



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Thursday, 6th July 2023

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Ms J. E. Roland, Deputy Bailiff and Deputy Presiding Officer

Law Officers

Miss M. M. E. Pullum, K.C. (H.M. Procureur)

People's Deputies

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C. P. A. Blin	D. J. Mahoney
A. H. Brouard	A. D. S. Matthews
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S. P. Fairclough	R. G. Prow
S. J. Falla	L. C. Queripel
P. T. R. Ferbrache	P. J. Roffey
A. Gabriel	H. J. R. Soulsby
J. A. B. Gollop	G. A. St Pier
S. P. Haskins	A. W. Taylor
M. A. J. Helyar	L. S. Trott
N. R. Inder	S. P. J. Vermeulen
A. Kazantseva-Miller	

Representatives of the Island of Alderney

Alderney Representative E. A. J. Snowdon

The Clerk to the States of Deliberation

S. M. D. Ross, esq., (States' Greffier)

Absent at the Evocation

Deputies J. P. Le Tocq and M. P. Leadbeater (*relevé à 10h 17*);
Deputy T. L. Bury (*relevée à 2h 30*); Alderney Representative S. Roberts (*absent*)

Business transacted

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States of Deliberation

The States met at 9.30 a.m.

[THE DEPUTY BAILIFF *in the Chair*]

PRAYERS

The States' Greffier

EVOCATION

Billet d'État X

POLICY & RESOURCES COMMITTEE

14. East Coast Development – Debate continued

The States' Greffier: Article 14 – East Coast Development the continuation of the debate.

The Deputy Bailiff: Yes, just before we carry on in general debate, those Members who have
5 not yet removed their jackets may if they wish to.
Who wishes to speak in general debate? Deputy Gollop.

Deputy Gollop: Yes, I enjoyed reading Deputy St Pier's article the other day and he compared
perhaps the forthcoming Environment & Infrastructure report with this report and I think he enjoyed
10 the E&I report more, because this report is quite complicated and it covers a lot of points and goes
around a bit in a circle and it is a little bit confusing, because the first part of it is more historical
and goes into the previous Resolutions, which include some of the concepts that were raised.

I mention that because I thought yesterday evening we were a bit jumbled, like my bag, because
different Members were coming out with very different speeches on completely different aspects
15 of what we were discussing. Because what we are discussing in some ways is quite narrowly
focussed. It is just to create the Development Agency and the Political Oversight Board and get on
with it.

But at two, not extremes exactly, we had an interesting session on maybe we have not got the
formula right, by Deputy Kazantseva-Miller, and we had Deputy Queripel concerned about the
20 impact it might have on ordinary Islanders and the retail sector if we are a bit over-zealous, perhaps,
with early implementation of, I do not know, removing cars, reconstructing the traffic systems and
the parking and the style of the Town.

So, he was going into the issues that were in the first report and, at the other end of the spectrum,
perhaps, we had Deputy Inder who was looking well into the future and saying, well, maybe ideas
25 like an electric tram are a bit far out, but we need it to actually have a destination we are heading
to that does not go off the tram rail, as you might say.

I sit here thinking we have tried many different other patterns. I know the previous Policy & Resources came up with a variety of models and amended models and they went around in a bit of a circle and we tried the model of all kinds of people being on the Committee, from DPA and three Members – or was it two or three, I cannot remember – of P&R and treating more like a sort of a Civil Service planning forum and although it had lots of ideas and the projects, only two or three of the projects ever got going.

Possibly Deputy Inder is right in suggesting little developments will go quicker and I am a supporter of the Victor Hugo Centre, for example, but there are people of course who like the Town as it is and other people who are concerned about the money. The original report from 2022 mentioned a figure of £1 million. It seems to have been scaled down to more like £100,000-ish but inevitably some people will say why are we spending money on this when we are reducing money to sports or to schools or to possibly public transport, or whatever?

So, again there will be a balance. I take it that the future is about getting an angle on this. I remember years ago, when there was yet another one of these harbour project Guernsey things, 10 years ago, that did not go anywhere. I was chosen as a delegate for a while, representing Social Security and it was not obvious what the Social Security angle was, except perhaps there would be more migrant workers involved.

But I think the gist of it, is coming up with a plan that suits all of our generations, that is the older generation, the middle generation and maybe the younger generation. What I have not seen clearly, in any of this documentation, because a lot of it is about strategies and planning developments and feedback groups and oversights and key performance indicators and so on, what is not clear is what is the environmental dimension? Not just about climate change but about improving the environment.

The second point, which Deputy Roffey and others made very clear yesterday, the central issue is what is the plan to the harbours? Now, I was in a quandary because I think at one point I did vote for the STSB harbours, although on other occasions I voted against it. The problem was I did not like the scheme and I did not think it was sensible using Longue Hogue rather than either of the towns and I think Deputy Inder has a point when he says that maybe the biggest issue to resolve quickly is the future of St Sampson's and getting on with the development there, as well, because that is an opportunity to be had. When we talk about the east coast, it is not just St Peter Port.

Until we have worked out what harbour developments we are doing in St Peter Port or St Sampson's or the east coast, we are not going to go anywhere, seriously, with any of this. The other thing that I think is really crucial is to be aware, with of course the context, as I have already said, of public acceptance, conserving the architectural beauty of the Town and its ambience and environmental issues, how can we make a waterfront Development Agency be self-sufficient and hopefully generate money?

There is loose talk of apartments and property being ... Jersey have gone down that route, perhaps not altogether successfully in terms of public acceptance or fairness, but they have got on with things. We need to look at what money can be generated out of this. If we vote to spend seed money now on a Development Agency, which I will do, I would like to see a commercial plan, and I still think what we have got in this package is a little bit of a hybrid between a dynamic entrepreneurial approach to looking at the issues and a more conventional bureaucratic approach.

I was reading up, for example, on the Political Oversight Group, and it is going to have one Member, assuming we still have this system of Government, I think from Economic Development, one from Policy & Resources, and I think one from STSB. Unbelievably, the quorum is all three. All three must be present for a quorum of this group.

But if one of them cannot make it because they are off the Island or unwell, they will then have a delegate. But they have to meet once a quarter, which is every three months. So if you could imagine, we are back to the Policy Council here, whereby they will never have the same trio and, at any given time, one Member who is delegating, they might not appear for six-nine months of the time.

Now, if you are actually running a project with dynamism, you would be in the office every day. I just really worry that we have already got, apart from existing Committees and the States, we have got the Political Oversight Group at one end, we have got the Development Agency at another, we have got four diverse people, some with experience in development; some not. We have not really got a chief executive of this project, who is from the commercial sector, understands Guernsey but also understands how to get things done and inward investment. I just think that it is not quite the right package but it has not had the pushback its predecessors have had and at least it is something,

So we will have to get on with it but I think we may have to go back to it and restructure it so that it actually achieves the goals we want. And that is the second point. What are the goals? Is it income generation, is it predominantly around the harbour, is it Blue Guernsey, is it all about culture, is it everything, I do not know, from Pilates to music along to seafront, is it about enhancing the retail sector? I am not sure.

The Deputy Bailiff: Deputy de Sausmarez.

Deputy de Sausmarez: Thank you, madam.

I think actually I would like to pick up on many of the points that Deputy Gollop has raised, as well as a couple of others that were made in the debate yesterday. I thought Deputy Kazantseva-Miller's speech was really good and it provided, I think, a very good and helpful reminder of how we got to this point. And she knows that I very much share her frustration about not making a decision on the future harbour requirements at that point. Because actually, even from an E&I perspective, it has prevented us from moving forward in several different areas that otherwise we would really very much like to progress, for example coastal defences at the Bridge and that kind of thing, and the Bridge strategy.

But where I possibly have a different view to Deputy Kazantseva-Miller, although I thought she was commendably open-minded, is that I think she is quite right to say that we had reached a bit of an impasse and there was a bit of a Gordian Knot. Now, my view is that this is, and I say this as someone who is not the most enthusiastic cheerleader of the idea of a Development Agency, originally, but I do think that this approach is the way to cut that Gordian Knot. I think this is the way that we resolve those loggerhead issues that Deputy Kazantseva-Miller did a really good job of describing.

This is why. I think had the decision on the future harbour requirements just come back to the States without any sort of substantively new information I do not think the States would have found it any easier to make a decision than they did back in June 2021, or whenever that original debate was.

I think what was missing, to me, thinking back about that debate, I think what people really struggled with was the policy letter, I thought, was a very good one, but it was very technical, it was all about the ports, quite rightly, because it was brought by STSB, and I think what was missing was the context around that. I think, what might that be able to unlock in terms of the potential for the development around.

That is what I think we are going to get through the local planning briefs and I think this idea of a sort of parallel track approach, where two sets of local planning briefs are developed, will enable us to then make a decision. It will help to inform a debate at a future date, about the ports and that will be brought back, as I understand it, by the Policy & Resources Committee, so the issue that Deputy Kazantseva-Miller, she seemed to think that decision was being made by P&R, my understanding is that it would be P&R to bring a policy letter back for the States to decide because, obviously, it is a major strategic decision, and I think that that decision would be very well-informed, by the local planning brief process. It will feed into it.

So I think that is very much the way we can help cut that Gordian Knot and I do not think there is actually any good way of making that decision any more quickly from this point in time, given what we have got available to us.

130 So I think it is a really good process and also, just to clarify the role of the Development Agency while those local planning briefs are being developed. I think it is probably also worth saying that my understanding is that you would not have two sets of competing local planning briefs. You would effectively resolve a single local planning brief for each of those Harbour Action Areas, after the work has been done.

135 So the role of the Development Agency, through that local planning brief process, they are not in competition with each other. The Development Agency would have a key role in feeding into that process. So they would be able to act as a conduit, as a stakeholder in their own right but also as a conduit for the wider community and they would be a very easy touchstone for other people in the community. They would be going out there, having those conversations any way, so they are ideally placed to be one of the stakeholders, feeding into that local planning brief process.

140 So I think they have an important role to play but I would like to clarify that they are not in competition with that process. They are very much part of it and also the flipside of that coin is they are not the only stakeholder. They are not the only voices that will be taken into consideration through that process and I am really pleased that the DPA has started that. I think that is really welcome.

145 Hopefully, that clarifies a few issues. I want to touch on some of the points. I suppose I had better get onto transport. Deputy Queripel spoke yesterday and he voiced his concerns about the transport objectives about the transport as expressed in the strategic direction and I had a quick chat with him afterwards but I hope I can go a little bit further now in reassuring him that his fears are unfounded.

150 I am going to start at the other end of the telescope. He did ask us what problem were we trying to fix? Well, how long have we got? I am actually quite keen to get onto other debates in this Meeting so I am not going to list them in great detail but I will pick out a few that I think are fairly obvious.

155 Now, obviously, we are very fond of our Island and those of us who have lived here all or most of our lives, or even just a while, tend to look at things through Guernsey goggles and I know we think that many things in our Island are beautiful and all the rest of it, but I do not think – and this is quite a minor point but it is really striking how often this feedback comes through from visitors – our transport system is a thing of beauty in the eyes of visitors. They remark on the wonderful beauty of so many other aspects of the Island. I have never once heard a comment from a visitor that was complimentary about the aesthetics of our transport system.

160 So I think there are probably some visual improvements that would be part and parcel. However, I do not think that is by any means the most important problem that we are trying to fix. To my mind the most important problem that we are trying to fix is its function and it is all about efficiency. Again, I do not think you could really take an objective look at Guernsey's transport system in St Peter Port and the Bridge and say, 'That is a model of efficiency and effectiveness; that is working at optimum level.'

170 It really is not and I think testament to that is the fact that that is our main commuting corridor and at peak times it takes more than half an hour to travel less than two miles. That is not a model of efficiency and obviously that lack of efficiency, if we were planning for example St Peter Port today, from scratch, there is no way we would put the parking where we put it. Because it stymies the efficient flow of transport and it actually has a knock-on negative economic effect.

175 So, I reassured Deputy Queripel yesterday that this is not about taking parking away, it is about putting it in better places and one of those better places that it always strikes me is underground. So that we can use the surface area of the land for much nicer things, frankly. So it is about putting it in better places, to actually improve the economic situation. Ultimately, all the objectives are linked to better efficiency, more choice – and I will come back to that in a second – and generally improving the convenience and effectiveness of that system.

180 One of the things that was mentioned and Deputy Queripel mentioned, was a mobility hub. I think this is really important, especially for residents in our two most built-up areas. Now, I appreciate that many people probably are not familiar with the concept of a mobility hub but it is

all about offering choice. It has got parking, for example. And it has also got a range of other transport options, some of which we do not currently have but I am very keen to see, for example car clubs.

185 I am sure anyone that has been a Town resident, who owns a car but does not have an off-street parking space, will vouch for the fact that it is an absolute faff trying to play the roulette of public parking and having to move your car and all the rest of it, every 24 hours or 23 hours or whatever. Actually, the people who live in St Peter Port and the Bridge are most likely to not have off-street parking and they are the most likely to be afflicted by that particular set of issues.

190 So access to a car club could be a more affordable and a much more convenient way for them to have access to use cars, whenever they need to, without having to go through all the faffiness and actually the expense of owning it and moving it all the time and all the rest of it. So that is just one little example of some of the kind of convenience that a mobility hub, which is one of the suggestions to explore, is looking into.

195 But ultimately, I think anyone who looks at our transport system in St Peter Port and the Bridge and thinks that is an ideal, that is something that other people would want to copy, I think they might benefit from looking a bit further afield and seeing places that do it really well, seeing some of the ideas there. And the economic benefits are just magnificent.

200 We have seen some fantastic regeneration projects, where the transport system has been made much more efficient, much more choice has been introduced, and the economic effects are dazzling. It really helps to support and invigorate the economy.

So those are some of the problems that I think are worth exploring, solutions to. I am personally very confident there are lots of exciting ideas that could and should be explored in that process. So that is transport.

205 That leads me on to Deputy Gollop's challenge about the environmental objectives and how they are reconciled with the more obvious commercial aspects that Deputy Vermeulen touched on yesterday. Now, this was something that, through this entire process and I have been quite involved because I do sit on the Oversight Group by virtue of being President of E&I, and I was lucky enough to be involved in the recruitment process as well for the Development Agency. This was an issue that I have been very interested in. It is very easy to understand how you can make revenue-generating ideas happen. Really easy. A hotel or something like that –

210 Well, Deputy Vermeulen is –

Deputy Vermeulen: Point of order.

215 **Deputy de Sausmarez:** Point of order?

The Deputy Bailiff: What is your point of order?

220 **Deputy Vermeulen:** Point of correction, sorry. Point of correction.

The Deputy Bailiff: What is your point of correction?

Deputy Vermeulen: It is not easy to organise a hotel –

225 **The Deputy Bailiff:** I think we are just talking about opinion here, Deputy Vermeulen. It is not a point of order.

Deputy Vermeulen: Well, you know, I think we are doing a disservice –

230 **The Deputy Bailiff:** I have ruled on it now. Thank you very much,

Deputy de Sausmarez: Okay, I think Deputy Vermeulen misunderstood the point I was making anyway, so I will make it a little bit clearer. It is very easy to understand a business case for a revenue-generating initiative. So it is very easy, when you have got a venture that has got a revenue stream associated with it, to make a business case for investment in it.

I would be amazed if Deputy Vermeulen disagrees with that because that is how business cases work. Someone wants to put some money in, are they going to get a return on that investment? Does it make money? Yes. Does it make enough money? Yes. Great, let us invest. That is kind of the general idea, isn't it.

So that works really well when you are talking about commercial initiatives that have got that kind of revenue raising potential. However, when you are trying balance, as I hope we would all agree, we are trying to balance not just the economic factors but also the environmental and social factors as well, it becomes more difficult.

You can understand the benefits of a social amenity. Let us say a park or a little art space or whatever it might be. But it is very much more difficult to make that stack-up in your conventional business case because it does not necessarily have the kind of revenue generation potential that more conventional ventures, pure economic ventures, might have.

So I have been very focussed on how we can make sure that we deliver, or this process delivers, not just things that are going to be an economic benefit but we do that in a way that does not lose the, in some ways harder, environmental and social aspects as well. It was a question I asked each of the applicants, actually, through the process and we are very lucky because the people that are being proposed for the Development Agency have got a lot of relevant experience. They all came back with a variation on this theme, which is the way to do it is to make sure that they work in concert.

If there is an idea for some sort of commercial initiative, which has got a clear revenue-raising potential, and does make a clear return on investment, then making it through whatever purpose, it might be through contractual arrangements, planning conditions or whatever, a sort of commensurate investment in those social and environmental initiatives, to make sure that they do not get missed off.

Because frankly if we only prioritise the economic initiatives, we are never going to get the environmental and social objectives met because they just typically do not make money in the way that the economic ones do and so I thought the answers for the Development Agency, and some had experience of doing exactly this, was to take a broader look at making sure that they were not just looked at in isolation, not just as economic initiatives, not just as social, not just as environmental, but making sure that they were considered as a package and that makes the environmental and social aspects much more practically deliverable.

So hopefully that can provide some reassurance because, like I say, that was one of my chief concerns that if you put a very commercially focussed Development Agency in place, the natural instinct is to chase down all the initiatives that make money at the expense of everything else. But I am reassured that would not be the approach and, by setting these objectives into the direction, we can ensure that we deliver the full spectrum of those benefits.

Really I would just like to commend the people who are proposed for board membership. As I said, I was very lucky to be involved in the recruitment process, for the interview process, and I think they are excellent candidates. We are lucky to have them. So I hope this will be supported.

Thank you.

The Deputy Bailiff: Deputy Parkinson.

Deputy Parkinson: Thank you, madam.

Well, madam, this is a prime example of the States of procrastination in full flood. I think I was really comforted to hear the words of Deputy de Sausmarez about the proposed membership of the Development Agency but I think the role of the Agency is very, to me, obscure. Now, normally, if you set up a Development Agency, as they did in Jersey and the Isle of Man, you tell them what

the project is and you ask them to go away and deliver it. Bizarrely, the States of Guernsey have asked the Development Agency to tell us what the project is.

You simply cannot delegate big, strategic decisions in that way. Yes, of course, they will not make the final decision, it will come back to the States for that decision, but the reality is most of the technical work that needs to be done to enable the States to make that decision, has already been done. There are some pieces missing, which we know about and which STSB asked permission, two years ago, to go ahead and do the research on. And the States, basically, denied us the funding. I will come back to that.

So, clearly nothing is going to happen, certainly before the end of this term, but more likely before the end of the decade, and in the meantime we have a logjam of other issues, practical issues, which need to be sorted out and on which it is going to be very difficult to make progress, despite the encouraging words I heard from Deputy Kazantseva-Miller yesterday.

The States has reversed the decision of the last States on the Inert Waste Strategy, so we currently have no plans or no location on which to use the inert waste or re-use it and, as a result, as we were hearing yesterday, STSB is going to be stockpiling waste from the end of this year, on Longue Hougue North, covering most of the area of that site, up to a height of nine metres – that is 30 feet – at a cost of, in terms of double handling charges, at least £8 million. And in the summer months we are going to have to spray the whole heap with water to stop dust flying around all over the Island.

So this is absolutely crazy. That is inert waste we could be using in, if not the new Ports complex, in other constructive ways to create valuable land for the use of the Island.

We have also got, of course, a number of other complicated issues, like reviews of water storage requirements in view of climate change, which is an increasing concern, the strategy for hydrocarbons, etc., if we are going to be importing oil in the future, what containers would we import it in, and so on.

All of that has a bearing on what our future Ports requirements are and without strategic direction from this Assembly, Development & Planning cannot produce the Harbour Action Area plans, without which, we can do almost nothing around the harbours. I mean, to the extent that if a lease comes up on a site that is commercially rented out on the harbour, all we are allowed to do at the moment is issue a new lease for a period of no more than three years. So no redevelopment can happen on that site because Development & Planning do not know what that site might ultimately need to be used for. So until this process is unblocked, literally nothing, almost nothing is going to happen around the harbours beyond upkeep of what we have got.

Two years ago, the STSB asked the States for £2 million to £3 million to go away and do some hydrographic surveys because some of the information that we do not have to enable us to make these important decisions is what goes on under the seabed and, indeed, tidal flows and so on. So we needed to go and do some work to find out what was there to inform the States decision. A few months ago, we even had the kit here in St Peter Port Harbour to do it. Because we were surveying the seabed under the pool, to see what could be done about a Pool Marina. So there was a drilling rig, if you remember, quite a conspicuous object in the pool, drilling holes to see what is under the sand.

Exactly the same piece of kit could have been towed up to Longue Hougue South, for example, and done the necessary surveys of the sea bed around Longue Hougue South to see whether you could build a port there. We do not know. But of course the States had decided that we were not going to be allowed a budget to do this and we could not surreptitiously take a drilling rig up to Longue Hougue South and hope no one was watching while we started drilling holes, so the kit just went back to the UK or wherever it came from.

I mean, for the sake of a few hundred thousand pounds more, we could have done some of the necessary research and it was not done. So nothing has happened and nothing is going to happen any time soon.

I was pleased to hear Deputy Kazantseva-Miller say that the work will now proceed on four Harbour Action Area plans, two at St Sampson's and two at St Peter Port and I thought, I do not

know, it sounds like an impressive burst of activity, but I do not actually see how it is going to enable the Development & Planning Authority to approach any particular planning application they might receive.

340 Which Harbour Action Area Plan are they going to assume is the one that will be eventually adopted by the States? They will have these four Harbour Action Area Plans sat on their desk and an application comes in to do something around St Peter Port, how are they going to adjudicate that application?

345 In a way it is encouraging to hear there is some action going to happen but on the other hand I do not see how it takes us much further forward. I do take Deputy de Sausmarez's point that having four alternative Harbour Action Area Plans in front of the States might help inform the decision the States might choose to make –

I give way to Deputy de Sausmarez.

Deputy de Sausmarez: Thank you.

350 My understanding is that Deputy Parkinson is quite right up to that point. So they do inform the decision on the Ports and it is at that point, which then informs which of the local planning briefs becomes the accepted one. No? Okay, right. Well, I will give way to Deputy Oliver. No, I cannot give way!

355 **The Deputy Bailiff:** You cannot give way.

Deputy Parkinson: Well, if I can respond to that and if Deputy Oliver still wants to intervene, I will give way to her.

360 Yes, that is what I am saying. The existence of four Harbour Action Area plans may help to inform the decision on which way we go but I do not see, in the meantime, how any decisions could be based off those four plans. So it is encouraging news of some progress, in one sense, but on the other hand, to me it just looks like a sort of cul-de-sac; although I accept that when the matter finally comes to a States, which hopefully will have the gumption to be able to make a decision, that the existence of those plans may help to inform the decision, which that States will eventually make.

365 Now, I want to pick up on Deputy Queripel's question because I think it is an important one, as to what is the problem we are trying to fix here? I think perhaps more should have been made of this. I think in the STSB report we did talk about some of the issues that the harbours face, etc. The answer is, as Deputy de Sausmarez says, how long have you got? But I want to just highlight a few of the problems that we are trying to fix.

370 They are not all problems, actually. Some of them are opportunities. Frankly, the potential of the harbours is not fully realised in the way that they are currently operated. There are masses of land around the harbours, which is used for single level parking of cars, some very dilapidated buildings, which for example on the Cambridge Berth, which could be made into a visitor kind of attraction, keep the waterside entertainment area, or whatever. People talk about hotels.

375 The potential around the harbours, not least at St Sampson's, to Deputy Inder's point, is enormous, and effectively we are just wasting all that opportunity and all that potential by leaving matters as they are. The economic value of the North Beach car park alone is colossal. What do we do? We have a single layer of cars parked on it, free of charge, producing nothing for the States of Guernsey.

380 To me, the crying impetus here is we could do a lot more with what we have got, if we just reorganised it a bit better. Now, there are practical problems around the harbours as well. There are conflicts between cars and trucks and between cars and foot passengers and trucks and foot passengers around the harbours. There are also conflicts on the water, between large cross-channel ferries and children sailing in eight-foot Optimist dinghies and a whole raft of everything in between, and the opportunity could be taken in redeveloping new commercial port facilities to deconflict both the landside and the water side traffic around the harbours.

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We could provide obviously more appropriate and safer provision for things like hydrocarbons if that is still to be part of the energy mix and so on. To be honest, what we do with hydrocarbons up at St Sampson's is sort of safe but it is not brilliant. We have NAABSA ships, not always afloat but sometimes aground ships drying out, full of hydrocarbons. This is not best practice. It is an historical fact and we live with the legacy but if we could do it a better way, we would.

I think one of the most pressing arguments to me for doing something about the harbours is actually rising sea levels. We are told to expect up to a metre of increased sea levels by the end of this century and we are talking about harbour infrastructures, stuff that we would build not just for the next decade or the next 30 years, this is infrastructure, which is supposed to last for many lifetimes.

In that context, it makes obvious sense to think about what would happen if sea levels did rise by a metre. The reality is at the moment the sea water comes over the quay in St Peter Port and it comes across the Bridge in St Sampson's on high spring tides. Well, imagine another metre of water on top of that. The damage, the economic damage would be colossal. Houses would be flooded, other buildings and so on. But actually there would be a significant risk to life and we have to do something to prepare for all of this.

Now, there are various things we could do. Obviously, building up sea walls around the Island will be part of the mix. But in the harbours, I do not think you really want to build sea walls around the edges of all the piers. It would somewhat destroy the character of the harbour and one potential solution would actually be to gate St Peter Port Harbour, for example. Because the external walls around the edge of St Peter Port Harbour are, by and large, high enough. So if you could gate the harbour mouth you would not have to build little sea walls all the way along the quay and around the Albert Pier and so on.

But you could not gate St Peter Port Harbour while the big commercial traffic needs to get through the harbour mouth. Practically, the gate would have to be huge and it would become extraordinarily expensive and difficult, in engineering terms, to do it. It would be much better if the big commercial ships were not there and you only needed to make a gate to the harbour big enough to take the fishing fleet, the inter-Island ferries and leisure traffic.

Those sorts of thoughts are in my mind as things that we need to think about and which tend, in my mind, to support the argument that the big commercial vessels need to be moved out of St Peter Port.

I think they also need to be moved out of St Sampson's because, frankly, it is a very poor harbour, in the sense that access is difficult and even dangerous; there are rocks in the fairway and of course it dries out. So really, all of that traffic ought to be moved somewhere else.

So I think, what I would say to Deputy Queripel is, I do not know that there is a single thing, which makes it imperative for us to think about new commercial port facilities but to me there is quite a long list of things, which put together, suggests that actually there is a compelling case here for doing things differently.

We are not, at this point, in a position to make a final decision on the future development on the east coast, and we will not be in that position until we have better information. It is a great shame that the States would not allow the STSB to get on and do some more work in that. But I do not think setting up the Development Agency is going to take us much further down that road.

No doubt worthy people, and I am sure they will work hard, etc. but the realities are first of all that most of the technical information is already there and has been well-researched and the rest we could assemble with or without a Development Agency. Fundamentally, we just cannot delegate the strategic decision about what we do on the east coast of Guernsey.

All this Development Agency, I think, is going to be able to do, is provide us with more advice, probably much of it based on what has already been researched and, in the end, the decision will have to come back to this Assembly – or not this Assembly, clearly it will not come back to this Assembly, thank goodness! – but hopefully it will come back to an Assembly that is capable of making a decision (*Laughter*) and a decision will have to be made.

All we can do is hope that, when that time arrives, there are people in here who are capable of dealing with the issues and coming up with some strategic direction. Then the Development Agency would have a role. Because once they know what the project is, we can tell them to go away and deliver it.

Thank you, sir.

The Deputy Bailiff: Thank you.

Just before we move onto the next speaker, Deputy Le Tocq and Deputy Leadbeater, do you wish to be relevéd?

Deputy Le Tocq: Thank you.

Deputy Leadbeater: Yes please, madam.

The Deputy Bailiff: Thank you.
Deputy Burford.

Deputy Burford: Thank you, madam.

My speech bears some similarity to that of Deputy Kazantseva-Miller in that it traces the winding path that has brought us here today but I do make additional points and therefore I would ask for Members' forbearance with any slight duplication. Although the origins can be traced back further, for this Assembly, this story began with the policy letter from the States' Trading Supervisory Board in June 2021, two whole years ago, on Future Harbour Development.

That policy letter had been two years and three quarters of a million pounds in the making. The debate followed the usual twists and turns and at some point an amendment from Deputies Helyar and Roffey appeared, which was touted as a compromise. In the final voting, however, to the outside observer at least, that compromise amendment must have looked more like a hijack.

That is because the additional Propositions inserted by that amendment to bring another policy letter on a Development Agency were all passed, but the States then voted against any of the detailed options for how the harbour should be developed, thus failing to provide any indication whatsoever of the will of the States in this vital direction.

So forward nine months, to March 2022, and P&R's policy letter on the establishment of a Development Agency is laid for debate. The original Propositions in that policy letter were quite straight forward. They said, essentially, set up a Development Agency. A raft of amendments appeared. Two were crucial. The first from Deputy St Pier and again Deputy Helyar, which had the full support of P&R, said:

To direct the Policy & Resources Committee, in consultation with the States' Trading Supervisory Board to set out the options for Guernsey's future operational harbour and commercial port infrastructure requirements for approval by the States.

And the second, from the President and Vice-President of the DPA, which said:

To direct the Development & Planning Authority to complete the local planning brief for the St Peter Port and St Sampson's Harbour Action Areas within 18 months following the decision of the States, which provides a direction as to the future development of commercial port infrastructure in Guernsey.

