the 19th century. The site walkover did not identify potential source of contamination in Ronez Field either, but potential off site sources included:

¹³ Cucakovic, M., 2014, An Evaluation of Chouet Head Quarry. MSc Dissertation, Engineering Geology Department, Newcastle University. Page 10.

¹⁴ Borehole construction information supplied to SLR via email August 2017.

- Torrey Canyon Quarry to the west of the application site which has held oil in water since the 1970's; and
- Mont Cuet Landfill located to the east of the site - this is an operational landfill site which accepts domestic and construction waste.

The Phase 1 Report indicates that the area of land to the west of the proposed site (in and around where the Torrey Canyon Quarry is sited) has a history of quarrying activity within proximity of the application site. Many of these former quarries have been backfilled.

9.1.3 Hydrogeological Setting

With the exception of military fortifications (refer to Section 3 above) and small quarries the headland has not been developed and predominantly has a history of agricultural uses. A landfill, Mont Cuet, is operational and is located to the east of the headland.

The Torrey Canyon Quarry is also located to the west of the proposed development. This is a flooded quarry which has been used to store crude oil which was removed from Guernsey's beaches in the 1967 following the Torrey Canyon disaster. In addition anecdotal evidence suggests that, when retreating from the Island, the German's placed munitions in the quarry. A more detailed breakdown of the site history and setting can be found in SLR(2017)¹⁵.

Aquifer Characteristics

The geological setting and hydrogeological characteristics within the vicinity of application site are summarised in Table 9-1. In summary the site is underlain by superficial raised beach underlain by deposits of diorite.

Table 9-1
Summary of Aquifer Characteristics

Age	Parent Unit	Description	Aquifer Characteristics
Quaternary	Raised Beach Deposits	Wind-blown silt (1 - 3m thick)	<p>The superficial deposits comprise gravels and fine grained material cemented by iron minerals in places. In the immediate vicinity of the site the deposits are likely to comprise 1m – 3m topsoil, sand, silt and clay.</p> <p>Exposure in the Torrey Canyon quarry wall suggests that there might only be <1m of superficial deposits in the immediate vicinity of the site.</p> <p>Examination of the borehole records provided by the States of Guernsey indicates the depth to bedrock (which includes superficial and fractured bedrock) ranges from 5-10m below ground. This information has been used to provide depth to bed rock contours presented in the attached drawing.</p>

¹⁵ SLR (2017) Chouet Quarry, Guernsey, Phase 1 Land Quality Risk Assessment Ref: 403.06370.00001. Rev 2 Prepared for Ronez

Age	Parent Unit	Description	Aquifer Characteristics
Lower Palaeozoic	Bordeaux Northern Diorite Complex	Granodiorite comprising coarsely grained, crystalline, plutonic intrusive igneous rocks.	<p>Negligible primary porosity and permeability. The water table lies within 3 to 8 metres of the ground surface, and the main aquifer, in which the majority of groundwater flow takes place, is situated in a 25m thick zone immediately below the water table. However the Geological Society states there is little potential for groundwater flow beneath low lying land towards the north of the island where the fractured bed rock has a clay matrix or the degree of fracturing is not as pronounced.</p> <p>Beneath this depth there is some groundwater flow in deeper fractures, but borehole yields from the greater depths are commonly less than those from the shallow weathered zone. This reduction in aquifer yield with depth provides an element of self-protection, whereby base-flow discharge from the aquifer and abstraction from boreholes is automatically reduced as the water table falls.</p> <p>The fractured bedrock is likely to be contributing to the groundwater flow across the site.</p> <p>In-situ permeability testing was undertaken in two boreholes in the area of the proposed quarry during the July 2017 sampling event. The results of the assessment are shown in Table 13-6 below.</p>

The BGS hydrogeological report indicates the following:

- The groundwater body is itself divisible into three contiguous levels. Where present there is an upper granular aquifer within superficial deposits of alluvium and raised beach material. Beneath this is the main aquifer which is contained within the shallow weathered zone of the bedrock. This is underlain by a deeper aquifer with groundwater flow restricted to occasional dilated fractures. Bedrock mainly consists of ancient crystalline metamorphic rocks.
- Borehole information obtained from States of Guernsey indicate that there is over 10m of material (comprising superficial deposits and fractured bedrock) that overlies the bed rock across the site.

The information obtained from the States of Guernsey regarding the depth to groundwater and also the depth to bedrock, support the published information presented by the Geological Society.

The following observations regarding the geology at the site were made during the site visit:

- there are limited thicknesses of superficial deposits recorded across Torrey Canyon Quarry, immediately to the west of the proposed quarry; and
- the quarry faces within Torrey Canyon Quarry are variably fractured. The fractures appear tightly held with variable orientation. Photographs of the quarry are presented in the SLR (2017) Phase 1 Desk Study for La Chouet Headland

Recharge Mechanisms

Guernsey has a temperate maritime climate, with prevailing wind directions from the west. Average annual rainfall (1907 to 1980) is reported as ranging from c. 790mm to c. 850mm. The potential evapotranspiration has been taken from Jersey data (in the absence of suitable data from Guernsey) and is c. 613mm per year. Regionally, stream flow (of which 60% is derived from groundwater recharge as base flow) is c. 226mm and groundwater recharge is estimated as c. 128mm/year.

Given the thin sequence of superficial deposits in the general vicinity of the application site, it is considered that the majority of effective rainfall will form groundwater recharge to the fractured bedrock aquifer. The groundwater surface sits in the fractured bedrock as identified by the site boreholes.

Any groundwater infiltrating through the superficial horizon and fractured bed rock is expected to recharge the underlying bedrock aquifer via vertical leakage.

Groundwater Levels and Flow

A number of boreholes have been monitored by the States of Guernsey over a number of years at the application site. The 2011-2017 monitoring data have been collated and are presented in Table 9-2 below.

Table 9-2
Summary of Groundwater Elevation

BH No.	Min of Water Level (mAGD)	Average of Water Level (mAGD)	Max of Water Level (mAGD)
2020	-0.01	0.62	1.51
2021	0.07	0.69	1.70
2022	6.22	6.55	7.00
2023	2.22	2.60	3.29
2026	2.18	5.68	8.80
2027	4.51	5.33	6.89
2031	1.67	2.15	2.99
9122	-4.31	-2.77	-0.32
9130	-0.96	0.16	2.43
9131	-1.30	0.03	2.61
9133	-3.05	0.05	3.62
9134	-2.60	-0.88	1.21
9135	-2.47	1.16	2.60
9136	-1.98	1.77	4.02
9137	-3.21	-1.86	0.89

Groundwater contours indicate that the groundwater flow direction in the vicinity of the headland is towards the Mont Cruet landfill to the east. This might suggest that there is some groundwater management being undertaken in the landfill site. Although information from Guernsey Water indicates there is no licensed groundwater abstraction in the area, the landfill site does operate a leachate treatment system (with discharge to the sea) which might be locally influencing groundwater flow.

This appears to be supported by the groundwater hydrographs for boreholes 9122, 9133, 9137 and 9134 which appear to indicate pumped levels and recovery over periods of time. The maximum head in the boreholes is around March with a minimum head in November of the same year. Boreholes more distant from Mont Cuet, such as 2027 and 2022, do not show the same hydrograph responses over the same time period. Boreholes 9136 and 2023, which are close to the sea (as with 2027) also so not show the same hydrograph which suggests any differences seen closer to the landfill are not due to tidal variation.

There also appears to be a localised groundwater drainage feature to the within the southern part of the headland, south west of the first phase of extraction. When this is compared to the depth to bedrock, this feature coincides with relatively thick sequence of fractured bedrock/superficial deposits. Therefore, it is likely that a preferential flow path exist for groundwater in this location of the site.

The hydraulic gradient does increase in the vicinity of the coastline. In the immediate vicinity of the Torrey Canyon quarry the hydraulic gradient appears to be different depending on the orientation of the former quarry:

- Borehole 2026 immediately to the north has a groundwater elevation similar to the water level, in the flooded quarry;
- Borehole 2021 immediately to the east has a groundwater elevation lower than the quarry water level.
- Borehole 2021 has a much thicker sequence of material overlying the bed rock (12.2m compared to 6.3m in borehole 2026) and therefore the groundwater is likely to be draining preferentially to the east at this location. There is no visual evidence of significant permanent groundwater inflows taking place into Torrey Canyon Quarry, either from the seaward or the landward quarry faces. Onsite in-situ permeability testing in borehole 2021 is recorded as 5.7×10^{-9} m/s (see below).

As part of the July 2017 fieldwork permeability tests were completed in 2 boreholes at the site; the results are summarised below:

Table 9-3
Summary of Permeability Data

Borehole Number	Permeability (m/s)
2021	5.679×10^{-9}
9131	2.12×10^{-7}

The groundwater elevation observations and permeability measured during the July 2017 sampling indicates that the groundwater velocity in the area of the proposed quarry is likely to be low.

Competent granodiorite aquifers typically demonstrate low transmissivities, which supports the results of the in-situ permeability assessment, resulting in narrow and deep drawdown cones in response to pumping; even more so given the unconfined nature (and high storage values) of the aquifer in question. Consequently the zone of influence (ZOI) associated with any dewatering strategy is likely to small. In order to make a preliminary assessment of the ZOI, a simple calculation was made utilizing the highest transmissivity value calculated from slug testing conducted in July 2017 (2.1×10^{-7} m/s) and a specific yield (0.02) typical of fractured rock.

Using a Cooper-Jacob solution, a ZOI of less than 5m was calculated with a drawdown of 15m. The calculation is preliminary in nature. The phreatic surface is located in the slotted screen of the wells which sit in the superficial deposits and fractured bed rock. Therefore, it is likely the presence of potentially more permeable strata, has been accounted for in the preliminary testing and analysis undertaken. Consequently, whilst this is a preliminary assessment, it is useful to demonstrate that under typical conditions the ZOI should be anticipated to be small.

Water Resources and Abstractions

The headland is not located in a Water Catchment Area as defined by Guernsey Water. Commercial enterprises that operate within a Water Catchment Area require a formal Permit for Development from Guernsey Water, if planning and building consent is given by the Environment Department. The Permit will contain Guernsey Water's conditions for the site to prevent pollution, or a risk of pollution, arising to the Public Water Supply.

Guernsey Water's pollution legislation does not permit trade effluents to be discharged into surface water. Guernsey Water has reported that there are no current abstraction license applications, pollution incidents or discharge licenses located at the development site.

Guernsey Water outlined potential issues for contamination of surface water that is currently located within the Torrey Canyon Quarry:

- Guernsey Water are aware that the quarry contains oil which is a result of a spill off the coast of Guernsey known as the Torrey Canyon oil spill;
- This occurred in 1967 when the SS Torrey Canyon super tanker hit a reef off the coast of Cornwall resulting in an estimated 25 to 36 million gallons of crude oil being spilled.

The Mont Cuet Landfill site is located to the east of the headland. This accepts a mixture of waste materials from the island and is operational. The site has a leachate and gas management system.

Groundwater Quality

Groundwater quality sampling and analysis has been completed by the States of Guernsey using the boreholes at site. Review of the water quality monitoring records shows the following:

- The concentration of major ions is similar to that reported in the BGS (2000) study which indicates they are a result of mixing between rainwater and sea-spray. This is also supported by the electrical conductivity measurements which are shown in Figure 13-3. The highest concentration relates to boreholes located closest to the sea (9136 and 2023). Over time the concentration in boreholes 9034 and 9022, which are further inland, have increasing conductivity which is probably related to salinization/mixing in the groundwater.
- The organic load markers (BOD, COD and DOC) are not considered elevated and therefore don't show the presence of significant concentrations of petroleum hydrocarbons. The only anomaly is the groundwater in 9130 which has high BOD, COD and DOC.
- The elevated oxidised nitrogen compounds are consistent with shallow groundwater across the island and reflect infiltration of rainwater through the surrounding agricultural land.
- Ammonium is elevated at locations 2027 and 9130. The organic carbon is also relatively elevated and suggests this is a function of the site use as a biomass recycling facility(2027) and anthropogenic source (9130).
- The concentration of iron is consistent with the understanding that any superficial raised beach drift deposits are cemented by iron minerals. Although it is very high in groundwater adjacent to the landfill site (9137). This may be due to reducing conditions in the groundwater which causes greater concentrations of iron to be soluble (typically when the dissolved oxygen is < 2mg/l).

Additional groundwater sampling was undertaken by SLR in July 2017. This was to identify the presence or otherwise, of organic compounds which might be present in the Torrey Canyon Quarry and/or associated with the groundwater in close vicinity to Mont Cuet landfill. The main conclusions from the sampling and analysis are as follows:

- The major ion analyses indicated the majority of the groundwater was sodium – chloride waters, with the exception of borehole 2020 which was sodium carbonate dominant groundwater.
- The wide variety of analysed volatile organic compounds, speciated total petroleum hydrocarbons and semi-volatile hydrocarbon were not detected at significant concentrations.
- Trace concentrations of chlorinated and polyaromatic aromatic hydrocarbons were detected in borehole 2022 in the Torrey Canyon Quarry. This is most likely related to the historic cleaning of hydrocarbon sampling tools or similar. The chlorinated hydrocarbons were not detected in the quarry surface water or in any of the other groundwater sampled.
- Trace concentrations of xylene and phenol were detected in borehole 9134. This is located in Ronez Field and given the lack of significant concentrations elsewhere in this area, it is considered most likely this has resulted from a small spill probably during agricultural activities in the field.
- Given the anecdotal evidence regarding the German's disposing of munitions in the quarry, an explosive residue suite was also included in the analysis of the surface and groundwater closest to the quarry. There were no explosive residues detected in the borehole closest to the Torrey Canyon quarry.

9.1.4 Hydrological Setting

Surface Water Features

The closest surface water feature to the application site is the Torrey Canyon Quarry where historical storage of crude oil has occurred. Visual and olfactory information from a site walkover also suggests hydrocarbons are present, although the surface water here has undergone a number of years of treatment. More information regarding the quarry and its contents are included in detail within the Phase 1 Report (Appendix 13-3)

During the site walkover it was not possible to identify any other surface water features such as land drains, springs or rivers associated with the study area. The proposed quarry area is bounded to the north and south the sea.

The walkover did note a small diameter (50mmID) uPVC or HDPE pipe apparently directing drainage from the biomass Recycling Centre onto the northern beach. The exact purpose of the pipe is not known but it appears to be a localised surface water control feature of low significance.

Surface Water Quality

Surface water in Torrey Canyon Quarry was sampled during the July 2017 water sampling event. This showed that whilst there was observable historic crude oil in areas of the site surface, the surface water chemistry had the following characteristics:

- no detectable speciated hydrocarbons;
- no detectable explosive residues (anecdotal evidence indicates there may be munitions in the base of the quarry); and
- trace concentrations of polyaromatic hydrocarbons were present in the water which is not surprising given the history of oil containment in the quarry.

This confirms that the trace organic compounds identified in the Torrey Canyon surface water are not identified in groundwater immediately next to the quarry and therefore migration from the quarry is not occurring or has not occurred over the last 40 years. In addition, the lack of detectable hydrocarbon adjacent to the landfill suggests if hydrocarbons are present in leachate in the landfill, these are not impacting the groundwater.

9.2 Appraisal

9.2.1 Hydrogeological and Hydrological Flow Regimes and Flooding

The proposed quarry would not have any significant effect on the regional groundwater flow regime within the bedrock aquifer, either during future quarrying activities or following restoration, given the following:

- The area of the island is designated as a Safeguarded Zone for mineral extraction;
- The permeability of the bedrock is measured as being very low at depth;
- No groundwater inflows have been observed from the quarry faces in areas such as the Torrey Canyon Quarry;
- There are no visible surface water streams present surrounding the application site;
- The closest surface water receptor will be the marine environment;
- There are no groundwater abstractions in the area of the application site;
- The proposed site is not located in a groundwater catchment area;
- Groundwater levels in the area would be reduced due to the dewatering likely to be required in the proposed quarry. However there are no obvious receptors which might be impacted by the dewatering;
- Based on the preliminary calculations, the Zone of Influence of any quarry dewatering is unlikely to include the existing Torrey Canyon Quarry which comprises hydrocarbons in the surface water. Hydrochemical analysis has shown that this surface water is not influencing the groundwater quality in the area;
- The very low permeability in the aquifer immediately adjacent to the Torrey Canyon Quarry confirms the containment of the hydrocarbons in the quarry is still occurring after a number of years since the crude oil was first contained in the quarry;
- Based on the preliminary calculations, the Zone of Influence of any quarry dewatering is unlikely to include the existing Mont Cuét landfill;
- Hydrographs suggest there may be some form of localised groundwater control in vicinity of the landfill, possible associated with the leachate treatment system;
- Hydrochemical analysis has shown that the chemistry of the groundwater close to the landfill does not appear to be influencing the groundwater quality in the proposed quarry area; and
- The area is not deemed to be at a risk from flooding.

9.2.2 Potential Effects on Groundwater and Surface Water Quality

During the operation of the quarry there is a risk of contaminated runoff being generated from the following potential sources, as a result of:

- intercepting potentially contaminated groundwater from the area to the west Torrey Canyon Quarry) and east (Mont Cuét Landfill) of the site;
- inducing saline intrusion;
- accidental spillage of fuels, lubricants and other potentially contaminating liquids; and
- suspended solids within surface water runoff.

The sensitivity of the groundwater surface water receptor, in terms of quality is assessed as 'high', given the proximity to the coastline.

Pollution prevention and control measures are currently employed by the applicant at other quarries it operated on Guernsey and Jersey; therefore, it is considered that the magnitude of change on groundwater quality due to spillage of fuels, lubricants and other potentially contaminative liquids would be 'negligible'. This assessment is also based on the relatively small areal extent of potential spillages due to the relatively small number of vehicles that would be accessing the quarry during the operational and decommissioning phases.

Any suspended solids generated within surface water runoff would also 'settle out' within the quarry sump and settlement lagoons and so this potential effect is not considered further.

Given the above, the significance of potential direct effect to groundwater and surface water quality would be 'negligible', and consequently there is no requirement for additional mitigation measures to protect water receptors. Consequently, these potential effects can be scoped out of further assessment.

The groundwater and surface water sampling indicates there appears to be limited or no interaction with water in the Torrey Canyon Quarry and that in the area of the Mont Cuet landfill. The following has been considered regarding these two areas of potential impact:

- the quarry and the landfill have been in existence for a considerable length of time;
- these structures do not appear to have influenced the groundwater quality over this period of time;
- the lack of interaction is supported by low and very low intrinsic permeability of the bed rock across the area;
- preliminary calculations indicate that the Zone of Influence of the quarry dewatering is unlikely to intersect the Torrey Canyon surface water, Mont Cuet landfill leachate or the sea (inducing saline intrusion); and
- the groundwater and surface water is already saline.

It is therefore not unreasonable to assume that these conditions would remain during the lifetime of the proposed quarry development and would not be altered by the quarry dewatering. Notwithstanding this, precautionary measures would be required during the groundwater management in the proposed quarry and surrounding area, as discussed below.

9.3 Conclusions

As a consequence of the site design, site setting and embedded mitigation, no significant effects are predicted. Notwithstanding this, and like other operations managed by the applicant, confirmatory monitoring would be undertaken to confirm there are no residual effects. The monitoring protocol would be agreed with States of Guernsey.

APPENDIX 01

Table 1
Recommended Dust Control Measures

Activity	Dust Control Measures
General	<ul style="list-style-type: none"> • Planning and design of the scheme to make provision for water supply to ensure supply can meet site demand at areas such as plant site and during perimeter bund construction along the southern boundary • Existing woodland / hedgerows to be retained along site southern site boundaries where possible. Additional planting along southern boundary • Provide training on dust mitigation to personnel as part of any site / job induction procedure • Maintain good communication between operator and surrounding communities
Site Preparation and Restoration	<ul style="list-style-type: none"> • Water suppression to be available when screening mounds are being constructed within 200m of off-site receptors • No vehicles to traverse near the base of screening mounds unless explicitly required • Screening of mounds to be seeded at the earliest opportunity and thereafter maintained free from weeds • Temporary cessation of soil stripping / bund construction during conditions whereby high winds are from the northerly sectors and activities are present within 200m of activities
Plant Site: Processing, Materials Handling & Stockpiling	<ul style="list-style-type: none"> • Drop heights of mineral into stockpiles / dump trucks minimised • Use of water bowsers/spray systems to dampen stockpiles during dry / windy conditions • Paved surface area of plant site to be swept regularly • Mobile plant to be maintained / serviced as per manufacturers recommendations • Visual checks of mobile plant to ensure dust suppression working and effective
On-site Transportation	<ul style="list-style-type: none"> • Use of water bowsers/spray systems to dampen haul roads • No plant/vehicles shall cross any area of unstripped topsoil or subsoil or areas of loosened ground, except where unavoidable for the purposes of undertaking permitted operations • Speed limit usually controlled to 10mph • Haul roads are maintained to remove potholes and dips which trap dust and cause plumes
Off-site Transportation	<ul style="list-style-type: none"> • Wheel wash facility to be used by all vehicles that enter site; • Wheelwash to be serviced and maintained as per manufacturers recommendations • Access tracks to loading / unloading area to be hard paved and separate from those routes utilised by on-site dump trucks All loaded vehicles transferring material off-site to be covered • Induction of staff members to include awareness of trackout and to report signs of trackout beyond the site boundary to the relevant person • A separate paved parking area for off-site non-HDV vehicles (i.e. staff cars) with no access to working areas / plant site to reduce track-out onto public highway

APPENDIX 02

**Table 1. List of Sites present on the States of Guernsey's HER
that are present within the Study Area**

HER UID Reference Numbers	Site Name	NGR	Description
MGU 171	No. 10 (Pre) Martello loophole Tower	37566 50510	Late 18 th /19 th century defensive structure.
MGU 449	Chouet Battery No. 1	37497 50553	Late 18 th /19 th century defensive structure.
MGU 450	Chouet Battery No. 2	37497 50553	Late 18 th /19 th century defensive structure.
MGU 565	Flint findspot at Chouet	37566 50568	Later prehistoric artefact
MGU 588	Chouet magazine	37594 50504	Late 18 th /19 th century defensive structure.
MGU 830	Strongpoint 'Kraehennest'	37660 50606	World War II defensive structure
MGU 2139	Flint findspot at Chouet	3786 5044	Later prehistoric artefact
MGU 2430	Telephone switching post N (C3)	3786 5050	World War II Transmitter site
MGU 2431	8cm mortar and trenches, associated with MGU 830	3768 5060	World War II defensive structure
MGU 2432	5cm M19 Automatic mortar bunker, associated with MGU 830	3768 5062	World War II defensive structure
MGU 2433	Small shelter, associated with MGU 830	3759 5051	World War II defensive structure
MGU 2434	Machine gun post and trenches, associated with MGU 830	3755 5055	World War II defensive structure
MGU 2435	Site of 10.5cm K331 (f) Casemate, associated with MGU 830	3747 5056	World War II defensive structure
MGU 2436	10.5cm K331 (f) Casemate at Chouet	3751 5062	World War II defensive structure
MGU 2437	Multi loop-holed turret (Mehrschartenturm), associated with MGU 830	3749 5067	World War II defensive structure
MGU 2438	10.5cm K331 (f) Casemate (associated with MGU 830)	3759 5068	World War II defensive structure
MGU 2439	Electricity Generating tunnel (Ho. 31)	375 505	World War II defensive structure
MGU 2469	Army Observation Post (M2) and Navel Tower	3794 5065	World War II defensive structure
MGU 3677	Stone axe from Mont Cuet	37967 50743	Later prehistoric artefact
MGU 4893	Minesweeper 2070 off Chouet	37325 50857	Wreck
MGU 5243	Unidentified vessel off Chouet	37325 50857	Wreck
MGU 5341	Roman coins from Chouet	38013 50585	Roman coinage
MGU 5569	Flint findspot at Mont Cuet	3796 5074	Later prehistoric artefact
MGU 6284	Stone ring from Chouet Point	3804 5062	Neolithic artefact
MGU 6903	Stone Platform at Chouet	3746 5057	Late 18 th /19 th century defensive structure
MGU 6923	Flint findspot at Chouet	37525 50069	Later prehistoric artefact
MGU 6957	Cottages at Mont Cuet	37705 5053	Post-medieval dwelling

Table 2. Additional sites identified from the Walkover Survey (undertaken in May 2018)

SLR Ref. No.	Site Name	NGR	Description
SLR 001	Quarry (Torrey Canyon oil storage site)	376 506	Former 18 th /19 th century quarry site that was later used to store some of the crude oil from the stricken super tanker Torrey Canyon in 1967.
SLR 002	Field system located within the Development Site	37 50	Five rectangular fields (oriented E-W) located within the eastern section of the Development Site, each field is delineated by drystone walled boundaries. Date range: medieval to post-medieval.
SLR 003	Worked and dressed gate posts and attached gate furniture	37 50	A series of squared dressed and worked granite gate post, providing access to each of the five fields. Date range: post-medieval to modern.
SLR 004	Possible later prehistoric standing stones	37 50	Two irregular-shaped stones with tapered point, standing c. 1.5m in height and surviving as a gate posts. Located in the boundary of Field No. 2 and accessed via the Rue des Grands Champs.
SLR 005	Historic quarries within the western part of the Chouet Headland	375 506	Severn historic quarries were in operation during the 19 th century, two of these are still exposed, and the remaining five have been backfilled. One Quarry, locally known as Green Waste Quarry is visible.

APPENDIX 03

Table 1
Data Search Results (At Risk and Endangered Species only)

Species/Group	Latin Name	English Name	Status
Insects	<i>Callophrys rubi</i>	Green hairstreak	At Risk
	<i>Nepa cinerea</i>	Water Scorpion	At Risk
	<i>Asilus crabroniformis</i>	Hornet Robberfly	At Risk
	<i>Copris lunaris</i>	Horned Dung Beetle	Endangered
	<i>Gryllotalpa gryllotalpa</i>	Mole Cricket	At Risk
Arthropods	<i>Cypris bispinosa</i>	large mussel-shrimp	Endangered
Flowering Plants	<i>Ranunculus sceleratus</i>	Celery-leaved Crowfoot	At Risk
	<i>Ranunculus baudotii</i>	Brackish Water-crowfoot	Endangered
	<i>Ranunculus trichophyllus</i>	Thread-leaved Water-crowfoot	Endangered
	<i>Ranunculus peltatus</i>	Pond Water-crowfoot	Endangered
	<i>Saxifraga tridactylites</i>	Rue-leaved Saxifrage	At Risk
	<i>Euphorbia amygdaloides</i>	Wood Spurge	At Risk
	<i>Linum catharticum</i>	Fairy Flax	At Risk
	<i>Radiola linoides</i>	Allseed	At Risk
	<i>Lythrum salicaria</i>	Purple-loosestrife	At Risk
	<i>Matthiola sinuata</i>	Sea Stock	At Risk
	<i>Arabis hirsuta</i>	Hairy Rock-cress	At Risk
	<i>Cakile maritima</i>	Sea Rocket	At Risk
	<i>Crambe maritima</i>	Sea-kale	At Risk
	<i>Rumex hydrolapathum</i>	Great Water Dock	At Risk
	<i>Herniaria ciliolata ciliolata</i>	Fringed Rupturewort	At Risk
	<i>Silene nutans</i>	Nottingham Catchfly	Endangered
	<i>Silene conica</i>	Sand Catchfly	Endangered
	<i>Dianthus armeria</i>	Deptford Pink	Endangered
	<i>Anagallis tenella</i>	Bog Pimpernel	At Risk
	<i>Centunculus minimus</i>	Chaffweed	Endangered
	<i>Galium constrictum</i>	Slender Marsh-bedstraw	Endangered
	<i>Cicendia filiformis</i>	Yellow Centaury	Endangered

Species/Group	Latin Name	English Name	Status
	<i>Exaculum pusillum</i>	Guernsey Centaury	Endangered
	<i>Echium vulgare</i>	Viper's-bugloss	Endangered
	<i>Cynoglossum officinale</i>	Hound's-tongue	At Risk
	<i>Calystegia soldanella</i>	Sea Bindweed	At Risk
	<i>Hyoscyamus niger</i>	Henbane	Endangered
	<i>Linaria vulgaris</i>	Common Toadflax	At Risk
	<i>Plantago major intermedia</i>	Greater Plantain (hybrid)	At Risk
	<i>Stachys palustris</i>	Marsh Woundwort	Endangered
	<i>Mentha pulegium</i>	Pennyroyal	Endangered
	<i>Parentucellia viscosa</i>	Yellow Bartsia	At Risk
	<i>Pedicularis sylvatica</i>	Lousewort	Endangered
	<i>Orobanche purpurea</i>	Yarrow Broomrape	At Risk
	<i>Carduus nutans</i>	Musk Thistle	At Risk
	<i>Scorzoneroide autumnalis</i>	Autumn Hawkbit	At Risk
	<i>Hieracium umbellatum bichlorophyllum</i>	Umbellate Hawkweed	At Risk
	<i>Aster tripolium</i>	Sea Aster	Endangered
	<i>Erigeron acris</i>	Blue Fleabane	Endangered
	<i>Eryngium maritimum</i>	Sea-holly	At Risk
	<i>Eryngium campestre</i>	Field Eryngo	Endangered
	<i>Oenanthe fistulosa</i>	Tubular Water-dropwort	Endangered
	<i>Bupleurum baldense</i>	Small Hare's-ear	Endangered
	<i>Falcaria vulgaris</i>	Longleaf	Endangered
	<i>Torilis japonica</i>	Upright Hedge-parsley	At Risk
	<i>Alisma plantago-aquatica</i>	Water-plantain	Endangered
	<i>Triglochin maritima</i>	Sea Arrowgrass	Endangered
	<i>Potamogeton natans</i>	Broad-leaved Pondweed	Endangered
	<i>Zostera marina</i>	Eelgrass	At Risk
	<i>Asparagus prostratus</i>	Prostrate Asparagus	At Risk
	<i>Sparganium erectum</i>	Branched Bur-reed	At Risk

Species/Group	Latin Name	English Name	Status
	<i>Schoenoplectus tabernaemontani</i>	Grey Club	Endangered
	<i>Bolboschoenus maritimus</i>	Sea Club-rush	At Risk
	<i>Eleocharis palustris</i>	Common Spike-rush	At Risk
	<i>Eleocharis multicaulis</i>	Many-stalked Spike-rush	Endangered
	<i>Carex flacca</i>	Glaucous Sedge	At Risk
	<i>Carex demissa</i>	Common Yellow Sedge	At Risk
	<i>Carex oederi</i>	Lesser Yellow Sedge	Endangered
	<i>Carex caryophylla</i>	Spring-sedge	At Risk
	<i>Carex pilulifera</i>	Pill Sedge	Endangered
	<i>Carex nigra</i>	Common Sedge	Endangered
	<i>Milium vernale sarniense</i>	Dwarf Millet	Endangered
	<i>Festuca filiformis</i>	Fine-leaved Sheep's-fescue	Endangered
	<i>Vulpia fasciculata</i>	Dune fescue	At Risk
	<i>Poa bulbosa</i>	Bulbous Meadow-grass	Endangered
	<i>Agrostis canina</i>	Velvet Bent	At Risk
	<i>Phleum arenarium</i>	Sand Cat's-tail	Endangered
	<i>Danthonia decumbens</i>	Heath Grass	Endangered
Bats	<i>Plecotus austriacus</i>	Grey Long-eared Bat	Endangered
Birds	<i>Hirundo rustica</i>	Swallow	At Risk
	<i>Anthus pratensis</i>	Meadow Pipit	At Risk
	<i>Carduelis cannabina</i>	Linnet	At Risk
Fungi	<i>Hygrocybe conicoides</i>	Dune Waxcap	At Risk

DRAWINGS

CL_AQ_receptors (002).dwg



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LEGEND

HUMAN RECEPTORS

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CHOUET HEADLAND

PLANNING APPLICATION

AIR QUALITY RECEPTORS

CH 1

Scale

NTS

Date

march 2019

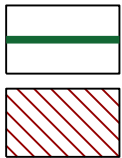
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403.06370.00001.27.ECO1.1 Phase 1 habitat plan.dwg



TREE

PLANTED CONIFEROUS
WOODLAND



NON- NATIVE HEDGE

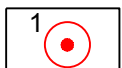
TALL RUDERAL



STANDING WATER



BRACKEN / BRAMBLE / BLACKTHORN/
INTRODUCED SCRUB / GORSE



TARGET NOTE



KESTREL / OWL BOX x3

NOTES

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LEGEND



APPLICATION SITE
BOUNDARY



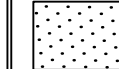
SURVEY AREA



CONIFEROUS PLANTATION



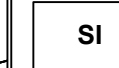
SCATTERED MATURE
CONIFERS



BARE GROUND



HARDSTANDING / BARE
GROUND



MOWN GRASSLAND



SEMI-IMPROVED GRASSLAND



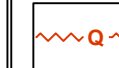
BUILDINGS / STRUCTURES



AMENITY GRASS



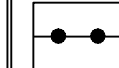
MARITIME GRASSLAND



ARTIFICIAL QUARRY



SCATTERED SCRUB



EARTH / STONE WALL



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CHOUET HEADLAND
PLANNING APPLICATION
PHASE 1 HABITAT PLAN

CH 2

Scale
1:1500 @ A3

Date
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INTRODUCTION

Background

- 11.1 This chapter of the ES provides an Ecological Impact Assessment (EclA) following completion of baseline surveys of flora and fauna between 2016 and 2018.
- 11.2 The purpose of this EclA is to establish the ecological value of the application site by collating the findings of the desk study and baseline surveys; to identify the specific impacts that could occur to valued ecological features; to characterise such impacts (e.g. magnitude, permanence); and to recommend appropriate avoidance and mitigation measures so that residual effects are either not predicted or are at a level considered to be acceptable.

Site Description

- 11.3 The geographical term “Chouet” refers to the western-most part of a low coastal peninsula situated at the north-western tip of Guernsey (at map reference XD 6069956250). The underlying geology is Bordeaux Diorite (an intrusive igneous rock).
- 11.4 As noted from Chapter 2 above, the Chouet Headland is accessed from the south by Mont Cuet Road and La Jaonneuse Road (see Figure 11-1). Other land uses and features present in the wider area to the east include the Mont Cuet landfill site, Fort Pembroke and beach, Jaonneuse Bay and Chouet Beach. The large L’Ancresse common, much of which is designated as a Site of Special Significance and also used as a golf course is present to the south.

Figure 11-1
Chouet and Surrounding area (excerpt from the Island Development Plan)



- 11.5 Figure 11-2 shows the general nature of the habitats and features present at the Chouet Headland (being based on Drawing CH 11/1).

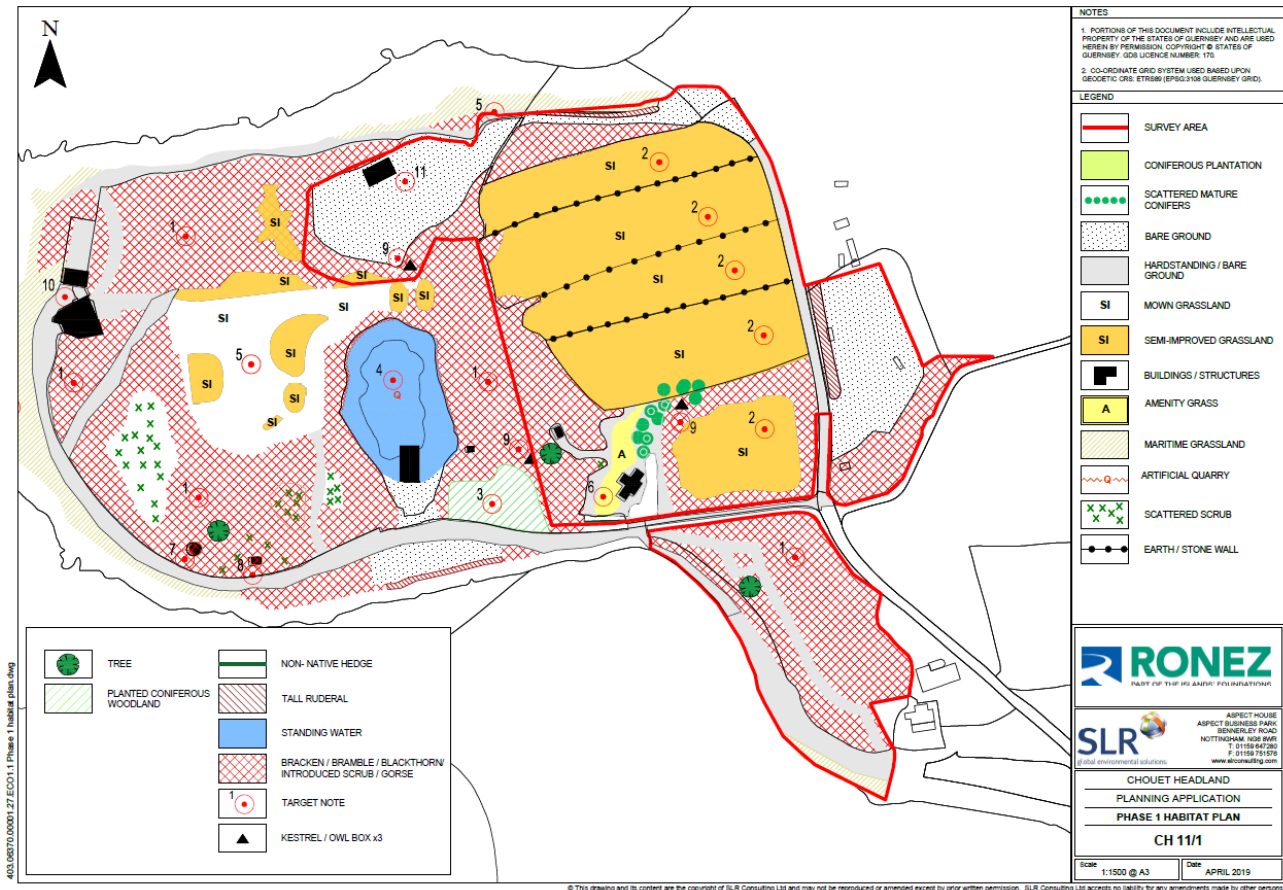


Figure 11-2
Drawing showing the Main (Phase 1) Habitat Types

- 11.6 The headland comprises of a low hill (up to 13 metres above sea level in height). A centrally located small quarry void (0.15ha) is present on its southern flank which contains a water body / lagoon and vertical faces (see Figure 11-3).
- 11.7 A narrow pebble/cobble beach is present on its southern side and a rocky shoreline forms the western and northern sides. Mont Cuét landfill site is situated to the east which receives household waste. A public path starting from a small carpark to the south of the quarry void runs around the lower perimeter along the top of the rocky shore through maritime grassland and scrub.
- 11.8 Being a strategic point on the Island, a stone “loophole” (Martello) tower and small ammunition store were constructed in the late 18th century.
- 11.9 The central and western-most areas of the wider survey area predominantly comprise of a mosaic of dense bracken, bramble, blackthorn scrub, patches of non-native shrubs and scattered trees. On the plateau itself, open patches of maritime grassland are present in a mosaic with the scrub / trees.

The largest patch of grassland is located centrally within the headland and is mown to facilitate the flying of model aircraft. A network of paths is present and the area is popular with dog walkers.

- 11.10 The eastern parts of the wider survey area, within which the application site is situated, comprise of five small rectangular hay fields on level ground which are bordered by low stone walls and dense bracken. To the south-west of the fields is a small plantation of now mature pine trees. The application site also contains a modern bungalow and outbuildings. Its garden has areas of lawn, mature trees, a small quarry void/low cliff and lengths of non-native hedgerow. To the east is a small road (Rue des Grand Camps) and the reception area of the Mont Cuet landfill site. The reception area to the landfill comprises bare ground on which are several structures, including weighbridge, office/welfare and stores.
- 11.11 An area of bare and disturbed ground occurs in association with the green waste facility to the north, situated within a quarry void and also the public car park.
- 11.12 In addition to the bungalow, the headland contains other built structures notably a Martello Tower (see Figure 11-4), a small ammunition store (stone built), a firing range, WW2 concrete bunker and a fenced compound containing anemometer masts and aerials. A portacabin and old conveyor structure are also present. Three bar owl / kestrel boxes have been erected on wooden poles or attached to mature pine trees (shown as black triangles on Figure 11-2).

Figure 11-3
Torrey Canyon Quarry.



Terms of Reference

- 11.13 The study area for the purpose of desk study is the survey area and a 2km buffer.
- 11.14 The term survey area refers to the area of land shown edged green on Figure 11-2 and Drawing CH 11/1. The application site is shown edged red in the same Figure and Drawing.

Details of the Proposed Development

- 11.15 As described in Chapter 3 above the application site extends to c. 4.4 ha. The proposed development would comprise of the phased removal of buildings, trees and other surface vegetation followed by the remove of over-burden (soils). This would be followed by the phased quarrying of rock using mobile plant and machinery, along with primary processing. Rock would be transported from the site and processed at Les Vardes Quarry via local roads.
- 11.16 It is estimated that around 343,000 tonnes of aggregate could be extracted from the application site over a period of around 24 - 36 months.
- 11.17 At the end of the development, a suitable platform would have been established within the quarry void upon which an aggregate processing plant could be erected (subject to a further planning application). That plant would replace the one at Les Vardes Quarry.

Purpose of the Assessment

- 11.18 The purpose of this Ecological Impact Assessment is:
- to describe the baseline data collection and assessment methodologies used;
 - to summarise the baseline ecological conditions;
 - to identify and describe all potentially significant ecological effects associated with the proposed development;
 - to set out the mitigation and compensation measures required to ensure compliance with nature conservation legislation and to address any potentially significant ecological effects;
 - to identify how mitigation and compensation measures will/could be delivered;
 - to provide an assessment of the significance of any residual effects in relation to the effects on biodiversity and the legal and policy implications;
 - to identify appropriate enhancement measures and how these will/could be delivered; and
 - to set out the requirements for post-construction monitoring.
- 11.19 Included with this EcIA report are four survey reports as appendices:-
- Reptile Survey (Appendix 11/1);
 - Bat Survey (Appendix 11/2);
 - Wintering Bird Survey (Appendix 11/3); and
 - Breeding Bird Survey (Appendix 11/4).

RELEVANT LEGISLATION AND PLANNING POLICY

Relevant Legislation¹

- 11.20 Limited local legislation is in place to protect wild birds and wild flowers. The current planning laws contain enabling powers which allow for the control of development on land and there is also provision in the main Planning Law to designate Sites of Special Significance (SSSs) to protect areas that are particularly rich in biodiversity².
- 11.21 However, it should be recognised that Planning Laws in general are limited in their protection of biodiversity since they only seek to control development as defined in law. There are currently no comprehensive and over-arching laws which specifically seek to protect wildlife or habitat in the Bailiwick.
- 11.22 Until now the need for legislation has been tempered by the fact that a large proportion of publicly accessible and managed land is in public ownership or owned by organisations that are well disposed toward the protection of the natural environment. This has often been backed by specific management policies which seek to enhance biodiversity.
- 11.23 The formal relationship between the Channel Islands and the EU is enshrined in Protocol 3 of the UK's 1972 Accession Treaty, and confirmed in what is now Article 355 (5) (c) of the EU Treaties. Under Protocol 3, the Islands are part of the Customs Union and are essentially within the Single Market for the purposes of trade in goods, but are third countries (i.e. outside the EU) in all other respects. However, the Channel Islands have a close relationship with the EU in many different fields, not simply those covered by the formal relationship under Protocol 3. Both Jersey and Guernsey voluntarily implement appropriate EU legislation or apply the international standards on which they are based.

Relevant Planning and Environmental Policy

Biodiversity Strategy

- 11.24 A Biodiversity Strategy for Guernsey was published in 2015. The strategy provides a framework for future development of specific actions to safeguard and enhance biodiversity.

¹ Please note that the summary of relevant legislation provided here is intended for general guidance only. The original legislation should be consulted for definitive information.

² The Land Planning and Development (Guernsey) Law, 2005, which was enacted in 2009, makes provision for the designation of Sites of Special Significance (SSSs) through Development Plans or Subject Plans. A Site of Special Significance may be designated if it has been identified as an area having a special significance, whether because of archaeological, historical, botanical, geological, scientific, cultural, zoological or any other interest, which it is desirable to preserve, enhance or manage by the application of special provisions. For the purposes of designation in the Island Development Plan only areas of botanical, scientific or zoological interest have been considered. However, on receipt of robust evidence, the Environment Department may choose to designate other Sites of Special Significance in the future through a proposal for a Local Planning Brief or Subject Plan which would be subject of a separate independent public Inquiry.

States of Guernsey – Strategic Environmental Policy Plan

- 11.25 This document provides a holistic approach to sustainable development in respect of land-use and includes indicators for measurement for biodiversity and a summary of actions.

Island Development Plan

- 11.26 The Island Development Plan (published in 2016) includes proposals to designate areas regarded as important for biodiversity (Areas of Biodiversity Importance – ABIs) and which provides a level of protection from specific activities to Sites of Special Significance (SSSs).

METHODOLOGY

Scope

- 11.27 The ecological survey area comprised of the whole of the Chouet Headland (c. 7.5 ha) excluding the active landfill to the east. The application site is situated within the eastern part of the study area.
- 11.28 Drawing CH 11/1 shows the boundaries of the survey area and the application site boundary.
- 11.29 The following ecological features have been considered:-
- Designated sites; and
 - Habitats and Species of importance for the conservation of biodiversity.
- 11.30 SLR engaged the services of Environment Guernsey, the Island's ecological consultancy, to provide local assistance with survey work and to assist SLR in interpreting the findings of site surveys in a Guernsey context.
- 11.31 The scope of this EclA, i.e. the collection of baseline data, evaluation of ecological resources and description and assessment of the significance of impacts, follows guidelines set out by the Chartered Institute of Ecology and Environmental Management (CIEEM 2018) and references therein.
- 11.32 The survey work has been undertaken in accordance with CIEEM's Code of Professional Conduct when undertaking ecological work.

