



**OFFICIAL REPORT**

**OF THE**

**STATES OF DELIBERATION**

**OF THE**

**ISLAND OF GUERNSEY**

**HANSARD**

**Royal Court House, Guernsey, Friday, 21st March 2025**

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**Present:**

**Sir R. J. McMahon, Esq., Bailiff and Presiding Officer**

**Law Officers**

R. M. Titterington, K.C. (H.M. Comptroller)

**People's Deputies**

S. E. Aldwell	J. P. Le Tocq
A. H. Brouard	M. P. Leadbeater
Y. Burford	D. J. Mahoney
T. L. Bury	A. D. S. Matthews
A. Cameron	L. J. McKenna
D. de G. de Lisle	C. P. Meerveld
H. L. de Sausmarez	N. G. Moakes
A. C. Dudley-Owen	R. C. Murray
J. F. Dyke	C. N. K. Parkinson
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 <sup>MBE</sup>
J. A. B. Gollop	G. A. St Pier
S. P. Haskins	L. S. Trott <sup>OBE</sup>
M. A. J. Helyar	S. P. J. Vermeulen
A. Kazantseva-Miller	

**Representatives of the Island of Alderney**

Alderney Representatives E. Hill and E. A. J. Snowdon

**The Clerk to the States of Deliberation**

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

**Absent at the Evocation**

Deputy C. P. A. Blin (*relevé à 9h 37*) Deputy N. R. Inder (*absent de l'île*);  
Deputy C. J. Le Tissier (*absent de l'île*); Deputy V. S. Oliver (*relevée à 9h 37*);  
Deputy A. W. Taylor (*relevé à 10h 04*)

## Business transacted

Evocation .....	5
<b>Billet d'État VII .....</b>	<b>5</b>
5. Proposed Amendment to The Medicines (Human and Veterinary) (Bailiwick of Guernsey) Law, 2008, relating to prescription-only medicines – Proposition carried.....	5
6. Incorporating Our Trading Businesses – Debate commenced .....	12
<i>The Assembly adjourned at 12.34 p.m. and resumed its sitting at 2.30 p.m. ....</i>	<i>45</i>
Incorporating Our Trading Businesses – Debate continued – Proposition carried .....	45
7. Development & Planning Authority Development Plans – Amendment Process – Debate commenced – Deferred to next sitting .....	69
12. Schedule for future States' business – Proposition carried as amended .....	88
<i>The Assembly adjourned at 6.13 p.m. ....</i>	<i>99</i>

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# States of Deliberation

*The States met at 9.30 a.m.*

[THE BAILIFF in the Chair]

## PRAYERS

*The States' Greffier*

## EVOCATION

# Billet d'État VII

## COMMITTEE FOR HEALTH & SOCIAL CARE

### **5. Proposed Amendment to The Medicines (Human and Veterinary) (Bailiwick of Guernsey) Law, 2008, relating to prescription-only medicines – Proposition carried**

*Article 5.*

*The States are asked to decide:-*

*Whether, after consideration of the Policy Letter entitled "Proposed amendment to the Medicines (Human and Veterinary) (Bailiwick of Guernsey) Law, 2008, relating to prescription-only medicines" dated 17th February 2025, they are of the opinion:-*

- 1. To replace the power in section 35 of the Medicines (Human and Veterinary) (Bailiwick of Guernsey) Law, 2008 for the States to make Ordinances to regulate the retail sale, supply in circumstances corresponding to retail sale, and administration of prescription-only medicines, with a power for the Committee for Health & Social Care to make Regulations for these purposes.*
- 2. To agree that all future Regulations and Orders made under the Medicines (Human and Veterinary) (Bailiwick of Guernsey) Law, 2008 be laid before the States of Deliberation and that the Regulations may be annulled by the States if they see fit.*
- 3. To continue to give effect to the Prescription Only Medicines (Human) (Bailiwick of Guernsey) Ordinance, 2009 and give the Committee for Health & Social Care power to amend that Ordinance by Regulations; and*
- 4. To direct the preparation of such legislation as may be necessary to give effect to the above decision.*

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

- The States' Greffier:** Article 5, Committee for Health & Social Care – proposed amendment to
- 5 The Medicines (Human and Veterinary) (Bailiwick of Guernsey) Law, 2008, relating to prescription-only medicines..

**The Bailiff:** I will invite the President of the Committee, Deputy Brouard, to open the debate please.

**Deputy Brouard:** Thank you, sir.

The Committee is asking that it be given the powers to deal with provisions relating to prescription-only medicines by regulation, replacing the requirement to amend these provisions by ordinance of the States. It is also asking the States to agree that any future regulations or orders made by the Committee be laid before the States, as this is considered good governance but is not currently required. The Committee's proposals will not change the strong legal and clinical governance that exists around medicines.

The Committee has a wide-ranging and complex mandate. Against competing demands, it has not always been able to prioritise the resources needed to bring multiple but sporadic policy letters to this Assembly to direct ordinances to be made. This has resulted in a divergence in some parts of medicine legislation between Guernsey and the UK, for which the Committee has on occasion had to address when matters have become time-critical.

The recent pandemic is an example of the Committee bringing to the States an emergency policy letter and draft legislation to amend the prescription-only medicine ordinance. There are also examples where the Committee is prevented from delivering patient-centred care as part of the transformation of care delivery described in the Partnership of Purpose.

Non-medical prescribing, that is where it is not a doctor or a dentist doing it, has been increasingly adopted internationally because it better reflects the multidisciplinary nature of care provision and improves access to care and patient safety.

Section 3 of the policy letter provides some examples where locals would benefit if a wider pool of health professionals were able to prescribe them the medications they need. Non-medical prescribers, as I said, are health professionals who are not doctors or dentists. They can include nurses and midwives, pharmacists, paramedics, dieticians, diagnostic radiographers, and physiotherapists. Benefits to patients if non-medical prescribing is extended might include avoiding a trip to the emergency department, receiving medication sooner, reducing unnecessary waiting, and reducing the number of appointments with different professionals for the same issue, among other things.

As set out in the policy letter, the Committee is aware that as the inability to keep pace with prescription-only medicines provides, as the UK, has resulted in being unable to recruit to certain positions. Given the global shortage of health staff, the Committee does not wish for vacancies at health and social care to be considered less attractive than the UK, based on equivalent positions which allow professionals to work across the full scope of their professional practice.

The Propositions before you today, if agreed, will enable the Committee to more easily implement an incremental programme extending the prescribing rights to various health professional groups locally. The Committee will also be able to update legal provisions as and when necessary. For example, the UK exempts some of the restrictions on the sale and supply and administration of prescription-only medicines in schools. These exemptions relate to asthma inhalers and adrenaline to respond to serious allergic reactions.

The Committee is aware that a comprehensive review of the medicines legislation in its entirety is required. This is a very large, complex programme of work which interfaces with other statutory Law. The Committee cannot justify waiting for this work to be completed and it asks all Members to support the Propositions which align with the principles of the partnership of purpose and with the States' objectives for sustainable health and social care services.

Thank you sir.

**The Bailiff:** Some people have arrived. Deputy Blin, Deputy Oliver, do you wish to be relevé?

**Deputy Oliver:** Yes, please, sir.

60 **Deputy Blin:** Yes, please, sir.

**The Bailiff:** Deputy Cameron:

**Deputy Cameron:** Thank you, sir.

65 There has been significant concern from Islanders recently over the cost of GP consultations, and rightly so; £70 just to renew a repeat prescription. That is not healthcare, that is a barrier to basic treatment. We have a two-tier health system in Guernsey. It is fantastic that the majority of our finance industry provides private healthcare for around 65% of our population, often covering partners and children too. That is a huge asset for our economy and for those fortunate enough to receive it.

70 But what about the other 35%? The Civil Service, the tradespeople, carers, hospitality workers, cleaners, the people who keep this Island running, many of them are more likely to be on lower incomes and less likely to have private healthcare, yet they are being asked to pay £70 just to get a repeat prescription for medication they have been on for years. It is fundamentally unfair.

75 If we look at the scale of the issue in the UK, 43% of the population are on repeat prescriptions. With Guernsey's ageing demographic, it is likely the percentage here is even higher, but even if we assume it is 43%, that is roughly 30,000 Islanders. If each of them is paying £70 every three months, that is around £8 million a year leaving Islanders' pockets to fund visits that in many cases are medically unnecessary. Yes, some of that money is covered by health insurance, but what effect has that on insurance premiums?

80 We could leave this money in people's bank accounts to help with bills, food, childcare, money that could stay in the local economy rather than being used to tick a regulatory box. Right now, getting a repeat prescription is a slow, expensive and outdated process. It often means booking a GP appointment, paying £70, having the prescription printed out and then travelling to the pharmacy only to be told to come back later because it is not ready. It is inconvenient, inefficient and completely unnecessary for medication that a patient has been taking safely for years.

85 Repeat prescriptions should not be a burden, they should not cost time and money. We need to modernise it. In the UK, the NHS Electronic Prescription Service allows repeat prescriptions to be sent directly to the pharmacy without the need to see a GP or pay a fee. Many patients can even have their medications delivered straight to their homes, cutting out travel queues and delays entirely.

90 In other jurisdictions, pharmacists already have the power to prescribe a range of medications, especially for routine conditions and repeat prescriptions. If the UK, Canada and others trust pharmacists to do this safely, why can we not? They are highly trained professionals already advising patients daily. Let us make use of their skills.

95 This policy letter gives us the power to fix that. It allows repeat prescribing by pharmacists and other qualified professionals and it gives us the flexibility to bring Guernsey in line with best practice internationally. I also strongly welcome the move to allow schools to hold spare emergency medication like inhalers and adrenaline auto-injectors. This is a sensible and potentially life-saving step, and long overdue, and I thank HSC for the first time around on this policy letter.

100 Thank you.

**The Bailiff:** Deputy Leadbeater.

105 **Deputy Leadbeater:** Thank you sir.

Deputy Cameron I think has asked some Rule 14 questions already of HSC so he's completely aware of the position of the Committee on this subject. The policy letter tells us that there is a recommended workstream for the next term for the next HSC. So we all understand that it costs a lot of money to go to the GP. We all understand that there are some people lucky enough to have health insurance. We would understand that there are some people not lucky enough to have health insurance. But we have to understand that the two-tier system that you mentioned, we have got a

two-tier system. We have got a primary healthcare system and a secondary healthcare system. The primary healthcare system is provided by private providers and we have no handle on those private providers. They set the costs, they set the £70 fee. Actually it is more than that because the States pays £12 towards it or whatever it is.

But if we wanted to have proper across the board universal offer of primary care as well, we are going to have to stick Income Tax up to 30% or something like that, because GST is not going to cover it anyway. It is going to be absolutely astronomical, this cost. I agree that we do need to look at it and the next Committee is going to be tasked with doing just that. There is the 65% or 60%, whatever, that have got private health insurance that are provided by their employers; a lot of them do not use it. They take a backhander from the insurance company instead and they just go on the normal list. So it is kind of all they are doing is getting a kickback to have an operation or something like that. There are big problems that need to be fixed in this area.

Maybe it could be an insurance scheme that is rolled out right the way across the Island provided through the States of Guernsey. I do not really know exactly what the answer is. But I do not really see the relevance to this policy letter, and if you look at the Propositions they are fairly straightforward. It is just because it gives the Committee the ability to be a bit more agile in the fast-paced moves of healthcare these days.

But just for people listening and for Deputy Cameron and anybody else who is interested, this is a workstream that the Committee is interested in. And this is some of the incremental steps along that way. But it is a massive workstream. We have got regulatory bodies that are involved. We cannot just turn around as a Committee and say, 'Yes, pharmacists can do this. They can prescribe this, they can prescribe that.' It is not that easy, but the Committee is well aware of it and it is a workstream that is going to be progressed by the new HSC next term.

**The Bailiff:** Deputy de Lisle.

**Deputy de Lisle:** Thank you, sir.

I wonder if we can also look at the grants, the £12 for the doctors and the £6 for the nurse. Look at the fact that that has been in for a long time, and perhaps the Department can discuss the grant and see whether, in fact, it cannot be elevated above the £12, £6 because it has been remaining at that level for a long time now, and inflation has taken its course. That is one point.

The other point is to note that it is one thing to state that the OAPs have prescriptions free of charge, but then they still have to go into the primary care office every three months in order to renew the prescription, and that is costing them £70. So they are not really getting prescriptions free because they have still got the administration charge. Perhaps we can look at that as well, sir.

Thank you.

**The Bailiff:** Deputy Bury.

**Deputy Bury:** Thank you, sir.

The points that have previously just been made, I am not dismissing them, but they are not relevant to what is going on in this policy letter. I do not want the real positivity of this policy letter to get lost in those points, because from a very politically-nerdy point of view, this is really exciting stuff – really exciting – and I am so grateful that HSC have managed to get this to the Assembly before the end of term.

St John's have been speaking to us as a Government for a long time, expressing that if they have this ability not only does it improve the patient experience, whereby they might not need to come into hospital or see various people, but that also greases the wheels of our entire health system if you are potentially preventing people having to come into our hospital. These are the kinds of things that are quite difficult to get hold of sometimes. They seem simple, but because of the legislation and the regulatory systems around them, they can be quite difficult. But once you nail



them, they really actually can improve the entire processes. We all know that that is what needs to be done.

165 As I said, not dismissing the points that are made, but I think that is tangential to this policy letter. While it is quite brief and obviously a first step into enabling a lot of these things, it is really exciting, it is really positive for both our providers and our patients, and HSC should be commended for bringing it.

Thank you, sir.

170

**The Bailiff:** Deputy Oliver.

**Deputy Oliver:** Thank you.

175 Deputy Bury stole my speech so I will not repeat what she said, but I do fully endorse it and agree with her on everything.

I do just have to declare an interest, this probably will be a benefit of me so thank you to HSC. But I will be wholeheartedly supporting it.

**The Bailiff:** Deputy Soulsby.

180

**Deputy Soulsby:** Yes, so I just reiterate Deputy Bury and what Deputy Oliver said. This has been a long time in the making. I do know it is complicated because we started looking at this many years ago, so I do appreciate it. I do hear Deputy Cameron's point, I think. But it is, as Deputy Leadbeater said, a very difficult area. It is not simple. Not everybody has to go back to the doctor in respect of repeat prescriptions, it depends on what their conditions are and the drugs that they are taking because there can be complications of various drugs. You just cannot keep relying on, the doctor does need to see it, so it is complicated.

He talks about the ageing population and the need for more and more drugs but then over-65s do not pay for their prescriptions anyway at the moment.

190

**The Bailiff:** Deputy Prow.

**Deputy Prow:** Thank you, sir.

195 I also support this policy letter. I only rise because I am not sure if I heard what was mentioned, I think, in both Deputy Cameron's and Deputy Leadbeater's speech around the figure of, I think it was 65% of the population have private health insurance. If I heard that correctly, could I please ask the President of Health & Social Care where that figure comes from, because I find that quite surprising.

Thank you, sir.

200

**The Bailiff:** Deputy Ferbrache.

**Deputy Ferbrache:** I am one of the 35%, because I do not have private healthcare, but I do not rise for that purpose, and I am a pensioner, so I get my prescriptions free, which is ludicrous, because I should be paying for it. (**A Member:** Hear, hear.) That they should be means tested. (*Interjection*)

I commend the speeches of Deputy Leadbeater and Deputy Bury. The only thing is I have a different definition of excitement to Deputy Bury. I think it is a very sensible policy letter and perhaps she should get out more in relation to that. (*Laughter*)

210 As regards Deputy de Lisle, I am always amazed by his book of economics. (*Laughter*) It must be written in invisible ink. It certainly has no accord with any principles of economics that I am aware of, that you raise the cost of everything but you do not increase the revenue. Fantastic. Tell me how it is done, and we will all be rich people. '

**The Bailiff:** Deputy Kazantseva-Miller.

215

**Deputy Kazantseva-Miller:** I share in the excitement of Deputy Bury, but I think we really need to think about taking this further as well, because it is all well and good that different people, that healthcare providers will be able to prescribe medicines. But I think what is really important, that we keep a record of what is being done through one central digital health ID. My understanding that the current electronic patient record system does not have the scope for extending to third parties. I think if you are undertaking this policy letter, it is absolutely imperative that the EPR or the healthcare passport, whatever we call it, as soon as possible start scoping the whole healthcare, not just the healthcare provided by Government.

220

I think it is absolutely essential that future developments of the digital health ID has to encompass the whole of healthcare.

225

Thank you.

**The Bailiff:** I now turn back to the President, Deputy Brouard, to reply to that debate.

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**Deputy Brouard:** Thank you, sir; and thanks to everybody who has taken part in a very positive debate.

I think it started with Deputy Cameron, and I thank him for his support. I think he mentioned the figure of 65% of people have insurance. I have not seen that figure, but I am happy to give way.

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**Deputy Cameron:** It was just really an estimate. If 65% are employed in the finance industry, I think the majority of the finance industry is providing healthcare insurance.

**Deputy Brouard:** I give way to Deputy Soulsby.

240

**Deputy Soulsby:** I thank Deputy Brouard.

I actually understand from work that was done, goodness knows, it was not that that long ago, it is about a third of people have insurance, a third get it free through income support or they get it free anyway, and the rest have to fund it themselves.