Now, the DPA rightly recognise the need to do things in the correct order. They made it crystal clear at the time that they could not do the local planning briefs unless they had some idea of what the States wanted and the States agreed with them. Sixteen months have passed and P&R have not fulfilled the Resolution, which they supported, which their Treasury lead seconded, to set out those options for Guernsey's future operational harbour and commercial port infrastructure, for the States to debate.

Again, our casual observer might consider, with some justification, that those options had already been set out in great detail by STSB at not inconsiderable expense back in 2021. In September 2022, in his routine update, the President of P&R said:

Officers have been directed to draft a revised future harbour requirements policy letter, to be submitted to the States by the end of the year.

That was the end of last year. In October 2022, at a Scrutiny hearing, I asked the President if it was still on track for the end of the year, as we had been promised in the update, and we were assured that it was.

In a further hearing with Scrutiny in March of this year, just three-and-a-half months ago, the President said that P&R will be bringing back that policy letter on future harbour options very soon. But clearly it is not coming. So the DPA has had to work around this and is producing various local planning briefs to try and cover all eventualities on what we might do with our harbours. Presumably, they were told that no policy letter on harbour options was going to be forthcoming, even if Scrutiny were told otherwise, and as a result of all of this, the Development Agency does not have the direction that this Assembly resolved that it should have.

I am not alone in having noticed a concerning trend in this Assembly. There seems to be a distinct tendency to treat extant Resolutions as optional. This is worrying because it fundamentally undermines the whole rationale of how this Assembly should function and, in this case, we have a Resolution presently being ignored by a Committee that supported it. So I would ask the President, when he sums up, to explain just how the Development Agency will discern the will of this Assembly on Future Harbours, in order for it to set to work on the most important part of the east coast development.

I also want to say something important about land transfer. Resolutions 4a and 4b of the Development Agency policy letter read:

To direct the Policy & Resources Committee to establish a clear land management transfer policy for approval by the States and to consult with the States' Trading Supervisory Board on the areas of land to be transferred from the States to the Development Agency and on the revenue implications that would result for STSB.

That makes sense. However, this policy letter says that it will be the responsibility of the Development Agency to develop the land management transfer proposal, with P&R, for sign-off by the oversight group. So despite the Chief Minister's comment yesterday that the States will get to approve what land is transferred, that is clearly not the intention of this policy letter, and it seems that the Resolution to gain States' approval for land transfer, is being swept under the carpet in the same way as the Resolution for P&R to bring back options on future harbour direction.

I was minded overnight to draft an amendment on this land transfer issue and I may still do so. But for now I am happy to give way to the President of Policy & Resources, should he wish to clear up at this point the conflict in this debate on the land transfer issue.

I give way to Deputy Ferbrache.

The Deputy Bailiff: Deputy Ferbrache.

Deputy Ferbrache: Madam, Deputy Burford kindly gave me notice last night of an amendment that she may be bringing and she has revised it I think and may be bringing it in due course. But I what I would draw the Assembly's attention to is page 33 of the policy letter, appendix 2B, I appreciate it is an appendix, so therefore it is not binding, etc. and that says at paragraph 3:

Without an express resolution of the States' no property or buildings under the control of the Company shall be disposed of.

So therefore, as a matter of Law anyway, and H.M. Procureur is here, land owned by the States of Guernsey can only be disposed of by the States of Guernsey. In other words, either by conveyance to a third party or by transfer to, e.g., the Development Agency. That is a material matter to me.

530 So I cannot see that any disposal, freehold disposal I am talking about at the moment because that is what I was talking about yesterday, could be affected without morally – not so much legally because I suppose if the States made a different Resolution but I am talking about the way it should be – without coming back to this Assembly, if the Assembly says yes or no.

535 So that is the way I would envisage it. Deputy Burford may well bring her amendment. We will see in due course. I think she is also going to go into imposing some kind of restriction in relation to the leasing of States' land. I will let her develop that if she proposes her amendment.

Deputy Burford: Thank you to the Chief Minister.

540 However, I do not think that does address my point. I think what Deputy Ferbrache is referring to is that once land has been transferred to the Development Agency, they cannot sell it off. I do not think any of us are necessarily concerned that that is going to be an issue that would arise. However, they certainly could grant 125-year leases, for example, which to all intents and purposes would have the same effect.

545 So I am not comforted in particular by that but it also was not the point that I was driving at. The point was the initial approval for what land is transferred to the Development Agency in the first place, which is a totally different matter.

550 Quite simply, is it the intention of the Committee to stick to the Resolution from the Development Agency policy letter to bring the land transfer policy to this States, as per the extant Resolution, or is it the intention to pursue the approach that is set out in this policy letter, which would see that land transfer policy, created by the Development Agency, for approval by just the Oversight Group?

555 I think this is really key and Deputy Parkinson in his speech says that big decisions will come back to the States. It does not say that anywhere. We do not have that assurance that big decisions will come back to the States. Deputy Helyar very kindly this morning discussed this matter with me and he says, and as I understood it, that once the land is transferred to the Development Agency, it is fundamentally their land and that you would only be able to stop something in that situation by a sort of a *force majeure* move of actually disbanding the Development Agency.

560 So I think Members really have to think long and hard about whether they are happy for, essentially, the Oversight Group, to be able to have the power to transfer land and I think that is a really key point.

565 As Deputy Ferbrache said, I also have concerns about long-term leases. If the Resolution is adhered to and the Assembly agrees to transfer, let us say for example, North Beach or the Castle Emplacement to the Development Agency, that Development Agency could then lease the land to a developer or other outside party for 125 years if it so wished and that is as good as selling it off, to all intents and purposes.

570 I am very protective of this Island's public realm and I think the vast majority of the public is also and I am very concerned about this aspect of the Development Agency. I cannot support the policy letter and face the electorate and say that I allowed States oversight on our entire east coast public realm to be ignored.

575 I still support the principle of the Development Agency. I understand the multi-year approach and the benefit of independent experience and I completely agree that the States has not been brilliant at getting things done. I agree with a great number of the points that Deputy Parkinson made on that and I do think that it is, as Deputy de Sausmarez said, it is very easy for when we see things day in, day out, not to actually be able to sometimes stand back and actually realise quite how tatty – for want of a better word – it might look and how much potential there is, particularly around our harbours.

This is not a speech against the Development Agency in any way, shape or form, but it is about retaining the right amount of control, not to frustrate ambitions but that this States really should

determine what land is transferred to this Agency and also issues around long-term leases and that would form the basis of my amendment, if I get the time to finalise it before this debate comes to an end.

So I think that is all I have got to say at this point and thank you.

The Deputy Bailiff: Deputy Meerveld.

Deputy Meerveld: Thank you, madam.

I originally spoke against and voted against the original policy letter because of some of the concerns that Deputy Burford has expressed about transfer of assets but also the costs and everything else that were associated with it. But I am reassured by the assurances from Deputy Ferbrache that the land transfers will only be done once a use for that land is identified and that it is likely to come back, as with large projects, to this States for approval, although I would welcome Deputy Burford's amendment and consideration of that to clarify that point and make it more binding.

Costs. The original costs for the Development Agency were much higher. They are now a much more modest, quarter of a million pounds for two years. Whilst that seems like a lot of money, the fact is in the commercial world you have to spend money to make money and this Development Agency now represents an opportunity for the States. The States is, and governments generally are, exceptionally bad at exploring commercial opportunities. They are much better and better equipped for looking at managing processes and that is partly because of a much greater risk aversion than the private sector has.

My hope is that this group will be formed and will look at commercial ideas and ways to finance them, potentially from the private sector rather than by the States itself and come back with those ideas. We need those visionary ideas to be able to address the financial black hole that we are facing and take us forward.

So, just as I am chairing a working group set up by P&R to look at the idea of offshore wind farms, we are working on that premise that Guernsey will not invest a significant amount of money, even in preliminary research to develop that idea it needs to be externally financed and that is possible. It will impact on the returns the Island gets in the future, probably, but it is possible to get external financing for all the significant costs.

That is what I am hoping this Agency will do. It will look at things in a more entrepreneurial way and come back with ideas. I am also hoping they will then be able to marry those things again. Again the States tends to look at things in isolation. Deputy Parkinson was bemoaning the States' rejection of the third harbour proposals. But the problem is the States focus on just the harbour. They do not look at the development of an entire area and how it can all knit together. They do not take that holistic view and my hope is that this group can come up with an holistic vision and it had the ability to sell it to not just our community but our Members as well, as opportunities to be pursued, where they look at this big picture approach.

Now, Deputy Parkinson, I did not agree with a lot of his negativity towards this here. There were a lot of criticisms but no solutions. After all, he is quite right in pointing out that the approach taken by this Assembly has failed to get those important decisions made. So do we just try and carry on doing what has failed in the past or do we try something different? I see this Development Agency and the way it is structured now as a way of exploring, doing something differently, and hopefully coming up with a different result.

Again, nothing will happen, was one of Deputy Parkinson's concerns. Because, again, these staggered proposals, where we look at individual things in isolation instead of holistic vision, we need somebody, we need either this States or an external group or a working group and in this case we have got a proposal for a group to do it, to look at the holistic vision.

Deputy Parkinson, one of his other comments I am going to close with, he said there is a compelling argument for doing things differently. Well, this is a proposal to do things differently and I encourage Members to support it.

630 Thank you, madam.

The Deputy Bailiff: Deputy Roffey.

Deputy Roffey: Thank you, madam.

635 I am a strong supporter of the concept of a Development Agency and I am impressed with the candidates that are being put forward today. But I have to say I do share some of the, I think, separate threads of cynicism of Deputy Parkinson and Deputy Burford. I think Deputy Parkinson's cynicism is based around what are they actually going to be able to do, given the circumstances that we are handing to them, and Deputy Burford's is perhaps, basically, are we being led down a path where the consequences might be very different to what we really expect?

640 Now not only am I supporter of the concept of a Development Agency, I was involved with the amendment, the compromise amendment as it was proposed, back two years ago, which actually inserted into the ports proposals the idea of setting up a Development Agency. But it was a package. I thought it was a package.

645 Let me just roll back a bit and explain perhaps why I do not have the trust that perhaps I should have to take this leap of faith. After the three quarters of a million pound, two-year, very detailed and I think superb piece of work – and I can say that because it was mainly done before I took over, it was mainly done under Deputy Ferbrache's chairmanship – done by the STSB on the Future Ports provision, we went to a P&R meeting and we were assured that they were fulsomely in support of that policy letter.

650 On the day, that support seemed to fall away considerably and when I ever had meetings in the margins, it was explained to me that really it felt like this would only work if there was a Development Agency, Jersey style Development Agency, to maximise the potential. And I could not disagree with that because there was enormous potential if we had adopted the sort of proposal that the STSB was bringing forward and I completely disagree that that policy letter and the narrative around it was all about just what happened in the ports and not what happened around there. Absolutely untrue.

655 STSB was talking about taking parking underground at North Beach, putting a new hub for the buses and a new ferry hub there, releasing the Cambridge Berth for high value commercial activity, using the Castle Emplacement and perhaps even more than that, releasing a massive amount of land around a transformed St Sampson's Harbour. So, yes, of course we were saying that.

660 I do not agree with Deputy Inder that the STSB is not a visionary committee. I think, actually, it is one of the most visionary committees we have and probably because of the input of voting members who are not members of this Assembly. Personally, I regret the decision of the last States to say it had to have a majority of politicians on it because that was not the original intention and I think it was a mistake. But I am being tangential here.

665 So I think the presence on that committee of non-States' Members with huge commercial experience was the reason why it has been so visionary. Not just over these ports, by the way, but STSB's idea to develop a Pool Marina to maximise the potential of St Peter Port.

670 However, we did realise that if our plan was approved and all of these huge amounts of land that are sterilised at the moment would suddenly be released, then actually what would need to happen for a comprehensive development would be to leverage our commercial investment, to have a cohesive plan that all sat together.

675 So a bit like Jersey, had all this land, East of Albert I think they called it, which they wanted to redevelop; they set up the Waterfront Enterprise Board, originally WEB, now it is a development agency, because that is what they have and they realised they were not the experts, let us hand it over. I was happy to be a part of that compromise amendment because what we were going to be doing was making a decision as an Assembly that was not only going to look after our ports provision going forward but was going to release huge potential land side, and yes, a Development Agency would be really useful in actually bringing that to fruition.

What happened? We voted in favour of setting up a Development Agency and that it would come back to the States, but without actually making any decision, not only the one that the STSB was proposing but any of the alternatives that would allow meaningful work to be done by that Agency by reducing that land.

685 I was criticised by some for my passionate frustration that I expressed at the end of that debate. Well, I stand by that frustration because I think it was the worst abrogation of decision-making, and we have got some competition, but the worst abrogation of decision-making by this Assembly. Not just the ports. Not just the landslide potential that we parked indefinitely but now I am seeing absolutely, Deputy Parkinson is right, flood defences absolutely. The north of the Island is seeing
690 people who want to make major developments saying, 'No, until the States have worked out the flood abatement, the coastal defences, we cannot do it.'

Now, Deputy Parkinson talked about moving the flood defences in St Peter Port to the mouth of the harbour. Exactly the same question is true at St Sampson's. If we are going to go down the route of keeping St Sampson's as the current commercial drying harbour, the flood defences will
695 have to run down the middle of the Bridge. Really sub-optimal but at least it would be something to do.

If we were able to move the commercial shipping out of St Sampson's harbour, it moves to the mouth of the harbour making it, a, probably more cost-effective; b, a heck of a lot more effective in doing its job; and c, actually aesthetically far better as well.

700 So I do ask the question what can this Agency actually do? I suppose it could do some thinking; but thinking down what route? I do share the cynicism of those who have said that harbour action plans, competing visions, it might help decide what we do about the ports eventually because if you do go this route then this is the Harbour Action Area plan that will happen and look at what we can do with all of this land, etc. If you go down the other route, the opportunities are far more
705 limited. That might help us make a decision.

But until we make that decision what actual development is going to happen? How does it help, when somebody wants to put multi-million pounds into, I do not know, sites like the Boathouse, or Pier 17, or somewhere on Castle Emplacement, because the DPA will be saying, 'We do not yet know which plan is going to be applied.'

710 So for the few years we are still completely stymied. We can set up a trio of people to be added to, to do a bit of thinking, and that might be useful. By the way, in the context of people keep saying that the STSB overpay for their boards of the commercialised companies, well I cannot help noticing that the chair of this Agency would get 40% more than the chair of Aurigny. That is *en passant*, but I do not think we do really overpay.

715 The other thing I would say is I do have some fear about this land transfer and Deputy Burford is quite right, it is not just about once you have given it to this company that they sell it onto somebody else, although that danger is there and the 125-year lease is exactly what happened with the markets of course, that is what McAulay got, 125-year lease, to all effects and purposes. We might tell our grandchildren it might be yours again, one day, but it is not for the foreseeable future.
720 That is the same as selling, really, isn't it?

But it is also what goes to this company that is currently in States' ownership. Because what are we talking about? Yes, there is some interesting stuff down by the Valette, I suppose, and there is some interesting stuff on Northside, although I do not know how much of it is owned by the States, most of it is in private ownership. But basically we are talking about the ports. Because what else
725 are we talking about?

Now the STSB and the Ports Board are not going to be dog in a manger. We really welcome good ideas to generate more money but I will say this: we were talking yesterday about the Ports struggle to become commercial. A big part of that is going to be realising income generation, land side. Ports of Jersey get about £12 million a year from their land side income flow and if that is
730 stripped out and that income goes elsewhere, perhaps to pay the salaries – that is not a criticism – to make sure it is self-sufficient rather than the States having to support the board, then that is just

more money that is going to have to be raised from the Ports' users rather than the people on land side.

735 Now, as I say, we are not dog in a manger and we are open to that discussion, but I think Deputy Burford is right, as I read it, I do not think we are going to be a party to that discussion. As I read it, the Agency will decide what the transfer policy should be and the Oversight Board will sign it off. Any involvement of the States or even the Ports Board themselves has just disappeared.

740 Maybe I should just have faith, as Deputy Ferbrache was saying yesterday, but frankly what happened in that ports debate two years ago destroyed my faith to some extent. It really did and that is a shame because A&F's principal job is of a policy co-ordinating body and for that to work, everybody has to have confidence, absolute confidence and faith.

745 I know they do actually provide a few services themselves. What are they? Revenue Services and IT, I think, are probably the main two. So I am not saying they do not provide services. But they are mainly a co-ordinating body and I would love to be able to have the absolute full confidence to say that I am not going to be blindsided but, to be honest, after what happened two years ago, I no longer have that complete confidence that the consequences are going to be exactly what are being proposed today.

750 I also agree with Deputy Parkinson on one thing, that the strategic direction has to be set – well has to be by more than one thing – by this States. I support a GDA. A Guernsey Development Agency, outsourcing some of that commercial work, that complex work. What I do not support is a GGA, a Guernsey Government Agency, where we outsource our responsibility to make the strategic decisions on behalf of the people of Guernsey. I do not want to have to turn around and say, 'I am sorry that happened to that well-loved area of public realm there, but actually there was nothing I could do about it. It was the GGA that did that.'

755 I fear, to be honest, this is no pay-it policy letter. It is hard to really come to grips and, listening to Deputy de Sausmarez she almost convinced me, and I do agree with her we have to do something different to move things forward and if P&R had just brought back the same proposals – in fact, Deputy Parkinson and I brought back those same proposals once, by amendment, and we got closer the second time around but we still did not get across the line.

760 I will listen to the rest of the debate if there is any but I have very significant alarm bells going and I will find it very difficult to support this today. Not because I am not in favour of the concept and not because the people being put forward are not excellent, just because I think we are putting them in a ludicrous position, asking them to do something where we have actually taken the ground away from under their feet and, secondly, because I think the creep in these various policy letters, about this Agency, means that States control is now being whittled away to the point where we might be alarmed at the outcome of our own actions in voting on this Thursday afternoon.

The Deputy Bailiff: Deputy Falla.

770 **Deputy Falla:** Thank you, madam.

I enjoyed the nostalgic moment of hearing Deputy Roffey refer to A&F just now (*Laughter*) and I cannot help wondering what some of the very able former Presidents of that Committee would think of this discussion today and the conundrum that we face. But that was the past.

775 A great opportunity is staring us in the face in the development of the east coast and I think that these proposals are an attempt to move forward to what, at one end of the spectrum, could result in some superb legacy infrastructure projects and inward investment, which Guernsey desperately needs and I do not think any of us would argue with that.

780 It chimes with many of the 2020 election manifesto regeneration and infrastructure ambitions. This is an opportunity to build for our future, for our successors, potentially with commercial input and private funding down the line, instead of focussing too much on short termism, which is what the States has become famous for in recent decades.

The proposed board members, some of whom I have met, are really good, strong people, with excellent CVs and if this goes ahead we must give them the chance to prove themselves, without

785 imposing too many restrictions on what they can explore and investigate. But it is what happens
after that that is important. The concern is whether their combined intellect, experience and
creativity will actually lead to anything or will it hit the usual buffers of planning, financing and
political inertia? Will we ever get all the east coast ducks in a row?

790 The proposed funding of the Guernsey Development Agency has been reduced and, of course,
any amount of spending needs to be carefully scrutinised in the current climate. But if we get this
right it will be a small investment at this stage in something great for Guernsey's future. For me, the
policy letter is fine as far as it goes. But I share the fears of other speakers that it could vaporise into
absolutely nothing further down the line, unless there is sustained political will and support to give
it the oxygen it needs to succeed. Some of the speeches so far have sowed seeds of doubt in my
mind, including over land transfer and I will continue to listen to the remainder of the debate before
795 deciding which way to vote.

The Deputy Bailiff: Thank you.

I think, States' Greffier, have you just received the paper copies of the amendment? Can we
arrange for those to be handed out, please? Deputy Burford, while that is going on do you wish to
800 lay your amendment now?

[Amendment 1.](#)

1. To add a new proposition as follows:

" 4. To agree that all proposed land transfers from the States of Guernsey to the Guernsey
Development Agency or to its agents, investors or partners, and all proposed leases exceeding 15
years on land which has been transferred to the Development Agency or that is intended to be
transferred to that Agency, or otherwise to be under the control of that Agency must first be
approved by the States."

Deputy Burford: Yes, madam.

I do not have a speech written down. I will not have one written in 10 minutes, so we might as
well go for it, thank you.

805 **The Deputy Bailiff:** Does everybody have a hard copy of the amendment?

States' Greffier will you read the amendment, please, so that everybody is aware of what it is.

The amendment was read out by the States' Greffier.

810 **The Deputy Bailiff:** Deputy Burford.

Deputy Burford: Thank you, madam, and also thank you, as this is all a bit last-minute, to the
significant assistance I have received from H.M. Procureur and to the Greffier and to Deputy de
815 Sausmarez for supporting this.

I have essentially made the speech for it already in my previous speech, where I have outlined
my concerns and those are concerns that have been echoed by other Members of this Assembly. I
had a slight communication across the Assembly just now with Deputy Oliver and she was a little
concerned about the 15-year nominal period in here. I understand that. It was a point of discussion
820 that I had also with Deputy Ferbrache and others, Deputy Roffey amongst them. The point I think
that Deputy Oliver is making is that anything less than 25 years is not worth it for a developer, but
I am not saying here that we should not have 25-year leases. That is the not the point. It is just
about where the control comes in.

825 It was a point picked, really, so it did not unnecessarily interfere with any short-term leases that
might be going on. It really is more aimed at much longer term leases where it almost becomes
equivalent to selling off land. So that was that. So I do not think that it should trouble Deputy Oliver
on that point because it is not actually stopping anything.

That is all I have to say. I think it would be perhaps more productive if I sit down and listen to what other Members think and then come back with the responses.

830 Thank you.

The Deputy Bailiff: Deputy de Sausmarez, do you formally second this amendment?

Deputy de Sausmarez: Yes, madam.

835

The Deputy Bailiff: Deputy Trott.

Deputy Trott: Madam, may I ask a question about the language? I note that it says:

... all proposed leases exceeding 15 years on land which has been transferred to the Development Agency ... that must first be approved by the States.

840 You cannot first approve something that has already happened. You can approve it certainly, but if it has already happened. Of course, in this case, nothing will have been transferred at this stage. It just seems to me that the language is incorrect in this context.

The Deputy Bailiff: Thank you.

Deputy Gollop.

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Deputy Gollop: I support the amendment because, like a lot of Deputy Burford's efforts it is not only carefully researched but it is cautious in that I think we have had quite a few debates in recent years where possibly we wanted on the one hand more to get things done but on the other hand a slight suspicion amongst some Members that the wrong things might be done. But that is the way it is.

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Again, like Deputy Trott has done, the wording is a little bit difficult to agree that 'all proposed land transfers of the States to the Development Agency or to its agents, investors or partners' and 'all proposed leases exceeding 15 years on land which has been transferred or that is intended to be transferred ... or otherwise to be under the control of that Agency must first be approved by the States'.

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Presumably, once the offer has been made and the decision has been made by the GDA and maybe P&R to potentially transfer land or a longer lease, it will come to the States before the decision has been taken. Because Deputy Trott's point would then come in, where you would then have almost a retrospective debate of disentangling it. Really, this is an instruction for the organisations to make a decision in principle but then take it to us for ratification. Hopefully, that will be timely.

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But I also wanted to make a comment on Deputy Roffey's point earlier, about leases, the 125-year lease issue. I do not know if leases are necessarily a panacea because it can be frustrating when circumstances change. But 125 years might seem a long time, like my speeches, they go on a bit (*Laughter*) and we have already had 25 years, virtually, since we had that classic – Deputy Ferbrache will remember it – of the Board of Administration Markets transfer and we have had a quarter of a century – we have had 20% of that.

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But in some contexts, I am not sure about Sark but definitely in central London, leases that have a finite life, even a long life, longer than most of us will ever have, unfortunately, of 125 years, have an issue with their commercial-ness because at the start of the lease it is a good investment opportunity but let us say you are 90 years in, or 100 years in, immediately, unless the lease is extended, you have an investment limit. People will say, 'I am not going to invest millions and millions into this enterprise because the lease is coming to an end.'

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So, that really should probably include extensions to leases as well and re-negotiations. But I think the spirit of the Proposition and amendment is clear and if it makes people happier that we are not devolving too many of our powers then so be it. But again, Deputy Roffey is a bit like me,

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he has his penny and his bun, because on the one hand he does not want us to devolve Government to these agencies but on the other hand his argument is mainly his committee has been enriched by non-States members having a bigger say. We just need to improve our creativity in this Assembly and not just rely on high quality, external people.

The Deputy Bailiff: Deputy de Sausmarez.

Deputy de Sausmarez: Thank you, madam.

I am hoping to speak early on because there is a point that has been raised by both Deputy Trott and Deputy Gollop, which I think has a fairly straight forward clarification and I hope to be able to provide that. What this amendment is proposing, I think, is about the distinction between land transfer and leases. And both are in the scope of this amendment.

So what this amendment is proposing is that the States gets a say before any land is transferred to the Development Agency. So let us just take that scenario: land is transferred to the Development Agency. For example that helps to reassure Deputy Roffey, I would hope that P&R cannot just go and sign over big chunks of the ports to the Development Agency for them to go off and do as they wish. That is the land transfer side.

Now, once land has been transferred to the Development Agency, if they see an opportunity that would involve maybe a 10-year lease, let us just get on and do it they would be perfectly capable of doing that. However, if it was something that involved a 25-year lease and I think Deputy Oliver is probably quite correct to say that is probably the minimum threshold that those opportunities come at, then it is not to say they cannot do that, it is just that it needs State' approval before that can go ahead.

So there is a distinction between the land transfer, which requires the approval of the States, and long leases, which do not. Sorry, long leases which also would have to come back to the States before they can be agreed but anything below 15 years they can crack on and do. Hopefully, that provides some clarification.

The Deputy Bailiff: Deputy Kazantseva-Miller.

Deputy Kazantseva-Miller: Thank you, madam.

There are two things this amendment is trying to address. One, as Deputy de Sausmarez has explained, how do we do land transfer to the Agency and the second one is around the leases. I think they are two quite different issues and the problem is if we are trying to now put them together under one control mechanism, I do feel we are then going into territory where actually we will be restricting the Agency.

The whole point of which, we are trying to set up an Agency, giving it a bit of power to go and do things, but I believe the second part of this proposal is actually going to be unnecessarily restricting the Agency and potentially leading to, again, a no-decision scenario because the States will be micro-managing what the Agency is going to be doing –

I give way to Deputy Roffey.

The Deputy Bailiff: Deputy Roffey.

Deputy Roffey: I thank you for giving way. Would you agree with me that it would be really helpful to have this laid as two separate amendments, dealing with two different things?

Because I do not know what the attitude would be on leases. I am pretty sure I am picking up that this Assembly does not want to let go – it does not say it will not let go – but it wants a say on whether or not to let go of large amounts of public land. The leases will be, I think, a more fine judgement, particularly where actually those bits of land, particularly around the harbours, remain with the Ports will be able to leased and probably will be leased out when the planning blight has

been removed for more than 15 years in return for significant investment and I did suggest that a longer period in restriction.

My point is would the Deputy join with me in urging the proposer and seconder to split this, even if they want both to be approved, into two different amendments as they are two distinct points.

The Deputy Bailiff: Deputy Kazantseva-Miller.

Deputy Kazantseva-Miller: Thank you Deputy Roffey for completing my speech! *(Laughter)* This is outsourcing governance!

Absolutely, I think we are dealing with two very different issues. I think they would need a different vote. I think the 15-year proposal to me is way too short. This will be the equivalent of saying, right now, States' property has to come back to the Assembly with any type of property development they want to do beyond 15 years. I do not think it is appropriate. So I think it is essential to split this Proposition for this to be successfully debated.

Thank you.

The Deputy Bailiff: Deputy Inder.

Deputy Inder: Thank you for that.

We understand the intent of this but I think, as has been explained, it has gone too far. Deputy Roffey has suggested a split. I am going to give a potential scenario and let us stay away from St Peter Port for a moment. We have got some fairly under-utilised land around St Sampson's and I will pick on Griffiths Yard. Currently full of I think it is a few scaffolding jobs, a bit of parking, that kind of thing. Right now no one has got a clue what to do with it. This Development Agency comes up with a scheme. What are they going to do? They say, 'Look, we have decided the Griffiths Yard is something where there are opportunities. I have no idea what they are today but these are opportunities.'

I thought that was the bit that Deputy Burford wanted and probably Deputy de Sausmarez wanted. They wanted to know that the actual Griffiths Yard example was something that this States would have to approve, based on probably what the scheme is. What I did not think they wanted was to then come back once the scheme is approved, to deal with whatever the leases within Griffiths Yard might be.

So Deputy Roffey wants to split them. In my humble opinion, if I am understanding correctly, the easiest thing would be to remove proposed leases exceeding 15 years on land which has been transferred to the Development Agency. Basically bring back that amendment as a single Proposition so we are only talking about parcels of land, we are not talking about an Agency that has come up with an area of land.

I will use the Griffiths Yard example again, for fear of repeating myself. I do not know what they are going to want to do, they might need some dry docking, they might need some stacking. They might need some warehousing, they might need some machinery rooms for developing the maintenance of our recreational boat industry.

But surely Deputy Burford is not expecting us to come back and then ask for the States to approve the machine, the tool shop, the dry dock. Well, that is what this does. So my advice, if the original intent is to agree the land, is not split it at all, just come back with another amendment to defeat this – I was going to say over lunch but very quickly – is to remove the proposed leases exceeding 15 years on land and I think it is very well through the Assembly.

The Deputy Bailiff: Deputy Le Tocq.