Baseline Data Collection

Desk Study

- 11.33 In July 2017, SLR commissioned the Guernsey Biological Records Centre (GBRC) to undertake a data search of the headland and a 2km buffer.
- 11.34 GBRC supplied a species list (all Taxa) for the site and 2km radius which included interpretation of conservation status, date of records, exact location of the record, accuracy and recorder and the Guernsey plant species checklist.

11.35 In addition, the following sources of information have been reviewed by SLR for background information:-

General Websites

- Birding in Guernsey³;
- Ornithology Section of La Société Guernesiaise's website⁴;
- Sustainable Guernsey⁵; and
- Société Guernesiaise⁶

Biodiversity Strategy

- Safeguarding Guernsey's Wildlife: A Biodiversity Strategy for Guernsey. Environment Department - August 2015.

Habitat Audits

- Habitat Survey of Guernsey, Herm and Associated Islands 1999⁷. Environment Department 1999;
- Habitat Survey of Guernsey, Herm and Associated Islands 2010⁸. Environment Department 2010; and
- UK Overseas Territories and Crown Dependencies: 2011 Biodiversity snapshot. Guernsey: Appendices. Author: Dr Charles David Guernsey Biological Records Centre, States of Guernsey Environment Department & La Societe Guernesiaise. More information available at: www.biologicalrecordscentre.gov.gg

Site Designation

- Approach to the Designation of Sites of Special Significance. October 2014. Environment Guernsey; and
- Appraisal of Sites of Special Significance *By J Gilmour, B.Sc. & J Hooper, B.Sc. Environment Guernsey. 2015*

Field Survey(s) in Chronological Order

11.36 The following field surveys have been undertaken of the survey area.

Wintering Bird Survey 2016/17 – See Appendix 11/3

11.37 Due to the coastal location of the site it was considered necessary to undertake surveys of birds over the winter period.

³ <http://www.guernseybirds.org.gg/>

⁴ <http://www.guernseybirds.org.gg/>

⁵ <http://www.sustainableguernsey.info/>

⁶ <http://www.societe.org.gg/>

⁷ <http://maps.digimap.gg/gsyHabitat.htm>

⁸ <http://maps.digimap.gg/gsyHabitat.htm>

- 11.38 Three surveys based on the Common Bird Census (CBC) methodology⁹ were undertaken by Mr Ben Garnett MCIEEM, a Senior Consultant with SLR on the 15th November 2016, 7th December 2016, and 6th January 2017.
- 11.39 Each survey session was undertaken in fair weather conditions during the morning. Each survey started approximately one hour after local sunrise and lasted for up to three hours.
- 11.40 During each survey session, the surveyor walked a repeatable route across the survey area, approaching to within at least 100 m of all points to ensure adequate coverage, but at the same time being careful to avoid double-counting birds.
- 11.41 Bird registrations were recorded on large scale field maps using British Trust for Ornithology (BTO) activity recording codes and two-letter species codes.

Breeding Bird Survey 2018 – See Appendix 11/4

- 11.42 Due to the presence of scrub and other habitats and features (e.g. nest boxes) which had the potential to be used by birds for nesting it was necessary to undertake surveys of breeding birds.
- 11.43 Three surveys were undertaken based on the Common Bird Census (CBC) methodology¹⁰. The area was surveyed at dawn for up to three hours on the 23rd May, 16th June and 18th July 2018.
- 11.44 Weather conditions during each survey were warm and dry.
- 11.45 The May and June 2018 surveys were undertaken by Mr Chris Townend, a consultant ornithologist. The July survey was undertaken by Mr Andy Law CEcol, MCIEEM, a Principal Ecologist with SLR.

Phase 1 Habitat Survey 2017/18

- 11.46 Initial interrogation of aerial photography and desk study records found that the study area largely comprised of un-developed land including semi-natural and man-made habitats. As such, it was necessary to undertake a habitat mapping exercise.
- 11.47 The habitats present within the survey area were surveyed to Phase 1 level (i.e. mapped according to broad habitat categories) on the 17th July 2017, 30th and 31st August 2017 and 17th and 18th July 2018 by Mr Andy Law CEcol, MCIEEM, an experienced Phase 1 surveyor and Principal Ecologist with SLR.
- 11.48 Weather conditions during all of the habitat surveys were warm and dry.
- 11.49 The surveys followed the standard methodology for Phase 1 habitat survey; this approach was developed by the Joint Nature Conservation Committee (JNCC) in the mid 1980's and has, as its core, the utilisation of a standardised series of colour, symbols and descriptive categories to record habitats, species and other physical features. The methodology was developed in order to allow a quick, universal, means of mapping semi-natural and other habitats at up to a county scale. A Phase

⁹ Marchant, J.H. 1983. *Common Birds Census instructions*. BTO, Tring. 12pp.

¹⁰ Marchant, J.H. 1983. *Common Birds Census instructions*. BTO, Tring. 12pp.

1 survey therefore provides a consistent approach to habitat recording and evaluation, and a means of identifying features which may be of value for protected species.

Reptile Survey 2017 – See Appendix 11/1

- 11.50 Initial interrogation of aerial photography and desk study records found that the study area contained habitats which could be used by reptiles such as coastal grassland.
- 11.51 A preliminary walkover survey of the study area was undertaken on 3rd September 2017 by ecologists from Island Guernsey using direct observational methods to detect the presence of reptiles with particular effort made to observe individuals in and around vegetation or likely basking spots.
- 11.52 A total of 64 artificial refuges, consisting of sheets of roofing felt of varying sizes were deployed within areas of suitable habitat on the 31st August 2017 and in the following days.
- 11.53 The refugia were given one week to 'bed in' before commencing a total of 7 further visits in suitable weather between 7th September and 24th October 2017 to determine presence or all reasonable likelihood of absence of reptile species.
- 11.54 During each visit, the refugia were checked, wherever practically possible, during suitable weather conditions (dry, calm, ambient temperature 9-18°C), either in the morning or afternoon inspecting both on top of and below each refuge. In addition, during each visit all other parts of the survey area were subject to a walkover survey with direct observational methods employed to detect reptiles.
- 11.55 Records of the location, species, sex and life stage were made.

Bat Survey 2017/17

Scoping

- 11.56 The findings of the Phase 1 survey and desk study records were reviewed. It was found that the study area largely comprised of un-developed land including semi-natural and man-made habitats. As such, it was considered that the site could potentially be used by bats for foraging and commuting.
- 11.57 In addition, the presence of a bungalow and the stone Martello tower and store were noted which potentially could be used by bats for roosting.
- 11.58 The survey area was initially assessed as being of likely "low" potential value to bats as a foraging / commuting resource due to its isolated geographic location and exposed nature and the general absence of woodland/sheltered opportunities for foraging.
- 11.59 The man-made structures which are present were initially evaluated as having "low" potential to support bat roosts. The bungalow is of modern construction and in a good state of repair. The Martello tower and store provide no enclosed loft/voids other than locally where mortar is missing. The other structures such as the WW2 bunker, portacabin and rifle range sheds were either sealed or had no features which could provide opportunities for roosting by bats.

- 11.60 No trees were recorded within the survey area with the potential to support bat roosts.
- 11.61 The rock faces associated with Torrey Canyon Quarry were inspected using binoculars. No significant gaps or crevices were identified which could be used by bats for roosting.

Approach

- 11.62 The overall aim was to determine the likely importance of the application site for bats within the context of the use made by bats of the wider survey area and beyond that the value of the Island of Guernsey for bats in general.
- 11.63 The survey strategy in respect of bats was based on the recommendations contained with the third edition of the Bat Conservation Trust (BCT) Guidelines for Bat Surveys (2016) and comprised of a combination of daytime building inspections, dusk and dawn transects and automated recording.

Figure 11-4
"Martello" Tower (left) and WW2 Bunker and Mast Enclosure (Right)



Summary

- 11.64 Table 11-1 provides a summary of the bats surveys undertaken. Surveys were undertaken in the spring, summer and autumn seasons across 2017 and 2018 during suitable weather.

Table 11-1
Bat Surveys (2017/2018)

Survey Description	Date	Personnel
Daytime Building Inspection of "Martello" Tower and Bungalow	30 th August 2017	Andrew Law (AL), SLR (NE Licensed batworker – England and Wales) Jamie Hooper (JH), Environment Guernsey (EG)

Survey Description	Date	Personnel
Dusk Transect Survey	30 th August 2017	AL and Julia Denney, EG
Automated Recording (One ANABAT device – two locations)	30 th & 31 st August 2017	SLR and EG
Dusk Transect	30 th October 2017	Environment Guernsey
Automated Recording (One ANABAT device)	30 th October 2017 to 6 th November 2017	Environment Guernsey
Dusk Transect Survey	1 st May 2018	Phillippa Dean (PD) and JH
Dusk Transect Survey	2 nd May 2018	Phillippa Dean (PD) and JH
Dawn Transect Survey	3 rd May 2018	Phillippa Dean (PD) and JH
Automated Recording (Two ANABAT devices).	1 st to 3 rd May 2018	SLR
Automated Recording (One ANABAT device).	18 th May to 22 nd May 2018.	Environment Guernsey

Limitations

Desk Study

- 11.65 Desk study data is unlikely to be exhaustive, especially in respect of species, and is intended mainly to set a context for the study. It is therefore possible that protected species not identified during the data search do in fact occur within the vicinity of the site. Interpretation of maps and aerial photography has been conducted in good faith, using recent imagery, but it has not been possible to verify the accuracy of any statements relating to land use and habitat context outside of the field study area.

Field Surveys

- 11.66 Field surveys were generally not constrained by access, weather or the time of year available.
- 11.67 Access to the actual quarry void (Figure 11-3 / TN 4) was not possible at ground level as it is fenced and the gates are locked. However, visual inspection was possible from the fence and upper parts of the site. Similarly, the small fenced enclosure with various masts (TN 10) was also not directly accessible.

Assessment Methodology

- 11.68 The CIEEM Guidelines for Ecological Impact Assessment in the UK form the basis of the impact assessment presented in this report.
- 11.69 In accordance with the CIEEM guidelines only ecological features (habitats, species, ecosystems and their functions/processes), which are considered to be important and potentially affected by the

project should be subject to detailed assessment. It is not necessary to carry out detailed assessment of features that are sufficiently widespread, unthreatened and resilient to project impacts and will remain viable and sustainable.

- 11.70 Ecological features should be considered within a defined geographical context. For this proposal the following geographic frame of reference is used:
- International;
 - Island-level (i.e. Guernsey);
 - Parish (i.e. Vale); and
 - Local (i.e. within circa 2km).
- 11.71 For designated sites, importance should reflect the geographical context of the designation. For example, a Site of Special Significance (SSS) would be considered of Island-wide importance and a more local designation i.e. Area of Biological Importance (ABI) would normally be considered to be of importance at a 'parish' level.
- 11.72 In accordance with CIEEM guidelines the value of habitats has been measured against published selection criteria where available.
- 11.73 In assigning a level of value to a species, it is necessary to consider its distribution and status, including a consideration of trends based on available historical records. Reference has therefore been made to published lists and criteria where available and assistance sought from Environment Guernsey.
- 11.74 For the purposes of this assessment ecological features of Local importance or greater and/or subject to legal protection have been subject to detailed assessment. Effects on other ecological features are considered unlikely to be significant in legal or policy terms.

Impact Assessment

- 11.75 The impact assessment process involves the following steps:
- identifying and characterising impacts;
 - incorporating measures to avoid and mitigate (reduce) these impacts;
 - assessing the significance of any residual effects after mitigation;
 - identifying appropriate compensation measures to offset significant residual effects (if required); and
 - Identifying opportunities for ecological enhancement.
- 11.76 When describing impacts, reference has been made to the following characteristics, as appropriate:
- positive or negative;
 - extent;
 - magnitude;
 - duration;
 - timing;
 - frequency; and

- reversibility.

- 11.77 Both direct and indirect impacts are considered: direct ecological impacts are changes that are directly attributable to a defined action, e.g. the physical loss of habitat occupied by a species during the construction process. Indirect ecological impacts are attributable to an action, but which affect ecological resources through effects on an intermediary ecosystem, process or feature, e.g. the introduction of artificial lighting which may not directly decrease the extent of vegetation but may influence the behaviour of nocturnal species.
- 11.78 For the purposes of this assessment, in accordance with CIEEM guidelines, a 'significant effect' is an effect that either supports or undermines biodiversity conservation objectives for 'important ecological features' or for biodiversity in general. Conservation objectives may be specific (e.g. for a designated Site) or broad (e.g. national/local nature conservation policy). Effects can be considered significant at a wide range of scales from international to local. As such, a significant effect does not always correspond to a significant effect under the EIA Ordinance.
- 11.79 Consideration of conservation status is important for evaluating the effects of impacts on individual habitats and species and assessing their significance:
- habitats – conservation status is determined by the sum of the influences acting on the habitat that may affect its extent, structure and functions as well as its distribution and its typical species within a given geographical area.
 - species – conservation status is determined by the sum of influences acting on the species concerned that may affect its abundance and distribution within a given geographical area.

Avoidance, Mitigation, Compensation and Enhancement

- 11.80 A sequential process has been adopted to avoid, mitigate and compensate for ecological impacts. This is often referred to as the '*mitigation hierarchy*'.
- 11.81 It is important for the EcIA to clearly differentiate between avoidance mitigation, compensation and enhancement and these terms are defined here as follows:
- avoidance is used where an impact has been avoided e.g. through changes in scheme design;
 - mitigation is used to refer to measures to reduce or remedy a specific negative impact in-situ;
 - compensation describes measures taken to offset residual effects, i.e. where mitigation in-situ is not possible; and
 - enhancement is the provision of new benefits for biodiversity that are additional to those provided as part of mitigation or compensation measures, although they can be complementary.

Assessment of Cumulative Impacts and Effects

- 11.82 Cumulative effects can result from individually insignificant but collectively significant actions taking place over a period of time or concentrated in a particular location. The potential for cumulative effects with other development projects has also been considered as part of this assessment.

BASELINE ECOLOGICAL CONDITIONS

11.83 The purpose of this section is to provide:

- a clear description of the baseline conditions for all ecological features considered based on the conditions at the time of survey and where relevant a consideration of likely baseline conditions in future years; and
- a statement for each ecological feature in respect of the geographical context within which that feature is considered to be important.

Designated Ecological Sites

11.84 The Island Development Plan¹¹ (see Figure 11-1) shows that the application site and wider survey area is not designated as a Site of Special Significance (SSS) or other ecological designation (e.g. Area of Biological Importance, ABI).

11.85 The following sites of ecological interest are present within a 2km radius:

- L'Ancrese common / La Varde is present at its closest point 278m to the south-east. This is a Site of Special Significance (SSS) comprising of a large area of unenclosed land, which consists mainly of marshy areas, damp shortgrass areas, areas of high quality species-rich dune grassland, open dune, bare peaty ground that is wet in winter, heath, and ponds. The common supports rare and threatened flora and fauna including significant populations of birds of conservation interest (e.g. kestrel, barn owl, long-eared owl and Dartford Warbler, amphibians and reptiles and invertebrates¹²);
- Associated with L'Ancrese common SSS is a flooded quarry (Mont Cuet Quarry) which is situated around 216m east of the application site. The surrounding scrub is also included as an Area of Biological Importance designation, serving as a buffer. Long-eared Owls use the quarry area for roosting at times and probably have bred there in some years; and
- Also present and associated with L'Ancrese common SSS is a parcel of coastal grassland/scrub near to Jaonneuse Bay which is situated around 488m also to the east. This land was included as buffer ABI land because there are remnants of coastal grassland. The current habitat is much the same as large parts of the Common.¹³

Habitats

Desk Study

11.86 A review of available aerial photography¹⁴ and comparison between the Island-wide Phase 1 habitat surveys which were undertaken in 1999 and again in 2010 show that the extent of maritime grassland decreased within the survey area during this 10 year period. Further comparison

¹¹ <https://idp.digimap.gg/>

¹² Appraisal of Sites of Special Significance By J Gilmour, B.Sc. & J Hooper, B.Sc. Environment Guernsey

¹³ Jamie Hooper, Environment Guernsey *pers comm.* 20.12.18

¹⁴ Internet search and Google Earth Pro.

between the 2010 survey and SLR's 2017/18 habitat plan shows a further reduction in the extent of this habitat type. There is a long term trend of grazing being abandoned on coastal grassland and heath in Guernsey with an attendant increase in scrub, bracken, bramble and tree cover; a situation which has been mirrored at Chouet Headland.

- 11.87 The main site habitats are described below and are shown on Drawing CH 11/1.
- 11.88 The dominant vegetation type on Guernsey is grassland. The most threatened habitats are saltmarshes, dune slacks and open dune. The terrestrial habitats most important for their biodiversity include Dune, Coastal and Marshy Grasslands.

Field Survey – Main Habitats

Scrub / Tall Ruderal (Target Note 1) – See Figure 5

- 11.89 The dominant species are bracken (*Pteridium aquilinum*) and bramble (*Rubus fruticosus*) with more localised beds of nettle (*Urtica dioica*). Thickets of blackthorn (*Prunus spinosa*) and European gorse (*Ulex europeus*) also occur on the lower slopes. Various species of non-native shrub/tree are present in discrete patches including Muttonbird scrub (*Brachyglottis rotundifolia*), Buttonwood tree (*Conocarpus erectus* var. *sericeus*), tamarisk (*Tamarix gallica*) and German ivy (*Senecio mikaniodes*).
- 11.90 Along the edges of tracks and where bracken/bramble is less dense, the diversity of plants is higher with a range of robust species such as red campion (*Silene dioica*), sea radish (*Raphanus raphanistrum* subspecies *maritimus*), bittersweet (*Solanum dulcamara*), lesser burdock (*Actium minus*), wood sage (*Teucrium scorodonia*), black horehound (*Ballota nigra*), Pellitory of the Wall (*Parietaria Judaica*), hedge bedstraw (*Galium album*), common ragwort (*Senecio jacobea*), common mallow (*Malva sylvestris*), hedge bindweed (*Calystegia sepium*), field bindweed (*Convolvulus arvensis*), fennel (*Foeniculum vulgare*), wild carrot (*Daucus carota*), hogweed (*Heracleum sphondylium*), wall barley (*Hordeum murinum*) and thistles (*Cirsium arvense*, *C.vulgare*, *Carduus tenuiflorus* and *C.nutans*).

Figure 11-5
Bramble and Bracken Dominated Shrub



Semi-Improved Grassland Fields – Target Note 2 and Figure 6

- 11.91 The fields were found to be species-poor and to be dominated by grasses such as cock's foot (*Dactylus glomerata*), Yorkshire fog (*Holcus lanatus*) and crested dog's tail (*Cynosurus cristatus*) with some white clover (*Trifolium pratense*) and cat's ear (*Hypochoeris radicata*). It is, however, unlikely that they receive regular inputs of fertilisers or manure. In one of the fields is a clump of Guernsey lily (*Nerine sarniensis*).

Figure 11-6
Hay Fields – Species Poor Grassland and Boundary Vegetation



Coniferous Woodland (Monterey Pine) – Target Note 3

11.92 A mature plantation of pine trees with no discernible ground or shrub layer.

Standing Water / Inland Cliffs – Target Note 4 and Figure 3

11.93 The cliff faces and water body are largely un-vegetated.

Maritime Grassland – Target Note 5 and Figure 7

11.94 Examples of mown, rabbit-grazed and un-grazed areas of maritime grassland are present.

11.95 Regular mowing has reduced the species complement and favoured species adapted to such conditions such as chamomile (*Chamaemelum nobile*), daisy (*Bellis perennis*), yarrow (*Achillea millefolium*), common stork'sbill (*Erodium cicutarium*), scarlet pimpernel (*Anagallis arvensis*), dove's foot cranesbill (*Geranium molle*) and the uncommon Allseed (*Radiola linoides*).

11.96 The most naturalistic and species-rich examples were found around the top of the rocky shore by the public path. Frequently recorded species in the more diverse swards included birds foot trefoil (*Lotus corniculatus*), autumn hawkbit (*Leontodon autumnalis*), greater plantain (*Plantago major*), ribwort plantain (*Plantago lanceolata*), thrift (*Armeria maritima*), rock samphire (*Crithmum maritimum*), sheep's sorrel (*Rumex acetosa*), common restharrow (*Ononis spinosa*), common toadflax (*Linaria vulgaris*), wild carrot (*Daucus carota*), common fleabane (*Pulicaria dysenterica*), perennial wall rocket (*Diploaxis tenuifolia*), sea radish (*Raphanus raphanistrum subspecies*

maritimus), hare's tail grass (*Lagurus ovatus*), fine-leaved fescue grass (*Festuca tenuifolia*), other fescue and bent grasses (*Festuca/Agrostis*) and sea beet (*Beta vulgaris subspecies maritima*).

- 11.97 Less commonly recorded species were parsley-leaved waterdropwort (*Oenanthe lachenalii*), buck's-horn plantain (*Plantago coronopus*), galingale (*Cyperus longus*), sheep's bit (*Jasione montana*) and sea campion (*Silene uniflora*).
- 11.98 Non-native / invasive species included hottentot fig (*Carpobrotus edulis*), agave cactus, pink sorrel (*Oxalis articulata*), Spanish bluebell (*Hyacinthoides hispanica*) and Duke of Argyll's tea plant (*Lycium halimifolium*).

Figure 11-7
Maritime Grassland



- 11.99 More ruderal areas comprised of bristly oxtongue (*Helminthotheca echioides*), mugwort (*Artemisia vulgaris*), thistles, cock's foot grass (*Dactylus glomerata*), tree mallow (*Malva arborea*), smooth sow thistle (*Sonchus oleraceus*), frosted orache (*Atriplex laciniata*), spear-leaved orache (*Atriplex prostrata*), rye grass (*Lolium perenne*) and wild carrot.

Species

Background to Guernsey's Flora and Fauna

Terrestrial Mammals¹⁵

- 11.100 The Bailiwick has few native terrestrial mammals. The shrew found in Guernsey (and also Herm and Alderney) is the Greater White-toothed Shrew (*Crocidura russula*), recently introduced to Ireland but otherwise not known in the British Isles. The Guernsey Vole, (*Microtus arvalis sarnius*), is a subspecies of the Common Vole of Europe, and is only found in Guernsey.
- 11.101 Other rodents include the Wood Mouse (*Apodemus sylvaticus*) on all major islands and the introduced House Mouse (*Mus musculus*), Brown and Black Rats (*Rattus norvegicus*) and (*R. rattus*).
- 11.102 The largest native mammalian carnivore is the stoat, (*Mustela ermine*) but this is believed to be extinct. Rabbits (*Oryctolagus cuniculus*) and Hedgehogs (*Erinaceus europaea*) are found in all the major islands but these were introduced.
- 11.103 Six species of bats have been observed in Guernsey, with caves on the south coast used as roosting sites. The species assemblage includes the rare grey long-eared bat.

Invertebrates

- 11.104 Guernsey is important for the conservation of several species of invertebrates which include mole cricket (*Gryllotalpa gryllotalpa*), Glanville Fritillary butterfly (*Melitaea cinxia*), blue-winged Grasshopper (*Oedipoda caerulea*) and the Dung Beetle (*Copris lunaris*) which are either scarce on mainland UK, extinct or never occurred.

Reptiles and Amphibians

- 11.105 Guernsey supports three native species of amphibian and reptiles (i.e. common frog, smooth newt and slow worm) and one introduced species (Green Lizard).

Birds

- 11.106 The most important bird populations in the Bailiwick are its seabirds 1% of the World's Northern Gannets (*Sula bassana*) (c. 6000 pairs) breed on the Les Etacs (Garden Rocks) and Ortac off Alderney.
- 11.107 Guernsey has a healthy population of Barn Owls (*Tyto alba*) boosted by a scheme to provide large numbers of nest boxes.

¹⁵ Extract from: UK Overseas Territories and Crown Dependencies: 2011 Biodiversity snapshot. Guernsey: Appendices. Author: Dr Charles David Guernsey Biological Records Centre, States of Guernsey Environment Department & La Societe Guernesiaise. More information available at: www.biologicalrecordscentre.gov.gg

Plant Species

- 11.108 Many of the UK Red Data Plant Book species are common in the Channel Islands because of their geographical position. Some species are of cultural significance as they are named after the islands, such as Guernsey Centaury and Guernsey fern and Guernsey spleenwort. Loose-flowered orchids, which do not occur in the UK, are a characteristic plant of damp meadows.

Desk Study Results

- 11.109 GBRC supplied records from within a 2km search area of the Chouet Headland as defined by a central grid reference. A summary of records of species considered to be endangered or at risk is provided in Table 11-2.

Table 11-2
Data Search Results for 2km Radius (At Risk and Endangered Species only)

Species/Group	Latin Name	English Name	Status
Insects	<i>Callophrys rubi</i>	Green hairstreak	At Risk
	<i>Nepa cinerea</i>	Water Scorpion	At Risk
	<i>Asilus crabroniformis</i>	Hornet Robberfly	At Risk
	<i>Copris lunaris</i>	Horned Dung Beetle	Endangered
	<i>Gryllotalpa gryllotalpa</i>	Mole Cricket	At Risk
Arthropods	<i>Cypris bispinosa</i>	large mussel-shrimp	Endangered
Flowering Plants	<i>Ranunculus sceleratus</i>	Celery-leaved Crowfoot	At Risk
	<i>Ranunculus baudotii</i>	Brackish Water-crowfoot	Endangered
	<i>Ranunculus trichophyllus</i>	Thread-leaved Water-crowfoot	Endangered
	<i>Ranunculus peltatus</i>	Pond Water-crowfoot	Endangered
	<i>Saxifraga tridactylites</i>	Rue-leaved Saxifrage	At Risk
	<i>Euphorbia amygdaloides</i>	Wood Spurge	At Risk
	<i>Linum catharticum</i>	Fairy Flax	At Risk
	<i>Radiola linoides</i>	Allseed	At Risk
	<i>Lythrum salicaria</i>	Purple-loosestrife	At Risk
	<i>Matthiola sinuata</i>	Sea Stock	At Risk
	<i>Arabis hirsuta</i>	Hairy Rock-cress	At Risk
	<i>Cakile maritima</i>	Sea Rocket	At Risk
	<i>Crambe maritima</i>	Sea-kale	At Risk

Species/Group	Latin Name	English Name	Status
	<i>Rumex hydrolapathum</i>	Great Water Dock	At Risk
	<i>Herniaria ciliolata ciliolata</i>	Fringed Rupturewort	At Risk
	<i>Silene nutans</i>	Nottingham Catchfly	Endangered
	<i>Silene conica</i>	Sand Catchfly	Endangered
	<i>Dianthus armeria</i>	Deptford Pink	Endangered
	<i>Anagallis tenella</i>	Bog Pimpernel	At Risk
	<i>Centunculus minimus</i>	Chaffweed	Endangered
	<i>Galium constrictum</i>	Slender Marsh-bedstraw	Endangered
	<i>Cicendia filiformis</i>	Yellow Centaury	Endangered
	<i>Exaculum pusillum</i>	Guernsey Centaury	Endangered
	<i>Echium vulgare</i>	Viper's-bugloss	Endangered
	<i>Cynoglossum officinale</i>	Hound's-tongue	At Risk
	<i>Calystegia soldanella</i>	Sea Bindweed	At Risk
	<i>Hyoscyamus niger</i>	Henbane	Endangered
	<i>Linaria vulgaris</i>	Common Toadflax	At Risk
	<i>Plantago major intermedia</i>	Greater Plantain (hybrid)	At Risk
	<i>Stachys palustris</i>	Marsh Woundwort	Endangered
	<i>Mentha pulegium</i>	Pennyroyal	Endangered
	<i>Parentucellia viscosa</i>	Yellow Bartsia	At Risk
	<i>Pedicularis sylvatica</i>	Lousewort	Endangered
	<i>Orobanche purpurea</i>	Yarrow Broomrape	At Risk
	<i>Carduus nutans</i>	Musk Thistle	At Risk
	<i>Scorzoneroide autumnalis</i>	Autumn Hawkbit	At Risk
	<i>Hieracium umbellatum bichlorophyllum</i>	Umbellate Hawkweed	At Risk
	<i>Aster tripolium</i>	Sea Aster	Endangered
	<i>Erigeron acris</i>	Blue Fleabane	Endangered
	<i>Eryngium maritimum</i>	Sea-holly	At Risk
	<i>Eryngium campestre</i>	Field Eryngo	Endangered

Species/Group	Latin Name	English Name	Status
	<i>Oenanthe fistulosa</i>	Tubular Water-dropwort	Endangered
	<i>Bupleurum baldense</i>	Small Hare's-ear	Endangered
	<i>Falcaria vulgaris</i>	Longleaf	Endangered
	<i>Torilis japonica</i>	Upright Hedge-parsley	At Risk
	<i>Alisma plantago-aquatica</i>	Water-plantain	Endangered
	<i>Triglochin maritima</i>	Sea Arrowgrass	Endangered
	<i>Potamogeton natans</i>	Broad-leaved Pondweed	Endangered
	<i>Zostera marina</i>	Eelgrass	At Risk
	<i>Asparagus prostratus</i>	Prostrate Asparagus	At Risk
	<i>Sparganium erectum</i>	Branched Bur-reed	At Risk
	<i>Schoenoplectus tabernaemontani</i>	Grey Club	Endangered
	<i>Bolboschoenus maritimus</i>	Sea Club-rush	At Risk
	<i>Eleocharis palustris</i>	Common Spike-rush	At Risk
	<i>Eleocharis multicaulis</i>	Many-stalked Spike-rush	Endangered
	<i>Carex flacca</i>	Glaucous Sedge	At Risk
	<i>Carex demissa</i>	Common Yellow Sedge	At Risk
	<i>Carex oederi</i>	Lesser Yellow Sedge	Endangered
	<i>Carex caryophylla</i>	Spring-sedge	At Risk
	<i>Carex pilulifera</i>	Pill Sedge	Endangered
	<i>Carex nigra</i>	Common Sedge	Endangered
	<i>Milium vernale sarniense</i>	Dwarf Millet	Endangered
	<i>Festuca filiformis</i>	Fine-leaved Sheep's-fescue	Endangered
	<i>Vulpia fasciculata</i>	Dune fescue	At Risk
	<i>Poa bulbosa</i>	Bulbous Meadow-grass	Endangered
	<i>Agrostis canina</i>	Velvet Bent	At Risk
	<i>Phleum arenarium</i>	Sand Cat's-tail	Endangered
	<i>Danthonia decumbens</i>	Heath Grass	Endangered
Bats	<i>Plecotus austriacus</i>	Grey Long-eared Bat	Endangered
Birds	<i>Hirundo rustica</i>	Swallow	At Risk

Species/Group	Latin Name	English Name	Status
	<i>Anthus pratensis</i>	Meadow Pipit	At Risk
	<i>Carduelis cannabina</i>	Linnet	At Risk
Fungi	<i>Hygrocybe conicoides</i>	Dune Waxcap	At Risk

Summary of Baseline Survey Results – Flora

- 11.110 No plant species of particular rarity were recorded. The surveys recorded the presence of musk thistle (*Carduus nutans*), allseed (*Radiola linoides*) and common toadflax (*Linaria vulgaris*). All three of these species are considered to be “at risk”.
- 11.111 A number of non-native / invasive plant species were recorded, some of which are likely to have originated from deliberate planting and others are likely to have spread from the green waste facility.

Summary of Baseline Survey Results – Fauna

Amphibians

- 11.112 The GBRC report returned records for slow worm, smooth newt and common frog from within the 2km search area.
- 11.113 The reptile survey report for the site is provided as Appendix 11/1.
- 11.114 The reptile survey undertaken in autumn 2017 recorded one juvenile slow worm. Due to the presence of a juvenile animal there must be a breeding population of this species which is likely to be small in size due to the limited extent of rough grassland and predation by rats and other predators.
- 11.115 No species of amphibian were recorded or are considered to be present based on the habitats which are present. It is considered unlikely that the waterbody present in the quarry void would support amphibians given its past use as a facility for the bio-remediation of oil.

Mammals

Bats

- 11.116 The bat survey report for the site is provided as Appendix 11/2.
- 11.117 The survey work undertaken in 2017/18 aimed to establish (1) whether bat roosts are present and could be affected and (2) whether the application site is of value to bats for foraging and commuting.
- 11.118 In respect of (1) above, structures/trees or other features within the survey area were inspected by a Natural England licensed bat worker during the daytime for evidence of bat roosts and/or the potential for them to occur. No bat roosts or potential roosting sites were identified.

- 11.119 In respect of (2) above, a combination of walked transects with bat detectors at dusk and dawn (with listening points at key stages) and remote recording was undertaken (with detectors being left in suitable locations for extended periods of time). The surveys aimed to achieve coverage in the spring, summer and autumn seasons.
- 11.120 All of the walked transects recorded very low levels of usage by bats. The August 2017 transect recorded 1-2 common pipistrelles foraging around the plantation of pines and the frontage of the quarry. An ANABAT left overnight on the edge of the pine plantation facing west (30th August 2017) and east (31st August 2017) also recorded common pipistrelle. The late October 2017 transect recorded no bats. The series of dusk and dawn transects in early May 2018 recorded virtually no activity by bats.
- 11.121 Further automated recording was undertaken in late October/early November 2017 which recorded very low levels of activity by mainly common pipistrelle and to a lesser extent Nathusius' pipistrelle. Further automated recording in May 2018 recorded a similar pattern of bat use by these two species with higher levels of activity (as measured by bat passes per hour) by common pipistrelle. A small number of calls were provisionally assigned to "big bat" - on the UK Mainland this would usually be a noctule. No calls attributable to grey long-eared bats were recorded.
- 11.122 To summarise, the bat surveys undertaken have not detected the presence of roosts. They found that the survey area is mainly used by two species of pipistrelle bats, of which common pipistrelle was the most frequently recorded. All activity by bats was at a low level and localised in distribution to the sheltered south-facing parts of the survey area such as the edges of the conifer plantation.
- 11.123 The survey area and application site are therefore not considered to be of high value to bats.

Rodents

- 11.124 The reptile survey also recorded the presence of small numbers of the greater white-toothed shrew (*Crocidura russula*). Brown rats were seen on a number of occasions during fieldwork.

Invertebrates

- 11.125 No formal invertebrate surveys have been undertaken. Brown argus (*Arícia agestis*) butterfly is present within the coastal grassland on the plateau. This species has a localised presence on Guernsey. Likely foodplants in this location are low Geraniums and common stork's-bill.
- 11.126 Strong colonies of gatekeeper butterfly and common blue butterfly were recorded in 2017 and 2018 which are common species on the Island. In addition, other common species included red admiral, meadow brown, large white, small copper, brown-tailed moth (*Euproctis chrysorrhoea*) and the common carder bee (*Bombus pascuorum*).

Wintering Birds

- 11.127 The winter bird survey report for the site is provided as Appendix 11/3.
- 11.128 Thirty bird species were recorded during the course of the winter CBC surveys.

- 11.129 The bird community was dominated by gulls and in particular many thousands of herring gull *Larus argentatus*. At any one time there were usually at least 1000 herring gull roosting on shoreline rocks, with several thousand more on the neighbouring landfill site or flying to/from it. Although herring gull is a Red list species, and the other four gulls are Amber list for varying degrees of population decline, they are still common, and also a pest species at landfill sites.
- 11.130 The scrub and semi-improved grassland habitats had low general value for birds. Wren *Troglodytes troglodytes*, dunnoek *Prunella modularis*, robin *Erithacus rubecula*, goldfinch *Carduelis carduelis* and starling *Sturnus vulgaris* were frequently seen or heard in these habitats; all are common birds, although dunnoek and starling are on the Amber and Red lists respectively. Starling is listed due to a UK and Channel Islands population decline of over 50% from 1990 to 2015, while the dunnoek has suffered a longer term UK and Channel Islands population decline of 31%. A few other notable birds were seen here including individual song thrush *Turdus philomelos*, mistle thrush *T. viscivorus*, linnet *Carduelis cannabina* (all Red list), and three meadow pipit *Anthus pratensis* (Amber list).

Breeding Birds

- 11.131 The breeding bird survey report for the site is provided as Appendix 11/4.
- 11.132 The Breeding Bird Survey recorded 17 nesting species, comprising mostly of common species.
- 11.133 The survey area is notable for breeding long-eared owl (*Asio otus*) which uses old crows nests in the mature plantation of pine trees (Target Note 3). The pole/tree mounted nest boxes and quarry rock ledges support breeding / roosting kestrel (*Falco tinnunculus*) and barn owl.
- 11.134 A house sparrow colony is associated with the bungalow and its grounds.
- 11.135 No other notable bird species were recorded.

Predicted Trends

- 11.136 In the absence of development the main part of the application site would continue to be managed as hay meadow with annual cuts and baling of fodder. Other parts would remain in domestic or waste management use.
- 11.137 The wider survey area would be expected to continue to become scrubbier in nature with increasing cover of non-native trees and shrubs over time.

Evaluation

Habitats present within the Application Site and Wider Survey Area

- 11.138 Due to there being Island-wide coverage of Phase 1 (most recent being 2010), it is possible to place the application site in a quantitative context as shown in Table 11-3.

Table 11-3
Evaluation of Site Habitats in Comparison to Island Wide Habitat Data (2010)

Habitat – Island extent 2010	Application Site only	Percentage of Guernsey Resource (2010 figures)
Planted coniferous woodland 26 ha	n/a	n/a
Coastal grassland 60.94	n/a	n/a
Dense Scrub / Bracken (amalgamated by SLR) – 416ha	1.46ha	0.35%
Maritime Grassland – 74.03ha	0.04	0.05%
Semi-improved grassland 192.00ha	1.73ha	0.90%
Amenity grassland 687.00ha	0.04ha	0.005%
Standing water 48.00ha	0	
Other (Building/Hardstanding/tall ruderal etc)	1.21	n/a
Total	4.48	

- 11.139 Table 11-3 shows that none of the habitats present within the application site alone represent more than 1% of the total Island-wide resource of a particular habitat.
- 11.140 The table shows that planted coniferous woodland is generally a scarce habitat in Guernsey. Intrinsically this is a habitat with low ecological value; however, it can be of importance as a place of shelter for migrant birds, nesting birds such as raptors and as for insects which specialise in the tree species present (e.g. moths). This habitat is present off-site to the west.

Species Summary

Flora

- 11.141 Surveys of the application site and wider area have not recorded any particularly rare species of plant.

Mammals

- 11.142 Surveys of the application site and wider area recorded the presence of two species of pipistrelle bat (common and Nathusius'). Low levels of foraging by these species were recorded in 2017/18. This is attributed to the generally exposed nature of the site and the limited availability of sheltered opportunities for foraging.

11.143 No bats roosts are considered to be present.

11.144 The survey area and application site are therefore not considered to be of high value to bats.

Birds

11.145 Surveys of the application site and wider area encompassing every season did not record the presence of a particularly notable assemblage of birds using the site for breeding or wintering.

11.146 The presence of breeding long-eared owl, barn owl and kestrel was considered to be noteworthy in an Island context.

11.147 The bungalow supports a breeding colony of house sparrows, a species which is in steep decline in the UK Mainland but which remains a reasonably common species on Guernsey.

Reptiles and Amphibians

11.148 Reptile surveys have recorded the presence of a “small” population of slow worm.

Invertebrates

11.149 The wider survey area supports a colony of brown argus butterfly which has a restricted distribution on the Island.

Summary of Important Ecological Features

11.150 Table 11-4 provides a summary table listing all important ecological features for which detailed assessment is required (i.e. all features of a defined level of importance and/or subject to legal protection), the geographical context within which each is considered to be important and their legal status where appropriate.

Table 11-4
Summary of Important Ecological Features Subject to Detailed Assessment

Ecological Feature	Scale at which Feature is Important	Comments on Legal Status and/or Importance
Application Site Only		
Site Habitats	Local	Farmland is considered to be an important resource on the Island due to being a finite resource.
Breeding Raptors	Guernsey	Presence of three breeding species plus buzzard.
Breeding Birds (General)	Local	Relatively small breeding bird assemblage. Nests are protected.
Foraging Bats	Local	Low levels of activity recorded by common species. No roosts affected.

Ecological Feature	Scale at which Feature is Important	Comments on Legal Status and/or Importance
Slow Worm	Local	A small population is likely to occur. This species is not uncommon in suitable habitats in Guernsey.
Wider Survey Area (Mineral Safeguard Area)		
Maritime Grassland	Guernsey	Scarce and declining resource.
Mature Conifer Woodland	Parish	Localised habitat of value in coastal locations for birds in particular.
Foraging Bats	Local	Low levels of activity recorded by common species. No roosts affected.
Breeding Birds (General)	Local	Relatively small breeding bird assemblage. House sparrow colony associated with the bungalow would be lost.
Slow Worm	Local	A small population is likely to occur. This species is not uncommon in suitable habitats in Guernsey.
Brown Argus Butterfly	Guernsey	Localised status on Guernsey possibly due to local geology rather than geographical location.

ASSESSMENT OF EFFECTS AND MITIGATION MEASURES

Statutory Ecological Sites

- 11.151 No direct effect on statutorily designated ecological sites has been predicted. No sensitive sites, such as those which could be linked hydrologically to the application site and be affected by quarrying / dewatering are present.
- 11.152 In terms of dust from mineral extraction operations, the closest part of L'Ancrese Common SSS is over 200m to the south of the proposed quarry and so unlikely to be affected through dust emissions due to the separation distance and the prevailing wind not blowing in that direction (refer to Chapter 8 above). The potential exists for dust deposition (through heavy vehicle use) to affect the road verges present adjacent to L'Ancrese Common / La Varde which is an important ecological site. It would therefore be necessary to ensure that dust control/suppression measures are implemented at the site such as a wheel wash/sprayer bay to minimise the amount of material 'dragged' out onto the public highway. Notwithstanding this, the roads are already experiencing HGV traffic associated with the Mont Cuet Landfill site.

Notable Habitats

- 11.153 No notable habitats have been recorded as being present within the application site itself.

- 11.154 The loss of species-poor hay meadow and associated areas of bracken/bramble scrub, amenity grassland and mature conifers (in a garden setting) is considered to be of ecological significance at a local level only. The loss of a very small area of maritime grassland (0.04ha) is not considered to be of ecological significance. The areas involved are subject to trampling by walkers and indirect disturbance from the landfill operations.

Notable Species

Breeding Birds

- 11.155 The demolition of the bungalow and removal of associated shrubbery would result in the loss of nesting opportunities for a colony of house sparrow.
- 11.156 The proposals would involve the need to re-locate 2 of the 3 pole/tree mounted bird nest boxes.
- 11.157 Adjacent quarrying activities could result in disturbance to the pair of long-eared owl which are known to use the adjacent conifer plantation although due to the presence of the adjacent car-park the birds which are present would already be accustomed to human activity.
- 11.158 At a general level, the proposals would involve the need to remove vegetation which could be used by birds for nesting.
- 11.159 The following mitigation measures are proposed in respect of breeding birds:
- all vegetation removal and building demolition would take place outside of the nesting season (February¹⁶ to August inclusive); and
 - the pole/tree mounted nest boxes used by barn owl/kestrel would be re-located within the wider survey area away from possible sources of disturbance and future development. This would take place outside of the nesting season well in advance of the commencement of development activities. The boxes would be repaired/replaced with new boxes as required.

Bats

- 11.160 No impacts on roost sites have been predicted.
- 11.161 Significant impacts on foraging habitats used by bats are considered to be unlikely to occur. Removal of vegetation would result in the loss of foraging opportunities for bats; however, surveys have not found that the application site is well used by bats.

Slow Worm

- 11.162 A small population of slow worm was recorded in autumn 2017. The potential exists for slow worms to be present in the application site and to be associated with the field margins of the hay fields. As such it would be necessary to implement appropriate mitigation measures for this species in

¹⁶ Spring in Guernsey is at least 2-3 weeks earlier than the rest of the UK and therefore nesting in late February could start to take place.

advance of development activities commencing. The scope of such measures is likely to include the targeted use of artificial refuges for 1 week immediately in advance of soil stripping activities. The refuges are attractive to reptiles as they assist with the animal's thermoregulation. Any slow worms present could then be captured and relocated away from development activities.

Residual Effects

Designated Sites and Notable Habitats

- 11.163 Residual effects on designated sites or notable habitats have not been predicted provided that the avoidance and mitigation measures set out in this EclA are followed and a nature-conservation led restoration is implemented.

Notable Species

- 11.164 The loss of nest sites for a house sparrow colony, which currently uses the bungalow/associated shrubbery, could not be easily mitigated for as there are no other suitable buildings where communal nest boxes could be erected. This would represent a residual impact of ecological significance at a local level.
- 11.165 The fields which form the application site currently offer a plentiful source of small mammal prey (due to the presence of rough field boundaries and the adjacent domestic landfill) for kestrel, barn owl and long-eared owl as part of a larger resource available to these birds. The removal of the fields through quarrying would result in the birds which use the site having to forage further afield. It should, however, be noted that the nest boxes which are currently present can be moved to other locations away from disturbance and large areas of suitable hunting habitat are present at the adjacent golf course/common. As such, this would be an effect which is of ecological significance at a local level only.
- 11.166 A residual effect on slow worm has not been predicted as suitable habitat will remain within the wider survey area.