Thank you very much.

245

**Deputy Brouard:** Thank you very much.

The other thing I think Deputy Cameron mentioned, which is a good point, is about repeat prescriptions. I think some doctors will do three months, some doctors will do six months.

250

There is good evidence that by having that MOT health check, one, it gives the opportunity for the doctor to check if that is still the right medicine for you as things change. It also gives you the opportunity for that, 'Oh, and by the way, while I am here, I have had this pain or I have had that.' So it is quite a good health check at the same time.

255

I know some people might appreciate that, 'Actually the doctor is not taking any notice of me. I am just walking in and he is giving me a prescription.' That is usually not true. He will notice or she will notice how you come in, how your demeanour is, what your colour and it does give you that chance to open up that conversation early if there are other things that perhaps need to be addressed.

Deputy Mark Leadbeater was next. Thank you very much for your support, obviously, on the Committee.

260

Again, Deputy de Lisle, yes, we are very happy. If you want to increase the grant, that is not a problem, Deputy de Lisle, but you may need to raise taxes to do so because that funding will then need to be replaced somehow. So that is going to be one of the problems that you will be facing.

265

Deputy Bury, thank you ever so much for your support and the same for Deputy Oliver and Deputy Soulsby. Deputy Ferbrache signified the issue of the Dalal economics. It is quite a small book, actually. *(Laughter)* Sorry, I could not resist that.

Finally, Deputy Kazantseva-Miller about the electronic patient records. That is one of the journeys we are on, and the electronic patient records is the first stage of that. The main thing is to get the main body of the health records, which is called TrakCare, moved across. We have another few more bits and pieces that we then need to get across by June 2026. But the system we are advised at Committee is able to add on other organisations as they come in. We have not yet been aligned with the GP surgeries needing their systems changed and ours. We did look at it at the very beginning, but it became such an enormous project to try and bring GPs, dentists, St John's Ambulance in. I think it will come, but it is a massive piece of work. We know how we are struggling at the moment with some of our electronic issues.

The States has got quite a long way to go to have that one central spine, where people just enter their address once, they can pay all their bills through one central portal. That is still some way off. But we are certainly, in Health, moving to that one system where everybody can see a patient and in the ambulance you will know what the doctor said last time they saw them. That is what we are aiming for and that will hopefully have some benefits not only in some of the savings but also in patient care as well.

I thank everybody for their support and please support the Propositions. Thank you.

**The Bailiff:** Members of the States, there are four Propositions. Does any Member wish to vote differently in respect of any of them or can I put the four to you collectively? I do not see anyone rising and therefore I will invite the Greffier to open the voting on all four Propositions taken together.

*There was a recorded vote.*

*Carried – Pour 37, Contre 0, Ne vote pas 0, Did not vote 0, Absent 3*

<b>Pour</b>	<b>Contre</b>	<b>Ne vote pas</b>	<b>Did not vote</b>	<b>Absent</b>
Aldwell, Sue	None	None	None	Inder, Neil
Blin, Chris				Le Tissier, Chris
Brouard, Al				Taylor, Andrew
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				
Hill, Edward				
Kazantseva-Miller, Sasha				
Le Tocq, Jonathan				
Leadbeater, Marc				
Mahoney, David				
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  
Trott, Lyndon  
Vermeulen, Simon

**The Bailiff:** In respect of all four Propositions, there voted in favour 37 Members, no Member voted against, no Member abstained, 3 Members were absent at the vote. I declare all four Propositions duly carried.

## STATES' TRADING SUPERVISORY BOARD

### 6. Incorporating Our Trading Businesses – Debate commenced

Article 6.

*The States are asked to decide:-*

*Whether, after consideration of the policy letter 'Incorporating Our Trading Businesses' dated 13th February, 2025, they are of the opinion:-*

- 1. To agree in principle that Guernsey Water, Guernsey Ports and States Works should be incorporated as States' Trading Companies under the provisions of the States Trading Companies (Bailiwick of Guernsey) Law, 2001;*
- 2. To agree that Guernsey Water should be the first business to be incorporated in accordance with Proposition 1 by 31st December, 2027, and to direct the States' Trading Supervisory Board to initiate a project to do so, reporting back to the States of Deliberation as necessary on the detailed practical and legislative requirements;*
- 3. To direct the States' Trading Supervisory Board to continue investigating the incorporation of Guernsey Ports and States Works, taking into account the further considerations set out in section 5 of this policy letter, and to report back to the States with the results of those investigations by 31st December, 2026; and,*
- 4. To note that the funds required to undertake the works required in Propositions 1 to 3 above are provisionally estimated not to exceed £500,000, which will be funded by the businesses themselves. The above Propositions have been submitted to His Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.*

**The States' Greffier:** Article 6, States' Trading Supervisory Board - incorporating our trading businesses.

**The Bailiff:** I will invite the Vice-President of the board, Deputy Parkinson, to open the debate please.

**Deputy Parkinson:** Thank you very much, sir.

As Members will be well aware, the STSB is politically responsible for the trading assets of the States. Ignoring the Channel Isles Lottery, there are four incorporated trading businesses and five unincorporated. The four incorporated businesses are Aurigny, Guernsey Electricity, Guernsey Post and the relatively insignificant JamesCo, which owns the fuel tankers. The five unincorporated businesses are the Dairy, the Ports, Guernsey Water, Guernsey Waste and States Works.

Members of the STSB hold regular meetings with the boards of the incorporated assets and we are in effect the boards of the unincorporated businesses. These 'boards', are technically sub-committees of the STSB and two members of the STSB sit on each of those 'boards' to ensure

that they are quorate. Accordingly, we see in intimate detail how each of these models operate. For a long time, we have been of the opinion that some of the unincorporated businesses would operate better if they were incorporated.

The management of these businesses would have greater responsibility for human resource matters, procurement and IT, for example, and could potentially have greater flexibility in financial management that could in turn support long-term infrastructure and investment planning. It is relatively easy to set out in these sort of terms the benefits of incorporation, but some of the benefits are less tangible. As members of the STSB, we attend the highest levels of management meetings of businesses in both categories, as described earlier. Quite simply, attending the board of an incorporated business and the 'board' of an unincorporated business are a different experience.

So we commissioned Interpath to look into the unincorporated businesses to consider whether any of them should be incorporated or indeed combined with any other businesses within our portfolio. Interpath identified a number of challenges that were facing the businesses. While these would not be solved merely by incorporating them, they did conclude that in the case of some of the businesses, incorporation would make it easier to address and manage those challenges. Interpath concluded that Guernsey Waste and the Dairy should not be incorporated, but that Guernsey Water should be incorporated as a stand-alone business, the Ports should be incorporated as a combined business, combining airports and harbours, to leverage the economies of scale and the commercial opportunities that provides, and States Work should be incorporated as a stand-alone business.

Of these, Guernsey Water was the most mature and ready for incorporation. The Ports require extensive capitalisation and there are some key policy issues that need to be addressed by the States around both of their future asset base in relation to the Guernsey Development Agency, for example, and the role of the airport as an economic enabler. Most of the customers of States Works are other States of Guernsey entities. And with potential changes to the cesspit emptying businesses, this needs to be scaled up before it could be operationally independent.

Incidentally, in terms of the investment required in the Ports, I noticed the day before yesterday that Ports of Jersey, which is incorporated and combines both their airport and their harbour, estimate that they need to raise £400 million or invest £400 million into the Ports over the next 10 years. The number in Guernsey would obviously not be identical, but it gives an idea that both islands are facing massive investment challenges.

This policy letter seeks approval in principle, and I underline 'in principle', to incorporate all of these three businesses, but agreement to proceed first with Guernsey Water. It should be noted in passing that we considered whether Guernsey Water should be combined with Guernsey Electricity, since they both serve the same customer base and both use extensive infrastructure under the same roads. However, it was considered that such a combination would create as many problems as it solved. There is after all no good combination of water, wastewater and electricity.

The STSB is under no illusions that incorporation of Guernsey Water would be an easy or quick task. As we have noted, and as P&R have emphasised in their letter of comment, this will be a complex and delicate task. However, we take comfort from the fact the States of Guernsey have been through this process before, in the cases of Guernsey Electricity and Guernsey Post, and the outcomes in each case were very successful. Incorporation has enabled those businesses to operate more commercially, with greater agility and a more customer-focused approach, and to make better use of all the assets at their disposal. Importantly, they have done so while continuing to recognise their roles in supporting the States' wider economic, social and environmental policy objectives.

Just as with those previous incorporated businesses, there is no intention in the STSB to privatise these businesses, Guernsey Water or any of the others. This is simply about incorporating or, as some say, commercialising the business.

If the States agree to this proposal, it will take years to achieve the incorporation of Guernsey Water. However, the management are supportive and the initial reaction of staff has also been positive. We just need the green light to start the ball rolling.

365 If the States today is willing to give a green light in principle to that incorporation of Guernsey Water and eventually the others, then there will be a lot of work required and we will have to come back to the States. I say 'we', but of course it will be a different STSB. We will have to come back to the States periodically with further policy letters on specific issues that have arisen during the process.

370 But it is very important that we have agreement in principle from the States before we start committing large amounts of money, which will ultimately have to be funded by the customers of the trading assets to this process. If Members decide that their hearts are set against incorporation, this is the opportunity for them to say, 'No, we do not want you to do this work', and that will save us a lot of work and save the customers of the businesses a lot of money. So I ask Members to support this policy letter.

**The Bailiff:** Deputy Taylor, is it your wish to be relevé?

**Deputy Taylor.** Yes, please, sir. Thank you.

380 **The Bailiff:** Now there has been a sursis motivé submitted. Deputy Murray, is it your wish to move the sursis now?

**Deputy Murray:** Yes please, sir.

385 **The Bailiff:** I invite you to do so, please.

*Sursis motivé*

*To sursis the Propositions and to direct the States' Trading Supervisory Board to return to the Assembly at the earliest possible opportunity after;*

*i. Having undertaken a full assessment of the impact, on the States of Guernsey, the States Trading Group, and islanders, of incorporating Guernsey Water, Guernsey Ports and States Works in partnership with the Policy & Resources Committee and in consultation with other interested parties; and*

*ii. Having updated the proposals for incorporation or otherwise, including having provided the results of the above assessment to States Members.*

**Deputy Murray:** Thank you, sir.

390 I thank Deputy Parkinson for his introduction and I am not in any real disagreement with him. I think the challenge that we have, we all know that we have, is being in this sub-scale environment that we have, all of our utilities or utility-type situations are challenged to actually function either with a profit or even to break even, and that is difficult for us all to actually understand, but that is the reality.

395 What I want to say right from the outset is that this is not an intent to prevent the examination, investigation, as has been described in the policy letter; quite the reverse. My concern really is around the circumstances or the proposal that we should, in principle, agree that all of these particular entities should find themselves, and the suggestion I think probably is that they would be better serviced if they were incorporated.

400 I think that is quite possible, I think it is quite likely actually, but I do not like the idea of actually deciding what we want the outcome to be and then I think I can probably declare that lost.

**Deputy Murray:** -- the work, because then we are going to do the work that proves that particular objective. That is a little bit dangerous. So, probably from the P&R perspective, and this  
405 sursis is not brought by P&R, it might be brought by two Members, we have made it very clear that we are very much aware of the work that would be required, and is required, and there is no suggestion that it should not happen. None whatsoever.

But there are a number of matters that are already in the policy letter, so it is blatantly obvious that STSB are very much aware of the work that is involved, but again, they are coming and saying that, regardless of that work involved, which has not yet been done, in principle those entities should be incorporated, albeit it is in principle. But it is a direction of travel, it is an expected outcome.

So, sir, this motion is not intended to prevent the full and important work of identifying the pros and cons of our possible commercialisation of those unincorporated trading entities. I would make the point that, as Deputy Parkinson reminded us, we already have four entities who are incorporated, by and large, although they have had opportunities when they have been in profit, most of them, if not all of them, are either losing money, or close to losing money at the moment. So it is not a silver bullet, and I do not believe that is the suggestion that it is a silver bullet. But we do have to recognise that it is not, just by being commercialised, the best solution for each of those individual entities.

We will also be aware, and I am sure we can quite recall, a lot of the boat owners, very unhappy. In fact, we have seen some emails just recently, again, about the two entities of Ports, airports and harbours, being one entity. So there is a lot of concern that we need to look at here, rather than just assuming that, in principle, as they stand, incorporation will work successfully.

So it is to ensure that such investigation is given sufficient time and resource to ensure that commercialisation involves and provides benefits, benefits to all stakeholders, and in particular to its ultimate shareholders, the people of Guernsey. We need to find that out before we commit to an in-principle decision. So I would wish us to go forward, but not with that presumption that it is the outcome that we are expecting.

It is also to be able to conduct that work which the policy letter itself recognises the need for in Proposition 3, with full stakeholder engagement, including this Assembly, which I would have to say at the moment we have not necessarily had the benefit of. Now, having been on P&R, I have seen Interpath twice now, extensive amount of work, and they have to be commended for it. But I do not think anybody else has, other than perhaps the members of STSB, of course. You need to see that to be given a better understanding of the scale of what is involved and the opportunities involved and the challenges.

So, for good governance, it does seek to remove the yet-to-be-proven assumption of the outcome contained in Propositions 1 and 2, which presupposes the result, albeit by means of that in-principle decision. But since it is recognised that those quite important questions remain unanswered, and STSB recognised that they are unanswered, that is in the policy letter, I do not believe we can undertake that work objectively if we seek to do so with an intended outcome providing the context.

Some of the questions already highlighted by STSB, but not answered, include (1) the impact upon the ambitions of the GDA, as was referred to by Deputy Parkinson, in terms of land transfer policy, something this Assembly gave overwhelming approval for, only a few months ago; (2) a clearly established strategic policy, again referred to, the need for which is identified in the policy letter, we do not know what that is; (3) the realistic options that exist to address the substantial capital investment, again referred to by Deputy Parkinson, but unknown, to be required for all of these entities.

As I said before, since I have seen Interpath, I have seen the size of numbers that we are talking about, and we are all very much aware of how short we are of money and capital. But most particularly with Guernsey Water operating as a utility in a fixed and subscale market. Guernsey Electricity has competitors for some parts of its business. I am not sure that Guernsey Water has the same in terms of the management of the network, and I do not think it is possible that we would see that. Guernsey Electricity certainly in the future could have some competitors, but I am not entirely sure that is the case with Guernsey Water.

(4) The totality of the capital required to restore their balance sheets to a sufficiently positive position to even contemplate additional sources of finance beyond the States and the impact that might have on the rest of the States' portfolio. There is a suggestion in the policy letter that somehow we would be able to free them to look elsewhere for sources of finance. If their balance

sheet is in the right condition and the future looks sufficiently positive, that is possible. I think it unlikely because I do not see how they can improve their profitability in a market the size of Guernsey in which they cannot grow.

(5) A particular challenge is the reference to it being unclear, this is quite key. Where the best service should be a greater priority than operational efficiency or commercial success. Now, clearly we would want them to be a commercial success. But they are a utility in a small market and they are owned by the people of Guernsey, the shareholders who are also the customers. So, if it is going to be a commercial success and it is going to save money for our customers, the shareholders, that is great. That is terrific, but we do not know that yet. It is not identified that that is the outcome. I am not surprised, we have not done the work yet. But that has to be a key consideration, does it not?

Do we want to increase the cost of living? Deputy Kazantseva-Miller yesterday was talking about the cost of living and it is horrendous here in Guernsey. We are all aware of that. What we do not want to be doing is making it more expensive for people to pay their utility bills. If it is going to be the case, then we may have to consider some form of subsidy to assist them in that, because we cannot increase and keep on increasing the cost of living in Guernsey. It is counterproductive and we know housing is at the root of that.

Another unknown of some considerable importance financially is the impact upon TUPE. They are a challenge. We have done it before. We have no idea yet what the impact of those TUPE provisions would mean for the members of all of those individual unincorporated businesses. That has to be identified. We need to know what we are taking on and we will not do that until the work is done.

There are other equally important issues highlighted throughout the policy letter that require investigation. But, as I have mentioned before, the one that I do not seem to be able to find, and I may have missed it, is whether incorporation will result in a more affordable price to consumers and users or whether it will be more expensive, particularly when, as I previously mentioned, the ultimate shareholders and customers are in fact the people of Guernsey.

So, to conclude, I would very much like to know the answers to these questions and many more, and indeed the intention of STSB is to seek those answers. But, unlike STSB, I am not prejudging the outcome by setting the answer before that work has been done. This sursis does not seek to prevent that from being undertaken as intended. I want to underline that. This is not an attempt to prevent the work being done. The work needs to be done. But I do not think that we should do it under the auspices of having decided that the outcome is that we will incorporate. We do not know that. It probably will, but it may not.

So, I want the evidence here and the involvement of stakeholders and shareholders, this Assembly and customers, which has not yet been possible to see what the outcome is for them individually. So I would advise that the Assembly be given those answers too before they can confidently make a decision on whether STSB have made the right call based on what the research concludes or indeed confirms. I would urge Members to support the sursis.

Thank you, sir.