Deputy Taylor: Point of Order, madam.

980 **The Deputy Bailiff:** Yes, Deputy Taylor?

Deputy Taylor: Rule 17(7), if I am allowed to raise that one?

985 **The Deputy Bailiff:** Rule 17(7): before calling the next Member to speak, the Presiding Officer may ask if any Member wishes to express a contrary view to the generality of the views expressed up to that point of the debate. I am not sure, yet, Deputy Taylor, we can take the temperature of whether or not this amendment is generally being supported or not. We have had a number of variations of that. So I think it is a little early. But perhaps if everybody is supporting it one way or the other it might be a motion worth bringing but, at the moment, too early.

990 Deputy Le Tocq, I think I have just called you.

Deputy Le Tocq: Thank you, madam.

I will be brief because Deputy Kazantseva-Miller has largely said what I was going to say. I think, irrespective of whether this amendment can be split into two, which may help, I just feel, madam,
995 that we have lost sight of what we were intending to do with the Development Agency, right from the start.

I thought, from my point of view, that we wanted to be able to progress, to develop St Peter Port and St Sampson's and the seafront here in a way that was impossible for us to do as an Assembly. We have been trying to do that for years and it is not easy because of the way in which
1000 politics works and the term frames and all of that to make it work.

Somebody I said, I cannot remember maybe it was Deputy de Sausmarez before, if we had a blank sheet of paper and we were starting from scratch with St Peter Port, what would it look like? Well I can tell you what it would look like, probably St Helier. That is what it would look like. We do not want that. We have got an eclectic mix of things ancient and modern that have been done over
1005 years. Some of them we can have opinions on. Some we might not. Some are developed well, some are not.

My colleague Deputy Dudley-Owen mentioned the Markets and I know some people do not like the Markets development but I am absolutely certain, I am also certain that Deputy Trott, who was the President of the old Treasury & Resources Committee when I was on it and that development
1010 was in full swing, I am sure he would agree that the States would not be able to have done anything with it because it could not. We had to be able to give it to that.

We are far too risk averse. Far too risk averse. We do not want to make any mistakes so we do nothing. Or we throw all sorts of obstacles in the way of people who we would like to do something, so perhaps we can point the finger at them and say, 'Well you cannot do it, either.' I am not sure.
1015 But I am getting very concerned now that we are making this so limited that we have lost sight of the main objective and the main goal. So I am not sure how I would vote on this amendment or indeed if it comes back in two.

1020 **The Deputy Bailiff:** Deputy Oliver.

Deputy Oliver: Thank you.

I think a lot has been said but I do just want to say that a standard lease from a reputable retail company is 15 years. So what really worries me is we would be having leases effectively brought back to the States and then 40 people analysing a lease, which absolutely fills me with dread, to be
1025 completely honest. (**Several Members:** Hear, hear.)

I think what Deputy Roffey said, and Deputy Kazantseva-Miller, is splitting it. Personally, I would not even bring leases into it. I know that people want more control but when you have a very large development you actually need that time of that lease for, a, security to know that it is not the landlord, because we have no landlord or tenant rights here; so they need to know they have
1030 actually got security to be able to do that development, to be able to actually plough money into

it so that they know that, actually, they will get an income at the end of it because they can write off the costs over that entire lease.

I just personally would not bring leases in. I would make sure if you want to look at the land transfer, I would get that approval done before it goes to the Development Agency so you know which bits or parcels of land are going to go to the Agency, and therefore you still have that control but there is a little bit, it is giving the Development Agency time and it also gives them a little bit of a way to focus, because they say: 'We know we have got that and we know we have got that.'

They might come back to us and say, 'You know what, it does not make sense to have that, that; it makes more sense to have that, that and that.' Therefore it is a nice little link. But then at least we know which way we are going and I feel really uncomfortable voting to bring any length, really, of lease back and I can understand people do not want 125-year leases but if you look at the cost of the Markets and how much –

I will give way to Deputy Trott.

The Deputy Bailiff: Deputy Trott.

Deputy Trott: Thank you.

I am very grateful to Deputy Oliver for giving way because I was not quite sure how to phrase this question. She may know and if Deputy Oliver does not, I am sure H.M. Procureur would be able to confirm. The Rules of the States are currently that leases in excess of 25 years must come back before this Assembly. So 25 years is already caught, if my understanding is correct. What is being talked about here is a reduction in this specific case from 25 to 15 years.

But also, with Deputy Oliver's experience of this area, attracting investment into infrastructure projects of the type that are envisaged on a lease less than 25 years is likely to be quite a challenging undertaking for those seeking to procure private finance of that type in that way.

The Deputy Bailiff: Deputy Oliver.

Deputy Oliver: Deputy Trott is correct and I believe he is also correct about the 25 years. I would actually increase that to 50 just for this area because the development and the cost that it would take to develop it. It is a different kind of ball game with this. We are not just talking and saying, 'Right, you go develop that bit.' Let us use the Markets, for example. You are not just getting economic value, you are also going to be saying to them, 'Can you develop that bit and can you add the social and environmental things with the amenity space?' –

I give way to Deputy de Sausmarez.

The Deputy Bailiff: Deputy de Sausmarez.

Deputy de Sausmarez: I thank Deputy Oliver for giving way and I do not disagree with anything that she is saying. Just to clarify the point, this amendment or any split version thereof would not prevent those leases from going ahead at all. It just puts in that extra check and balance of getting the States approval before it goes ahead.

The Deputy Bailiff: Deputy Oliver.

Deputy Oliver: And if you were a developer, if you were going to be developing, the first thing I would look at is how easy is it to do, how much do I have to cost to put plans in together and, oh, it needs to come to the States. Forty people get to vote on it. All have different opinions, half of them not actually with a development background so you just –

I give way to Deputy Moakes.

The Deputy Bailiff: Deputy Moakes.

Deputy Moakes: I appreciate you giving way. Thank you, madam.

1085 The reason I wanted to stand up was just really to add to what you were saying there. We are trying to encourage people to come to the Island, set up businesses, open offices, do things. If we put more and more barriers in their way, 'sorry you cannot go there until it has gone to the States for approval, you cannot have a lease here', what kind of a message does that send out? We should be encouraging people to come here, make it easier for people to come here and look at the commercial reality, which is the shorter the lease the worse it is for any business going into a building.

1090 Why would you invest in a building when you can only have it for a very short period of time? The longer the service that you have there, the more you are likely to invest and the more people you are likely to attract to the Island and see expanding on the Island.

Thank you.

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The Deputy Bailiff: Deputy Oliver.

Deputy Oliver: I think I have lost track of what I was saying, to be honest. There were so many give ways. All I am saying is if you are going to do it, I think just split it, forget about the leases, just do the land and do it before it goes to the Development Agency rather than halfway through because that just does not make any sense either.

1100 So I just hope that actually people will vote this down and, Yvonne, Deputy Burford, I have got a lot of respect for you but please –

1105 **The Deputy Bailiff:** You are supposed to direct this through me, Deputy Oliver. I think we have had this conversation before, haven't we?

Deputy Oliver: I am terrible at referring people in the third person! I would bring another amendment back with just the land and forget leases.

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The Deputy Bailiff: Thank you.

Before I call on Deputy Haskins, can I just remind Members that if you have not spoken yet, there is not really a good reason to have a give-way because you can then make your point in debate. It is ultimately a matter that is for the person who is speaking but just in terms of the flow of debate, as perhaps exhibited by Deputy Oliver there, if you have constant interruptions, it is very difficult for people to make their point.

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Now I am going to turn to Deputy Haskins to speak next in this debate.

Deputy Haskins: Thank you, madam.

1120 Just extremely briefly and it is a question of wording or semantics. I note that the policy letter separates, it makes a distinction between land and property. So, in splitting, perhaps Deputy Burford might want to consider that, please?

The Deputy Bailiff: Thank you.

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Deputy Roffey.

Deputy Roffey: I have not spoken, Deputy Kazantseva-Miller kindly gave way to me and I finished her speech. I will give way so she can finish mine if she likes!

1130 This amendment does try to wrap up two totally different issues and I do not think the second issue is properly addressed in this. I absolutely agree that we should, as an Assembly, what an utter abrogation of responsibility if we said we would transfer, or we would not transfer, somebody would transfer from our ownership to this new company, which will be the Guernsey Development Agency, tracts of land without us having any say so. So I have no problem with that.

1135 The second issue that it is trying correct is what may the GDA do with the land that has been transferred to them? As I read this policy letter, there is actually nothing to stop them selling it off. It only addresses leases once it has been transferred. So if we are really worried about leases above 50 years, why are we not worried that they could sell it off? That is one reason why I would like to suggest that it is withdrawn and two separate ones brought.

1140 I do agree with those that say that 15 years is too short. I do not agree that long-term leases should not have to be approved by the States. We have done it before. When this Assembly debated the Markets development and I am sorry to Deputy Taylor for talking about the Markets, but we did debate the Markets development and we agreed on a 125-year lease for exactly the reasons that Deputy Le Tocq said. But it was right that it was brought here because effectively it was taking it out of the public realm. The public can still go there but the absolute public ownership effectively, 1145 for four or five generations –

Ah, she did not like it but I will give way to Deputy Oliver.

The Deputy Bailiff: Deputy Oliver.

1150 **Deputy Oliver:** Do you agree that actually a 15-year, and a 125-year, there is a hell of a difference in that? I totally agree 125 should come but 15 is just not appropriate.

The Deputy Bailiff: Thank you.
Deputy Roffey.

1155 **Deputy Roffey:** I am not sure I would use Hades in a speech but yes I do agree and I was about to come onto that.

In fact, when Deputy Burford actually ran past this concept with me, I think what I suggested was 35 years. No that is not the degree of control. I understand that if this leads to a use that we do not particularly like, that is counter-intuitive, but I do believe that that if, certainly 25, probably 35 years, 1160 is needed in order if you want somebody to put £10 million into a project to bring things forward.

Also, the point I would make is not all land is going to be transferred to the Development Agency. Once the planning blight is removed and the Harbour Action Areas have got their detailed development plans, or whatever they are called, the Ports themselves as a business will be issuing 1165 leases, probably in excess of 15 years, to new tenants and I do not believe that we should be bringing it to the States.

So I would not want to have dual standards between what Ports as a business could do and the Guernsey Development Agency. So my suggestion is, first part as a discrete amendment, second part, think about rewording so it deals with the onward sale of land, which is probably the biggest 1170 issue, and increase the term because 15 years is just far too short. So I offer that as my humble advice.

The Deputy Bailiff: Deputy Vermeulen.

1175 **Deputy Vermeulen:** Thank you, madam.

Oh dear, oh dear. What is going on here? We seem to be making policy on the hoof. I have got no question to doubt Deputy Trott but I would enjoy your confirmation that if somebody were to require a lease of 25-years plus that it would need the agreement of this Assembly. I would like to know that that is, in fact, part of the existing legislation. But –

1180 **The Deputy Bailiff:** Sorry to interrupt, Deputy Vermeulen. Is that something you would like H.M. Procureur to confirm or are you asking Deputy Ferbrache?

Deputy Vermeulen: If you could ask H.M. Procureur to confirm that would be great.

1185 An arm's length organisation, how long is the arm? It sounds like it is getting rapidly shorter. I
do have some experience of dealing with somebody who wanted to lease some property from
States' Trading and things just were not happening. The gent said, 'It is a total disaster, Simon.' So
I said, 'What is the problem?' We had a good old problem and it was over the length of the lease,
1190 it was one year at a time, this sort of thing. But this particular gentleman wanted to put some serious
investment, he had a serious plan, he had a great plan.

So I did what I could. I had a great conversation with Deputy Mahoney and he had no objections.
I had a great conversation with Deputy Inder, who helped me, and I think we talked about perhaps
not trying to get all your ducks in a row, but if a duck were to land in the pond you would blast it
straight away. We were not waiting for the Development Agency to come along and adopt his idea,
1195 this idea landed on our lap and we progressed it. I hope that that has come to fruition. But if, as
Deputy Oliver said, you had to come to the Assembly and get everybody's agreement to invest in
this particular building, I think it would probably be a deterrent to many.

I am all for action this day, not action in two years, or action in 10 years' time, so some of the
wording in this concerns me. I think I have made the point I just want to make there. I am just very
1200 concerned. I suppose it is really about trust, isn't it? It is all about trust at the end of the day. I was
lucky enough to meet, I was highly impressed by some of the people, which are going to populate
this Development Agency, so I can go with that. I can delegate responsibility. I do not have to own
everything or control everything. I hear Deputy Burford, what she has to say, and yes there is a
point, if there was a very long lease, perhaps, but I think it is already covered anyway.

1205 But, do not shoot the goose that lays the golden egg and do not put too many people off
investing in the States because the States do not seem to want to invest in a lot of those redundant
buildings themselves, anyway. They are just using it for storage or some such.

Thank you.

1210 **The Deputy Bailiff:** Thank you.

Madam Procureur, could I prevail upon you to assist Deputy Vermeulen in relation to the issue
of the length of leases, which require States approval?

The Procureur: Madam, certainly.

1215 At this stage, I will just double check the officer authorisations. Now the officer authorisations
from P&R enable officers authorised by P&R to negotiate leases under 21 years. I just need to
double check if there is anything specific in relation to P&R for leases between 21 and 25 years. But
it may be that the limit is 21 years but I will come back and confirm that to the Assembly.

1220 **The Deputy Bailiff:** Thank you very much. If you would.
Deputy Taylor.

Deputy Taylor: Thank you, madam.

1225 I feel like I may be in a minority here but this is an amendment I could support and one of the
principal reasons would be the differentiation between what we would most likely be deemed a
sub-lease and the head-lease. So I think as Deputy Oliver has put forward, a 15-year lease is quite
a reasonable period of time for a tenant that would be the occupier operating their business from
those premises.

1230 But the types of comments, that investors, referenced by Deputy Moakes, who would be looking
to invest substantial sums of money, would be looking at much longer leases where they would be
potentially having multi-tenancies, or it does not prohibit a successful business from renewing the
lease.

1235 So I think, if we are looking at 15 years, that is going to be a tenant that is directly operating in
that business. But for something longer than that, I think that is quite a reasonable thing that could
come back to the States. It is not to say that the States will be here debating the merits or failings
of that particular business or that particular idea. I envisage that the States would be put with a

proposition that this is the parcel of land that we are proposing to lease for X period, once the Development Agency had that approval, they would then be negotiating with prospective tenants that would take on that head lease.

1240 I think that is quite important because if we have not actually agreed the strategic direction of what we are going to be doing, to commit long leases to buildings that they then may actually be required as part of our harbour reorganisation, that is a fundamental flaw with the entire policy letter, not an issue that this would really solve.

1245 So I think this could be quite workable. I do not envisage that this is going to result in the States discussing the minutiae of particular tenants or anything like that. It is bigger than that. Perhaps, even if it was aligned, maybe if it was going to be pulled and amended, aligned with the position that Madam Procureur has set out, the 21 years, that might be a more sensible approach but as it stands, I will give my support to this.

1250 **Deputy Queripel:** Rule 26(1) please, madam.

The Deputy Bailiff: Deputy Queripel has sought a Rule 26(1), which is the guillotine motion. Can those who wish to speak stand in their place? Do you still wish to pursue your motion, Deputy Queripel?

1255 **Deputy Queripel:** I do, madam.

The Deputy Bailiff: Yes. Those who support the motion to guillotine debate, please indicate now with Pour; those against?

1260 *Members voted Contre.*

The Deputy Bailiff: I am afraid the motion is lost, Deputy Queripel.
Deputy Helyar.

1265 **Deputy Helyar:** Thank you, madam.

I am sat here wondering what the putative members of the Development Agency might be thinking to themselves as they listen to this debate on the radio and actually it is Wimbledon week, so hopefully the words of John McEnroe, 'you cannot be serious', come to mind immediately. Like many of the problems that we debate in here, they have been discussed and considered many times in history and in fact as part of our Common Law, there is a principle called *donner et retenir ne vaut*. That means to give something away but retain control of it is of no effect. That is what these amendments propose.

1275 What we are asking to do is to devolve responsibility for these decisions to an agency that we control. We have no problem doing that with the Guernsey Housing Association. We spent £30 million on buying property for them in the last couple of years, without anything coming back to the States. Why do we need to fiddle with this stuff all the time?

1280 I understand it is a muscle that must be exercised and that people are concerned about it in the public but we have to move forward. Our ancient advocates brought up this maxim, *donner et retenir ne vaut* and I would actually to it and so perhaps a modern version is *donner et retenir ne vaut est inutile*. It is pointless to give something away but try to retain control of it is pointless.

If we pass this amendment, we may as well throw the whole thing out. Please do not vote for this amendment.

1285 **The Deputy Bailiff:** Deputy Blin.

Deputy Blin: Thank you, madam.

I totally echo the comments of Deputy Helyar there and to take it one stage further, from the perspective of the potential Development Agency, the whole thing is not worth even doing if we change all these aspects. It will just bring the whole thing to a halt, so we should be looking at taking into consideration that we are all doing it for the right reasons, to be meticulous, to be scrutineers, to make sure that we are protecting the benefit for Guernsey. But the reality this will undo itself, we will have nothing in the end.

Madam, if I may speak in general debate as well at the same time?

The Deputy Bailiff: Yes, Deputy Blin, you have indicated you are not going to be around later or may have to leave abruptly so please do.

Deputy Blin: Thank you, madam.

The only other thing I wanted to add was actually during yesterday's debate, Deputy Brouard spoke and he was very specific about his concerns about the Development Agency. I am aware that he cannot speak again today, so I have asked his permission, because he had received some response in regard to those very specific questions he asked, which I have got here to share.

Some of the questions were iterated by Deputy Brouard. I believe also Deputy Inder and some others, which built in. Basically a summary is that the Development Agency team are passionate to keep the spectacular vista of St Peter Port and will not be recommending anything that spoils it. One of the members, actually, is an ex-Merchant Navy officer and recognises the harbours as the most important area that they will have any input for.

They understand there is a need to have the cash for it. They understand the importance of where it is to be situated or where to move. But without that they cannot work out some of the bigger elements of the jigsaw puzzle. They have already, this is a very specific question that was asked and I think someone even referred to some of the files dating back to 1992, I believe it was Victoria Oliver, but here they said they had already been tasked to go through all the old projects, right back. So they will be revisiting, re-looking at everything, not just going forward with any brainwave ideas.

They will be listening to ensure when informing organisations and they will be welcoming input from all businesses and aspects and organisations. Also, as Deputy Inder had mooted about lesson 101, that they will be looking at small projects, which will not be affected by the position of the harbour, to win confidence. But the key thing is the harbour.

So here is a true arm's length body, which needs to actually have the right powers bestowed upon it to be able to do its job well. So in spite of the feeling, I do understand why people are trying to circumspectly limit certain powers there, for whatever reasons, we have to at this point go forward. We will have a new opportunity.

I believe Deputy Ferbrache spoke about, historically, when Guernsey built the Markets or the harbour, all these things there. This is another of these opportunities and even though we have the current fight for debate over the income or the funding we will have for this, these sorts of projects, like Deputy Meerveld talking about other projects on the seabed for wind farms, these will all generate revenue and we have to be brave in those times and also pragmatic to see what we can do.

Thank you.

The Deputy Bailiff: Thank you very much.
Deputy Meerveld.

Deputy Meerveld: Thank you, madam.

I have sympathy, as I said in my original speech, with Deputy Burford's amendment and wishing to have some oversight in the transfer of Island assets, community assets to a company. But I also share Deputy Le Tocq's concerns about if you hog-tie the Agency to the extent where effectively we are micro-managing on the floor of this Assembly, then it is doomed to failure.

1340 What are we actually trying to achieve? And also what are our responsibilities? Our responsibility, we are custodians of the assets of our Island for our community. What my concern is, if you transfer a whole list of assets into another Agency, that effectively now owns them and has control of them, are we doing our proper due diligence and dealing with our responsibility to represent the community in having some idea what it is going to be used for?

1345 So I am likely to support an amendment that says that the transfer of the assets to the Agency needs to be approved by the Assembly and I would expect that at the time that that is presented to this Assembly, we are told in principle what it is going to be used for. So Deputy Helyar, who used the GHA as an example of we have bought £30 million of land for them, we do not ask them what they are going to do with it. Guess what? We know what they are going to do with it, they are going to build housing –

1350 I will give way to Deputy Trott.

The Deputy Bailiff: Deputy Trott.

1355 **Deputy Trott:** I am grateful to my friend, Deputy Meerveld, for giving way, because I think for balance it is important to remember there is a distinction with the GHA and that is that if the GHA got into trouble, all of its assets vest back into ownership of the States. So that is a slight difference. Also, again for balance, because I think this is a relevant intervention, the building of the Queen Elizabeth II Marina is, without question, Guernsey's most successful infrastructure project.

1360 It paid itself back inside of 12 years. So it is possible to do an infrastructure project of that magnitude within a 15-year period, clearly. But it is unusual but clearly, marinas, in this context and in this Island, have been extremely successful infrastructure projects and I am sure that will continue to be the case in the future.

Thank you for giving way.

1365 **The Deputy Bailiff:** Deputy Meerveld.

Deputy Meerveld: I thank Deputy Trott for his interjection.

1370 Going back to the principles of what we are going to achieve here, where my concerns would be, my concern is having a list of significant properties, with significant value, transferred into an Agency and us not having any idea how they are going to be used, whether they are going to be sold off, whether they are going to be leased for 125 years or whether they are going to be leased for five.

1375 What I think this Assembly, and certainly I would be looking for, is an in-principle usage for the land when we are being asked to transfer it. So, in other words, is it going to be used for a high-rise car park or is it going to be used for residential property? I would not want and would ever envisage individual leases or the designs and plans of a site and how many planters it has and what colour it is painted, to be brought back to this Assembly. That is not what we are here for.

1380 We are not here to micro-manage operations or the DPA's approval processes or anything else. But certainly as a Deputy who takes his responsibility as custodian of the public assets extremely seriously, I would want to know in-principle when we are transferring a piece of land, what it is going to be used for.

But that is as far as I think this Assembly should ever go. As long as we are assured it is going to be used for a mix of commercial and residential or for a car park, as long as we have that in principle that that is the reason it is being justified for the transfer –

1385 I give way to Deputy Oliver.

The Deputy Bailiff: Deputy Oliver.

1390 **Deputy Oliver:** Thank you.

You will know that because of the LPB that will come forward and it has to come to the States, so you will know roughly what is planned because you will be voting whether to agree to it or not.

The Deputy Bailiff: Deputy Meerveld.

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Deputy Meerveld: I thank Deputy Oliver for her interjection. I think that is the level we should stop at. As long as we have got an indication of what it is going to be used for and we believe that and we have had feedback from the public and we have been able to consult with our constituents to be able to hear their potential objections or their support, then that is as far as I want to go with this.

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So I will support an amendment that the transfer of the assets is approved by this Assembly but I will not be supporting any amendment that involves us micro-managing the commercial development, commercial sale, commercial leasing of that property, because that is exactly what being an entrepreneurial agency should be doing on our behalf in a more commercial and entrepreneurial manner.

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Thank you, madam.

The Deputy Bailiff: Deputy Ferbrache.

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Deputy Ferbrache: I could speak at the end of the debate before Deputy Burford sums up but I think it is helpful to speak now. Deputy Helyar made the point about the people that were engaged, that would be the directors of this Agency, might be perhaps better spending their time thinking about Wimbledon rather than where we are. I commented to my good friend Deputy Vermeulen earlier today that I thought he had his Henley jacket on and I think that people who are listening to this debate will be rowing away from being involved in this because of the difficulties that we are heaping upon people who might otherwise want to be involved.

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Deputy Trott made a very good point, an excellent point, when he started off earlier with one of his six interjections, but it was very good. They have all been valuable and they have all contributed to this particular issue, that how can you say what you are going to do when you have not actually transferred the land yet, you are coming back with a 15-year lease?

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Let me just say something also, I hope it does not anyway descend into detail in relation to the general debate but it is a matter of practicality because we often lose sight of practicality and just before I say that, last night, when I was thinking I will be summing up this debate about 10 past 10, we will be finished by a quarter past 10. I think I got that slightly wrong! I hope I am summing up some time today.

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But in connection with that, let me just give you an example, because Deputy Parkinson said, you know, nothing will get done. I can give you a practical example of nothing that has got done. I declare an interest, I have been involved as a tenant for a company at the Boathouse for a long time.

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In 2007-08, well before the Development Agency was ever thought of, we approached the relevant States' bodies and said, 'Do you think we could develop the Boathouse, because it is not the most attractive building Guernsey has ever built? It is not going to detract from the value of our harbour offering if it is knocked down.' And said, 'Could we build it? Give us a 21-year lease.' Because the Procureur has made the point, that is the general period. 'Give us a 21-year lease, we will build it at our expense, we will meet all the relevant planning concerns. It will have to be designed beautifully, etc. Give us, as they give in relation to certain other developments, a peppercorn rent.' You pay £1 or £10 a year. 'Give us that for 21 years. It is then your building at the end of the 21 years.'

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'No. We are going to develop something, we are going to have a plan in the next six-12 months.' It is the longest six-12 months in history that has ever occurred. Nothing happened. We did not develop it. It is still pretty much of an eyesore. Nobody is going to develop it. It is Deputy Oliver's point, the longer the lease, the more you will spend on developing the property. The more you will

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invest. You are not going to invest on something you have only got three years' tenure for. You are going to make sure it does not fall down and that is about it.

1445 We are too risk-averse in connection with this. Now, I may be corrected if I have got this wrong and I really do invite somebody to correct me if I am wrong because I do not want to mislead the Assembly. I referred earlier, when I interjected in relation to Deputy Burford's speech, to Appendix 2b, page 33 of the Billet, under the heading 'States Guidance to the Political Steering Group in exercising on behalf of the States the role of shareholder of Guernsey Development Agency Ltd.'

1450 Paragraph 3:

Without an express resolution of the States' no property or buildings under the control of the Company shall be disposed of.

Now I suppose, as a lawyer, you could say if you have a 125-year lease, that is almost a disposal of because you are not going to get it back for a long time, etc. Some lawyers would argue that. I would if I was paid to argue it one way, I would argue it a different way if I was I paid to argue that. 1455 But it could be argued. But I think we are talking about a sale there. I think that is the way that most sensible people – lawyers are always sensible people – would interpret that particular description.

I have also been reminded by an officer in relation to where we are, the Resolution that we passed previously, I believe – and if I have got this wrong, please H.M. Procureur or somebody else can correct me – I believe through the previous policy letter, when we were talking about the 1460 establishment of a Development Agency, the States have already decided the following:

To direct the Policy & Resources Committee to establish a clear land management transfer policy for approval by the States and then to consult with the States' Trading Supervisory Board on the areas to be transferred from the States, the Development Agency, and on the revenue implications that would result.

Thirdly:

To effect that transfer once the Development Agency has been established.

So we have already got that in mind. That is a policy, a Resolution that we have approved. I think 1465 Deputy Burford goes a step further in relation to that and, frankly, I am happy with the point about, if you are going to dispose of States' land, it should have the approval, because you are giving it to somebody else. You are passing it on to somebody else,

Deputy Helyar is exactly right with the £31.6 million or £32.6 million – whatever the precise figure is – but we know that Assembly's will. Eventually, that is an adverb that I hope that we shorten in 1470 relation to time, will have houses built on those units, eventually. But in respect of all of that, Deputy Burford I think has heard the words of the majority of speakers in relation to where we are, that if she were to separate this amendment into two blocks, the first block is likely to receive a more favourable response from the States, the second one for the concerns expressed ably by. Deputy Trott and Deputy Oliver in particular, they have made those points about leases and values, etc.

1475 So I think it is up to her whether she follows that guideline. I think in relation to that –

Deputy Queripel: Point of correction, madam.

The Deputy Bailiff: Yes, Deputy Queripel. 1480

Deputy Queripel: Sir, Deputy Ferbrache said nothing had been done since 2008, regarding a plan. This was produced in 2013. It is actually called the *Guernsey Ports Masterplan*.

The Deputy Bailiff: I understood he was talking about in relation to his own lease on the 1485 Boathouse.

Deputy Ferbrache: I was indeed, madam. I am indeed. We can go and see that. It is a matter of beauty. Could everybody visit it today? No they cannot because we are going to a Guernsey Finance do, but there we are in relation to that.

1490 Deputy Queripel does raise another point. We have produced another plan, 10 years ago. What has happened in relation to that plan? Not very much, I would respectfully suggest. So I am grateful to Deputy Queripel, as I always am grateful to him, for backing up and supporting my arguments. I thank him for that.

1495 But turning back to where we are and I see Deputy St Pier is coiled to stand up, so I will finish very quickly – he can interject if he wants but I think he wants to make his own speech – I do not think it is at odds with the previous Resolutions to say, as a touch safe that before there is any transfer of land, it is disposed of to the Agency, that the States approves that, to come back with a plan and say, 'This is what we are going to do,' I think it would have to be covered by the Resolution anyway. That is the way we should go.

1500 In relation to the leases, I am very much persuaded by what Deputy Trott and Deputy Oliver have said and I will, if there is a separate amendment in that regard, I will very much heed what they say.

The Bailiff: Deputy St Pier.

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Deputy St Pier: Thank you, madam.

I rise to raise the question of the land management transfer policy and I wanted to raise this in order that Deputy Ferbrache could respond when closing the debate on this amendment but obviously he has chosen to speak early. If he wishes to intervene, then I will give way for him to do so.