CONCLUSIONS

- 11.167 No designated ecological sites such as Sites of Special Significance (SSS) would be affected by the proposed development, provided that dust suppression measures are adopted in respect of heavy goods vehicles.
- 11.168 Surveys of the application site have not recorded the presence of notable habitats.
- 11.169 Surveys undertaken for flora and fauna have not recorded any particularly rare or uncommon species.
- 11.170 A small population of slow worm was recorded within the wider survey area. Although no slow worms were recorded from within the application site it is possible that this species also occurs in the rough margins of the hay fields.

- 11.171 The application site and wider survey area support three species of raptor (barn owl, long-eared owl and kestrel) which nest/roost in purpose-built boxes, old crow nests in mature pines or cliff faces. The habitats present within the application site form part of a wider resource of rough grassland which supports their small mammal prey. A colony of house sparrows is resident in and around the bungalow. No other notable species of birds were recorded during the winter or breeding seasons, however, the site has a general value to birds in providing nesting opportunities for a variety of common species in buildings, low scrubby vegetation, cliffs, edges of standing water etc.
- 11.172 Bat surveys have not detected the presence of any roosts. Foraging activity by bats was attributed to two common species of pipistrelle bat. Activity levels were very low across the seasons and were restricted to sheltered areas on the south-facing flank of the site. The majority of the site is quite exposed to prevailing winds and lacks structured vegetation such as trees or hedgerows and as a consequence its value to bats is limited.
- 11.173 Recommendations have been made in respect of avoidance and mitigation measures required to ensure that impacts on species and off-site habitats are either avoided or their effects are reduced to acceptable levels. These relate to the timing of operations (e.g. the removal of vegetation outside of the bird nesting season) or measures required in advance of development commencing (e.g. reptile and raptor mitigation schemes).
- 11.174 Residual ecological impacts have been predicted in respect of house sparrow only which are considered to be of significance at local level.



Committee *for the*
Environment & Infrastructure

Raymond Falla House
Longue Rue
St. Martin
Guernsey
GY4 6HG

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

28 June 2021

Dear Deputy Ferbrache

Policy Letter - The Island's Future Aggregate Supply

In accordance with Rule 4(2) of the Rules of Procedure for the States of Deliberation and their Committees, it is requested that the Policy Letter entitled "The Island's Future Aggregate Supply" be considered by the States of Deliberation at its meeting on Wednesday 8 September 2021.

The request is made to ensure that the Island will continue to receive aggregate without interruption because security of supply of aggregate is essential for construction in the Island. Ronez Limited has advised that current workable unconstrained reserves of granite at Les Vardes Quarry, which are used for aggregate, are expected to be exhausted by the end of 2023. This may be sooner if demand increases.

From discussions with members of the Policy & Resources Committee, I am aware that there is a strong understanding of the need to expedite the decision in relation to aggregate production and supply, and trust that they will also be supportive of this request.

Yours sincerely

H L de Sausmarez
President
Committee *for the* Environment & Infrastructure

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

STATES' TRADING SUPERVISORY BOARD

GUERNSEY ELECTRICITY LIMITED – ANNUAL REPORT AND ACCOUNTS

The States are asked to decide:-

Whether, after consideration of the policy letter entitled 'Guernsey Electricity Limited – Annual Report and Accounts' dated 15 June, 2021, they are of the opinion:-

1. To note the Annual Report and Accounts of Guernsey Electricity Limited for the period ended 30th September 2020.

The above 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.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

STATES' TRADING SUPERVISORY BOARD

GUERNSEY ELECTRICITY LIMITED – ANNUAL REPORT AND ACCOUNTS

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

15th June, 2021

Dear Sir

1 Executive Summary

- 1.1 The Annual Report and Accounts of Guernsey Electricity Limited (GEL) are hereby presented to the States.

2 Guernsey Electricity – Annual Report and Accounts

- 2.1 Under the terms of Section 8 of the States Trading Companies (Bailiwick of Guernsey) Ordinance, 2001, the States' Trading Supervisory Board (STSB) is required to submit GEL's Annual Report and Accounts to the States for their consideration.
- 2.2 GEL's Annual Report and Accounts for the period ended 30th September, 2020, are therefore appended to the policy letter.
- 2.3 As reported in the 2018/19 Annual Report and Accounts¹, the Board of GEL previously approved a change in the fiscal year end date for the company from 31 March to 30 September. The 2019/20 accounting 'year' is therefore a transitional eighteen-month period from 1 April, 2019, to 30 September, 2020.
- 2.4 As a consequence of the above, the results for the 2019/20 financial period are not directly comparable with those of the previous twelve months.

¹ Billet d'Etat XXIV or 2019 – States' Trading Supervisory Board – Guernsey Electricity Limited – Annual Report and Accounts.

3 Compliance with Rule 4

- 3.1 Rule 4 of the Rules of Procedure of the States of Deliberation and their Committees sets out the information which must be included in, or appended to, motions laid before the States.
- 3.2 In accordance with Rule 4(1), the Proposition has been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications.
- 3.3 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.
- 3.4 In accordance with Rule 4(5), the Proposition relates to the duties of the STSB to carry out the States' role as shareholder of any incorporated companies which are owned by the States and which the States have resolved to include in the mandate of the Board.

Yours faithfully

P J Roffey
President

C N K Parkinson
Vice-President

N G Moakes
Member

S J Falla, M.B.E.
Non-States Member

J C Hollis
Non-States Member



Securing the energy transition

Report and financial statements
2019/20

Directors, officers and professional advisers

Directors:	IA Hardman	<i>(Non-Executive Chairperson)</i>
	AM Bates	<i>(Chief Executive Officer)</i>
	JPC Turner	<i>(Chief Financial Officer and Deputy Chief Executive Officer)</i>
	S-A David	<i>(Chief Operating Officer)</i>
	RP Lawrence	<i>(Non-Executive) retired by rotation on 15 September 2020</i>
	RJ Dutnall	<i>(Non-Executive) retired by rotation on 15 October 2019</i>
	GM Browning	<i>(Non-Executive)</i>
	P Shaefer	<i>(Non-Executive)</i>
	RL Denton	<i>(Non-Executive)</i>
	T Songini	<i>(Non-Executive) appointed on 15 September 2020</i>
	I Chapman	<i>(Non-Executive) appointed on 15 September 2020</i>

Secretary: SL Walden

Bankers:

Barclays Bank Plc
PO Box 41
Le Marchant House
St Peter Port
Guernsey, GY1 3BE

Royal Bank of Scotland International
Royal Bank Place
1 Glatigny Esplanade
St Peter Port
Guernsey, GY1 4BQ

HSBC Bank Plc
Arnold House
St Julian's Avenue
St Peter Port
Guernsey, GY1 3NF

Legal advisers: Carey Olsen (Guernsey) LLP
PO Box 98
Carey House
Les Banques
St Peter Port
Guernsey, GY1 4BZ

Independent auditor: Ernst & Young LLP
Royal Chambers
St Julian's Avenue
St Peter Port
Guernsey, GY1 4AF

Registered office: PO Box 4
Electricity House
North Side
Vale
Guernsey, GY1 3AD

Company number: 38692

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Board members



Ian Hardman

Non-Executive Chairperson

Ian became a Non-Executive Director of Guernsey Electricity Limited in 2011. He has a background in banking and, having joined Lloyds Bank in 1973, worked his way up to the position of Senior Islands Manager, responsible for the four retail branches in Guernsey and Alderney. He worked on the offshore merger of Lloyds Bank and TSB Bank Channel Islands in 1996 and was involved with the legal aspects of the takeover of HBOS by LTSB. Ian is an Associate of the Chartered Institute of Bankers and the Institute of Chartered Secretaries and Administrators.



Bob Lawrence – *retired by rotation on 15 September 2020*

Non-Executive Director

Bob is the former Chief Executive Officer of Jersey Telecom Limited and led it from a state-controlled entity into a private limited company that operates in a highly competitive market. He has extensive engineering knowledge as well as the experience of operating and managing within a regulated market similar to the Channel Islands and became a Non-Executive Director of Guernsey Electricity Limited in 2011.



Bob Dutnall – *retired by rotation on 15 October 2019*

Non-Executive Director

Bob is a qualified Chartered Accountant with substantial business and commercial experience. His senior management career has involved working for a number of different organisations, particularly in the engineering sector. In 2005 he joined Sportingbet Plc, a FTSE 250 internet gaming company, before moving in 2012 to take on a new part-time role as an Executive Director of betway.com, a privately-owned internet gaming group. Bob became a Non-Executive Director of Guernsey Electricity Limited in 2013.



Rick Denton

Non-Executive Director

Rick has 30 years' experience of leading UK and international subsidiaries of four major banking groups. Subsequently he became CEO of a specialist family office business, managing property developments and acquiring companies. Rick now leads his own consultancy and has a range of international Non-Executive Director positions. Locally he chairs the Guernsey Banking Deposit Compensation Scheme. He is a National Council Member for the Institute of Directors, representing the international branches. Rick holds an MBA with distinction from Warwick University; is an Associate of the Chartered Institute of Bankers; a Chartered Member of the Institute of Securities and Investments and a Member of the Society of Trust and Estate Practitioners. He has also recently achieved the Henley Certificate in Executive Coaching and the Institute of Directors' Diploma in Company Direction.



Peter Shaefer

Non-Executive Director

Peter has an honours degree in Geology and is a Chartered Accountant. He has substantial business and commercial experience, having held a number of senior positions in both energy and consumer products industries, including being a member of the Executive Committee of the US listed company Coty Inc. He currently holds a number of both Executive and Non-Executive Director positions, joining Guernsey Electricity Limited as a Non-Executive Director in 2018.



Gillian Browning

Non-Executive Director

Gillian was appointed as Non-Executive Director of Guernsey Electricity Limited in 2018, after participating on the NED Development Programme with the company since 2016. Gillian is also Director of the Investment, Fiduciary and Pension Division at the Guernsey Financial Services Commission (GFSC), a role that includes leading policy development, supervisory oversight, risk management and good corporate governance. Gillian joined the GFSC from the UK Financial Conduct Authority (FCA), and prior to that the Cabinet Office where she was a Minister's Private Secretary and Policy Officer. Gillian graduated from Exeter University where she read History and Politics.



Ian Chapman – appointed on 15th September 2020

Non-Executive Director

Ian is the CEO of the UK Atomic Energy Authority, the UK's largest energy research organisation with over 2000 scientists and engineers. He has held a number of international roles in fusion research, currently chairing the IAEA Fusion Research Committee, as well as sitting on a number of ministerial committees in the UK and advising other governments on clean energy issues. He has won a number of notable international awards, including the Royal Society Kavli Medal in 2019, the American Physical Society Stix Medal in 2017 and the Institute of Physics Paterson Medal in 2013. Ian was made a Fellow of the Institute of Physics in 2013 and became a visiting Professor at Durham University in 2015.



Tania Songini

Non-Executive Director

Tania worked for German engineering multinational company Siemens for over 18 years, including five years within its NW Europe Energy business, which focussed on the construction and installation of large-scale renewable energy and infrastructure projects. She currently sits on the boards of Thrive Renewables and the Private Development Infrastructure Group, London Energy and Oxford Policy Management, and has a comprehensive understanding of sustainable energy technologies and strong governance track record. Tania is the Chair of ViaNinos UK, a charity she established in the UK in 2009 that supports children in Ecuador.



Alan Bates

Chief Executive Officer

Alan became Managing Director (2010) then Chief Executive Officer (2015) having joined from Manx Gas, where he was Managing Director. He commenced his career with P&O Cruises as an Engineering Officer followed by 19 years in the oil and gas industry working for Mobil Oil/BP Oil and IEG. He has a degree in Electro Mechanical Power Engineering and an MBA in Executive Leadership. Alan is a Chartered Electrical Engineer (MIET), a Chartered Mechanical Engineer (FIMechE), has qualifications in risk and safety management (IIRSM) and is also a member of the Institute of Asset Managers. Alan is also a Director of CIEG.



Julian Turner

Chief Financial Officer and Deputy Chief Executive Officer

Julian joined Guernsey Electricity Limited as Chief Financial Officer in 2015. A Deloitte qualified Chartered Accountant with substantial commercial, compliance and process transformation experience, he has held a number of varied finance roles with regional responsibility including EMEA in large multinationals such as Procter & Gamble, Flowserve and GE. Julian has an MBA from Alliance Manchester Business School and is a designated CIA. He is also a Director of CIEG.



Sally-Ann David

Chief Operating Officer

Sally-Ann was appointed to the Board in 2011. She is a Chartered Electrical Engineer with over 30 years' experience in the power and submarine cable market. Sally-Ann is a fellow of the Institute of Electrical Engineers, has an MBA, and is a Chartered Director. She is also a Director of CIEG.

Chairperson's statement

We all take it for granted that we can turn on a light, have power for our fridge-freezer, television, laptops or mobile phones. Our 200 plus employees, who with the support of the shareholder, the States Trading Supervisory Board ("STSB"), are truly dedicated to powering Guernsey life today, as well as preparing to enable the decarbonised future for our island. Guernsey Electricity Limited ("Guernsey Electricity", "GEL", or the "company") is owned by the people of Guernsey, through the States of Guernsey. Islanders have every reason to be proud of the company and have confidence that we will continue to do what is right for our island and our community.

The responsibility for leading the energy transition for Guernsey Electricity continues to be a rewarding experience for the directors. There are many varied challenges presented in navigating the transition in Guernsey, which requires prudence to ensure the island continues to enjoy a reliable, secure and sustainable electricity supply, that remains affordable for all islanders.

More recently, COVID-19 impacted the business (and of course the island), with Guernsey Electricity recognising its vital critical infrastructure role, and the responsibility to maintain services during this extremely disrupted period.

Challenges and achievement

The replacement of the subsea cable was a major infrastructure project for the island and was delivered in record time. A project of this stature would normally take two to three years to complete, yet our team achieved this in just seven months and under budget.

The replacement of the cable dramatically reduced the financial and environmental impacts created by the limits on electricity import capacity on the unreliable existing cable.

I was a proud Chairperson standing at Havelet Bay when the cable came ashore. Having this reliable electricity supply remains vital for our lives and economy today, but also to deliver the island's carbon reduction targets and facilitate on-island renewable energy generation.

We are also delighted with the switch to all imported electricity now coming from renewable sources,

such as hydro, wind and solar, ensuring all islanders are able to contribute towards the global climate change issue.

Therefore, securing a second connection remains an absolute priority.

By understanding our responsibility as a pivotal part of the energy transition, we can deliver the island's desire for locally generated renewable energy. We firmly believe in social equity and our community solar arrays ensure all islanders benefit equally. We now have large scale community solar systems at several locations around the island, enabling all customers to benefit from this technology in a fair way.

The future needs to be sustainable

Overall, the past 18 months have been a successful period for the company with many great achievements. But we now need to focus on the future, to ensure we are ready for the next 30 years and successfully play our role in enabling the island's Energy Policy to become a reality.

During this financial period we have redefined Guernsey Electricity's environmental vision and set out our strategy to achieve environmental sustainability. To reinforce this strategy, we released our 'Climate Change Statement' setting out our commitment to playing an active part in making a positive contribution to our island environment today and for the benefit of future generations.

We firmly believe in social equity and our community solar arrays ensure all islanders benefit equally.

Before I close, I would like to thank Peter Ferbrache, President of the STSB and his committee, both political and non-political, for their advice and support throughout the last 18 months. I look forward to working with the new President of the STSB, Peter Roffey, and his committee.



The NKT Victoria in Havelet Bay during the cable replacement operation

I would like to take this opportunity to thank Robert Dutnall and Robert Lawrence, who both stepped down as Non-Executive Directors during this financial period, for their significant contribution to the company and welcome two new Non-Executive Directors to the Board, these being Ian Chapman and Tania Songini who both bring a wealth of relevant

experience to complement and add future value to the Board. I would also like to thank my fellow Directors, Company Secretary and colleagues at Guernsey Electricity for their continued hard work and contribution to the ongoing success of the company.

Ian Hardman
Chairperson

Chief Executive Officer's report

Overview

What has changed in the last 18 months? As I write the 2019/20 annual report the answer to that question seems to be – everything.

Even before the pandemic became the number one factor impacting every business, Guernsey Electricity was going through an extremely busy, challenging and at times turbulent period.

Despite this, the highlight of the period has to be the record-breaking pace of the subsea cable replacement project, which was nothing short of outstanding; procured, manufactured, installed and put into service in just seven months. The direct result of this decision is a reliable and affordable supply of low carbon sustainable electricity for the island. Indirectly, having reliability returned to the cable has allowed the business to plan its future capital investment programme with much greater confidence.

The replacement of the cable was combined with a move to 100% renewable energy importation, which immediately allowed the island to continue progress on its energy transition journey; a huge positive for our community.

Alongside the subsea cable replacement project, the company has over the 18-month period also been heavily involved in an Enterprise Resource Planning ("ERP") project to replace legacy IT systems, some of which, including our billing system, have been in place since the 1990's. This project has consumed significant levels of internal resource and remains a critical project to allow the business to plan for the future and be ready to provide a service to support the islands decarbonisation aspirations through the energy transition.

Policy Direction on Energy

Last year's report raised the point that the reliability and affordability of electricity today was set by company decisions made a quarter of a century ago. The Board of Guernsey Electricity is acutely aware of this and therefore how the business will be judged in terms of strategic investment decisions for the future. These decisions on assets which span many decades of service, need to be based on a clear policy direction in terms of the island's future energy needs, and these directions need to remain in the long-term best interest of electricity customers.

For this reason, Guernsey Electricity has consistently raised the need to update the island's energy policy. The 2012 'Energy Resource Plan' had become outdated by virtue of the pace of change of the energy transition. The island's energy market and the development of new technology were not waiting for policy, which started to create further unnecessary disruption in the island energy market. Obvious questions in terms of subsidies for electric vehicles and planning policy for local renewables became just two of the matters that needed a clear directive for the island.

The approval of a new Energy Policy in June 2020 has allowed that planning process to commence. The policy is quite naturally a foundation document which will allow different workstreams to develop much more detailed policy direction aligned to the rapidly changing technology. This will ensure our market direction remains aligned to the overarching energy policy and the island's climate change aspirations.

It is extremely important to now clearly articulate what the journey looks like. Some of the first policy directions will need to set out the desired market structure and then how the costs within that market are fairly recovered.

Local renewable resources

To create a clear pathway for the energy transition journey, an early decision needs to be made on where and how the island wants energy to be generated. Understandably, there is a desire to utilise the natural resources around the island. We have plentiful sun, wind and tidal resources which we must factor into our decisions on a local renewables target.

This decision must also take into account how technology can harness these resources affordably. But also how we can cover off the intermittency of local renewable generation with energy storage, and how we create security so when those resources are not available we have a secure and affordable resource to provide the island's energy needs. Our fortunate geography and ability to be connected to the European grid provides this provision at an affordable cost to consumers.

This is not an easy equation to develop and solve for a small jurisdiction.



Marketing content from the “Renewables for All” campaign announcing the switch to renewables



The PV array at Envoy House, part of Guernsey Electricity's portfolio of community PV arrays which feed into the network

Any direction set must remain agile and adaptable to changes in the journey created by outside influence. It will also need to be pragmatic and ultimately understand that the speed of progress will need to be aligned to our ability, as a small island, to pay.

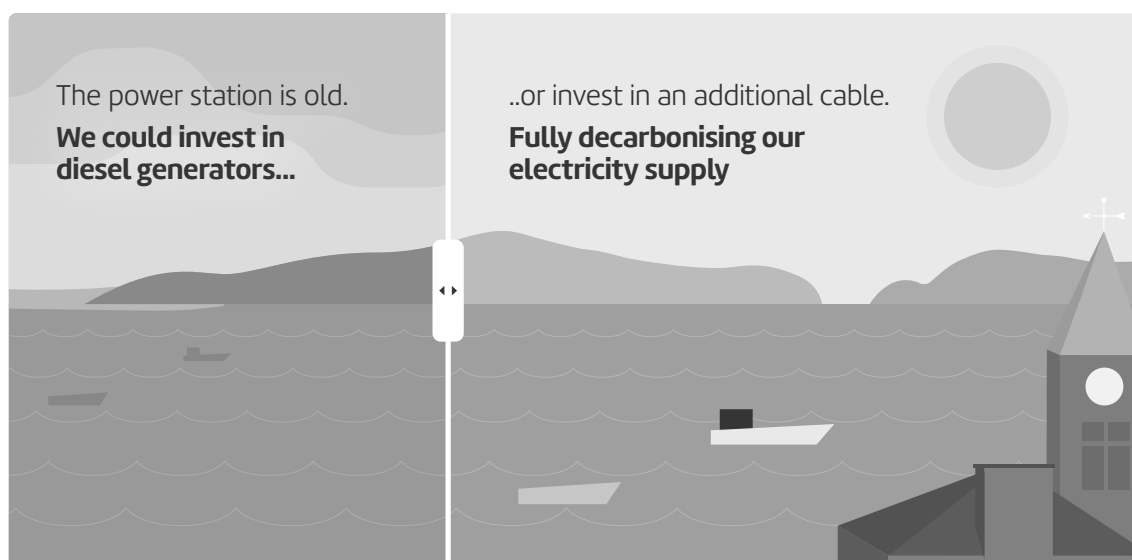
Energy security for locally generated renewables

There is clearly a need for significant capital investment to start the energy transition journey. A direct subsea cable connection to France to provide security of our low carbon electricity supply will almost double the size of Guernsey Electricity from a balance sheet perspective. But without this

second connection we cannot securely cover off the intermittency of local renewables using low carbon energy. The cover without the second connection would remain the hydrocarbon power station.

If this was the case, then for the power station to be reliable in this security role we would need to spend almost the equivalent amount of money of the direct cable to France, on replacing the old generation engines at the power station.

Some may think this is a credible option, as whilst the power station may be a hydrocarbon sourced back-up, it does give us independence from the European electricity grid. To some degree this is correct.



The island needs to invest to support the energy transitions. There is no “do nothing” option

However, the current power station electricity generators require imported fuel to operate and this is potentially likely to suffer a greater degree of supply chain disruptions as the world uses less and less hydrocarbon for energy.

Therefore, Guernsey Electricity continues to recommend the direct cable to France as the optimal solution to provide security and reliability of electricity supply. This facilitates the adoption of local renewable technology by providing a low carbon and sustainable resource, and displaces the current top-up role of the power station.

As with the journey for local renewables, the only matter to be considered and addressed in terms of this investment is again, who pays and when. This is a matter Guernsey Electricity will bring back to the States of Guernsey through its shareholder, the States Trading Supervisory Board “STSB”, in 2021.

The role of Guernsey Electricity

Notwithstanding this complexity around planning for the energy transition journey, Guernsey is in an extremely fortunate position whereby the key asset to facilitate that pragmatic and sustainable route remains in State ownership. This gives the States of Guernsey complete control in ensuring policy

coherence is achieved. In this regard, the purpose of Guernsey Electricity as an entity in relation to energy transition, economic stability and social policy needs to be carefully considered to ensure well informed decisions are made in terms of the future business role of the company.

Guernsey Electricity as a State-owned entity continues to understand that it has a direct responsibility to assist in leading the energy transition for the island. This includes creating an understanding of how the transition pathway can be delivered in an affordable and fair way for all in our community.

The energy transition does create some risks for our small jurisdiction, but these are far outweighed by the opportunities for Guernsey to strategically manage the journey and create real value for the community, our economy and our island environment.

However, to set off on the journey with a complete understanding on how much it will cost we must now fix our legacy issues, so we are in the most favourable position to manage the energy transition whilst preserving and enhancing our environment for the future of our island.

Transparency on the recovery of costs

Guernsey Electricity continues to promote a community focused approach to delivering the energy transition, where all islanders benefit in a fair and equitable way. To do this the understanding of how future energy transition costs are going to be created and reflected into the energy market will be absolutely key in deciding how those costs are then recovered from customers. Aligned to the desire for local renewables and the need for a secure supply of energy we need to be clear on who pays and when – both today and in the future.

However, at this time, Guernsey Electricity continues to be the custodians of the “broken” electricity market model. Decades of regulatory dysfunction has resulted in an under recovery of costs and misleading tariff structures not aligned to the delivery of the energy transition. This means future generations will be picking up the costs of past electricity consumers, and today's customers will potentially be making misinformed investment decisions based on the consequence of offsetting their fair share of fixed cost recovery. We must fix this for the benefit of islanders and the environment

What has created this “broken” model? The energy transition and policies to achieve decarbonisation has seen greater adoption of new technologies, such as solar PV and battery storage offering consumers the opportunity to self-generate and store energy for their own use. The adoption of these technologies will allow customers to lead their own energy transition. However, the consequence of this needs to be managed in terms of maintaining security of electricity supply. The electricity industry, whilst supporting these technologies, is aware that this leads to a reduction in electricity consumption without a corresponding decrease in maximum demand.

Indeed, as the energy transition progresses the increase in the number of electricity customers and electricity appliances, such as electric heating and electric vehicles, will in fact continue to disproportionately increase the maximum demand.

The consequence of this increasing demand is that the capacity and security of the electricity network has to be increased so as to be able to meet that maximum demand, even if that capacity is not being used all of the time. Therefore, for Guernsey Electricity it is the maximum demand which is the factor which drives capital investment to maintain capacity and to ensure security of electricity supply and it is this investment which creates the fixed costs that need to be recovered.

Unfortunately, Guernsey Electricity's existing tariff structures have not significantly changed since 1993 and are not appropriate for the necessary effective recovery of these fixed costs. Currently a variable consumption charge (to cover the actual consumption of electricity by customers) recovers over 90% of costs with the remainder being through standing and demand charges (to cover infrastructure investment costs which are driven by the electricity demand on the network). The level of fixed costs created by infrastructure investment to meet the maximum demand represents significantly more than the 10% recovered.

The Board of Directors is extremely concerned about this growing divergence between fixed costs to provide for an increased demand and a resilient and secure network and the variable cost recovery associated with decreasing/static level of electricity consumption.

Under the existing tariff structure this has the very real risk of disrupting the recovery of fixed costs to pay for future investments in infrastructure.

Guernsey Electricity therefore believes complete transparency needs to be provided to all customers on the costs to provide a reliable and secure electricity infrastructure for the island. By doing this, customers can make informed investment decisions by understanding how much electricity as a commodity actually costs from the different generation sources. This transparency will enable us, as a community, to focus on how we can best achieve our environmental and economic expectations affordably.

Guernsey Electricity continues to support the implementation of a smoother tariff evolution model which promotes customers making behavioural and appliance changes to manage any cost changes.

Regulatory environment challenges

To achieve the island's energy transition, there now needs to be clear direction given on what form of regulation, if any, the future energy market may need and whether another form of market oversight may give greater value to the island and energy customers.

Guernsey Electricity has for many years openly stated that in our opinion, the current regulation of the electricity sector adds little value and imposes additional unacceptable cost and time burden on a company 100% owned by the States of Guernsey. The Board has also conveyed its continued concerns at the length of time the dysfunctional regulatory environment has been allowed to be in place.

On this basis, Guernsey Electricity supports the intention to align future market licencing to energy policy direction. A clear view needs to be provided, as soon as possible, to allow the market to continue investment planning. It also remains critical that, in conjunction with the market structure direction, the work to ascertain how costs should be recovered is carried out as soon as possible to allow a transparent and understandable tariff evolution to be presented to customers.

Financial and Operational performance

As reported in last year's financial statements, the Board of Guernsey Electricity approved a change in fiscal date from 31 March to 30 September. This accounting period is therefore a transitional 18-month period from 1 April 2019 to 30 September 2020. Consequently, this financial period's results are not directly comparable with the results of the previous 12-month period.

The unexpected replacement of the existing cable forced us to bring forward the planned investment in the subsea cable by over 10 years. As a result, the business has also brought forward an inevitable financial consequence of continuing to operate within an environment of long-term lack of appropriate revenue control. Without any revenue control, created by the continuing regulatory environment which is not fit for purpose, the business has been unable to consistently build its financial reserves to fund such projects.

Inevitably, this has created the need to take on more debt to fund the asset replacement programme to ensure a reliable and secure supply of electricity to customers. Fortunately, our dependable underlying EBITDA earning capability continues to ensure we can provide affordable electricity to our customers today.

However, the inability to make an appropriate level of return on our asset base has now started to challenge sustainable capital investment on much needed new and replacement assets. This untenable position has required the business to again review its cost structures to maintain compliance with these financial constraints.

Whilst this is an appropriate and pragmatic approach in the near-term, it is incompatible when considering the island's economic recovery from the pandemic and the residents' natural desire to progress the energy transition to meet our climate aspirations.

The Board of Guernsey Electricity is working closely with the STSB, as shareholder, to ensure the issues

constraining the company are fully identified and considered. They must be resolved as soon as reasonably possible.

The financial performance and level of business profitability therefore continues to be significantly below the level required to continue to fund the island's electricity infrastructure. This remains a significant issue as we plan for future capital investments.

During this 18-month financial period we have reinvested £32.7m of cash back into our business activities, whilst only being able to recover uncontrollable costs through tariff increases. This level of investment was below the planned level of underlying planned replacement capital investment when adjusted for the cable project.

The reported operating loss before pension settlement gains was £9.0m (31 March 2019: operating loss £7.8m). The complete cable failure in October 2018 and the consequential restricted ability to import electricity has by far been the largest impact on financial performance in both 2019 and 2020. The additional generation on-island for the financial period has cost £3.4m (31 March 2019: £6.5m).

Weakening of the £:€ exchange rate continues to increase the cost of importation year on year. We continue to manage the risk arising from this exposure through our foreign exchange hedging programme.

Despite the impacts of COVID-19, the 2018 cable failure, delayed tariff increase and the foreign exchange headwinds, on an adjusted basis the underlying business performance is profitable and is reflective of the continued strong execution of business transformation initiatives and bold decision making for the long-term benefit of the company.

In terms of financial performance, the returns from the business are considered on a three-year rolling average basis. This allows the Board to assess the underlying financial dynamics created by weather, the wholesale markets and the required changes that may be required to tariff levels.

The Board is, however, mindful of the continuing cost pressures on the business, particularly accentuated by the impact of Brexit on our foreign exchange costs.

The Guernsey Competition and Regulatory Authority ("GCRA") approved uncontrollable cost recoveries of 6.8% and 4.8%, effective from 1 July 2019 and 1 September 2020 respectively, applying this to tariffs across the board for three years to cover historic increases in foreign exchange and commodity costs.

This rise will enable Guernsey Electricity to recover the last three years costs created by increases in external costs to import electricity and generate on-island. The increase associated with these historic changes in the price of commodities and foreign exchange rates do not recover other costs which have increased, or the need to maintain or replace assets. These are the first changes in electricity tariffs since 2012.

The agreement and implementation of a forward-looking agreed tariff model is now pressing, particularly in the light of significant future capital spend which will need to be properly funded and recovered. Additionally, a debt restructure is being explored to optimise the mix of debt and equity to ensure the secure funding of the business in order to deliver on its significant 10-year planned capital programme.

The company continues to benefit from a strong asset base with the statement of financial position with our non-current asset base of £150.8m, the largest changes being the completion of our investment in our subsea cable network and our ERP replacement business system. The net cash inflow for the period is largely attributable to net drawdowns on credit facilities of £21.6m. At the period-end, we had net debt of £38.7m compared to £13.6m at the last period. This comprised £43.6m loans and closing cash balances of £4.9m; these amounts include balances held with the States of Guernsey of £23,000 (31 March 2019: £7.3m).

Shareholder's funds have reduced by £14.5m, from £108.1m to £93.6m. This was primarily the result of the actuarial loss in the pension scheme, net of the movement in deferred tax relating to the pension deficit of £8.2m together with the additional costs of on-island generation of £3.4m associated with the cable link failure.

One of the key operational performance metrics for Guernsey Electricity is the level of importation of electricity from France and the associated carbon intensity of the business. The level of import capacity has been increasing due to investment in the Channel Islands Electricity Grid ("CIEG") with importation being the preferred source based on both economic and environmental factors. Whilst additional import capacity had been gained the cable reliability issues in 2015 and 2018 resulted in the inability to utilise the full importation capability. The importation levels are given in the table below.

We report our greenhouse gas emissions annually in accordance with international accounting tool, the GHG Protocol, and the UK Government's 'Environmental Reporting Guidelines'.

Our methodology and reporting process is validated annually by external greenhouse gas reporting specialists. In 2020, we changed our greenhouse gas reporting to a calendar year basis from 1 January to 31 December (previously 1 April to 31 March). This helps us to align our GHG emissions calculations with the data that we receive from our suppliers of imported electricity.

Our strategic importation plan remains for imports to meet or exceed 85% of our island electricity demand. The current import capacity is facilitated through our investments in the CIEG. Importation is limited by the capacity of the Guernsey to Jersey based assets with a calculated maximum import level of well over 90% of the island's electricity annual demand possible if required. From the 1 January 2020 all imported electricity is from renewable resources guaranteed through certificates of origin.

Over the rolling 18-month period 1 April 2019 to 30 September 2020, we have seen a 7.1% decrease in electricity usage by our customers. Adjusting for the weather, and the impact of COVID-19, we believe that the underlying demand will continue the downward trajectory of previous years, which is mainly reflecting energy efficiency improvements in our customer base. However, we are starting to see some growth from the decarbonisation of transport and heat.

In terms of our service to our customers, I am pleased to report a significant improvement in supply reliability with customers, both domestic and commercial, experiencing 53.7 minutes loss of supply on average for the 18-month financial period compared to 66.81 minutes lost during the previous 12-month financial year. This level of average minutes lost includes an island-wide loss of electricity incident on 2 September 2019 associated with on-island generation during the replacement of the subsea cable. Without this single event the figure for the period would have been 34.50 minutes, which aligns to the previous trend in reliability improvement.

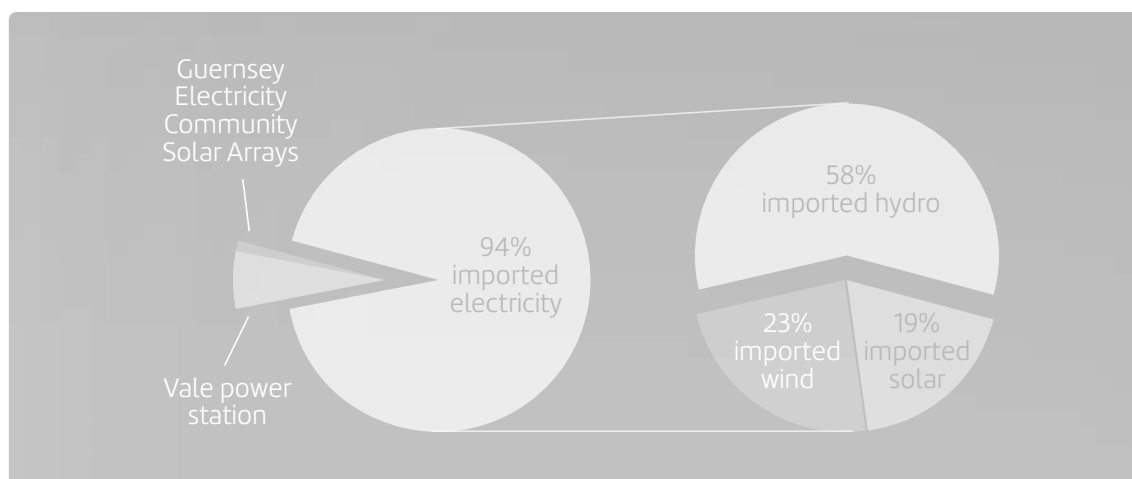
Pensions

The company is part of the States of Guernsey Pension Scheme and we are continually assessing the funding risks that come with membership. To this end we closed our Career Average Revalued Earnings ("CARE") to new members in 2017. As a continuance of this risk mitigation strategy the company transferred the pension liabilities of all retired and deferred members as at 30 June 2018 to the States of Guernsey Combined Pool. The Board understands the liability created by the older schemes and keeps the affordability of these under review.

Electricity Usage and Generation summary

Calendar Year	On-Island Generation MWh		Importation MWh					Total Distributed MWh	Intensity of Distributed Electricity gCO ₂ equiv./kWh
	Vale Power Station	Community PV	Hydro	Nuclear	Wind	Solar	% Imported		
2017	50,733	-	119,402	196,062	-	-	86%	332,264	120
2018	105,444	110	106,993	160,416	-	-	72%	354,023	112
2019	199,139	123	112,980	64,151	-	-	47%	342,647	410
2020	22,783	369	200,942	-	81,430	64,328	94%	331,899	68

Import percentages



During 2020 all imported electricity bought in Europe was from renewable sources and is broken down in the above diagram by source type.

Health, safety and environmental performance

Nothing is more important than the safety of our employees, contractors and customers.

In May 2019, a 1,000,000 hours milestone was achieved without a "lost time injury" to employees. This is testament to the focus from the business over recent years where we have conducted a full review of our health and safety arrangements and rolled out a new Health, Safety and Environment ("HSE") management system aligned to ISO standards. It is a systematic, explicit and comprehensive process for managing safety risks befitting a modern organisation.

As a business we firmly believe that delivery of effective health, safety and environmental management systems makes not only sound business sense but ensures that our moral and legal obligations are met and are at the core of our operation for now and into the future.

We have invested our time in ensuring our HSE performance exceeds expectations and encourage all our colleagues to be involved in sound health, safety and environmental practice and management.

Playing an active part in the community is extremely important to Guernsey Electricity. All Guernsey residents are our customers, as are all of our employees. Supporting our community, whether that be financial or with our teams' skills is a key part of what we stand for.

In September 2019, a group of employees took part in the annual Beachwatch campaign at Bordeaux beach and Banque Imbert beach as part of the nationwide initiative. At Guernsey Electricity we feel

Last winter, we also supported the annual Be Safe Be Seen Campaign with local radio station Island FM.

Seeds of Change was a fun way of helping islanders reconnect with nature and make a difference to the wildlife in their gardens during the 'lockdown'.

PLANT A RAINBOW

Bee the seeds of change
Pick up a packet whilst you are out walking

Le Canal Coast
Route De La Lague
Tombou CYB 012

Maitray House
Rue à Henry
St Saviour CY2 440

Le Colombier
Rue du Marais
Vale CY1 540

Electricity House
Northside
Vale CY1 040

Grandes Râques

Cobo

Valogn

Les Varennes

St Peter Port

La Hougette

Le Bordaige

St Martin

Le Coudre

Pleinnert

Torteval

Harbourg

Canoe
Simpson Road
St Martin CYB 040

Rose Cottage
Rue De La Rocque
St Peter CY7 963

Guernsey Electricity
Powering Life, Today & Tomorrow

#GuernseyTogether

Seeds were distributed to the public to celebrate “Renewables for All”



We also supported a local initiative which encouraged islanders during the month of September 2020 to 30 days of 30 ways to enjoy living more sustainably. The challenges include changes to grocery shopping, tips to use less energy, and opting to walk, cycle or taking the bus instead of a usual car journey.

As part of its commitment to building a strong community, Guernsey Electricity supported the new

Guernsey festival of food, drink and artisanal crafts – 'Eat Drink & Be Local' – during the summer 2019.

We partnered with Guernsey Post to run an Eco-Schools Challenge to encourage local school children to consider how their schools could become more sustainable. Teams were tasked with putting forward creative ideas, plans of action and drawings or models.



'Be Safe Be Seen' public education campaign delivered in partnership with Island Fm



Winners of 2020s EcoSchools Challenge



Sustainability a public campaign to help the public reduce their personal environmental impact



2020 EcoSchools Challenge



Guernsey Electricity employees outside Electricity House and in the Power Station



Guernsey Electricity Employees in C station for the internal announcement on the switch of imported electricity to renewables

The team

This financial period has been extremely challenging for the team at Guernsey Electricity. The replacement of the subsea cable was a significant achievement. This success is made possible by not just the project team but also the wider business that supports our activities.

Of particular note were the significant efforts required by the power station and network teams to ensure our electricity supplies remained reliable. I would like to thank all of my colleagues who have engaged with and taken the company forward to deliver these outstanding contributions to the organisation and our community. Our employees remain dedicated to providing a high level of service

to our customers and continue to deal with the future challenges we face, whilst striving to improve what we do today.

I continue to appreciate how all Guernsey Electricity employees operate professionally every day, remain loyal and committed to the company and bring our values to life through their behaviours and work.

I would also like to record recognition of the key role the Board and our shareholder, the STSB, has played in providing significant guidance whilst dealing with the challenges faced by the company over what continues to be a demanding period.

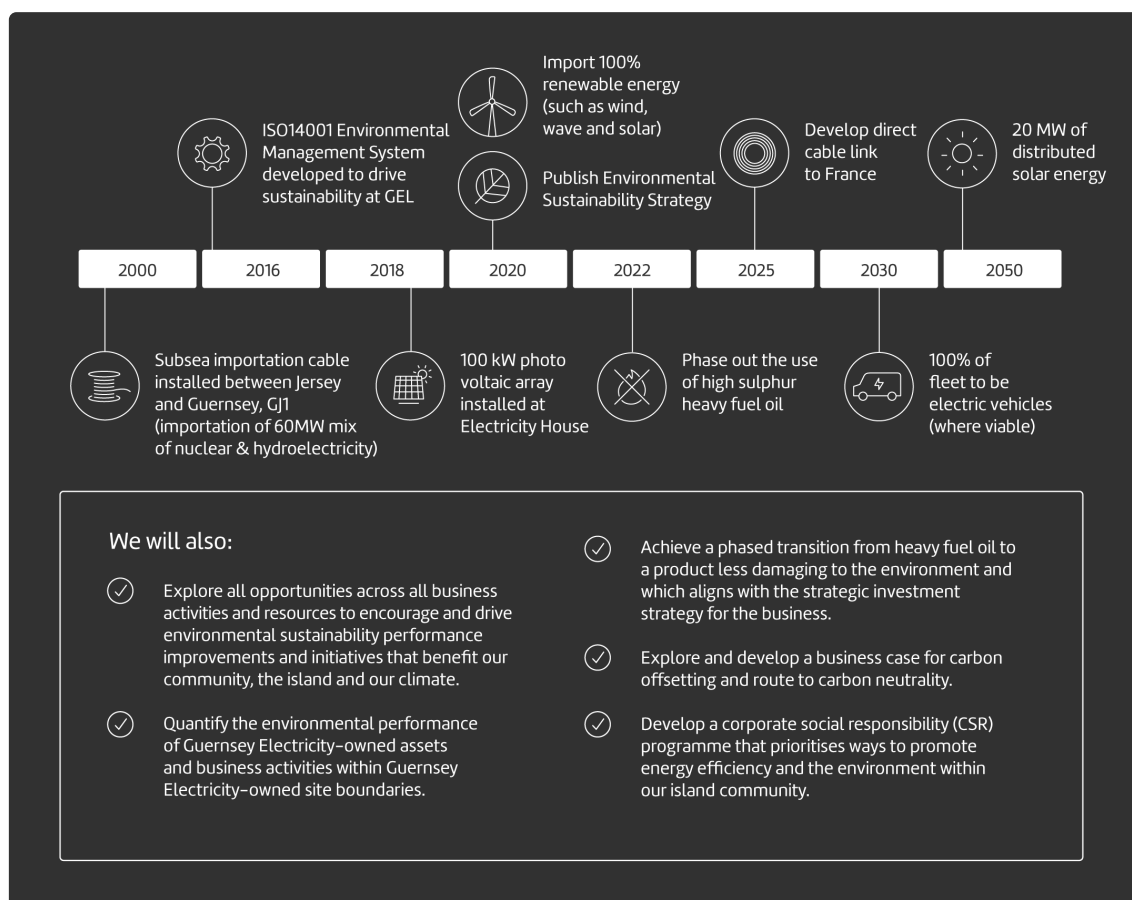
Environmental sustainability

Events over the last 18 months have brought into sharp focus the challenging yet exciting times ahead for Guernsey Electricity as we strive to balance environmental sustainability with the delivery of a safe, stable, value-for-money energy supply.

For the first time ever, the World Economic Forum's annual risk report has placed environmental related issues – including climate change, biodiversity loss and extreme weather events – top of the risk agenda; the United Nations has advised that “unprecedented changes are needed to reduce greenhouse gas emissions, requiring serious effort at every level of society”.

Locally, the States of Guernsey has released the long-awaited Energy Policy, a Climate Change Policy and a revised Strategy for Nature for Guernsey, all signalling the need for businesses to take action.

Since the last reporting period, Guernsey Electricity has responded to these external drivers with the release of a 'Climate Change Statement' which highlights our commitment to support the energy sector in taking the lead in creating a more sustainable world in which to live and at the same time help tackle climate change. In parallel, we have reviewed and increased the ambition of our Environmental Sustainability Strategy and supporting objectives for 2020 – 2025; placing environmental sustainability firmly at the heart of the business.



GEL's glidepath to supporting the energy transition

Climate Change Statement

Our revised Environmental Sustainability Strategy presents how Guernsey Electricity intends to deliver on the Climate Change Statement across the business and includes the following targets designed to help shape our environmental journey:

- achieve ISO14001 Environmental Management System ("EMS") Certification;
- develop a Guernsey Electricity carbon reduction action plan and glidepath to align with the targets set within the Climate Change Policy;
- phase out carbon emissions from on-island generation.

Guernsey Electricity's carbon reduction journey started in 2000 with the installation of the subsea cable between Jersey and Guernsey, GJ1, which enabled 60MW of our 89MW maximum demand to then be imported. This greatly reduced the amount of energy that was generated on-island using fossil fuels and enabled Guernsey Electricity to select what type of energy was allocated from the French grid to supply to our customers.