**The Bailiff:** Deputy Le Tocq, do you formally second the sursis?

**Deputy Le Tocq:** I do so and reserve my right to speak later.

**The Bailiff:** Thank you very much.

I am going to remind Members of the content of Rule 24(5), which is that debate is now strictly limited to the sursis and not more widely.

Deputy Roffey.

**Deputy Roffey:** Thank you, sir.



This Assembly seems determined to go out with a characteristic it has displayed all the way through the last four and a half years, which is never decide anything today if you can put it somewhere down the road. A decision in principle, when the detailed work is done, if it reveals that that decision is clearly flawed, can be undone. Of course it can. Nobody is absolutely nailed down to a piece of stone.

But, when you are going to embark on what is going to be quite an expensive bit of detailed work, it is really useful to know from the Assembly whether or not, in principle, that it is a destination they want to get to. Because, if this sursis is passed, and two-thirds of the States think commercialisation is a thoroughly rotten idea, we will not know and we will go and do all of the work that Deputy Murray has spelled out in this sursis and for no point whatsoever, because the Assembly was never going to back commercialisation anyway. So we need a steer.

If I can just explain a bit of the background, which is why I am slightly frustrated at this 11th hour sursis. Fairly early on in this political term, the STSB came to the provisional view that we thought that some of our businesses would be better off being commercialised and incorporated. But we were not sure, we were not the experts in it, and we wanted to do some detailed work. We asked P&R to be able to do that jointly with them and they agreed in principle, but their bandwidth, and this was the previous P&R and this P&R, and it is no criticism of them, what with tax reform and everything else being thrown at them, there really never was the time to do that joint bit of work. So we said to them, we will go off and do it and we will pay out from the businesses for consultants with expertise, Interpath, to do this. So they were fully aware of it and a great deal of work has been done. A great deal of the work that Deputy Murray refers to has already been done.

So, I think we are in a position to be able to recommend a decision in principle. But Deputy Murray says we do not know whether this would benefit. I think we probably do. Let me give you a case study, and I am coming to the sursis, but it is why we know, without having to go through this loop, that there are some inherent advantages in incorporation.

Guernsey Post is a business that had more headwinds and more difficulties thrown at it than many over the last few years. As an incorporated entity, they have set up their own pension scheme, far more suited to their business than the States' pension scheme. They have changed their terms and conditions of employees in a way which would have been really difficult through central HR. They have reduced their headcount by 11%. Not something that would be impossible to do inside the state sector, but I contend that it would have been more difficult. They have gone out and made commercial acquisitions, like buying HR Air. Something which the headwinds from this Assembly, if the States-run entities started buying private businesses, they would say, 'What are you up to?' And yet all of that has been essential for them to survive and get back on an even keel. So, why would Guernsey Water, for instance, be any different?

So the STSB has already undertaken really a considerable amount of work on incorporation, and a lot of that work is to be found on the Interpath report, which Deputy Murray says he has seen. But the key results and recommendations of that work are included in the main body of this policy letter, and we have included a summary of their report as an appendix. So, Members have had a chance to look at it.

We have acknowledged fully that further work is required and those workstreams are set out in section 8 of the policy letter. Section 8 also acknowledges that the process of addressing these issues will require the submission of further policy letters to the States. You are not being asked to sign off and never have a chance, when you see the detail, to say, 'Oh, hang on, we were not aware about that, we are not so sure anymore.'

Now, our initial estimate, maybe it is an optimistic one, some may say, is that the next phase of the work, which would be principally focused around Guernsey Water, but we will also be doing some of the initial work for the Ports in particular, but States Works as well, will cost at least a half a million pounds. Those costs will be funded by the businesses, and therefore, as Deputy Parkinson said, ultimately it is funded by the customers. Now, we think that is justified, because we think those customers will benefit several times over from that when the incorporation goes ahead. But we really did not want to commit the businesses, and therefore the customers, to that significant

programme of work and that cost without giving the States an opportunity to indicate its support, or otherwise, for the direction of travel.

565 Propositions 2 and 3 direct the STSB to report back to the States with the result of that programme of work prior to any business being incorporated. So, while there is a clear target, and we do not want the grass to grow under our feet to incorporate Guernsey Water by the end of 2027, this would not be the States' final opportunity to debate that.

570 Now, the explanatory note to the sursis warns against potentially wasting time and resource on detailed practical and legislative steps, which may prove necessary. That is ironic, because that is exactly the effect of the sursis. It removes the opportunity for the States to indicate their support, or otherwise for the principle of incorporation that Proposition 1 offers.

575 But, at the same time, it will then commit the STSB and its businesses, and therefore its customers, to significant further expenditure on detailed work programmes without any indication at all from the States of whether or not it supports the principle. So where the explanatory notes to the sursis says it does not reflect a lack of support for the concept of incorporation, ironically that will be the exact outcome of supporting it, because it will not allow that support to be embodied in a resolution. This really is an unnecessary sursis.

580 The States can indicate their commitment to the principle by voting for Proposition 1 in the knowledge that further policy letters and debates will follow.

I give way to Deputy St Pier.

585 **Deputy St Pier:** I am grateful to Deputy Roffey for giving way. I sensed that he was drawing to a conclusion, and I wanted to ask a question, as I am conscious that he will not otherwise have an opportunity to comment.

590 He spoke about the funding for the work associated with the policy letter. I wonder if he is able to comment on where the funding might come from to undertake the work that is directed in the sursis, because the sursis is silent on that, and whether that would come from the trading entities or some other source, because it is clearly going to require significant resources to undertake work directed in the sursis motiv  .

**Deputy Roffey:** It is a very good question, perhaps one better directed at Deputy Murray than myself. This came right at the 11th hour, the sursis, so we have not been able to give that thought. It is joint work with P&R, so maybe the taxpayers should be funding some of it. I do not know.

595 But what I would say is, when we went and presented the Interpath works and our proposals to P&R, not only did they support the principle, but as we were walking out the door we were almost called back to be said, 'Please do not kick this into the next Assembly, please get on with it and bring it to this Assembly', and therefore to have two members of P&R bringing a sursis, I find, although Deputy Murray was the more cynical person admittedly in that meeting, but nevertheless that was the overall message from P&R.

600 I am sure that there will be benefits. I am happy to support the principle. I think the Ports will be devilishly complex, and all we are talking about is bringing back a report next year. Water is fairly straightforward, but please, just have the debate. Sorry, I will give way to Deputy Burford.

605 **Deputy Burford:** Thank you.

I would just like to pick up on a point that Deputy Roffey made earlier in his speech, that the reason for this is to get guidance from the States as to whether it is worth doing this work, because if people are not behind the idea of commercialisation, then it is not. But, surely, as this is going to come back in the next term in terms of the proposals for this commercialisation, we have no idea what that next Assembly's views on commercialisation will be, so I am not quite sure how much further that takes us.

**Deputy Roffey:** That is always a problem, but lots of projects transcend Assemblies, and I have belief that some of you, despite what I read on the internet, which not a single sitting Deputy is

615 going to be returned, experience tells me that there will be a core that will continue. A corporate view would be really useful.

It is Catch-22. It is Catch-22 that, if you have not done absolutely all the work before coming with this in principle, you will get that criticism, but if you do all of that work at great expense, and then you have totally been wasting your time because there is blanket opposition to the idea, then  
620 you have absolutely been, frankly, irresponsible with the cash.

Please have the debate. Give us some steerage. If it is no, we will think you are wrong, but we will fully accept that. We live in a democracy. We will go away, and we will carry on operating the way that we do at the moment. But if it is yes, then at least we have some positive endorsement from this Assembly as an Assembly, albeit that the membership may change somewhat, and sursis,  
625 I am not saying they never do any good, but by and large, they are not a particularly constructive feature of our Government, in my view, and this Assembly has been guilty of more procrastination than most, and I hope that we will sign off on a more optimistic note on that and try to move this forward.

630 **The Bailiff:** Deputy Falla.

**Deputy Falla:** Thank you, sir.

Before I knew of the sursis, I was already in two minds about the policy letter, and when I first became aware of the policy letter, I was inclined towards supporting the incorporation of Guernsey  
635 Water. But, on reading it more deeply, I am less sure, and that is why I am now feeling more inclined to support the sursis motivé, and I will attempt to explain why.

I do not feel the States is ideally suited to running trading businesses. Aurigny would have likely gone bust long ago were it answerable to private commercial shareholders seeking a return on their investment, but the States in its shareholder function sometimes considers a bigger picture than  
640 just commercial success, particularly where businesses might also be seen to be economic enablers benefiting the wider economy.

But in 1.3, we read that incorporation will drive a more commercial, agile, and customer-focused approach. My question on that point, which is one that the sursis might give the opportunity to explore further, is why are the trading entities not already solidly customer-focused? Surely that is  
645 their purpose. They exist to serve customers, also known as taxpayers, and if commerciality and profitability come at the expense of passing on costs to the taxpayer, is that really the right way to go?

It mentions exploiting the assets and tariff strategies. Yes, absolutely, make the most of what we have got. The policy letter calls it unlocking potential, but the word 'exploit' is dangerous if it just  
650 means the bills are going to go up, especially at a time when just about anything you could name is increasing in price.

Interpath noted that the trading bodies were effective at ensuring the delivery of existing services. However, as a consequence, the risk that they prioritise service delivery over commercial considerations. What would a reversal of that approach look like in terms of standards of service  
655 delivery and cost to users? So it seems to me that what the sursis would give the opportunity to explore is the challenges to the trading businesses, which often lie firmly with the clunkiness that exists within the public sector. States-wide changes at the centre would go a long way towards improving them.

STSB says that its businesses have no direct control over the pay awards, for example, that drive  
660 a substantial part of their costs bases. Well, pay is usually the biggest cost for many businesses where their assets are their people. But does this suggest that the States pay awards mechanism is in some way lacking compared to the way in which commercial private businesses deal with employment terms and conditions? If so, that is perhaps the starting point that needs to be addressed.

665 It also notes that internal states processes hamper a timely and agile response to commercial opportunities. Again, should we not be first looking to change those processes?

In relation to the policy letter, one area that I am really struggling to understand is around the cost of the cesspit emptying service to Guernsey Water. In table 4, it states that:

Guernsey Water insourcing the cesspit emptying service from States Works would result in cost savings for Guernsey Water.

And in table 5, concerning the constraints and challenges for States Works, it says:

The potential loss of income that would result from that would reduce operating surpluses. On insourcing the cesspit emptying service, whilst this could be expected to generate material savings for Guernsey Water, there would be a consequential reduction in States Works annual operating surplus.

States Works is the only part of STSB that pays a dividend to general revenue. Deputy Roffey tells me this is estimated to be around £1 million for 2024.

We heard from the Chief Minister earlier in this meeting that provisional financial results show that trading entity losses collectively total £6 million. So, are we taking States Works most profitable service away in order to make Guernsey Water look better? Is that where Guernsey Water's £600,000 per annum of targeted efficiency savings is expected to come from? How can Guernsey Water do it cheaper unless States Works has been overcharging them? On the surface, it looks like robbing Peter to pay Paul.

I am unconvinced by the policy letter as presented, and therefore I welcome and will support the sursis motiv  , a full impact assessment to allow for an informed decision. Listed in the sursis' list for consideration is to take into account lessons learned from Guernsey Post and Guernsey Electricity. I would suggest also looking at the pros and cons of incorporation and lessons learned in Jersey, particularly with Jersey Ports.

Deputy Parkinson will not get a green light from me, perhaps an amber light if the sursis succeeds.

**The Bailiff:** Deputy Brouard.

**Deputy Brouard:** Thank you, sir.

What I would like to know from the sursis and from the speaker, Deputy Murray, is which one gets me commercialisation thrown out? That is what I am after. Does the sursis do it better and kick it to the long grass or am I better to reject the sursis and then vote against the principle 1 to basically incorporate the Ports? So that is what I am looking for.

Incorporation, whether we like it or not, will be a road to privatisation. I have not seen anything that the privatisation in the UK has been a success. I do not know if you looked at the water companies in the UK and the issues they have with sewerage, the issues they have with their underfunding and the fantastic salaries that some of the –

**Deputy Kazantseva-Miller:** Point of correction, please, sir.

**The Bailiff:** Point of correction, Deputy Kazantseva-Miller.

**Deputy Kazantseva-Miller:** Sir, I do want to correct Deputy Brouard because the policy letter is about in-principle incorporation. That does not mean that this is a lead to privatisation where you change shareholders, you have got external companies, and he is referring to the extreme version is when you get external investors to own these assets. This policy letter and the sursis are about the principle of just incorporation where the shareholding of the States still remains intact.

**The Bailiff:** Deputy Brouard.

**Deputy Brouard:** Thank you.

715 In reply to that, I think this is a wolf in sheep's clothing. I think this is the first piece you would have to do. If you are going on a route of privatisation, you first have to get it commercialised, which is exactly that.

720 The difficulty you are going to get, and I will jump straight to that bit now then for Deputy Kazantseva-Miller, is that you have got the Ports who have got a substantial amount of work that they need to have done. They are going to be looking to what silver they have got in their kitty to use, what leverage they have got, and that is going to be, I would think, probably selling things, probably giving very long leases on our land, and I can see the Ports being cash-strapped, looking at all their assets they have got with regard to going much further than we would like as the States. I could see the Ports being basically sold off and then, for the next 50 or 100 years, we are going to  
725 be held to ransom. That is what I see.

My history in this, and it is unfortunately for everybody else here is why I am here, is because the privatisation or the commercialisation of Guernsey Telecoms, which was sold back in 2003, and I was –

730 **Deputy St Pier:** Sir, point of order.

**Deputy Brouard:** Point of order, Deputy St Pier.

**Deputy St Pier:** Deputy Brouard appears to be straying considerably away from the sursis  
735 motivé.

**The Bailiff:** That is probably right, Deputy Brouard, that this debate has to be focused on the sursis motivé, other matters, even though they are touched on in the explanatory note, do not necessarily apply to the wording of the sursis motivé. So can we focus on that, please?

740 **Deputy Brouard:** Yes, thank you, sir. That is a fair call.

One way or the other, I do not think we should be commercialising Guernsey Water, the Ports or States Works. With the commercialisation, if you want Guernsey Water to run as a business, why would you want to extend a pipeline to the outer edges of Torteval? It is not cost-effective. Why  
745 would you want to run the sewerage carts? It is probably not cost-effective, so you would stop doing it.

We are a Government providing services to our Island community. We are not a business looking to make money. If you start to move to a commercialisation package, you are going to have all the pressures to make sure that that particular entity makes funds and washes its face. We do not do  
750 that as a Government. We want to make sure that everybody has clean water.

One of the issues that we are going to have to address as part of the review, whether that is going to be through the sursis motivé or when Deputy Roffey comes back through Guernsey Water for the business case to be incorporated, is how are you going to regulate it? Where are the regulators going to come from? Who is going to pay for that? Because we would need to beef up  
755 our regulation because they are now at arm's length. They are not part of the Government. So all that needs to be taken into account both from the sursis and also from the main policy letter, because the regulator at the moment has not got the teeth that it would need if you are regulating another body.

All these other layers all need to be taken into account. States' Members, please advise me which  
760 way I need to vote to make sure that we just do not have commercialisation as a road to privatisation.

Thank you.

**The Bailiff:** Deputy Vermeulen.

765 **Deputy Vermeulen:** Thank you, sir.

In business, one is used to making informed decisions and to help your decision invariably there are up-to-date figures on performance of things that you are discussing. That could include the figures for the Ports, the trading figures for the airport, the trading figures for the harbour. Now, I have asked yesterday Deputy Roffey for some information and I did not really get much information. The accounts are not out. It is 21st March today and we still have not got the trading figures from last year. We do not know whether Aurigny has made a profit or a loss or broken even or none of the above. So that is a problem.

As Deputy Murray touched on when he introduced his sursis, there has been wide unrest from the port users, people with marinas and marina berths, the Boat Owners' Association, with fees going up 30% for their mooring fees and that money being transferred to stem the losses up at the airport.

**Deputy Roffey:** Point of correction. No money has been transferred from the harbour to the airport. The airport subsidy, which is far larger than I would like it to be, has come from one source and one source only and that is general revenue.

**Deputy Vermeulen:** The fact remains that the old harbour is in a poor state of repair and certainly does need those improvements carried out. If we look at the marina facilities at the St Peter Port Harbour for visiting yachtsmen and compare it with perhaps another Island just 10 minutes' flight away from here, there is significant room for improvement. We are quite dated in our offering.

So could it work? Could it work incorporating different entities? Well, I am all for improving the way we operate things like the Dairy and, again, you try to help, but it is not really listened to. We were talking about how much cheese is as a percentage of the turnover of the Dairy, the small percentage, and that is why we are not making it anymore, but scratch a bit deeper and you will see that we are not spending enough on marketing. We should be spending 5%, not 0.5% of the turnover on marketing of the dairy. So perhaps if we spent the right amount, you would have more profit.

Maybe, if you do privatise, like the Post Office, if you get more business-minded people on the –

**The Bailiff:** Point of order, sir.

**Deputy Vermeulen:** Maybe you do get more profit.

**The Bailiff:** Point of order, Deputy Taylor.

**Deputy Taylor:** 17(6), I am not sure the relevance of this to the sursis.

**The Bailiff:** Deputy Vermeulen, there is no reference to the Dairy in the sursis motivé or indeed in the Propositions.