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He has referred to the fact that I think he said officers had drawn his attention to the agreement of the States to establish a clear land management transfer policy and to consult with the STSB, blah, blah, in relation to the revenue implications and so on. There was a third element to that direction, which is set out on page five of the policy letter, which is then:

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... to effect that transfer once the Development Agency has been established.

There is a slight inconsistency between that original policy decision of the States and what is now set out in the policy letter because, not unreasonably, at page 14 of the policy letter, the first bullet point, P&R are telling us that in fact, within the so-called interim plan, the Development Agency will indeed be developing a land transfer management policy with P&R, which kind of makes sense. Times have moved on. We have now had the shadow agency. We are about to form it. Inevitably they should be involved in those discussions. I do not disagree that this is not a sensible approach.

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But to me it was always intended that this land management transfer policy would be of sufficient granular detail when it does come back to the States for approval that we would know when land is or is not going to be transferred to the Agency and on what terms, whether it is a 15-year or 21-year or 35-year or any other term lease and what the conditionality would be and whether there would be any further approvals required, either by P&R, the Oversight Group or indeed the Assembly as a whole.

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It strikes me and this may be the opportunity for Deputy Ferbrache to intervene, that actually as and when that transfer policy comes back to the States, that is the time that amendments could be laid if Members are not happy with the policy, to layer on further checks and balances if they believe it is appropriate, rather than seeking to do so at this stage and to potentially hamstring the Agency before it has even begun its work.

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1535 So, Deputy Ferbrache is not rising to demur, so I take it that he agrees with that –

The Deputy Bailiff: Deputy Ferbrache.

Deputy Ferbrache: Just to put on record because nodding does not go on *Hansard*, I do agree with that.

Deputy St Pier: Thank you, madam, to Deputy Ferbrache for that. So I think it is then incumbent on those proposing this amendment to respond to that, why that is not adequate protection, if you like, at this stage, knowing that we will at some point need to debate and approve that land management transfer policy in sufficient granular –

I will give way.

The Deputy Bailiff: Deputy Kazantseva-Miller, giving way.

Deputy Kazantseva-Miller: Thank you Deputy St Pier.

He drew attention to the first bullet point on page 14, which is developing a land management transfer proposal with Policy & Resources. I want to just advance his contribution even further because point 3.8.3 says that as part of this interim plan, this plan will:

... will require approval by the Political Oversight Group ...

So to me this creates actually confusion. Is this management transfer proposal going to come back to the States for approval or do they just require approval of the Political Oversight Group? So, actually, I do think there is a real level of ambiguity about what exactly will happen so I thank for his drawing the Assembly's attention to one or two further points, the Assembly's attention to 3.8.3.

Thank you.

The Deputy Bailiff: Deputy St Pier.

Deputy St Pier: I think Deputy Kazantseva-Miller raises an interesting inconsistency and I think one of my criticisms more generally of this policy letter is I think there are a number of those that exist in the policy letter at this sort of level of detail. However, and again H.M. Procureur may choose to intervene to disagree, the extant Resolution of the States, which Deputy Ferbrache referred to and is set out on page 5, I think, is a very clear direction that the land management transfer policy would need to be approved by the States and I do not think that paragraph 3.8.3, for Deputy Kazantseva-Miller, would trump that expectation and direction of the Assembly to P&R to bring that policy back to the States and they are, I think, under a clear direction to do so.

So I think it really remains for Deputy Burford to challenge and explain the necessity of the amendment over and above what already exists.

The Deputy Bailiff: Deputy Matthews.

Deputy Matthews: Thank you, madam.

I think, having regard to what Deputy St Pier just described that the impression that I got of this amendment had to be seen in the context of the debate that had previously been had in main debate and the frustration at the inaction that this States has had on the big vision for the harbour and the potential land side development that was expressed by Deputies Parkinson and Kazantseva-Miller and Roffey and a number of others and that really we are setting up a Development Agency without really passing them much of a vision about what that Development Agency is set to do or where the harbour is going to be and what they really can do.

In that context, it is potentially – I would imagine – possible that members of that Agency, because it is not a vision agency, it is set up as Development Agency, might be tempted in their impatience and haste to offer a lease to something that were seen as being inappropriate; or might

preclude some potential other future vision. So, somebody might say, well, why don't we build a block of flats on the model yacht pond? Or something similar to that.

1590 That might be a good idea, in itself, or it might not. But the fact that it appears that that there is not any safeguard to prevent that leasehold, and it would be a leasehold I think, transfer from happening, is something that would be of concern, especially as it might interfere with anything that might happen in the future. People might say, 'These people are sensible people, they are not going to do anything like that and in any case it would have to pass through Planning before anything like that happened.'

1595 But I think if we can have some clarity about what, actually, the process would be on that, then that would certainly help. Because at the moment it seems to me that this is a sensible safeguard to have in place in that interim period until such time as we have got a clear vision about what type of development might be happening and consequently what type of leases should be offered as part of that.

1600 Thank you.

The Deputy Bailiff: Deputy Dudley-Owen.

Deputy Dudley-Owen: Thank you, madam.

1605 I just rise to make a few brief comments because I found this whole debate extremely interesting and I am not tortuous as Deputy Inder has said. I have more patience than he does and I am very pleased actually that Deputy Burford has raised this so that we can explore this issue in more detail. I have been very open-minded in hearing the debate going back and forwards about the risk aversion of the States, etc.

1610 I think that actually just for the sake of *Hansard* and having a record of this conversation for future generations of States' Assemblies to be able to look back and to be able understand the feeling of this particular States' Assembly and the intention behind setting up this Development Agency is going to be extremely useful.

1615 I am still torn as to whether I would vote for this particular amendment, though, having found it very attractive, because I am concerned about giving away of the public realm of the States of Guernsey in this way. However, I think that Deputy St Pier has usefully drawn out some safeguards within the policy letter and also mention of Common Law, particular aspects that we have around leases as well.

1620 So I just wanted to thank Deputy Burford and Deputy de Sausmarez for bringing this amendment and allowing the debate to come forward and to say that I remain sitting on the fence at the moment, until the summing up and I will make my decisions then. Nevertheless I think it has been a useful debate to have on record.

The Deputy Bailiff: Deputy Gabriel.

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Deputy Gabriel: Thank you, madam.

1630 When I first saw this amendment I thought it had plenty of merit, because it gives some checks and control back to the States. But then I thought a little bit longer and harder and I have listened to debate and, like Deputy Dudley-Owen, I am going to wait because I am still Terry Torn, on the fence, so I will wait and see.

For me there are two fundamental words, which we have heard already in debate today. One of those is trust. We are delegating authority to professionals. We are employing professionals and to my mind they have been selected already by our senior Members of the Assembly, we should be able to delegate that authority to them and trust them to do the right thing.

1635 The other half of the fence that I am sitting on at the moment is that we have got a duty of care and control to the people of Guernsey that we are not going to sell it down the river, it is not going to be covered in glass hotels or things that we do not want, or it is going to detract from the beauty that is St Peter Port or the whole of the eastern seaboard, and I include the Bridge in that.

1640 And then I listened to Deputy Moakes, when he interjected to Deputy Oliver, and I do not want to stifle investment, which I think the 15-year limit could do and I am much more comfortable with a 21-year limit, as H.M. Procureur confirmed, or perhaps even a 25-year lease we heard earlier. I think Deputy Taylor hit the nail on the head as well because tenants of existing buildings will have shorter leases and they are not necessarily going to be a threat, if that is the right word, and take that in the right context, a threat to the land acquisition of Guernsey or losing a little piece of Guernsey.

1645 I am worried that if it does come back to the Assembly, we will be debating the minutiae of which sector or what colour hotel or how many people are going to be in this car park or what the charges are going to be for the parking to get anything back for the developer and we will go down that road, no matter what happens, if it comes back to debate.

1650 We are 40 individuals. We are not property experts, lease experts or anything like that. Some of us have made a career out of it but certainly not all 40 of us. So I, on balance, think that we do have to trust the professionals we are employing, leave it to them. I am still going to listen to debate and perhaps if an amendment was adjusted to say 21 years, or 25 years, certainly with the long-term future of Guernsey and its land protected, then I could support that. But probably, on balance, with the 15 years, I cannot support that at the moment.

Thank you,

1660 **The Deputy Bailiff:** Deputy Parkinson. Sorry, I did not realise you were leaving! *(Laughter)* Deputy Mahoney, were you going or are you just standing up for debate?

Deputy Mahoney: I will probably stay a little longer if that is okay!

The Deputy Bailiff: Deputy Mahoney.

1665 **Deputy Mahoney:** Thank you, Madam Deputy Bailiff.

I wonder if I could just check before I put my foot in my mouth, if I said control freakery, would that be unparliamentary in this room?

1670 **The Deputy Bailiff:** I think you are on the right side at the moment.

Deputy Mahoney: Thank you. I will be alright, then.

1675 Because that is what we are seeing here isn't it? We have heard various speeches today about we have not done anything, we never do anything, no action and all those kinds of things. Unfortunately, there is an element of truth in that. But a lot of that of course is down to the appetite for risk in this Assembly, which seems to be about zero or somewhere hovering not far above it. This does boil down to trust.

1680 Others have already mentioned about trust. Deputy Gabriel just mentioned it in fact. This is all this is about. Fine. If we do not trust the people that are named on the start of this policy letter then just vote the whole thing down. If we do not trust them, we do not trust them. But, if you do, these are able people that have been chosen by a selection of senior Deputies. So if you do not trust them, do not trust them but come out and say it and then just vote this down.

1685 But if we do trust them then let them get on with the job they have been tasked to do. Deputy Helyar noted that we trust the GHA, Deputy Roffey has noted that we trust the Ports. We are not giving the land away to Uncle Tom Cobley and all, this is to an Agency that we own and that has political oversight sat above it. So I am not sure where the risk is, even, for those that are too worried about it.

1690 Deputy Gabriel references that he is Terry Torn over this, as are others, but then perhaps we could be Danny Decisive and make a decision on it instead. So, madam, I just urge people let go, take a risk, albeit a very small risk, let us reject this amendment and let us get on with the stuff that we should be talking about.

The Deputy Bailiff: Thank you.

Yes, Deputy Burford, your response.

Deputy Burford: Thank you, madam, and thank you to everybody who has contributed to the debate.

I think it is quite clear that the fate of this particular amendment is already known but I think nevertheless and others have said this and I hope people will agree generally, it has provoked an interesting discussion over very considerable matters, as it relates to very large tracts of the public realm on this Island, which are very important to the majority, if not all of the people who live here.

I have not actually gone down with every single person to respond to in order, because there was a general flavour coming out and I think I would just like to respond in a general fashion to those things. I take on board the point about splitting out the amendment. I think hopefully there are enough general debate speeches that will give me an opportunity to do that in a considered fashion over the lunch break, so I am looking to do that at this stage.

But I think there has been some misinterpretation on perhaps my intention and I am not critical of people on that basis, simply because it is very easy to draft a form of words and then realise that different people reading it will take different interpretations and that is entirely understandable and it obviously needs to be correct and clear. That is something that I can address.

But it certainly is not my intention to, as Deputy Gabriel might say, have a debate over the colour of a hotel or even how many rooms it has got or anything. We have got the Planning Authority for that, in any case, but more to the point, and I do not think they necessarily dictate colours all the time, I know that is absolutely ridiculous to bring things back to the States. We would be dreadful at it and it should not be done.

But I think the principle that I am trying to put in, a safeguard on, is that if the Development Agency, who will legally own land that we have transferred to them, and not just land, land and what is on that land: buildings, assets. Let us take Castle Cornet as an example. If a decision is made to transfer Castle Cornet or the whole of the Castle Emplacement, including Castle Cornet to the Development Agency do we want the Development Agency to decide to lease that out to somebody for 125 years, without us even having any idea on that. I do not. I am happy to stand up and say no, I do not.

However lovely the people running it are; however competent they are, I just think that there should be a safeguard. I think that we abrogating our responsibility if we do not think that. That is the one side of it, Castle Cornet being leased to a Saudi developer for 125 years or us deciding the colour or the number of cars in the car park. There is a chasm between that and I am much more concerned about long leases on land that is legally the Development Agency's because we have transferred it to them.

That is my intention and I would be happy to make that clearer in a second amendment of a pair of amendments.

Several people have commented on the people that we are looking to appoint today and I will be voting for those people, to run the Development Agency. They have very impressive CVs. I do not know any of them personally but I have absolutely no reason to believe that they are anything but the right people and competent. But I think that we have to understand, first of all, this is a long-term project.

They are not always going to be the people who are running it and, just because we trust these people to do this, does not mean that no safeguards might have to be put in place. We trust teachers but we still put safeguards in over schools. Those two things can go hand in hand and it is no slight on their reputation to do so.

Deputy Helyar, Deputy Blin said we are not giving it away but we are retaining control. Well, no, the way this works is if we transferred land to the Development Agency, it becomes legally theirs, and we have no control over it and we are accepting that. So in that case, we need to be happy that this Assembly makes a decision to give that land and, further, in my view, the Assembly has some control over long leases, which are fundamentally equal to essentially disposing of the land.

Deputy St Pier's contribution was enormously helpful and I thank him for that. He is absolutely right that there is an extant Resolution, if we are just talking about the transfer of the land now, that should be everything that I need and, for a while, it was, until I started reading this policy letter. There are two things that have left me very uncomfortable. It should be belt and braces. It is a Resolution, that is how we are supposed to work. But we have not been working like that on more than one front.

One example is the fudging and it is absolutely that, of a decision on the strategic direction for the harbours, which should have been before this Assembly, which I as Scrutiny President was told no less than three-and-a-half months ago would still be coming before this Assembly and which clearly is not, in this term.

Obviously, the cart and the horse have been swapped around, and there may be good reason for doing that, and if that was brought to this Assembly to explain why that was being done or even communicated to us in another manner why that was being done, I may have more sympathy. The DPA have done a sterling job in terms of managing that switch and full credit to them, they have had to reorganise things and do them in what is possibly a more awkward way, but we were not advised of that.

We are hoping and believing that this strategic direction will come back in maybe about 2026, because let us be honest it is not going to come back in this term. If we have a new Assembly in 2025, we know it takes 12-18 months for them to get their feet under the table. As awful as that might be, it has just been proven to be the case so often. This is an enormous thing. There is a lot of work that has already been done by the STSB. But 2026 is a reasonable guess, from where I am standing here in 2023, three years down the line, for this direction.

Yes, we will have the development frameworks but we still need, according to an extant Resolution, that direction and that has not happened. So, am I sceptical about an existing Resolution that the States will get to transfer land? You bet I am. I am absolutely sceptical about it and this is why I want to seek to put in a belt and braces amendment to actually bind it to this policy letter.

In the discussion I referenced earlier, that I had with Deputy Helyar this morning, I said, 'Look, we have got this Resolution from the Development Agency policy letter, this policy letter however refers that this transfer is just going to be improved under this interim plan by the discussions with P&R and the Oversight Group. Which is it?' And his response to me, and he wish to change from that point and that is absolutely fine if he wishes to advise me but his response at that time was, if this policy letter is approved, it is what is in this policy letter.

So, what am I supposed to believe? We are not in Kansas any more it feels. (*Interjection*) I do not know! Anyway, Deputy Mahoney and a few others said we have not done anything, we have got to do this, and I still support the Development Agency, but we have got to do this because we have not done anything and it just strikes me that the people who were standing up and said we had not done anything were the self-same people who voted against the harbours policy letter. You could not make it up.

Anyway, I think on that point, I do not have many notes here, I will just check that I am not leaving out anything crucial. Oh, yes, I think that is a crucial point and thank you to my seconder for reminding me. In terms of the leases, the way I would see it is that if the Development Agency had a piece of land, let us continue with the Castle Cornet example, and they thought, 'Do you know the best thing that we can do with this Castle Cornet is we can get this particular huge firm in and we can have a casino or something.' Whatever it might be. I am being a little bit facetious here but the point is we will be giving legal powers to people to do this. So one has to think of the worst case scenario. Some people might welcome a casino in Castle Cornet. I will not be one of them.

But if they wanted to do that and they get this very major firm and a 125-year lease is what they want, then I think that we should have a say, and the point that I think we should have a say is not when the plans have all been drawn up but if the Development Agency, they have got this piece of land that we have transferred to them and they think, 'This is what we want to do, but it would a 125-year lease, we know there is a Resolution that anything over 25 years needs to come.' So they come to us and, in principle, and those are the words that I will now insert in that amendment, that

1795 they have an in-principle decision that they can make a 125-year lease, or an 80-year lease, or a 70-year lease, whatever it might be, on that particular piece of land building assets.

We might say, 'No, that is just too important to us.' Or, 'We have other visions and we really do not want you going in that direction.' And we can say no. We are not going to need the name of who they want to put it to. We are not going to need to know the size of the window frames. We do not need to know a business case. We do not need to know any of that. We just need to know, as custodians of this Island, and of very precious parts of this Island, that we retain some ability to keep things in this control and not to *de facto* sell them off, which I believe exceedingly long leases are on a par with.

1805 So I think I have said everything. Thank you for everybody's involvement. I will still be supporting the amendment. I invite others to do likewise but in the event that this amendment does not pass, I will be looking to replace it with two separate amendments.

Thank you.

The Deputy Bailiff: Thank you, Deputy Burford.

1810 Madam Procureur, before we turn to the vote, did you get any more certainty on that lease point?

The Procureur: Yes, madam, I did. Thank you for giving me the opportunity. Apologies for bending over – if Members can hear.

1815 It is a little complex but I have now located the 2006 Resolutions, which are the necessary Resolutions, which govern this matter. In essence, madam, the officer delegation, which I referred to, allows officers of P&R to negotiate leases under 21 years. That is correct. Over 21 years, P&R have authority to conduct all transactions in relation to leases and freehold.

1820 However, leases over 21 years, in respect of properties, which are of historic importance, must come back to the States and they must also come back if those leases are to be renewed for a term over 21 years. And the same as regards freehold property, where it is of historic importance, that must come back to the States. Therefore, anything in relation to Castle Cornet, for example, would have to come back to the States.

1825 I hope that is helpful but it is actually governed by both officer delegations and delegations derived from a 2006 Resolution.

Thank you, madam.

The Deputy Bailiff: Thank you very much.

Yes, Deputy St Pier?

1830

Deputy St Pier: Madam, could I just seek H.M. Procureur's confirmation in relation to the status of the extant Resolution, in particular whether, notwithstanding any conversation that may have taken place between Deputies Burford and Helyar, there is nothing in the Propositions today that rescinds the Propositions set out on page five, at g), which remains extant; whether P&R choose to adhere to that is another matter. But they are under a clear direction to do so and the policy letter and the Propositions do not overwrite that. Is that understanding correct?

1835

The Deputy Bailiff: Madam Procureur.

1840 **Deputy Ferbrache:** Can I also raise a point, madam?

Just on that, just to build on the point that if P&R were unwise enough not to follow that Resolution there could not be a transfer of land anyway because it would have to be effected in the way that the Procureur has mentioned previously. Is that correct?

1845 **The Procureur:** Yes, effectively, in relation to both Members' queries, these are matters of States' Resolutions. It is not legislation but it is a matter of clear direction from the stated Resolution, which

would need to come back to the States. One does not trump the other but there is a clear direction from the States. These are both Resolutions.

Thank you, madam.

1850

The Deputy Bailiff: Thank you.

Deputy Roffey: Can I ask for a clarification?

1855

The Deputy Bailiff: Madam Procureur, I hope you are ready!
Deputy Roffey, your question first.

Deputy Roffey: Thank you.

1860

I do not want to be obsessed with Castle Cornet but, as I read it, the Rules that H.M. Procureur read out related to the States not being able to lease it out, because it is an historic building, without the States approval. If the States have already agreed to transfer ownership to the Guernsey Development Agency, those Rules presumably do not apply to the Guernsey Development Agency, who would be the new owners, and therefore would be able to issue a lease for whatever purpose, for the property they now own, without it coming back to the States?

1865

Is that correct?

The Bailiff: Madam Procureur.

1870

The Procureur: So if I have understood correctly, if the States wished to transfer freehold land or a lease above 21 years on a property of historic importance, such as Castle Cornet, that would have to come back to the States. If the States agreed for that to be transferred to the Development Agency and subsequently the Development Agency wanted an onward transfer, that would not need to come back to the States unless, in terms of the original transfer, the States had put some conditions in their original Resolutions.

1875

The Deputy Bailiff: Thank you.
Deputy Trott.

1880

Deputy Trott: Madam, my question is arguably even more basic than those that have already been asked and that is, in the 2006 policy letter, or the States' Report, as we called them then, was there any definition of historic importance and was there any mechanism for who defines historic performance, moving forward?

The Deputy Bailiff: Madam Procureur.

1885

The Procureur: Madam, I have speed-read that policy letter as fast as I could in the time available. I could not see a definition but I may have overlooked something because I was speed reading. Certainly, in the appendix, so the Propositions refer back to Appendix 1 of that policy letter, in that appendix I could not see a definition of historic importance. I would anticipate one would use the ordinary interpretation of what would be of historical importance. I may have overlooked something in the details of the policy letter but I could not see anything in the actual appendix.

1890

Thank you.

The Deputy Bailiff: Thank you. I think that was very helpful indeed, Madam Procureur.

1895

So we now go to the vote on Amendment 1, in relation to this Proposition. States' Greffier, will you start the voting on the amendment, please.

There was a recorded vote.

Amendment 1.

Not carried – Pour 13, Contre 22, Ne vote pas 1, Did not vote 2, Absent 2

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Brouard, Al	Aldwell, Sue	Snowdon, Alexander	Blin, Chris	Bury, Tina
Burford, Yvonne	Dudley-Owen, Andrea		Parkinson, Charles	Roberts, Steve
Cameron, Andy	Dyke, John			
De Lisle, David	Falla, Steve			
De Sausmarez, Lindsay	Ferbrache, Peter			
Fairclough, Simon	Gabriel, Adrian			
Gollop, John	Helyar, Mark			
Haskins, Sam	Inder, Neil			
Le Tissier, Chris	Kazantseva-Miller, Sasha			
Matthews, Aidan	Le Tocq, Jonathan			
Queripel, Lester	Leadbeater, Marc			
Roffey, Peter	Mahoney, David			
Taylor, Andrew	McKenna, Liam			
	Meerveld, Carl			
	Moakes, Nick			
	Murray, Bob			
	Oliver, Victoria			
	Prow, Robert			
	Soulsby, Heidi			
	St Pier, Gavin			
	Trott, Lyndon			
	Vermeulen, Simon			

The Deputy Bailiff: In relation to Amendment 1, there voted for the amendment, 13; against, 22; there was 1 abstention; 2 Members have left the Chamber and therefore did not vote; and we have 2 absentees. I therefore declare the vote as not being passed. The amendment has not been passed. So we now return to a general debate for the next 15 minutes.

Yes, Deputy Dyke.

Deputy Dyke: Thank you, madam.

I will be quite brief. I have listened with interest to the debate and just have a couple of points to make. First, as an aside, I guess we do need to get on with worrying about our inert waste, if we are running out of space by the end of the year.

On the main point, I am broadly in favour of this policy paper, which all seems to be very sensible in terms of setting up the Agency. But what does concern me and others have raised the point, is just why, in section 1.10 on page 6, at the top, in the box, where we deal with future operational and commercial harbour infrastructure requirements, we say Policy & Resources Committee, but why do we have to say 'in the next term'? Couldn't we start making some progress on it?

We, on Planning are trying to cobble together a sort of dual set of local planning briefs, to try and move things forward and try and help in getting some developments through planning approval, and I am aware there are quite a few things proposed around the harbours right now, that are potentially held up. Do we have to hold ourselves up until the next term in this line item? Could we not amend this and just delete 'in the next political term' so that our Policy & Resources Committee could start working with it?

I will give way to Deputy Inder.

The Deputy Bailiff: Deputy Inder.

Deputy Inder: Thank you.

Deputy Dyke is a Member of the DPA and I am not going to be unkind, more than that, but it appears to me that the majority of this debate is the real stopper in this and the process for this is the multiple process that Government, investors and ???[12.18.45] have to go because of the DPA's

processes themselves? Land planning briefs, development frameworks. Everything seems to stop there.

1930 So maybe – maybe – some of those timelines have been stretched because of what gets in the middle. It is the interminable speed, or rather slowness, of the DPA to allow investors to get on and do what they need to do for this Island. Might he not agree?

The Deputy Bailiff: Deputy Dyke.

1935 **Deputy Dyke:** I thank Deputy Inder for his intervention. I agree to a point. We are living with the IDP as we have it. So in a general sense, and ignoring the harbours debate, we try to get things through as fast as we can and only have open planning meetings when we need to. We try to move things forward in a positive way.

1940 Turning to the harbours, we are trying to move things forward in as positive a way as we can. We were initially asked not to do the local planning briefs until after we had decided on the commercial harbour requirements and we had details of that. So we were going to do it after that. We were asked to bring it forward. I was a bit sceptical of doing that but the Committee as a whole thought that was the best thing to do, so that is what we are doing to try and move things forward.

1945 So I do not think it is stuck with us. We are working on what we have to in respect of the harbours, possibly ahead of the most optimal time. But we are doing it. So I do not think it is us that is holding it up.

1950 But my single point here, the one I just made, on page 6, do we have to commit ourselves to not letting Policy & Resources get on with this until the next political term? So I am thinking of laying an amendment to remove those words ‘in the next political term’. That is all I have got to say, so I would be interested to see if anyone else has to say anything on that point or wants to intervene.

The Deputy Bailiff: Deputy Helyar.

1955 **Deputy Helyar:** Thank you, madam. I will be brief because the dinner gong is about to go! I had a lot of sympathy, in fact I completely support all of the words that Deputy Kazantseva-Miller said at the opening of the general debate. Also many of the things, which Deputy Parkinson said. I think if we roll back the time and think again as to what happened with the east coast policy letter, and it is not STSB’s fault, they were mandated within a certain period to come back on the Requête, which Deputy Inder brought, in relation to the harbours, so it had to be brought at that time. But amongst other arguments that were raised in connection with that debate were the fact that STSB is not a policy maker, it is a policy taker, and a £350 million movement of the harbour from one place to another is itself a major policy decision.

1960 I actually fully supported that idea that we could move the harbour to that place but it seems to me the thing which is stopping us moving forward with this is the work, which Deputy Parkinson described, in relation to the barge. We need to do the hydrology and we need to do the geological testing before we know whether that can be a possibility –

Deputy Roffey.

1970 **The Deputy Bailiff:** Deputy Roffey.

Deputy Roffey: Would Deputy Helyar not agree with me the actual proposal in that policy letter, if the States had approved options 5/6, was not to agree to a £350 million investment in the harbour but to invest a far more modest sum in doing exactly that sort of work, so that the second stage could consider a bit more detail?

1975 **The Deputy Bailiff:** Deputy Helyar.

Deputy Helyar: I agree with Deputy Roffey and, much in the same way as I stood up and said, 'There is no more money,' the *Press* had a report I think on a similar issue about the Pool Marina, saying 'States to spend £90 million,' when we had not even looked at anything yet. So before we have had a chance to actually explain what is going on to the public, the *Press* has run away with it and said 'this is going to happen' and 'they are going to spend all this money' and there is confusion about it.

I think if we could roll back the time and re-do that policy letter and just say, 'These are the ideas that could happen but we just need this £4-point-whatever-million it was to do that work ...' I understand that is what the impetus was but it is not the way the public saw it and it is not the way States' Members saw it, so we ended up with a fudge.

I think if we want to clear this impasse, we need to find a way to do that work. But the problem is, I come back to it again, we need to find a way to fund it, in order to do that, and we have a very long list of projects, which we are going to be looking at, and revenue obligations and overspends and other things.

We are in a difficult situation money wise, at the moment. I think personally that is money worth spending because it then unlocks the argument as to what comes next. Because if it turns out the hydrology does not work, and you cannot sail a ship into that new harbour, then the options narrow down and you can actually make a decision about whether we do A or B. But I think as it was presented at that time – I am not giving way, sorry – States' Members did not go for it and I think it was partly because of that tagline, the £350 million was a very scary decision to have to take at that particular time.

I appreciate it was not put in those terms but that is the way it was taken. So if we could find a way to fund that work it might unlock the ability to make the strategic decision. Otherwise, we are not where we started with this and I am disappointed that a lot of the guts of the Development Agency have been removed by some of the amendments in the previous discussions but we are where we are with it, we have to keep the costs low because that is the environment that we are in at the moment, but at least if we can start a nascent organisation and see a few, eating the elephant a bite at a time, or we can see some positive moves for it for our Island community, we might be able to engender more trust in the process.

The Deputy Bailiff: Thank you.

Deputy Trott.

Deputy Trott: Thank you, madam. I shall also be brief.

For me, the fundamental reason for supporting this States' report are the three words 'providing increased momentum'. There is no question that this initiative will provide increased momentum. There is also little doubt in my mind that mistakes will be made during the course of this Agency's life. It is almost inevitable.

I do not think they will be quite as spectacular as they were in Jersey, where development took place on land that was not actually owned by the Government and it cost millions and millions for them to put that right. I only mention that, madam, with the advent of the Island Games, where they are going to get a serious kicking, our friends in Jersey! I think we ought to stoke it up as much as possible in this place, as well!

But there are two other reasons why I am comfortable with this and I hope that Deputy Ferbrache will be able to confirm, when he sums up. If it does go wrong in any way – and I think it is likely that it will but it may not necessarily be as a consequence of any human error or particular specific error – but if there was then we can simply change the board of directors. Corporate governance permits us to change the stewards if we wish. That is entirely normal in the commercial world and the private world and all of these directors will understand that. They do have a master and it is those who are tasked with their oversight, in the same way shareholders would.