In January 2020, Guernsey Electricity took the next step towards transitioning the island to a greener future by changing the type of energy allocation we source from France, previously a mix of nuclear and hydro, to 100% renewable energy such as solar, wind and hydro-electricity.

The next step along our environmental sustainability path over the next reporting period shall be to achieve certification of our (currently aligned) ISO14001 EMS. Putting in place an externally validated EMS will give us the assurance that we have in place the best system we can to drive environmental sustainability performance improvements and initiatives across the business which shall in turn benefit our community, the island and our climate.



Climate Change Statement



Climate change is one of the biggest **challenges** the world faces today

We have **big environmental aspirations** for our small island community

We believe that the energy sector must **take the lead** in creating a greener and **sustainable world**

We understand our role and how we can help tackle climate change for our society

We envisage a future where all our energy supplies come from **renewable and sustainable sources**

We will enable an energy system that supports renewables and reduces reliance on fossil fuels

We will **embrace new technologies** for everyone's benefit and enjoyment

This is the greatest contribution **we can, and will, deliver**

Alone we can do a little

But together as a community
we can do so much

Delivering a sustainable
energy future for Guernsey.

Guernsey Electricity's Climate Change statement which was published in the Environmental Sustainability Strategy alongside the switch to imported renewable energy



NKT Victoria the vessel used to replace the GJ1 cable



NKT Victoria at sunrise in Havelet Bay



On board the NKT Victoria when the cable laying operation is underway



The cable being loaded onto the NKT Victoria in Sweden

GJ1 replacement project

Following another failure of our subsea cable in 2018, GJ1, that connects us directly to the European grid via Jersey, we were met with significant operational, financial, and environmental challenges when further inherent faults within the cable were discovered.

This resulted in an inability to operate the cable above 25% of its designed capacity, compromising reliability and security of supply. The shortfall in electricity demand had to be generated at the power station, which brought an additional generation cost of circa £10m and produced an associated 216,000 tonnes of carbon dioxide.

Following the repair in October 2018 (and the two previous repairs in 2012 and 2014) and considering the impact of ongoing reduced import capacity, replacing the subsea section was concluded to be the only option available to provide a reliable solution. Therefore, in early 2019, the replacement project was initiated.

Contracts were signed in March 2019 to secure a manufacturing slot and installation for that calendar year.

The project presented complex challenges, including weather and tidal conditions, but thanks to the hard work of all teams at Guernsey Electricity, our main subcontractors and the cable manufacturer NKT, the replacement was installed and in operation by autumn 2019. Importantly, this was completed in time to provide a reliable energy supply over the 2019-2020 winter period.

We are proud to have completed the replacement of the cable in such a short timeframe, allowing Guernsey to return to importing more than 90% of its electricity from sustainable sources and for the power station to return to its back-up role.

The support we received for the project from local stakeholders and the general public in both Guernsey and Jersey was greatly appreciated.

The failure of GJ1 reinforces the importance of securing a diverse and sustainable supply of electricity for Guernsey and reducing our reliance on fossil fuels through our on-island generation option.

Directors' report

The directors present their report and the audited financial statements for the 18-month period ended 30 September 2020. These comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, the cash flow statement and notes to the financial statements set out on pages 33 to 65.

Incorporation

Guernsey Electricity Limited (the "company") was incorporated on 24 August 2001.

Principal activities

The principal activities of the company are the generation, importation and distribution of electricity and the sale of associated goods and services.

Dividend

No dividend was paid during the period (31 March 2019: £nil paid), representing £nil per share (31 March 2019: £nil per share paid). The company will not be proposing a dividend at the 2021 Annual General Meeting (2019: £nil proposed).

Customers

The number of customers as at 30 September 2020 is 30,859 (31 March 2019: 30,678).

Units

Importation through the cable link between Guernsey, Jersey and the European grid provided 74% (31 March 2019: 55%) of the island's electricity needs in the 18-month period ended 30 September 2020 and 26% (31 March 2019: 45%) was generated on the island, as shown by the units analysis below:

	30 Sept 2020	31 Mar 2019
Units imported MWh	394,069	203,968
Units generated MWh	137,809	165,043
Total units imported/generated MWh	531,878	369,011

Average price

The average price per kWh sold in the period ended 30 September 2020 was 15.10 pence (31 March 2019: 14.54 pence).

Reliability

The reliability of Guernsey Electricity's supply is measured by minutes lost per customer. Power outages can be caused by failures of generators, the distribution network or the cable link. In the 18-month period ended 30 September 2020, customers lost 21.51 minutes due to generation/importation activity (31 March 2019: 31.68 minutes) and 32.19 minutes were lost per customer in respect of distribution (31 March 2019: 35.13 minutes).

Directors and their interests

The directors of the company, who served during the period and to date, are as detailed on page 2.

The directors have no beneficial interests in the shares of the company.

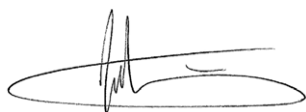
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Ernst & Young LLP (EY) have expressed their willingness to continue in office as auditor and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

For and on behalf of the Board of Directors.



IA Hardman

Director



AM Bates

Director

20 April 2021

Corporate governance

As a Board we take corporate governance very seriously. We make significant investments in our governance and compliance systems and the training of our people to ensure these systems are running effectively.

Guernsey Electricity's corporate governance arrangements are based on the proportionate and relevant application of good practice.

The Board

The Board's role is to provide entrepreneurial leadership of the company within a prudent framework of risk management and internal control. The Board is responsible for setting and implementing strategy, allocating the necessary human and financial resources to meet the company's objectives and monitoring the performance of management against those objectives. The Board is collectively accountable for the success of the company, to deliver the company's values and standards and takes decisions objectively in the interests of the company, its shareholders and other stakeholders.

Division of responsibilities

Chairperson

Ian Hardman, the Chairperson, is responsible for the running of the Board and spends on average 1.5 days per week in his role. The Board consider that he has no other external directorships which make conflicting demands on his time as Chairperson. Gillian Browning is the Deputy Chairperson appointed by the Board.

Chief Executive

Alan Bates is the Chief Executive Officer and is responsible for running the company's business and is head of the Executive Leadership Team ("ELT").

Executive Directors

The Chief Financial Officer and Deputy Chief Executive Officer, Julian Turner and Chief Operating Officer, Sally-Ann David are the other two Executive Directors on the Board and ensure the company's financial and operational objectives are delivered and the governance and compliance systems are working effectively.

Non-Executive Directors

Non-Executive Directors help to develop and challenge the company's strategy. They evaluate the performance of management and monitor the reporting of performance. They consider the integrity of financial information and the strength of financial controls and risk management systems. They oversee executive remuneration and play the main role in the appointment, removal and succession planning for Executive Directors.

The Shareholder

Guernsey Electricity Limited is 100% owned by the States of Guernsey, through the States Trading and Supervisory Board. There is a Memorandum of Understanding between the shareholder and the company setting out matters which can be dealt with by the company and those which should be referred back to it together with inclusion of the shareholder expectations in respect of corporate governance.

How the Board operates

Board balance and independence

Throughout the financial period the company has had a balance of independent Non-Executive Directors on the Board who ensure that no one person has disproportionate influence. There are currently six Non-Executive Directors and three Executive Directors on the Board.

All of the Non-Executive Directors bring with them significant commercial experience from different industries, which ensures that there is an appropriate balance of skills on the Board.

Robert Dutnall and Robert Lawrence retired from the Board on 15 October 2019 and 15 September 2020 respectively. Ian Chapman and Tania Songini both joined the Board on 15 September 2020.

Information and professional development

For each scheduled Board meeting the Chairperson and the Company Secretary ensure that the directors receive a copy of the agenda for the meeting, company financial, strategic and operating information and information on any other matter which is to be referred to the Board for consideration. The directors also have access to the Company Secretary for any further information they require. In the months where there is no scheduled Board meeting, the directors receive the prior month and cumulative company financial and operating information.

All newly appointed directors participate in an internal induction programme that introduces the director to the company and key stakeholders.

The Company Secretary, who is appointed by the Board is responsible for facilitating compliance with Board procedures. This includes recording any concerns relating to the running of the company or proposed actions arising there from, that are expressed by a director in a Board meeting. The Company Secretary is also Secretary to all of the Board's Sub-Committees.

Board meetings and attendance

Attendance during the financial period for Board meetings is given in the table below:

Director	Meetings attended	Total meetings held
IA Hardman	8	8
AM Bates	8	8
JPC Turner	8	8
S-A David	8	8
RP Lawrence (retired by rotation 15 September 2020)	7	7
RJ Dutnall (retired by rotation 15 October 2019)	3	3
RL Denton	8	8
GM Browning	8	8
P Shaefer	8	8
I Chapman (appointed 15 September 2020)	1	1
T Songini (appointed 15 September 2020)	1	1

Board strategy

The Board meets once a year for the Board Strategy Day, attended by the ELT and other senior employees to agree strategic priorities for the next three years and to provide direction on key issues to the ELT. The Board also meets annually for the Board Risk Review Session. The company's top strategic risks and annual risk actions, as proposed by the ELT are reviewed and approved by the Board, thereby setting the company's risk management strategy for the year.

Key areas of focus for the Board

The principle areas of strategic focus and development agreed by the Board and monitored throughout the financial period were:

- Guernsey to France interconnector cable (GF1)
- Network investment programme and funding
- Enterprise Resource Planning ("ERP") system
- Regulatory framework

How we are governed

In addition to regular scheduled Board meetings, the Board has delegated some of its governance responsibilities to various Sub-Committees. Each of the committees has Terms of Reference agreed by the Board.



Remuneration & Nominations Sub-Committee

The Remuneration & Nominations Sub-Committee, which is chaired by Gillian Browning, consists solely of a minimum of two Non-Executive Directors. The purpose of the Remuneration & Nominations Sub-Committee is to assist the Board in the effective discharge of its responsibilities for the remuneration and other employment conditions of Executive Directors and senior management and to act as a Nominations Sub-Committee as the need arises.

No director is permitted to be involved in deciding the amount of his or her own remuneration. The Remuneration & Nominations Sub-Committee considers that the policy and procedures in place provide a level of remuneration for the directors which is both appropriate for the individuals concerned and in the best interests of the shareholder.

There were eight Remuneration & Nominations Sub-Committee meetings held in the financial period.

The membership of this Sub-Committee during the financial period was as follows.

Chairperson:	GM Browning (from 26 November 2019)
	RP Lawrence (until 26 November 2019)
Members:	IA Hardman
	GM Browning (until 26 November 2019)
	RP Lawrence (from 26 November 2019 until 15 September 2020)

Audit & Risk Sub-Committee

The purpose of the Audit & Risk Sub-Committee is to assist the Board of Directors of Guernsey Electricity Limited in the effective discharge of the Board's responsibilities for risk management, financial reporting and internal control in order to ensure high standards of probity and good corporate governance. In doing so, the Audit & Risk Sub-Committee is required to act independently of the executive and seek to safeguard the interest of the company shareholder.

Whilst the Sub-Committee has no executive powers, it has wide ranging terms of reference and reports to the Board on a regular basis.

The Audit & Risk Sub-Committee members comprise Non-Executive Directors. Rick Denton is the Chairperson of the Audit & Risk Sub-Committee and the Board is satisfied that the Sub-Committee has through its membership, access to recent and relevant experience to enable the duties of the Sub-Committee to be fully discharged.

There were nine Audit & Risk Sub-Committee meetings in the financial period, all attended by the company's Head of Risk & Compliance, Rob Winter and attendance at one meeting by representatives from RSM UK, the company's main external provider of business assurance and internal audit services.

The membership of this Sub-Committee during the financial period was as follows:

Chairperson:	RL Denton (from 5 November 2019)
	RJ Dutnall (until 15 October 2019)
Members:	IA Hardman (until 1 May 2019)
	RL Denton (until 5 November 2019)
	RP Lawrence (from 26 November 2019 until 15 September 2020)
	P Shaefer

Land & Property Sub-Committee

Julian Turner is the Chairperson of the Land & Property Sub-Committee. The main terms of reference for this Committee are to review and approve all routine property transactions undertaken by the company up to a limit set by the Board and to undertake such other tasks relating to land and property as directed by the Board. This Sub-Committee comprises the Chairperson of the Board together with all of the Executive Directors. There were eleven Land & Property Sub-Committee meetings held in the financial period.

Relations with the shareholder

The company's issued share capital is wholly owned by the States of Guernsey. The States Trading Companies (Bailiwick of Guernsey) Ordinance, 2001, as amended, provided for the States of Guernsey Advisory & Finance Committee (subsequently the Treasury & Resources Department) to undertake, on behalf of the States, the role of shareholder representative.

Following the re-organisation of the States of Guernsey and the introduction of "The Organisation of States' Affairs (Transfer of Functions) Ordinance 2016" and the General Election of Deputies held in April 2016, the powers, duties and responsibilities of the Treasury & Resources Committee in relation to the company were transferred to the States Trading Supervisory Board. The shareholder functions, including holding equally the issued share capital of the company in trust on behalf of the States of Guernsey, of the Minister and Deputy Minister of the Treasury & Resources Department have also been transferred to the President and Vice President of the States Trading Supervisory Board by virtue of section 1.(1) The Organisation of States' Affairs (Transfer of Functions) Ordinance 2016.

Provision is also in place for the States to give guidance to the States Trading Supervisory Board on the policies it wishes to be pursued in fulfilling its role. Each year, the company submits its forward plan to the States Trading Supervisory Board. In addition, the company has signed a Memorandum of Understanding with the States' shareholder representative concerning the manner in which the company and its shareholder's representatives will interact in respect of stewardship and corporate governance matters generally.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law, they have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland and applicable company law.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and to enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website, and for the preparation and dissemination of financial statements. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Guernsey Electricity Limited

Opinion

We have audited the financial statements of Guernsey Electricity Limited ("the Company") for the period ended 30 September 2020, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement and notes 1 to 24 to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2020 and of the Company's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standards" applicable in UK and Ireland; and
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's ("FRC") Ethical Standards, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the financial statements or our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters for which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the company; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities set out on page 30, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Ernst & Young LLP
Guernsey, Channel Islands

Date: 5 May 2021

Notes:

1. The maintenance and integrity of the Guernsey Electricity Limited web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.
2. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of comprehensive income

for the period ended 30 September 2020

	Note	30 Sept 2020 £'000	31 Mar 2019 £'000
Revenue	4	81,437	54,920
Cost of sales		(70,487)	(52,216)
Gross profit		10,950	2,704
Net operating expenses		(19,925)	(10,455)
Operating loss before pension settlement		(8,975)	(7,751)
Pension settlement gains	21	1,070	18,194
Operating (loss)/profit after pension settlement	5	(7,905)	10,443
Net gains/(losses) on derivatives at fair value	20	1,373	(464)
Finance income	6	169	167
Finance cost	6	(1,013)	(257)
Other finance cost	21	(278)	(568)
(Loss)/profit on ordinary activities before taxation		(7,654)	9,321
Taxation	7, 13	1,757	(1,746)
(Loss)/profit for the financial period after taxation		(5,897)	7,575
Other comprehensive income:			
Effective portion of changes in fair value of cashflow hedges	20	(414)	(103)
Remeasurement of net defined benefit liability	13, 21	(8,232)	8,906
Total comprehensive income for the financial period		(14,543)	16,378

All activities derive from continuing operations.

The notes on pages 37 to 65 form an integral part of these financial statements.

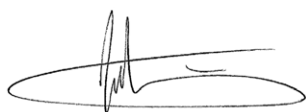
Statement of financial position

at 30 September 2020

	Note	30 Sept 2020 £'000	31 Mar 2019 £'000
Non-current assets			
Property, plant and equipment	9	150,747	133,852
Investments	10	5	5
		150,752	133,857
Current assets			
Inventories	11	6,198	6,963
Trade and other receivables	12	14,179	12,669
Balances with States Treasury	14	23	7,295
Cash		4,855	1,125
		25,255	28,052
Current liabilities			
Trade and other payables: amounts falling due within one year	15	(15,823)	(18,905)
Net current assets		9,432	9,147
Total assets less current liabilities		160,184	143,004
Non-current liabilities			
Trade and other payables: amounts falling due after more than one year	16	(47,773)	(26,264)
Pension deficit	21	(18,815)	(8,601)
Net assets including pension deficit		93,596	108,139
Equity			
Share capital	17	105,209	105,209
Reserves		(11,613)	2,930
Total equity		93,596	108,139

The financial statements on pages 33 to 65 were approved by the Board of Directors on 20 April 2021.

Signed on behalf of the Board of Directors



IA Hardman Director



AM Bates Director

The notes on pages 37 to 65 form an integral part of these financial statements.

Statement of changes in equity

for the period ended 30 September 2020

	Share capital £'000	Reserves £'000	Total equity £'000
1 April 2018	105,209	(13,448)	91,761
Profit for the financial year	–	7,575	7,575
Other comprehensive income for the year			
Remeasurement of net defined benefit liability	–	8,906	8,906
Effective losses on hedging instruments in a cash flow hedge	–	(103)	(103)
Total comprehensive income for the year	–	16,378	16,378
31 March 2019	105,209	2,930	108,139
Loss for the period	–	(5,897)	(5,897)
Other comprehensive income for the period			
Remeasurement of net defined benefit liability	–	(8,232)	(8,232)
Effective losses on hedging instruments in a cash flow hedge	–	(414)	(414)
Total comprehensive income for the period	–	(14,543)	(14,543)
30 September 2020	105,209	(11,613)	93,596

Cash flow statement

for the period ended 30 September 2020

	Note	30 Sept 2020 £'000	31 Mar 2019 £'000
Net cash inflow from operating activities	18	8,646	5,130
Cash flow from investing activities			
Finance income		169	168
Payments to acquire property, plant and equipment		(33,196)	(11,612)
Proceeds of disposal of property, plant and equipment		19	18
Customers' contributions towards capital expenditure		259	58
Net cash outflow from investing activities		(32,749)	(11,368)
Cash flow from financing activities			
Finance cost		(1,050)	(159)
Amounts drawn under credit facilities		28,000	22,000
Amounts repaid under credit facilities		(6,417)	(14,000)
Net cash inflow from financing activities		20,533	7,841
(Decrease)/increase in cash and cash equivalents during the period		(3,570)	1,603
Cash and cash equivalents at the beginning of the period		8,420	6,842
Exchange gains/(losses) on cash and cash equivalents		28	(25)
Cash and cash equivalents at the end of the period		4,878	8,420
Cash and cash equivalents consists of:			
Balances with States Treasury	14	23	7,295
Cash		4,855	1,125
		4,878	8,420

Movements in balances with States Treasury (note 14) and the other income are deemed cash equivalents in accordance with section 7 of FRS 102 (Statement of Cash Flows).

The notes on pages 37 to 65 form an integral part of these financial statements.

Notes to the financial statements

Period ended 30 September 2020

1. General information

Guernsey Electricity Limited was incorporated on 24 August 2001 and is registered in Guernsey. The company is governed by the provision of the Companies (Guernsey) Law, 2008. The address of its registered office is PO Box 4, Electricity House, North Side, Vale, Guernsey, GY1 3AD.

The company was established in accordance with the provisions of the States Trading Companies (Bailiwick of Guernsey) Law 2001 (Commencement) Ordinance and the States Trading Companies (Bailiwick of Guernsey) Ordinance 2001 to take over the generation, importation and distribution of electricity previously carried out by the States of Guernsey Electricity Board with effect from 1 February 2002.

The principal activities of the company are the generation, importation and distribution of electricity and the sale of associated goods and services.

The company is classified as a Public Benefit Entity given that its primary objective is to seek value and an appropriate return that provides best value to the island's economy whilst striking a balance with its enabling role in supporting the social, economic and environmental objectives for the long-term benefit of the island and its community.

2. Statement of compliance

The financial statements give a true and fair view, have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and are in compliance with the Companies (Guernsey) Law, 2008.

3. Principal accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the financial periods presented, unless otherwise stated.

Basis of preparation

As reported in last year's financial statements, the Board of Guernsey Electricity approved a change in fiscal date from 31 March to 30 September. This change in fiscal date aids business forecasting and reduces period end unbilled revenue estimation as the higher winter consumption periods move towards the beginning of the financial period. This accounting period is therefore a transitional 18-month period from 1 April 2019 to 30 September 2020. Consequently, this financial period's results are not directly comparable with the results of the previous 12-month period. The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost convention as modified by the fair value for derivative financial instruments.

Going concern

On the basis of their assessment of the company's financial position and resources, the directors believe that the company is well placed to manage its business risks.

The company holds credit loan facilities with total facility limits of £63m of which £19m remains available to draw down as at 30 September 2020 as set out in the table below:

3. Principal accounting policies – (continued)*Going Concern – (continued)*

Credit Facility	Facility Limit	Term	Expiry	Drawn down as at 30 Sept 2020	Available to draw
RBSI Revolving Credit Facility	£20m (with option to increase to £35m)	5 years	2 October 2023	£16m	£19m
RBSI Term Loan	£15m	10 years	31 May 2029	£14.58m	-
States of Guernsey Bond	£13m	25 years	30 June 2045	£13m	-
Total	£63m			£43.58m	£19m

The company undertakes active monitoring of its loan covenants, maintaining sufficient headroom to ensure compliance and management have mitigating measures to deploy in order to avoid any potential breach.

The Guernsey Competition and Regulatory Authority (“GCRA”) have approved historic cost recoveries of 6.8% and 4.8%, effective from 1 July 2019 and 1 September 2020 respectively, each applicable for three years from commencement to cover increased foreign exchange and commodity costs. These rises enable Guernsey Electricity to recover the uncontrollable costs related to the periods 1 April 2017 to 31 March 2019 and 1 April 2019 to 31 March 2020 respectively, created by increases in external costs to import electricity and generate on-island.

On 11 March 2020, the World Health Organisation declared Coronavirus (“COVID-19”) as a global pandemic. Subsequently, on 25 March 2020 the States of Guernsey imposed universal lockdown restrictions on islanders and businesses, which lasted in some form until June 2020. A second COVID-19 related lockdown was imposed in the island on 23 January 2021 with relaxations to exit lockdown measures commencing on 22 February 2021. All operational and financial projections for the company have reflected on these events and the continuing circumstances of the pandemic, and as at the date of approval of these financial statements, the overall prospective impacts are considered to be manageable.

Therefore, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these financial statements.

*Revenue**a) Sales of electricity*

Sales of electricity are accounted for on an accruals basis and include the estimated value of unbilled units at the period end. The unbilled units are valued at current tariff rates.

b) Sales of goods, commercial and hire purchase

The company operates a retail sales section offering white and brown goods to customers across the Bailiwick of Guernsey. Sales of goods are recognised on sale to the customer, as this is the point at which the company recognises the transfer of risks and rewards.

The company operates a commercial contracting section providing electrical and plumbing services to domestic, commercial and industrial clients. Revenue is recognised as the service is provided.

3. Principal accounting policies – (continued)*Revenue – (continued)*

The company provides hire purchase facilities on the provision of goods and services ancillary to the principal activities of the company. The sales value is included in revenue at the inception of the hire purchase transaction and interest is included in finance income over the finance period of the transaction on an effective interest rate basis.

c) Rental income

Rental income is accrued on a time basis by reference to the agreements entered.

d) Deferred income

Customers' contributions towards capital expenditure are credited in equal annual amounts to the statement of comprehensive income over the estimated life of the assets to which they relate.

e) Other income

This represents minor income streams including, but not limited to, consultancy services and discounts received. These sales are valued as the service is provided or receipt is due.

Employee benefits

The company provides a range of benefits to employees, including a defined benefit pension plan and holiday pay. The defined benefits pension plan was closed to new members from 1 October 2017. A new defined contributions pension plan was set up to receive members from 1 April 2018.

a) Short-term benefits

Short-term employee benefits such as salaries and compensated absence are recognised as an expense in the period employees render services to the company. Holiday leave accruals are recognised at each balance sheet date to the extent that employee holiday allowance has been accrued but not taken, the expense being recognised as staff costs in the statement of comprehensive income.

b) Pension costs

The employees' pension scheme is a defined benefits scheme. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The company applies employee benefits, Section 28 of FRS 102. In so doing, current service cost and any past service cost is charged to the statement of comprehensive income, together with finance costs/income for the scheme which are charged/credited to the statement of comprehensive income. The difference between the expected and actual actuarial gains and losses are charged to other comprehensive income. Annually, the company engages independent actuaries to calculate the defined benefit obligation. The present values of the defined benefit obligation, the related current service cost and any past service costs (if applicable) were measured using the projected unit method. Full actuarial valuations are carried out on a triennial basis and annual updates are carried out to disclose the values and assumptions in accordance with Section 28 of FRS 102.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

3. Principal accounting policies – (continued)*Employee benefits – (continued)*

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- (i) the increase in pension benefit liability arising from employee service during the period; and
- (ii) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as 'Other finance cost'.

This defined benefits scheme was closed to new members from 1 October 2017. A new defined contributions scheme was established and there were 44 members as at 30 September 2020 (31 March 2019: 10 members).

Leases

Operating lease rentals are charged to the statement of comprehensive income in equal annual amounts over the lease term.

Finance income/cost

Finance income and finance costs are accounted for on an accruals basis using the effective interest rate.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

a) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

b) Deferred taxation

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference. The pension scheme deficit shown in the accounts is gross of the deferred tax asset.

3. Principal accounting policies – (continued)*Property, plant and equipment*

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Assets transferred from the States of Guernsey Electricity Board as at 1 February 2002 are being depreciated over their residual estimated useful lives from that date applying the periods noted overleaf. Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the statement of comprehensive income and included within the operating profit.

Depreciation is calculated so as to write off the cost of property, plant and equipment over the period of their estimated useful lives using the straight-line method. The estimated life of each class of non-current asset is set out below. The estimated life of associated assets within each category are aligned to the remaining useful lives of the major asset to which they are associated with and therefore individual assets may have lives up to, but not exceeding, the time periods noted below. Depreciation commences in the period of acquisition, or on completion of construction. Any shortfall of depreciation arising on the disposal, or write-off, of non-current assets is charged to the disposals account and any proceeds arising from the disposal are credited to that account. Land is not depreciated. Major overhauls of generating assets are treated as separate components and depreciated on the basis of elapsed running hours for the relevant asset.

The estimated lives are as shown below:

		Estimated life in hours	Estimated life in years
Buildings			40
Buildings equipment			10
Cable link			25 – 30
Plant and machinery:	- Generation		20 – 35
	- Overhauls	24,000	
	- Distribution		20 – 35
	- Street lights		20
Distribution network comprising:	- Distributors		75
	- Meters		5 – 15
	- Cyclocontrol receivers		5
Motor vehicles			7
Furniture and equipment			3 – 10
Minor plant			5 – 10

3. Principal accounting policies – (continued)*Joint arrangements*

The Channel Islands Electricity Grid Limited is a jointly controlled operation between Jersey Electricity plc and Guernsey Electricity Limited who each own an equal 50% shareholding. The company was formed to manage the cable link project and the ongoing operation of the cable links between Guernsey, Jersey and France. In accordance with Section 15 of FRS 102, “Investments in joint ventures”, these financial statements include the company’s entitlement to the assets, liabilities, cash flows and the shared items of this Joint Arrangement where the company’s entitlements are fully determined by contracts with the other party to the jointly controlled operation.

The Channel Islands Electricity Grid Limited is considered to meet the definition of a jointly controlled operation. As a result, for its interest in the Channel Islands Electricity Grid Limited, Guernsey Electricity Limited recognises the following in its financial statements in accordance with FRS 102, paragraph 15.5:

- (a) the assets that it controls and the liabilities that it incurs; and
- (b) the expenses that it incurs and its share of any income earned by the joint venture.

The jointly controlled operation assets are included within property, plant and equipment.

Impairment of non-financial assets

At each statement of financial position date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset or asset’s cash generating unit (“CGU”) may be impaired. If there is such an indication the recoverable amount of the asset or CGU is compared to the carrying amount of the asset or CGU. The recoverable amount of the asset or CGU is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset’s or CGU continued use.

The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset or CGU is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the statement of comprehensive income, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the statement of comprehensive income.

If an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the statement of comprehensive income.

Inventories

Inventories are valued at the lower of cost and estimated selling price less cost to complete and sell. Inventories are valued at weighted average cost. In respect of goods held for resale, a provision is made based on the time elapsed since the goods were purchased. Provision is made for other inventories relating to strategic plant, based upon the remaining useful economic life of the assets to which they relate. The cost of work in progress includes costs directly related to the units of production and a systematic allocation of fixed and variable production overheads. Inventories are recognised as a cost of sale in the period in which the related revenue is recognised.

3. Principal accounting policies – (continued)

Inventories – (continued)

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the statement of comprehensive income. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the statement of comprehensive income.

Foreign exchange

a) Functional and presentation currency

The company's functional and presentation currency is Pounds Sterling, being the primary economic environment in which the company operates. All amounts in the financial statements have been rounded to the nearest £1,000.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period-end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Financial instruments

a) Financial assets

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including receivables and cash and bank balances, are initially recognised at transaction price plus transaction costs, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

3. Principal accounting policies – (continued)*Financial instruments – (continued)***b) Financial liabilities**

Basic financial liabilities, including trade and other payables and short-term loans, are initially recognised at transaction price less transaction costs, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

c) Derivatives

Derivatives, including interest rate swaps, heavy fuel oil commodity swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in the statement of comprehensive income, except when applying hedge accounting.

The company enters into forward exchange contracts to mitigate the risk of fluctuations in the currency rate between the Euro and Sterling in meeting its financial obligations for the import of electricity units from the European grid and on major infrastructure projects. The company does not hold or issue financial instruments for speculative purposes. The company also hedges against the fluctuation in the price of heavy fuel oil, including the movement in the US Dollar, which is inherent in the pricing.

These contracts are measured at fair value utilising the third-party market valuations provided by the relevant counterparties on the basis of 'exit' model methodologies.

The company applies hedge accounting for its foreign exchange hedging of the Euro exposure for the import of electricity. These relationships are designated as cash flow hedges of highly probably forecast transactions. The fair value of these hedges is shown in note 20. Changes in the fair value of derivative financial instruments which are designated as highly effective hedges of future cash flows are recognised directly in other comprehensive income and any ineffective portion is recognised immediately in profit or loss in the statement of comprehensive income. When hedges mature, amounts deferred in other comprehensive income are recognised in profit or loss in the statement of comprehensive income in the same period as the hedged item. The risks being hedged are as outlined above. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Until that time, any cumulative gain or loss on the hedging instrument recognised in other comprehensive income is kept in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss that has been recognised in other comprehensive income is transferred to profit or loss in the statement of comprehensive income.

3. Principal accounting policies – (continued)*Financial instruments – (continued)***d) Offsetting**

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Cash and cash equivalents

Cash and cash equivalents include cash at bank, balances with States Treasury, highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within trade payables in current liabilities.

Critical accounting judgements and estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(i) Revenue

Sales of electricity include an estimate for the value of unbilled units at the end of each financial period which represents the estimated units consumed by customers since the last billing date. These unbilled units are valued at current tariff rates. See note 4 for the value of unbilled units included in sales of electricity.

*(ii) Property, plant and equipment (note 9)***a) Recognition**

The costs of property, plant and equipment are only recognised as an asset when there is sufficient certainty that the asset will be completed. For significant projects, an assessment is made at least annually, or at the time of key project milestones, and the associated costs are recognised in the statement of comprehensive income until such time that management considers it probable that the project will proceed to completion.

b) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the property, plant and equipment.

3. Principal accounting policies – (continued)*Critical accounting judgements and estimation uncertainty – (continued)*

c) Impairment/disposals

At each statement of financial position date, non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset or CGU may be impaired. If there is such an indication, an estimation of the recoverable amount of the asset or CGU is determined which requires estimation of the future cash flows from the asset or CGU and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

(iii) Retirement benefit obligations – for details and assumptions see note 21

(iv) Deferred tax/unrelieved trading losses – for details and assumptions see note 7

4. Revenue

	30 Sept 2020 £'000	31 Mar 2019 £'000
Sales of electricity	74,606	50,182
Sale of goods, commercial and hire purchase	5,940	4,048
Rental income	371	247
Deferred income	283	182
Other income	237	261
	81,437	54,920

All sales of electricity arise from customers in the island of Guernsey. Sales of goods, commercial and hire purchase are made to customers throughout the Bailiwick of Guernsey. As stated in the accounting policy for sales of electricity, at the end of each financial period, an estimate of the unbilled units is determined.

The value of unbilled units included in sales of electricity above is £4,774,000 (31 March 2019: £6,706,000).

5. Operating (loss)/profit*Operating (loss)/profit is after charging/(crediting)*

	30 Sept 2020 £'000	31 Mar 2019 £'000
Depreciation (note 9)	11,069	7,736
Impairment	–	3,367
Pension settlement gain (note 21)	(1,070)	(18,194)
Rentals under operating leases	179	124
Auditor's remuneration		
– statutory audit	125	43
– non-audit services	–	–
Bad debts	437	100
Director fees, salaries and other benefits	1,438	930
Regulatory costs		
– external	102	60
– internal	127	45
Loss on disposal of assets	24	45

The amount of inventories recognised as an expense during the period is as follows:

	30 Sept 2020 £'000	31 Mar 2019 £'000
Inventory write-offs	63	19
Inventory discrepancies	31	5
Inventory provision	282	10

6. Finance and income cost

	30 Sept 2020 £'000	31 Mar 2019 £'000
Finance income:		
Deposits with banks and States Treasury	93	23
Hire purchase	76	144
	169	167
Finance cost:		
Medium-term credit facilities	669	255
Long-term credit facility	335	–
Other interest payable	9	2
	1,013	257

7. Taxation

The company's profits, or losses, from the activities subject to licence from the Guernsey Competition and Regulatory Authority will be chargeable to tax at the company higher rate of 20%, as will rental income from Guernsey properties. For all other company activities, the company standard rate of 0% is applicable. The tax adjusted profits of the company have been determined so that the appropriate amounts are taxed at the applicable rate.

The basis of assessment to Guernsey tax continues to be on an actual current period basis. The assessable profits for the current period have been offset against the unrelieved trading losses and excess capital allowances carried forward from prior years.

Deferred tax in the financial statements is measured at the actual tax rates that are expected to apply to the income in the periods in which the timing differences are expected to reverse. Various rates of income tax are applied depending on the activity of the company. The rate applied in relation to the company's activities is a combination of the company standard rate and the company higher rate. Deferred tax has been provided on timing differences depending on which rate they are expected to reverse out in the future. Where deferred tax balances relate to items which may be taxed at either 20% or 0% a blended rate of 12.2636% (31 March 2019: 15.0178%) has been used to provide for deferred tax. The blended rate has been calculated by reference to the company's effective rate of tax in the period ended 30 September 2020.

The actual tax (credit)/charge differs from the expected tax (credit)/charge computed by applying the higher company rate of Guernsey income tax of 20% as follows:

7. Taxation – (continued)

	30 Sept 2020 £'000	31 Mar 2019 £'000
(Loss)/profit on ordinary activities before taxation	(7,654)	9,321
Tax (credit)/charge at 20%	(1,531)	1,864
Effects of adjusting items:		
Income not taxable	(428)	(366)
Disallowed items	5	9
Income taxable at the company standard rate (0%)	(196)	(137)
Short-term timing differences (pension taxed at blended rate)	299	293
Short-term timing differences (other)	94	83
Tax (credit)/charge in the statement of comprehensive income	(1,757)	1,746

The tax (credit) / charge relates to changes in deferred tax and there is no tax payable for the current period.

8. Dividend

No dividend was paid during the period (31 March 2019: £nil paid), representing £nil per share (31 March 2019: £nil per share paid). The company will not be proposing a dividend at the 2021 Annual General Meeting (2019: £nil proposed).

9. Property, plant and equipment

<i>Cost</i>	1 April 2019 £'000	Additions £'000	Written off/ disposals £'000	30 Sept 2020 £'000
Land and buildings	35,307	382	8	35,681
Cable link	66,656	17,896	-	84,552
Plant and machinery:				
– Generation	63,138	1,792	22	64,908
– Distribution	15,130	1,526	-	16,656
Distribution network	42,178	3,905	165	45,918
Motor vehicles, furniture and equipment, minor plant	8,872	2,507	77	11,302
	231,281	28,008	272	259,017
<i>Depreciation</i>	1 April 2019 £'000	Charge for the period £'000	Written off/ disposals £'000	30 Sept 2020 £'000
Land and buildings	15,136	1,409	8	16,537
Cable link	27,733	3,185	-	30,918
Plant and machinery:				
– Generation	29,816	3,607	20	33,403
– Distribution	5,035	700	-	5,735
Distribution network	15,151	1,274	138	16,287
Motor vehicles, furniture and equipment, minor plant	4,558	894	62	5,390
	97,429	11,069	228	108,270
Net book value	133,852			150,747

Included above are assets in the course of construction of £9,241,000 (31 March 2019: £14,627,000), which are not depreciated.

10. Investments

	30 Sept 2020 £'000	31 Mar 2019 £'000
Channel Islands Electricity Grid Limited	5	5

The Channel Islands Electricity Grid Limited is incorporated in Jersey and is a joint arrangement between Guernsey Electricity Limited and Jersey Electricity plc who each own an equal 50% shareholding. The company was formed to manage the cable link project and the ongoing operation of the cable links between Guernsey, Jersey and France. Guernsey Electricity Limited holds 5,000 Ordinary shares of £1 each.

11. Inventories

	30 Sept 2020		31 Mar 2019	
	£'000	£'000	£'000	£'000
Fuel inventories		2,764		3,215
Purchased goods for resale	224		245	
Provision	(11)	213	(8)	237
Other inventories	5,476		5,486	
Provision	(2,519)	2,957	(2,240)	3,246
Work in progress		264		265
		6,198		6,963

The replacement cost of inventories was lower than the statement of financial position carrying amounts as follows:

	30 Sept 2020 £'000	31 Mar 2019 £'000
Fuel inventories	(509)	(38)

There is no significant difference between the replacement cost of purchased goods for resale, other inventories and work in progress and their carrying amounts.

12. Trade and other receivables

	30 Sept 2020 £'000	31 Mar 2019 £'000
Estimated value of unbilled units	4,774	6,706
Customer accounts outstanding	4,214	4,166
Other receivables	470	494
Prepayments	743	864
Deferred tax asset (note 13)	3,312	401
Derivative financial instruments (note 20)	666	38
	14,179	12,669

Included in "Customer accounts outstanding" is an amount totalling £nil (31 March 2019: £172,000) due after more than one year, relating to goods and services purchased by customers under interest free and hire purchase agreements, which run for periods of up to 30 months.

Under FRS 102, the pension scheme deficit is presented in the statement of financial position gross of deferred tax. The deferred tax relating to the pension scheme deficit is recognised as part of the net deferred tax asset included within trade receivables.

13. Deferred tax asset

Deferred tax assets comprise of:	30 Sept 2020 £'000	31 Mar 2019 £'000
Deferred taxation:		
Balance at 1 April	401	3,713
Statement of comprehensive income credit/(charge)	1,757	(1,746)
Statement of other comprehensive income credit/(charge)	1,154	(1,566)
Balance at 30 September	3,312	401
Which comprises:		
Capital allowances in excess of depreciation	12,006	8,917
Short-term timing differences (other)	(226)	(242)
Unrelieved loss for tax purposes	(12,784)	(7,784)
Deferred tax (asset)/liability	(1,004)	891
Deferred tax asset on pension deficit (note 21)	(2,308)	(1,292)
Net deferred tax assets (note 12)	3,312	401

14. Balances with States Treasury

The Treasury Department of the States of Guernsey is engaged to invest the company's liquid funds in excess of its daily requirements.

15. Trade and other payables: amounts falling due within one year

	30 Sept 2020 £'000	31 Mar 2019 £'000
Trade payables	4,082	9,907
Customer payments received in advance	8,750	6,651
Employee taxes and Social Security	187	194
Deferred income	189	182
Accruals and other payables	2,569	1,594
Derivative financial instruments (note 20)	46	377
	15,823	18,905

The company has a £1m overdraft facility with Barclays Bank Plc (31 March 2019: £1m), and interest is payable quarterly at 1.75% over UK base rate. This facility is unsecured, is repayable on demand and is reviewed and approved by the Board annually. As at 30 September 2020, £nil was drawn on the Barclays Bank Plc overdraft facility (31 March 2019: £nil).

16. Trade and other payables: amounts falling due after more than one year

	30 Sept 2020 £'000	31 Mar 2019 £'000
Deferred income	4,190	4,264
Amount drawn under medium-term credit facilities (note 20)	30,583	22,000
Amount drawn under long-term credit facility (note 20)	13,000	-
	47,773	26,264

17. Share capital

	30 Sept 2020 £'000	31 Mar 2019 £'000
<i>Authorised:</i>		
125,000,000 ordinary shares of £1 each	125,000	125,000
<i>Issued and fully paid:</i>		
105,208,844 ordinary shares of £1 each	105,209	105,209

Two shares were issued on formation of the company and the remaining 109,208,842 shares were issued to equate to the consideration of £109,208,844 for the net assets acquired by the company from the States of Guernsey with effect from 1 February 2002.

On 13 December 2016, the company completed a share buyback of £4m of company shares from the States of Guernsey leaving the company with 105,208,844 issued shares equating to share capital of £105,208,844.

The ordinary shares do not confer any rights or preferences other than the right to vote, the right to participate in dividends or distributions that the company may make and such other rights, generally from time to time, including but not limited to, the rights, if any, to the repayment of capital as may be laid down in the company's Articles of Incorporation.

Dividends and distributions in particular, are subject to the provisions of Guernsey Company law and specifically, the Companies (Guernsey) Law, 2008 as amended or replaced.

The ordinary shares are subject to certain restrictions, including specifically, a restriction on the transfer of shares. In all cases, such restrictions are as laid down in the company's Articles of Incorporation and the provisions of any ordinance made by the States of Guernsey in exercise of its powers under the States Trading Companies (Bailiwick of Guernsey) Law 2001, as amended or replaced from time to time.

18. Reconciliation of operating (loss)/profit to net cash flow from operating activities

	30 Sept 2020 £'000	31 Mar 2019 £'000
(Loss)/profit for the period	(5,897)	7,575
Tax on (loss)/profit on ordinary activities	(1,757)	1,746
Net finance costs	1,122	658
Net (gains)/losses on derivatives at fair value	(1,373)	464
Operating (loss)/profit	(7,905)	10,443
Depreciation charge	11,069	7,736
Impairment	-	3,367
Loss on disposal of non-current assets	24	45
Exchange (gains)/losses on cash and cash equivalents	(28)	25
Pension service cost	2,668	2,394
Pension cost of benefit changes	24	-
Pension settlement gain	(1,070)	(18,194)
Employer's pension cash contributions	(1,098)	(809)
Pension administration costs	24	41
Deferred income	(283)	(182)
Decrease/(increase) in inventories	765	(1,277)
Decrease in receivables	2,029	825
Increase in payables	2,427	716
	8,646	5,130

19. Commitments

Capital commitments, for which no provision has been made in these financial statements, amounted to £10,335,000 (31 March 2019: £32,150,000 of which £24,804,000 related to the GJ1 cable link overlay project). These relate to outstanding commitments on capital projects across a range of asset categories.

*Cable link commitments**Commodity risk*

For the import of power from the European Grid, the company has a contract with Electricité de France ("EDF"). The existing electricity import contract with EDF is effective for a 10-year period which commenced from 1 January 2013 – this period was extended for a further 5 years on 25 June 2017. The related transmission agreement with Réseau de transport d'électricité ("RTE") also commenced from 1 January 2013. Under the import contract, there is a take or pay commitment, whereby the company is jointly and severally liable, along with the Channel Islands Electricity Grid Limited and Jersey Electricity plc, for a block of power over the term of the contract. The remainder of the requirement will be decided by a market pricing mechanism with no volume commitment. The price at which the take or pay block is agreed for the period of the contract, and for calendar year 2021 this results in a total commitment for Guernsey Electricity Limited of €8.9m, equating to £8.1m at the Sterling/Euro rate at 30 September 2020 of 1.1014, (2020: €8.9m, equating to £7.7m at the Sterling/Euro rate at 31 March 2019 of 1.1595).

Operating lease commitments

Commitments to make payments in respect of operating leases are as follows:

	30 Sept 2020 £'000	31 Mar 2019 £'000
<hr/>		
Operating leases which expire:		
Within one year	110	110
Between one to five years	101	248

20. Financial instruments and associated risk management

The categories of financial assets and financial liabilities, at the reporting date, in total, are as below:

	Note	30 Sept 2020 £'000	31 Mar 2019 £'000
Financial assets at fair value through profit or loss			
Derivative financial instruments:	12		
– Interest rate caps		45	36
– Forward foreign currency contracts		621	2
Financial assets that are debt instruments measured at amortised cost			
Estimated value of unbilled units	12	4,774	6,706
Customer accounts outstanding	12	4,214	4,166
Other receivables	12	470	494
Cash and cash equivalents		4,878	8,420
Financial liabilities measured at amortised cost			
Trade payables	15	4,082	9,907
Customer payments received in advance	15	8,750	6,651
Deferred income	15,16	4,379	4,446
Accruals and other payables	15	2,569	1,594
Amount drawn under medium-term credit facilities	16	30,583	22,000
Amount drawn under long-term credit facility	16	13,000	–
Financial liabilities measured at fair value through profit or loss			
Derivative financial instruments – Forward foreign currency contracts	15	46	377

Financial Assets at fair value through profit and loss

(a) Classification of financial assets at fair value through profit or loss

Derivative financial instruments – Interest Rate Caps

Interest rate risk

The company is exposed to interest rate risk primarily through its loan financing arrangements. The company has a five-year interest rate cap to hedge part of the interest rate risk associated with the £20m revolving credit facility held with RBS International. An interest rate cap of 1.75% has been applied to a notional amount of £16m and is referenced against the three-month sterling LIBOR rate.