**Deputy Vermeulen:** I was talking about boards, States Boards in general, sir, giving an example.

**The Bailiff:** You may have been, but I am saying to you, debate has to be limited to the terms of the sursis.

**Deputy Vermeulen:** Okay, thank you.

So another example of perhaps where things could be done better, if for instance the airport was in private ownership, like London City or Heathrow, I am pretty sure the private operator would not be shutting the airport as flights were approaching to land like we had last year. I am pretty sure it would be operated in a completely different *modus operandi*.

**Deputy Soulsby:** Point of order, sir.

**The Bailiff:** Point of order, Deputy Soulsby.

**Deputy Soulsby:** It is interesting to hear Deputy Vermeulen's cogitations over this, but we are not talking about privatisation, certainly not in the first instance, but it is about commercialisation.

**The Bailiff:** It is about commercialisation, Deputy Vermeulen. It is fair to say that it has already been referred to that there might be a step towards privatisation –

**Deputy Vermeulen:** It has, and that is –

**The Bailiff:** You were talking about the Ports, and to that extent you can continue.

**Deputy Vermeulen:** Thank you, sir.

Yes, it is a good example, incorporation, moving into privatisation, it might happen, but it is just an example of how things are run on a more commercial footing.

So there we go. I am in favour of the States' entities being run far better, less losses produced, on a more commercial basis. I am going to support this sursis, because I do not feel I have got enough information, and I am surprised it has come before the Assembly without even looking at the things which Deputy Murray is suggesting that we so badly need. So I will be supporting the sursis, sir.

Thank you.

**The Bailiff:** Deputy Leadbeater.

**Deputy Leadbeater:** Thank you, sir.

I certainly will not be supporting this sursis. Let us look at the sursis:

Sursis the Propositions and to direct the States to return, having undertaken a full assessment of the impact

blah blah blah. But surely that is what this work that we are being asked to do will involve. Because, as Deputy Roffey pointed out, if you look at the Proposition, the Proposition is to agree that Guernsey Water should be the first business to be incorporated by 31st December 2027. That is nearly three years away. There is a long way to go before the first company, the first trading asset is to be incorporated. Because it is not a mooring fees debate. I do not want to turn it into anything like this. There was concern from boat owners and from Deputy Vermeulen about cost of mooring fees, etc.

But there is a long way to go until the Ports come into this piece of work. All the sursis is going to do is delay it. That is all it is going to do. It will happen. So why do we not just crack on with it now? We are going to have another bite of the cherry in the next Assembly. This is going to be returning to the next Assembly. Deputy Falla, I think it was, was concerned about Guernsey Water will stop emptying cesspits. They have an obligation to do that. They cannot just stop doing it.

This is not about privatising; it is about commercialisation. There is a difference, as has been pointed out. If the Deputy Brouard's concern is about commercialisation is the first step and then privatisation, well the other trading assets that have been incorporated have not been privatised, and I cannot see them being privatised. I really cannot. Because I would share the same concern as him if that was the ultimate goal was to privatise everything. I do not think we are quite ready for that yet. But this is not what we are being asked to do in the policy letter.

I really do think that we need to dispense with the sursis quickly, debate the policy letter, agree the policy letter, and let us move on, because we have got loads of inefficiencies. The States cannot run businesses. The States do not do running businesses at all. There is too many tiers of

870 management right the way through. Too many costs which get passed down to the end user, to the customer. Give them the opportunity to cut all that out and run like a proper lean business that can provide a really good service and in a cost-effective manner. Not like the losses that we see across our trading assets at the moment.

875 So, if we can dispense with this can-kicking sursis and get on to the policy letter as soon as possible.

Thank you, sir.

**The Bailiff:** Deputy Kazantseva-Miller.

880 **Deputy Kazantseva-Miller:** Sir, I want to cast the Assembly's memories to the Machinery of Government Review. I appreciate 50% of us were not there and others may help to offer a bit of the narrative. But the previous Machinery of Government Review that was completed in 2016, and the work for that undertaken prior to that, established the States' Trading Supervisory Board. Very much as part of the Machinery of Government changes, the principle of establishing the States' Trading  
885 Supervisory Board was to offer a pathway for the trading assets of the States of Guernsey to be put on a more independent and commercial setting.

With that in mind, the unincorporated businesses, one of the key steps that they had to undertake following the Machinery of Government Review was to establish first of all the boards where you had the political representatives, the leads, and also to appoint non-States' Members.  
890 That was undertaken, that was started being undertaken, and I was lucky to be a part of that early journey 2019-20 when I was appointed to the Board and where Deputy Ferbrache was the lead, this STSB lead. It was Deputy Roffey before and he was the Chair of the Guernsey Ports Board.

That Board had a non-States' Member, a voting member together with Deputy Ferbrache, and at that time, two advisers, as we were called, were appointed. So very much the principle of the  
895 Machinery of Government and the creation of STSB was to start gradually that process. My understanding when I joined was that was very much a pathway, a process where, while we would be effectively non-voting advisers with the rest of members except Deputy Ferbrache and non-States' Member at the time, but it would be a pathway where you would establish a more proper board of directors responsible. That was the direction of travel.

900 So, when we talk about the in-principle, I am absolutely behind the in-principle that where we have got proper trading assets with clear commercial boundaries, that we should be moving them in the right direction of travel, which is that of becoming more independently run. That does not mean they are going to be sold off. That absolutely does not mean that. It means there will be a tighter balance sheet, profit and loss boundary. You will have a board of directors responsible for  
905 running them.

This to me is the core principle of why, whether it is the right direction of travel or not, because if you do not in-principle agree with that, can you demonstrate any evidence that retaining those assets within the States is providing for better management, better efficiencies, better allocation of capital, better everything?

910 Unfortunately, I do not see any evidence whatsoever that retaining trading assets within the States, within a big Machinery of Government, within effectively a body of 5,000 workers with all the complexities of running that, all the competing priorities, is the right thing to do. We have got absolutely no evidence that it is the right thing to do. It is not done in many other countries. Just look at Jersey, they have incorporated pretty much, I believe, all of their trading assets. They do not  
915 have trading assets remaining effectively a department of the States of Jersey.

Deputy Roffey gave some good examples of how, for example, the Guernsey Post have been able, because of being more independent, to adapt, to innovate, to acquire businesses. Just look at what the Ports of Jersey have been able to do by being more independent. They have also acquired strategic businesses. They acquired Woodside Logistics and want to play a much more strategic  
920 role and were much more involved with the tender process. They have undertaken a multimillion digitisation and innovation project and they have got very ambitious plans for development.



Can you just imagine trading assets locally and incorporated being able to take M&A activity or undertake themselves multimillion digitisation projects? It just does not happen. If Members still do not see how we are constraining our trading assets by continuing to retain them within the States of Guernsey, I really think we are losing the plot.

So, absolutely, the principle of commercialisation or incorporation, to me, the core of it is endorsing the basic principles of subsidiarity. We try to undertake the principles in other parts of public service, such as Deputy Dudley-Owen talks about the principle of subsidiarity, about delegating decisions to the schools, to the right level of decision-making. To me, at the core of the concept of incorporation is the core principle of subsidiarity, which we continue pushing by ensuring there is a more clear commercial boundary and decision-making and responsibility boundary around those trading assets.

Members, when we were given the presentation of the Fiscal Policy Panel just a couple of weeks ago, where they mentioned about the need for us to invest up to 3% of GDP into capital expenditure. What they also said is that that should not really also include the capital expenditure by trading businesses, because typically in other markets that kind of level of expenditure would be undertaken by private sector companies. But in the capital expenditure that we spend, currently that actually includes a capital expenditure by trading assets, but it should not. The point of that, if we continue including the trading assets within our public expenditure boundaries, we obfuscate actually the real need for how much capital expenditure we do need to undertake on the Island.

I was slightly surprised by Deputy Fallas's intervention because as the member of Committee of Economic Development, where we have been extremely supportive of the concept of subsidiarity and trying to enable third-party organisations to really drive agendas, that he does not seem to be supportive of that principle, and he thinks that potentially the assets are better off in the States. He did mention that, well, if the problems are – I give way to Deputy Falla.

**Deputy Falla:** I do not think that is what I said. What I said was I supported the certainty because I think certain elements of this need to be looked at in more depth to provide us with better information before we make that decision.

**A Member:** Hear, hear.

**Deputy Kazantseva-Miller:** Deputy Falla did mention that if the problems are the internal processes, let us change that. Well, I do agree with him, but there is so much that needs to be improved and changed, that should not come at the expense of taking the right direction of travel with some of their assets. I absolutely agree with him, but it is not in replacement of what could be done and should be done in relation is the sursis better than the original Propositions. Because you can always vote down the original Propositions as well if you are fundamentally in disagreement with some of the principles, like Deputy Brouard maybe and has consistently been against the principle of commercialisation, or really what he is against is the principle of privatisation, I think.

The question is, I think the key aspects that have been raised in the sursis by Deputy Murray is whether you are in principle in agreement whether it is the right direction. Also the second point around the amount of work that needs to be done.

In terms of the second point, absolutely, there is still quite a lot of work that needs to be done, but that kind of work will be done as part of the process of figuring out, well, how would incorporation work work out? What would two-pillar look like, etc.? So I think as part of that work, that work will be done, and it is exactly what I think Deputy Leadbeater also said.

Now, I think the second question is in relation to the in principle, because we are also talking that it should be in principle Guernsey Water, Guernsey Ports and States Works. As I said, I absolutely agree in principle that should be the direction of travel. My concern probably currently is with Guernsey Ports. I am still not fully decided whether the Ports should remain as one or should be separated. There are a number of things that we could look like. I do not think that is Proposition

1. So I am talking sursis, in relation to the Propositions, is too prescriptive. That it is saying, well, if we are undertaking the work, it is the work around keeping the Ports together, etc.

975 I do not think it is too prescriptive that that is what it is saying. I think there is room for exploring a variety of options, how Guernsey Ports – how that work could be undertaken. To me, absolutely the key thing I think we should get out of today is that some work, some very concrete direction of travel needs to take place. To me, the most important Proposition that I think we need to make sure happens is Proposition 2, that there is a very clear direction of travel that the work on Guernsey  
980 Water should start in principle, and a lot of that investigation, etc., will come out from that.

I think in terms of, one, I would like to hear from Deputies Parkinson and Roffey and others that there is room for actually looking at a variety of possibilities, especially how the Ports are taken forward. But I think it is secondary.

985 While I do appreciate the core of the argument that actually a lot of work has to be done, absolutely, but I think it is exactly that work that will be done. The work on the GDA and the future GDA land transfer and plan is being done anyway. The work around looking at the airport subsidy and the cost base of both the airport and Ports should be done anyway, but I think that should not restrain us making an in-principle direction of travel that Guernsey Water should go ahead.

990 So I think with this in mind, I think the concerns relayed in this to receive very valid concerns, actually will be taken into account as part of that investigative next stage work. I think with this in mind, we should not support it, but should continue with the original Propositions and a decision to make sure the work progresses.

Thank you.

995 **The Bailiff:** Deputy Trott.

**Deputy Trott:** Thank you, sir.

1000 That was a thoughtful and very interesting speech from Deputy Kazantseva-Miller. Now I hope I do not stray outside of the sursis here, sir, but I think it is important to remember what has happened to this community over 25 years. When I and others first came into this Assembly, we used to save to spend, but that was a fairly easy thing to do because we had enormous surpluses, we squirreled it away into various pots, and it was not really a case of if we were going to spend it, it was how and when.

1005 That was then, this is now, we do not have those surpluses anymore. So increasingly we need to spend to save, and increasingly we need to spend to grow, and Deputy Kazantseva-Miller talked about the Fiscal Panel's view on that.

1010 Now, invariably and inevitably, we will need to borrow in order to fill the funding gap, and that is in effect the crucial factor in this incorporation journey. It would be wrong of me to describe it as otherwise. That independence will allow access to capital in a way that would not be the case if these entities remained exclusively under States' control.

1015 Now I would like to refer, if I may, to P&R's letter of comment because, generally speaking, P&R supports the concept of further commercialisation. But the next Committee, sir, as we know, will be carrying out a fundamental review into the services that we offer. It is vital that the States does not simply pass cost burdens on to the public and significantly increase the financial pressure on local households. It does not necessarily follow that additional borrowing or access to additional borrowing will result in additional burdens on households because with that extra borrowing comes efficiencies potentially and with those efficiencies comes an ability to mitigate against the cost of capital which is ever-present, and the cost of capital necessarily passing on to consumers.

1020 However, while the Committee support incorporation in principle, the amount of work required before any service is incorporated should not be underestimated. I am still quoting from the letter of comment.

These points have, or the Ports I should say, have significant capital requirements, including a maintenance backlog and current and historical deficits. Now we are not talking about that specifically but the reason I mentioned it is Deputy Parkinson made the point about the

1025 commercialised model that is Jersey Ports that requires £400 million worth of investment over the next 10 years. In a linear calculation that would be £40 million a year. That is pretty much the levels that we will be spending on everything to do with infrastructure in Guernsey over the next two or three. These are very significant numbers.

1030 But in these circumstances, incorporation would not be possible without a significant recapitalisation. In other words, there is an inevitable cost associated with that. Now, Guernsey Electricity and Guernsey Post are successful businesses, but it did not happen overnight. There was a journey for them to get to the situation they were at. In fact, Guernsey Electricity suffered a regulatory battle that went on over many years as to whether they should borrow to fund capital investment or use up their resources, which included, of course, raising the cost to the consumers.

1035 That was the regulatory thrust. So cost to consumers followed because it needed to happen that way under the eyes of the regulator rather than the country.

The key thing here is that the user pays exclusively over General Revenue pays partly, and by that I mean that currently, and Deputy Roffey intervened, the model that Deputy Vermeulen was talking about was how it used to be when we had a Ports holding account. It fell within the domain

1040 of the Board of Administration. There is no question that the Ports very heavily subsidised the airports. I was there, I can confirm it was a fact, whereas now it is General Revenue. It is not the user, it is the taxpayer, and there is a difference between someone who turns on the tap every day and pays virtually no tax, if any, and someone who of course who pays a lot of tax and, as a consequence is cross-subsidising.

1045 I think the majority of the Policy & Resources Committee are going to support the sursis, but I am not. I am not going to. No disrespect is intended. I give way to Deputy St Pier.

**Deputy St Pier:** Sir, I am grateful to Deputy Trott for giving way, again to pose a question that he can respond to before he finishes. I am a little surprised to hear that he thinks the majority of

1050 Policy & Resources will support the sursis, given Deputy Roffey's recollection of the meeting with the Policy & Resources Committee where he indicated that perhaps Deputy Murray was the most sceptical, the rest of the Committee were urging the STSB not to allow it to be kicked in to the next term. Is that also Deputy Trott's recollection? And what has changed?

1055 **Deputy Trott:** I do not recall that meeting with the clarity that I should. I am wondering whether I was actually there or not. Was I there?

**Deputy Roffey:** If it helps, it was Deputy Trott that articulated the particular view that we should make sure we got this to this Assembly.

1060 **Deputy Trott:** Good. Well, I am delighted my view has not changed. But I think what that does is it shows you just how much we have been dealing with this calendar year. It has been extraordinary. And I have noticed, I have started to make some mistakes as a consequence of the workload. I know it is rare, Deputy St Pier. I can understand that incredulous look you gave me. But

1065 it does happen when we are as busy as we are. I am delighted that my view has not changed.

However, lots of other inputs have occurred since that meeting. So I can understand how colleagues may have modified their view. But I intend to vote against the sursis, because I think that increasingly I do not think we have options. I think this is the way forward. I think it will gather momentum in the years ahead. I think it is a natural consequence of us looking for efficiencies

1070 everywhere, particularly on the back of falling reserves and challenging deficits.

**The Bailiff:** Can I invite those Members who wish to speak in debate on the sursis, which does not extend to Deputy Parkinson or Deputy Murray, to stand in their places? Deputy Le Tocq, of course, is the seconder of the sursis. Is it still your wish, Deputy Ferbrache, that I put a motion?

1075 **Deputy Ferbrache:** [inaudible]

**The Bailiff:** Thank you very much. In that case, the motion proposed by Deputy Ferbrache pursuant to Rule 26.1, that there be no further debate other than hearing from the final two Members. Those in favour; those against?

*Members voted Contre.*

**The Bailiff:** I think I can declare that lost.  
Deputy Matthews:

**Deputy Matthews:** Thank you, sir.

I intend to vote for the sursis. I do sometimes find Deputy Murray's approach cautious to a fault with regards to some of these big decisions that we have to make but in this case, I think, it is justified to engage a little caution and to allow some time to consider the content of the policy letter from STSB. There are a few different reasons for that. Some of which I accept the sursis would have an effect – may not have an effect on and could continue anyway, but others I think it does.

One of them I think that has been mentioned on the Environment & Infrastructure Committee is the issue of water regulation. I think there are some concerns around that. I do accept that those concerns could probably be addressed anyway in the course of the process of commercialising Guernsey Water. But I think that they are serious concerns that do need to be addressed. Exactly how the regulation works is of interest, because we all drink water and we all want it to be safe.