I made a similar point about who regulates the regulator. In the unlikely event that changes were needed at the GFSC at either Commission level or elsewhere, we would have that particular lever to use.

But the key thing to understand here is how private equity views these sorts of investment opportunities. Private equity in the conventional sense often only has a time horizon of 10 or 12 years. Other than within certain types of infrastructure investment, where the time horizon is longer dated, a quarter of a century is not uncommon and the people who own Condor are a very good example of that.

But for us to be able to attract that long-term patient capital, they must have security, both in terms of tenure, and a secure income stream. That is the only area, I would argue, where I do have a slight concern. And it is around the marina project that I referred to earlier. Because the QEII Marina development is the most successful thing that I think I have been involved in since I have been in this Assembly. It paid back in 12 years, as I said. It makes us millions a year, which effectively go towards subsidising other areas of the port.

So if I was on this Development Agency, the very first thing I would be looking to do would be to create an additional marina type environment. But of course, to be able to do that, you have got to do a number of other things, in order to be able to unlock that opportunity. So my guess is that is where their initial focus will be but, as we have already shown, when we have considered these options, a far from simple process. In fact, it is the contrary. It is extremely complex.

I wish them well. They appear to be able people. But that will be their challenge and I predict that will be the first material focus that they will undertake.

Thank you, madam.

The Deputy Bailiff: Thank you, Deputy Trott.
We will now adjourn for lunch.

*The Assembly adjourned at 12.29 p.m.
and resumed its sitting at 2.30 p.m.*

**East Coast Development –
Debate continued –
Propositions carried as amended**

The Deputy Bailiff: Yes, so we are continuing the general debate on the East Coast Development.

Who else would like to speak?

Deputy Bury, would you like to be relevé?

Deputy Bury: Yes please, madam.

The Deputy Bailiff: Deputy St Pier.

Deputy St Pier: I shall speak briefly, madam, in support of the policy letter and the propositions to move the creation of the Development Agency along. The genesis of this of course does extend back into the last term and I am glad that it has, and indeed before, but I am glad it has progressed to this stage at least, albeit I think as acknowledged by Deputy Helyar and others, more slowly than anyone would have wished.

I am grateful also for Deputy Ferbrache when opening the general debate on this, that he did refer to the agreements at the back of the policy letter in the appendices, and noted that they really

could be drawn into one, which I think is right and helpful. Obviously the policy letter is not drafted in that way and does not refer to that, but I think it will make more sense to do so.

The only other point I just wish to briefly make, is in those, at least two of those agreements, it refers to a number of KPIs, Key Performance Indicators, and it is really just to make the point that I do not think any of them are Key Performance Indicators. The development of an interim business plan, an annual report, the business and funding plan, and an infrastructure delivery programme are actions, they are not performance indicators.

I think it is not helpful that it has been prepared on that basis and seeking to give an authenticity to this in the way that it has, and it is really just to make the point that clearly if there are to be Key Performance Indicators, which there clearly should be, they need to be a lot tighter in order to ensure proper governance and proper oversight by the Political Oversight Group, and this is an area that Government has traditionally not been very good at, in setting Key Performance Indicators for those to whom they delegate authority and funding.

So some real thought needs to be given to that, and again, I think it would be helpful perhaps for Deputy Ferbrache when he sums up, to acknowledge that and recognise that perhaps some further work will need to be done on that before any signatures are put on any agreements in due course, recognising that there is a bit further to go on that before we get to that stage.

But otherwise, I think the Proposition, subject to any further amendments, will help at least move us along.

The other point that has already been made by a number of people, of course is the responsibility for P&R to produce the overarching objectives for the future requirements for the ports. It is unfortunate that I think that has been delayed into the next term, but others have already made that point and I would simply echo them.

Thank you, madam.

The Deputy Bailiff: Thank you.

Is there anybody else wishing to speak into general debate?

Deputy Haskins.

Deputy Haskins: Thank you, Madam Deputy Bailiff.

I rise to speak to several key points, some of which have been addressed to varying degrees, some not covered. Whilst I appreciate Deputy Trott's wise words and opinion on current finances, checks and balances in place, I will highlight my issue with political oversight later.

I would take the opportunity to echo Deputy Parkinson's speech, a very good speech highlighting very valid points and concerns, and Deputy Roffey made similar points and concerns and, as always, a very good speech. I am also in agreement with the points made by Deputy Kazantseva-Miller.

The Agency as proposed would serve little, or very limited, purpose if we as an Assembly fail to reach a consensus on the future of our harbours. I would probably go out even further and say that it serves no purpose until this decision is bottomed out. I suspect the GWP will have to be amended to include the hydrographic surveys as a starting point, and this would take from memory around two years, and the whole landscape changes given different decisions on the harbour.

As Deputy Parkinson suggested very clearly, once decided on the harbour, there could be a role for the Development Agency, and not the GGA as Deputy Roffey warned against. But not now.

In my mind, if we agree this policy letter we would be spending £250,000 of taxpayers' money over two years on an Agency to create options and ideas that would have to change substantially given a different, or decision, on the harbour. So what exactly do they do in the meantime?

There will inevitably be work done in that meantime, that would then be redundant. I do not think this is an efficient use of taxpayers' money.

And Deputy Queripel, who I will not quote for fear of misquoting him (*Laughter*) or a point of correction, I believe he made, in my mind, an astute point, or rather raised a valid question. What is the point? What are we trying to fix?

I think it is worth noting that all identified ideas, or forthcoming ideas, whether that be a tunnel or ring road, these will all come back to the Assembly for due consideration in 18 months or so, or some of, will all entail substantial expenditure. Expenditure that we can ill afford at the moment. Objectives 1, 2 and 3 all pertain to infrastructure costs that will be borne by the States, money we do not have. And as a slight aside, I would remind this Assembly that it will need to make sure it raises sufficient revenue in September to cover ongoing funding requirements, and that these three objectives should be considered if the policy letter does go ahead.

Now I appreciate that Deputy Ferbrache assured the Assembly that Policy & Resources will come back to the Assembly with recommendations to designate land and property over to the Agency to manage and control, and I appreciate there may be amendments coming that I have not been, that we have not had sight of.

But, at the moment I cannot support the rather vague commitments and uncertainties. I think Deputy Mahoney said, well, as did Deputy Ferbrache, as did Deputy Le Tocq, that we should be less risk averse. I do not think it is about less, about the risk averse in nature, I think it is more, for me anyway, about the political oversight that we have seen thus far.

Deputy Ferbrache may reiterate his appeal for faith and trust. He may assure us that in two years this venture will be self-sufficient. However, from listening to the debate I propose that the likely need to fund via privatisation of our assets is not the will of this Assembly.

I had wondered if the President of STSB would condone the privatisation of our harbour, enabling an external company to profit with, say, limited control, diverting income and income opportunities for the States, but he did make his opinion very clear on that.

I would ask Members what they think the public sentiment towards such a prospect would be. As Deputy Roffey highlighted, we would need to raise more money for the harbour in other ways. I think that this would probably lead to extortionate mooring fees as a first go-to.

Now, I submit that it is simply wrong to pursue such funding in this policy letter, particularly when we continue to tell our public that we are financially constrained, knowing full well that the harbour plan is missing and the policy letter is full of fraught and ambiguity. To me, this suggests uncertainty about what the DA will actually accomplish.

Madam, I must voice my concerns over the Political Oversight Group's efficacy. As Deputy Ferbrache mentioned himself, there will be many loose ends and many uncertainties. Deputy Trott did remind Members of our ability to change Board members and have some oversight.

But may I remind Members that earlier this year, in March, there was a lack of clarity and certainty by the Oversight Group over who in fact voted for the Chair designate. Deputy Inder subsequently confirmed that he did in fact, not vote for the particular interim Chair, and he stated yesterday that the new Chair was actually his first choice.

Now yesterday, we were told by Deputy Ferbrache, and I quote 'I am very grateful for the unpaid work that the interim group has done to date, which has involved formally registering and establishing and carrying out the administrative functions.'

Members, I would take this opportunity to remind Members that we received an email on 19th April this year, on the back of questions made to Policy & Resources, and this explicitly told Members that the establishment of the Agency to date has cost £39,806. The Chair designate and the interim Directors were each paid £10,000. Yet I believe we were told the interim group was unpaid yesterday, so I would be very grateful to Deputy Ferbrache to confirm the total cost the Agency has had thus far, which I assume with the new Chair will be more than what was indicated on the email of 19th.

I hope that I am raising significant or valid concerns over the level of political oversight. In fact, I raise another, in my opinion, a very important point about the democratic process. This Assembly, when first discussing the Development Agency, previously expressed a desire for youth, vitality and fresh perspectives. I think many Members were surprised with the original appointment; indeed I was.

So Deputy Gollop said, I believe, yesterday there are three political overseeing committees, taking one Member from each. I think Deputy Gollop said E&I, P&R and STSB, or actually ED and

STSB. It is actually Environment & Infrastructure, Policy & Resources and Economic Development. So each Committee has five Members, that is 15 Members. The Oversight Group though, is only three. So, in order to get the interim Chair approved there needed to be a majority, which was two to one.

Now I shall expand on this slightly. Given all the comments in the Assembly, I believe that we have the scenario, or at least we could in the future, where 13 Members of the 15 would have voted against the appointment or a decision in the future, but two votes for and this decision is made.

I would actually, I would be very grateful if Deputy Ferbrache could confirm whether the other Members of his Committee confirmed, in any meeting of P&R, whether or not they would be in favour of the appointment of the interim Chair, and I would invite other Members of each overseeing Committee to confirm their stance too.

The point I am making is that the Oversight Group is only three people representing each Committee, even though we still have a consensus Government, need only to have two votes out of 15 to deliver and maintain oversight. In my mind such a scenario is surely not democratic. I find it hard to endorse this form of oversight.

One more point that I wanted to address, and could not let it go unnoticed, was that Deputy Ferbrache spoke of a commitment to improving the diversity of the Board going forward. Now whilst diversity is crucial, we must ensure it does not compromise competence. Board appointments should prioritise skill and capability. He spoke to making sure the Board had the necessary skills in order to achieve its mandate. Appointments should be regardless of a predisposed gender, age or any other identifying feature for that matter. Anything else would be discriminatory, ironically contradicting a paragraph in the policy letter.

Members, in conclusion we should not be telling members of the public that there is no money but at the same time endorsing spending a quarter of a million pounds over two years, with an unknown but surely expensive amount to spend on infrastructure going forward, on producing what some people might call a list of nice-to-haves, certainly without having made the decision on the harbour, and especially given, in my mind, the proposed Political Oversight Group.

Members, I do not believe that we should vote for this policy letter at this time.

The Deputy Bailiff: Thank you, Deputy Haskins.

We have now received, so far, three amendments, which those of you who have the internet will see but I have not yet got hard copies. States' Greffier, are they on their way do you know?

The States' Greffier: Yes, madam.

The Deputy Bailiff: We will just hesitate.

Deputy Ferbrache, I think we should wait for the amendments rather than you start on your final response, unless there is anybody else who wishes to speak in general debate? Yes, Deputy Oliver.

Deputy Oliver: Thank you, madam.

I think to say I am frustrated is an understatement really. I was on the Seafront Enhancement Area last year and we were looking at the harbours and we were trying to achieve what we are trying to achieve now, and we are just no further ahead at all.

We did start with small pieces and one of them was actually the Villette bathing pools, and when the plans came out, oh the emails I had about that to say, 'do not do it, you are mad, what are you doing?' And now, everybody has actually said 'I eat my words and it is really good.'

So I think sometimes we just need to sort of actually take a risk and do that, but I think that the biggest thing that this Development Agency needs is consistency. Now, I could say that in the first three years of the Seafront Enhancement Area not much was done, and it was the most frustrating thing ever, and then in the last six months just before the end of term, actually quite a lot of things got done and then we broke up and a completely new Government.

2225 Now, if we had continued on that trend I think we would be a lot further on than where we are. So I actually think this Development Agency for consistency is actually a really good thing, and might actually come out with some things.

2230 Now, it is really frustrating because I think a lot of people do not actually understand the process of how this is going to work. Because you have got the Development Agency Board and you have got the LPB and they will be really closely working together, coordinating ideas to make sure that as it goes forward we do not end up with an LPB that the Development Agency do not agree with, otherwise you are just going to be in a closed situation, where we really are at the moment.

Many people complained about the DPA saying 'it is the main thing holding it up'. Well last term, I have to say, Deputy Inder, a few people did vote for the IDP which had in there that before any work actually went ahead with the harbours, you need this LPB.

2235 Now in a great world we would have known about the harbours and then the LPB. It is not going to be four different LPBs. In the LPB there is just going to be two different scenarios and that is it. There is not going to be four or anything like this, there is just two scenarios; harbour stays where it is or harbour moves to St Sampson's.

2240 Deputy Trott actually did take some of the things that I was going to say, because if we do not like the way that the Board is heading, we can change them. We can say this is not the right way, you are not following the LPB which has to come back to the States so you will know roughly what is going to go on because the LPB needs to come back to you and you can amend it, I am sure you will amend it, agree with it or whatever, or throw the whole thing out. So, I am not too worried about that.

2245 We have already done quite a lot of work on the LPB. We have done the St Peter Port conservation town report, and that will feed into it and I can actually go through what the LPB has to – just so that you have a rough idea of the work that is involved in it.

2250 So there is going to be, the site analysis is done, the desktop research and the gap analysis. That is where the Development Agency will come into their own, because they know, they are the experts in this field and they will really be able to provide a gap analysis. Primary research, then there will be production of the first draft, then there will be pre-publication, so that is where everybody can have their comments. Then there will be a certification of consistency with the SLUP so to make sure it has got to go there. And there is just so much representation that we, as Government, can get involved in.

2255 I really actually implore you all, that when the LPB is coming, to have your voice. Because if you do not have your voice and then you just complain at the end, it is really difficult to change things and everything, and it gets more and more frustrating when you do not get involved with it at an earlier process (**A Member:** Hear, hear.).

2260 I think the only thing is that people have been wanting development and wanting ways in which that Government can actually make money out of the money that we are spending, and as Deputy Trott says, harbours was the QEII was paid off in 12 years, and now brings in a very big return.

2265 I do not see why the Development Agency cannot come up with something else similar to that, that can actually bring in as a revenue to the States. That is what we need more. We need more revenue in the States, but we all need to take a risk and say 'you know what? Let us go for this' because we all want something to happen but no one will actually stick their neck out and say 'let us do this, let us put this and get them to actually start doing something'. (**A Member:** Hear, hear.)

Sorry, I am just making sure I have said everything.

Yes, thank you ever so much.

2270 **The Deputy Bailiff:** Thank you, Deputy Oliver.

2275 Right, we will now deal with the amendments that have come through. I think they are just about to be circulated in paper form. There are two amendments from Deputy Burford and Deputy de Sausmarez, in broad terms dividing up the previous amendment, and there is Amendment 4 which is a Deputy Roffey and Deputy Dyke amendment. There may yet be a 5th amendment, it has not arrived yet.

I propose, Deputy Burford, that we deal with your amendments first. Can you deal with them together?

Does everybody have a hard copy of Amendment 2, Amendment 3 and Amendment 4?

2280 States' Greffier, would you read Amendment 2 and 3 as we are going to deal with them together, please?

The States' Greffier read out Amendments 2 and 3

The Deputy Bailiff: Deputy Burford.

[Amendment 2](#)

1. To add a new proposition as follows:

"5. To agree that the Guernsey Development Agency must seek the prior in-principle approval of the States should it wish to enter into any leases exceeding 25 years on any land, buildings or assets which have been transferred to it by the States."

[Amendment 3](#)

1. To add a new proposition as follows:

"4. To agree that all proposed land, buildings, or asset transfers from the States of Guernsey to the Guernsey Development Agency or to its agents, investors or partners must first be approved by the States."

2285 **Deputy Burford:** Thank you, madam.

So, following the previous debate, and I thank Members for all of their input to that, clearly there are some people who are not supportive of this move under any circumstances, but those who were supportive but did not like specific parts of it, I hope I have addressed everybody's concerns.

2290 Amendment 2 is the part that concerns leases, so it is slightly in a different order to last time, but Amendment 2 concerns leases and changes the term to 'in excess of 25 years'. It is a discussion I have had with Deputy Oliver, and I thank her for that.

2295 It makes it clear that it is an 'in principle' approval, long before any worked-up details will have been embarked upon. And realistically, the number of occasions where the provisions of this amendment are likely to be triggered must be minimal. I mean we are not going to be having a policy letter every month on this, or every three weeks. But even though they will be minimal, they will likely be exceedingly important and I do think it is important for the States to have that oversight. So I hope that does address the concerns of those who supported the spirit of my previous proposal.

2300 Amendment 3, moving on to that quickly, this is the belt and braces amendment on land transfer, which makes it clear that despite what it says in the text of this policy letter, the States need to approve transfers of public assets to the Guernsey Development Agency. And that is what I have to say really, because I think we have covered a lot of ground previously.

Thank you.

2305 **The Deputy Bailiff:** Deputy de Sausmarez, do you formally second both those amendments?

Deputy de Sausmarez: Yes, madam.

2310 **The Deputy Bailiff:** Does anybody wish to speak in relation to these amendments?
Yes, Deputy Gollop.

Deputy Gollop: Thank you.

I will support these amendments. I was a bit bemused in the earlier debate when Deputy Burford rightly said that we would have concerns about Castle Cornet for the sake of argument becoming

2315 a casino or something quite radical like that. But there was less, but it was never intentioned nor would be desirable, for the States certainly all 38 or 40 of us to interfere with, I do not know, the bricks of a hotel or the signs or the car parking. And I have probably done that at times with different projects.

2320 But the problem we have is a substantial number of the public, possibly the public that Deputy Oliver had emails from, they are not only sometimes a little bit wary of change, they like things as they are, they like the Guernsey as it is or has been. But they can sometimes encourage Deputies to look more at the minutiae because that is actually what it is important to most of the electorate. The sort of strategic oversight is something that we bolted on to our system more because we have taken a more corporatist and strategic line.

2325 So it is a delicate balance and for Deputies to be courageous, as Deputy Mahoney and Deputy Inder and others would encourage us, means that to some extent we have to stop following public opinion. Maybe close down Facebook, I do not know (*Laughter*) or come off it, because they are where you do get this dialogue. It used to be *BBC Radio Guernsey* phone-ins, they do not have them any more sadly, but there you go.

2330 So I make that point. The 25-year lease is much more sensible realistically, taking on board the points Deputy Oliver, Deputy Trott and others made, and it would come before rather than after.

2335 But I suppose my final point on this amendment and maybe it is an argument to support the other amendment that has yet to be placed. I should have said this earlier, really. It is the reason we are in this situation. It is not just looking through the Policy & Resources lens to a bright new dawn, and I take on board what Deputy Haskins said about some of the anomalies maybe of the corporate structure, the two positions that have not been filled and so on.

2340 But we are in this position because we have had a decade or more of failure. Deputy Queripel has brought along numerous visions. He has got not only the one he talked about but another one that was done when Deputy Le Tocq was Chief Minister, and I used to walk around in some of these groups. We have had 10-15 years when we have not moved anywhere. When Deputies representing individual committees, Policy & Resources or Policy Council-type groups, civil servant model, a planning model has been in play, and it has not delivered any significant change apart from maybe the bathing pools.

2345 And so, let us support the model but also support these amendments, but hopefully the amendments will not interfere, as some Members alleged for the earlier versions, with getting on with the project.

The Deputy Bailiff: Deputy Matthews.

2350 **Deputy Matthews:** Thank you, madam.

2355 I intend to support the amendments, and really I just wanted to speak a little bit, very briefly, about some of the concerns I think people have expressed about that supporting these types of amendments would be seen as, I think Deputy Mahoney said, 'micromanaging'. And I think quite a number of people have said that we just need to have some trust and we need to have some faith, and just jump in and get on and do these things, and let people do the role that they have been asked to do.

2360 For me, it seems a little bit like they are necessary in part, because we have not done the bit before, which is specifying and giving a clear picture of what it is that we want to be done. We have not really said where we want the harbours, we have not really given a clear indication of what it is that we want to be done.

2365 So I can understand it is a little bit like, I have an analogy, if I had a piece of land and it would be micromanaging if I had somebody there building something and I was standing over and saying, 'oh I think that is a bit out of true' and 'your cement mix has got a bit wet there'. That would be overbearing sort of micromanaging of someone trying to get on and do their job and build something.

But usually in that circumstance, you would have been through a process, where you would have talked to an architect and had a picture and had a vision of what it is you want to have built, and so you can let somebody get on and do it.

2370 This seems a little bit more like a situation where you have just got an empty field and a builder has turned up with some tools and some materials, and you have just said 'right get on with it' and hope that you like what is there at the end of it. Now, it is very likely that you might well end up with something that you like, but it is equally likely that there might be something that you are not so happy with, and I do not see any harm at all in that case, in having just a little bit of control over some of the development that might happen, which I think would be less necessary if we had been
2375 able to set a very clear picture.

But we have not even got, it is not like we have not got drawings, or not got pictures, we have not even really been able to write down a sentence of what it is that we want to be done. It is just go and do something on the East Coast, but we are not really sure what.

2380 So, I think that it is in that case, sensible to have some safety or some control over these long leases and transfer, so I will support it for that reason.

The Deputy Bailiff: Thank you.
Deputy Dyke.

2385 **Deputy Dyke:** Thank you, madam.

Briefly, these two amendments have come together but I think we should all carefully read them separately.

2390 Number 2 is the one that will affect the harbour, the Guernsey Development Agency on its sales or leases of property, and in that regard I think it would be undesirable for every lease or disposal of over 25 years to have to come to the States. That does seem too much, and difficult in a practical sense in that you do not know how quickly these contracts need to be exchanged, what the commercial situation is, and all that.

So I would, I am going to divide my votes between these. I think I am going to vote against number 2.

2395 Number 3 is rather different. It deals with putting States' assets in to the GDA. That is something that we can do in blocks and at leisure, and probably not put Castle Cornet in, or whatever. So it is a quite different practical matter for the States to approve putting assets into the Development Agency, because that is probably not at a critically commercial time, that has commercial criticality to it. So, number 3 I think is a much easier one to vote for.

2400 That is all I have got to say on these.

The Deputy Bailiff: Deputy Inder.

Deputy Inder: Only briefly, madam.

2405 Amendment 2. This is an element I am not entirely sure of. I think this idea of losing control to the big bad corporates is not actually what is being said.

2410 What Deputies are saying is 'I want to touch it last'. I think that is what they are really saying. They are not really worried about some big investment fund turning up and doing, we will go back to my Griffith's Yard scenario, a firm turns up and might well be a local company, wanted some dry storage. They might want a 50-year lease. So this turns up, you approve this now, 'x' company turns up, Griffith's Yard, wants to take over it for 120 years, a 50-year lease. To me, I would not get through it on my desk, let alone this. And what is going to happen here, Deputy Matthews gets up, I think there should be an ice-cream van, Deputy Gollop thinks I think it would be a, I do not know what, probably a burger van, (*Laughter*) but this is the problem. It looks all right on paper until it hits this
2415 Assembly, because absolutely everything that comes into this Assembly is entirely amendable.

I can see that dry storage yard, double deck dry storage yard, fixing all the problems that we cannot fix, there are hundreds of people that want to move their boats, sorry, there are lots of

mariners in the Island who need better space, and I can see Griffith's Yard, and I am just using that as an example, if something else turns up I do not care, they are going to be brighter than me.

2420 But I can see that as soon as this hits the Assembly, we are going to have Amendment 1, Amendment 2, Amendment 3, people are going to get their colouring pencils out, cannot say I have not been guilty of that myself, and I just cannot support this.

I think that Deputy Helyar was right. If you do not want to do it, if Members do not trust, these 4 or 5 plus, whoever they co-opt onto their committee, just vote it out. Seriously, vote it out, and 2425 you can go safe in the knowledge that you did nothing today, and you can go to Facebook and blame ??? (15.08.41)

The truth is you want to touch it last. That is the truth. Some Members of this Assembly want the profile and they want to be the last people to touch it. Tell the truth when people are voting on this. Tell the truth, because I do not think Members of this Assembly really are too worried about what 2430 is going through, they just want to touch it last.

So I will not be supporting these.

The Deputy Bailiff: Deputy Trott.

2435 **Deputy Trott:** Thank you, madam.

I rise to support Amendment 2, and I speak exclusively on Amendment 2, because this is not uncommon commercial practice.

What you will often find is within a shareholder's agreement, is the Executive, the Board and the Executive, they are there to run the business. But there will be some reserve matters, some matters 2440 that are reserved for all shareholders to consider, and they will almost certainly include leases. Those that operate in the commercial world will know this.

And certainly leases of this length would almost certainly be caught by such a shareholders' agreement. So it is common practice within the corporate world, and it will not look odd to those who are sat on the Development Agency's Board.

2445 It is also, I think, important to remember that for decades our forefathers have wanted the final say on leases that have exceeded 21 years, and recently, I think that was amended in 2006 to deal with things that were of a historic nature, but the States has always wanted to look at leases of that duration as a final check. Again, we can learn much from our forefathers.

But also this is an extension to 25 years, which is greater than that figure, greater than that term, 2450 but there will be two impacts. Because as I understand it there is no attempts to repeal the extant legislation which means that the 21 years that captures historic buildings remains in place. So this is an extra layer for all leases over 25 years.

I do not think it is unreasonable. I think it represents a good governance within the commercial sector. I do not think it is a case of Members wanting to talk about movable objects like burger vans and the like. I do not accept those arguments at all, I think they are weak, and unusually weak 2455 actually for Deputy Inder, who normally puts together a more robust argument in this Assembly.

And I think it is good governance and I think it is what is expected. At the end of the day, the amounts involved here are likely to be significant and it is, I think, what is expected of this Assembly as custodian of public assets to offer that oversight in the way that shareholders would within a 2460 shareholders' agreement in the corporate environment.

So it has my support.

The Deputy Bailiff: Deputy Kazantseva-Miller.

2465 **Deputy Kazantseva-Miller:** Thank you, madam.

I spoke strongly against the second part of the original amendment that Deputy Burford brought forward, and I concur with Deputy Dudley-Owen actually, who stood and thanked Deputy Burford for bringing this out because it has allowed us to actually look at this issue in more detail and raise some interesting nuances that probably a lot of us were not aware about, such as the fact that there

2470 are these reserved matters where these by delegated authority, property and services officers can make decisions for leases under 21 years of age but beyond this it is a matter for P&R.

There is this interesting provision around historic buildings, etc., so Deputy Trott is absolutely right. There are matters which are of a sensitive nature and, Members, once 30-metre pylons go up, that it is, you cannot do anything about it. So I do think there is a point here about having some
2475 kind of checks and balances where the Assembly feels we have certain checks and balances in place, but then the community will feel that there are certain checks and balances in place.

The way I currently read Amendment 2, and I think it has been interestingly phrased by Deputy Burford, because it says:

To agree that the GDA must take the prior in principle approval of the States should it wish to enter into any leases exceeding 25 years.

So the way I am reading it, which is different from the first amendment, which was more about
2480 'here is a lease, can you approve it?' When the GDA will be going out setting its long-term development plan and understanding which parcels of land it wants to develop and how in partnership etc., it will probably quite early identify which areas will require more serious long-term strategic development, and at that point, quite early in the process potentially, seek the permission that longer term leases will be appropriate for certain parcels. So I feel the phrasing is allowing for
2485 this to happen at an earlier stage rather than what Deputy Inder is saying, at the last stage where the States is the last person to certify something.

So I think this is allowing for certain checks and balances to happen at an early stage. So I am tempted to approve two, yes this amendment, but actually what I would like to see really developed, because we are drafting this amendment on the floor of this Assembly. We have not taken the time
2490 to consider this very sensitive matter I think, properly.

What I would prefer to see is that when the land transfer policy comes back to the States, when the GDA is established, is running, is working with P&R and Ports to establish a land transfer policy, that it also considers what kind of checks and balances, like the ones potentially Deputy Burford was talking about, should also be in place for sensitive leases.

2495 I would like those details, pros and cons, and options of how this could be achieved, to be explored in the policy letter that should come back to the States with regards to the land transfer or the business plan of the Agency, or whatever further documents that further significant work needs to done.

So, while I am tempted to support this, because I do not think it is actually doing much damage
2500 right now because we are not anywhere at this stage where the GDA will be making any decisions on any leases. So I do not think there is actually much damage now, but actually I would like these issues, which I think the Assembly is absolutely right to bring concerns that there will be sensitive assets, we need to have checks and balances because when something is signed off for 100 years, that is essentially it and there was nothing you could do for the community.

2505 So I would like to ask that this is properly considered as part of the further workstreams for the GDA in terms of the land transfer policy.

Thank you.

The Deputy Bailiff: Does anybody else wish to speak on this amendment before I turn to Deputy
2510 Ferbrache? Or indeed amendments plural?

Deputy Ferbrache.

Deputy Ferbrache: Thank you, madam.

I will deal with them in this order, if I may. Amendment 3, which simply reads to agree in all
2515 proposed land, buildings, etc., or transfers from the States of Guernsey to the Agency etc., must first be approved by the States.

Now I do not have any problem agreeing with that, but I do not see the point of it, and I would be grateful if Deputy Burford when she sums up can tell us what it adds to.

Paragraph 1(9) of the current policy letter, which refers to the establishment of the Agency in March 2022 where various Resolutions were passed, including the one that Deputy St Pier centred on in one of his earlier speeches, which is page 5 of the policy letter, sub-paragraph (g). Because that says that P&R have got to establish a clear land management transfer policy for the approval of the States. So they have got to do that, and that transfer policy will deal with land, and then they have got to consult with STSB about revenue losses etc., and then, only then, can they effect the transfer to the Development Agency.