20. Financial instruments and associated risk management – (continued)*Interest rate risk – (continued)*

The valuation of this instrument as at 30 September 2020 was £3,000 (31 March 2019: £36,000). A ten-year interest rate cap was entered into during the financial period, effective from 1 June 2019 in relation to a new ten-year loan facility with RBS International. An interest rate cap of 2.0% has been applied to a notional amount of £14.84m and is also referenced against the three-month sterling LIBOR rate. The valuation of this instrument as at 30 September 2020 was £42,000.

Financial Assets that are debt instruments measured at amortised cost**(a) Classification of financial assets that are debt instruments measured at amortised cost****Credit risk**

The company's credit risk is primarily attributable to its trade and other receivables which include receivables arising out of estimated value of unbilled units, customer accounts outstanding and other receivables. Trade receivables generally arise from transactions within the usual operating activities of the company. They represent undiscounted amounts of cash expected to be received (within a year) except for customer accounts outstanding which are due after more than one year. The amounts presented in the statement of financial position are net of allowances for doubtful receivables. Allowances are made where there is evidence of a reduction in the recoverability of cashflows. Cash and cash equivalents include cash at bank and in hand and balances with States Treasury with original maturities of three months or less (refer to note 14).

(b) Fair values of financial assets that are debt instruments measured at amortised cost

The carrying amounts of financial assets and liabilities measured at amortised cost are assumed to be the same as their fair values due to their short-term nature.

Liquidity risk

The company maintains a strong liquidity position and manages the liquidity profile of its assets, liabilities and commitments so that cashflows are appropriately balanced and to ensure that the company meets all its financial obligations as they fall due.

Financial liabilities measured at amortised cost

The carrying amounts of trade payables, customer payments received in advance, deferred income, accruals and other payables are assumed to be the same as their fair values due to their short-term nature.

Loan Commitments**(a) Revolving credit facility**

The company holds a five year, £20m revolving credit loan facility with RBS International. This loan facility is for general working capital and capital expenditure purposes. The loan incorporates an option to increase the credit facility to £35m for the purpose of the future financing of key infrastructure expenditure and an extension to £22m under this option was exercised on 18 March 2019. Interest costs for the commercial loan were at commercial rates of less than 2%. A commitment fee is payable on any undrawn amount in line with the terms of the arrangement. As at 30 September 2020, the company had utilised £16m of the loan (31 March 2019: £22m). The drawn amount has been classified as a financial liability measured at amortised cost. This facility expires on 2 October 2023.

(b) Term Loan facility

During the period, the company entered into a ten-year, £15m term loan facility with RBS International, effective from 1 June 2019. The purpose of this loan facility was for the part funding of the replacement Guernsey to Jersey interconnector. Interest costs for the commercial loan were at commercial rates of less than 2%. As at 30 September 2020, the balance drawn on the loan was £14.58m.

20. Financial instruments and associated risk management – (continued)*Loan commitments – (continued)**(c) States of Guernsey Bond*

During the period, the company entered into a twenty five-year, £13m loan agreement with the States of Guernsey. The purpose of this loan was for the part funding of the replacement Guernsey to Jersey interconnector. The interest rate for the loan is fixed at 3.625% for the loan term. As at 30 September 2020, the balance payable on the loan was £13m.

Financial liabilities measured at fair value through profit or loss**Derivative financial instruments – Forward Contracts***(a) Import Financial Hedge*

Currency risk

The company is exposed to currency risk through its import contracts with EDF and RTE which are denominated in Euros. The company manages the currency risk through derivative contracts. The company has entered into forward contracts for the purchase of the Euro. The company's commitment to forward contracts at the previous year ending 31 March 2019 was as follows:

Maturity	Notional amount €'000	Average hedged rate
Less than one year	12,770	1.1193
Greater than one year and less than two years	1,575	1.1023

As at 30 September 2020, the company is holding the following euro forward and participating forward contracts to hedge the exposure on its electricity import over the next 24 months. These dates represent when the cash flows are expected to occur and when they are expected to affect profit or loss:

Maturity	Notional amount €'000	Average hedged rate
Less than one year	17,979	1.1126
Greater than one year and less than two years	10,479	1.1331

The impact of hedging instruments designated in cash flow hedging relationships as of 30 September 2020 on the statement of financial position of the company is as follows:

Line item in the statement of financial position	Notional amount €'000	Carrying amount £'000
Trade and other receivables	22,458	621
Trade and other payables: amounts falling due within one year	6,000	(46)

20. Financial instruments and associated risk management – (continued)*Derivative financial instruments – Forward Contracts – (continued)*

As at 30 September 2020, the outstanding contracts for import all mature within 24 months of the period end. These contracts are measured at fair value utilising the third-party market valuations provided by the relevant counterparties. The gain included within the statement of comprehensive income was an income of £1,373,000 (31 March 2019: The loss included within the statement of comprehensive income was £464,000). A £414,000 expense (31 March 2019: £103,000 expense) was recognised in other comprehensive income during the period reflecting the effective change in value of hedging instruments designated for hedge accounting.

A total of £138,000 (31 March 2019: £39,000) has been reclassified from equity to the statement of comprehensive income during the period. Gains and losses on the derivatives are recycled through the income statement at the time the purchase of power is recognised in the income statement.

Determination of fair value on contracts

These contracts are measured at fair value utilising the third-party market valuations provided by the relevant counterparties on the basis of ‘exit’ model methodologies.

21. Pension scheme**Nature of the Guernsey Electricity Limited actuarial account**

Some employees of the company are members of the States of Guernsey Public Servants Pension Scheme (“PSPS”). This is a defined benefits pension scheme funded by contributions from both employer and employee at rates which are determined on the basis of independent actuarial advice. As the PSPS is a multi-entity arrangement, the States of Guernsey contracted the PSPS’s qualified independent actuaries to identify the actuarial account for each entity and, therefore, the value of the pension fund assets and liabilities attributable to this company.

The actuarial account operated by the company provides retirement benefits based on final pensionable pay for service to 29 February 2016 and based on career average revalued earnings from 1 March 2016. Some protected members will continue to accrue benefits from 1 March 2016 linked to final pensionable pay. Employees recruited after 1 May 2015 accrue benefits based on career average revalued earnings. The actuarial account forms part of the PSPS. The PSPS is currently open to both future accrual and new members. However, Guernsey Electricity Limited’s actuarial account was closed to new members during the financial year to 31 March 2018.

The most recent formal valuation of the company’s actuarial account carried out as at 31 December 2016 reported that the actuarial account was in surplus. The company chose to maintain the contribution rate of 11.5% of pensionable pay using some of the surplus to cover the shortfall in the required contribution rate at the valuation date of 11.8% of pensionable pay and some as a prudent margin to cover any adverse future experience within the actuarial account. This contribution rate was approved by the States of Guernsey. The calculations for the FRS 102 disclosures have been carried out by running full actuarial calculations as at 30 September 2020.

Funding policy

The company’s actuarial account is funded by means of regular contributions to cover current benefit accrual, with the rates of contribution set after each triennial actuarial valuation. The funding method currently employed is the Projected Unit Method, which sets contribution rates based on the benefits expected to be accrued in the year following the valuation date. This contribution rate is then adjusted to take account of any surplus or shortfall in the actuarial account. The States of Guernsey determine the level of contributions payable to the actuarial account following advice from the scheme’s actuary.

21. Pension scheme – (continued)**Actuarial account amendment**

During the accounting period, a number of CARE Transition Members opted to be treated as Elected CARE Transition Members for benefits accrued from 1 March 2016. This has resulted in a small past service cost over the accounting period.

There was a settlement gain of £1,070,000 on 30 September 2020 in relation to a transfer of liabilities in relation to active leavers over the period from 1 April 2019 to 30 September 2020. A transfer value was paid from the actuarial account to the Combined Pool in respect of these liabilities.

Employee benefit obligations for Guernsey Electricity Limited in respect of the Guernsey Electricity Limited Actuarial Account of the States of Guernsey Superannuation Fund

The amounts recognised in the statement of financial position are as follows:

	30 Sept 2020 £'000	31 Mar 2019 £'000
Fair value of actuarial assets	36,456	32,747
Present value of funded obligations	(55,271)	(41,348)
Net underfunding in actuarial account	(18,815)	(8,601)
Related deferred tax asset (note 13)	2,308	1,292
Net defined pension liability	(16,507)	(7,309)

The amounts recognised in the statement of comprehensive income are as follows:

	30 Sept 2020 £'000	31 Mar 2019 £'000
Service cost	2,668	2,394
Cost of benefit changes	24	-
Settlement gains	(1,070)	(18,194)
Net interest on net defined benefit liability	278	568
Expense/(income) recognised in the statement of comprehensive income	1,900	(15,232)

21. Pension scheme – (continued)

The net interest on net defined benefit liability is comprised as follows:

	30 Sept 2020 £'000	31 Mar 2019 £'000
Interest on obligation	1,489	1,611
Interest on assets	(1,211)	(1,043)
Net interest on net defined benefit liability	278	568

The amounts recognised as remeasurements in other comprehensive income are as follows:

	30 Sept 2020 £'000	31 Mar 2019 £'000
Return on assets (not included in interest)	3,370	606
Actuarial (losses)/gains on obligation	(12,756)	9,866
Total remeasurements recognised in other comprehensive income	(9,386)	10,472
Cumulative amount of remeasurements recognised in other comprehensive income	(2,237)	7,149
Actual return on actuarial account assets	4,581	1,649

The following other costs will also need to be charged in the relevant sections of the accounts.

	30 Sept 2020 £'000	31 Mar 2019 £'000
Administration expenses paid from actuarial account	24	41
Other items	24	41

In addition, the company should charge any other administration expenses relating to the actuarial account which are paid directly from company funds.

The company contributed £1,098,000 to the actuarial account over the period from 1 April 2019 to 30 September 2020. Members of the actuarial account contributed £681,000 to the actuarial account over the same period.

The company expects to contribute £724,000 to the actuarial account over the next year from 1 October 2020 to 30 September 2021. Contributions by members of the actuarial account are expected to total £459,000 over the same period.

21. Pension scheme – (continued)

Changes in the present value of the actuarial account's defined benefit obligation are as follows:

	30 Sept 2020 £'000	31 Mar 2019 £'000
Opening defined benefit obligation	41,348	100,694
Service cost	2,668	2,394
Contributions by members	681	506
Cost of benefit changes	24	-
Liabilities extinguished on settlements	(3,696)	(53,205)
Benefits paid	-	(785)
Interest on obligation	1,489	1,611
Experience (gains)/losses	(1,695)	270
Losses/(gains) from changes in assumptions	14,452	(10,137)
Closing defined benefit obligation	55,271	41,348

The weighted average duration of the liabilities of the actuarial account was 28 years as at 30 September 2020.

Changes in the fair value of actuarial account assets are as follows:

	30 Sept 2020 £'000	31 Mar 2019 £'000
Opening fair value of actuarial account assets	32,747	65,620
Interest on assets	1,211	1,043
Return on assets (not included in interest)	3,370	606
Assets distributed on settlements	(2,627)	(35,011)
Contributions by employer	1,098	809
Contributions by members	681	506
Benefits paid	-	(785)
Administration expenses	(24)	(41)
Closing fair value of actuarial account assets	36,456	32,747

21. Pension scheme – (continued)

The major categories of actuarial account assets as a percentage of the total are as follows:

	30 Sept 2020 %	31 Mar 2019 %
Equities & alternatives	67	75
Bonds, fixed interest and short-term securities	23	18
Property	10	7

The actuarial account holds no financial instruments issued by the company nor does it hold any property or other assets used by the company.

Principal actuarial assumptions used for the FRS 102 disclosures:

	30 Sept 2020 % p.a.	31 March 2019 % p.a.
Discount rate at end of period	1.50	2.40
Discount rate at start of period	2.40	2.50
Inflation	2.70	2.40
Rate of increase in pensionable salaries	3.45	3.15
Rate of increase in deferred pensions	2.70	2.40
Rate of increase in CARE benefits	2.70	2.40
Rate of increase in pensions in payment	2.70	2.40

Mortality assumptions

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member aged 65 will live on average until age 86 (31 March 2019: 87 years) if they are male and until age 88 (31 March 2019: 89 years) if female. For a member currently aged 45, the assumptions are that if they attain age 65 they will live on average until age 88 (31 March 2019: 88 years) if they are male and until age 90 (31 March 2019: 90 years) if female.

21. Pension scheme – (continued)

Amounts for the current and previous period are as follows:

	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Defined benefit obligation	55,271	41,348	100,694	102,975	80,848
Actuarial Account assets	36,456	32,747	65,620	62,301	54,726
Deficit (gross)	(18,815)	(8,601)	(35,074)	(40,674)	(26,122)
Actuarial gains/(losses) on Actuarial Account assets	3,370	606	2,437	6,937	(1,987)
Experience gains/(losses) on Actuarial Account liabilities	1,695	(270)	3,945	3,487	859
(Losses)/gains from changes in assumptions	(14,452)	10,137	2,103	(23,316)	4,241
Total Actuarial (losses)/gains on Actuarial Account liabilities	(12,756)	9,866	6,048	(19,829)	5,100

22. Statement of control

The company is wholly owned and ultimately controlled by the States of Guernsey.

23. Related party transactions

There are no disclosable related party transactions in this financial period. See note 5 for disclosure of directors' remuneration.

24. Subsequent events

There are no subsequent events requiring disclosure.

Guernsey Electricity Limited
PO Box 4
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North Side
Vale
Guernsey GY13AD



THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE FOR HOME AFFAIRS

AMENDMENTS TO CUSTOMS LAW – SEIZURE AND DISPOSAL OF PERISHABLE GOODS

The States are asked to decide:-

Whether, after consideration of the Policy Letter entitled “Amendments to Customs Law – Seizure and Disposal of Perishable Goods”, dated 7th June 2021, they are of the opinion:-

1. To agree that the Customs and Excise (General Provisions) (Bailiwick of Guernsey) Law, 1972 be amended to give effect to the proposals set out in section 4.1 of this Policy Letter.
2. To direct the preparation of such legislation as may be necessary to give effect to the above decision.

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 CUSTOMS LAW – SEIZURE AND DISPOSAL OF PERISHABLE GOODS

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

7th June 2021

Dear Sir

1 Executive Summary

- 1.1 The purpose of this Policy Letter is to seek approval from the States of Deliberation to amend the Customs and Excise (General Provisions) (Bailiwick of Guernsey) Law, 1972 (“the Customs Law”) in order to allow certain functions of HM Procureur or Comptroller to be delegated to appropriate Guernsey Border Agency (“GBA”) officers in relation to the sale or destruction of certain seized perishable goods. This is an important part of maintaining biosecurity post-Brexit.

2 Background

- 2.1 The States agreed the Bailiwick’s participation in the UK-EU Trade and Cooperation Agreement (“TCA”)¹ in December 2020. Whilst the TCA included the Bailiwick in the Sanitary and Phyto-Sanitary (SPS) chapter, the importation of SPS goods (animals, plants and food) from the EU has changed, and will continue to change during the phased implementation of SPS border controls up until March 2022. SPS goods that are imported that fail to comply with new requirements will need to be seized at the border. As COVID-related travel restrictions ease these seizures are likely to increase as a consequence when plants and food are imported from France without the necessary documentation. This is important for maintaining the integrity of the SPS territory and ensuring biosecurity which is essential for human, animal and plant health.

¹ [Billet d’État XXIX of December 2020, Article I](#)

- 2.2 In anticipation of this, the Committee *for* Home Affairs (“the Committee”) has identified a way in which to condemn certain seized perishable goods straight away, rather than have to wait the normal one month appeal period as is the case under the Customs Law at the moment. This will allow the GBA to deal with perishable goods, normally by way of destruction, soon after seizure rather than hold onto them for a month.

3 Current position

- 3.1 Schedule 1 to the Customs Law sets out the provisions relating to forfeiture. Where any goods are imported, landed or unloaded contrary to any prohibition or restriction in force the goods shall be liable to forfeiture. SPS goods imported that fail to comply with new requirements will be liable to forfeiture and seized by GBA Officers at the border. A notice of seizure must be provided to the owner of the goods at the time and that person ordinarily has one month from the date of the notice of seizure to claim that the item(s) is not liable to forfeiture. Where a claim is made relevant procedures and potential legal proceedings must occur to determine the condemnation of the item(s) or, in the case that the item(s) was not liable to forfeiture at the time of its seizure, the restoration to the importer.
- 3.2 Under Paragraph 15(b) of Schedule 1 to the Customs Law, where goods of a perishable nature have been seized, the Committee may, with the concurrence of Her Majesty's Procureur or Comptroller (“HMP/C”), sell or destroy the item(s):

*“15. Where any thing has been seized as liable to forfeiture **the Committee** may at any time if it thinks fit and notwithstanding that the thing has not yet been condemned, or is not yet deemed to have been condemned, as forfeited, with the concurrence of **Her Majesty's Procureur or Comptroller** –*

*(b) if the thing seized is a living creature or is in the opinion of **the Committee** of a perishable nature, sell or destroy it.”*

- 3.3 In the absence of any specific provision in the legislation to enable the grant of "blanket" concurrence, the Law Officers have advised that the concurrence of HMP/C would be required on each occasion any thing is seized. This would be an unworkable solution if perishable items were being seized on a frequent basis (which is likely to occur when full SPS controls are introduced on goods from the EU due to the Bailiwick's connectivity with France). It would be an inefficient use of GBA officer's and HMP/C's time to follow this process for each and every perishable item.
- 3.4 It is therefore proposed that that the Committee and HMP/C's functions should be expanded so as to enable concurrence to be given to particular descriptions or types of SPS goods and also be capable of being delegated to operational officers.

- 3.5 Consultation with St James' Chambers, including HMP/C, has identified that the Committee's functions can be delegated to, e.g. 'Any Customs officer' (being an officer who ultimately is responsible to the Committee) but the delegation of HMP/C functions to senior Customs officer is not possible under the current provisions.

4 Legislative Requirements

- 4.1 It is proposed that an amendment is made to the Customs Law to allow the functions of HMP/C in Paragraph 15 of Schedule 1 to the Customs Law to be delegated to appropriate GBA officers. At the same time, to provide future resilience and efficiency, it is also proposed that a provision be inserted for HMP/C to issue 'blanket' concurrence for certain goods, in advance of the seizure of any such goods.
- 4.2 It should be noted that the proposed amendment will provide only the provision for HMP/C to delegate/concur, not automatically offer it, and so in reality nothing will change from the current position until HMP/C agree to a delegation/concurrence, thus ensuring the senior level integrity of the process.

5 Compliance with Rule 4

- 5.1 In accordance with Rule 4(1), the Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications.
- 5.2 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 majority support of the Committee (Deputy Le Tissier was not present at the time this Policy Letter was agreed by the Committee).
- 5.3 In accordance with Rule 4(5), the Propositions relate to the Committee's purpose and policy responsibilities regarding law enforcement, including policing and customs.
- 5.4 Also in accordance with Rule 4(5), the Committee has consulted with the States of Alderney, Chief Pleas of Sark and the Committee *for the Environment & Infrastructure*.

Yours faithfully

R G Prow
President

S P J Vermeulen
Vice-President

M P Leadbeater

C J Le Tissier

A W Taylor

P A Harwood

Non-States Member

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

POLICY & RESOURCES COMMITTEE

THE BAILIWICK'S PARTICIPATION IN UK FREE TRADE AGREEMENTS

The States are asked to decide: -

Whether, after consideration of the Policy Letter entitled "The Bailiwick's Participation in UK Free Trade Agreements" dated 25th June, 2021, they are of the opinion:-

1. To agree that the Guernsey's participation in any Free Trade Agreement ("FTA") (or other trade arrangement) should –
 - a) meet Guernsey's needs, while respecting the constitutional relationship with the UK through the Crown and Guernsey's domestic autonomy; and,
 - b) be underpinned by the principles of relevance, proportionality, and practicality, taking into account the island nature of Guernsey, its size and population, and unique needs arising out of the same.
2. To note the intention to establish a process to enable effective consultation between the Bailiwick authorities in relation to participation in any FTA (or other trade arrangement).
3. To direct the Policy & Resources Committee to maintain efforts to ensure that Guernsey's interests (and, subject to the necessary authorisations from Alderney and Sark, the Bailiwick's interests) continue to be represented to the UK during negotiations in relation to any FTA (or other trade arrangement).
4. To authorise the Policy & Resources Committee, subject to the necessary authorisations from Alderney and Sark, to agree to the Bailiwick's participation in UK FTAs (or other trade arrangements) and signal that agreement to HM Government.
5. To endorse the process and approach (set out in Paragraphs 2.5-2.7 and 2.18-2.33) regarding Guernsey's (and the wider Bailiwick's) participation in UK FTAs (or other trade arrangements).
6. To agree that there shall be implemented such measures (including legislative measures) as the Policy & Resources Committee thinks fit for the purpose of

ensuring that Guernsey may comply and remain in compliance with obligations that arise from participation in any UK FTA (or other trade arrangement).

7. 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 Rules of Procedure of the States of Deliberation and their Committees.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

POLICY & RESOURCES COMMITTEE

THE BAILIWICK'S PARTICIPATION IN UK FREE TRADE AGREEMENTS

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

25th June, 2021

Dear Sir

1. Executive Summary

- 1.1 Following its withdrawal from the EU, the UK is seeking new trade relationships around the world. There is an opportunity for Guernsey (and the wider Bailiwick) to be included in the resulting Free Trade Agreements (FTAs) (and other trade arrangements). The negotiations and ratification of the proposed FTAs are often proceeding within very short timescales¹ (which are set by the UK Government and its potential trading partners).
- 1.2 If the Bailiwick participates in all or part of a UK FTA, it would have the same advantages as the UK for trade with that trading partner. That could include the application of preferential customs tariffs, quota and border measures for the trade in goods and preferential access to markets for services. There will be obligations to be met if the Bailiwick participates in future UK FTAs, with corresponding resource implications – as is the case with existing FTAs – but participation will: ensure that current and future trade interests are protected and promoted; provide trade stability; and open up future trading opportunities with the FTA trade partner(s).
- 1.3 There would be significant constitutional difficulties if the UK were to ratify a FTA which purported to extend to Guernsey (or the wider Bailiwick) without relevant decisions having been made in the island(s) first. This Policy Letter sets out the proposed process and approach to deal with that, so that Guernsey, and the wider Bailiwick, can decide whether, and to what extent, to participate in UK FTAs and other trade arrangements.

¹ Months, rather than years (which would be more typical for such negotiations).

- 1.4 In the Policy Letter considered by the three Bailiwick parliaments on 27th December, 2020² regarding the UK-EU Trade and Cooperation Agreement³ ('the TCA Policy Letter'), there were references to trade agreements between the UK and other 'rest-of-world' (RoW) partners. That included consideration of the UK's continuity 'roll over' FTAs (which were agreements which used to apply to the UK when it was a Member of the EU, and now apply to the UK in its own right) and new FTAs.
- 1.5 In deciding whether it is beneficial for the Bailiwick to participate in a particular FTA, the Bailiwick will need to weigh up the advantages of any FTA at a strategic and practical level, compared to the requirements for compliance. That will include considering whether the obligations required by the FTA would be justified by reference to the volume and type of trade undertaken (or likely to be undertaken in future) and deliverable by the Bailiwick. It might also be advantageous for the Bailiwick's international relationships or international identity for it to participate (or not) in any particular FTA.
- 1.6 It has already been recognised that the Bailiwick's approach to inclusion in FTAs after Brexit would need to adhere to the principles of relevance, proportionality and practicality, whilst respecting the Bailiwick's autonomy. The Bailiwick can ensure its interests are served by participating in agreements that best suit the Islands' needs, whilst non-participation should not undermine the UK-Bailiwick Customs Arrangement⁴.
- 1.7 The UK has repeatedly provided assurances that the UK Government understands and respects the Bailiwick's centuries-old constitutional relationship with the Crown and the Bailiwick's domestic autonomy. The UK Government is responsible for representing the interests of the Bailiwick during FTA negotiations, even when the UK and the islands' interests are different. Each of the three Bailiwick jurisdictions need to make their own decisions about participation (or otherwise) in any future trade arrangements and the Bailiwick will need to ensure that it implements its obligations, whether by legislation or other measures, to meet its commitments.
- 1.8 Guernsey/the Bailiwick needs to make decisions within the FTA timescales set by the UK and its trading partner(s). Owing to the sensitive nature and pace of the negotiations for UK FTAs, it has not been possible to provide frequent or detailed

² [Billet d'État XXIX](#) of 2020 – 'The Bailiwick's Participation in the UK-EU Trade and Cooperation Agreement,' - and [Resolutions](#), approved by the States of Deliberation, the States of Alderney and the Chief Pleas of Sark on 27th December, 2020.

³ [Trade and Cooperation Agreement between the United Kingdom of Great Britain and Northern Ireland, of the one part, and the European Union and the European Atomic Energy Community, of the other part](#) – signed in Brussels and London 30 December 2020, full text available on gov.uk

⁴ As in Paragraph 2.3 and Appendix 1, Paragraphs A1.3-A1.5, of this Policy Letter.

updates to all Committees of the States of Guernsey nor to make public statements. However, the Policy & Resources Committee's ('the Committee') mandated responsibilities and previous decisions of the States⁵ have enabled the Committee, working with other Principal Committees and with the Alderney and Sark authorities, to represent the Bailiwick's interests in ongoing discussions with the UK Government. The Committee will continue to work closely with the UK Government during periods of negotiation to ensure that any particular FTA would suit the Bailiwick's needs, that the relevant provisions of that FTA meets the Bailiwick's negotiating principles and that the Bailiwick can comply with any obligations.

1.9 Throughout the progress of the negotiations on FTAs thus far, the politicians and officers representing Guernsey and the Bailiwick have continued to work to the principles set out in Section 4 of Billet d'État II of 2020 ('the January 2020 Policy Letter')⁶. Those principles were in regard to any Bailiwick involvement in an agreement for the UK-EU future relationship but are appropriate for other trade agreements. These objectives are that any trade agreement will:

- in its extension to and application in the Bailiwick, be relevant, proportionate and practical; and,
- in its entirety, respect the Bailiwick's domestic autonomy and constitutional relationship with the UK (through the Crown).

1.10 If the States agrees to the Propositions for this Policy Letter, it will enable decisions to be made by the Policy & Resources Committee (taking into account the views of the Principal Committees responsible for the policy areas covered by the FTA (or other trade arrangement)) on a case-by-case basis as to whether Guernsey/the Bailiwick should or should not be included in the customs and goods element of a particular FTA. Each decision would be on the basis that the commitments and obligations in respect of goods were the same as or similar to those entered into by the Bailiwick in existing FTAs, including the UK-EU Trade and Cooperation Agreement ('TCA'), whilst taking into account the resulting benefits. For each FTA, it is intended that the Policy & Resources Committee would request the UK to secure an extension mechanism together with an undertaking from the partner country (and provide one itself) to facilitate any services provisions of a FTA being extended to Guernsey/the Bailiwick at a later date.

⁵ Resolutions of the States from 1987, 2016 and 2020 are particularly relevant; as in Paragraphs 2.9-2.11, 2.19 and Appendix 3 of this Policy Letter.

⁶ [Billet d'État II of 2020](#) – 'The Withdrawal Agreement between the United Kingdom and European Union – Implications for the Bailiwick of Guernsey' and [Resolutions](#) of 8th January, 2020.

1.11 This Policy Letter is to:

- ask the States of Deliberation to agree the process and approach to enable the government to respond swiftly to FTA developments – in the case of Guernsey, that would be for the Policy & Resources Committee (with due regard to the 1987 States’ Resolution on international agreements and having taken into account the process and approach set out in this Policy Letter) to decide to what extent the island should participate (or not) in any particular UK FTA
- ask the States to make Resolutions relating to the objectives and principles underpinning the Bailiwick's participation in FTAs; intra-Bailiwick engagement; compliance with obligations arising under FTAs; and the preparation of any necessary legislation
- update the States on the Policy & Resources Committee’s consideration and decision about Guernsey’s participation in the UK-EEA EFTA FTA, having due regard to the timescales being set by the UK and its trading partners; to the Committee’s mandated responsibilities and previous States’ decisions; and noting that officers from across relevant parts of the States of Guernsey had been working on FTA provisions

2. The Bailiwick’s participation in FTAs (including other trade arrangements)

2.1 Free Trade Agreements (FTAs) are agreements which, according to international law, are created between two or more nations with the aim and purpose of removing trade restrictions and barriers to stimulate and encourage economic growth.

2.2 The UK Government has what it has described as ‘ambitious goals’ for British trade, aiming, “to have 80 per cent of UK trade covered by free trade agreements within the next three years [i.e. by the end of 2022], starting with the USA, Australia, New Zealand and Japan.”⁷ The UK Government has already commenced various negotiations to achieve its aim of securing these new FTAs; indeed, some of these began before the TCA negotiations were concluded. The TCA Policy Letter⁸ noted that, “FTA development work will continue throughout 2021 and beyond as the Bailiwick continues to develop its own international trade policy.”

⁷ Page 57 (‘Increase trade and prosperity’) of [Get Brexit Done Unleash Britain’s Potential – The Conservative and Unionist Party Manifesto 2019](#) 24th November, 2019.

⁸ Paragraph 11.8 of the TCA Policy Letter.

UK-Bailiwick Customs Arrangement

- 2.3 The UK-Bailiwick Customs Arrangement negotiated with the UK in 2018⁹ is a customs union¹⁰ as defined by the WTO. It means that the Bailiwick has to apply the UK external tariff (known as the UK Global Tariff); it must apply any preferential tariffs agreed in UK FTAs to imported goods regardless of whether the Bailiwick participates in those FTAs.

The Bailiwick can choose whether to participate in a UK FTA or not

- 2.4 The Bailiwick (and the jurisdictions within it) is not obliged to participate in all UK FTAs – but it can do so, if it so chooses and if the trading partner agrees. In line with long-standing constitutional principles, the Bailiwick will only be included in any international agreement, at the point of the UK's ratification or by extension at a later date, if the Bailiwick consents to this¹¹. The Bailiwick (and the jurisdictions within it) can select which FTAs it wishes to participate in.
- 2.5 The Bailiwick will need to weigh up the advantages of any FTA, at a strategic and practical level, against the requirements of compliance including the resources required, so that it can decide whether, overall, it is beneficial to participate in that FTA. Consideration will include whether implementing or otherwise complying¹² with the obligations and commitments required by the FTA could be justified by the volume and type of trade undertaken (or likely to be undertaken in future). It might also be considered advantageous from the perspective of the Bailiwick's international relationships or international identity for the Bailiwick to participate (or not) in any particular FTA.
- 2.6 It has already been recognised¹³ (in the context of the TCA) that the Bailiwick's approach to inclusion in FTAs after Brexit should adhere to the principles of relevance, proportionality and practicality, whilst respecting the Bailiwick's autonomy. It has also been noted that one means of ensuring that the Bailiwick's interests are served is by participating in international agreements that best suit

⁹ [Arrangement between the Government of the United Kingdom of Great Britain and Northern Ireland and the States of Guernsey \(the Government of Guernsey\) Concerning the Establishment and Operation of a United Kingdom-Crown Dependencies Customs Union](#), signed 26th November, 2018. It came into effect at 11pm on 31st December 2020.

¹⁰ The WTO defines a customs union as 'the substitution of a single customs territory for two or more customs territories'.

¹¹ In accordance with the constitutional relationship between the Bailiwick of Guernsey and the UK, through the Crown, the Bailiwick (and each of the three jurisdictions within it) cannot sign up to an international agreement in its own right, except where authorised to do so by entrustment. It is possible for international agreements to which the UK is a party to be extended to the Bailiwick (or part of it).

¹² This could include requirements such as notification, reporting or transparency standards.

¹³ In the TCA Policy Letter – this paragraph adapted from Paragraphs 3.3-3.5 of that Policy Letter.

the Islands' needs, whilst non-participation should not undermine the extant Customs Arrangement with the UK.

- 2.7 If the Bailiwick chooses not to participate in any particular FTA (or other trade arrangement), there will be different impacts depending on whether that FTA is in respect of goods and/or services and/or other matters. By way of example:
- if the Bailiwick does not participate in 'goods and customs' chapters of a FTA: goods that originate in the Bailiwick¹⁴ (which are then shipped into the UK's FTA partner country) would not benefit from any preferential treatment under that FTA (and would thus be at a competitive disadvantage compared to a product originating in the UK and could also be less attractive as part of the UK supply chain);
 - if the Bailiwick does not participate in 'services and investments' chapters of a FTA: UK businesses/service providers could have a competitive advantage (compared to those in the Bailiwick);
 - if the Bailiwick does not participate in a FTA at all:
 - Bailiwick businesses and individuals would not enjoy any preferential arrangements when trading with that trading partner. They would then need to rely on WTO rules and protections from discrimination when trading with them.
 - the Bailiwick would also lose any potential benefit of the wider strategic relationship that a FTA may provide with any trading partner.
- 2.8 Paragraph 2.35 indicates what might happen if only one or two of the three jurisdictions of the Bailiwick wish to participate in any particular FTA (or only in part of that FTA).

Previous relevant decisions made by the States of Deliberation

- 2.9 Previous decisions of the States of Deliberation¹⁵, including in June 2016, have directed the Policy & Resources Committee to engage with the UK Government, in accordance with the Committee's mandate, in order to seek opportunities for Guernsey in new UK trading relationships including any new FTAs.¹⁶ The 2016

¹⁴ As in Paragraph 7.3 of the TCA Policy Letter: "The UK would be obliged as part of any trade agreement to protect the integrity of any shared customs arrangements (including that between the Bailiwick and the UK). The origin of any goods exported from the Bailiwick to the UK would need to be identified to ensure that the correct tariff is applied if those goods were subsequently exported..."

¹⁵ As outlined in Appendix 2, since 2016, the States of Deliberation has considered various matters relating to the UK's withdrawal from the EU, which has included the potential for new trading opportunities to arise as the UK seeks to develop its new international trade agenda.

¹⁶ As outlined in Appendix 3 of this Policy Letter, the States had decided in June 2016 that one of its main areas for engagement with the UK Government was to, "(iv) Seek opportunities for Guernsey in

Resolutions also directed the Committee, “to take all other necessary measures that may be considered appropriate.”

- 2.10 In January 2020, the States of Deliberation agreed that, “any agreement or protocol in respect of the Bailiwick [in respect of the UK-EU future relationship] should be underpinned by the principles of relevance, proportionality and practicality taking into account the island nature of the Bailiwick, its size and population and unique needs arising out of the same”.¹⁷ While those principles were in regard to any Bailiwick involvement in an agreement for the UK-EU future relationship, they are also considered appropriate for other trade agreements¹⁸.
- 2.11 In December 2020, the States of Deliberation noted the inclusion of the Bailiwick within various FTAs that had been “rolled over” as part of the UK’s continuity programme, and other agreements, which would take effect at the end of the Brexit transition period. The Policy & Resources Committee was directed to implement such measures as the Committee, “thinks fit for the purpose of ensuring that Guernsey...may comply and remain in compliance with the obligations that arise from the inclusion of the Bailiwick in such agreements”.¹⁹

Preparation for the Bailiwick’s possible participation in UK FTAs

- 2.12 There has been close engagement with the UK’s Department for International Trade (‘DIT’) as the UK has commenced its negotiations with international partners. It was noted in the TCA Policy Letter that it had, “been confirmed that the islands of the Bailiwick wish their interests to be taken forward within the wider negotiations... It is likely that the UK will pursue a range of other agreements focusing on topics other than free trade, and there may be opportunities for the Bailiwick to participate in those other agreements.”²⁰
- 2.13 Preparatory steps, or implementation measures, may be required to enable the Bailiwick to participate in FTAs that the UK negotiates, particularly for chapters that are wider than trade in goods, such as services (including financial services), digital or intellectual property and related data protection issues. This could require certain parts of the population management framework or aspects of domestic regulatory arrangements to be changed to allow natural persons and businesses additional access to the Bailiwick.

any new UK trading relationship including with the EU and with other countries outside of the EU, including any new FTAs and exploring extension of the UK membership of the WTO”.

¹⁷ [Resolutions](#) of 8th January, 2020.

¹⁸ See also Paragraph 2.6 of this Policy Letter.

¹⁹ [Resolutions](#) of 27th December, 2020.

²⁰ From the TCA Policy Letter, Paragraphs 11.8 and 11.9. Those agreements would include the potential extension of the CPTPP and any agreement between the UK and Singapore relating to digital trade.

The UK's FTA negotiations

- 2.14 The UK's FTA negotiations are fast-paced and there are different negotiations happening in parallel, as the UK seeks to use political opportunities to secure new FTAs within a short period of time following the end of the Brexit transition period. In addition to the UK-Japan Comprehensive Economic Partnership Agreement ('CEPA')²¹ and the UK-EEA EFTA Agreement²², the UK has recently announced that agreement in principle has been reached for a UK-Australia FTA²³. The UK is also seeking agreements with other countries and groups of countries - including New Zealand, India and the USA - and working on accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership ('CPTPP').

The Bailiwick's involvement in UK FTA negotiations

- 2.15 Owing to the historic and special constitutional relationship with the UK (through the Crown), the UK is responsible for the Bailiwick's formal international relations and defence, and so represents the Bailiwick's interests during FTA negotiations. This responsibility to represent the Bailiwick's interests exists even where the Bailiwick's interests differ from those of the UK, and the UK Government has confirmed that it takes this responsibility seriously (more detail is available in Appendix 4).
- 2.16 Bailiwick representatives are not generally present in the FTA negotiations themselves, but Guernsey officers and politicians have met with counterparts in the UK Government (and from the other Crown Dependencies) to ensure that the UK Government fully understands the Bailiwick's position and, whether aligned or not, the Crown Dependencies' interests. Guernsey officers have been working hard to ensure that the UK Government understands and represents the Bailiwick's interests accurately during any international FTA negotiations. That involves work at the UK's FTA objective-setting stage, and before and during the negotiation phases, for each of the various FTAs which the UK Government is simultaneously pursuing at present. The Bailiwick's interests are being taken into consideration by the UK Government but, given the speed and unpredictability of negotiations, it is important that the Bailiwick can react quickly and decisively to meet condensed timelines when necessary. The Bailiwick needs to be able to move swiftly, but with accuracy and care, to ensure that the Bailiwick's interests are incorporated into the wide range of negotiations in a timely manner.

²¹ As in paragraph 11.7 of the TCA Policy Letter.

²² For the UK-Japan CEPA and the UK-EEA EFTA FTA, the Bailiwick is included in the trade in goods elements from the time of implementation together with a territorial extension clause which could allow the Bailiwick to participate in further elements, namely trade in services parts of the agreements, in the future.

²³ [UK-Australia free trade agreement negotiations: agreement in principle – policy paper](#) published by DIT on 17th June, 2021.

Process to consider participation in future UK FTAs

- 2.17 The pace of negotiations has highlighted the need to devise a new process for agreeing FTAs which is streamlined, to enable the Bailiwick to respond accordingly and flexibly to the UK's work programme whilst allowing for appropriate scrutiny. This Policy Letter outlines the process and approach recommended by the Committee to enable Guernsey – and the other islands of the Bailiwick – to deal with the extension of (all or part of) FTAs.
- 2.18 In accordance with custom and practice relating to international agreements, it is important that Guernsey – and the other islands of the Bailiwick – has an opportunity to decide for itself which of the UK's future FTAs it participates in and the extent of its participation in each FTA, prior to ratification of those FTAs by the UK (as in Section 5).
- 2.19 The Committee notes that in relation to agreeing the extension of international agreements it already has authority to negotiate on behalf of, execute and represent Guernsey under its own mandate, existing delegated authority derived from the 1987 States' Resolution²⁴ on international agreements ('the 1987 States' Resolution') and in accordance with the Resolutions from the June 2016 Brexit Policy Letter (as outlined in Paragraph 2.9 and Appendix 3). It intends that the process for agreeing Guernsey's participation in future UK FTAs will follow these established precedents.
- 2.20 The process should be customised to suit the specific needs of the various trade agreements. This will allow a fast-track process for agreeing participation in FTAs in respect of customs and goods because this "baseline" already exists in the continuity 'roll-over' FTAs (with their link to Protocol 3²⁵), the UK-Japan CEPA, the TCA²⁶, and the UK-EEA EFTA FTA²⁷.
- 2.21 The process would also have specific scrutiny requirements for participation in FTAs in respect of services. Services aspects of FTAs have a greater potential to impact autonomy (compared to goods aspects of FTAs) and to do so in areas of greater economic importance.

²⁴ Billet d'État IV of 6 February 1987, and Resolutions of 25th February, 1987 (hyperlinks not available) set out the process to be followed to deal with the extension to Guernsey of international agreements. The Resolutions are provided in Appendix 3 for ease of reference.

²⁵ The Bailiwick's approach to the continuity 'roll-over' FTAs is outlined in Section 11 of the TCA Policy Letter (and earlier Policy Letters). Information on the Bailiwick's participation in the TCA is contained in the TCA Policy Letter.

²⁶ For the TCA, the principles for the Bailiwick's participation were defined in the TCA Policy Letter and agreed by the three Bailiwick parliaments on 27th December, 2020; the most pertinent paragraphs from the TCA Policy Letter are replicated in Appendix 5 of this Policy Letter for ease of reference.

²⁷ Section 4 and Appendix 6 of this Policy Letter explain Guernsey's approach to the UK-EEA EFTA FTA.

- 2.22 It is recommended that the States endorse the process and approach (set out in Paragraphs 2.5-2.7 and 2.18-2.33) regarding the Policy & Resources Committee's exercise of its delegated authority in relation to Guernsey's - and the wider Bailiwick's - participation in UK FTAs. This process and approach would apply equally to other trade arrangements by analogy, according to whether the trade arrangements in question concerned customs & goods or, alternatively, services & investments (or other matters).
- 2.23 In making any decision in respect of a FTA in which the Bailiwick might participate, the Committee will seek the views of the President(s) (or another nominated representative) of Committees responsible for the policy areas covered by the particular FTA.²⁸
- 2.24 The Committee intends to report back to the States periodically about those new FTAs in which all or part of the Bailiwick is taking part, in accordance with the 1987 States' Resolution on international agreements.
- 2.25 In addition, the Committee would retain the option of returning questions about participation in all or part of a particular FTA to the States of Deliberation, which is also consistent with the approach to international agreements as set out in the 1987 States' Resolution. This could be used, for instance, if "baseline" commitments for customs and goods or the costs of compliance substantially exceeded those found in the TCA or in other FTAs applying to the Bailiwick or if the Committee was of the view that referral was appropriate for some other reason.
- 2.26 It should be noted that, because of the timescales involved which are dictated by decisions and timings in the UK and elsewhere, such consideration by the States of Deliberation might involve a request to the Presiding Officer for either (a) a later-than-usual publication date for an additional Billet for a scheduled States Meeting, or (b) a short-notice States Meeting.

Approach for trade in goods

- 2.27 The UK Government and its negotiating partner(s) will agree terms relating to trade in goods that involve reducing tariffs and quotas, simplifying customs and inspection procedures, and managing and minimising non-tariff barriers to trade.

²⁸ This could be done in various ways to be determined by the Policy & Resources Committee, which might include convening a specific group of Committee representatives (with delegated authority from their Committees). There was a similar approach in the UK-EU negotiations (during the Brexit transition period) when there was a body called the Future Partnership Delivery Group ('FPDG') – as in Appendix 1, Paragraph A1.23. The committees most likely to be called upon for this purpose would be the Committee *for* Economic Development, the Committee *for the* Environment & Infrastructure and the Committee *for* Home Affairs, but may include other committees depending on the scope of the FTA chapters being considered.

Guernsey already applies any applicable tariff or quota for goods arriving from other countries, in accordance with its Customs Arrangement with the UK. The Bailiwick is also required to keep its customs regime 'correspondent' with that in the UK. Therefore, in broad terms, it is considered easier for the Bailiwick to participate in the customs elements of any UK FTA because the Bailiwick will already comply with many, if not all, of those terms.

- 2.28 For FTAs concerning trade in goods, there would be a presumption of "baseline" participation, where commitments, obligations and benefits would be the same as or similar to those found in the TCA and UK FTAs which already apply to the Bailiwick. This includes areas such as market access, customs facilitation, rules of origin, sanitary & phytosanitary measures, and technical barriers to trade.

Approach for trade in services and investments

- 2.29 As each FTA is different depending on the trade interests of the UK and its negotiating partner(s), careful consideration needs to be given by the Bailiwick as to whether or not to participate in each FTA beyond the goods and customs "baseline" as the Bailiwick will have distinct trade interests for services and investments.
- 2.30 The UK Government requires a compliance process to be completed by the Bailiwick prior to the Bailiwick's participation in a FTA being considered by the UK and its trading partner. The Bailiwick will wish to participate in FTAs in a manner that best suits the Bailiwick's interests, taking into account matters such as economic activity, trade ambitions, administrative practicalities and similar factors – that might include only participating in certain parts of the FTA.
- 2.31 The obligations and commitments can be wide-reaching and vary according to each agreement. For example, they could include commitments and obligations ensuring equal and fair market access, regarding environmental standards, labour laws and procurement, and are generally aimed at achieving the full benefits of liberalised trade. The FTA may also include obligations regarding equal access to financial services, digital and e-commerce sectors and others which require oversight and regulatory compliance. It might require the Bailiwick to adopt certain population management measures to align with mobility requirements for certain professional, skilled and experienced workers²⁹.
- 2.32 The Committee intends that the general approach to Guernsey's, or the wider Bailiwick's, participation in parts of FTAs relating to services and investments (and other supporting chapters) would be to seek provision within the FTA that would enable its service and investments aspects, if considered appropriate by

²⁹ Further details are outlined in Appendix 7.

the Bailiwick, to be extended to the Bailiwick in future (rather than at the time of the provisional application or coming into force of the FTA). This will allow full assessment and compliance work to be carried out, ensuring the Bailiwick has assessed all risk and benefits of such enhanced participation. In addition, it is proposed that the Bailiwick should seek a commitment from the UK, and, ideally, the partner country, to adopt a 'best endeavours' and timely approach to such future extension and related negotiations if the Bailiwick indicates that it wishes those additional parts of a FTA to be extended to it.