But one where I think that the sursis really does engage is the issue of Ports commercialisation. I am of the view that there is some real value in separating out the harbour and the airport. I really do not think that they are similar businesses. They operate on completely different terms. They have different work to do and it would be very valuable, I think. Part of the usefulness of commercialisation is to be able to separate businesses out so that you can see what their costs are and how they are performing as individual entities.

There has been a lot of discussion about harbours and airports and whether there is one cross-subsidising the other. I give way to Deputy Roffey.

**Deputy Roffey:** Can I just draw to Deputy Matthews's attention to the fact that separate accounts are produced for the seaports and the airports, so you can see exactly how they are performing as individual entities?

**Deputy Matthews:** I accept that point. My point is that separate management and separate organisation of the two, I think, would clearly delineate the two entities. I do not see that there is any real downside in doing so. I accept there is a potential issue of scale and perhaps you can combine them as Jersey has done. But small businesses can operate effectively as well. I think there is a real usefulness there in being able to examine whether or not the airport and harbour should be separated.

A few people mentioned privatisation. I know this is not about privatisation, but commercialisation certainly was in the past seen as a potential route towards privatisation. I think that view has changed over time, partly because Guernsey Telecom's privatisation was not very successful. But if we are now looking at commercialisation as an end in itself, then I think that that is a useful thing. I think commercialisation is a very valuable way of running things. I have worked for a long time at Guernsey Post; I think it is run very well. I do accept also that the value in that – Deputy Kazantseva-Miller, who is not here now, made a good point about CAPEX remains on the States' balance sheet where it can be incorporated into a trading entity's balance sheet, if it is commercialised. I think that there are some questions possibly to be asked, and the STSB and perhaps Deputy Roffey might, in his summing up of this sursis, explain does he see commercialisation as an end in itself?

**The Bailiff:** Deputy Gollop.

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**Deputy Gollop:** Yes, we must be disciplined and stick to the sursis, even though I thought actually Deputy Brouard made a curiously interesting case about privatisation. We have got to concentrate not on whether we support greater commercialisation, but on why we are supporting the sursis today. I am one of the members of P&R who actually do support the sursis, because I am

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sceptical of some of the arguments made about commercialisation, but realise others, such as those pertaining to Guernsey Post, have merit. Although more details about how their pensions have worked out, I do not know.

I would say that there are many arguments, some of which have been made already, to support the sursis. One is Deputy Trott actually made an interesting contribution and Deputy Kazantseva-Miller on the nature of capital and whether that is included within our expenditure for infrastructure because they are Government owned. My point is that you always have to factor in the cost of capital, and I am not sure that is very well done in this policy letter. Because the policy letter looks ahead to the long term but in practice only talks about profits and losses in cashflow in the 2024 Budget, and that bemuses me a bit because we need to focus on the

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longer term.

I think there is further merit in floating the idea of water and electricity working together –

**A Member:** They work really well together.

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**Deputy Gollop:** Yes, and creating a charged situation or maybe administrative means. I think the argument they are too busy with the Energy Strategy, is not a very strong one.

I too have sympathies with looking at separating the airport and the harbours for various reasons, but I think that this policy letter, although it sets a vision, is all over the place. Coincidentally, when you go back in time, we have had at least 12, 13 years of this, and in 2012, the outgoing Public Services Department, led by the Deputy Chief Minister Bernard Flouquet, put forward a policy letter, and again, just like this, it was in the last few weeks of a dying States. I think one of the strongest reasons to support the sursis is the democratic deficit, because we are finishing off our terms, and yet we are setting forward, as Deputy Roffey said, supposing two thirds do not want it. Why are we saying yes, to it – it did not work before – when that could easily be overturned. I do not see the merit in doing this so quickly. Because a lot of thought needs to go into – I will give way to Deputy Oliver.

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**Deputy Oliver:** Thank you, Deputy Gollop.

On that basis, then why are we debating anything because the States could overturn everything next term? I do not get that logic. That logic does not sit with me.

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**Deputy Gollop:** Well, I actually think the same logic will apply to the next policy letter on the DPA, but we will not go into that one now.

Yes, but if in the first few weeks, first few months of a term, you set out a course of direction then there is a reasonable expectation, if it has a substantial majority, it will go somewhere. If it is done in the last few weeks of an outgoing term, there is a greater likelihood of U-turns and even, as we know, dozens of resolutions being not implemented.

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I think also what P&R are looking for is further clarity. Well, I am anyway. I think sometimes the role of the stakeholder is about delivering value for money, which is the usual situation in the commercial world, but also there are social considerations, community considerations, environmental considerations. You are doing politics without the politicians, and I think that is one of the problems because the public hold us to account, but we are getting further and further removed from actually implementing change.

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A lot of the benefits of commercialisation that are cited could be done in our existing structure. The policy letter, too, makes reference to their concerns over the corporate services function and

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human resources and pay negotiations. Well, hang on a minute. I happen to know, having had part of the payroll recently, that some of the workers in the States who work for, I do not know, Works, Water and Ports are among the lowest paid members of our workforce. I am not too sure there is commercial opportunity to reduce their pay further.

1185 On the other hand, we also know, both perhaps locally and certainly elsewhere, that costs can increase in terms of board directors, and I know Deputy Mahoney always says we have too many board directors on some of these entities, and so on. That is not particularly clear either.

You could end up with a situation where we are out of step. I mean, what has changed in the past year? Apart from the return of Donald Trump and changing markets, we have actually seen a  
1190 new Government elected in the United Kingdom, and talk of reversing moves on Thames Water, British Rail, all sorts of things, National Health in a funny way. Although that is a different – actually, Deputy Leadbeater made a point that, because he clearly wants to get on, and I understand his call for efficiencies and would support individual policy letters on particular ranks, but he is a very senior political figure, Vice-President of Health & Social Care. They are not just a policy and service  
1195 deliverer. They have commercial activities within them, not just tests, but the restaurants, the refectories, the care service, the laundrette. We have the biggest laundrette in the States.

So some of the logic he applies to the commercialised entities could logically be done. There are many reasons within Deputy Murray's speech, and to a certain extent the overall views of Policy & Resources of needing more advice, legal advice and looking at capital funds, but the very best  
1200 reason Deputy Murray puts forward is the cost to the consumer. Because there is no purpose in our community in reducing the cost to the taxpayer and then just putting it on to the consumer, because not only are they one and the same people in many cases, but the consumers are often more vulnerable, or they are commercialised entities that need all the help they can get.

Even comparing us with Jersey is a tad unfair. Not only do they have a different tax base and government structure, but more to the point, they have a population of, I do not know, 40,000,  
1205 bigger than – I will give way to Deputy Kazantseva-Miller.

**Deputy Kazantseva-Miller:** I thank Deputy Gollop for giving way, but would he not agree with me that a more efficiently run trading asset could very much lead to a reduction in the cost of  
1210 delivering services to the consumer because that is exactly what this is trying to achieve?

**Deputy Gollop:** I would hope that would be the case. I am not sure we have seen that in telecoms and various other areas, for example, and that of course went through a pre-stage process, it went by commercialisation to privatisation. I am not sure we have seen that in every other area.

1215 I think one of the other problems with the policy letter is it is not clear, Deputy Matthews has already alluded to this, the role of regulation. Policy & Resources in our letter suggests we need regulation for water of some sort. The policy letter implies otherwise, so there we have a problem. And the efficiencies Deputy Kazantseva-Miller refers to are easier to achieve in Jersey than here, not only because they have a different structure of government, but they have a larger population  
1220 40,000 or 45,000 more. We have to bear that in mind.

I would like to see those efficiencies but not at the expense necessarily of the workforce or of the more vulnerable consumers. I will give way to Deputy Roffey.

**Deputy Roffey:** I thank Deputy Gollop because twice he has given the indication that one of the motivations might be to pay staff less. That is not the motivation at all. The agility that I am talking  
1225 about is that, for instance, let me give him an example. It took months to persuade central HR to be able to pay electricians a little bit more at the harbour so that we could recruit some, so we would not have to spend a fortune outsourcing to private contractors. We got there in the end.

1230 But if this had been a commercialised business, that would have been done, the savings would have been made, they would have taken a commercial view on things. We are certainly not trying to drive down people's wages. That is not the point.

**Deputy Gollop:** I might be wrong in saying this, we have seen that elsewhere. But the policy letter does allude to the kind of issues Deputy Roffey has mentioned about a form of bureaucratic restrictions, shall we say, in terms of human resources and corporate services and those, if they exist, are affecting every aspect of the States. Maybe the issue is not about fast-tracking commercialisation, but is actually looking at how we manage those services more efficiently and effectively, and driving change within them. That, literally, is partly a Policy & Resources issue. But I think we have to focus on that. The report wants efficiencies, it admits they might not be there in the Dairy. There is uncertainty about Works. There is uncertainty about Ports and airports. There is a case, I accept that. But nowhere within the report can I find a meaningful projection of how much capital is needed and how much cost of capital. I go along with other Members who say this report really needs a greater definition of the capitalisation or recapitalisation that is needed.

So bearing in mind the potential rise of cost to the consumer, the recapitalisation issues, the uncertainty of the stakeholder role, the uncertainty of the regulatory role, I think – and the fact that we have come to the end of this term and we cannot work on those issues over the next year, I think that is a good reason to support the sursis. But that does not mean to say I do not want to drive efficiencies and do not want a more entrepreneurial spirit across the States.

**The Bailiff:** Deputy St Pier.

**Deputy St Pier:** Thank you, sir.

I agree with Deputy Oliver. I think the democratic deficit argument is completely flawed. There is so much business that any States considers at any stage in its life, which will appear in the next States that we would be completely paralysed and fail to make a decision on anything. I cannot possibly support this sursis. I think it is an appalling and pointless delay. It is really directly that further work be done that either has been done or will be done as part of the next stage.

I was reminded of Deputy Helyar's comments a couple of months ago in this Assembly of all the reasons why things do not get moved forward. Perhaps the only thing that is absent from this sursis or the explanatory note is a reference to human rights Law (*Laughter*) and the need to consider that. But no doubt actually that will form part of the work as it is undertaken.

I do raise the question of those that are moving this sursis, in relation to where on earth the funding is going to come from to do it. The Rule 4(1) note is that there are not expected to be any direct financial implications to the States for carrying the proposal into effect. So presumably the presumption is, is it going to come indirectly from the States' Trading Supervisory Boards' assets, the trading entities themselves. That is not clear. Deputy Roffey, the President of the Board, does not know.

But it is incumbent on those moving this sursis to explain where it is going to come from and indeed how much it is likely to cost, indirectly. The Vice-President of the Committee, Deputy Parkinson, has already indicated to us, as is clear in the policy letter that the £500,000 for the policy letter's work is expected to be borne by those entities. There is every reason to expect that the sum would be at least similar, but without having moved us further much further.

It is extremely disappointing that two senior members of the senior Committee have prepared this sursis at late notice and in accordance with the information at Rule 4(1)(b) there has been no specific consultation with stakeholders or the STSB. That is, I would suggest, poor planning, at best, on their part.

Deputy Brouard has been very clear and consistent on this, as he is on a number of issues that come before the States. He does not believe that these entities should be commercialised. My advice to him, sir, is not to support the sursis, but to vote against the substantive Propositions. To support the sursis, in the position he is in, would be, I would suggest, sir, with respect, irresponsible. It is going to incur further expense for absolutely no good reason, because, he, if he were here, would have no intention of supporting it at the next stage.

I think the Board are absolutely right in their policy letter that they are seeking the authority to proceed further:

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If Members do not wish to proceed any further, and that is a legitimate, albeit in my view the wrong decision, then they should prevent any further resources being devoted to this matter at this stage.

The way to do that is not kicking it down the road for further work to be undertaken, but it is to vote against the substantive Propositions. The final part of the explanatory note, the final paragraph, I think, had me, and I suspect it might even have had Deputy Helyar, chortling quietly to ourselves:

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It is not anticipated that delaying the States' decision would significantly delay any eventual incorporation.

Who on earth do we think we are kidding with that statement? It is inconceivable that if this sursis passes today that the original timetable set out in the policy letter that Deputy Parkinson presented earlier will not be delayed. I think that I challenge the basis of that statement in the explanatory note. I do not see how it can possibly be correct. As you can see, sir, I am not an enthusiastic supporter of this sursis. I do not think the arguments that have been presented so far remotely provide sufficient cause for supporting it.

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The work has been done. It has been clearly presented. It is now incumbent on Members to be bold and to be courageous, to pick one of Deputy Le Tocq's phrases, and make a decision one way or another: do they wish to proceed to the next stage or not?

1300

Thank you, sir.

**The Bailiff:** Deputy Le Tocq.

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**Deputy Le Tocq:** Thank you, sir.

I will try to be brief and keep to the topic of the sursis. I will try to numerate the reasons why I have been happy to support and indeed second this sursis motivé. Firstly, unlike Deputy Brouard, I am generally one who is, in principle, in favour of the idea of commercialisation. However, I think there is a timing for all things, particularly because of the way in which this has come to us – and, to be frank, sir, I was disappointed with the results of the work that have been done so far.

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Where we are in our economic cycle, I do not believe that this is a good time to be making this in-principle decision. I think there are far more important things that we should be concentrating on. Secondly, sir, Deputy St Pier is correct, originally my intention would have been to vote against the Proposition, but that would have been difficult, because I am in-principle in favour of that move. But I do have some concerns.

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Those concerns, sir, are because we are suboptimal, in terms of size, and because historically – I was one of those on the old Treasury & Resources Committee who had to be parachuted in when the Post Office, at the beginning of its time of commercialisation, went through a very difficult patch of a couple of years. I really do not think that we want to assume that commercialisation in every instance is immediately good news, because it is not.

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Even those entities in the UK that have moved and are bigger in terms of commercialisation and perhaps eventual privatisation, but nevertheless, sir, they have not been unmitigated successes. I have reservations about the way in which this has come about. If we were living in different times, I would perhaps be much more content to move forward and realise that we had a rough road ahead. But I do not think this is a priority for us now. So perhaps Deputy Brouard and I have that in common.

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The timing issue, sir, is my most serious concern. Therefore, sir, on that basis, I think this is the right thing to do at this time. I think we have the resources to be able to continue to look at the work and particularly as to whether or not to proceed, but not at this juncture, particularly not at the end of a term.

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**The Bailiff:** Deputy Dyke.

**Deputy Dyke:** Thank you, sir.



1335 I am torn on this sursis. I think I am going to wait to hear from Deputy Roffey to a particular point I want to make. In principle, I am in favour of the commercialisation. I think it is a good idea. The move of things like IT, HR, employment to the trading companies, under their board of directors, I think can be very efficient. We have seen, I think, a very good performance at the Post Office against terrible headwinds. In principle I am in favour of looking at this. I can see there are some issues, which no doubt we can debate in the main debate, if we get there.

1340 I am really worried about the Ports; I do tend to the view quite strongly that they should be separated. I am not really happy with the rationale in paragraph 8.3.8 as to the synergies between them. In my view, at the moment we have a very big pyramid, management at the top, various layers, airport there, seaport there. I think we could probably, if they were separated, stick with two smaller triangles, one for each outfit, of staffing. I think it could be better.

1345 At the moment, I am desperately anxious as to how the airport is being run and why we were left with pretty much no proper runway that can serve to grow our economy. I think that is a very serious issue. My concern is, Deputy Kazantseva-Miller gave us an analysis that she thought that Proposition 1 would cover splitting the airport from the seaport. I think she is probably right. In his summing up, could Deputy Roffey kindly confirm that that is right (*Laughter*) and, if he confirms that – or he could confirm it now if he wants.

**Deputy Roffey:** Simply because I will not be summing up, sir. (*Laughter*) So if he wants to hear from me –

1355 **Deputy Dyke:** Oh, sorry. Sorry, yes.

**Deputy Roffey:** Yes, the fact that – it is very simple, we as the current STSB see that incorporating the Ports as a single entity would be more cost-effective than separating them, but there is nothing in these Propositions that prevents them being incorporated as separate entities when the report comes back next year. The only other thing you are being asked to really drive forward in more detail is incorporation of Guernsey Water. The Ports issue, if the majority of the States in the next Assembly think that we are wrong on that issue and they want the businesses separated there is nothing that you are going to vote on today that will prevent that happening.

1365 **Deputy Dyke:** I thank Deputy Roffey for his intervention. I think that is all I have to say, sir. Thank you.

**The Bailiff:** Deputy de Lisle.

1370 **Deputy de Lisle:** Sir, I have to agree with Deputy Murray that we need a full impact assessment on the States of Guernsey, the States' Trading Group and Islanders, the consumers. I am pleased that Deputy Murray and Deputy Le Tocq have placed this sursis. Sir, too often the States have taken this direction: going ahead without key socioeconomic evidence; putting, if you like, the pen to paper with a motion, which is then very much more difficult to undo and erase in the future. Sir, this is putting the cart before the horse, let us put it that way. We need the evidence in going for incorporation first before agreeing to incorporation of these businesses.

Thank you.

1380 **The Bailiff:** Deputy Queripel.