So, if Deputy Burford can persuade me, and I appreciate there are lots of other people who have already made their mind up, but my own vote is my own vote. If she can persuade me that this adds something to that current Resolution then I will vote for it. If she does not, then I am not going to vote for something that does not add anything.

As for Amendment 2, I very much accept that the wisdom, if I can say that, I mean it genuinely in relation to Deputy Kazantseva-Miller, the point about it is in principle. It is an 'in principle' point and Deputy Trott talks about his experience, and I always value that, and I mean that sincerely, there is no side on that, and I am truly speaking.

What concerns me, is the practicality of where we are in relation to that particular amendment, because it talks about 'in principle'. So you can see how it could come to the States. In principle we are going to give a 50-year lease of whatever it is, to so-and-so. Now, it might not be this Assembly, it probably will not be, it will be the next Assembly, whichever Assembly, but leopards do not change their spots too much. And it will be 'what do you mean by 'in principle'? How much rent are you going to get? What are the covenants? What profit is this company going to make? How is it going to deal with it? What guarantee can we have that it can sustain its obligations over the next 50 years?' We are going to have, we are going to descend, not we but whoever debates it, will descend into that detail.

Now, I have got a reasonable degree of commercial experience gained in various forms over a long period of time, and if I were a prospective investor I would not want that degree of scrutiny coming forward for 40 people, some of whom have got some commercial experience and others who have not. The chewing-over something, and I would be thinking well I could invest my £100 million in Guernsey, I could invest it in Jersey, I could invest it somewhere else, and if 40 people – and they are great and good people, they are all good people, maybe not great but they are good people – they are good people, well-intentioned, all doing what they believe is best, chewing the fat over that, I do not think I need to bother with Guernsey I am going to go somewhere else.

Because that is the way the commercial, the commercial world in which Deputy Trott works and which I have got experience of, Guernsey is just one place. There might be the odd Guernsey investor that just wants to invest in Guernsey but most private equity types, they do not care whether it is Jersey or anywhere that is a secure jurisdiction where they are likely to get their assets secured and they are not going to be taken over by some tin-pot dictator who decides he does not like them anymore. So, that is what concerns me with this particular amendment, and that is what I find difficult.

And I just conclude by saying I am always very grateful to the comments made by Deputy Gollop that we must not just bow to public opinion.

The Deputy Bailiff: Deputy Burford.

Deputy Burford: Thank you, madam.

Thank you to everyone for their contributions. Deputy Inder, it is not saying we want to touch it last and I have made it clear this morning I have no desire to get involved in the details of anything and this amendment has been rewritten to hopefully make that clear.

But I think what we do have a duty as this Assembly, is to protect the public realm and what belongs to the public of Guernsey, and make sure that there is some level of high-level oversight on that by this Assembly.

2570 And I think the other thing is if you look at a lease, there comes a point, and we could argue about what number of years, where a long rental agreement, if you like to look at the lease like that, becomes a *de facto* sale when something has gone for so long that it never really belongs to you. I mean I think the legal maximum for a lease I am sure will be, and I am sure H.M. Comptroller will correct me if I am wrong, but I think it is something like 999 years. And so, there comes a point
2575 where something is essentially sold, and so I do think that we really need to bear that in mind.

I thank Deputy Trott for his very valuable contribution and I think it ties in with what Deputy Kazantseva-Miller said also, about oversight and the issue of reserved matters on Boards does fall into that, and I do think that when the land transfer policy hopefully comes back to this States and which buildings and land and assets are going to be transferred, that that will be a much broader
2580 debate on how we really want the details of the governance on this.

Just the other point that Deputy Trott mentioned. The 21 years is only for States' owned assets and the moment they go to the Development Agency they are not States' owned assets, they are owned by the Development Agency.

So finally, Deputy Ferbrache, yes, the point he read out, Section 1.9 I think of the policy letter,
2585 was the first sort of third of the policy letter, which is telling in itself, listed all the previous relevant amendments, sorry Resolutions, that have led us to this point, and indeed as I outlined both in my speech in general debate and my summing up I think on the last amendment, it does indeed say that it will come to the States.

However, that is not what the actual policy letter says, and so at best, there is confusion and a possible difference in intent, and as H.M. Procureur said earlier on, yes, there is a Resolution but it is merely that, a Resolution of this States. It does not carry legal weight. And again, if this amendment is passed, as I hope it will be, it will be merely another Resolution. That is not lost on me, but that is the extent to which I am able to go.
2590

But at least it is a Resolution that is attached to this policy letter, which contains the section that says in the policy letter that this does not have to come to the States. That indeed is just decided by proposals from the Development Agency that have discussions with P&R and that are approved, and that is where the wording is, approved by the Oversight Group.
2595

So there is confusion and the purpose of this amendment is to make it clear through this, through the record on *Hansard* of this debate, that we are looking to reiterate and underline the point that a land transfer must be decided by the States' Assembly.
2600

And again, on the leases aspect that Deputy Ferbrache spoke about, the Development Agency may well have land that we transferred to it and a little way down the line when it has worked out what it might want to do with something, comes in and thinks 'well, you know, I think there are some opportunities here if we were to put this on a long lease', because they will know the kind of proposals that would require a long lease, because it is proportionate to the investment for the kind of development that they want.
2605

So they will have an idea that they cannot expect somebody to build hotels and everything else on a piece of land that they have a 15 year lease for. You know, things like this are fairly straightforward.

2610 So, this is just simply to get the States approval to the idea that for Castle Cornet they have got some plans but it would require a lease in the order of 125 years, so are the States and the people of Guernsey happy to have a lease of that length on that particular piece of real estate?

So anyway, I think that that is all. Trying to keep it brief because I realise we have got a lot to get through and more than we had hoped. So, I would ask Members to support both amendments.

2615 Thank you.

The Deputy Bailiff: Thank you, Deputy Burford.

States' Greffier, would you start the voting in relation to the amendment dealing with leases?

2620 *There was a recorded vote.*

Amendment 2

Carried – Pour 25, Contre 11, Ne vote pas 1, Did not vote 2, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Aldwell, Sue	Dudley-Owen, Andrea	Snowdon, Alexander	Blin, Chris	Roberts, Steve
Brouard, Al	Dyke, John		Le Tocq, Jonathan	
Burford, Yvonne	Ferbrache, Peter			
Bury, Tina	Helyar, Mark			
Cameron, Andy	Inder, Neil			
De Lisle, David	Mahoney, David			
De Sausmarez, Lindsay	Meerveld, Carl			
Fairclough, Simon	Murray, Bob			
Falla, Steve	Oliver, Victoria			
Gabriel, Adrian	Prow, Robert			
Gollop, John	Vermeulen, Simon			
Haskins, Sam				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Leadbeater, Marc				
Matthews, Aidan				
McKenna, Liam				
Moakes, Nick				
Parkinson, Charles				
Queripel, Lester				
Roffey, Peter				
Soulsby, Heidi				
St Pier, Gavin				
Taylor, Andrew				
Trott, Lyndon				

The Deputy Bailiff: In relation to Amendment 2, there voted for the amendment 25, against 11, there was 1 abstention, 2 Deputies were not in the Chamber so did not vote, therefore I declare the amendment passed.

We will now vote on Amendment 3. States' Greffier, would you start the voting on Amendment 3?

Thank you.

There was a recorded vote.

Amendment 3

Carried – Pour 30, Contre 6, Ne vote pas 1, Did not vote 2, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Aldwell, Sue	Cameron, Andy	Snowdon, Alexander	Blin, Chris	Roberts, Steve
Brouard, Al	Helyar, Mark		Le Tocq, Jonathan	
Burford, Yvonne	Inder, Neil			
Bury, Tina	Mahoney, David			
De Lisle, David	Moakes, Nick			
De Sausmarez, Lindsay	Prow, Robert			
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Haskins, Sam				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Leadbeater, Marc				
Matthews, Aidan				

McKenna, Liam
Meerveld, Carl
Murray, Bob
Oliver, Victoria
Parkinson, Charles
Queripel, Lester
Roffey, Peter
Soulsby, Heidi
St Pier, Gavin
Taylor, Andrew
Trott, Lyndon
Vermeulen, Simon

The Deputy Bailiff: In relation to Amendment 3, there voted for the amendment 30, against 6, there was 1 abstention, 2 Members were not in the Chamber and did not vote. I therefore declare that the amendment is passed.

2635 We will now move to Amendment 4, and I invite Deputy Roffey to speak.
Deputy Roffey, would you like the States' Greffier to read the amendment?

[Amendment 4](#)

1. To add a new proposition as follows:

"5. To direct the Policy & Resources Committee to include in the Capital Prioritisation debate scheduled for 27th September an option to release the funding required to carry out the survey work necessary to inform a decision on future commercial port provision as set out in the Policy Letter from the States' Trading Supervisory Board of June 2021.

Deputy Roffey: No, thank you, madam.

2640 I think it is fairly straightforward and people have got it in front of them, and I will happily explain exactly what it means.

I think sometimes when work is commissioned by one States and is reported back early in the life of the next States, particularly when it is something very big indeed, it is very hard for a new States to take on board all the nuances and implications.

2645 I think in the last Assembly that applied to the IDP which came back very early in that term, and a year or so later we were all saying 'actually I had not really quite meant that' and it was too late to put it right. And to some extent, although I think it was a superb piece of work by the STSB, which flowed from a requête in the previous Assembly, I think some of the implications of not making decisions was not perhaps quite clear to all Members of the Assembly very early on in this term.
2650 And the implication of not making a decision has been very profound indeed.

Deputy Falla said in another debate some time earlier today that we needed to get our ducks in a row, sorry I am a Guernsey person so make allowances and I will do similar for you, our ducks in a row as far as the East Coast Development is concerned.

2655 Unfortunately, this great big fat duck sitting at right angles right across our path and that is making a decision on the future of our commercial ports, because until we do that, although bless them, they are bringing up all sorts of contradictory plans depending on what route we go down in the future, the DPA really cannot give clear guidance.

2660 And today I think we are going to set up a Development Agency who are really, I mean it is a really good idea to do that, but will not have, they will not really understand the compos of what they are able to do without that decision being made.

Deputy Dyke said this morning, 'why are we leaving it to the next Assembly?' and that little square chart figure whatever it is, it says P&R will be responsible for bringing forward proposals on the ports in the next Assembly.

2665 Deputy Helyar answered 'well, because we cannot do it without doing the work to see what is possible where, down the east coast.'

So I am asking Members, having I think, slowly absorbed the consequences of not having made that decision, the fact that we sterilised the land all around. We want economic growth, so Deputy

Vermeulen is right, we want economic growth. We have put a planning blight on all the land around St Peter Port. We have no idea what tracts of land around St Sampson's may or may not be released, and we will not until we decide what we are doing with our ports.

Personally, in my dotage I really want to be sitting down on that taverna on Abraham's bosom, enjoying a glass of wine, but I have no idea whether that would have been released because I have no idea whether it will be a leisure harbour or whether it will still be lots of aggregate and coal and cement or whatever else coming in. And frankly, if you are a Member of this new-fangled Development Agency set up today, you are going one and a half arms tied behind your back unless we make that decision.

So, what this amendment says, it does not ask you to release today the money for that work to be done. That would be utterly unreasonable to try and do that by amendment, to say 'please parachute that ahead of other things.'

What it is asking, is that P&R, and I listened carefully to what the Treasury Lead said on the fact that he felt that this work absolutely had to be done to get P&R in the capital prioritisation debate in September, to include an option to allow us to release that to move it forward for us to consider alongside other things.

I think that it would be sensible to have that on the palette of choices, because if we do not, we are setting something up today which is a good idea in principle, but which frankly, is going to be emasculated from day one.

So I think that is really all I have to say.

The Deputy Bailiff: Deputy Dyke, do you formally second this amendment?

Deputy Dyke: Yes, I do, Madam.

The Deputy Bailiff: Thank you.

Does anybody wish to speak?

Yes, Deputy Inder.

Deputy Inder: Thank you, madam.

There is an opposite view. I think this probably goes beyond the propositions but I will not make a great point of it, and I am not going to get back into the harbour debate on this.

Now, what you are hearing today is effectively it is entirely a policy drive by STSB who want to move a harbour up to the north of the Island. There is another opportunity here.

Very quickly, STSB could have come back to the States. Does anyone in this Assembly think this Island is ever going to spend up to half a billion pounds moving a harbour up to the north? Yes or no? That is a far easier ... and then this goes away. So again, do not be fooled. Nothing can be done ...

Deputy Roffey: Point of correction.

The Deputy Bailiff: Point of correction.

Deputy Roffey: We could not, the STSB could not have brought that back. This States has very clearly handed that responsibility on to the Policy & Resources Committee to take forward.

The Deputy Bailiff: Deputy Inder.

Deputy Inder: Well that may be the case, but the point remains it is effectively a historical, if not a 30-year drive, and we know the reasons why but I will not mention that name again in this Assembly, this has been a 30-year drive to spend millions and millions of pounds moving the harbour, or the commercial ports, up to St Sampson's.

2720 Now it is entirely possible not to beat the Development Agency up and say 'nothing can be moved and you make a strategic decision', it is a very easy decision for Policy & Resources to do, as it has now moved to them, I had forgotten, I apologise for that.

Come back to the States, short policy letter, does anyone think this Assembly, a future Assembly or an Assembly in two years' time, is going to spend what was then £300 million, will have been 2725 £400 million by now, possibly half a billion pounds, doing an expensive sand jetty up in the north. The answer, I know what it will be today, I know what it will be in the next Assembly, and I know what it will be in the Assembly after. It will still be no.

So it is up to you Members. There is potentially up to, I cannot remember what it was, was it £4 million to spend bringing the barge up, it is about £4 million. So this is the vote you have got in 2730 front of you.

You are basically opening a capital vote to spend £4 million to send a barge up to the north of the Island to basically run around, drill some holes, and for the life of me I have got no idea why they just could not use the 808 chart, but I am not going to open that debate again. So that is what you are doing today.

2735 If you vote this through, you are asking to effectively in part open the debate at some point in September, and spend £4 million sending a barge up to the north of the Island to find out whether they can build a harbour of which, on tank testing, and I believe I am right, the Condor hit, in tank testing on the design, was it 12 times out of 17? But they could not put it alongside. Fill your boots. This one is not for me. This is ridiculous.

2740

The Deputy Bailiff: Deputy Gollop.

Deputy Gollop: I kind of disagree with the last speaker in a way. (**Deputy Inder:** Half a billion pounds!) I want to support it, even it is half a billion, I am getting confused now.

2745 But there is a slight little bit of political controversy in the amendment, because it says, and it was quickly done, 'in preparing the proposition consultation has been undertaken with the President of P&R and the Treasury Lead. There are no costs associated with this proposition' because there is not, I understand, as far as it goes and including it rightly in the capital prioritisation for the end of September.

2750 But of course. as I am interested in finding the answers and by implication I am interested in a proper marine survey to get this work going. Of course, there will be a cost implication, I do not know whether it will be £3 million or £4 million, so you are preparing the way not at this stage, but for a second vote there would be a cost implication and maybe an opportunity cost.

2755 But, like Deputy Inder, the reason why generally I was sceptical of the Longue Hougue model, was not the lack of passion. I could see the opportunities if you like, of the blue economy elsewhere, could also be the downside of weakening St Peter Port's economy.

But Deputy Roffey and other people made a very persuasive case at the time. You could have cruise passengers, and more and more passengers and everything else in a different part of the Island, and it would make effectively St Peter Port more of an old centre that is lovely and peaceful 2760 and continental, and maybe more of a tourist centre. Maybe with the wine, ??? (15.38.12) in St Sampson's.

The problem I had is the argument suggested that current and future roll-on roll-off vessels would have a Jersey-style problem, a tidal issue, of entering the harbour. Now I do not know if that is true or not, but we need to know that for certain.

2765 So, in order to kick-start this we have got to make a decision, are we going for an expanded harbour at St Peter Port, the classic town, or at St Sampson's, or at Longue Hougue?

And until we make that decision, nothing significant in development can happen, so we have got to support this amendment. If we do not, we are just abrogating this debate for another time. We have got to go one way or the other. Based on information.

2770

The Deputy Bailiff: Deputy Dyke.

Deputy Dyke: Thank you, madam.

I have supported this amendment, partly with a view to prompting the debate that Deputy Inder has just raised. I think we need to have this debate ASAP. Are we going to move the thing? Is there a chance of moving the harbour to St Sampson's or not? Once we have cleared that argument, which this will most likely prompt in September, then we will have achieved something. That will be a start in terms of coming to some final conclusions.

So, this does not make us decide to do any particular things, it makes us have a debate in September. As it says at the bottom, this particular paper does not have costs associated with it. The cost would apply depending on the Resolution of the debate in September.

So, if we want to prompt decision-making, then I think we should vote for this amendment, so I would recommend that we do.

Thank you.

The Deputy Bailiff: Deputy Brouard.

Deputy Brouard: Thank you, madam.

I would like a bit more clarity from Deputy Roffey, because I am not getting it from the actual amendment itself. Exactly where does Deputy Roffey want a survey?

Is it going to be the beach between Longue Hougue and the Halfway where we have got this idea of a folly of putting a harbour in strong currents, etc.? Or is it going to be a survey of St Peter Port which is our natural harbour and where we could actually usefully have some new quays for boats in the future?

Because if it is going to be surveying outside St Peter Port for possibly an increased harbour and also using some of the reclamation area or do some reclamation because we need a place to put our inert waste, we can even exhume some of the waste that we have already got at Longue Hougue if we needed it to use some waste quickly to build an area of hardstanding, then that is great. But if we are really serious about spending money surveying a beach to see whether or not we are going to move our main St Peter Port harbour there, I think it is absolute folly.

The Deputy Bailiff: Deputy Taylor.

Deputy Taylor: Thank you, madam.

I suppose I have got similar concerns to Deputy Brouard and in a sense Deputy Inder. I want to point out first of all the comments made by Deputy Helyar on what perception people may have had about the harbours or the future harbours debate. When I voted against those proposals I did so fully in the knowledge that I was not voting down a £360-400 million harbour, I was voting down the further exploration into those proposals to see what might be required.

And I have previously stated in this States that that was a big regret of mine, not because I now think that we should be building a £370 million harbour, but the regret is that we are left in this limbo which many Members have mentioned, that we do not have strategic direction upon which to base the local planning brief, and upon which this Development Agency, if it did come forward, would actually be able to do anything within.

Now, I do not see any particular harm in this amendment, because I can accept, as Deputy Dyke has just said, that it just puts in place a decision in September that we may consider it.

But Deputy Roffey said that this would allow us to overcome that hurdle with the local planning brief, some kind of strategic direction, and I am just wondering if in summing up he could explain that in a bit more detail, because I do not personally see that. I see that this will have another survey if, jumping forward in the if this is approved, we go to September, that proposal is approved and a survey is carried out. We have a survey stuffed in our back pocket, but that survey itself is not strategic direction. It is just further information upon which to inform, and if that informed us back to a, or put us back to the question of, do you want to spend half a billion? As it may be, the answer

for me is it is going to be a massive 'no' if I was being asked. So that seems fairly pointless and we still do not have any strategic direction.

2825 So would Deputy Roffey, I know it is not question time, but would he agree with me that we would be better off having an amendment here that might say to put in place the strategic direction being Option, I think it was Option 1 or 2, which is just to get on and repair the harbour and then we have some form of strategic direction?

2830 But then if the Development Agency came up with some big ideas, it could be changed, we have a bit of scope to maybe change and do slightly more than repairs if these professionals, with their great CVs, thought there was some mileage in that.

So I hope that gives him a little bit that he may reply to. Anyway, I am fairly ambiguous on this particular amendment, but it is just the down-the-road considerations I am interested in.

Thank you.

2835

The Deputy Bailiff: Deputy Prow.

Deputy Prow: Thank you, madam.

2840 I should be brief. I completely agree with the speeches from Deputy Inder and Deputy Brouard. I also agree with Deputy Inder that this goes way beyond the proposition, but that moment has gone.

I think this absolutely demonstrates the dangers of these types of late amendments, where we have not had really the proper time to consider the implications. And the implications are absolutely huge.

2845 So, this is beyond making policy on the floor of the Assembly. This is an attempt to re-debate something that the States has already decided on. This is a pathway to spending half a billion pounds on a new harbour. This is about throwing good money after bad.

So, in summary, madam, I support the speeches of Deputy Inder and Deputy Brouard.

Thank you, madam.

2850

The Deputy Bailiff: Deputy Meerveld.

Deputy Meerveld: Thank you, madam.

2855 I am a bit more sanguine about this than Deputy Inder and Deputy Brouard. I share the reservations about the harbour proposal at St Sampson's that Deputy Inder expressed, but I am also with Deputy Brouard's thoughts on St Peter Port was the area I favoured.

But I also made note of Deputy Helyar's comments earlier about how the previous policy letter was to do research, not really to actually go ahead with a proposal for a harbour. I also note this amendment is to put in an option into the 27th September debate for consideration.

2860 So the fact is work will be done between now and 27th September to give us an actual cost, and come back, and I would say that Deputy Roffey if that survey could include both St Peter Port and Longue Hougue, because after all the main cost in these surveys generally is getting the equipment to Guernsey, not particularly the amount of area being surveyed, that I would be in mind to support this and then look at the final proposal when it comes back in September with costs attached, and make a decision at that time.

2865 Because the fact is the harbour debate has not gone away. It is hanging over us, and at least if this research can be done for a reasonable amount, then I am minded to at least consider that in September.

I give way to Deputy Inder.

2870

Deputy Inder: Thank you, Deputy Meerveld.

I would not like to dominate this debate in any way, but you will know that some of us have had some skin in this for a very long time.

2875 But would he agree with me, if we follow his logic, this does not complete the debate in any way, shape or form. All this does is set up a capital vote to spend over £4 million. What this does is perpetuate the debate. So there is no way, by voting for this amendment, this will in any way complete the debate.

We will go to another debate. It could possibly lose in September, and in a year's time Deputy Roffey will be having the same argument. You cannot move it on because in September – not only 2880 in 2021 did you not vote for the £4 million, you have not done it again in 2022.

If Deputy Roffey and STSB and all of Policy & Resources just want a harbour, bring it to the States and let us get this over and done with.

Deputy Meerveld: I think I have been a politician for long enough now to realise that debate 2885 never ends. *(Laughter)*

As Deputy Roffey pointed out earlier, the power to make the decisions on the harbours has actually been moved to the group, the Development Agency that we are looking at approving today. Therefore, that Development Agency will still need this kind of research, and again I would hope that if we form this Development Agency today, that they would have a hand in looking at what 2890 surveys are required.

If it comes back with a £4 million bill for doing research, then I have got a feeling that I might be siding with Deputy Inder and saying that is a price too high. But, the Development Agency will need to do some research to be able to base their recommendations on, regardless of whether it is regarding harbours or other developments that might be proposed for the areas.

2895 So, I am going to support this amendment so that we can have a more focussed discussion in September, when we have got prices and scope attached.

Thank you, madam.

The Deputy Bailiff: Deputy Kazantseva-Miller. 2900

Deputy Kazantseva-Miller: Thank you, madam.

I went to see Deputy Roffey and senior officers on the States' Trading Supervisory Board to discuss exactly the problem we have been discussing today. That was over a week ago. I tried to go well in advance so we could have a considered amount of time to bring something forward that 2905 would improve the policy paper.

There was not really any appetite to do anything last week, really. The conclusion was that there was so many issues that potentially nothing is going to be done to improve the policy paper.

Just less than 24 hours ago I stood up in the beginning of the speech in general debate and made exactly the same point, and I think it was not until today's morning when several of my male 2910 colleagues started speaking on exactly the same point about the vacuum of decision making that the penny dropped, and Deputy Roffey rushed to do an amendment.

And I think at lunchtime when I saw that the amendment was coming, I said 'I was talking to you about this last week', and I think he apologised to me for mansplaining. So sometimes it does take two male colleagues to stand up and say something for something to be taken forward.

2915 So here we are, in a typical situation for this Assembly, where we are making decisions on the floor of this Assembly instead of people like me trying to have considered time to make decisions in a more appropriate way. And we also had actually, a very lively and constructive discussion with Deputy Haskins last night, who reached out to me at about 10 o'clock as I was in my pjs and ready to go to bed. *(Laughter)* I am going into too much information there, yes? *(Laughter)* and then he 2920 was surprised why I was giving him such detail about my pjs because I was expecting we were going to have a media call.

Anyway, he reached out because he wanted to learn more about the type of amendments we could have brought, and I mentioned in my opening debate that we could have brought forward. And we had actually about an hour discussion on the phone yesterday which was really useful. And 2925 we considered that this potentially was not the place to bring amendments around harbours. We

could have brought it through debate in the Government Work Plan and the Capital and Funding and Investment Plan.

But anyway, I think to cut the story short, is that as we always do, a last-minute amendment on the floor of the Assembly based on the debate so far, we are trying to rescue the situation. And it does feel it is kind of throwing a lifeboat to the gridlock that we have all created trying to unlock it. It feels like a bit of a desperate attempt, but I feel like we are in a desperate situation. We need some kind of lifeboat to try to get through.

I am not sure if this proposition is properly phrased, as well-phrased as it could be. I think it is really about putting an anchor in the sand to say listen, we do need to bring, try to unlock this gridlock, try to move the conversation forward, and the one piece of information that is, I think, absolutely needed for whatever future debate on harbours takes place, we need this technical piece of information that would tell us, more or less definitively, whether it is at all possible to have a northern harbour at Longue Hougue or not.

Because I do feel this conversation will keep coming back to this Assembly forever. So if we have this technical piece of information, whether a commercial harbour is possible in Longue Hougue, the Assembly and future generations will have this important additional piece of evidence which we do not have right now, to make informed decisions about the future harbour.

So I do feel that the piece of information, technical information, is actually really essential regardless of what your views on harbours are. I think adding it into whatever clumsy way into capital portfolio, Government Work Plan or wherever, is absolutely essential. Maybe between whether it is approved or not today, this proposition I think we will have further bites of the cherry to talk about this through the Government Work Plan and the Capital Funding and Investment Plan debate, so perhaps the propositions could be shaped better through amendment or whatever, but I do think it is something we should be supporting because we need to find these ways to try to unlock the gridlock.

And I think this is the one piece of work that is an investment into an evidence-based decision making, regardless of your views on the harbours.

Thank you.

The Deputy Bailiff: Deputy de Sausmarez.

Deputy de Sausmarez: Thank you, madam.

I think we are making quite heavy weather of essentially what is a decision about making a decision, about making a decision, to inform a decision. *(Laughter)*

I think this is quite straightforward. We are not being asked to make the decision now. This is just giving us an opportunity to make a more informed decision at a later date. Can I suggest that we just vote on it?

Thank you.

The Deputy Bailiff: Deputy Mahoney.

Deputy Mahoney: Thank you, madam.

I take my hat off to Deputy Roffey because this might be the best slight of hand we have seen from him this term so far. Because I thought we had shot this lame duck not once, but twice, and now I am going to shoot it again, but possibly not.

Even if we had £4 million to do all this work, which we do not, we certainly do not have the three or four of five, pick a number, hundred million to then actually do it in any event. So I do not really know, I do know why it has been brought, but I certainly will not be supporting it.

Deputy Haskins and I also had a call last night, about 9.30, although I was fully dressed *(Laughter)* and I did not ask him what he was wearing, but anyway, just for the record.

The Deputy Bailiff: Does anybody wish to speak on the amendment?

Deputy Queripel.

2980 **Deputy Queripel:** It is simply to say that I am in dilemma over this, because I hear both sides of the argument. I get Deputy Inder's approach if you do not want something to happen, nip it in the bud (**A Member:** Hear, hear.) kick it out. As soon as you get first sight of it, kick it out. I get that, I do it myself.

2985 On the other hand, echoing Deputy de Sausmarez and Deputy Meerveld and others, this is just asking for an option to be put in for us to discuss and debate an option, and I think part of me says yes, we need that debate, we need a comprehensive in-depth debate about whether we want that survey work to go on or not.

So I will listen very closely to the rest of the debate, particularly to what Deputy Roffey says when he responds, in the hope that I can make up my mind.

2990 Thank you, madam.

The Deputy Bailiff: Thank you.

Can I ask Deputy Ferbrache then to respond on behalf of the Committee.

2995 **Deputy Ferbrache:** Thank you.

Picking up on Deputy Queripel's point, it is a good point in relation to where we are, and I am not quite sure I agree with so many decisions in relation to the decision, of the decision, of the decision that Deputy de Sausmarez, but I appreciate the point that she is making.

3000 Now, I think in every other context for coming into this Assembly I think I am a clear thinker. I always have been. My decisions are wrong and right, but they are clearly made. I have no problem in making decisions. But, I come in here with a clear mind and I go out with a befuddled mind (*Laughter and interjection*) and I do not think there is any difference today.

3005 Now, in connection with this Deputy, I felt like St Peter which I never have been, when I was taken to task quite properly by Deputy Burford about the Resolution and the statements I made, she correctly said I made them at the appropriate times and all the things she said was absolutely right, and that was the full support of my colleagues on P&R, I think, I keep my fingers crossed, and in good faith and what I believed was true at the time.

3010 Now, this – but we did not do it, and the reason we did not do it was when we came to consider this policy letter and on reflection she is right, we should have come back and made some statement to the States to say look, we are not going to be able to do a policy letter because. We should have done that, we did not do it, I apologise. There is no mal-intent in that point but we should keep Members, not just me, we all should keep Members informed as best as we could.