- 2.33 Once the States have agreed to Guernsey's participation in additional parts of a FTA (such as services and investments) for the first time, it could be that the Policy & Resources Committee would then decide the issue for subsequent FTAs under its existing delegated authority. This is because, as with customs and goods parts currently, there would be a "baseline" which the Committee could take account of when considering whether to agree to such additional participation in a FTA or to refer the question back to the States of Deliberation.

Alderney and Sark

- 2.34 The Committee continues to work with the States of Alderney and the Chief Pleas of Sark to ensure that both islands are kept updated on the progress of the negotiations to enable them to provide input on their own positions³⁰.
- 2.35 Owing to the nature of the intra-Bailiwick and Bailiwick-UK trading relationships, Alderney and Sark's inclusion for the customs and goods elements of any future UK FTAs (those to be extended to Guernsey) would be necessary in order to ensure that all the parts of the Bailiwick remain aligned. Should only part of the Bailiwick resolve to take part in future FTAs in respect of the "baseline", the direct consequences are likely to impact the trade in goods with the relevant FTA partner for that jurisdiction(s) only, but there are likely to be indirect consequences for relations with the UK. There may also be unforeseen consequences and wider implications for relations within the Bailiwick³¹. It is also possible that if the three jurisdictions are not aligned, it could weaken the negotiating stance of one or more of them.
- 2.36 As noted above³², even in cases of non-participation, each of the jurisdictions of the Bailiwick is required to apply the UK's Global Tariff or preferential tariffs under FTAs because of the UK-Bailiwick Customs Arrangement.
- 2.37 Owing to the likely complexities involved in being included in additional aspects of FTAs (beyond customs and goods), it will be necessary to give further detailed

³⁰ See also Paragraphs A1.25-A1.26 in Appendix 1 to this Policy Letter.

³¹ Adapted from Paragraph 7.1 of the TCA Policy Letter.

³² Paragraph 2.3.

consideration to the obligations arising from FTAs. It might be necessary to make significant legislative and/or policy changes to achieve compliance, which could differ across the Bailiwick because of the different circumstances in each of the islands. The obligations (and requisite changes) will need to be balanced against any benefits which could be achieved to ensure that any participation best suits the needs of each of the islands within the Bailiwick. It could potentially lead to differences in participation in FTAs (in whole or in part) in future.

- 2.38 Given the importance of each of the islands within the Bailiwick signifying their consent to be bound by obligations within any future UK FTAs which they wish to participate in, it is suggested that Alderney and Sark should establish a similar process for considering and consenting to FTAs within those islands. (Guernsey process outlined in Paragraphs 2.5-2.7 and 2.18-2.33 above.)
- 2.39 Consideration could be given as to whether Alderney and Sark would wish to consider inclusion within each new UK FTA on a case by case basis (for the customs and goods "baseline", as well as any additional elements where the Bailiwick may be seeking inclusion in a particular FTA). It would also be possible to explore whether Alderney and Sark would be willing to delegate authority to the Policy & Resources Committee in Guernsey to approve the Bailiwick's inclusion within FTAs for the customs and goods "baseline" only, with the relevant authorities from Alderney and Sark considering inclusion for any additional elements on a case by case basis, at a later stage, as will be the case in Guernsey.
- 2.40 If the States agrees to the Propositions for this Policy Letter, the Committee intends to discuss these matters with the governments of Alderney and Sark further, in order to find a way that the consent process can be streamlined for the Bailiwick as a whole while working to the UK's own condensed timelines.

3. Management of FTAs

- 3.1 Each FTA will be different depending on the UK's and the trading partner's objectives, but each trade agreement will include various standard provisions to enable its day-to-day management (including but not limited to the following):
- Governance – usually a combination of general and specialised committees³³;

³³ It is anticipated that the Bailiwick would agree arrangements with the UK for its participation in any committee(s) established to discuss implementation of any part of that FTA in line with the arrangements for the TCA, as set out in a [letter from the Rt Hon Lord Frost CMG](#), dated 27th May, 2021, regarding engagement with the Devolved Administrations and Crown Dependencies on TCA implementation.

- Dispute Resolution³⁴ – which may apply to different chapters in different ways and with a series of escalating steps;
- Review – to allow the FTA to respond to changes over time;
- Termination – in cases where the FTA is no longer in the interests of a participating country or territory (usually involving a defined notice period).

Governance

- 3.2 The UK has an ongoing obligation to represent the interests of the Bailiwick, taking account of the principles in the International Identity Framework³⁵. This will include representation at committees established under FTAs³⁶. In a Ministerial meeting in December 2020, it was agreed between the UK and Guernsey³⁷ to develop a mechanism to facilitate dealing with FTAs, in terms of both representation and any trade disputes. The principles and format for that UK-Bailiwick mechanism are still under consideration.

Dispute resolution mechanisms

- 3.3 The UK Government would be responsible for representing the Bailiwick's interests within any international dispute. DIT is responsible for handling international trade disputes, including any concerns which may arise from or about the Bailiwick³⁸. A UK-Bailiwick mechanism for managing international trade relations (including in the unlikely event of a dispute) is under discussion. The issue of differentiation (in the disputes context) between the different parts of the British family taking part in any given FTA will also need to be addressed.
- 3.4 In case there were to be any dispute or non-compliance issue that only related to one or two of the three Bailiwick jurisdictions, it is proposed that there would be an intra-Bailiwick process to deal with that. It is likely that would take the form of an agreement between Guernsey, Alderney and Sark which sets out the agreed principles for a timely and effective response and how any costs would be apportioned.

³⁴ Trade agreements generally include specific provisions for a reciprocal dispute resolution mechanism ('DRM'). The DRM would allow for disputes to be discussed through a process of consultation, mediation and, ultimately, some form of arbitration.

³⁵ As in Paragraph A1.17 in Appendix 1.

³⁶ Although it may also be possible for the Bailiwick to represent itself, when appropriate, as in footnote 33.

³⁷ UK Government represented by the Rt Hon Greg Hands MP, Minister of State for Trade Policy; Guernsey represented by Deputy Peter Ferbrache, as Chief Minister.

³⁸ Trade disputes can be either 'defensive' (for the Bailiwick, that would be trade disputes that are caused by the Bailiwick's own trade policies) or 'offensive' (where trade distortion is caused by another country's trade policies and the Bailiwick raises a concern). Additionally, the disputes can be in relation to a FTA or other trade agreement or in regard to WTO principles or otherwise.

Review clauses

- 3.5 FTAs can contain general review clauses which would allow for amendment by mutual consent of the UK and the other country/organisation. This would require the consent of the Bailiwick in respect of any changes that would affect the Bailiwick's participation in the FTA.

Termination

- 3.6 It is usual for FTAs to include a termination clause, so that any participating country or territory can withdraw from its terms after giving the required notice. If the UK or its FTA partner were to terminate the FTA, then the FTA should also cease to apply to the Bailiwick. It will also be important for FTAs to enable termination by the Bailiwick in isolation³⁹ (of the provisions which apply to the Bailiwick) – because of its distinct international identity and domestic autonomy – even if this is unlikely to arise in practice.

4. The Bailiwick's participation in the UK-EEA EFTA FTA

- 4.1 On 4th June, 2021, the UK announced⁴⁰ that it had concluded negotiations for a FTA⁴¹ with Norway, Iceland and Liechtenstein, collectively known as the EEA EFTA States⁴² (which are the three European Free Trade Association ('EFTA') States that are also part of the European Economic Area ('EEA')). This FTA now needs ratifying, including any necessary domestic parliamentary consent processes in the UK and the EEA EFTA States. Following agreement in principle, the legal text will be finalised.
- 4.2 The UK-EEA EFTA FTA will apply to the Bailiwick, in respect of customs and goods only, from the point of ratification of the FTA by the UK. The FTA broadly mirrors the TCA and contains similar obligations; in addition, there are no fisheries access commitments to consider. The agreement in effect replicates the goods and customs terms of the TCA for the wider EEA EFTA area. There is also an 'extension mechanism', together with a supporting side declaration, for the

³⁹ There is a provision in the proposed EEA EFTA FTA to allow the Bailiwick (or another Crown Dependency) to seek to terminate its trading relationship under the FTA, separately to the UK.

⁴⁰ Agreement in principle was [announced by the UK Government](#) on 4th June 2021.

⁴¹ [Free Trade Agreement between the United Kingdom or Great Britain and Northern Ireland and Iceland, the Principality of Liechtenstein and the Kingdom of Norway](#). There is already an [interim continuity trade agreement](#) in place for trade between the UK and Iceland and Norway (signed 8th December, 2020). Before the end of the Brexit transition period, the UK's trade with the three countries was principally underpinned by the EEA Agreement. The new FTA is intended to replace that one for trade between UK and the EEA EFTA States.

⁴² The 27 EU Member States, together with the three European Free Trade Association (EFTA) States Iceland, Liechtenstein and Norway, make up the European Economic Area (EEA) Contracting Parties (the 31 EEA States). Norway, Iceland and Liechtenstein go by the term "EEA EFTA States" in order to clarify that the other EFTA State, Switzerland, is not party to the EEA Agreement.

Bailiwick (or parts of it) to be included in the additional elements (such as services and investments) of the UK-EEA EFTA FTA in the future, if the Bailiwick or any part of it so chooses.

- 4.3 Owing to the need to conclude the agreement at pace to secure the negotiated outcome and for the Bailiwick to consent to inclusion before the end of the UK's ratification process for the UK-EEA EFTA FTA, the Policy and Resources Committee considered Guernsey's inclusion in that FTA for trade in goods and the declaration committing the parties to further discussions about inclusion in services and the investments-related chapters. The Committee did so using the Committee's mandated responsibilities, the 1987 Resolution on international agreements and the June 2016 Resolutions (more information in Appendix 3).
- 4.4 It is understood that consideration is being given to this FTA by the relevant authorities in Alderney and Sark for inclusion of those islands on the same terms as Guernsey.

5. Next steps

- 5.1 To protect and respect the Bailiwick's autonomy and democratic processes, it is necessary for the Bailiwick to indicate whether or not it wishes to be included in each UK FTA, or other agreement, before it is ratified in the UK (before the end of the period when the FTA is laid before the UK Parliament). This will enable the UK Parliament to consider the final legal text and, if content, the UK Government can ratify it on behalf of the UK as well as the Bailiwick, if it has consented to be included in the agreement.
- 5.2 If the States agrees to the Propositions for this Policy Letter, it will mean that it has endorsed the proposed process and approach to be used by the Committee when it makes decisions about Guernsey's participation in FTAs (or other trade arrangements) using its delegated authority under the 1987 Resolution on international agreements.
- 5.3 For any FTA which is to be extended to the Bailiwick (in whole or in part), the Law Officers of the Crown (or officers) would advise whether there are any additional legislative (or other) requirements to be implemented to ensure that the Bailiwick is compliant with the obligations in that agreement. In order to effect inclusion in any particular agreement, letters from the Policy & Resources Committee will be issued through the official channel to set out the formal request for Guernsey, or the wider Bailiwick, to be included in certain elements of the FTA. Further detail of the legislative requirements is set out in Section 6.

6. Legislative requirements

- 6.1 The UK and the Bailiwick both have 'dualist' legal systems, where, save in exceptional circumstances, treaty obligations exist on the international plane and must be given effect separately, whether through laws, regulatory practices, or governmental policies, as a part of the domestic framework. As Guernsey, Alderney and Sark are separate territories for whose international relations the UK is responsible, it is the Bailiwick's own administrations and assemblies that are responsible for applying and implementing international obligations, even though the UK remains ultimately responsible for compliance as a matter of international law.
- 6.2 The Bailiwick's inclusion in the customs and goods "baseline" of FTAs is principally underpinned by legislation relating to customs, agri-foods and manufactured goods. In accordance with the Customs Arrangement, customs legislation will be kept 'correspondent' with that in the UK. For the other two categories of legislation, which concern goods regulation, further development of the domestic legal framework is intended and will likely be equivalent to the arrangements in the UK.
- 6.3 Specific implementing legislation is unlikely to be required for particular FTAs; however, if it is, and in addition to any category-specific powers, there are general implementing powers contained in The International Trade Agreements (Implementation) (Bailiwick of Guernsey) Law, 2018⁴³. This was one of the three principal pieces of legislation which was enacted in readiness for Brexit and which provides a power for the States to make Ordinances to implement any international trade agreement or resolve trade disputes arising therein. Given the pace at which FTA negotiations, agreement and ratification could occur, and in cases where legislative changes might be required rapidly, further thought is being given to supplementing the Ordinance-making power.
- 6.4 Were the Bailiwick (or any part of it) to seek participation in additional chapters of FTAs, it is highly likely that legislative changes would be required to ensure the Bailiwick (or relevant part of it) was compliant at that time with the new international obligations it was consenting to be bound by.

7. Compliance with Rule 4

- 7.1 Rule 4 of the Rules of Procedure of the States of Deliberation and their Committees sets out the information which must be included in, or appended to, motions laid before the States.

⁴³ [The International Trade Agreements \(Implementation\) \(Bailiwick of Guernsey\) Law, 2018](#)

- 7.2 In accordance with Rule 4(1), the Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications.
- 7.3 In accordance with Rule 4(3), the Policy & Resources Committee and the Committee *for* Economic Development have monitored, and continue to monitor, the resources used for FTA work, including work to help to mitigate and respond to any uncertain and changing operational, political and legal situations that may arise. This has meant and may continue to mean reviewing and changing legislation and assessing any opportunities or challenges that have arisen and may arise. Resources may continue to be required to ensure that the States can act swiftly to implement new arrangements. The use of resources, from across the organisation, will continue to be kept under review.
- 7.4 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.
- 7.5 In accordance with Rule 4(5) of the Rules of Procedure of the States of Deliberation and their Committees, the Propositions relate to the duties of the Committee because its mandate includes responsibilities to, "advise the States and to develop and implement policies and programmes relating to: (a) leadership and co-ordination of the work of the States" and "(c) external relations and international and constitutional affairs, which includes: ... 2. relations with the United Kingdom and other jurisdictions; 3. relations with the European Union and other supranational organisations; 4. relations with the other islands of the Bailiwick ...; [and] representing, or overseeing the representation of, and negotiating for, the Island; ..." The Committee considers that the measures outlined in this Policy Letter touch on all those aspects of its mandate.
- 7.6 The Committee was directed by the States to lead on Guernsey's (and the wider Bailiwick's) engagement with the UK Government for potential participation in the TCA and in FTAs. The States made Resolutions in that regard in the June 2016, January 2020 and December 2020 Brexit Policy Letters (as in Paragraphs 2.9-2.11). At times, these negotiations have proceeded at an extremely fast pace.
- 7.7 The UK's withdrawal from the EU and related matters remain key external influences for the Bailiwick. The States confirmed⁴⁴ that managing the effects of Brexit is one of the four key strategic priorities for the States of Guernsey at this time⁴⁵.

⁴⁴ In Resolution 1 arising from the Government Work Plan debate in March 2021.

⁴⁵ As identified in the [Government Work Plan – Stage 1](#) and the States' [Resolutions](#) of 26th March, 2021. Also explained in the [Government Work Plan 2021-2025](#) (due for debate in July 2021).

7.8 The Committee's consultation with other parties is outlined in Appendix 8, in accordance with Rule 4(5).

Yours faithfully

P T R Ferbrache
President

H J R Soulsby
Vice-President

M A J Helyar
J P Le Tocq
D J Mahoney

BACKGROUND TO THE UK'S TRADE NEGOTIATIONS

UK-EU Trade and Cooperation Agreement and continuity FTAs – preparing for the end of the Brexit transition period

- A1.1 Following the United Kingdom's ('UK') withdrawal⁴⁶ from the European Union ('EU') and during the Brexit transition period (in 2020), the UK and EU negotiated a Trade and Cooperation Agreement ('TCA') (for trade, security and other cooperation). The three parliaments of the Bailiwick (the States of Deliberation, the States of Alderney and Chief Pleas of Sark) each agreed on 27th December, 2020, to participate in the TCA insofar as it applies to the Bailiwick, in particular in respect of fisheries and the trade in goods. It was considered that the terms of the TCA satisfied the objectives agreed by the three parliaments of the Bailiwick in June 2016 and January 2020 (the main areas for engagement with the UK Government for the States of Guernsey are detailed in Appendix 3; whilst the full list of Bailiwick objectives and a comparison with the outcome of the UK-EU negotiations is set out in table 1 of the TCA Policy Letter).
- A1.2 In addition to the Bailiwick's participation in the TCA, the three parliaments of the Bailiwick also agreed to participate in other agreements from the end of the Brexit transition period, including **continuity FTAs** which had been "rolled over" by the UK⁴⁷. The Bailiwick's agreed approach is that those FTAs which previously had effect in the Bailiwick by virtue of the Bailiwick's relationship with the EU would continue to apply to the extent that Protocol 3 applied.

⁴⁶ The UK's referendum about membership of the EU took place in June 2016. The UK left the EU at 11pm on 31st January, 2020. The Brexit transition period then lasted from 31st January, 2020 until 11pm on 31st December, 2020. The TCA came into effect from 11pm on 31st December, 2020.

⁴⁷ Resolution 5 of the TCA Policy Letter, "to note the inclusion of the Bailiwick in various FTAs (which have previously had effect in the Bailiwick by virtue of the Bailiwick's relationship with the EU, and the operation of which has been "rolled over" by the UK) and other agreements which will take effect at the end of the Brexit transition period and to agree that there shall be implemented such measures (including legislative measures) as the Policy & Resources Committee, in relation to Guernsey, the Policy and Finance Committee of the States of Alderney, in relation to Alderney, and the Policy and Finance Committee of the Chief Pleas of Sark, in relation to Sark, thinks fit for the purpose of ensuring that Guernsey, Alderney and Sark may comply and remain in compliance with obligations that arise from the inclusion of the Bailiwick in such agreements."

The UK-Bailiwick of Guernsey Customs Arrangement⁴⁸

- A1.3 The Bailiwick entered into a Customs Arrangement with the UK⁴⁹ which came into effect at 11pm on 31st December, 2020.⁵⁰ “The Customs Arrangement provides that the Bailiwick will form part of a single British Islands customs territory and that common customs tariffs applicable to third countries are applied at Bailiwick borders in the same way as at any UK border.”^{51, 52} Certain obligations arise from that Customs Arrangement.
- A1.4 There are three Arrangements which together recognise that the Bailiwick, along with Jersey and the Isle of Man, will be treated as part of the UK's customs area and that trade between the Islands and the UK should continue, undisrupted, without customs' tariffs and without new checks at the borders between the members of the Arrangements (the UK, Bailiwick of Guernsey, Jersey and the Isle of Man).
- A1.5 One of the effects of this arrangement is that if the Bailiwick does not participate in a particular FTA which has been entered into by the UK, the Bailiwick must still apply the common customs tariffs for imported goods which have been agreed under the FTA between the UK and the partner country. However, any goods originating in the Bailiwick and exported to the partner country would not benefit from any preferential tariffs which may have been agreed under the FTA.

The extension of the UK's membership of the WTO to the Bailiwick of Guernsey

- A1.6 The UK's WTO membership was extended to the Bailiwick from 11pm on 31st December, 2020, at the end of the Brexit transition period, when the UK became an independent member of the WTO.^{53,54} “The extension of the UK's WTO

⁴⁸ [Arrangement between the Government of the United Kingdom of Great Britain and Northern Ireland and the States of Guernsey \(the Government of Guernsey\) Concerning the Establishment and Operation of a United Kingdom-Crown Dependencies Customs Union](#), signed 26th November, 2018.

⁴⁹ As outlined in the TCA Policy Letter and in a Policy Letter on 'Customs Duties and Associated Powers Required in Respect of Brexit' - [Billet d'État XIX](#) of 2018 ([Resolutions of 18th July, 2018](#))

⁵⁰ As outlined in paragraphs 9.10 to 9.14 of [the TCA Policy Letter](#).

⁵¹ From the TCA Policy Letter Paragraph 9.10

⁵² As stated in the TCA Policy Letter (Paragraph 9.12), “Under this Customs Arrangement, Guernsey can set its own prohibitions and restrictions as long as they can be justified under certain protocols. The four member jurisdictions within the arrangement (the UK, Guernsey, Jersey and the Isle of Man) form a safety and security zone and the carriers of any goods entering the zone are required to submit a safety and security declaration. This provides a safeguard from the import of high level dangerous goods and from security risks.”

⁵³ [Billet d'État IV of 2019](#) - 'Extending the United Kingdom's Membership of the World Trade Organization' - [and Resolutions](#) approved by the States of Deliberation on 18th February, 2019, the Policy & Finance Committee of Alderney on 16th April, 2019 and the Chief Pleas of Sark on 27th March, 2019.

⁵⁴ Confirmed in the letter from the UK's Foreign Secretary to the Director-General of the WTO, dated 15th October, 2019. There is a Memorandum of Understanding (MoU) between the Government of the

membership ensures that the Bailiwick has access to the international rules of fair trade for goods and services as well as the trade-related aspects of intellectual property.”⁵⁵ WTO membership provides opportunities for the Bailiwick to access any FTAs negotiated by the UK, which are based on WTO standards but may provide for more preferential trade terms as agreed under each particular FTA.

- A1.7 Any Bailiwick trade which is not covered by the TCA or a FTA will be covered by WTO rules in any event. This offers “trade certainty but does not eliminate tariffs being applied to exports from the Bailiwick, which could be considerably higher than tariffs applied to goods from countries where a FTA exists. In general, FTAs offer lower maximum tariffs and preferential treatment for the parties compared to those provided for by the WTO.”⁵⁶
- A1.8 While WTO membership is not a requirement for the Bailiwick to be party to any UK FTAs, confirmation of adherence to the WTO rules and obligations is required for agreeing any FTAs. This means that the Bailiwick must demonstrate the same level of compliance as the UK in respect of its membership of the WTO. Partaking in the UK’s WTO membership provides a compliance baseline in support of the Bailiwick’s participation in any potential future FTAs.⁵⁷

UK’s approach to pre-existing international trade agreements which it was party to whilst a member of the EU - continuity (‘roll over’) agreements

- A1.9 As part of its preparations for withdrawal from the EU, the UK approach has been to seek continuity for the various pre-existing international trade agreements and arrangements which it was party to while a member of the EU.⁵⁸ The UK has sought to become a party to those international agreements in its own right, either bilaterally with partner countries or by acceding to various relevant multilateral agreements in its own right (rather than as part of the EU).
- A1.10 Not all the EU agreements were converted into UK ‘roll over’ (continuity) agreements by the end of the Brexit transition period, either due to willingness of the treaty partner or due to a lack of time to agree the necessary terms to roll

United Kingdom and the States of Guernsey concerning the relationship between the United Kingdom of Great Britain and Northern Ireland and the Bailiwick of Guernsey in relation to World Trade Organization matters, dated 9th October, 2019, which sets out the intended manner in which to operate the extension of the UK’s membership to the Bailiwick and future co-operation in that context. The MoU does not create legal obligations between the participants and is not intended to alter or affect the constitutional relationship between the UK and the Bailiwick.

⁵⁵ Taken from Paragraph 10.2 of the TCA Policy Letter.

⁵⁶ Adapted from Paragraph 7.12 of the TCA Policy Letter.

⁵⁷ This paragraph is adapted from Paragraph 9.4 of the WTO Policy Letter (Billet d’État IV of 2019).

⁵⁸ As set out in the January 2020 Policy Letter, paragraphs 3.16 to 3.18

over the agreement. This means that some of the preferential trading terms enjoyed by the Bailiwick under the Protocol 3 relationship (when the UK was a member of the EU) were lost at the end of the Brexit transition period.

A1.11 Some of those pre-existing agreements and arrangements relate to Protocol 3⁵⁹, including customs matters and agri-foods/sanitary/phytosanitary measures. The Bailiwick had agreed to adopt a continuity approach for, “EU international agreements that apply by virtue of, and to the extent provided for by Protocol 3”⁶⁰. Therefore, certain agreements and arrangements have been transitioned in respect of the Bailiwick, but where it was not relevant, proportionate or practical to do so, they were not extended to the Bailiwick at the end of the Brexit transition period. The option remains for such agreements to be extended at a later date if required.

A1.12 Of those pre-existing EU-third country trade agreements, such as FTAs, partnership agreements or economic cooperation agreements, as of 31st December 2020, the UK had secured approximately 30 trade agreements with 58 countries, which for the purposes of trading goods continue to apply to the Bailiwick to the extent that Protocol 3 applied⁶¹ (as was the case under the UK’s membership of the EU and due to the Bailiwick’s resulting relationship with the EU.)

2021 and beyond (after the end of the Brexit transition period)

A1.13 The work in relation to Brexit and its implications for the Bailiwick did not end on 31st December, 2020 (the end of the Brexit transition period) nor with the initial implementation of the TCA. The work encompasses continued compliance with WTO obligations, the TCA and continuity FTAs, other opportunities and challenges for relationships and agreements with the UK, EU and other jurisdictions, and further development of constitutional resilience. The work will need to continue to be prioritised and adequately resourced.

⁵⁹ From 1st January, 1973 until 31st January, 2020, the Bailiwick had a special relationship with the EU that was set out in Protocol 3 to the UK’s Act of Accession to the European Community (1972) (‘Protocol 3’). The Protocol 3 relationship is explained in Appendix 2 of the December 2020 Policy Letter.

⁶⁰ From the January 2020 Policy Letter, paragraph 3.17. Examples of the types of agreements transitioned relating to Protocol 3 are shown in Section 11 of the TCA Policy Letter.

⁶¹ In addition, as advised in paragraph 11.7 of the TCA Policy Letter, the UK-Japan CEPA formed part of the UK’s original trade continuity programme, but the terms of that agreement were renegotiated such that it fell outside of the parameters of the continuity programme. The Bailiwick’s inclusion remains based on a Protocol 3 relationship for that agreement but includes a provision to extend other elements to the Bailiwick in the future, such as the cross border supply in services, financial services and digital elements.

A1.14 Guernsey's Government Work Plan⁶² recognises managing the effects of Brexit and Guernsey's international obligations as one of the four main priorities for government in this political term (2020-2025).

A1.15 Ongoing work is required to ensure that the Bailiwick continues to participate in, and remain compliant with, the TCA and any existing UK-third country FTAs insofar as they relate to the Bailiwick. Work is also continuing for compliance checks and cost-benefit assessments for considering whether to request extension of any new UK FTAs beyond the baseline.

Representing the Bailiwick's interests during the FTA negotiations phase

A1.16 The islands of the Bailiwick are self-governing dependencies of the Crown, with their own directly elected legislative assemblies, their own administrative, fiscal and legal systems, and their own courts of law. However, neither the Bailiwick, nor any of its constituent jurisdictions, are sovereign States. The UK has responsibility for the formal international relations of the Bailiwick, as it does for Jersey, the Isle of Man and the Overseas Territories. Usually, the UK Government negotiates international agreements on behalf of the Bailiwick⁶³, either at the request of the Bailiwick (or any of its constituent jurisdictions) or if the Bailiwick agrees to such a suggestion by the UK Government. Generally, international agreements which apply to the UK can be extended to all or any of the islands at the time of ratification, accession or at a later date.

A1.17 The UK Government and Guernsey signed an International Identity Framework ('the Framework') in 2008⁶⁴. The Framework seeks to develop Guernsey's international identity through an agreed set of principles with the UK. In particular, the Framework states that "the UK will not act internationally on behalf of Guernsey without prior consultation" and that "the UK recognises that the interests of Guernsey may differ from those of the UK, and the UK will seek to represent any differing interests when acting in an international capacity."

A1.18 Accordingly, the Bailiwick has not been directly represented at the UK-FTA negotiations but has, instead, been represented by the UK Government. This might be considered a risk because of the potential difficulty in ensuring that the

⁶² [Government Work Plan – Stage 1](#) and the States' [Resolutions](#) of 26th March, 2021; and [Government Work Plan 2021-2025](#) (due for debate in July 2021).

⁶³ The States of Guernsey has sought agreement from the UK Government, acting on behalf of the Crown, to enable Guernsey to negotiate certain international agreements directly with other countries, rather than being represented in the negotiations by the UK. Entrustment has been used on various occasions, including in relation to tax transparency agreements, an asset sharing agreement with the US and, more recently, for Guernsey to enter into a social security agreement with Latvia, which was signed in September 2020.

⁶⁴ [Framework for developing the international identity of Guernsey](#) – signed between Guernsey and UK governments on 18th December, 2008

Bailiwick's interests are fully understood and therefore accurately presented by the UK negotiators, and, in turn, well understood by the potential trading partner. To mitigate that risk, Guernsey has continued to build on strong relationships at Ministerial and official level across various UK Government Departments.

- A1.19 The UK Government is responsible for representing the Bailiwick's interests in these trade negotiations even where they differ from those of the UK. The UK Government has repeatedly acknowledged this responsibility (some examples are shown in Appendix 4).
- A1.20 Officials from the States of Guernsey have been working closely with the UK Government, particularly with the Department for International Trade (DIT), the Department for Business, Energy and Industrial Strategy and the Ministry of Justice. Political liaison has been through engagement with the Minister of State for Trade Policy in DIT, the Rt Hon. Greg Hands MP. There have also been meetings with other Ministers, including the Lord Chancellor.
- A1.21 The Bailiwick has sought to maximise opportunities and minimise risks from the effects on it of the UK's departure from the EU – including the opportunities to participate in future UK FTAs.

Bailiwick of Guernsey governance structure – negotiations phase

- A1.22 The Committee was directed by the States of Deliberation to lead on Guernsey's participation in the UK-EU negotiations on the future relationship, as well as to seek opportunities for Guernsey in any new UK trading relationship including with the EU and with other countries outside of the EU, including any new FTAs and exploring extension of the UK membership of the WTO⁶⁵.
- A1.23 Two groups were formed in January 2020 to offer support, advice and guidance to the Committee during the UK-EU negotiations phase, to ensure a collaborative approach with other Principal Committees as the many facets of UK-EU negotiations crossed all Committee mandates. In broad terms, the Future Partnership Delivery Group ('FPDG') was the political group comprising representatives of the Policy & Resources Committee and each Principal Committee, the States of Alderney, Chief Pleas of Sark and senior civil servants; and the Trade Policy Advisory Panel ('TPAP') was the business representative group enabling engagement with industry and external stakeholders. As the UK commenced negotiations on FTAs with other international partners (such as Japan and the USA), those groups also considered the Bailiwick's position towards inclusion within the UK's FTAs. Both groups were disbanded at the end of March 2021, at the end of the TCA 'cooling off period'.

⁶⁵ Resolutions of the June 2016 Policy Letter.

A1.24 A new group, the Trade Policy Forum ('TPF') was set up in 2021 to establish regular, constructive engagement with external stakeholders on future trade policy for Guernsey. This includes consideration of TCA implementation matters and discussions in relation to UK FTAs (and associated negotiations) and other trade matters. The TPF comprises political representatives from the Policy & Resources Committee, Committee *for* Economic Development and the Committee *for* Home Affairs, representatives from industry and external stakeholders. Other representatives will be invited to attend as necessary.

Alderney and Sark

A1.25 The Committee, on behalf of the Bailiwick, has led the engagement with the UK Government in respect of the FTA negotiations (and previously in the UK-EU negotiations with the EU) to ensure that the interests of the entire Bailiwick are understood by the UK Government, including when the interests of the three islands of the Bailiwick may differ. Liaison between Alderney, Sark and Guernsey (including other Guernsey Committees) occurs for technical and operational matters, or where shared legislation, policy or practice exists or could be beneficial.

A1.26 Issues have been, and continue to be, discussed in meetings between the islands of the Bailiwick to ensure that Alderney and Sark's matters and positions are known and understood – including when appropriate in the Bailiwick Council, the Alderney Liaison Group and the Sark Liaison Group – as well as in less formal fora as matters arise.

**SUMMARY OF MAIN REFERENCES TO FTAs FROM CERTAIN POLICY LETTERS
CONSIDERED BY THE STATES OF DELIBERATION**

(MAIN FOCUS OF THOSE POLICY LETTERS IS THE UK'S WITHDRAWAL FROM THE EU
AND BAILIWICK'S RELATIONSHIPS WITH UK AND EU)

- A2.1 Since 2016, the States of Deliberation has considered various matters relating to the UK's withdrawal from the EU, which has included the potential for new trading opportunities to arise as the UK seeks to develop its new international trade agenda. Below is a summary of certain Policy Letters with references to international trading opportunities and FTAs.
- A2.2 **June 2016 – “Managing the implications for Guernsey because of the UK's changing relationship with the EU” – Policy & Resources Committee**

The first main Brexit Policy Letter⁶⁶ set the high level objectives for Guernsey and the potential for new opportunities following the UK's exit from the EU. This Policy Letter was also approved by Alderney's Policy & Finance Committee and by Sark's Policy & Performance Committee (July 2016)⁶⁷. Paragraph 6.9.3 of that Policy Letter noted the opportunities for new trading relationships that could arise following the UK's withdrawal from the EU:

“Importantly, when the UK leaves the EU, the EU will no longer have the competence to enter into international trade agreements on the UK's behalf as is currently the case under the Treaty of Lisbon. This will enable the UK to enter into new trade agreements of its own. This change may therefore provide new trading opportunities for Guernsey as it has been hitherto unable to extend EU trade agreements, except in so far as Protocol 3 applies. However, experience suggests that it is likely to take the UK many years to negotiate new trade agreements.”

The Policy Letter also set out the main areas for engagement with the UK during the UK's negotiations with the EU (set out in paragraph 7.4 and Appendix 4) – see Appendix 3 of this FTA Policy Letter.

⁶⁶ [‘Urgent Proposition’ at the States’ Meeting of 29 June 2016](#) – ‘Managing the Implications for Guernsey because of the UK's Changing Relationship with the EU’ and [Resolutions for Billet d’État XX - 29th June, 2016](#)

⁶⁷ Approved by Sark's Policy & Performance Committee on 12th July, 2016 and approved by Alderney's Policy & Finance Committee on 19th July, 2016. A statement recognising the UK's decision to leave the EU was made by the President of the States of Alderney at its meeting on 20th July, 2016

A2.3 March 2017 – Acknowledging the Triggering of Article 50 of the Treaty on European Union in Respect of ‘Protocol 3’

In March 2017, the States of Deliberation considered a Policy Letter⁶⁸ that ensured due parliamentary process by formally acknowledging the UK’s withdrawal from the EU. That Policy Letter was also approved by Alderney’s Policy & Finance Committee and by Chief Pleas of Sark (April 2017).⁶⁹

That Policy Letter set out the objectives of the then UK Government’s negotiating objectives for its withdrawal from the EU, which included (as summarised in paragraph 6.1 of that Policy Letter) “Securing new trade agreements with other countries – We will forge ambitious free trade relationships across the world”.

Paragraph 6.4 of that Policy Letter set out the importance for Guernsey of these future trading opportunities: “Also of interest to Guernsey, is that the UK Government will seek a new network of regional and free trade agreements, including with the EU alongside some sort of new customs arrangement. The opportunity for Guernsey to have access to any such agreements [is seen] as being essential.”

That Policy Letter outlined the four initial priority areas that had been established for engagement with the UK government in the course of the negotiations, set out in paragraph 6.9. This included:

“Customs and goods: the maintenance of Guernsey’s trade links with the UK and the EU provides stability and protection for its businesses in order to safeguard and build on its trading relationships. No doors for new trading opportunities should be closed to the islands and with that in mind, the extension of the UK’s membership of the World Trade Organisation (WTO) will become a priority”.

A2.4 November 2017 – “Protecting the interests of the Bailiwick of Guernsey as the UK leaves the EU” – Policy & Resources Committee.

In November 2017, the States of Deliberation considered the third main Brexit Policy Letter⁷⁰ which set out the rationale for repealing the European Communities (Bailiwick of Guernsey) Law 1973, for implementing relevant EU measures into domestic law and other legislative provisions to provide continuity

⁶⁸ [Billet d’État VI of 2017](#) – ‘Acknowledging the Triggering of Article 50 of the Treaty on European Union in Respect of “Protocol 3”’ and [Resolutions](#) of 8th March, 2017.

⁶⁹ Approved by Alderney’s Policy and Finance Committee on 25th April 2017 (acknowledged by the States of Alderney on 24th May, 2017) and by Chief Pleas of Sark on 26th April 2017.

⁷⁰ [Billet d’État XXI of 2017](#) – ‘Protecting the Interests of the Bailiwick of Guernsey as the UK Leaves the EU and [Resolutions](#) of 8th November, 2017.

and certainty during the Brexit process. This was also approved by Alderney's Policy & Finance Committee and by Sark's Chief Pleas (December 2017)⁷¹. That Policy Letter noted the importance of Guernsey being able to benefit from any new opportunities arising from the UK's withdrawal from the EU. Part of the work required was to enact an enabling *Projet de Loi* for the purpose of the implementation of any international agreement relating to trade, in reference to international trading agreements and other instruments and associated materials. The Law Officers of the Crown prepared the relevant legislation - The International Trade Agreements (Implementation) (Bailiwick of Guernsey) Law, 2018⁷². The relevant *Projet* was approved by all three Bailiwick parliaments and the law was granted Royal Sanction in December 2018.

A2.5 January 2020 – “The Withdrawal Agreement between the United Kingdom and European Union - Implications for the Bailiwick of Guernsey” – Policy & Resources Committee

The fourth main Brexit Policy Letter⁷³ provided an update on Bailiwick-related developments that had taken place in advance of the UK's exit from the EU, sought approval of the next steps and directed preparation of any necessary legislation. It was considered and approved in Guernsey, Sark and Alderney (January 2020)⁷⁴.

The Policy Letter explained (in paragraphs 3.16 and 3.17) the UK's intention to 'roll over' agreements (including FTAs) which it had participated in by virtue of its EU membership. The UK approach was to seek to become a party to the international agreements in its own right either bilaterally with partner countries or by acceding to various relevant international agreements. The Policy & Resources Committee agreed in March 2019 to adopt a continuity approach in respect of EU international agreements that applied by virtue of, and to the extent provided by, Protocol 3 so that the various international agreements would continue to apply post-Brexit insofar as Protocol 3 applied. Alderney and Sark's relevant Committees also adopted a similar approach.

⁷¹ Alderney's Policy and Finance Committee on 5th December, 2017 and by Sark's Chief Pleas on 7th December, 2017.

⁷² [The International Trade Agreements \(Implementation\) \(Bailiwick of Guernsey\) Law, 2018](#) approved by the States of Deliberation at its meeting of 6th June, 2018; approved by the Chief Pleas of Sark at its meeting of 4th July, 2018; approved by the States of Alderney at its meeting of 25th July, 2018.

⁷³ [Billet d'État II of 2020](#) – 'The Withdrawal Agreement Between the United Kingdom and European Union – Implications for the Bailiwick of Guernsey' and [Resolutions](#) of 17th January, 2020.

⁷⁴ Approved by Alderney's Policy & Finance Committee on 23rd January, 2020 and by Sark's Policy & Finance Committee on 20th January, 2020.

A2.6 December 2020 – “The Bailiwick’s Participation in the UK-EU Trade and Cooperation Agreement” – Policy & Resources Committee

The fifth main Brexit Policy Letter⁷⁵ (the TCA Policy Letter) set out the outcome of negotiations between the UK and EU and the terms of the agreement reached, insofar as they would apply to the Bailiwick of Guernsey. The Policy Letter summarised the terms of the agreement in comparison to the Brexit objectives agreed in successive Policy Letters since 2016, and authorised the Policy & Resources Committee to agree and signal approval of the TCA if the Committee was of the view that the terms and conditions of that agreement gave satisfactory effect to the principles agreed by the States⁷⁶. The Policy Letter was considered and approved in Guernsey, Alderney and Sark (December 2020).

The Policy Letter set out the UK’s approach to continuity agreements following its departure from the EU and the ability for the UK to start negotiations on new international agreements, which the Bailiwick could seek to benefit from (as set out in section 11 of that Policy Letter). Resolution 5 of that Policy Letter asked the States of Deliberation: “To note the inclusion of the Bailiwick in various free trade agreements (which have previously had effect in the Bailiwick by virtue of the Bailiwick’s relationship with the EU, and the operation of which has been “rolled over” by the UK) and other agreements which will take effect at the end of the Brexit transition period and to agree that there shall be implemented such measures (including legislative measures) as the Policy & Resources Committee, in relation to Guernsey, the Policy and Finance Committee of the States of Alderney, in relation to Alderney, and the Policy and Finance Committee of the Chief Pleas of Sark, in relation to Sark, thinks fit for the purpose of ensuring that Guernsey, Alderney and Sark may comply and remain in compliance with obligations that arise from the inclusion of the Bailiwick in such agreements.”

There is further information about the TCA Policy Letter in Appendix 1 paragraph A1.1 and Appendix 5.

⁷⁵ [Billet d’État XXIX](#) of 2020 – ‘The Bailiwick’s Participation in the UK-EU Trade and Cooperation Agreement’ – and [Resolutions](#) of 27th December, 2020. Approved by the States of Deliberation, States of Alderney and Chief Pleas of Sark at their (separate) meetings on 27th December, 2020.

⁷⁶ The TCA Policy Letter included an Appendix which listed and summarised all the Brexit-related Policy Letters to date.

PREVIOUS RESOLUTIONS OF THE STATES OF DELIBERATION

Guernsey's objectives in relation to the UK's withdrawal from the EU and new trading relationships

- A3.1 Guernsey's objectives were set out in the June 2016 Policy Letter ('Managing the Implications for Guernsey because of the UK's Changing Relationship with the EU') ⁷⁷. Appendix 3 contained the negotiating objectives and considerations (which were also replicated elsewhere, including in the TCA Policy Letter in 2020):
- a) "Negotiating considerations – relationship with the UK"
 - b) "Negotiating objectives - relationship with the EU"

Paragraph 7.4 (also duplicated for ease of reference in Appendix 4 to that 2016 Policy Letter) was the "Main areas for engagement with the UK Government for the States of Guernsey".

- A3.2 The Resolutions of 29th June, 2016, included one which was for, "the Policy & Resources Committee to lead on the negotiations with the UK, in accordance with its mandate, in particular to: "(i) engage with the UK in the four main areas of concern outlined in paragraph 7.4; (ii) seek to protect and secure the best interests of Guernsey in its trading relationship and for those resident in the Bailiwick; (iii) to take all other necessary measures that may be considered appropriate; and (iv) to note that that the Policy & Resources Committee will undertake to keep States Members advised of progress."
- A3.3 The last two points from paragraph 7.4 of that June 2016 Policy Letter are particularly pertinent to the Bailiwick's potential participation in any UK FTAs and are copied below for ease of reference.

"7.4 Main areas for engagement with the UK Government for the States of Guernsey

In order to ensure that Guernsey's interests are best served in the negotiations with the UK it will need to ensure it monitors and engages with the UK Government to:

- (i) Ensure the interests of Guernsey residents are taken into account by the UK / EU exit agreement. This includes ensuring that Guernsey

⁷⁷ ['Urgent Proposition' at the States' Meeting of 29 June, 2016](#) – 'Managing the Implications for Guernsey because of the UK's Changing Relationship with the EU' ('the June 2016 Policy Letter') and [Resolutions](#)

residents/persons with EU rights do not suffer any detriment compared to those resident in the UK;

- (ii) Ensure, where possible, the arrangements for free movement of goods described in Protocol 3 are replicated in some way. This may be through extension of the relevant part of any new UK / EU relationship. The States should also ensure that the best interests of Guernsey residents and businesses are served under that new agreement;
- (iii) Ensure there is no detriment to the existing, and historic, constitutional relationship between Guernsey and the UK. Work to mitigate against any risks of unintended consequences; and
- (iv) Seek opportunities for Guernsey in any new UK trading relationship including with the EU and with other countries outside of the EU, including any new free trade agreements and exploring extension of the UK membership of the WTO.”

A3.4 The January 2020 Policy Letter⁷⁸ also contained an overarching objective for the UK-EU negotiations and the States resolved (inter alia): “To agree, in particular, that any agreement or protocol in respect of the Bailiwick should be underpinned by the principles of relevance, proportionality and practicality taking into account the island nature of the Bailiwick, its size and population and unique needs arising out of the same.”

1987 States’ Resolution on International Agreements

A3.5 For information about the 1987 Resolution on international agreements, refer to Billet d’État IV of 6th February, 1987, and Resolutions of 25th February, 1987.