**Deputy Queripel:** Thank you, sir.

1385 Sir, I came into the Chamber today totally undecided on which way to vote on this. Whenever I am undecided I listen very closely to the debate in the hope I am going to hear a speech or a point that nails the whole issue. We have had some excellent speeches from both sides. After Deputy Falla had spoken I was convinced I should support the sursis, but when Deputy Leadbeater spoke he

convinced me I should vote against the sursis. And other Members have made excellent speeches both for and against since then.

So I feel I am on a swing at the moment, and I never liked swings, they made me feel ill. I am still hoping to hear the speech or the point that absolutely nails the whole issue in relation to the sursis in front of us. Maybe Deputy Murray will be able to provide me with that point when he responds, or perhaps Deputy Parkinson. But I am always conscious of what former Vale Deputy, the late Graham Guille, often said during debates when he said, 'It is not always about what it is supposed to be about.'

So with that thought uppermost in my mind, I am in the same camp as Deputy Brouard on this, because I share his concern that this could lead to eventual privatisation. So if I do not get that point that nails the whole issue one way or the other, then I will have no choice but to abstain, because I will not be convinced one way or the other.

Thank you, sir.

**The Bailiff:** Deputy Moakes.

**Deputy Moakes:** Thank you, sir.

Deputy Queripel raised a good point and he asked a question about privatisation. He is worried about privatisation. I understand that. This is not about privatisation. This is about commercialisation. It is as simple as that. Nobody is planning to privatise anything. Let me just give you an example. Typically when you buy a business, you buy a business because you see it has got huge scope to expand, bring in incremental business, grow, provide additional profits, etc. We are a relatively small Island with a relatively fixed population. It is growing slightly, but there are no massive opportunities to grow.

Think about that. Who is going to come in and buy something immediately with these huge ideas for growing and having all these new customers? There are no new customers; we are in an Island. That is that point. I am intrigued that some of the people who stood up and have been critical of this policy letter are actually the same people who are critical of STSB. They are critical of the performance of the trading assets. Sometimes it is because they want to see improvements. They want to see efficiencies. They want to see greater investment in the trading assets and the Island's infrastructure.

Do you know what? I agree. I think all Members of STSB agree and probably everybody in this room agrees with that. This policy letter could be the answer. What the policy letter is asking you for is your permission to go away and look into those things and then come back to the Assembly and report back. So it might be the answer, but it might not be. But you will be the people – or whoever is elected at the next election, will be the people who can make a judgement upon that.

For those who are critical of STSB, if you look at 1.4 within the policy letter, it talks a little bit about incorporation will reduce political involvement; reduce it. Operation decision-making will be left to the companies' boards and the management will be freer to operate more commercially and dynamically, so professionals on a board operating those companies. For those of you who are slightly worried perhaps – Deputy Queripel for example – that the trading assets' roll in developing services for Islanders, etc. will be lost, can I assure him that, again it says in the same point, 1.4:

Political influence can continue to be exerted by the States through an active shareholder function responsible for setting clear objectives for the businesses.

I am probably moving away, and I apologise, from the sursis. Let me come back to it immediately. As I say, the policy letter asks us simply to agree something in principle and then to ask STSB or whoever is on the STSB to report back to the States in the future. That is it. It is delivering on the principles that I have just outlined. The sursis simply delays that. It kicks it out, nothing happens, no decisions are made, no investigations made, all of the criticisms I mentioned at the very beginning

that people raised, and in many instances quite rightly so, will not be addressed as quickly as they would be if you agree to this policy letter.

Do remember, nothing will happen until everything comes back to the States for everybody to make a decision on. You are not committing yourself to actually doing anything at this stage, other than looking into this and seeing what it might look like in the future. My view is, we are here to make decisions. It may be only a few months away until the next election, but if we are not prepared to make decisions, why do we not just ask to go home right now? It is preposterous really, is it not? Whoever is in (**A Member:** Oh!) (*Laughter*) – whether it is you, somebody else, me, somebody else, who is elected at the next election, those people will have the opportunity to say, 'Yes, actually these ideas are brilliant', or, 'They are not.' We are just allowing that to happen moving forward. So please vote for policy letter. Let the investigation happen. Maybe it will answer some of the criticisms of STSB, maybe it will not, but we should investigate it nevertheless.

Thank you.

**The Bailiff:** Deputy Ferbrache.

**Deputy Ferbrache:** Sir, I brought a section 20, whatever it was, guillotine thing. I wish I was guillotining myself after listening to this debate for one hour and 45 minutes. We have spent one hour and 45 minutes talking about whether we are going to debate something or not, in relation to it. People out there must think we are crazy, bonkers. You, sir, at the beginning of this debate said, 'Let us stick to the sursis', and you have done your absolute best to make sure that people have, but they have waxed and waned.

I would say just three or four things. Firstly, I said at the beginning of this Assembly, the whole Assembly, action this day, and I know that people have come back. What I actually meant was 'action' and we have not done enough 'action' in the last four years and five months. Secondly, as I think the voting record will show that again, more often than not, Deputy St Pier and I have agreed on most matters. That was an example of his speech today.

The next comment is, my friend Deputy – well, I think he is my friend, Deputy Dyke, who sits in front of me, I never know which jacket he has gone on, figuratively. It is either the Socialist Workers Party jacket (*Laughter*) or it is to the very extreme right of the Reform Party jacket. He is wearing his Socialist Workers Party jacket today and I wish he would go and change and come back and wear the other one.

The other speech, Deputy Leadbeater said it all: let us get on with it. It is very simple, let us get on with it. There is not a scintilla of merit, and I say that with Deputy Murray sitting to the right of me, and he is my friend, but this is a nonsense this (*Laughter*) particular sursis. It has just got no merit in it at all. We should have decided which way were going to vote on it in a nanosecond, instead of 1 hours 45 minutes of people saying they do not want to go ahead with it or they do want to go ahead with it.

Three Members of P&R are going to vote in favour of the sursis. They are supposed to be the Committee that is leading us forward. I despair and I am going to sit down. I did not get up in the smiliest of moods this morning. This last one hour and 45 minutes has made it even worse.

**The Bailiff:** Deputy Taylor.

**Deputy Taylor:** Thank you, sir.

I have listened very intently and I cannot help but feel that there is some blurred lines going on between corporation, commercialisation and then mixing in privatisation, but also mixing in the cost of living. I am going to confine my comments to those and their effect on the sursis. The first one, the effect of the sursis on incorporation, I think it is clearly established that there would be a delay. There is no doubt that Propositions 2 and 3, which set out timelines for potential incorporation, and we agree in principle, would be delayed.

Deputy St Pier has already made the point, but the final paragraph says there would not be any significant delay. I just think that is not possible. I do not understand how Deputies Murray and Le Tocq have come to that conclusion. The second part then is the effect of the sursis on commercialisation versus cost of living. When I view commercialisation, it is along a bit of a scale. You can begin down the road of commercialisation, but depending on how far you go will then have an impact on things like cost of living and how your customers see you.

You do not have to go far in the policy letter, sir, I think it is the first paragraph that tells us that since 2016 STSB has been taking a more commercial approach. Yet we are asked in the explanatory note, which sets out what might be included in this review within the sursis, the likely economic benefits of commercialisation. Sir, we are already on that road. We have been on it for many years. So I think we have somewhat missed the boat there.

Whether this sursis is successful or not, STSB will carry on applying to the – within the confines, the most commercial ways forward that it can. This used to be, I think, what most Members have, that seem to be supporting the sursis, take the issue with. It is more about the impact on cost of living. They are concerned about incorporation and further commercialisation might then impact on the cost of living. That is, I think, why they are seeking delay, to explore that.

Sir, I feel that there is – not that I simply want to accept any increases in cost of living or any increases that come our way, but it is just inherent that western culture is facing these cost-of-living increases, cost of energy, across the board. There is a triangular link between profit and loss of an entity, however that might be structured, the cost of living or the cost to the customers, and then the service that is provided. You change one, it will have an effect somewhere else. You reduce the service, you might increase your profits or you might reduce the costs, but the service might decline.

So I feel that the original policy letter is actually suggesting a way – it is not giving us all the answers, but it is suggesting a route that we could go down that does not necessarily mean that we are reducing the service offered or increasing the costs charged, but it is highlighting areas where there could be savings. If they could act differently to provide the same service, it could see savings, which increases profits. Depending how far down that commercial road we go, I do not think that anyone is suggesting that those increased profits would then be divided out among the hoity-toity, the business community. It would still be a Government-owned entity.

Those profits could hopefully be reinvested, blah de blah. I think, sir, if this sursis had come across as an amendment, I could see some merit and it might have got some support. If it was something that was running concurrently then I think the final paragraph could have been acceptable, they would not have delayed and we could have had these expanded details provided to us before a final decision is made and after an in-principle decision.

Sir, this is a sursis, it is not an amendment. It will delay proposals. It reminds me of a chef I used to employ who worked very hard. He would often refer to the kitchen porters that we would get – he described their pace of work by saying you could change the soles of their shoes while they walk. *(Laughter)* I think if we support this sursis that is the pace that we are moving forwards and I do not want to be a part of that, sir. I am not going to be that kitchen porter. I am going to vote against this sursis and I hope other Members will.

Thank you.

**The Bailiff:** As no one else is rising, I will turn to the Vice-President of the Board, Deputy Parkinson, to respond to the sursis, please.

**Deputy Parkinson:** Thank you, sir.

We have been round the houses and not much of it on the subject of the sursis. I will try and encapsulate a structured response to the debate. Deputy Murray obviously started off, being the proposer of the sursis. He raised a number of topics, basically doing the work before making a decision in principle. That is a general theme we have discussed. Basically STSB is saying to the Assembly, 'We do not want to go out and spend £500,000 or more of consumers' money, because this will be paid for by – this will come out of the water bills, this will be added to your water bill, if

this Assembly has no appetite for commercialisation of Guernsey Water or the other businesses. We are simply asking for agreement in principle to go ahead and do this work, which we think will cost £500,000. It might cost considerably more if some of the other subjects that have been raised in this debate are investigated. Why would we do that to consumers of water?

If you have no appetite for commercialisation like Deputy Brouard and, by the sound of it, Deputy de Lisle, then, yes, just get to the principle Propositions and vote against them. But delaying the decision is not going to make that decision any easier. So, to answer Deputy Brouard's point, he was asking for advice on how to proceed. My advice to him is vote against the sursis and then vote against Proposition 1. If you do not want to do it, tell us. That is why STSB have brought this to the Assembly.

We dragged up the Guernsey boat owners' concerns about contribution of the airports and harbours. We have gone down a whole load of rabbit holes here. We do publish separate accounts of the harbours and the airport. I see no merit at all in separating the management of the harbours and the airport, because that would just duplicate a lot of roles that we have that would do similar jobs in relation to security, in relation to customs, in relation to fire services, whatever, at both locations. Jersey Ports does not separate out the airport and harbour, they are not fools in Jersey. I know people here seem to sometimes disparage them but, honestly, if it was sensible to split them up they might have done it.

He says it is complications about land transfer policy, yes. We do not know exactly what land the Guernsey Ports are going to have to manage because the GDA obviously has a function in relation to that, but that is one of the reasons why we are saying do not incorporate Guernsey Ports now. We are saying that is in the 'do later' pile when we have more information. What we are talking about here really in this policy letter is Guernsey Water.

Well, there were a load of other things. Guernsey Electricity has competitors, Guernsey Water basically does not. I do not think that makes a lot of difference. It does touch on the regulatory piece and we have said, yes, the role of regulation needs to be considered and obviously we have experience of dealing with regulation both at Guernsey Post and Guernsey Electricity. The Guernsey model of regulation frankly has not worked terribly well but we are not at all opposed to the concept that where there is a public monopoly over something as crucial and vital to all of us as water, there could be a role for an independent regulator to do price controls or whatever.

We are entirely open to that happening and we want to look into those processes as we go forward. The one red herring that came up, and we have heard it before, unfortunately the Committee *for the* Environment & Infrastructure, some Members of it, have got a bee in their bonnet that this has something to do with regulating water quality. Well, it has nothing to do with that at all. We are going to have to regulate water quality whether this is an incorporated company or an unincorporated company. Yes, we certainly agree that the current regulation of water quality is inadequate and it needs to be looked at.

I give way to Deputy de Sausmarez.

**Deputy de Sausmarez:** Thank you.

I would just like to correct the comment that E&I has a bee in its bonnet about something. There was some discussion and I think that has been resolved, and I was going to bring that up through general debate. But I do not think it is fair to characterise it as a bee in a bonnet at all. It has been resolved through subsequent conversation.

**Deputy Parkinson:** Well, it certainly has not been resolved to the satisfaction of Deputy Matthews.

Sir, the problem is, this is simply an irrelevance. Water quality has to be regulated. We have to be certain that the water we drink is safe. But that will be the case whether the company is incorporated or unincorporated. Yes, the work needs to be done, but to wrap that into this work is a nonsense. It has got nothing to do with it.

Deputy Murray talked about the impact of TUPE. Yes, of course, again, this is an important consideration. A variation of the employments of contract, etc., is a big subject. At the moment, as far as we can tell, the staff at Guernsey Water are quite happy about these proposals. After all, they do not particularly like being under the control of central services in the States of Guernsey any more than we like that. But this is for discussion and where we end up in terms of TUPE contracts of employment remains to be discovered. That needs to be discovered after we decided we want to look at this.

He says would incorporation result in lower prices? Well, it might because we may be able to introduce more efficiencies into the business and the business management of the businesses may have opportunities when they are freed from central control to run the show more effectively.

Turning now from Deputy Murray, Deputy Falla was one of the first to say that the problems at the centre, which we all experience, not just in the trading assets, need to be addressed as well. That is an important consideration. If we wait for everyone else to do everything else that they could do before we do anything, the answer is we will do nothing.

The reality is that this is a chance to take a small piece of the entire States' jigsaw puzzle and say, 'Okay, let us give you a bit more autonomy, let us set you up with a corporate structure which will allow you to manage your own business a bit more effectively, and let us try and improve that.'

It brings me on, I think, really to – I will skip a few speeches here, sorry – to Deputy Gollop's remarks. Deputy Gollop was saying that he has had some sort of oversight role in relation to employment matters and says that people working at the waste and water are some of the lowest paid of the States' employees, so he does not see how there is scope for reducing costs. Well, I am going to have to talk a little bit out of school here to give some concrete examples, or at least one, of what is going wrong now, why operating under the aegis of the States' overall central services is so damaging to the operations of the STSB.

As Members may know, Guernsey Water contracts with Guernsey Waste for the supply of the sewage plant service. So Guernsey Waste employs roughly 40 drivers and basically bills Guernsey Water for what they do. Now, those 40 drivers are currently on seven different employment contracts. This is phenomenally wasteful. Before anyone says, 'Well, why do you not, as STSB, do something about it?' The answer is because it is HR. We have no control over their employment contracts. It is Deputy Gollop and his colleagues on P&R who are responsible for this area and who are now turning around and saying, 'Oh, well, you know, we should delay looking into incorporation because there are all these issues around employment contracts.'

There are major problems within the provision of central services to the trading assets, as there are to other Committees. I suspect most Members will be well aware of examples where, frankly, States' IT, States' procurement, HR, simply do not serve the purposes of their Committees very well. Where we have been able to free trading assets from those constraints, where Guernsey Post or Guernsey Electricity have control over their own HR, then, basically, they function pretty well. Great things have been achieved in terms of renegotiating staff pension arrangements and so on.

At the moment, we have no control over that at all. And I mean not just the trading assets themselves, STSB has no control over any of those issues. So I think Members probably have probably decided which way they are going to vote, and I will not rant on. But the reality is, this is a perfectly sensible proposal to look at further commercialisation within the trading assets. Deputy Matthews wanted a specific assurance that this did not, in our view, lead to privatisation. I am perfectly happy to give that assurance. I am sure I can do that on behalf of the other Members of the STSB. We do not see this as a step on the road to privatisation. This is simply to enable these businesses to operate with greater independence and more freely. I give way to Deputy Matthews.

**Deputy Matthews:** I thank Deputy Parkinson. My question was more along that commercialisation, when it was created as a concept, was viewed as a path towards privatisation, it was viewed as a stepping stone towards privatisation and the three entities that were commercialised were envisaged as being potential candidates for privatisation. I think it is probably

quite useful to say that commercialisation is an end in itself. Is that how the STSB sees it, that commercialisation as an end in itself is something that is valuable and useful to pursue?

**Deputy Parkinson:** Yes, that is precisely how STSB sees it. As I said in my opening speech, we deal with the boards of incorporated businesses and the boards of unincorporated businesses. In fact, we are the boards of the unincorporated businesses, and we attend all their meetings and of course in the terms of the unincorporated businesses, we make all the decisions. So we see these businesses on a daily, weekly, monthly basis. We know their management very well and we know the problems of the business and how they operate.

We know that there is a qualitative difference between the management and control of the incorporated businesses and the unincorporated businesses. I said in my opening speech, it is difficult in a way to put it into words, but just our lived experience of dealing with these businesses week in, week out, is that the incorporated businesses are frankly more efficient and operate more effectively.