3015 The truth of the matter at the time was, whether it is three million or four million, it was a heck of a lot of money to do the research that Deputy Inder and others have referred to, and we did not think that all the other problems and monies concerns that we have got, that we would be able to afford that.

Frankly, I still doubt that we will be able to afford it, but what this is asking is that it is considered in September, with all the other myriad and ever-growing list of concerns we have got in connection with expense.

3020 Now, but even if, the States will make various decisions, or it will make no decisions, we will find out. That will be interesting and again I will probably go out as befuddled then as I am now. But the States will make on this particular matter about whether to fund the three or four million or not, a decision.

3025 Now if it decides that it is and it gives priority for the circa £4 million, that does not mean that in due course a £350 or £500 million harbour will be bought. Because where are we going to get £350, 400, 450 million or whatever, but it might be something that could be looked at by the Development Agency in due course as to whether there could be public and private funding, or whatever it could be, and it will know the technical, we will know whether it is feasible or not to build a harbour.

3030 Probably Longue House because we have had the other comments, but that it really what we
are looking at it, whether it is feasible or not. Whether the tidal things are there, all the other
concerns that we have, whether the boats can get up, because there is no point if a boat can only
get up there, the commercial boats can only get up there five days a week or so and so. That is
pointless. That is not a proper commercial harbour. We would be going backwards in relation to
3035 that.

But we can look at that. Now the chances of 350, 400, 500 million being spent by the States, or
by the Development Agency or anybody else, getting the funding in, in due course, are probably
not going to be that realistic in the foreseeable future. Now to me, in an ideal world if we had all
the money that we could have, which we have not, and we could do all the things that we wanted,
3040 if it were feasible, if it were tidally okay, if we could get the boats up and down 365 days, well I do
not suppose we would need one on Christmas Day, 364 days a year, if we could do all of that then
to turn St Peter Port harbour, which will always be our focal point, it will always be our prettiest
harbour, if we could turn that into the Inter Island ferries, the pleasure boats, the sailing boats, the
leisure boats, with other development that would be ideal.

3045 But I do not have the expertise and the knowledge in relation to that, and that would be the
perfect world and we do not live in a perfect world. But that is a consideration that needs to be
perhaps considered in the round as to what we are going to do.

I would like us, I would like us to be ambitious. I would like us to not always be nay-sayers. I
would like us to look forward rather than backwards. I would like us to do that.

3050 When I sum up later on, which hopefully will not be too long now, I hope, then I have some more
to say on that. But I will be voting for this. Deputy Roffey had the courtesy before lunch to speak to
me and Deputy Helyar. I cannot speak for Deputy Helyar but I made it very clear to Deputy Roffey
that I would support an amendment along these lines. I think Deputy Helyar said the same but he
is not in the Chamber at the moment, and if he does come back we will know what his vote is going
3055 to be.

So, I will be supporting it.

The Deputy Bailiff: Deputy Roffey.

3060 **Deputy Roffey:** Let me start off by saying that the STSB is not a policy-making body, and the
reason, the only reason, we have brought the original report on the future of the commercial ports
was because the previous Assembly gave that task to the STSB.

We accept fully, absolutely fully, that now has been given to P&R to take forward. We hope that
they will consult with STSB because we have some expertise in running commercial ports. Not the
3065 political Members of the STSB but the officers, the harbour masters, the pilots and everybody else
do. So we hope they consult.

But the decision now lies with P&R. The ball is in their court. It does not matter whether a
statement was made about not being forwarded the policy letter or not, as Deputy Burford feels
should have happened.

3070 The question is, why were they not able to bring forward a policy letter on that? And the reality
is that they did not have the data to have an informed policy letter, and absolutely need that data.
Now it sits in their court, whether they only want to look at Longue Hougue south or whether they
want to look at St Peter Port east, to me that is absolutely an absolute non-starter because when
we looked at it in depth, not us but the real experts, it was going to be one heck of a lot more
3075 expensive than Longue Hougue south and also was probably going to spoil a beautiful Victorian
harbour, but that is no longer my consideration.

These considerations now sit with P&R, but wherever it is going to go, whatever is going to
happen, it needs that data. One thing is absolutely certain, our Victorian forebears built a harbour
that was not only fit for their needs but exceeded their needs, and for 100 years we had the benefit
3080 of that facility. Now we have outgrown it and we have real problems that need to be addressed one
way or the other, and we cannot just stick our heads in the sand.

Deputy Inder said, and Deputy Brouard, and it does not work because it is tidal. Actually, all of the research that has been done so far shows that as a basic commercial harbour it would be streets ahead of the existing St Sampson's Harbour, which is dry for a big part of the time.

3085 This would always have water in it, and all of the heavy commercial traffic could get in there without any problem whatsoever by dint of not arriving at extreme high or extreme low spring tides, and commercial traffic does not need to actually come in at high, it could come in 365 days a year, but when it is spring tides it would have to avoid the hours around high tide and the hours of low tide because the tide would be running too strongly across.

3090 Now, how it could be designed to minimise that is exactly the sort of work that would be happening next. The reason that that compromise amendment that came out referred to Option 5/6, is that there is more of a question mark over the passenger ferries, because if they want to come in according to a schedule, which means that they do not want to ride high or low spring tides, the extra research needs to be done to find out whether that is practical or not. But we need
3095 to move this logjam.

And we keep talking about ambition. We keep talking about the cost of a new harbour. Let us look at the economic opportunities of huge tracts of land that would be released. Why are we setting up a Development Agency? It is to try and marry those two together.

Now Deputy Ferbrache says it may never happen because where are we going to get that
3100 money? It may not happen, but the whole point of a Development Agency is to look at the commercial opportunities and to cross-fertilise.

What happened at Roscoff? They built a big commercial port, basically owned by business and run by business, in order to facilitate the economy of that area. And we need to bottom this out.

I am not asking, and I will make sure I have not overlooked anybody that, yes Deputy Prow talked
3105 about dangers of late amendments and this is more than making policy on the hoof. No it is not. We are not making any policy today. All we are saying is that we have given P&R the task of bringing back the options for commercial port development. They cannot possibly do that in an informed way without more information, and in September, please could we consider the cost of doing that and how it could be done, alongside our other capital imperatives.

3110 Not on the hoof at all. If I had brought an amendment today saying please release the funding, please go back to the STSB report of two years ago and now support that proposition, that would be making policy on the hoof, but there is no suggestion of actually doing that.

I think that Deputy Meerveld got that, and so did Deputy Taylor I think, to an extent. Yes, I mean Deputy Kazantseva-Miller is absolutely right. She came to see me and I actually was thinking along
3115 these lines, and thinking that politics was the art of the possible, and I said ;well I do not think there is any point in doing this.; She was wiser than me. She was more perceptive than me. I have sat here, listened to this debate, listened to how people from widely differing political stances, are actually saying that the lack of decision over the ports has become a complete blight.

And I have to say to Deputy Inder, if when P&R lays these proposals it is clear that there is not
3120 going to be any support whatsoever for doing this research going forward, even though our harbours have become inadequate, we will have got, at least we and the Development Agency, have got the message. We are not going to move outside them, we are not going to be as bold as our Victorian forefathers, we are going to have to maximise what we have got, then at least it is a sense of direction. At least it is a sense of direction that we do not have now.

3125 Deputy Mahoney said ' I thought we had struck this out twice'. No, we have not. We have failed to make any kind of decision. We have not said yes or no to anything twice, that is all that has happened.

So please, this is not policy-making on the hoof. It is asking the people who are responsible for our future harbours' policy, who we have told they have to come back with proposals on future
3130 harbours, to put in to the panoply, the smorgasbord of choices that we are going to have to make in September, an option which will allow them to move it forward.

I think it is just absolute common sense, and I urge people to vote for it.

The Deputy Bailiff: Thank you.

3135 States' Greffier, would you open the voting on Amendment 4 please?

There was a recorded vote.

Amendment 4

Carried – Pour 29, Contre 7, Ne vote pas 2, Did not vote 1, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Aldwell, Sue	Brouard, Al	Snowdon, Alexander	Blin, Chris	Roberts, Steve
Burford, Yvonne	De Lisle, David	Taylor, Andrew		
Bury, Tina	Dudley-Owen, Andrea			
Cameron, Andy	Inder, Neil			
De Sausmarez, Lindsay	Le Tissier, Chris			
Dyke, John	Mahoney, David			
Fairclough, Simon	Prow, Robert			
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Haskins, Sam				
Helyar, Mark				
Kazantseva-Miller, Sasha				
Le Tocq, Jonathan				
Leadbeater, Marc				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Moakes, Nick				
Murray, Bob				
Oliver, Victoria				
Parkinson, Charles				
Queripel, Lester				
Roffey, Peter				
Soulsby, Heidi				
St Pier, Gavin				
Trott, Lyndon				
Vermeulen, Simon				

The Deputy Bailiff: There voted for Amendment 4, 29; 7 against; there were 2 abstentions; 1 Member was not in the Chamber and did not vote. I therefore declare the Amendment passed.

3140 Can we now circulate Amendment 5, please?

Does everybody who wants a hard copy have a hard copy? Deputy Trott.

Deputy Dyke, would you like the States' Greffier to read your amendment?

Deputy Dyke: Yes, if he would be so kind, madam.

3145 *The States' Greffier read out Amendment 5.*

The Deputy Bailiff: Deputy Dyke.

[Amendment 5](#)

1. To add a new proposition as follows:

"5. To direct the Policy & Resources Committee to complete the workstream, described as the "Future Operational and Commercial Harbour Infrastructure Requirements" in the first row of the Table in paragraph 1.10 of the Policy Letter, during the course of the current political term"

3150 **Deputy Dyke:** Thank you, madam, and thanks to the Greffier.

This is the amendment that I alluded to before lunch. It is a very small wording change, but quite important in that the intention as is fairly self-explanatory, is to respectfully ask Policy & Resources to do this work on the Future Operational and Commercial Infrastructure Requirements during this term, rather than after the end of this term.

3155 It strikes me that this is a fairly vital change if we are going to want to make any progress, and especially given that if we support the policy paper in front of us now, as ably put together by Policy & Resources, if we support that we are setting up an Agency that is designed to deal with our east coast, but it will commence working without some basic instructions before it. So we will have the Agency working along, we have got Development and Planning, the Committee that I sit on is already tendering for the production of the local plans, so we are moving that forward, so that is moving forward, and it seems very sub-optimal for these two streams to move forward whilst at the same time nothing is happening on making the basic decisions of where our harbours are going to go, whether we are going to move them, whether we are going to extend them, or whether we are not. Maybe we decide not to, or Policy & Resources will advise us.

3165 So I have brought this amendment to assist to bring all of these three workstreams together. You might say even that is not totally optimal, but I think it is far less sub-optimal than having two workstreams going, the Planning and the Harbour Agency, without this workstream at least starting, with a view to it ending during this term.

3170 So I would strongly recommend that we vote in favour of this, as Deputy Vermeulen would say, action now. He who dares wins. Let us get on with it.

Thank you.

The Deputy Bailiff: Deputy Vermeulen, do you formally second this?

3175 **Deputy Vermeulen:** Madam, I do, and I am going to say very little here, in the case that I might get guillotined.

3180 So I will take this opportunity to support, although in the tax debate I did second something that Deputy Meerveld put forward and it got guillotined, well there were two attempts, one by Deputy St Pier and another by Deputy Taylor, and relations between me and Deputy Taylor for some minutes after were quite tense. *(Laughter)* So, and that got 13 votes, even though I could not put anything on it.

3185 So this one, I am not a fan of kicking things into the long grass ten years hence. I was put into this States by a number of people and they wanted me to get on with things. They did not want me to defer things, and I would recommend to this Assembly that we get on with things.

3190 So, I would hope that you can agree and support this, that this Assembly agrees what to do, not the next Assembly agrees what to do. So I would urge you all to support this.

Thank you.

The Deputy Bailiff: Deputy Taylor.

3195 **Deputy Taylor:** Twenty ... *(Laughter)* Thank you, madam.

I will be supporting this amendment. Apologies if this is a stupid question. It is a last-minute amendment and I have not done my research.

3200 I was, in my own mind, I was under the impression that P&R were meant to be bringing this back into the States in December anyway, but I may have massively missed something there.

The only issue, I will be supporting it but the only real issue I have is one of the comments made by Deputy Dyke about the timings of workstreams is, if this is just done during this current political term the local planning brief may well be finished before that. So it would have been ideal to get this done, to give a direction to have done it in the next week would have been brilliant.

3205 But either way, it is a fairly moot point but I will be supporting it. But it would be good if someone could clarify on the outstanding or extant Resolution to, I thought this was due to come back to us a couple of months ago, but perhaps I am massively wrong there.

Thank you.

3205 **The Deputy Bailiff:** Yes, Deputy Murray.

Deputy Murray: Thank you, madam.

I have listened with interest to the hours and hours we have spent today and yesterday I think also, I have lost track of time now, and lost the will to live to some extent.

3210 I am afraid this particular amendment is doing exactly what my sursis has actually intended to suggest, that we do not make decisions without some indication of the resources that we have got and how we decide to prioritise those resources. And it is very unfortunate that this debate is juxtaposed the GWP because if we make a commitment to this, well something else is going to have to drop off the shopping list, basically, because we have been told to do something in a specific
3215 amount of time. We do not even know if we have got the resources to do it. We do not even yet know what else we want to prioritise as a consequence of the GWP.

So, I find it very difficult to vote for this, simply because I do not know where we are going to be in about 13 days' time when we actually have that debate, because there are so many things on the shopping list at this point in time, that I do not actually know whether it would be right or wrong
3220 to actually support this, because it would tie our hands, or it would tie P&Rs hands particularly.

So I do make the point that unfortunately we are again looking at something in isolation and nailing colours to the mast before we even know we can deliver it. So I would suggest that we do not actually support this amendment.

Thank you, madam.

3225

The Deputy Bailiff: Yes, Deputy Oliver.

Deputy Oliver: Just really quickly. If we do get this work done, at least we are giving the Development Agency a direction and actually some work to be getting on with, because we are
3230 paying them enough. So they can actually get on and do what we want them to do.

The Deputy Bailiff: Deputy Matthews.

Deputy Matthews: Thank you, madam.

3235 I am just really going to address a little bit I think of what Deputy Murray's concerns were, which was that this would push forward something ahead of the queue, ahead of any prioritisation that might happen.

I think really there is sort of difference here really, because my understanding is that this would really be directing work and this is a proposition, this would form policy, whereas the GWP debate
3240 I understand is a green paper without amendments, so it would be more of an advisory as to where resources would be placed.

So, I think there is a slight difference there between it, and of course there will already be many extant Resolutions that are requiring action of P&R and of other Committees, so I do not think it really makes a lot of difference to add one more to it. There is already that issue there and that is
3245 one thing that will have to be addressed as part of the GWP green paper debate. So it would seem a little unfair to say, well, we cannot have another one, when there is already a lot there already.

I think that was the only point that I was going to make with regard to that.

Thank you.

3250 **The Deputy Bailiff:** Deputy Ferbrache.

Deputy Ferbrache: Madam, my befuddlements are really more to concern and despair now particularly in the light of what Deputy Matthews just said, because and also bearing in mind we have just passed by a considerable majority the amendment proposed by Deputy Roffey and

3255 seconded by Deputy Dyke, which says that we will look at the end of September as to whether we can release the funding to carry out the survey work.

3260 So we may not accept that in September, it may be December before we reach it with all the things that we have got, but the point in relation to that is that we are putting the cart before the horse. Now I am always in favour of action in this States, a phrase that I quoted and Deputy St Pier takes great relish in his newspaper article about drawing my attention to that and saying that I have said it, etc. I enjoy his comments, just as I enjoy Colonel Bercow's, sorry Colonel Graham's, comments. *(Laughter)* I enjoy their comments although I do not always agree with them. But the point in relation to that is that we have got to be, what it should be translated is that practical action, what practical things can we do.

3265 Now it may seem good to pass this amendment and say let us do it this term. There has been no consultation at all with P&R about resources, none at all. We have not even had a ... Deputy Vermeulen who I very much like and respect, and Deputy Dyke who I very much like and respect, have not come up to us and said what are the resource implications? How would it fit in to everything? It is just chuck it on the bonfire and see if it burns. That is really where we are in connection with this, and no, I am not giving way.

Deputy Dyke: I have a point of correction.

3275 **Deputy Ferbrache:** Oh, sorry.

Deputy Dyke: We did discuss this ahead of my asking the Greffier to start drafting this. We discussed it before lunch.

3280 **Deputy Ferbrache:** Have we? Okay. *(Laughter)*
I will give way to Deputy Mahoney.

Deputy Mahoney: I am not sure if I can correct that, but he may have discussed it with Deputy Ferbrache but he certainly did not discuss it with me or any Member of P&R.

3285 **Deputy Ferbrache:** And I certainly did not advocate bringing the amendment, or at least I do not think I did.

3290 But in relation to the point that we are talking about, is that this is just an impractical amendment. This just makes things much more difficult. We have got a process to follow. If we do not, for example in September approve the funding for the harbour work, if I can call it that, for the extension work, then we are in a scenario that actually I have much sympathy with what Deputy Roffey said about we are spurning the chance to do something that is really radical and really forward-looking and which our ancestors did all those years ago. We are missing that opportunity. But that is for the debate in September and not for the debate now.

3295 This is just asking us to do something that is impractical, unachievable, and if I may say so absolutely pointless.

The Deputy Bailiff: Deputy Dyke.

3300 **Deputy Dyke:** Thank you, madam.

Running through the comments, Deputy Taylor asked about timing. As the table now stands, if this amendment does not pass, then the entire ports project in terms of making a decision on where they are going to go, what we are going to do, will be pushed into the next States. So this amendment intends to, is designed to bring it into this States.

3305 I thank Deputy Oliver for her support and Deputy Matthews, I think he supported it. Deputy Murray and Ferbrache I think are making similar points in terms of the number of things we have got on. Deputy Murray referred to a shopping list.

Deputy Ferbrache referred to a horse and a cart, and us getting them the wrong way round. I do not know, there are clearly several horses and carts around, all in some sort of circles as far as I can see at the moment.

3310 We have got before us a policy paper to bring into existence the Harbours Board, which all seems very sensible, but I just do not see how we, unless we pull the workstreams together, is there a point in setting up this Harbour Board?

3315 Because there is three things going on. As I have said, we are on Planning. We are trying to do local planning groups and we are going to have to do two for each of St Sampson's and St Peter Port because at the moment we do not know where the harbours are going, so that is what we are doing, we are trying to free up some areas that we can allow planning applications to go through and projects to proceed, but clearly it will not cover everywhere because there are certain areas that are too difficult to deal with until this decision is made.

3320 We will have the Harbour Commission set up and trying to do its work, but these two naturally come, I would have thought, after we have made the major decision.

So, at the moment the way it is set up is that these two streams will continue in this States, and the other main stream will not start until the next States. So, therefore, we have got two horses running behind the cart.

3325 The intention of this amendment is trying to be positive, to bring what should come first at least in parallel with the other two workstreams, you have got the three running together, which is possibly itself not ideal but I think it is better than leaving the harbour requirements until after this term. So that is why I, with the best of intentions, brought this amendment and it seems to me sensible to do it this way, otherwise we will have the Harbours Board not really knowing what to do.

3330 So I think this improves what is a good paper, and is a sensible way forward, but I do think we need to, if we are going to approve this policy paper, then we should bring forward the key decisions and not leave them completely open-ended. So, I would respectfully suggest that this amendment makes sense.

Thank you.

3335 **The Deputy Bailiff:** Thank you, Deputy Dyke.
States' Greffier, would you open the voting on Amendment 5?

There was a recorded vote.

Amendment 5

Carried – Pour 19, Contre 16, Ne vote pas 3, Did not vote 1, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Brouard, Al	Aldwell, Sue	Inder, Neil	Blin, Chris	Roberts, Steve
Burford, Yvonne	Bury, Tina	Snowdon, Alexander		
Cameron, Andy	De Lisle, David	Taylor, Andrew		
De Sausmarez, Lindsay	Dudley-Owen, Andrea			
Dyke, John	Falla, Steve			
Fairclough, Simon	Ferbrache, Peter			
Gabriel, Adrian	Haskins, Sam			
Gollop, John	Helyar, Mark			
Kazantseva-Miller, Sasha	Le Tissier, Chris			
Matthews, Aidan	Le Tocq, Jonathan			
McKenna, Liam	Leadbeater, Marc			
Meerveld, Carl	Mahoney, David			
Oliver, Victoria	Moakes, Nick			
Parkinson, Charles	Murray, Bob			
Roffey, Peter	Prow, Robert			
Soulsby, Heidi	Queripel, Lester			
St Pier, Gavin				
Trott, Lyndon				
Vermeulen, Simon				

The Deputy Bailiff: There voted for the amendment 19, against 16, there were 3 abstentions, 1 Member did not vote because they were not in the Chamber. I therefore declare the amendment passed.

So we now return to general debate. Does anybody else wish to speak on general debate?
Deputy Leadbeater.

Deputy Leadbeater: Thank you, madam.

I was not going to speak but there was something Deputy Ferbrache said in his opening yesterday that has brought me to my feet. In his opening Deputy Ferbrache told Members, through you madam, that I said in the debate on the previous item yesterday that there had been no businesses struggling, or words to that effect, and he encouraged me check my facts before I spoke.

I would just like to point out though, madam Deputy Bailiff, that I did not say that no businesses were struggling, but what I did say is 'that I did not know any hoteliers that were skint', I did not say businesses were not struggling. So I would just like to reciprocate that advice to Deputy Ferbrache, to check his facts before he speaks.

Thank you.

The Deputy Bailiff: Thank you, Deputy Leadbeater.
Deputy Taylor.

Deputy Taylor: Thank you, madam.

I have not got a huge amount to add, and I really want to echo the comments that Deputy Burford, Deputy Kazantseva-Miller, Deputy Haskins and Deputy Parkinson have made. I think I echo the comments that Deputy Roffey has made, although I think he took a little jab at me in one of the amendments, so I do not support that, but otherwise I think I broadly support what he said.

So I will not repeat the comments they have made, but the big question for me is what exactly are we getting for this £250,000? I mean looking at the qualifications of the three candidates I can absolutely say we get three very able people. They have got excellent CVs and although I have some concerns about the governance of the election whereby a Chair elect was able to take part in the elections. That does not seem quite right if he was not formally put in the place to then be taking part in making other elections, but the result seems fairly good so I will happily skim over that one.

So this £250,000, on page 56 it tells us the purpose of the grant is to pay the wages of the Board members, to do research, I am sorry that is the remuneration of the Board members, do research, and then cover operational expenses.

So Appendix 6, which is way down the bottom, I think it is the very last page, sets out the figures of the remuneration. So your £100,000 in 2024 minus the Board costs is just £37,000. And then 2025 £100,000 minus the Board costs leaves you just £24,000. And that is just £24,000 to cover operational expenses and research, which does not seem an awful lot of money.

I think that on median earnings that only really covers median salary in hostelry and other services, so I was then looking more to see well who is going to really being doing this? Because it is not a full-time job for these people to my knowledge. So it was looking at staffing, so in particular page 39 we have section 7 which talks about staffing.

Now it tells us that the Agency, in 7.1:

the Agency shall use all reasonable endeavours to employ or engage sufficient competent and appropriately qualified staff.

Great, I do not dispute that. Not sure where the money will come from to employ those people. But 7.2 is one of interest and I would like it may be answered in here and I have missed it, but a bit more explanation from Deputy Ferbrache.

7.2 refers to seconded staff from the States of Guernsey to the Agency, and I do not know if I have just got it wrong, but it will for employment purposes including the payment of salary, benefits,

training, termination of employment and the application of employment policies, remain States of Guernsey employees.

3390 Now, I am just trying to, I just cannot quite get my head around it. If they are remaining as States' employees for want of a better phrase, for all of the bad parts, we have got to, the States have got to pay their wages, have to cover all training bits and pieces, but they will effectively be working for the Agency. Are those positions going to be back-filled, and where will the money come from for those? And what kind of costs would we be looking at to cover those?

3395 Because it does tell us that the reduction from the £1 million that was originally set aside has been dropped and we are just at £100,000 and that reduces staff costs. But I am just slightly concerned there just might be a back door into creating a few extra posts. A kind of a little bit of a response on that, it may amount to nothing. So that is my main question.

3400 But then I suppose the objection I have to say a little bit on it is just the order of the process. I think it has been mentioned about the casino at Castle Cornet. It could be a good idea but I had in my head the car hall casino and customs shed. It would be a much better spot if the tide is a bit rough. You would not get wet on the way in and out.

But of course this is just an idea. You cannot do anything with it because we do not know where all the harbour is going to be. We do not know what we can actually free up.

3405 So ultimately I will be voting against this. That is in no way a slight against any of the candidates who have been put forward because I think they look like cracking candidates. But ultimately I just cannot support it because I think it is £250,000 that will amount to absolutely nothing and I do not know if I can register that as a suggestion to Deputy Mahoney that could go on one of my questionnaires.

Thank you.

3410

The Deputy Bailiff: Deputy Fairclough.

Deputy Fairclough: Thank you, madam.

3415 I will not keep Members long. It was just picking up on one point that maybe the President of Policy & Resources could address in his summing up.

It was previously agreed that the Political Oversight Group would deliver the annual report of the Development Agency to the States, but I can find no reference to this in the reporting section, Section 6 of the Terms of Reference set out in Appendix 1 on page 22.

So, if Deputy Ferbrache could possibly address that point in his summing up, I would be grateful.

3420

Thank you, madam.

The Deputy Bailiff: If nobody else wishes to speak in general debate, I shall ask Deputy Ferbrache to respond on behalf of the Committee.

3425 **Deputy Ferbrache:** As I have already indicated this morning, I am replying a little bit later in the day than I thought I would be replying.

Now just some preliminary comments. I am very grateful to everybody that has spoken in every context, whether it is the various amendments or on the main debate over the last day or so really, now I think. So I am very grateful for that.

3430 Two other preliminary comments. It is not my style to refer to every speaker and thank them and comment on them, and secondly, I will answer such questions as I believe are material. If people want to stand up and seek to make points of order I cannot do much about that, or points of correction I cannot do anything about that, but if they want to just stand up and for me to give way, I am not going to do that, so I have just give that late in the day so they can save themselves that degree of energy.

3435

Because we have had enough really, I think, in connection with this. This started out as a pretty simple policy letter. It is not so simple now that we have had various amendments passed. They have now become part of the substantive Resolutions. Even the last amendment which does surprise

me that 19 Members of the States thought it was sensible, but nevertheless, I have accepted that. We are a democracy and therefore that will form part of the substantive propositions, and for my own part I will not be asking for an individual vote on that particular amendment, though I still scratch my head in wonderment as I think I am allowed to do.

But in connection with where we are, let me deal with some of the questions. Deputy Fairclough, yes, I think that should have been covered. If it is not, we can address it. It was not missed out purposefully in relation to that. So I am grateful for him pointing that out, because as Deputy St Pier has pointed out in a different context, there are certain things that need tidying up.

And also dealing with the other point, the other issue he raised in his brief speech, just an hour or two ago now, I agree with those points. I agree with him that those again need addressing, and I intend to do that, or I intend that we do that. So those are good points.

I also agree with the statement made, I do not know how long ago now, by Deputy Trott, about corporate governance. And we can, the States of Guernsey can remove Directors at any time. He just wanted me to say that the purposes of *Hansard* I think, and I have done that, because I think we all understand that that is possible.

Now Deputy Haskins said 'oh well, you know you said all these people had done it for free,' we have actually spent £39,800-odd. That is what has been spent. That is the figure that we have been spent. But people have given hundreds of hours free time. There is nothing inconsistent with that. And also I do not think an expenditure of just under £40,000 including nearly £10,000 of disbursements to date, is unreasonable and lacking in value for money.

Now as to who says what, and can I confirm that Policy & Resources Members are all of the same view, well they can speak for themselves and they often do, and sometimes they are unwise enough to disagree with me. But in relation to this particular matter, all I can take them to is the last substantive page of the policy letter before we go the various appendices, which says 5.3:

In accordance with Rule 4.2 the propositions have the unanimous support of the Committee.

So if anybody radically, if any of the Members of Policy & Resources radically disagreed with that, they have had the opportunity over the last day or so to so say, and Members will have heard what they have so said.

But really, there were some excellent speeches. Deputy Kazantseva-Miller I think did two or three very good speeches. Deputy Parkinson has made a very good speech. But where I part company with Deputy Parkinson in relation to the conclusions is that we, and that is collectively we, that is our previous Assemblies, have done little or nothing in connection with developing the harbour and the east coast generally over a number of years.

Deputy Queripel came up during the towards the end of the lunch period and showed me three reports which had cost a lot of money, over a period of years, and I do not believe any of those have been acted on and they cost the States lots and lots of money. So when he brought a point of correction earlier, and said look we have done something, he was right and he was wrong. He was right that we had a report but he was wrong with the fact that if he was trying to imply, which I do not think he was, that any action had been done. It is up to the States really.

I do not think there is anything I am going to say in my address that is going to change anybody's minds in connection with where we are in relation to it.

Deputy Queripel, I have got to say constructively, said 'well look at the objectives. Look at the objectives' and he took us to one in particular, the development objectives which he found difficult, which was 2.63 objective 3 on page 8, where he said 'parking infrastructure, taking vehicles away from the surface of the seafront,' but Deputy de Sausmarez dealt with that because she talked about improved parking infrastructure. In other words, nobody is saying there should be less parking, it just should be looked at in the whole. Is it in the best place? Should it be somewhere else?