Resolution:

“That each international agreement in the application of which to this Island the Insular Authorities are invited to acquiesce shall be referred by the Bailiff to the States Advisory and Finance Committee and that the States Advisory and Finance Committee shall make to the Bailiff its recommendations as to whether a notification of acquiescence in the application of an agreement to this Island either in whole or with reservations or of non-acquiescence should be made and thereupon the Bailiff shall communicate with the proper quarter in accordance with such recommendations provided that:-

- (a) where the terms of any international agreement appear to the States

⁷⁸ [Billet d’État II of 2020](#) – ‘The Withdrawal Agreement between the United Kingdom and European Union – Implications for the Bailiwick of Guernsey’ and [Resolutions](#)

Advisory and Finance Committee to involve questions of human rights and fundamental freedoms, or matters which, in the opinion of the States Advisory and Finance Committee are likely to be considered controversial, the terms of the proposed agreement shall be laid before the States;

(b) where the subject matter of the agreement relates to a subject which is the concern of any other States Committee, the States Advisory and Finance Committee shall refer the agreement to that Committee with a request for its views;

(c) where the States Advisory and Finance Committee or a States Committee concerned considers it necessary or expedient that the matter of acquiescence or non-acquiescence in the application to this Island of an agreement should be submitted to the States for a decision, the matter shall be so submitted by the States Advisory and Finance Committee together with any necessary clarification and recommendations; and

(d) where the views of the States Advisory and Finance Committee and of any other States Committee concerned are not in accord on the matter, the difference between them shall be submitted by the States Advisory and Finance Committee to the States for a decision thereon.”

- A3.6 In accordance with the Resolutions of 27th January, 2016⁷⁹, relating to the work of the Constitutional Investigation Committee, and in accordance with the States’ Resolutions of 25th August, 2020⁸⁰, following consideration of a Requête entitled ‘Extension of the Bailiwick of the UK-US Extradition Treaty of 2003 and Changes to Processes Relating to the Approval of International Instruments’, the Policy & Resources Committee is currently reviewing the 1987 Resolution with a view to requesting the States to update it (later in 2021).

⁷⁹ [Billet d’État I of 2016](#) – ‘Proposal to Achieve Greater Autonomy in the Legislative Process and International Affairs for Guernsey’ – and [Resolutions](#) of 27th January, 2016.

⁸⁰ Requête, [‘Extension of the Bailiwick of the UK-US Extradition Treaty of 2003 and Changes to Processes Relating to the Approval of International Instruments’](#) by Deputy J Merrett and others; and Resolutions of [25th August, 2020](#).

**RECENT CORRESPONDENCE WITH THE UK GOVERNMENT WHICH INCLUDES
REFERENCES TO FTAs OR OTHER TRADING RELATIONSHIPS WITH (NON-EU)
COUNTRIES OR ORGANISATIONS**

- A4.1 There has been regular engagement and correspondence with the UK Government to ensure that the Bailiwick's interests are understood and fully represented during the UK's trade negotiations with other countries and organisations. A summary of some of the correspondence relating to the UK-EU future relationship and the Bailiwick's participation in the TCA was included in Appendix 1 of the TCA Policy Letter.
- A4.2 Some of the correspondence is directly relevant to the Bailiwick's participation in UK-Rest of World FTAs and is summarised below.
- A4.3 The UK Prime Minister, the Rt Hon Boris Johnson MP wrote to the then Chief Minister, Deputy Gavin St Pier, in September 2019 about the UK's withdrawal from the EU and the Crown Dependencies' part in the new UK-EU relationship. He said that the UK government was, "keen to further strengthen this [UK – Bailiwick of Guernsey/Crown Dependencies] relationship after the UK has left the European Union, when **the UK Government will be negotiating its own free trade agreements on behalf of the entire British family, including the Crown Dependencies.**"⁸¹ (emphasis added)
- A4.4 On 2nd March, 2020, a joint letter was sent to the Chancellor of the Duchy of Lancaster setting out aspirations of the Bailiwick of Guernsey, Jersey and the Isle of Man for participation in any future UK-EU agreement. This was in response to the publication on 27th February of the UK's approach to the negotiations. The overriding objectives, as set by each of the islands, were summarised as including, "Setting our own priorities; retaining autonomy of our own laws; maintaining our tax sovereignty and continuing to set our own fiscal policies; keeping the Common Travel Area; being in control of our own waters; and managing our own borders." It was further stated that it was, "our intention **to be constructive and collaborative partners in** the UK-EU negotiations on the future relationship, as well as **the UK's negotiations with the rest of the world.**" (emphasis added)
- A4.5 On 31st March, 2020, Guernsey's Minister for External Relations wrote to the Paymaster General to confirm the Bailiwick's position for participation in any UK-EU and RoW agreements and said, "**The Bailiwick's part in** the UK-EU future relationship (and **UK-Rest of the World relationships**) **needs to be practical, relevant and proportionate to the needs of the Bailiwick.**" (emphasis added)

⁸¹ [Letter from Prime Minister to Deputy St Pier 13th September, 2019](#)

A4.6 The UK has provided assurances throughout the Brexit transition period, in respect of the UK-EU negotiations, that the Government recognises the historic constitutional relationship between the Bailiwick and the Crown. On 1st May, 2020, the Parliamentary Under-Secretary of State for Justice, Alex Chalk MP, reaffirmed the UK's commitment to representing the Bailiwick's interests (including in RoW FTA negotiations) and to the principles of the constitutional relationship:

"This Government recognises and values the historic relationship between Guernsey and the Crown. I am glad the Prime Minister's recent recognition of this relationship has assured you that our position on this remains unchanged. ... This Government takes its constitutional responsibilities towards the Crown Dependencies very seriously. We respect your autonomy in domestic matters and we look forward to working together on matters of mutual interest."

A4.7 Mr Chalk also said that the **UK Government** would, "**continue to engage with you in a collaborative and transparent way as we seek to represent your interests**, and the interests of the whole British family, **during** the EU negotiations as well as **negotiations for new Free Trade Agreements with other countries in the rest of the world.**" (emphasis added)

A4.8 On 22nd July 2020, the Rt Hon Greg Hands MP, Minister of State for Trade Policy provided further assurance that the UK would represent the Crown Dependencies during all negotiations for agreements with other countries, with a particular reference to Rest of World FTAs. "**I recognise the constitutional role the UK Government has in representing your interests internationally, including through our RoW FTAs.**" "...the UK Government confirmed that it's [sic] **priority in its approach to including the Crown Dependencies in RoW FTAs is to ensure coverage in those areas that support the effective functioning of the UK-CD customs union**". (emphasis added)

A4.9 On 19th August, 2020, following a number of negotiating rounds between the UK and the EU, the Paymaster General confirmed that the **UK** was continuing to seek to secure the **best possible outcome for the Bailiwick in the negotiations** between the UK and EU and **for RoW FTAs**, which would meet the objectives agreed by the States of Deliberation in June 2016 and again in January 2020. "I note your concerns over the possibility of precedent being set during EU negotiations for other FTA negotiations. I understand that my colleague, Minister Hands, has committed to **regular engagement with you on the UK's approach to including the Crown Dependencies in Rest of the World FTAs.**"⁸² (emphasis

⁸² These exchanges highlighted the UK's commitment to ensure that the Bailiwick could participate in UK FTAs to the fullest extent possible and not just for the purposes of goods or customs matters only (which was the case for the TCA).

added) “We will...focus our attention and efforts on securing the best possible goods-based arrangement for your jurisdictions.”

A4.10 The Lord Chancellor wrote to the Committee⁸³ in December 2020 to set out the UK’s interpretation of how, at the domestic level, the UK and Bailiwick will work together to meet the obligations of the TCA. The letter reaffirmed that the UK Government remains committed to the principles set out in the International Identity Framework and to the development of Guernsey’s international identity. It also stated that the UK Government would continue to work with Guernsey whilst developing new trading relationships with other countries:

“I am pleased to reaffirm the UK Government’s commitment to the much valued and long-standing constitutional relationship between the UK and Guernsey. I look forward to continuing to strengthen that relationship, in line with the Justice Select Committee Reports and Government responses of 2010-14; and the Framework for Developing the International Identity of Guernsey, signed in 2008. The UK Government **will continue to work closely with Guernsey**, in positive collaboration and in the context of our existing constitutional relationship, **as we** implement the Agreement and **develop new trading relationships with other countries**. The UK Government continues to support Guernsey and the other Crown Dependencies seeking Letters of Entrustment in additional policy areas, where appropriate, recognising as it does the value to the Crown Dependencies of representing their own interests on the international stage.” (emphasis added)

⁸³ [Letter dated 24th December, 2020, from the Lord Chancellor and Secretary of State for Justice to the President of the States of Guernsey Policy & Resources Committee](#). The letter was primarily about Guernsey’s participation in the agreement between the UK and the EU. The letter was read in full during the debate in the States of Deliberation on 27th December, 2020. The letter was noted in the Resolutions of the States of Deliberation that day. It was subsequently added (for completeness) as Appendix 9 to the TCA Policy Letter (together with an explanatory note to that effect).

**THE PRINCIPLES OF THE BAILIWICK'S COMMITMENTS
IN RESPECT OF GOODS FOR THE TCA**

EXTRACTS FROM 'THE BAILIWICK'S PARTICIPATION IN THE UK-EU TRADE AND
COOPERATION AGREEMENT' POLICY LETTER (DECEMBER 2020)⁸⁴

- A5.1 The principles relating to the Bailiwick's participation in the goods and customs elements of the TCA were described in the TCA Policy Letter. That Policy Letter primarily focussed on the requirements which the Bailiwick needed to meet to be able to take part in the TCA. It also covered the basis for the Bailiwick's participation in continuity FTAs and referred to future UK FTAs to be negotiated following the end of the transition period.
- A5.2 Decisions by the three parliaments of the Bailiwick to participate in the TCA were based on the principles that had already been agreed by those parliaments, as due to the timings involved with the negotiations a finalised legal text was not available to base those decisions on. Due to the fast pace of negotiations currently being undertaken by the UK for other FTAs, it will be necessary to take a similar approach to FTAs.
- A5.3 Paragraphs 1.20-1.27 of the TCA Policy Letter outlined the chapters of the TCA that the Bailiwick was being asked to participate in for the purpose of trade in goods. For ease of reference, those chapters are:
- Chapter 1 – National Treatment and Market Access for Goods (including trade remedies): To facilitate trade in goods between the UK and the EU and to maintain liberalised trade in accordance with the provisions of the agreement.
 - Chapter 2 – Rules of Origin: To lay down the provisions for determining the origin of goods for the purpose of the application of the preferential tariff treatment under the TCA.
 - Chapter 3 – Sanitary and Phytosanitary ('SPS') Measures: To set out the measures that are required to ensure human, animal and plant health is protected by the individual parties while facilitating the trade and movement of agri-foods between them. This chapter includes an Annex setting out related process matters.
 - Chapter 4 – Technical Barriers to Trade ('TBT'): To facilitate trade in goods by preventing, identifying and eliminating unnecessary TBTs. This chapter includes associated Annexes. These Annexes are either relevant to current trade in goods, or areas of potential future economic opportunity

⁸⁴ [Billet d'État XXIX of 2020](#) – 'The Bailiwick's Participation in the UK-EU Trade and Cooperation Agreement' - and [Resolutions](#), approved by the States of Deliberation, the States of Alderney and the Chief Pleas of Sark on 27th December, 2020.

and industry development. The following five Annexes are an integral part of the chapter:

- Annex on Chemicals: To facilitate the trade of chemicals and related products, ensure high levels of protection for the environment, and human and animal health, and provide for cooperation between the UK (and the Bailiwick) and the EU responsible authorities.
- Annex on Organic Products: To set out the provisions and procedures for fostering trade in organic products in accordance with the principles of non-discrimination and reciprocity. It means recognition of equivalence by the UK (and the Bailiwick) and the EU of their respective laws.
- Annex on Motor Vehicles and Equipment and Parts thereof: To apply to trade between the UK (and the Bailiwick) and the EU for all categories of motor vehicles, equipment and parts thereof.
- Annex on Trade in Wine: To ensure that science relating to wine making, referred to as oenological practices, complies with the international standards published by the International Organisation of the Vine and Wine ('OIV').
- Annex on Medicinal Products: To apply provisions relating to the marketing of finished medicinal products for human or veterinary use, as well as intermediates, including biological products for human and veterinary use and active pharmaceutical ingredients ('API').
- Chapter 5 – Customs and Trade Facilitation: To ensure that there are compatible and effective administrative and enforcement customs procedures in place to facilitate trade whilst also ensuring proper protection, safety and security processes are in place to protect citizens, and national prohibitions and restrictions and financial interests of both the UK and the EU. (Note: the Bailiwick is not included in any aspects relating to maintaining an Authorised Economic Operators ('AEO') partnership programme, either within this Chapter or in the Annex on AEOs)
- Protocol on Mutual Administrative Assistance in Customs Matters: To formalise and support the mutual assistance between customs authorities as agreed within the Customs and Trade Facilitation Chapter."

A5.4 Further details on the goods relationship, and what participation in the above Chapters and Annexes of the TCA means for the Bailiwick, were set out in Section 3 of the TCA Policy Letter, Paragraphs 3.1-3.68.

A5.5 Paragraphs 3.3-3.5 of the TCA Policy Letter made specific reference to the Bailiwick's possible approach to inclusion within future UK FTAs:

"3.3 Under Protocol 3, the EU rules on customs matters and quantitative restrictions applied to the Bailiwick under the same conditions as they applied to the United Kingdom. In the application of Protocol 3, the Bailiwick was treated as being part of the UK Member State and,

therefore, as part of the EU Customs Union. It also provided the basis for alignment in regulatory standards for trade in agri-food products. It is not possible to recreate Protocol 3 through the participation in a UK-EU trade agreement, or, indeed, through any other trade agreement with new trading partners. This is because Protocol 3 directly governed the Bailiwick's relationship with the EU (including the EU's external-facing Common Commercial Policy⁸⁵). With the end of Protocol 3, a new approach to the Bailiwick's inclusion in Free Trade Agreements ('FTAs') will need to be found – one that adheres to the principles of relevance, proportionality and practicality, whilst respecting the Bailiwick's autonomy. In terms of the UK-EU negotiations, this meant seeking to recreate (at least) a customs and goods-based relationship.

- "3.4 The Customs Arrangement negotiated with the UK in 2018 is a customs union⁸⁶ as defined by the WTO. This British Islands Customs Union provides one basis on which the Bailiwick could partake in future UK - Rest of World FTAs. The Bailiwick can also take part in any UK FTA as a territory for whose international relations the UK is responsible.
- "3.5 This provides some flexibility meaning the Bailiwick is not obliged to join all FTAs that the UK enters into; however, as part of the British Islands' Customs Union, it is bound to apply any preferential tariffs to goods imported under all UK FTAs. The Bailiwick is able to ensure its interests are served by participation in such international agreements that best suit the Islands' economic needs, without undermining the Customs Arrangement."

⁸⁵ [EU Common Commercial Policy](#)

⁸⁶ The WTO defines a customs union as 'the substitution of a single customs territory for two or more customs territories'.

THE BAILIWICK'S PARTICIPATION IN THE UK-EEA EFTA FTA

The UK-EEA EFTA FTA

- A6.1 The UK-EAA EFTA FTA covers trade in goods, services and investment, digital trade, capital movements, government procurement, intellectual property, competition, subsidies, small and medium sized enterprises, good regulatory practices and regulatory cooperation, recognition of professional qualifications, trade and sustainable development.

The Bailiwick's participation in the UK-EU EEA EFTA FTA

- A6.2 Participation in the goods elements of the UK-EEA EFTA FTA is extremely important for those Bailiwick businesses which already export goods to these countries and offers trade stability. The effect of the Bailiwick's participation is that the Bailiwick will benefit from preferential tariffs on any goods originating in the Bailiwick and exported to the EEA EFTA States, as agreed under the FTA. If the Bailiwick had not been included, preferential tariffs resulting from the UK-EEA EFTA FTA would still have to be applied by the Bailiwick to goods originating from the EEA EFTA States imported into the Bailiwick, due to the UK-Bailiwick Customs Arrangement.
- A6.3 Following negotiations, it was considered that this FTA should apply to the Bailiwick in respect of trade in goods only at this time. The Bailiwick's participation in this FTA provides for post-Brexit continuity for trade in goods, through commitments that are the same as or similar to the TCA (though there are no fisheries access commitments to consider), together with a commitment for further discussions in the future about trade in services and investments, so that the services chapters can be extended to the Bailiwick if agreement is found on the terms of that extension.
- A6.4 Due to the shortness of time available to agree the FTA, it was not possible for the Bailiwick's (nor the other Crown Dependencies) participation in the services parts of the FTA to be considered by the EEA EFTA negotiators. However, an 'extension mechanism', together with a supporting side agreement, about the Bailiwick participating in the services and investments elements of the FTA at a later date has been included.
- A6.5 In addition, the EEA EFTA States have also agreed to include a clause within the territorial extension article which allows the Bailiwick to seek to terminate the trading relationship under the FTA separately to the UK. This is important for the Bailiwick's autonomy and international identity, although it is unlikely to arise in practice. The Bailiwick's participation in the FTA would also cease if the UK (or

EEA EFTA States) decided to end the FTA altogether.

Process to approve the Bailiwick's participation

- A6.6 In order to meet the short timescales, a local consent process was required for the Bailiwick to agree to participate in this FTA before it is considered and ratified by the UK Parliament. It is understood that this is likely to be soon; one factor being condensed timescales for ratification of the FTA by the EEA EFTA States.⁸⁷ Such action was necessary to protect the constitutional position that new international obligations must be consented to by the three jurisdictions of the Bailiwick before they apply in respect of the islands.
- A6.7 Consequently, the Committee considered Guernsey's participation in the UK-EEA EFTA FTA using the Committee's mandated delegated authority derived from the 1987 States' Resolution on international agreements and other relevant previous States' decisions.⁸⁸ In using this delegated authority, the Committee noted the earlier significant engagement during the negotiations process through various forums across the States of Guernsey, including the Finance Sector Forum, the Future Partnership Delivery Group ('FPDG') and at the recently formed Trade Policy Forum ('TPF'). It also noted that officers from relevant service areas across the States of Guernsey had assisted in their areas of expertise in regard to the likely effects and obligations which would arise from the possible extension of the UK-EEA EFTA FTA to the Bailiwick. The Committee *for* Economic Development has been regularly updated regarding all aspects of future trade policy and the wider negotiations and it is understood that it supports Guernsey's participation in this FTA.
- A6.8 By delegated authority under the aforementioned 1987 States' Resolution, the Committee approved Guernsey's inclusion in the following chapters of the UK-EEA EFTA FTA relating to trade in goods:
- (i) National Treatment and Market Access;
 - (ii) Rules of Origin;
 - (iii) Customs Administration and Trade Facilitation;
 - (iv) Sanitary and Phytosanitary Measures; and
 - (v) Technical Barriers to Trade;
- A6.9 The Committee also approved the approach taken by the UK Government to agree a joint declaration with the EEA EFTA States regarding further inclusion in other parts of the FTA in the future. The declaration commits the parties to

⁸⁷ For example, the date of the next Norwegian parliamentary election is September 2021.

⁸⁸ As outlined in Paragraphs 2.9-2.11, Paragraph 2.19 and Paragraph 4.3 in the main body of the Policy Letter.

further discussions about inclusion in trade in services and investments-related chapters as soon as possible.

- A6.10 As stated in Section 4 of this Policy Letter, it is understood that consideration is being given to this FTA by the relevant authorities in Alderney and Sark for inclusion of those islands on the same terms as Guernsey.

MATTERS TO BE CONSIDERED FOR GUERNSEY/THE BAILIWICK'S POSSIBLE PARTICIPATION IN FTAs

What are the benefits to Guernsey and the Bailiwick to be part of a UK FTA?

- A7.1 Now that the UK has left the EU and has become an independent trading nation, the situation for the Bailiwick has also had to change. The Bailiwick, along with the other Crown Dependencies of Jersey and the Isle of Man, also needs to establish and secure its place in the world to ensure that future trade interests are protected.
- A7.2 In December 2018, Policy & Resources Committee and the Committee *for* Economic Development developed and released a consultation to Bailiwick businesses which sought to identify the impacts of Brexit on business. Businesses were also asked questions to identify the flows of goods imported and exported globally from the Bailiwick.
- A7.3 Whilst the consultation was primarily about the impacts of the UK's withdrawal from the EU, it clearly identified that the Bailiwick is a global exporter of locally manufactured products, with exports now estimated to be c.£100m annually in goods such as medical devices, electronics, software, and specialised plant equipment. A large proportion of these businesses will benefit from FTA preferential market access depending on the country of export.
- A7.4 In addition to FTAs with individual countries, there is potentially further benefit from multilateral agreements such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership ('the CPTPP'). Established in 2011, the CPTPP currently covers 11 Pacific Rim countries (Australia, Brunei, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Canada and Vietnam) which ensures preferential tariffs and market access for goods and services between those countries.
- A7.5 Whilst Guernsey's interest in the trade in goods is clear, the other potential benefits of future FTAs are still to be realised (which will be carefully considered with Sark and Alderney and also with industry, through the forums established such as the Trade Policy Forum). Securing preferential access within FTAs could ensure opportunities not only for goods, but also for services, such as professional and financial services and IP. As the UK continues to negotiate with international trade partners, it is important that the Bailiwick's interests are also included, where relevant, proportionate and practical.

Why should the Bailiwick seek the option for future inclusion in the services elements of FTAs?

- A7.6 Where the Bailiwick's interests in a particular trade agreement are not clear, or there needs to be further analysis or consideration, it is intended that the Bailiwick's position be reserved for further negotiation at a later date. This is to ensure that it is possible to be included later in relevant chapters of a FTA. This is particularly relevant for trade in services.
- A7.7 For trade in services, tariffs and quotas are not applied as it is difficult, if not impossible, to track these intangible elements of trade. Trade in services can be restricted by other means, through applying controls around how services are delivered and offered to consumers. These are known as the modes of supply: 1) Cross-Border supply; 2) Consumption Abroad; 3) Local Presence; 4) Temporary Entry. This presents a complex picture for the Bailiwick. The following elements are generally included in services chapters of FTAs:
- general commitments on cross-border trade in services across modes 1-3⁸⁹;
 - 'mode 4' or mobility provisions, which seek to liberalise the rules that allow temporary entry of natural persons from the trading partner's territory for the purposes of supplying services;
 - investment-related provisions;
 - commitments relating to domestic regulatory framework; and
 - mutual recognition of professional qualifications ('MRPQ'), e.g. medical, legal and other professional qualifications).
- A7.8 In order to liberalise trade across the four modes, countries will agree certain approaches to liberalising trade to make access to each other's economies easier for business. Sometimes this means levelling domestic regulation and treating international business in the same way as domestic businesses. This does not prevent domestic regulation; it simply leads to a levelling of the playing field for businesses based within and outside the country.
- A7.9 In many cases, goods are sold together with a wide range of services and therefore both goods and services trade need to be considered very carefully together. For example, the purchase of machinery (goods) may also include services such as remote or in-country training or repair by remote access. There are different obligations and commitments which need to be agreed to achieve the full range of benefits of each FTA and these need to be considered carefully.

⁸⁹ Together with annexes of sector-specific application of commitments ('positive listing') or of sector-specific exceptions ('negative listing').

FTAs currently being considered/negotiated by the UK

A7.10 The timescales for inclusion within any UK FTA is dictated by the UK's negotiating programme. The pace is set by the UK and the negotiating trade partner. The list below sets out some of the ongoing UK Government consultation relating to potential future bilateral and multilateral FTAs:

- On 18th July, 2019, the UK Government published a consultation document⁹⁰ on the potential of joining Comprehensive and Progressive Agreement for Trans-Pacific Partnership ('the CPTPP');
- On 2nd March, 2020, the UK Government published a consultation document on a potential UK-USA FTA;⁹¹
- In December 2020, the UK and Singapore announced⁹² proposals to negotiate a UK-Singapore Digital Economy Agreement ('DEA')
- On 25th May, 2021, the UK Government published a consultation document⁹³ on a potential UK-India FTA;
- On 4th June, 2021, the UK Government announced that it had reached an agreement in principle ('AIP') in principle⁹⁴ with the EEA EFTA States (Norway, Iceland and Liechtenstein)⁹⁵, which in effect replicates some of the terms of the UK-EU TCA for the wider EEA EFTA area.
- On 17th June, 2021 ⁹⁶the UK Government announced that it had reached an agreement in principle ('AIP') with Australia with regards to taking forward a UK-Australia FTA;
- On 17th June, 2021, the UK Government announced that it would expedite progress on negotiations with New Zealand towards agreeing a UK-New Zealand FTA. It is expected that an agreement in principle may be reached by August 2021.

⁹⁰ [UK Government consultation on trade with the Comprehensive and Progressive Agreement for Trans-Pacific Partnership](#)

⁹¹ [UK-US Free Trade Agreement](#)

⁹² [Joint statement by the UK and Singapore on 10th December, 2020](#)

⁹³ [UK Government consultation - trade with India](#)

⁹⁴ Agreement in principle was [announced by the UK Government](#) on 4th June 2021

⁹⁵ The 27 EU Member States, together with the three European Free Trade Association (EFTA) States Iceland, Liechtenstein and Norway, make up the European Economic Area (EEA) Contracting Parties (the 31 EEA States). Norway, Iceland and Liechtenstein go by the term "EEA EFTA States" in order to clarify that the other EFTA State, Switzerland, is not party to the EEA Agreement.

⁹⁶ [UK-Australia FTA negotiations: agreement in principle](#)

ENGAGEMENT AND CONSULTATION ON THESE PROPOSALS

- A8.1 The Committee *for* Economic Development is mandated to develop and implement policies on matters relating to the promotion and development of all sectors of business and for the reputation of the Island as a centre for commerce and industry. It is responsible for developing any future trade policy. The Policy & Resources Committee is mandated to deal with international relations, external relations and constitutional affairs. Therefore, there is the continued need for very close collaboration between the two Committees in ensuring the Bailiwick's international trade interests and objectives are achieved. Other States Committees also hold mandated policy responsibilities relating to FTAs and other trade arrangements. Principally these are: the Committee *for* Home Affairs, the Committee *for the* Environment & Infrastructure and the Committee *for* Health & Social Care. All States' Committees remain responsible for their policy areas and legislation within their mandates and for driving forward any necessary changes to satisfy international obligations.
- A8.2 Often the TCA and FTA negotiations have proceeded at a fast pace, with intense periods of engagement taking place and limited time for UK-Bailiwick consultation and consideration within the Bailiwick, regarding the Bailiwick's participation in the resulting agreements between the UK and its partner countries. As each FTA and FTA negotiation is different, the pace, timescales and potential participation of the Bailiwick will vary depending on the depth and complexity of the draft agreement. There could be differences about whether the Bailiwick could, or would want to, participate in different chapters of a FTA from the time of implementation of the FTA.
- A8.3 For the period following the end of the Brexit transition period, a governance structure was set up in Guernsey to facilitate effective and timely engagement with industry and external stakeholders through the establishment of the Trade Policy Forum ('TPF')⁹⁷. Whilst it does not have any decision-making function, the TPF acts as a sounding board on the impacts of certain strategic decisions and a critical friend to any negotiating strategy⁹⁸.
- A8.4 The Law Officers of the Crown have also been consulted and have provided legal advice and legislative drafting throughout the consideration of the issues described in this Policy Letter.

⁹⁷ As in Paragraph A1.24 in Appendix 1.

⁹⁸ In 2020, prior to the establishment of TPF, there were two bodies which advised the Committee on the UK-EU relationship negotiations and FTA matters – namely the Trade Policy Advisory Panel (including representatives from industry) and the Future Partnership Delivery Group (which was the political body). More information on those three bodies is in Appendix 1.

- A8.5 There has been frequent engagement between the governments of Guernsey and the UK, particularly with DIT. During this process, the UK Government has been reminded repeatedly that each of the Bailiwick's three jurisdictions needs to make its own decisions about its participation (or otherwise) in any future trade arrangements and that the Bailiwick will need to ensure it implements its own legislation to meet its commitments.
- A8.6 As it did throughout the process leading to the UK's legal separation from the EU (from 2016 until 31st December, 2020⁹⁹), the Committee has continued to work with the governments of Alderney and Sark so that both those islands were informed during negotiations and approval phases for the Bailiwick's potential participation in the UK's future trade relationships with other countries.¹⁰⁰
- A8.7 Guernsey's officials have worked and continue to work closely on future FTAs with counterparts in Jersey and the Isle of Man to ensure a shared understanding of the issues and priorities for each of the Crown Dependencies.

⁹⁹ As in Paragraphs 2.9-2.11 of the main text, in paragraphs A1.1 and A1.2 of Appendix 1 and in the summary of Brexit-related Policy Letters set out in Appendix 2 of this Policy Letter (and a more complete list in Appendix 8 of the TCA Policy Letter, December 2020).

¹⁰⁰ Issues referred to in this Policy Letter and future trade relationships more generally have also been discussed in previous meetings of the Future Partnership Delivery Group (the governance structure set up for the EU-UK negotiations process, which included Alderney and Sark political representatives and since disbanded), and through the Bailiwick Council.

GUERNSEY PRISON

Annual Report 2020

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 behavior and provide them with values, skills and experience to take a positive role in the community upon release.

VALUES

- Integrity
- Safety
- Potential
- Inclusion
- Collaboration

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Governor's Foreword

The COVID-19 crisis has proven to be one of the most challenging passages of time that Guernsey Prison (the Prison) has faced in recent years. Special restriction in the Prison was required to combat the disease from late March throughout much of 2020.

Despite the obvious risks that COVID-19 represented to the closed community conditions of a custodial environment, we delivered our services with only slight adjustments to the day to day business. The Prison provided a purposeful regime throughout the acute period of the pandemic, and this was assisted in no small part by the positive attitude adopted by the prisoners and their families.

The Prison is extremely fortunate to have its own healthcare team on site that provide professional advice and guidance in tailoring our operations to meet the challenges that emerge.

Whilst many statistics gathered through 2020 must be considered in the context of the pandemic, I can report a continued downward trend regarding the Prison roll, which averaged at eighty-six.

Despite the problems we faced during the year the majority of our 2020 priorities were either achieved or at least progressed with anticipation for completion in 2021. There were some inevitable effects on operations and projects due to supply chain issues and availability of off- island contractors. The Prison managed to successfully work through these problems, mitigating risks by adopting alternative solutions to issues as they arose.

I am particularly pleased with the continued progression of the Prison regimes and education department. The team has managed to successfully negotiate a closer working relationship with officers from the Committee *for* Education Sport & Culture and specifically the College of Further Education. This has significantly increased the number of courses and qualifications available to learners. The new Prison workshops became fully operational with suitably qualified staff appointed to manage these important areas to deliver skills, experience and relevant qualifications to a much broader spectrum of prisoners.

The Prison continues to develop its relationship with its third sector partner Creative Learning in Prison (CLIP). The Prison charity is now well established and continues to increase the level of support it provides. There are a number of projects that have been scoped for consideration for funding that will open up further purposeful activity for prisoners, vocational training and valuable community employment opportunities.

The successes of this year would not have been possible without the continued efforts of the Prison officers and staff, who have tackled the huge challenge in keeping our service running safely.

The Committee *for* Home Affairs (the Committee) have mandated responsibility to oversee the delivery of the Prison Service. The Prison and the Committee continue to enjoy a positive working relationship which contributes to the successful delivery of the Prison's core objectives. The Prison Service look forward to working with the Committee in the coming term to support the development of future justice policy that meets the needs of our community.



John De Carteret
Prison Governor

1.0 Statement on Accommodation & Facilities

1.1 Accommodation

Guernsey Prison has a Certified Normal Accommodation (CNA) of 134. Each cell used for the confinement of prisoners has the correct standard of heating, lighting and ventilation and is of adequate size for the number of prisoners for which it is granted approval. Each cell must provide prisoners with a cell call system or other effective means of communication with staff.

The CNA represents the accepted decent standard of accommodation that the Service aspires to provide all prisoners.

The operational capacity is of course impacted by the complexity of its population breakdown. In simple terms there are limitations to men, women and children sharing facilities within a custodial environment. These issues can be further complicated by the nature of the crime index and victim issues that can and do occur in an island prison environment.

The Prison is beginning to show signs of wear and tear due to age in many of its internal systems and external fabric and investment in its future proofing should be a priority. This will ensure those sentenced to serve a custodial term are kept in conditions that support the protection of the public and the goal of reducing re-offending.

1.2 Prisoner cell call system

The Prison has suffered from technical issues with its cell call system for the past two years. Various solutions have been explored, a specification was tendered during 2019 and a supplier was sourced to undertake the project.

The replacement of the faulty prison cell call system was planned to start at the end of Q2 2020 and scheduled to be completed at the end of Q3 2020. However, due to the COVID-19 pandemic, the off-island contractor was unwilling to attend the Prison to install the new system as they had concerns regarding restrictions around the working environment. The close working conditions of the Prison also meant that contractors could not be properly segregated away from staff or prisoners.

The Prison identified a working solution for the interim period to ensure any cell call issues could be rectified remotely whilst alternate software was developed. These alternative arrangements went live in October 2020 and mitigates any risk of a catastrophic failure in our ability to attend to prisoners requiring assistance in their cells. The final delivery date of the project will be dependent on the COVID-19 situation in both the UK and Guernsey.

1.3 Shower facilities and laundry upgrade

Significant progress has also been made on the Juliet Wing shower upgrade, and final plans drafted by Property Services. This has enabled the Prison to obtain quotes and seek potential suppliers to undertake the work. The development will include an upgrade on the shower facilities, including new facilities for the disabled and the installation of new hot water tanks. These works will represent a significant improvement in conditions for prisoners.

The Prison successfully secured the funding and equipment to enable the central laundry upgrade to be completed, and the new laundry facilities went live in November 2020. The central laundry has

been made available to all accommodation wings on a rotational basis. Prisoners are fully trained on the commercial machines prior to use and are allocated these jobs through the current activity allocation process. The central laundry offers the potential for a reduction in cost in the long term as the Prison will gradually phase out other domestic appliances that required regular repair and replacement.

1.4 External Building Fabric

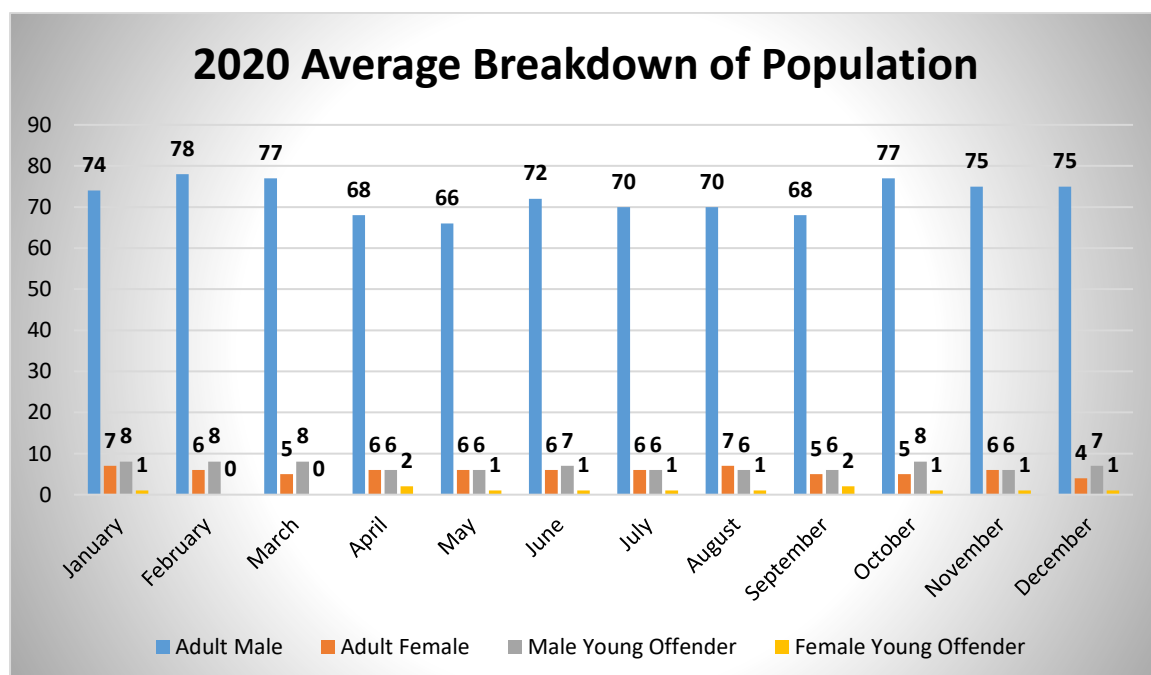
The repair and repaint of the external finishes on the prison has been revisited by Property Services with an agreement reached to re-tender the project based on two twelve-week phases. Initially it was envisaged that the Prison could utilise prisoners to undertake some of these works, however the technical nature of the scheme and accompanying risk assessments indicate that this may not be possible. We are hopeful that there will be opportunities for training and development in the eventual ongoing preventative maintenance programme surrounding the fabric of the building. Phase one is estimated to start in April 2021 with phase two starting in April 2022.

2.0 Population

The average daily prison population throughout 2020 was eighty-six with the highest daily population reaching ninety-six and the lowest being seventy-five. This would indicate a continuing downward trend on previous years that may be a result of a number of factors. It is impossible to ignore the impact of COVID-19 during 2020 but it is important to recognise that the average roll started to fall significantly from the middle of 2019. It is concerning that the number of women and young offender's incarcerated remained static despite the overall drop in numbers.

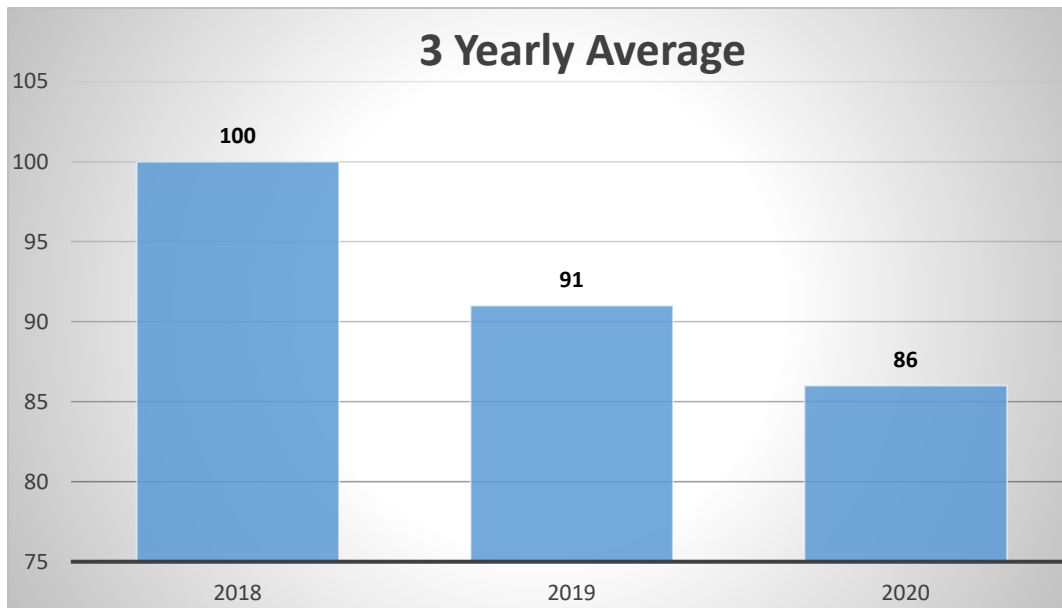
2.1 Monthly Average Roll

The graph below illustrates the monthly average of prisoners throughout 2020 broken down into population types.



3.0 Yearly Average

The graph below illustrates the comparison in annual roll over the last three years and indicates a downward trend in the Prison population.



4.0 Regimes

4.1 Work

The Prison is a working prison and all eligible prisoners are allocated daily work. Over 95% of prisoners attend work each day and it is almost always the case that those who do not work are either beyond retirement age or are on remand and therefore not required to work. It should be noted that prisoners in these categories choose to work anyway.

All prisoners are allocated a job within the first week of reception, by the weekly Activities Allocation Board. Work is primarily allocated based on individually assessed need, capacity and capability (as well as risk assessments) derived from the prisoner's sentence plan, which is led by the Offender Management Unit (OMU) with direct input from the prisoner themselves.

On first reception into the Prison the vast majority of prisoners are allocated some form of cleaning duties, normally on their own wing. Once 'settled in' and having completed their initial sentence plan (within twenty working days of reception), prisoners can then seek to move into other roles with more responsibility and autonomy. These range from cleaning common areas of the Prison, buffing floors, helping with maintenance tasks, gym assistant, librarian and others. Prisoners are also able to work within one of the main Prison production areas. These are:

- **Workshops** - producing woodwork items, garden furniture and craft goods for sale to the public and for community groups e.g. schools, parish halls, charity groups etc. Prisoners also undertake contract work with local companies including Le Tricoteur, the recycling Waste Electrical and Electronic Equipment (WEEE) for Guernsey Recycling, as well as collecting, sorting and recycling the prison's own in house waste.
- **Kitchen** – preparing, cooking and serving meals for all prisoners twice per day, seven days per week and preparing breakfast packs.
- **Horticulture Site** – growing fruit and vegetables to supply the kitchen as well as maintaining a 'show' garden and selling any excess produce on a 'hedge veg' stall outside the Prison gates.

Within these areas there are also opportunities, primarily for longer term prisoners, to gain City & Guilds accredited qualifications in:

- Construction Skills (carpentry & joinery)
- Hospitality & Catering (food preparation & cooking)
- Food Hygiene
- Practical Horticulture Skills

The re-establishment of links with the Guernsey College of Further Education (GCFE) and recruitment of new tutors in the latter part of 2020 will permit the introduction of new qualifications for prisoners in 2021 in a wider range of vocational subjects including recycling, barbering, plumbing and painting and decorating.

4.2 Learning and skills

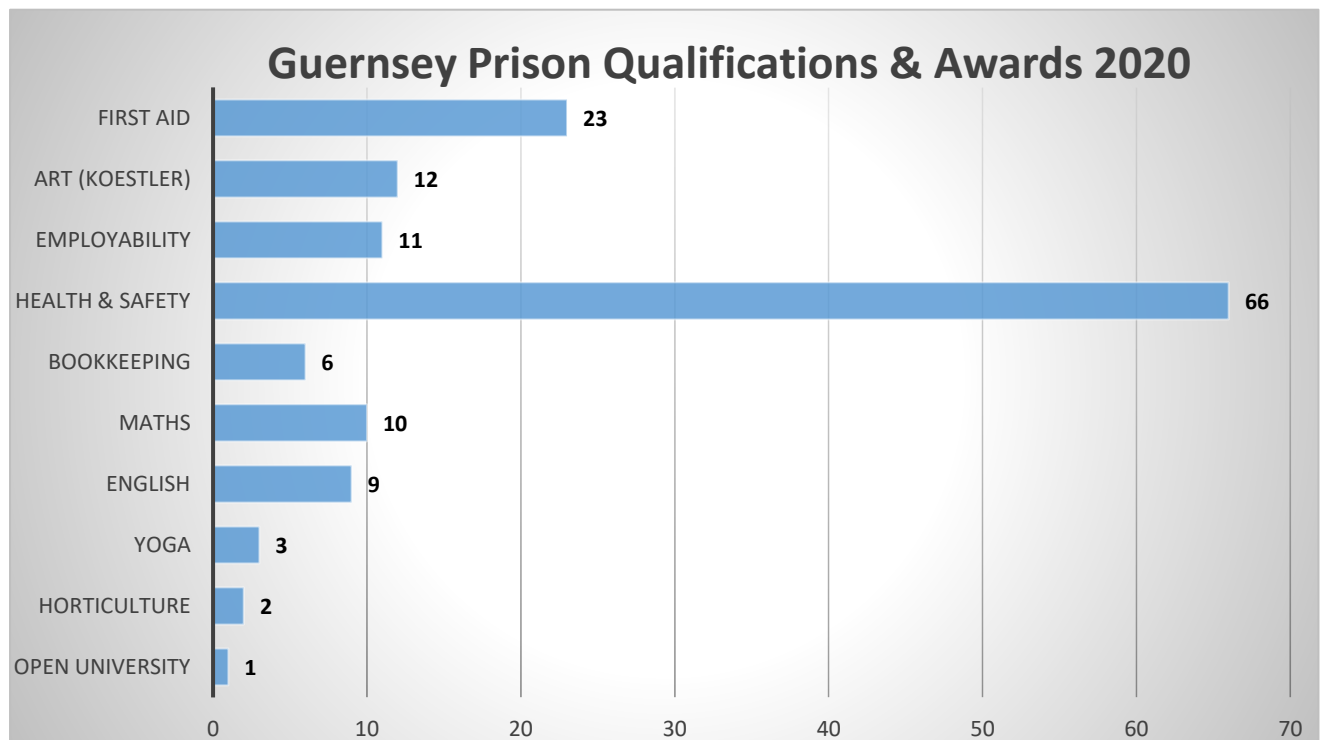
In total one hundred and forty-three qualifications, certificates and awards were gained by fifty-six different prisoners during 2020.

The full-time Education Manager was appointed in April which coincided with the island's education provision being suspended due to the COVID-19 pandemic lockdown. The lockdown period was used constructively, with the department given a cosmetic over haul. Despite the challenges the lockdown brought, the Education Manager was able to introduce a range of new qualification courses such as;

- Art
- Beauty
- Customer Service
- Health & Safety
- Higher levels in English & Mathematics,

The Prison has reopened very positive lines of communication with the GCFE, The Guernsey Institute and the secondary school provision to develop scope to allow prisoners to undertake additional examination, including at 'A' level, vocational qualifications and apprenticeships.

The chart below demonstrates the breakdown of qualifications/awards achieved:



5.0 Prison Discipline

5.1 Adjudications

The Prison Disciplinary System - adjudications

An adjudication has two purposes:

- To help maintain order, control, discipline and a safe environment by investigating offences and punishing those responsible; and
- To ensure that the use of authority in the establishment is lawful, reasonable and fair.