So, yes, from our point of view – Deputy Matthews may be correct that back in the early 2000s or late 1990s commercialisation was seen as a path to privatisation, I do not know. I only entered the States in 2004 and I certainly do not recognise the narrative that he is giving us. In my view, I am not aware of anyone ever having intended to privatise Guernsey Electricity or Guernsey Post, for example. Yes, Telecoms, that ended up being privatised or sold to the private sector, but it is certainly not part of the agenda of this STSB to privatise these businesses. We just want to make them more operationally independent and encourage them to become more efficient, which they can do if they have more control.

With more control, of course, comes more accountability. Because at the moment, you cannot really say to the management of Guernsey Water or any of the other businesses, 'You are not performing very well and this is not happening to our satisfaction', when they can turn around and say, 'Well, we have got no control over staff matters, and that is 40% of our costs, we have no control over procurement and we have had a devil of a problem with this or that.' Basically, it is a complete get out of jail card for the management of these businesses. We have said, 'Okay, go ahead and run it but, no, you cannot have any of the levers.'

Give them the levers, make them responsible, make them accountable, and then you can expect them to perform or justify their underperformance. You can hold them to account but we cannot. They are in a position where they can genuinely say, 'Nothing to do with us, mate.' That is a ridiculous situation to leave them in.

I strongly urge Members to reject this sursis. It is about delay, although Deputy Murray started off by saying that the work he is demanding would not delay things. Deputy Le Tocq rather gave the game away when he said, 'Yes, it would and that is what I want.' Please, Members, let us take Deputy Ferbrache's advice. This is a complete waste of time. We just need to say, come on, get on and look at it. Yes, it will cost some money but we recognise that there is merit in the idea. Let us pursue it and see if it works.

**The Bailiff:** And, finally, I will turn to the proposer of the sursis motivé, Deputy Murray to reply to the debate.

**Deputy Murray:** Thank you, sir.

I will try not to be too angry. I do not want to upset Deputy Parkinson, but he did seem a little bit upset and irritable, but he has every right to be. I think there has been a lot of confusion over actually what this sursis actually says. Has anybody actually read it? There is no intent to delay. We are asking here (*Interjection*) – there is no intent to delay. Shall I read it out? Shall I read it out? Do you understand what is being asked here, seriously? There is a presumption that doing some work to help make a decision is going to delay what appears now very much increasingly to be a preconceived outcome. That is what concerns me. That was the whole point of this sursis, is that

there is a preconception that incorporation will solve all our problems. It might, but I do not know that because there is no evidence yet to say that it will.

The evidence that I have got of a previous incorporation in a subscale marketplace, which I keep coming back to, is that these entities cannot provide profit only at the expense of increased charges to the only people they have got a market for, which is the Guernsey public. Now, efficiencies, absolutely. If anything that Deputy Parkinson is saying about the way that they are confronted and not having the tools to be able to get the management to do what they want, then clearly that has got to be dealt with. I am appalled that we have suddenly found that out. I did not know that before. But if that has been going on, then I think it is probably incumbent on STSB to report to P&R that they have got a major problem. Is that a point of correction? Because I will just carry on because people are fed up.

**Deputy Parkinson:** Well, it is a point of correction to some extent.

**The Bailiff:** Point of correction, Deputy Parkinson.

**Deputy Parkinson:** We are talking about services which are under the aegis of P&R. I am not sure why STSB should have to report to P&R that their services are not working.

**The Bailiff:** Deputy Murray.

**Deputy Murray:** Well, largely, sir, because they actually are involved with the management. We do not actually have day-to-day management of any of those services. A conversation really is all that is required, quite frankly, at the end of the day. We do what we can. I do feel that people actually – it is almost as if incorporation good, non-incorporation bad. It is far more grave than that. But, again, I have to reiterate, and particularly for Deputy Moakes, we are asking for work to be done and for that work to come back to the States to make a decision, which is exactly what actually the policy letter is doing. But, surprisingly, and Deputy Parkinson related to it, 'TUPE, we know it is a lot of work. We will get to that.'

Well, that is part and parcel of making a decision. We do not know what that TUPE regulation will require to be done to actually make it possible. Now, he mentioned that, obviously, the workers seemed to be very happy with this idea, and maybe they are. But there are pension requirements involved in this as well that we are going to have to sort out. You know, this is work that will have to be done anyway. So I do not see why people think that actually this sursis is preventing that work from being done. It is not preventing it, it is asking for the work to be done in the same way that we are being asked via the policy letter. But we are not making a decision about a principle here, and now I must talk about my experience in this place.

I have found to my cost that if the Proposition is not specific, whatever is said in the explanatory note, whatever gets said around it, it will be the Proposition that people will return to. In this Proposition it says incorporation in principle of all those entities, which includes the Ports. So we are blindly saying, 'Oh, we can sort that out. We can sort that out. We will worry about that.' Well, I do not think that is a good enough instruction for the next States who are actually going to have to take this on. (**A Member:** Hear, hear.) They need clear instruction about what it is they are required to take on if they are prepared to take it on.

Timing is actually an issue here. This was one of my major concerns. This is a major piece of work. I do not think anybody is disagreeing about that. We can see it is a major piece of work. But to bring it in the dying days of this Assembly without actually having concern for what the next Assembly is taking on, and we know what some of the worst things the Assembly is taking on in terms of having no money and £1 billion worth of infrastructure over that term. Every bit of cost that we add to the next Assembly is a burden. So I think it grossly unfair to direct the next Assembly to actually take this on when everything else is actually going to have to be looked at by that Assembly. I think it is



a mistake. I have seen too many in the past two terms, dying days, resolutions rushed through at the last minute, and then that is a direction of travel.

1745 A new Assembly coming in – because I certainly did not realise that I could actually challenge that. I thought, if it is a resolution, I have to deliver it. But it is not. You can challenge it. I can challenge this for the next meeting that we have got. That is the way our Assembly works. There is far too much at stake here for a major change predetermining what the outcome will be. I am probably quite sure that the outcome is probably going to be there, because we will want that flexibility. I am not sure that the benefits are going to be as great as people think at this point. It will certainly improve the management from the sounds of things and I have no problem with that. But there is capital involved here.

1750 We would be fooling ourselves if we presume that the amount of debt some of these unincorporated entities are carrying at the moment is going to be the least bit attractive for a private investor or private funds. We are going to have to put those balance sheets in order. A lender. Getting money from a lender, a bank or wherever it comes from. Because that is the suggestion. That as an incorporated entity, we can get cash from wherever. Well, you cannot. I think Guernsey Electricity has found that to its cost. You cannot. If you do not have a balance sheet that is showing sufficient profit and potential, the States will have to back it. The States is having to back a hell of a lot at the moment. We do not have it, and the more that we actually load on to that, the more difficult it is to actually deal with this. Okay?

1760 So if there was a dramatic improvement in profitability being shown by even the suggestion of this work, and I do not see it in the policy letter, I would think well there is a ray of hope. I do not think it is going to happen. I really do not think it is going to happen. We will get some efficiencies, but that will not translate into massive profits, or any profits, frankly, at the end of the day. None of those businesses, apart from States Works – which oddly enough, the one that is making some money, has been chosen not to incorporate as a model. I do not get the sense of that. Much simpler, much more straightforward, much more likely to be able to get extra cash if it needs it. But no, we choose all of the other incorporated entities.

1770

**Deputy Kazantseva-Miller:** Point of correction, sir.

**The Bailiff:** Point of correction, Deputy Kazantseva-Miller.

1775 **Deputy Kazantseva-Miller:** I did want to point out that States Works are within scope for incorporation. There is three entities, Water, Ports and States Works.

**The Bailiff:** Sorry, I missed that. Could you repeat?

1780 **Deputy Kazantseva-Miller:** I just want to correct, because Deputy Murray said that States Works, which is the one that is making money, is not in scope for incorporation, but it is; it is one of the three that is in scope.

1785 **Deputy Murray:** Yes, would that not have made more sense to do it first? That was the point I was making. Guernsey Water has got a huge amount of investment, so capital is really important here. It is not just about the operation of the business and that is unavoidable. We get that. It is unavoidable. We want the best methodology to address that. Incorporation may very well be it, or it may not, I do not know. I do not know. If I go back to my original point, incorporation good, non-incorporation bad.

1790 I do not think in this context it is that simple a solution. You cannot make that judgement until you have seen the evidence. That is all that we are asking for here, is to carry on with the work and make sure that obviously the States is apprised of all of the evidence before making that final decision. Not going into it assuming the outcome is actually going to be proven. I hope it is, but I do not know that. Nobody knows that in here. And it is not this Assembly that will make the

1795 decision, it is the next one, which goes back to my earlier point. You are lumbering a new Assembly with a decision of some magnitude, why would you do that? Why would you do that this close? It is too important.

I will just answer one or two of the other questions that have been raised. I am sorry, if I am getting angry; I am really sorry. I thank Deputy Falla for his support. I mean, the point is quite right, and that is why P&R have said that there will be a fundamental services review. We have to look at this, but that has to happen anyway. It has to happen in conjunction with all of this.

1800 I think maybe I understand because I know very well where Deputy Brouard stands on the telecom situation, that probably concerns him. But I do not think privatisation was really where I was coming from. I understand it could eventually be there, but frankly in this marketplace I see it not really happening.

1805 Thanks to Deputy Vermeulen, Deputy Leadbeater. Layers of bureaucracy? Management. Layers of management. Well, yes. Again, if we are running inefficiently, we have to change it. Surely we can do that now. Surely we can do that now. If for some reason we think that there are walls up between Departments, then I have to disagree. We have to know where the problems are and then we can deal with them. Incorporation is one way of doing it. Incorporation, even if this goes through, this policy letter goes through, is not going to happen for a long time. It is not going to make any difference. So we should not sit and wait for a decision on this before we address an inefficiency in the management. That is my point. It could be addressed. There is no reason it cannot be.

1815 There have been references made to Jersey, and I think Deputy Gollop made the point, and it is probably a hobby horse of mine. I do get concerned when we constantly compare ourselves with other jurisdictions with completely different situations. They are bigger than we are. Their tax base is different to ours. It is not like for like. There was a time, I am sure, when Jersey and Guernsey were much more aligned. That is not where we are at the moment. It is just not.

1820 Deputy Matthews, I have not looked particularly at regulation but of course it is an issue. It will have to be dealt with, but I think we all accept that. Deputy Gollop mentioned water and electricity together. In fact, actually in his closing speech, Deputy Parkinson mentioned about efficiencies being possible between different organisations. No point in the Ports and harbours actually, or sorry, the harbours and the airport actually having duplication of management. Well, what about the electricity and the water board, Guernsey Water? There are efficiencies in there.

1825 Now, I appreciate at the moment that Guernsey Electricity is up to here with other decisions it has to make but that is the outcome I would like somewhere down the line, because it is affecting the same customer base, there would be efficiencies. Without all of the issues to do with management, there are clearly efficiencies there. So I would not want to take that out of the picture at all.

1830 Timing, I have covered that. What we are hoping for here, and is being presented as improvements, will not happen for a couple of years. It just will not. I think there is an assumption we will say today, kick the sursis out, approve the policy letter, and things are going to get great. That is not going to be the case at all. The problems we have got, we will still have to deal with right now, and we should be dealing with them right now.

1835 Deputy St Pier, delay the work. What are we delaying? We are delaying a decision based on evidence as to whether incorporation is correct for all of those entities not just the water board. Now, I am quite surprised that he actually would oppose evidential basis for making decisions. Again, there is a presumption: incorporation good, non-incorporation bad. I am not in a position to know that. I probably would agree. It should be, in theory, but I am not sure. I do not know. I need to know. This Assembly needs to know, or rather the next Assembly needs to know.

1840 This is not can-kicking, this is asking for the work that was going to be done anyway but on the basis actually we do not know what the decision will be when it comes out. But this is governance, good governance. That is all that this is. There is nothing in this sursis that says, 'Stop and do not do anything.' Quite the reverse.

1845 Who is going to pay for it? Taxpayers are going to pay for it. Whether it is the money coming from STSB, which is taxpayers' money, by means, if you like, of what they have been charged, or

whether it is going to come from general revenue, it depends how much it is going to cost and where the money is going to – it is the same pot at the end of the day. We actually have to account for the trading boards through Ipsos. It is one and the same. One would hope we will have got to a position whereby we recognise in advance if the direction of travel is going to give us a problem before we spend £500,000 or whatever it is going to be by doing some of this basic research on impact analysis first. I thank Deputy Le Tocq for seconding this and, again, I have talked about timing and I believe he is absolutely right with that.

Indeed, within the context of our current economic position, we cannot be just liberal with money at the moment. The other issue, Treasury, who have not really been involved in this piece of work at all at this moment, through no fault of their own, there are many other things that Treasury are doing, they have not had the chance to assess this in the detail that is required.

**The Bailiff:** Deputy Murray, your 15 minutes are up, I am afraid.

**Deputy Murray:** Please support the sursis.

**The Bailiff:** Well, Members of the States, it is time to vote on the sursis motiv   proposed by Deputy Murray and seconded by Deputy Le Tocq, and I will invite the Greffier to open the voting on the sursis, please.

*There was a recorded vote.*

*Sursis motiv  *

*Not carried – Pour 13, Contre 23, Ne vote pas 2, Did not vote 0, Absent 2*

POUR	CONTRE	NE VOTE PAS	DID NOT VOTE	ABSENT
Aldwell, Sue	Brouard, Al	Hill, Edward	None	Inder, Neil
Blin, Chris	Bury, Tina	Snowdon, Alexander		Le Tissier, Chris
Burford, Yvonne	Cameron, Andy			
de Lisle, David	de Sausmarez, Lindsay			
Dudley-Owen, Andrea	Dyke, John			
Falla, Steve	Fairclough, Simon			
Gollop, John	Ferbrache, Peter			
Haskins, Sam	Gabriel, Adrian			
Le Tocq, Jonathan	Helyar, Mark			
Mahoney, David	Kazantseva-Miller, Sasha			
Matthews, Aidan	Leadbeater, Marc			
Murray, Bob	McKenna, Liam			
Vermeulen, Simon	Meerveld, Carl			
	Moakes, Nick			
	Oliver, Victoria			
	Parkinson, Charles			
	Prow, Robert			
	Queripel, Lester			
	Roffey, Peter			
	Soulsby, Heidi			
	St Pier, Gavin			
	Taylor, Andrew			
	Trott, Lyndon			

**The Bailiff:** On the sursis motiv   proposed by Deputy Murray and seconded by Deputy Le Tocq, they voted: in favour 13 Members, 23 Members voted against, 2 Members abstained, 2 Members are not participating in the voting and therefore I will declare the sursis motiv   lost.

We go back to general debate then on the Propositions. If nobody wants to speak on –

**Deputy Taylor:** 26(1).

1880 **The Bailiff:** Can I invite those Members who wish to speak in debate to stand in their places, please. Is it still your wish, Deputy Taylor, that I put the motion?

**Deputy Taylor:** Yes, sir.

1885 **The Bailiff:** Okay, now the motion is that there be no further debate, although one would hear from the Vice-President if he wishes to speak at the end of it. Those in favour; those against?

*Members voted Contre.*

**Deputy de Lisle:** It is a problem of timing and going over lunch.

1890

**The Bailiff:** Well, if you want to speak you have been called, Deputy de Lisle. if you choose not to speak because you have got nothing to say, then so be it, but you have been called, you will not be called again. Okay, so you are forgoing your right to speak.

1895 **Deputy de Lisle:** Thank you, sir. *(Laughter)*

**The Bailiff:** Deputy de Lisle.

1900 **Deputy de Lisle:** Sir, again, I will stand in support of the consumer, the people of Guernsey, despite the comments of Members earlier considering my view on consumer economics. I cannot agree to the Propositions of incorporating of the businesses. The businesses now are operating with a stronger commercial focus, as stated in the policy letter 1.2. Incorporation of Guernsey Water, Guernsey Ports and the States Works would become even more commercially focused and that would reduce political involvement in operation decision-making. I would prefer that the  
1905 unincorporated trading businesses work more in the best interests of the Guernsey consumer. That should be the focus to continue to improve performance as unincorporated businesses with independent regulatory oversight.

But STSB has concluded, on the other hand, that independent economic regulation is unsuited to businesses that are operating as social enterprises and does not believe that there is a  
1910 requirement to introduce independent economic regulation as part of the incorporation process, and that is stated at 7.6. Although STSB, I have to admit, admits that it is unclear whether providing bus services should be of greater priority than operational efficiency or commercial success. That is made in 4.2, page 11. There is some doubt there, and today Deputy Parkinson appears to argue for independent regulation. We just have to recall what has taken place following the States agreeing  
1915 to move regulation, that is private pricing and tariff setting, from GCRA to the States through STSB, thus removing the independent regulator.

Consumers have been hit by increasing tariffs, rises well above inflation which has hit householders with rising prices from the Government businesses whether incorporated or unincorporated. I give examples of those incorporated. For example, electricity rates, which have  
1920 jumped in the last few years. Consumers have witnessed escalating price rises for electricity. Just consider the standing charge, for example, the fixed costs which have really bumped up the cost of electricity to consumers. The recovery of fixed costs and consumption charges has moved from a 50:50 ratio. Now that before, under GCRA, was 90:10 ratio. That has been to the detriment of increasing bills to householders. Increases approved by the GCRA, for example, of 6.8% and 4.8%  
1925 effective July 2019 and September 2020, that is before the change, have jumped following withdrawal of GCRA, well above inflation. In fact, the last couple of years have been 10% increases.