And I think clearly, anybody who thinks that, and we have all used it many times, that parking on the North Beach free of charge is a good use of a valuable piece of our infrastructure, I think I would have to disagree with them. So that is somewhere where you could move parking, etc.

Now, the Development Agency, if it is approved, and what we are seeking is very simple. The amendments now form part the Propositions so I am not going to speak about those. They are well ahead and the States have approved those by different degrees of voting.

But the three original propositions were to firstly, to approve the Board membership. I do not think anybody has spoken against that.

Funding for the Agency is set out and we have said that is a quarter of a million pounds over 30 months. Now of course, where is that money going to come from? Deputy Aldwell I think asked yesterday. It is going to come from General Revenue. That is where it is going to come from over the next two and a bit years. It is not an inconsiderable sum, but it is an investment, and like all investments they do not always mature, they do not always give you value for money. But it is a relatively small investment.

And if we think, and we are going to talk about, I was one of those that voted, I voted in favour in due course in the amendment brought by Deputy Burford about transferring ownership of property. But I voted against, and I accept the majority view. Voted against the amendment about looking at leases, although I accept very much what Deputy Trott said in his able speech on that particular matter.

But, as sure as eggs are eggs, when a 50-year lease comes before the States it is going to be voted to death. I take Deputy Trott a small wager on that, that I am going to be more right than him in that regard. It will be debated to death. People will look at it, I could do better, I could get another £5 a square foot, my friend Fred knows better than that. It does not matter whether we are dealing with some multi-agency who is going invest £100 million, somebody who has been in a sweet shop will know better than corporate investors and private equity. But never mind, that is what we have got.

So, then we have got to approve the Director, the development principles and objectives. Now those are set out very clearly and I am not going to add to them.

The only person who really, in my opinion, the only person who really spoke out against any of them was Deputy Queripel, but he did so in a constructive way and he made his points very clearly.

And the last one is the terms of reference of the Political Oversight Group. Some people said we are not really sure what is involved. Well all I can say is subject to the very fair point made by Deputy Fairclough at the very end of this debate, they are set out in pages 20-24 of the policy letter, and those are those subject to the points that he has made.

Now this is not a 'suck you and see' proposal. This is, we have got three good people, Perhaps just dealing with another point, Deputy Haskins about more diversity, you have got to get the best people. I do not see any conflict between that. There is no conflict between wanting as much diversity as you can and having as much confidence as you can. I do not see any problem in that at all in relation to that particular principle. As I said yesterday morning when I was proposing somebody for the office of Juré-Justicier, I am old enough to remember the first female Jurat being proposed and elected in Jurat **Dolly Le Pelley.??? (16:43:45)** We do not blink two eyes about that now, and neither should we.

So we have actually got the first female Deputy Bailiff, and I think we hope there will be many more female Deputy Bailiffs in due course. We have got a female Procureur. So we are getting more and more diverse. We are getting more and more in relation to that and so we should. Our society has evolved and it is a much different society than patriarchal society was say 30 or 40 years ago.

This is something that could give us a chance to unlock so many of our assets in a constructive way, and it is the first dipping of the foot, it is a big foot, into our ocean.

I am not going to say any more. It is up to Members of the States. There are some that have really said 'oh I am against it, I am against it, I am against it.' Some of them are young Members who really have got no, I think, no appetite for this, but as one of the older Members I have got an appetite for the future. I want Guernsey to be even better than it is now. I want for our east coast, which has been neglected for a long time, to have some kind of constructive creation, evolution with a degree of revolution, over the next few years. This is the first step.

I ask Members to vote.

3540 **The Deputy Bailiff:** Thank you.

We have had a request that two of the propositions be dealt with separately from the remaining five, that is current number 5 which is in relation to leases, and number 7 which is in relation to the current political term. Can I just check that those are the two that, Deputy Oliver, are those the two that you wish to separate out?

3545 Are there any other requests in relation to separating out the propositions?

No. In that case, States' Greffier, would you have one amalgam vote on 1, 2, 3, 4 and 6, and then we will deal with 5 and 7 separately.

The States' Greffier: Ready to start voting now.

3550

The Deputy Bailiff: Yes please. Would you start voting on the amalgam vote for 1, 2, 3, 4 and 6.

There was a recorded vote.

Propositions 1, 2, 3, 4 and 6

Carried – Pour 32, Contre 4, Ne vote pas 2, Did not vote 1, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Aldwell, Sue	De Lisle, David	Murray, Bob	Blin, Chris	Roberts, Steve
Brouard, Al	Haskins, Sam	Snowdon, Alexander		
Burford, Yvonne	Le Tissier, Chris			
Bury, Tina	Taylor, Andrew			
Cameron, Andy				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Helyar, Mark				
Inder, Neil				
Kazantseva-Miller, Sasha				
Le Tocq, Jonathan				
Leadbeater, Marc				
Mahoney, David				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Moakes, Nick				
Oliver, Victoria				
Parkinson, Charles				
Prow, Robert				
Queripel, Lester				
Roffey, Peter				
Soulsby, Heidi				
St Pier, Gavin				
Trott, Lyndon				
Vermeulen, Simon				

3555 **The Deputy Bailiff:** In relation to the Propositions 1, 2, 3, 4, and 6, there voted for 32, against 4, there were 2 abstentions, 1 Member was not in the Chamber so did not vote. I therefore declare those Propositions passed.

States' Greffier, would you start the voting on Proposition 5.

There was a recorded vote.

Proposition 5

Carried – Pour 26, Contre 10, Ne vote pas 2, Did not vote 1, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Aldwell, Sue	Dudley-Owen, Andrea	Murray, Bob	Blin, Chris	Roberts, Steve
Brouard, Al	Dyke, John	Snowdon, Alexander		
Burford, Yvonne	Helyar, Mark			
Bury, Tina	Inder, Neil			
Cameron, Andy	Le Tocq, Jonathan			
De Lisle, David	Mahoney, David			
De Sausmarez, Lindsay	Moakes, Nick			
Fairclough, Simon	Oliver, Victoria			
Falla, Steve	Prow, Robert			
Ferbrache, Peter	Vermeulen, Simon			
Gabriel, Adrian				
Gollop, John				
Haskins, Sam				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Leadbeater, Marc				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Parkinson, Charles				
Queripel, Lester				
Roffey, Peter				
Soulsby, Heidi				
St Pier, Gavin				
Taylor, Andrew				
Trott, Lyndon				

3560 **The Deputy Bailiff:** In relation to Proposition 5, there voted for the proposition 26, against 10, there were 2 abstentions and 1 Member was not in the Chamber so did not vote. I therefore declare Proposition 5 as passed.

And now finally, Proposition 7. Would you kindly start the voting please, States' Greffier?

3565 *There was a recorded vote.*

Proposition 7

Carried – Pour 23, Contre 11, Ne vote pas 4, Did not vote 1, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Aldwell, Sue	De Lisle, David	Inder, Neil	Blin, Chris	Roberts, Steve
Brouard, Al	Dudley-Owen, Andrea	Murray, Bob		
Burford, Yvonne	Haskins, Sam	Snowdon, Alexander		
Bury, Tina	Helyar, Mark	Taylor, Andrew		
Cameron, Andy	Le Tocq, Jonathan			
De Sausmarez, Lindsay	Leadbeater, Marc			
Dyke, John	Mahoney, David			
Fairclough, Simon	Moakes, Nick			
Falla, Steve	Oliver, Victoria			
Ferbrache, Peter	Prow, Robert			
Gabriel, Adrian	Queripel, Lester			
Gollop, John				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Parkinson, Charles				
Roffey, Peter				
Soulsby, Heidi				

St Pier, Gavin
Trott, Lyndon
Vermeulen, Simon

The Deputy Bailiff: In relation to Proposition 7 as inserted by Amendment 5, there voted for 23, against 11, there were 4 abstentions, 1 Member was absent from the Chamber so did not vote. I therefore declare the proposition passed.

States' Greffier, would you kindly read the next one.

POLICY & RESOURCES COMMITTEE

15. The Guernsey Financial Services Commission: 2022 Annual Report and Accounts – Proposition carried

Article 15.

The States are asked to decide:-

Whether, after consideration of the policy letter entitled 'The Guernsey Financial Services Commission: 2022 Annual Report and Accounts' dated 2nd June, 2023, they are of the opinion:-

1. To note the annual report and accounts of the Guernsey Financial Services Commission for the year ended 31st December, 2022.

The States' Greffier: Article 15, Policy & Resources Committee – The Guernsey Financial Services Commission 2022 Annual Report and Accounts.

The Deputy Bailiff: Deputy Helyar.

Deputy Helyar: Thank you, madam.

In the words of Monty Python, and now for something completely different (*Laughter*).

I am pleased to lay the Guernsey Financial Services Commission's 2022 report before the States today. In this report the Commission sets out in detail the various workstreams which contribute to Guernsey's preparation for the forthcoming Moneyval inspection, a process which effectively started in April this year with the initial visit of the Moneyval secretariat for training and for briefing purposes.

In terms of the economic outlook, the Commission also notes the storm clouds which have been gathering over the global economy as assumptions that interest rates and inflation must always be low, now prove themselves to be unfounded, the Commission having been somewhat prescient in warning us about the inflation threat in both its 2020 and 2021 annual reports.

The Commission is urging all firms to think about what high inflation and rising interest rates mean for themselves, their business models and their clients. It is also urging us, as the States, to consider what we can do to ensure that there is sufficient housing for workers in the financial services sector to ensure that those firms with lengthening client lists can grow their workforce in the Bailiwick rather than outsourcing and thereby them run the risk of Guernsey blowing up its future through not being able to employ enough people to meet high quality demand for the services its firms can provide.

On its own account, the Commission highlights that it has produced a surplus rather than the deficit it planned to run in 2022, because it was unable, much like the States, to recruit to its full complement in a buoyant jobs market, and because of higher than expected income which has enabled it to increase fees by 1% less than had been anticipated in 2023, and also because of the effective and efficient management of capital expenditure.

It is my understanding that the Commission is hoping to use its internal resources to fund its technology-focussed capital projects between 2023-25, thus reducing the need which might otherwise exist to increase fees on industry at a level above inflation.

3605 The Commission, through its regulatory activities, plays an important part in ensuring that our main industry, financial services, on which our taxes and economic health depends, are able to trade internationally and are regarded as reputable.

It is all too easy in an increasingly scrutinised world for a small jurisdiction to lose a substantial part of its financial services industry through inadequate regulation causing reputational damage, leading to it being shunned by big financial services players and going into decline.

3610 Conversely, if the regulation becomes too tick-box and bureaucratic, industry players that always have a choice may choose to use another IFC instead.

It is the Commission's job, on behalf of the Bailiwick, to look over the horizon and detect what the weather ahead is for our IFC. This role requires foresight and balance as well as an ability to execute operational improvements in an unfussy but effective manner.

3615 We must of course be mindful of the words which Deputy Trott regularly and rightly uses to remind us about who regulates the regulator, and the answer of course is this Assembly.

Although this motion is simply to note the accounts, which of course I invite Members so to do, this is the annual opportunity for Members to comment in public on the activities of the regulator, which plays such a key role in supervising the industry which remains the very lynchpin of our economy.

3620 Although I am of course limited in my ability to respond in any detail on behalf of the Commission, I am sure any comments from Members will be listened to and taken on board by that organisation.

Thank you.

3625

The Deputy Bailiff: Thank you.

Deputy Gollop.

Deputy Gollop: I beat everyone to jump to their feet, but never mind.

3630 It is always interesting meeting the GFSC and we have also benefitted this week from Guernsey Finance and the joint conference that the two organisations happily working together, did on artificial intelligence.

3635 However, I would just draw attention to two themes in the report. The first Deputy Helyar has already touched on, actually, about the challenges of recruitment, and it is interesting nowadays GFSC does not just talk about financial and international trends. There is a reference to some of the issues that challenge Guernsey.

3640 I know for example Deputy Matthews has expressed a concern about the availability of affordable mortgages. But actually, within this report there is reference made to that, and the difficulties that organisations have in retaining and recruiting staff across the categories because of the shortage of homes on the Island that are available to purchase within reasonable salary levels. So again, that point is made clearly.

3645 The other element that perhaps comes across, is certainly in the presentation and also within the report, there is a lot of emphasis understandably on diligence on sanctioning people where appropriate, and enforcement. But GFSC has a very important role there that we in the States, through legislation, give them. But they know that what they do is only one third perhaps of a trio of impact-making points, because they enforce any issues, hopefully not too many, within the finance sector diligently, but they rely on the Home Affairs Department enforcement of very skilled and specialist officers in the Guernsey Border Agency and the Police, and that to be done as effectively as possible.

3650 And then, both rely on the Courts being as efficient and effective as possible in getting through their work in a timely manner. Well hopefully everything is working together, but it is nevertheless

important that we realise that GFSC have a vital role here, but they also need the cooperation of the States in resourcing effective implementation of the next stage of the law and order.

3655 **The Deputy Bailiff:** Deputy Le Tissier.

Deputy Le Tissier: Thank you, madam.

I just rise very briefly, I do not want to prolong the debate too long, to raise my previous comments again concerning the section on sustainability in the Director General's report.

3660 Now again, it is my view that it is not up to the GFSC to spend any part of licensee's hard-earned cash in pursuing a hard green agenda by buying land and planting 50,000 trees this year alone in Scotland. The GFSC in my view, is not going to save the world by virtue-signalling in this way.

Now I suggest a better way to spend their money is to make a local charitable donation.

Thank you.

3665

The Deputy Bailiff: Deputy de Lisle.

Deputy de Lisle: Thank you, madam.

3670 I wish to briefly comment on three areas taken from the Director General's statement. First, I was pleased to note the Commission's flexibility in terms of applying skilled staffing to one issue that cropped up during the period, that was the Russian invasion of the Ukraine, to check that Guernsey firms were applying sanctions in a proper fashion to contain overall Bailiwick exposure, with very robust efforts to ensure assets were properly locked down.

3675 Secondly, I was pleased the GFSC was introducing some anti-green washing rules to match what was becoming common practice in other reputable jurisdictions, and applying that to Guernsey's green fund regime, and I hope that the International Sustainability Standards Board will incorporate anti-green washing warnings in its draft standards for reporting around both climate change and nature.

3680 Thirdly, like others I had initially concerns with regard to the planned 9% 2023 fee increase, which was later reduced to 8%. But with Moneyval on the horizon, I thought that maintaining that fee increase seemed probably logical and worthwhile.

In all, I found the report and the meeting that we had at the end of June with the GFSC very informative and worthwhile in terms of having the presentation before actually the States debating and considering their report.

3685 Thank you.

The Deputy Bailiff: Deputy Moakes.

Deputy Moakes: Thank you, madam.

3690 Just very quickly, I just wanted to come in on something that Deputy de Lisle just said. He mentioned the fact that we were invited to GFSC's offices very recently. Quite a few of us went, but not everybody, and the purpose of this particular session here is to note the accounts. I would highly recommend that if you get the chance, and I appreciate that people are busy, when the invite comes out from the GFSC to go over to their offices for one of these sessions, please do go, because they are keen to let you know what is happening and they are very keen to take questions and answer any questions that you might have, because all of their experts will be around that table, which of course they are not today. So I thoroughly recommend that to you all in the future.

Thank you.

3700 **The Deputy Bailiff:** Deputy Fairclough.

Deputy Fairclough: Thank you, madam.

I would just like to echo the points made by Deputy Moakes and de Lisle and offer up my thanks to the Commission for the presentation of this report. There was indeed a useful session.

3705 I do not have much to say on the accounts, other than one thing on page 68, table 4 on Commissioners' fees. Now I hope the headings of those particular tables are wrong, because as good as they are, the Commissioners that is, I do not think they are worth tens of million of pounds a year. They are remunerated with tens of thousands but the heading indicates otherwise. (*Laughter*)

But other than that, I am happy to note this report and these accounts.

3710 Thank you, madam.

The Deputy Bailiff: Deputy Dyke.

Deputy Dyke: Thank you, madam.

3715 Well spotted to Deputy Fairclough.

A couple of points I would make, and one question I would ask. I agree with Deputy Le Tissier on the tree planting business. I am not sure it is for the GFSC to be planting trees up in Scotland. It would be far better if they were going to do it, to do it here as a prelude to our red squirrel introduction programme, (*Laughter*) which I will talk about on another occasion.

3720 The one question I had is with regard to the litigation. There has been some quite serious litigation against impositions made by the GFSC, which can have quite important consequences for Guernsey in terms of reputation and that sort of thing.

In terms of the GFSC appealing from the decisions of the Royal Court, my question is does Policy & Resources have any say in that matter? I can see why they might not, but on the other hand it is a very serious issue, a serious decision, and with quite serious financial consequences potentially, to the States' coffers. So I would just raise that question.

3725 Thank you.

The Deputy Bailiff: Deputy Matthews.

3730

Deputy Matthews: Thank you, madam.

I think Deputy Ferbrache said that I have mentioned the housing market in almost every debate. I did not mention it in the last debate but although of course the GFSC has its central role in regulating our finance industry, our finance industry sectors, I could not help but notice in the Chairman's statement, opens with talking about the backdrop that has, we have seen this year with inflation level at a level not seen since 1982 UK interest rates, which of course are our interest rates as well, rising to a level not seen since 2007, and an increasing scarcity of affordable property particular for first-time buyers, lower quartile paid earners.

3740 Of course, the fact that we have got this very high inflation, the interest rates up, and affordable workforce housing decreasing, is well, while the GFSC does have a role in being concerned at the stability of the banking sector, the banking sector here is unlikely to be immediately affected by it. Payments in Guernsey are very low.

What is really likely to be affected is the workforce, and that is really what we are talking about and the availability to hire people.

3745 Now it does remind me actually, of one of the things that Deputy Trott often says, if you want house prices down then fail your Moneyval inspection. Now of course that would have the effect of bringing down house prices but not in a way that we would really want it to do. It would very dramatically drop house prices and lead to a de-population of the Island.

3750 Some first-time buyers may be waiting to buy a property might welcome that, but of course in general that is not what we would want to see. What we would want to try and achieve is to get some stability into our house prices, but not in a way that would damage our economy, and it is that difficult task of being able to do both, maintaining a buoyant economy and improving house prices that really is ahead of us, and it is a challenge across all of Government to be able to do that.

3755 But on the subject of Moneyval, we hope of course we will pass it. We know there are some sections which we will struggle in, will be very difficult to pass, and we hope that other sections will make up for that and we will be able to get good ratings in those.

3760 But I could not let the moment pass without mentioning the issue of housing availability and how difficult that is. And of course it is not just now affecting public sector and retail and hospitality, the GFSC is noting that it is affecting the finance and it is affecting all sectors of the economy, so it is something that of course I am sure all know is our top issue, but it highlights it once more.

Thank you.

The Deputy Bailiff: Deputy Inder.

3765 **Deputy Inder:** Only briefly, madam.

I just want to draw Members' attention to page 33 under policy, where it talks about sustainable finance. There have been some great successes in the Guernsey Green Fund. The Commission launched its sister, naming that Natural Capital Fund, and there have been successes there, and I would just remind people of paragraph 2:

Examples of natural capital include clean air and water supply, plant life, animals, soil and minerals.

3770 Great news. Heading in the right direction. Good news for Guernsey. Guernsey is one of the centres of green finance. But unfortunately, what we did only 20 minutes ago, we have just brought Longue Hougue South back into scope. 30% of Guernsey's, around 30% we understand, of Guernsey's eel grass is sitting under Longue Hougue South.

3775 **Deputy St Pier:** Point of order.

The Deputy Bailiff: Are you going to suggest this is not on the issue?

Deputy St Pier: Yes.

3780

Deputy Bailiff: Yes, and I agree. Deputy Inder, this is a debate about the GFSC report, not about eel grass. As far as I am aware, you may correct me, the GFSC are not involved in the grass...

3785 **Deputy Inder:** Madam, if you would allow me just to carry on a little bit, we have been told on many occasions that if we are going to walk something as a financial jurisdiction, we are supposed to talk. If we are going to talk something as a financial jurisdiction we are supposed to walk something as an Island. That was my point.

3790 **The Deputy Bailiff:** Well I think in relation to the GFSC we need to focus on this report, so you have made your point.

Deputy Inder: I accept your judgement, madam.

The Deputy Bailiff: Deputy Trott.

3795

Deputy Trott: Madam, it is about the only impact that will have on the GFSC is what their view would be.

3800 Anyway, there are two items in this report that I think are worthy of mention, and one is particularly positive, bearing in mind we are only asked to note this report, and that is right at the top of the highlights page, under Authorisations and Innovation, 500 applications they have scrutinised, 500 applications.

Now whilst not all of those will go live for a variety of reasons, that is a particularly active authorisation process and it shows how many promoters, how many investors, how many

businesses, still regard Guernsey as being one of the best jurisdictions in which to domicile their fund or maintain their business and expand their businesses.

But there is something else that is not maybe quite so positive in the sense that it shows just how vigilant Financial Services needs to be with regard to cyber attacks. Because under Technology, we are told the GFSC protected against close to 50,000 attacks on connections to their firewalls that tried to exploit the publicly-known vulnerabilities.

Now what may surprise some Members of this Assembly, is that that is by no means uncommon within Financial Services. So-called DDoS attacks, disruption of service attacks, and there are others in this Assembly that know more than me, can very often will exceed that number within our regulated businesses. So it just shows how significant cyber crime disruption is, how expensive it can be, how disruptive it can be, and how prevalent it is and how it is growing. So that is why cyber crime and the various protections against it remain as important as they are.

And finally, madam, I was not able to go to the presentation this year. It is probably the first one I have missed for a long time. I was actually overseas with Guernsey Finance helping promote our jurisdiction at the time, and I was disappointed that I was not able to go because I know there were a number of questions asked about our Moneyval preparations, and I understand that the responses that were given were predominantly positive.

And that is because there is no doubt, and it is credit to everyone involved including particularly within this Assembly the Policy & Resources Committee's staff and Deputy Prow's staff, that the view is that we have prepared very well, possibly as well as we could have expected so far, which means that the outcome was by no means certain, is as positive as predictively positive as we would expect it to be at this stage.

And I think that is a very positive message, and is I think a reflection on all the hard work that has been done. So that is very pleasing.

Thank you, madam.

The Deputy Bailiff: Thank you.
Deputy Kazantseva-Miller.

Deputy Kazantseva-Miller: Thank you, madam.

I want to draw the Assembly's attention to page 67, which shows the details in figure 15 of the total applications by volume and type between 2019 and 2022. It looks at the four core areas of investment, insurance and banking, fiduciary and NRFSB. So this is really the proxy of new business, new structures, etc., being created in our Financial Services Industry. And what is actually quite striking despite the generally positive overtone of the highlight statement, is if you look at investments, the investment side of authorisations, that has been the lowest number of authorisations in last year for the past four years.

The same is true of fiduciary. Again the lowest number of authorisations. Those two are by far combined the majority of the volume of authorisation that GFSC has seen.

Really the only substantial increase is insurance and banking, and we have always known how successful and stable and growing the insurance and banking side of things are, and I see no tiny numbers in NRFSB area and obviously that is going to be replaced by lending, credit and finance legislation.

So I do think there is an actual undertone of watch out what is happening, because last year we saw the lowest volume of increase actually, in the core sectors of the economy through authorisations investment in the fiduciary and this is what I and others continue hearing also in industry in terms of it is difficult to bring new business to the Island. You know the economy is internationally we know the conditions but those are the numbers that really speak the truth and they are perhaps not as rosy as some of the highlights we have seen.

Thank you.

The Deputy Bailiff: Deputy Prow.

Deputy Prow: Thank you, madam.

I rise particularly to thank Deputy Trott for his kind words, and to agree completely with the words of Deputy Moakes.

I did attend the presentation and I think along with nine Deputies, and I would always recommend that Deputies try and attend if they can, just to acknowledge the excellent work the GFSC undertakes. And I think just to place on *Hansard*, on the record, certainly from my perspective and in a Moneyval environment, I endorse the excellent work that they do. It is a difficult environment to be in and I think they discharge their responsibilities very well, especially in a Moneyval evaluation environment.

And just to perhaps pick up on some of the comments that were made by Deputy Gollop and Deputy Matthews. Obviously the GFSC is an integral part around the good regulation, but just to endorse a point that I have made before in this Assembly, that Moneyval are here to evaluate this jurisdiction around our compliance with the Financial Action Taskforce recommendations, and they do so through 11 what they call 'immediate outcomes'.

And so Moneyval is assessing this jurisdiction as a whole and in the round, and that is why politically Policy & Resources, Home Affairs and Economic Development have put a lot of effort, as Deputy Trott as said, into making sure that we are prepared. And in that evaluation they are also looking at what this Assembly does, the legislation that we have in place, and how we support the GFSC, the Economic & Financial Crime Bureau, the FIU, the Border Agency, the Police and Registry and making sure it is a co-ordinated effort, as a lot of the evaluation points run across all those organisations.

Thank you, madam.

The Deputy Bailiff: Does anybody else wish to speak in general debate?

No, then I will ask Deputy Helyar to respond.

Deputy Helyar: Thank you, madam.

I was surprised when I thought everybody was going to have a go, but obviously not. Thank you, Members, for your contributions. I think most of the speeches, I am not going to go through everybody one after the other, most of the contributions were a reflection of the facts as they are set out in the report, and of course as I said when I opened that I am not in a position to respond on behalf of the Commission.

There were a couple of points. Deputy Fairclough pointed out I think that must clearly be a typo on page 68, or I certainly hope so otherwise the rest of the accounts are wrong.

And Deputy Dyke asked a question about whether P&R has a say in relation to litigation involving the Commission. Well absolutely not. No. The Commission is an independent organisation. Certainly there is dialogue all of the time between those two entities, but it would not be appropriate for us to interfere in the court process in that way from a political perspective.

I think certainly Moneyval, as Deputy Prow has just said, continues to be the largest touchpoint at the moment between Government and the Commission, but we already, in the last meeting we had, we discussed what comes after that, how we are going to maintain the momentum that we have in terms of going forward, and in continuing to produce the kind of results for new business that we have seen.

But there is no doubt, as many Members have mentioned, housing is the top of the Commission's list. It is certainly the top of the list every time we meet with them in terms of their struggle to, not to recruit, but actually just find somewhere for people to live. And we have had this feedback recently from other Committees, that they are able to hire people and when they find they have nowhere to live they turn down their appointment. So we really are struggling and that is certainly something we must turn our attention to.

In terms of the comments from Deputy Dyke and Deputy Le Tissier on sustainability, I cannot really comment but I am sure there are people listening on the radio that will be taking that on board and maybe will be able to provide you with an explanation.

Otherwise, Members, thank you for your comments, and I please ask you to approve noting the accounts.

3910 Thank you.

The Deputy Bailiff: States' Greffier, would you start the voting in relation to the GFSC annual report and accounts?

3915 *There was a recorded vote.*

Carried – Pour 37, Contre 0, Ne vote pas 0, Did not vote 2, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Aldwell, Sue	None	None	Blin, Chris	Roberts, Steve
Brouard, Al			Mahoney, David	
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
De Lisle, David				
De Sausmarez, Lindsay				
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
Falla, Steve				
Ferbrache, Peter				
Gabriel, Adrian				
Gollop, John				
Haskins, Sam				
Helyar, Mark				
Inder, Neil				
Kazantseva-Miller, Sasha				
Le Tissier, Chris				
Le Tocq, Jonathan				
Leadbeater, Marc				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Moakes, Nick				
Murray, Bob				
Oliver, Victoria				
Parkinson, Charles				
Prow, Robert				
Queripel, Lester				
Roffey, Peter				
Snowdon, Alexander				
Soulsby, Heidi				
St Pier, Gavin				
Taylor, Andrew				
Trott, Lyndon				
Vermeulen, Simon				

The Deputy Bailiff: There voted for the proposition 37, there were no votes against, 2 Members did not vote because they had left the Assembly. I therefore declare the Proposition passed.

**Procedural –
Remaining business**

3920 **The Deputy Bailiff:** Now, Members, it is 5.20. I am going to suggest that we do not start
(*Laughter*) the Electricity Strategy now, unless somebody is going to fervently argue that we should start.

No. It might be of assistance to Members to know that Deputy Meerveld has told me that he will not be laying his amendment, so when you are thinking about what is going to happen tomorrow, you do not need to consider Deputy Meerveld's amendment. There is just the one amendment at the moment, Deputy de Lisle and Matthews.

3925 And oh yes, the little matter of a sursis.

Deputy Inder?

3930 **Deputy Inder:** Sorry to bother you. I just wondered if it is worth us doing the Schedule for Future States' Business before we leave.

The Deputy Bailiff: I think there is still some work to be done on that, as I understand it. Well, that is the conversation I had with the States' Greffier, so.

3935 **Deputy Gollop:** Enquiry a little bit. Of course we have a sursis potentially to the Electricity Energy debate. Will we need maybe to reduce our lunch two hour break tomorrow, because we might run out of time to finish the matter?

3940 **The Deputy Bailiff:** Well let us not pre-empt the length of debate, Deputy Gollop, but perhaps something that the Members could be thinking of when they decide what to say and how long to speak for.

Can I just make one small comment. Would Members kindly remember to put their phones on silent so they do not ping, because it picks up quite loudly on the radio, particularly for our avid listeners, so please turn your pings off and just have it on vibrate.

3945 States' Greffier, can we close our afternoon session, and we will meet again tomorrow at 9.30.

The Assembly adjourned at 5.23 p.m.