The role and responsibilities of the adjudicator

The role of the adjudicator is to investigate a report of alleged events and to decide whether an offence against the Prison Rules has been established beyond reasonable doubt. The adjudicator must investigate the charge, being prepared to impartially question the accused, the reporting officer and any witnesses. Adjudicators must act fairly and justly. They are responsible for the conduct of their hearings. If adjudicators depart from the guidance and, in doing so, compromise fairness and justice, their decisions risk being overturned.

Who may adjudicate and when

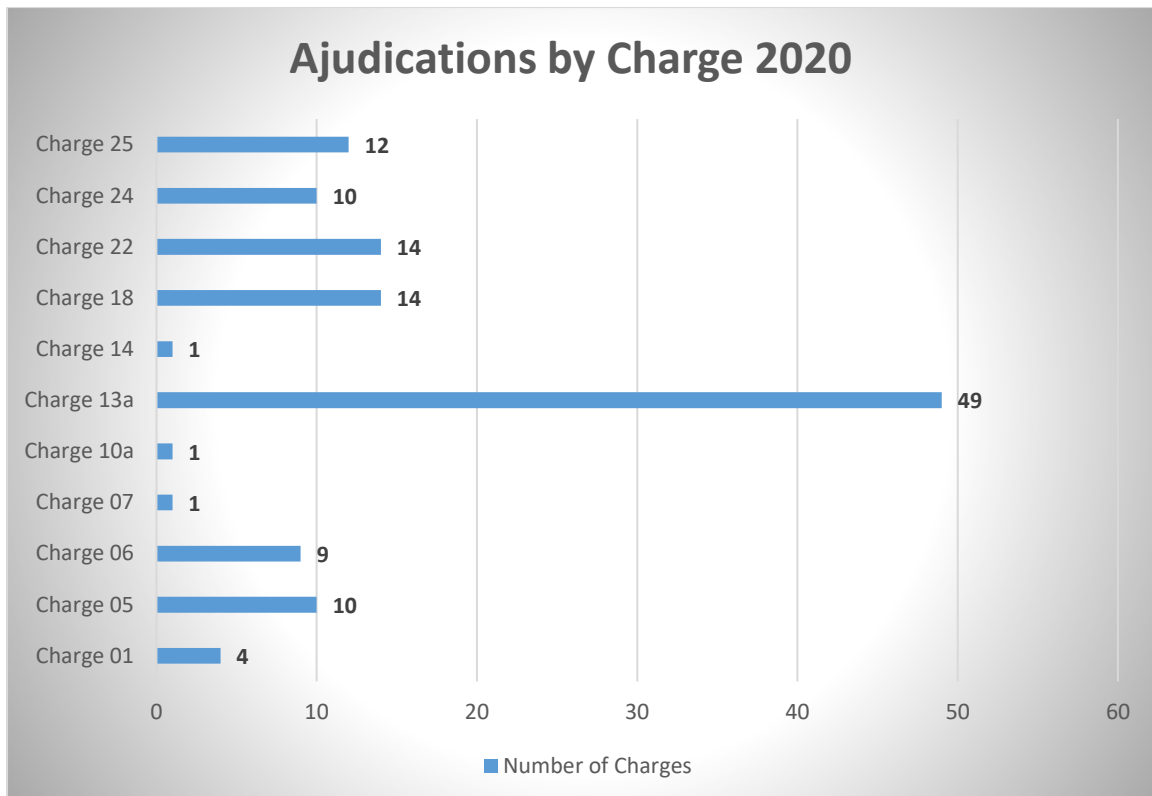
Prison Rules give authority to Principal Officers (the Prisons most senior uniformed managers) to conduct adjudications along with any Officer authorised by the Committee for Home Affairs. Independent Adjudicators are Lieutenant Bailiffs approved by the Bailiff for the purpose of hearing charges referred to them by the Prison adjudicators. The Governor may recommend any officer who has operational experience and has received authorised training in adjudication procedures to the Committee for Home Affairs as an adjudicator.

Adjudicators must adjudicate on every charge and, save in exceptional circumstances, must do so not later than the next day following when the charge has been laid, unless that day is a Saturday, Sunday or a public holiday. Where the charge is referred to the Independent Adjudicator, they must begin enquiries within twenty-eight days of the charge being referred. The date of referral counts as the first day of this twenty-eight day period.

Normally the member of staff against whom the alleged offence was committed or who witnessed the particular incident will lay a charge. Another member of staff can lay it, for example, where the officer against whom the alleged offence took place is not available to lay the charge. The person bringing the charge is referred to as the reporting officer.

Over the course of 2020, there were a total of one hundred and twenty-five offences against discipline.

A full breakdown of offences can be found in Appendix A.



A prisoner may receive an adjudication by the Governor or his representative if they are reported for having committed an offence.

Of the one hundred and twenty-five offences, none were referred to the Independent Adjudicator, eighty-five adjudications resulted in penalties, sixteen were referred to Guernsey Police, twelve were dismissed, eleven did not proceed and one remained in progress at the end of 2020. No adjudications were overturned.

The highest level of offences was forty-nine charges relating to:

Section 44(1) Para (13) - Has in the prisoner's possession (a) anything which the prisoner is not lawfully required or authorised to possess; or (b) a quantity of anything that is greater than the quantity that that prisoner is lawfully required or authorised to possess.

The penalties for these charges can range from cautions to loss of remission, dependent on the items in possession.

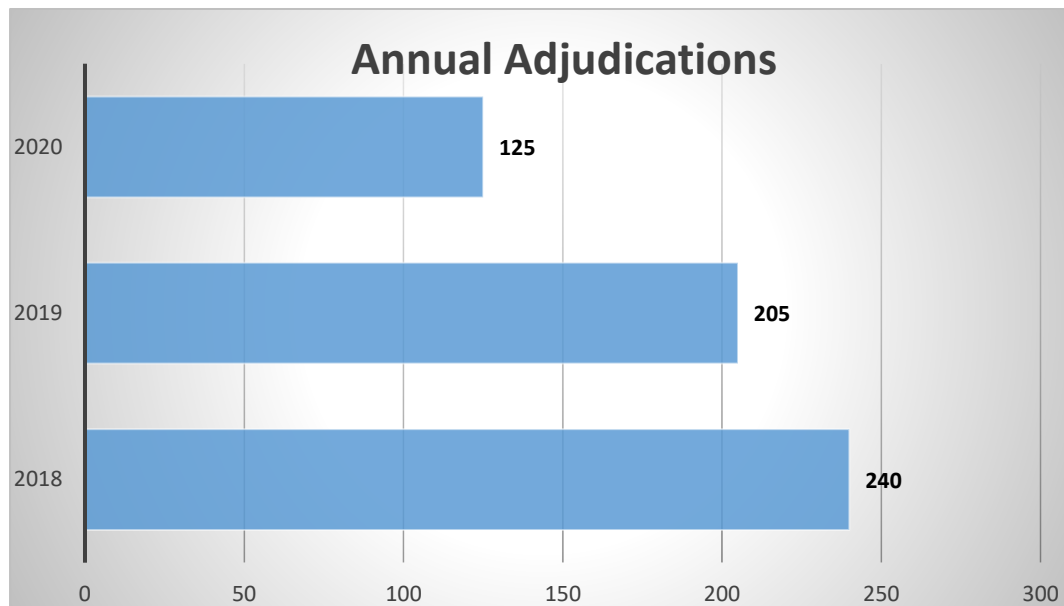
5.2 Prisoner appeals against Adjudications

The procedure for making an appeal against a determination of charges is set out in the Prison Regulations. There were two appeals against punishments awarded as a result of internal adjudications in 2020. Both appeals were dismissed.

5.3 Adjudications Comparison

The graph below illustrates a comparison of adjudication awards from the last three years. The downward trend can be interpreted in many ways. A falling roll, positive staff prisoner relationships

and the profile of the prisoners in custody could all have a significant impact on disciplinary breaches. The figures are generally considered as a positive reflection on behaviour in the Prison.



5.4 'Use of force'

The term 'use of force' could be considered to provide a somewhat negative image in the treatment of prisoners. It must be recognised that anytime a prison officer places their hands on someone in custody, no matter what *level* of force is employed, it must be recorded as an incident. Any 'use of force' should be;

- Reasonable
- Proportionate
- Necessary and;
- No more than necessary

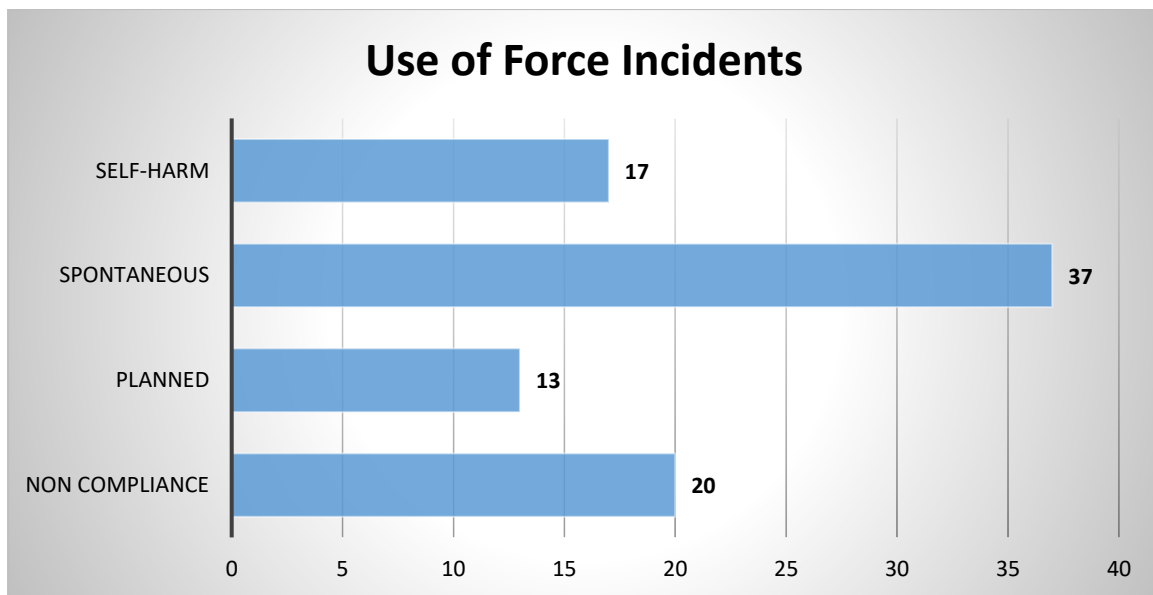
A total of thirty-seven incidents requiring 'use of force' reports to be completed in 2020. Of these, thirteen met the criteria of a 'planned removal'. A planned removal requires officers in protective equipment to respond to a sustained incident of refractory behavior. This action results in prisoners being relocated to the Prison Separation Care and Progression Unit (SCAPU). The remaining incidents were spontaneous interventions, mainly due to non-compliance, and there were infrequent physical interventions for the purpose of preventing self-harm as well as altercations between prisoners.

While thirty-seven incidents may seem a significant number, this amounted to a significant decrease when compared to 2019 when sixty-six incidents occurred.

The remaining twenty-four spontaneous interventions during 2020 were mainly of a very low level with minimal intervention required.

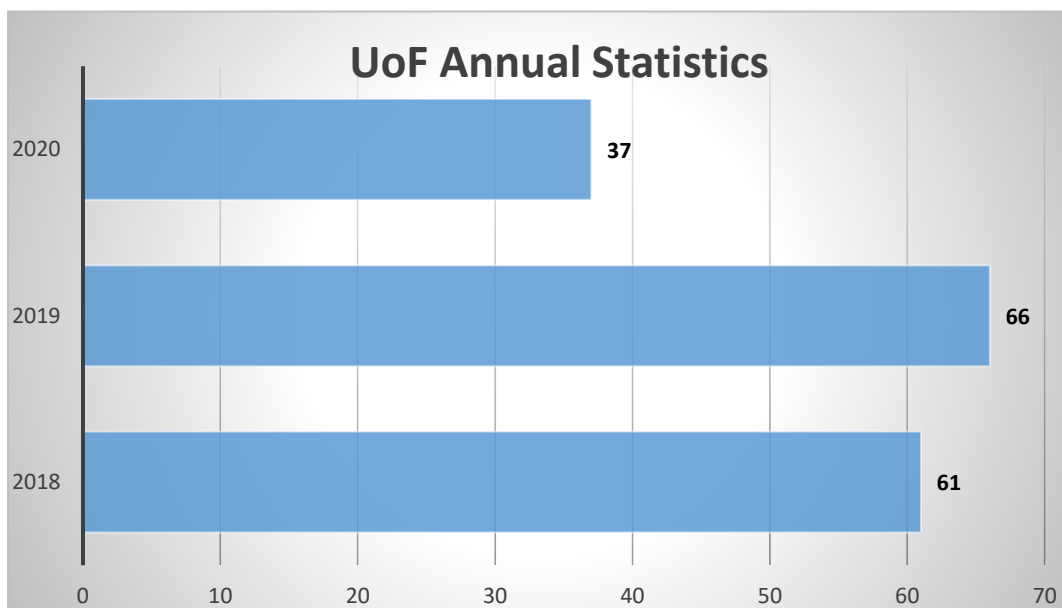
The Prison did not undertake any 'use of force' incidents throughout the period of island-wide lockdown.

A breakdown of all incidents recorded for 2020 is listed in the table below



5.5 'Use of force' Annual Comparisons

The graph below illustrates the last three years in comparison. Variances can be affected by small numbers of non-complaint prisoners:



5.6 Separation, care and progression unit (SCAPU)

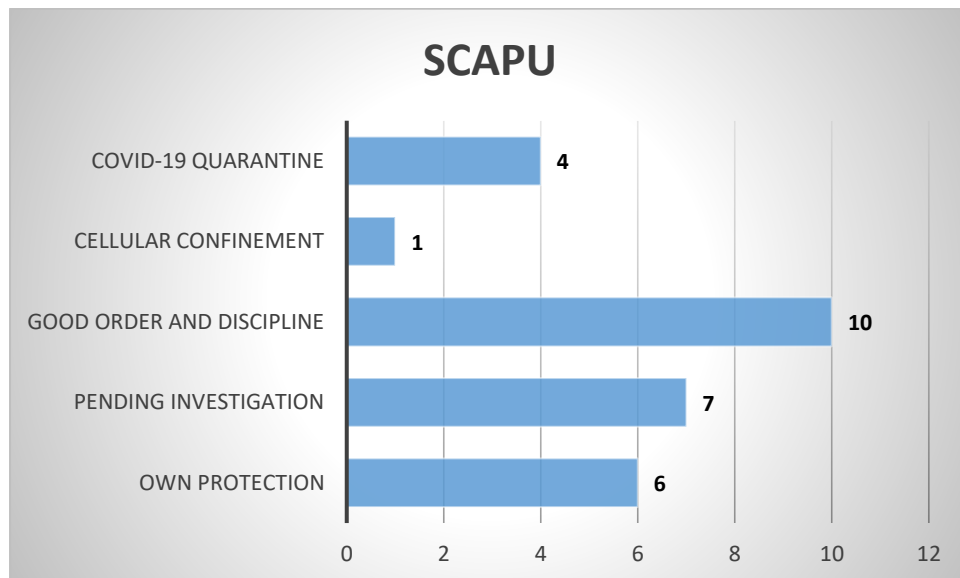
The Prison SCAPU is used primarily to segregate prisoners considered to be a risk to the good order and discipline of the establishment due to refractory or serious non-compliant behavior.

The SCAPU ethos is to identify individual prisoner need and wherever practicable to meet those needs with a view to encouraging individual progress to enable the prisoner to be safely returned to

mainstream residential accommodation. This is achieved through the delivery and implementation of an individually tailored care plan.

A prisoner should only be kept in the SCAPU for the minimum period of time possible because of the detrimental effect that relative isolation has on the wellbeing of an individual.

The SCAPU has been used by eighteen prisoners throughout 2020 on twenty-eight occasions as detailed in the table below:



5.7 Assaults

The Prison maintains a zero tolerance to violence and threats of violence. There are specific strategies in place to ensure that the community is a safe place to live and to work. The Prison will seek to impose penalties or refer any infringement that places others at risk of harm to Guernsey Police.

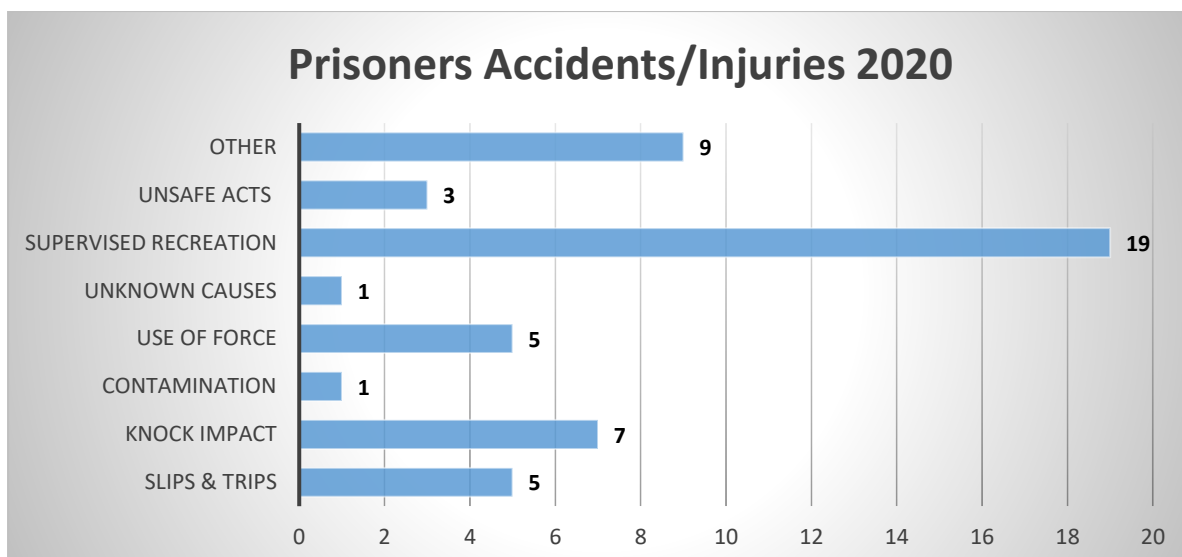
There were two recorded assaults during 2020 that resulted in disciplinary action.

The first case related to a minor prisoner on prisoner altercation that was resolved by way of a Prison adjunction hearing which resulted in a seven-day loss of privileges.

The second case related to an assault by a prisoner on a member of staff and was referred to Guernsey Police due to the severity of the incident. This matter was dealt with by the courts and resulted in a nine-month custodial sentence.

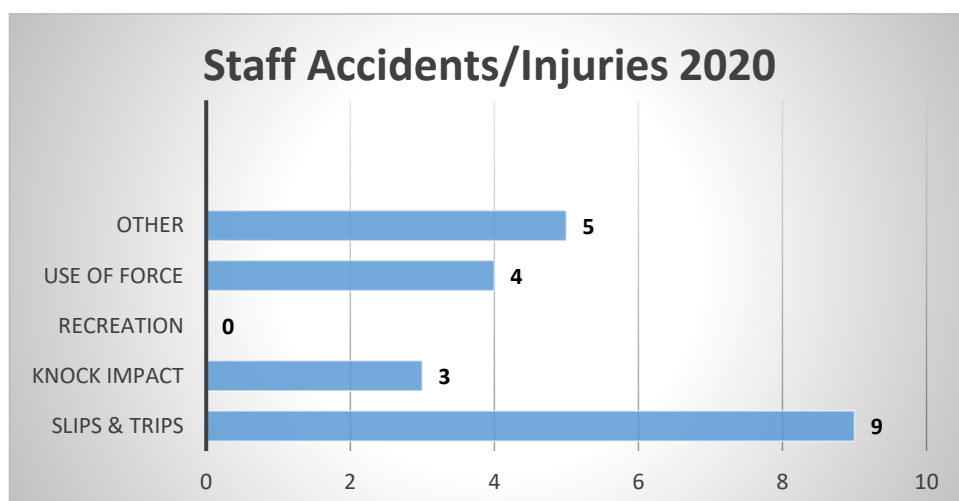
5.8 Prisoner Injuries

The Prison has maintained a proactive approach to Health & Safety awareness which has resulted in a relatively low number of accidents and injuries for the reporting year. The Prison has robust risk assessments in place for all work areas.



5.9 Staff Injuries

Injuries occurring in the Prison to members of staff are very rare. Improved health and safety awareness training has resulted in a reduction in the number of recorded incidents.



5.10 Visitor injuries

There were no reported visitor injuries/accidents during 2020.

5.11 Deaths in custody

The Prison Governor is responsible for developing, implementing and maintaining the contingency plans and protocols for handling the aftermath of a death in custody and ensuring that lessons are learnt with the aim of preventing further deaths.

An agreed protocol for the investigation of any deaths in Guernsey Prison between the Committee *for* Home Affairs and the Prisons and Probations Ombudsman is in place and must be adhered to.

There were no recorded incidents of death in custody during 2020. The Prison continues to carry out vigorous risk assessments and takes action accordingly with regard to the risk of suicide and self-harm.

5.12 Escapes

There were no recorded escapes from custody in 2020. Public protection remains a priority for the Prison.

5.13 Assessment care in custody and teamwork (ACCT)

Guernsey Prison has a duty of care to all prisoners. We aim to create a safe environment and help prisoners cope with custody through:

- Encouragement of trusting and supportive relationships
- Support to maintain home and community ties
- Education and personal development programmes
- Bullying awareness strategy
- Individual counselling
- Access to the Samaritans by phone and visits

Some prisoners will require additional support when depressed or feeling suicidal. The process and accompanying documentation regarding such cases is known as Assessment Care in Custody (ACCT). The Risk Management Team co-ordinate and review this care, which includes:

- Identifying prisoners who are at risk and alerting all staff sharing responsibility to care for those prisoners
- Providing a therapeutic approach where those who have self-harmed are treated with compassion and have their dignity maintained
- Co-ordinating group programmes and individual counselling to prevent, reduce or deal with crisis
- Maintaining a prevention programme which minimises the incidence of self-harm
- Providing supportive human contact via observation/support and counselling from a range of trained staff

In 2020, seventy-three ACCT' files were opened for those prisoners considered to be at risk with twenty-eight of these being related to incidents of actual self-harm.

6.0 Healthcare Managers Report

6.1 General Overview

The healthcare needs analysis as identified in the Prison Delivery Plan was unable to be completed due to the change in priorities resulting from the COVID-19 pandemic. The modernisation of Prison Healthcare did progress along an agreed action plan that resulted in much of the identified work streams being achieved.

Nurse-led clinics continued to be provided daily. These clinics include admission and pre-release assessments, immunisation provision, well man/well women, weekly stop smoking sessions, sexual health screening, nurse triage, chronic disease management, detoxification and mental health support.

All newly sentenced prisoners returning from the courts continue to be risk assessed by a Registered Nurse in the Prison Healthcare team.

Mental health care was provided by the Health & Social Care (HSC) Consultant Psychiatrist, Community Adolescence Mental Health Service (CAMHS) and Psychologists from the HSC Psychological Team.

Guernsey Bereavement Service (the Service) continued to provide counselling at the start of the year. However, the Service was not utilised to the same extent during 2020 largely due to counselling being provided by the in-house psychotherapist. However, the Service continues to offer its services when required.

6.2 Healthcare Statistics

- GP appointments - 708
- Initial reception health screenings - 161
- Nurse appointments - 1303
- Nurse led Quitline sessions - 96
- Psychiatrist sessions - 42
- Psychology & psychotherapy sessions including referrals to CAMHS- 31

Prisoners' ages ranged from sixteen years to seventy-seven years of age.

6.3 Quality Assurance

In 2020, prisoners raised nine complaints related to healthcare delivery. All nine complaints were resolved, with a formal written response from HSC sent to each prisoner.

The Island Prescribing Advisor continued to regularly visit the Prison to support and offer appropriate training to nursing and medical staff, audit prison prescribing, PGD's and assist with the development of pharmaceutical policies.

7.0 Offender Management

7.1 Rehabilitation & Resettlement Strategy

The Offender Management Strategy (originally published in 2009) was re-launched at the beginning of the year and re-branded as the Rehabilitation & Resettlement Strategy. A multi-agency workshop was held prior to “lockdown” at the beginning of March in order to obtain attendees’ ideas on how to improve resources and develop initiatives under each of the seven pathways to reduce reoffending.

People who offend tend to have a higher incidence of issues in certain areas than the general population. Research shows that there are key factors that influence reoffending. Much of the work in these ‘Strategic Pathways’ is carried out in partnership with other departments and voluntary agencies. The needs of individual offenders in relation to each pathway will be identified through the assessment and sentence planning process and managed by the Offender Manager and Offender Management team.

Many offenders will have complex needs requiring multiple interventions. Identifying the offenders at most risk of reoffending and focusing resources on those offenders is a key component of the offender management model. In summary, every offender is assessed and clear goals set for reducing risk of reoffending. Public protection procedures are a key element in offender management. Multi Agency Public Protection Arrangements involve a range of States and voluntary agencies to manage the most difficult and dangerous offenders.

The Strategic Pathways key to reducing reoffending are:

- Accommodation and Support
- Employment, Education, and Training
- Drugs and Alcohol
- Family and Social Support
- Life Skills and Offending Behaviour
- Health
- Financial Management

The information collated during this forum is now being used to inform the development of an action plan to accompany the Rehabilitation & Resettlement strategy document.

7.2 Resettlement Officer

A dedicated Resettlement Officer post was created in April 2020 by way of an internal restructure to assist prisoners in finding appropriate accommodation and assist with employment opportunities within the community.

7.3 Release on Temporary Licence (ROTL)

The Prison entered the operational phase of its Early Conditional Release Scheme (ECR – Electronic Tagging) during 2020 although no prisoners met the criteria for its consideration during the year.

There was a significant increase in the number of prisoners being afforded the opportunity of participating in the ROTL Progression system in 2020 during the resettlement phase of their sentence.

7.4 Alternative to High Street Banking

The Offender Management Unit worked in close partnership with Guernsey Community Savings LBG in advance of their opening in September 2020. Access to High Street banking facilities for offenders has presented a significant barrier to effective resettlement planning for a number of years and the establishment of this alternative is a marked step forward. The Prison is now able to refer prisoners to the Community Savings team who can hold pre-release appointments with prisoners in order to assist them in opening an account prior to their release. The Prison plans to extend its partnership working and invite the Community Savings Team to provide bespoke financial management education in the resettlement phase of prisoners' sentences.

8.0 Any other information

8.1 Staff learning and development

The Prison remains committed to ensuring staff receive relevant and timely training to equip and invest in them as practitioners. Annual training in firefighting, First Aid, Safeguarding and 'use of force' ensures staff are best equipped to deal dynamically with incidents as they arise and contributes to the overall safety of the Prison.

During 2020, eleven new officers undertook the Prison Officers' Entry Level Training (POELT) Course. The Scottish Vocational Qualification (SVQ) in Custodial Care Level 3 continued to be delivered with a total of six candidates completing this during the year. In addition, one individual completed the Management Development Programme (MDP).

8.2 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.

Purposeful Activity: Prisoners are able, and expected, to engage in activity that is likely to benefit them.

Rehabilitation and Release Planning: Prisoners are supported to maintain and develop relationships with their family and friends. Prisoners are helped to reduce their likelihood of reoffending and their risk of harm is managed effectively. Prisoners are prepared for their release into the community.

A new set of improvement objectives have been set for 2021; please see the 2021 Delivery Plan.

Offences against discipline

- (1) commits any assault,
- (2) commits any racially aggravated assault,
- (3) detains any person against the person's will,
- (4) denies access to any part of the prison to any authorised person or visitor,
- (5) fights with any person,
- (6) intentionally endangers the health or personal safety of others or, by the prisoner's conduct, is reckless as to whether such health or personal safety is endangered,
- (7) intentionally obstructs any authorised person in the execution of the person's duty or the performance of the person's work,
- (8) escapes or absconds from prison or from the legal custody of the Governor,
- (9) fails to comply with any condition of a temporary release licence upon which the prisoner is or was temporarily released,
- (10) 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, which demonstrates that –
 - (a) a controlled drug has been administered to the prisoner by that prisoner or by another person, whether in the prison or outside whilst that prisoner is on a temporary release licence (but subject to paragraph 2),
 - (b) a medicinal product has been administered to the prisoner by that prisoner or by another person, in the prison (but subject to paragraph 2), or
 - (c) the prisoner has smoked a tobacco product or any other thing at any time whilst in the prison,
- (11) is intoxicated as a consequence of consuming any intoxicating liquor (but subject to paragraph 3),
- (12) consumes any intoxicating liquor, whether or not provided to the prisoner by another person (but subject to paragraph 3),
- (13) has in the prisoner's possession –
 - (a) any thing which the prisoner is not lawfully required or authorised to possess, or

- (b) a quantity of any thing that is greater than the quantity that that prisoner is lawfully required or authorised to possess,
- (14) supplies to any person any prohibited thing,
- (15) supplies to any person any thing which the prisoner is lawfully required or authorised to have for that prisoner's own use, unless that supply is lawfully required or authorised,
- (16) takes improperly any thing belonging to another person, the prison or the Department,
- (17) intentionally or recklessly sets fire to any part of the prison or any other property, whether or not the prisoner's own,
- (18) destroys or damages any part of the prison or any property (other than the prisoner's own),
- (19) causes racially aggravated damage to, or destruction of, any part of the prison or any other property, other than the prisoner's own,
- (20) absents the prisoner's self from any place where the prisoner is required to be, or is present at any place where the prisoner is not lawfully required or authorised to be,
- (21) is disrespectful to any authorised person or any visitor (other than a prisoner),
- (22) uses threatening, abusive or insulting words or behaviour,
- (23) uses threatening, abusive or insulting racist words or behaviour,
- (24) intentionally fails to work properly or, being required to work, refuses to do so,
- (25) disobeys any lawful order,
- (26) disobeys or fails to comply with any provision of this Ordinance, the Prison Regulations or the Prison Orders that applies to the prisoner,
- (27) receives any controlled drug, or, without the consent of an authorised officer, any other thing, during the course of a visit,
- (28) displays, attaches or draws on any part of a prison, or on any other property, threatening, abusive or insulting racist words, drawings, symbols or other material,
- (29) smokes a tobacco product or any other thing, or
- (30) (a) attempts to commit, (b) incites another prisoner to commit, or (c) assists another prisoner to commit or to attempt to commit, any of the foregoing disciplinary offences.

Guernsey Prison

INDEPENDENT MONITORING PANEL



2020 ANNUAL REPORT

Publication date: 28th June 2021

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If further information is required in relation to any matter contained within this Report please write to the Chairman of Independent Monitoring Panel c/o Sir Charles Frossard House, La Charroterie, St Peter Port, GY1 1FH or telephone 01481 717000.

EXECUTIVE SUMMARY BY THE CHAIRMAN

The Covid-19 pandemic presented Guernsey Prison with unprecedented challenges.

During this period we monitored the way in which management and staff rose to these challenges and we would like to commend them for their swift and positive response.

Regrettably, for three months the Panel had to suspend face-to-face visits due to the prison's lockdown measures. However, we received regular updates on the situation within the prison and arrangements were put in place should any prisoner have requested an IMP visit or in the event of a prisoner being placed in segregation. When lockdown was lifted the prison continued on its positive trajectory with encouraging developments in Healthcare, Education, Skills Training and Rehabilitation, observations of which are set out in this report.

Positive developments include:

- Improvements in Healthcare
- Progress on J Wing refurbishment
- Bank facilities for ex-offenders
- Community Workshop
- Education opportunities
- Rehabilitation

Among our concerns are:

- Weekend medication arrangements
- Digitising of health records still outstanding
- Cell call system

We are, as always, indebted to the staff at the Guernsey Prison - especially those officers who accompany us throughout our visits. Also the Governor and his senior staff who take time to speak with us at the end of our visits and who attend our meetings outside of their normal working day. We thank them all for their professionalism, courtesy, patience and good humour.

Tony Talmage

Chairman of the Independent Monitoring Panel

STATUTORY FUNCTION

The Guernsey Prison Service keeps 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, juveniles and vulnerable prisoners.

The Independent Monitoring Panel is constituted under the Prison (Guernsey) Ordinance 2013 (“the Ordinance”) as a body made up of members of the public. It is charged with providing independent oversight of the day-to-day operations of the prison and prison conditions, monitoring the administration of the Prison, the treatment of prisoners and whether the statutory objectives of the prison system are being met. The Panel also oversees the general well-being of staff who are employed by the Guernsey Prison.

To enable the Panel to carry out these duties effectively, its members have right of access to every prisoner and every part of the prison and also to the prison’s records. Members:

- undertake a monthly unannounced visit of the Prison premises;
- visit prisoners personally at their request;
- visit prisoners who have been admitted to the Segregation Care and Progress Unit (SCAPU);
- attend, as observers, routine prison meetings; and
- attend bi-monthly Panel meetings.

The Ordinance requires the Panel to prepare an annual report at the end of each calendar year, which must include its findings, observations, recommendations and statistical information.

THE PANEL'S OBSERVATIONS in 2020

The following report arises from observations made on unannounced visits, visits requested by prisoners, informed contact with staff, attendance at prison meetings and discussions with prison management.

1 POSITIVE DEVELOPMENTS

Prison during lockdown

As mentioned, Guernsey prison adapted remarkably well to this unprecedented situation. Staff quickly overcame uncertainty about attending the workplace and actively assisted the Governor in adopting new practices aimed at keeping both employees and prisoners safe. This included a new regime of work for the prisoners in the mornings followed by non-contact activity in the afternoons. There was a commendable camaraderie on both sides with prisoners understanding the significant risks of a Covid-19 outbreak within the prison estate and consequently they took responsibility for their roles within the community. This resulted in high standards of cleanliness in cells and communal areas, with a deep clean being carried out weekly. New receptions were subject to tests on arrival and a 14-day quarantine, and anyone with suspicious symptoms was placed in a separate isolated wing. We are pleased to report no-one presented a positive Covid-19 test. Overall, the regime worked so effectively that the Red Cross organisation requested copies of the Prison's lockdown documents for research purposes.

When life returned to normal, specific aspects of prison life continued the positive momentum built up during lockdown with improvements in a number of areas, some of which are detailed below.

Improvements in Healthcare

We are pleased to report that improvements observed in 2019 continued into 2020. The Healthcare team's ethos is one of care and empathy. As a result perennial complaints, which were a feature of previous years, have continued to diminish. In our opinion recruiting a professional with mental health expertise has also contributed to the general well-being of the prison population.

The continuing modernising of healthcare in the prison setting will benefit the prisoners, and prison as a whole, with Healthcare staff working as a team alongside prison officers and senior management. Already, Healthcare staff are attending sentence planning meetings, which assist in managing and monitoring individuals during their time in prison and establishing what support they might need during their sentence.

Progress on J Wing refurbishment

Despite the problems associated with the lockdown measures we are pleased to report the long overdue improvements to showers on J wing took a major step forward. Works to provide a much-needed upgrade of the facilities were approved. This will also mean the Prison will be compliant with soon to be introduced disability and equality legislation requiring access for wheelchair users, or people who have other physical disabilities or mobility issues. The wing's laundry has also been de-commissioned with the prison moving to a more efficient centralised system.

Bank facilities for ex-offenders

In previous reports we expressed our disappointment that some ex-prisoners were unable to access bank accounts on release. We are therefore delighted that a new banking facility has been introduced: Guernsey Community Savings, which is a non-profit charity providing basic financial services to previously financially excluded people. The prison's Resettlement Officer helps those wanting to apply for an account prior to release. Besides providing a practical necessity, having a bank account assists in both rehabilitation and reintegration by enabling ex-offenders not only to see themselves, but also be seen as, valued members of society.

Community workshop

This facility, provided in association with local charity Creative Learning In Prison (CLIP), continues to teach prisoners a range of practical skills which may be useful in life on release. It is funded by a combination of public, private and charitable sector donations and allows prisoners to learn and work on projects which directly benefit the community. On one visit to

the workshop a prisoner told a Panel member how working as a carpenter and joiner had helped him to turn his life around. He said he had accommodation and employment arranged for his release and he faced his future with confidence. For him, prison had been a positive experience but one he was not intending to repeat! Effectiveness of the facility was enhanced with the recruitment of three new prison officers who have trades, teaching and supervisory experience.

Recycling

Underpinning the training carried out in the workshop is that done in the recycling area which encourages contacts with local employers, targeting the construction and utilities industries. The intention is for prisoners to learn relevant skills to increase their employability on release. We have observed first hand how prisoners benefit from having worthwhile activities during their sentence. Not only does this give them skills which they can use when they are eventually released, to secure employment and reduce the risk of further offending, but it also gives them a sense of achievement which assists rehabilitation.

Education

The Panel welcomes the appointment of a new, full-time Education Manager to organise work previously undertaken primarily by externally contracted tutors. We were impressed by her enthusiasm and her plans to introduce courses that would lead to external qualifications, including GCSE, City & Guilds and the Open University. This curriculum-based learning is in addition to more recreational classes such as arts, crafts and yoga, along with projects led by an artist from 'Arts for Impact' (funded by CLIP).

Visits

IMP Members were pleased to learn that the online 'virtual' visits scheme is now functioning allowing prisoners, particularly those from overseas, to see their families on a regular basis. As stated in previous reports, the Panel has observed first-hand how important family ties are to prisoners and how important it is for them to maintain contact with their loved ones during their time in prison.

Rehabilitation

The prison ethos is based on rehabilitating prisoners and encouraging them to become contributing members of society. The Panel acknowledges the value of prioritising work and educational activities aimed at enhancing a prisoners' ability to resettle successfully into the community after release. It also reduces the likelihood of re-offending.

We were therefore pleased that the part-time Resettlement Officer post, based within the Offender Management Unit, has been made a full-time role. This will improve outcomes in preparing prisoners for release, especially those who may not have family or friends to support them, as it is widely acknowledged ex-offenders can often struggle to find appropriate accommodation and employment after leaving prison. An increasing number of prisoners are assessed as having complex needs and people convicted of sexual-offences (which make up an increasing proportion of the prison population) often have considerable additional barriers to securing accommodation and employment and this requires increased resources and careful consideration.

2 CONCERNS

While the appendices provide statistics on specific issues raised during visits, our chief concerns are highlighted below:

Cell call system

Technical issues have dogged the prison cell call system and, after a review, a replacement setup was due to be installed in 2020. This would have improved efficiency and allowed vital data to be collected. However, due to the effects of the pandemic on the UK suppliers the installation has been stalled. While this is totally beyond the control of the prison authorities we nevertheless register our concern and urge the installation be made a priority when circumstances allow.

Weekend medications

An issue raised regularly by prisoners was that of the times allocated for dispensing medication at weekends. On a Friday, Saturday and Sunday 'Meds' are dispensed at 4.30pm, which means anyone needing to take medicine at a later hour can be particularly affected –

for instance those suffering from insomnia who do not wish to have their medication administered at 4.30pm. The reason for this is that 'lock-up time' for prisoners is earlier at weekends - 5.00pm - and therefore it is not possible to dispense any later than 4.30pm. The medications have to be administered by a healthcare professional, and cannot be given to the prisoner to take later, due to the potential security risks or possible misuse. We understand some prisoners are now refusing to take their medication at weekends. We would therefore ask prison management to explore any and all possible solutions to this issue.

Another healthcare concern, raised in previous reports, is the out-dated system of record-keeping. As we pointed out in our last report, the Unit's effectiveness could be improved by moving from a paper-based to a computerised clinical notes system.

3 GENERAL COMMENTS

The Panel was extremely impressed with the positive way in which the prison as a whole responded to the restrictions imposed as a result of the pandemic, especially the positive and proactive stance of the prisoners, irrespective of the disruption the pandemic presented for them.

IMP recruitment was hindered by the lockdown and this resulted in the Panel's wide range of responsibilities being shared among just five members for most of the year. We are therefore pleased to report that new members will be taking up their posts early in 2021.

The IMP met with the President and Members of the previous Committee *for* Home Affairs in August 2020 and had a productive meeting. The Panel had no need to raise any issues with the Committee in 2020. The Panel welcomed the provision of an updated guidance document for IMP members to replace one issued in 2013. We acknowledge it will be a useful reminder of our responsibilities and an indispensable guide for new recruits.

In conclusion, we have particularly noted a generally positive atmosphere in the prison this year with a constructive relationship between officers and prisoners. The administration of the prison continues to be good and our attendance at the prison's internal meetings continues to provide useful background information for our visits. Prisoners have been

treated humanely and with dignity and respect, and responses by the authorities to our visit reports, and any follow-ups, have been constructive.

Finally, in what has been a particularly challenging year, I would like to acknowledge and thank my fellow Panel members, who are a group of ordinary people doing an extraordinary job.

RECOMMENDATIONS

1. Installation of the cell call system be made a priority when circumstances allow
2. To explore all possible solutions to the issues related to the early dispensing of medications at weekends
3. To introduce computerised health records

APPENDIX 1 - STATISTICAL ANALYSIS

1. Total number of visits

Type of visit	2020	2019	2018	2017	2016	2015	2014
Unannounced	10**	12	12	12	12	12	12
Requested Visits	22	35	18	20	38	15	9
SCAPU*	7	33	15	12	6	3	2

** It should be acknowledged that there is a legal requirement for the Panel to undertake monthly unannounced visits to the prison. However, due to the unprecedented circumstances of the Covid-19 pandemic, resulting in the Prison ceasing all external visits, the IMP were unable to conduct visits in April, May and most of June.

*The Segregation, Care and Progress Unit (SCAPU) is used to hold prisoners separately from the main population. There are a number of reasons for a prisoner to be segregated. Generally the reason for separation is that they present an increased risk to themselves, to staff, or to the rest of the population and cannot be managed effectively on a normal wing. SCAPU in Guernsey Prison is not used as a punishment, although may be used for a period of cooling off should a prisoner be presenting aggressive behaviour. The ethos of the SCAPU within Guernsey Prison is that of individually-focused care. The intention is to support individuals so that they can safely be returned to mainstream accommodation.

The Panel's role is to ensure that the decision to separate a prisoner, and the experience of separation for that prisoner, is governed by principles of fairness and decency. Separation should never be prolonged, or indefinite, and care should be taken to ensure that an individual's mental health is not adversely affected by the separation. To this end the IMP are immediately requested to visit when an individual has been placed in SCAPU.

Monthly unannounced visits	2020		2019	
	Number of concerns raised by prisoners	Number of enquiries made by IMP	Number of concerns raised by prisoners	Number of enquiries made by IMP
A. Accommodation & Cells	7	4		
B. Adjudications & Warnings / discipline	1			
C. Canteen	5	5		
D. Association Time / Gym	6	5	1	
E. Equality, Diversity & Discrimination				
F. Fabric or maintenance of the prison building	5	4	6	3
G. Smoking / Detoxification	5	3	2	
H. Healthcare	2	2	1	
I. Incentives & Earned Privileges (IEP) Status & Rules			1	
J. Release on Temporary Licence (ROTL)	2	2		
K. Food / Kitchen	3	2	1	
L. Cleanliness	2	2		1
M. Money / Pay	1	1	1	
N. Bullying / Unfair treatment				
O. Personal belongings or issues	3	2	1	
P. Prison Information System (PIMS)				
Q. Parole				
R. Regime – Education / Employment	7	5		
S. Sentence Planning – Access to courses				
T. Transfers			1	
U. Use of force				
V. Visits/Calls	5	5		
W. Reception into custody / Info	1	1	1	
X. Support post-release & resettlement			2	
Y. Misc. complaints	3	3	1	1
Z. No concerns raised		1*		

*The Panel made a visit to a prisoner but no concern was raised.

Requested visits by theme		2020		2019	
Theme of concerns raised		Number of concerns raised by prisoners	Number of enquiries made by IMP	Number of concerns raised by prisoners	Number of enquiries made by IMP
A. Accommodation & Cells		1	1	2	1
B. Adjudications & Warnings / discipline		2	2	2	
C. Canteen					
D. Association Time / Gym				2	2
E. Equality, Diversity & Discrimination					
F. Fabric or maintenance of the prison building		1	1		
G. Smoking / Detoxification		3	3		
H. Healthcare		9	7	14	11
I. Incentives & Earned Privileges (IEP) Status & Rules		4	3	3	2
J. Release on Temporary Licence (ROTL)					
K. Food / Kitchen					
L. Cleanliness					
M. Money / Pay					
N. Bullying / Unfair treatment		3	3	2	1
O. Personal belongings or issues		2	2	4	3
P. Prison Information System (PIMS)					
Q. Parole		2	2	1	1
R. Regime – Education / Employment					
S. Sentence Planning – Access to courses				2	2
T. Transfer		2	2	1	
U. Use of force		1	1		
V. Visits/Calls					
W. Reception into custody / Info		1			
X. Support post-release & resettlement				1	1
Y. Misc. complaints		1	1	4	2
Z. No concerns raised				1	

* 1 healthcare issue was resolved prior to member attending the visit.

APPENDIX 2 - ANONYMOUS EXAMPLES OF PRISONERS' CONCERNS

Confidentiality prevents the Panel from providing specific details of individual concerns raised. Even brief summaries could potentially risk identifying the prisoner; therefore, we have outlined some general examples.

Healthcare

- Appointments with the Doctor
- Detoxification processes
- Mental health concerns

Fabric of the building

- J wing shower temperature & pressure
- Smells emanating from shower drains

Regime

- Gym access
- Medication dispensing times

Other complaints:

- The price of new E-burns
- Lack of healthy food choices in the canteen
- Water quality