The same applies to unincorporated businesses. Guernsey Ports; a requête was placed against the 20% to 40% increase in mooring fees in 2024. There was a call to adjust unfair price increases through direct negotiation with the Boat Owners Associations for 2025 and 2026 by the Guernsey  
1930 Boat Association, the Guernsey Marine Traders Association and the Royal Yacht Club. They settled

for 8.5% in 2025, this year, when inflation is at 4.6%. Again, well above inflation. And they have called also for independent economic regulation in future to curb escalating price increases that are damaging their industry.

1935 Sir, my worry is that without proper controls through independent economic regulation, the cost burden on the consumer for Government services through Government businesses will rise dramatically in the future and with incorporated bodies even more so to the detriment of the consumer. It is the people of Guernsey that I am worried about here who cannot go on accepting increase after increase from Government businesses.

1940 So I cannot agree to support incorporation of Guernsey Water, Guernsey Ports and States Works. I cannot agree to Proposition 1. That Guernsey Water should be incorporated by the end of 2027, I cannot agree to that, Proposition 2. Or that investigation should continue, Proposition 3, and that £500,000 of taxpayers' money should be spent on works required to prepare for incorporation of the businesses, Proposition 4.

Thank you, sir.

1945

**The Bailiff:** Members of the States, we are now adjourned until 2.30 p.m.

*The Assembly adjourned at 12.34 p.m.  
and resumed its sitting at 2.30 p.m.*

**Incorporating Our Trading Businesses –  
Debate continued –  
Proposition carried**

**The Bailiff:** Deputy Queripel.

1950

**Deputy Queripel:** Sir, I am not convinced this is going to work. Article 4.4 reads as follows:

Incorporation will reduce political involvement in operational decision-making, leaving the companies, boards and management freer to operate more commercially and dynamically. However, political influence can continue to be exerted by the States through an active shareholder function, responsible for setting clear objectives for the businesses that are aligned with the Islands' wider economic, social and environmental policies.

1955 Well, that did not work for Aurigny, so why would it work in this case? I am not a fan of this shareholder at arm's length business. One of the first things I did when I was elected back in 2012 was to call for the States to get involved with what was going on at Aurigny, due to the fact they were costing the taxpayer millions. I was told in no uncertain terms to go away, we do not get involved in operational issues. Well, I did not go away, I carried on calling for involvement but I kept on being told to go away.

1960 So fast forward to the time we got a new CEO, takes over, losses are in the tens of millions, £70 million-plus. New CEO steps in with some wonderful ideas to turn things around. Like a breath of fresh air, he has got an immediate impact, and despite being completely knocked for six by COVID, he and his team are on the right track and doing a marvellous job of turning things round, from being a complete disaster to at least breaking even.

1965 Then what happens? STSB step in. STSB step in and get involved to see they can help improve Aurigny's performance. But why? Why? When the new CEO and his team are on the right track and working really hard and working really well together. Sir, like a lot of things in politics, it does not make any sense. Why did the Deputies responsible at the time not get involved 10 or 12 years prior, when they should have done? The whole thing is completely the wrong way around.

1970

**Deputy Roffey:** Point of correction, sir.

**The Bailiff:** Point of correction, Deputy Roffey.

1975 **Deputy Roffey:** I may have misunderstood but I think Deputy Queripel was saying that the STSB had got involved with running Aurigny, and at no stage have we done that. We have made always very clear it is not a States' run airline and the STSB does not attempt to run it.

**The Bailiff:** Deputy Queripel.

1980  
1985 **Deputy Queripel:** Sir, it well known that STSB have taken a renewed interest in Aurigny. So suffice to say, sir, I have no confidence whatsoever in this shareholder at arm's length business with very little political oversight. Because, after all, we are the custodians of a public purse, we have been elected to govern and to lead on what we feel is best for our community. So to read that political influence can continue to be exerted by the States through an active shareholder function does not give me a great deal of confidence.

I am not saying for a single second I do not have faith and confidence in the staff working within our entities. I have every faith and every confidence in them. It is the levels of political oversight that I am concerned about, or the lack of political oversight that would appear in some cases.

1990 So, in closing, I need to be convinced. As I have said before in speeches, I am not a Luddite, I am all in favour of progress, as long as it is to the benefit of the community. At the moment, I cannot see this benefiting the community, but I will listen very closely to the rest of the debate, and to what Deputy Roffey says when he responds to the debate or Deputy Parkinson, I believe, is responding in this case. So I will listen very closely to the rest of the debate and to what Deputy Parkinson says  
1995 when he responds.

Thank you, sir.

**The Bailiff:** Deputy Brouard.

2000 **Deputy Brouard:** Thank you, sir.

I will be very brief. I think Members probably know where I stand at the moment, I will not be voting in favour of number 1. But I have got just a few points I would like to make just along the way. I think if you are going to go for commercialisation, we are going to need much stronger regulation.

2005 Now, the regulation that we put in place for Guernsey Electricity, I think it has been fair to say, it has not worked, and that is one of the reasons why we suddenly have the price hikes. They have not been able to invest in the infrastructure because they ended up having to take short-term gains rather than the long-term view. This is what I fear about the commercialisation, that you will be starting to put profit and short-term goals ahead of the long-term procedures that you should put  
2010 in place, almost like a grandfather looking forward to the future for his children and his family. He plans long ahead and I think commercialisation will end up with us focusing on very much short-term gains.

Deputy Parkinson mentioned one of the benefits. We may have lower prices but I would like to understand why else would you be doing it? What are the real gains from this? Is it just efficiencies?  
2015 Because in theory, you could do the efficiencies now. So, if it is not lower prices, why are you doing it? I must admit, it does look a little bit like these entities are running away from Government rather than fixing the problems with Government. So, we cannot run away from the HR as health. We cannot run away from the IT as health. We have central services. So, what we really need to do, instead of faffing around with these things and spending £500,000 to tell us what we already know,  
2020 why do we not put that money and that effort into fixing the resources at the centre, which need the extra support so that we all can have the best IT and the best HR, and there is no criticism of the people that work there, it is the criticism of ourselves for not having put the resources in to

these parts of the organisation. So we do not have STSB running away from Government to try and do their own fix.

2025 In fact, Guernsey Water was brought partly into the fold because it was a separate company before. They had their own separate IT system, their own separate HR and, again, it was all brought into the centre. So now, a few years later, it is the usual economic thing that we are now going back to decentralise it, we will give them back their power to have HR employ who they like, when they like, on what terms they like. Would it not be better that we actually get the main thing fixed for all  
2030 of us, and not just those who can basically run away from the Government?

Also, the services that we provide by these organisations, if you want them to run commercially, there will be some people that will not get water. Because why would you bother to fix a main that is running to one house a half a mile away? It would not be profitable to do so. In a commercial organisation – I will give way to my colleague, Deputy Taylor.

2035

**Deputy Taylor:** Sir, I am grateful to Deputy Brouard for giving way. It might have been a rhetorical question he was asking then, why you would provide water to that end of line customer, but I think it would probably fall down to some kind of service-level agreement.

2040

**Deputy Brouard:** May well be. That may well be the answer. But it puts a different emphasis on how you look at the business. Again, with quality, how close to quality do you go? Do you go higher than what you are required to do? Do you go just on the minimum? Or do you end up like some of the companies in the UK? It is your choice. It is your choice.

2045

I probably think I have said enough. I think I have outlined my concerns. I do not think it is the right time to be looking at commercialising these organisations. We need to put the resources in to get our main core for the Government fix. We need the resources put into HR. We need the resources put into our IT systems. That is where we need to put our effort, not in trying to spin organisations off because there is no profit. What I can see is that if you give a free hand to the harbours or to Guernsey Water, they will look at the silver that they have got in their box because  
2050 they will be forced to try and look at some of the assets they have and they will be looking to perhaps either sell them or whatever, they need to do a short-term fix because P&R is not going to give them the extra funding that they need.

2050

So I just think it is the wrong way around to do it. I would urge Members to vote against the principles, especially Proposition 1, so it is a clear line that this is not something we want to faff  
2055 around with now.

Thank you very much, sir.

**The Bailiff:** Deputy Ferbrache.

2060

**Deputy Ferbrache:** Sir, I have to fundamentally disagree with both the previous speakers. Firstly, I do not understand the logic of Deputy Queripel, because he said we should get involved in operational issues, but then we have got the management of Aurigny and yet the States, which I know they have not, by the way, the STSB has got involved in the operational issues, therefore Aurigny is a mess. I know that is complete rubbish, but that is what Deputy Queripel believes. So,  
2065 he is saying that there should be operational input. When he thinks there is, he criticises it. So I do not understand the logic of that.

2065

Deputy Taylor made the point of Deputy Brouard saying, who would know that if they were an outlier, they would get water? I think he is probably thinking of his friend in Torteval, Mrs Le Page, who he often refers to. Well, Mrs Le Page in Torteval gets electricity and that is an incorporated asset, unit and company. Because there would be a service level agreement and it would make sure  
2070 that everybody got the service that they needed. That is not a problem. That is what would happen.

2070

Now when I first became a States' Member, I was on four States' Committees, May 1994. Board of Industry, Post Office Board, Telecommunications and Sea Fisheries. I just mentioned the last one in passing because that is where I got to know Deputy Helyar, who was a sea fisheries officer, and

2075 more so – I had known him before – Deputy Trott, who was President of the Guernsey Fisheries Association. Little did I realise, all those years on, they would have enriched my life so much over the last best part of 30 years. (**A Member:** Hear, hear.)

In relation to where we are as two companies, let us concentrate on the Post Office. The Post Office was a Board of the States, a States' Committee, presided over by Deputy Torode, might have been Concierge Torode, I cannot remember. Anyway, Mike Torode was the President of the Post Office. Eventually, as has been said by Deputy Roffey, it became an incorporated entity. It has gone from strength to strength, since it was an incorporated entity. Because it is all right, and I know in good faith Deputy Brouard would say well let us correct the centre first.

2085 As Deputy Leadbeater has said, the state is absolutely hopeless at running any business. It has not got the expertise, it is bureaucratic – and I have no criticism of civil servants, it is civil servants. So you have to take those away, if at all possible, from the centre. You have got to create, when there are appropriate circumstances, and Guernsey Water I think is a good one to start with, as Deputy Parkinson said, because that is ripe for commercialisation.

2090 Listen to the word commercialisation not privatisation, because the truth of the matter is no private investor is going to spend lots of money on Guernsey Water or any of the other things because they will not make any money. But commercial means running it better, running it more efficiently, providing better services. Deputy Brouard is right about regulation for the electricity company. It was a mess, absolute mess. And I know when I was President of the STSB, and I am sure Deputy Roffey can relate to that and Deputy Parkinson, it stymied the growth of the electorate. They could not borrow money, they could not put up charges a little at a time, rather than having to put up in big chunks to finance their capital projects, because obviously electricity business is a capital intensive business, because you are having to rename all kinds of stuff that you have to do without relisting it all. So they were stymied by regulation.

2100 I do agree with Deputy Brouard, you have to get the regulation right. It has got to be a light touch rather than, as we tend to do in Guernsey – we are doing what they do in England, and we have 64,000 people, we cannot do it. Also Deputy Dyke; I think he was wearing two jackets. He was John of many colours today, like Joseph with his jackets today. He had his socialist hat on and then he had his ultra-conservative hat on.

2105 What he was saying in relation to – I am not giving way, I am sure he will be able to speak later and entertain us with one of his speeches (*Laughter*). But in connection with where we are in relation to that, he said, 'Oh, sell off the airport.' Frankly, nobody is going to buy the airport, even if it was for sale, which it never would be. Even if it was for sale, it would have to have so many agreements and riders, etc. to protect the public of Guernsey, so all of a sudden airfares did not go up because they were putting up landing fees by 300% to make money or that the aircraft could only come in twice a week or whatever it was.

2110 Also you would have to have it written in that if you did do that and they went bust – which they certainly would, because you cannot make money out of an airport servicing 65,000 people – that the States have the right to buy it back for £1 rather than go through a liquidation process where we had a bit like Heathrow today. No planes coming in and out but albeit for a different reason. You can make things difficult, you can say that impediments and worries.

2115 I will just talk about privatisation. I mentioned the two Committees I was a member of, the trading committees; Telecoms and Post Office. Neither of them exist anymore. One has been incorporated and the other – I remember when I first joined Telecoms in 1994, in Hull and Beverley, they were incorporating their business and selling their Telecoms business. They sold it for a lot of money, in the sense that they – there were shares on the market, etc.

2120 I thought we could do that for Guernsey and I advocated that. I did not get very far, because it was selling the family jewels and, 'How dare you?' and, 'We have got to protect this forever'. I was not in the States when nine years later it was almost given away, because the world had changed. Because all of a sudden Guernsey realised it could not do all this stuff that it had to do, it could actually – there we are.



Again, I just go back to my own experience as a member of the Telecoms Board. I can remember two really good civil servants. They were old compared with me then. They were probably younger than – anyway, it does not matter. They said, 'We have to have our mobile phone system.' I thought, 'Oh, this is not going to work. Who is going to use a mobile phone in Guernsey? We are only five minutes away from another address.' So they said they were going to do this amount of business is six months. They trebled that business in six months. They had the innovation.

What we need is people in commercial entities with innovation. But we always know, because they are going to be owned still by the States of Guernsey, that ultimately they have got to provide benefits for the people of Guernsey. They are not going to be like Thames Water, a complete mess, where millions of pounds of public money has been wasted, or lots of the railway companies where, again, they are an absolute mess and they had to be taken back into private ownership.

That is not going to happen in Guernsey, we are too small. But this policy letter reeks of common sense and all the Propositions should be adopted.

**Deputy Falla:** Thank you, sir.

Very briefly. I would have preferred the sursis route of this morning, but pragmatically I am going to get behind this. I do take some comfort from Proposition 3, to report back to the States with the results of investigations. What I would ask, please, is that STSB would take heed of some of the points raised this morning in the sursis debate when making those investigations and bring evidenced-based Propositions back to the Assembly by December 2026 as required to do.

Thank you.

**Deputy Burford:** Thank you, sir.

I have not quite decided how I am going to vote on these Propositions, but I would just like to ask Deputy Parkinson when he sums up a theoretical, perhaps, question on the Propositions. If I were minded to vote not for 1 but for 2 and not for 3, in other words to support the idea of Guernsey Water, but not necessarily the Ports or States' trading companies, the problem that I see is that Proposition 2 refers to Proposition 1. Now I realise this might not be a case, because I suspect there is a majority behind this, but it would just be interesting to know whether Proposition 2 could carry if Proposition 1 did not.

Thank you.

**The Bailiff:** Deputy Gabriel.

**Deputy Gabriel:** Thank you, sir.

I do agree with some of this, what is before us. I certainly did not vote for the sursis, because I do want to see progress and for this to succeed. I would ask though in Proposition 1 that consideration is taken to supplying every customer and whether there will be a universal service obligation under the entity that is Guernsey Water. Because we know that when Sure went out with their fibre programme we had to effectively subsidise them by £12 million to get to the parts where Mr Le Page, the theoretical Mrs Le Page at the end of Torteval Lane.

In Proposition 3, we have got States Works mentioned in there. I do hope, as Deputy Falla says, that STSB will come back with pragmatic solutions, taking into account, especially 5.3.5, the emergency standby. I will give way to Deputy Burford.

**Deputy Burford:** I thank Deputy Gabriel for giving way.

I was just going to make a point where he was saying about Guernsey Water supplying every customer, that they do not actually do that at the moment anyway. There are remote houses on wells and boreholes. I know from personal experience that when my borehole dried up, it was going to be £30,000 to connect. It is not even a current situation.

**Deputy Gabriel:** Thank you for clarifying, Deputy Burford.

Back to States Works and their emergency standby situation as described in 5.3.5. I am certainly worried that if States Works are commercialised and they were put on a commercial footing to make a profit, certainly Committees I am aware of spend a significant amount with States Works for such things as emergency standby, but also for business as usual, the dreaded BAU.

There are contracts in place, certainly at E&I for road signage, storage of signage, making up signs, road painting and maintenance, bin emptying and cliff path cutting. Of course, we could go out to another contractor, but the rates currently build into the effect that we do have emergency standby available to react to, as the name suggests, emergencies. I would worry that that would effectively increase Committees spend with it. Again, there is no revenue to offset that as well.

But on the whole, I do support it. Especially the commercialisation of the Port, only if they are split out and to stand on their own two feet, so that one definitely does not subsidise the other.

Thank you.

**The Bailiff:** Deputy Helyar.

**Deputy Helyar:** Thank you, sir.

Very briefly, just to add some points that have not been made. The point about cost and reduction of cost to the public, something that has come up several times here. Obviously it is far too early to really establish that, as Deputy Murray well established this morning. One of the important things about this is establishing transparency of cost, because the public is already paying much more for these services than it can see, because some of it is being subsidised, particularly in the capital area, by taxation. We do not have enough revenue to be able to resupply that reserve of capital any longer.

These businesses are capital intensive. They require long-term horizon planning for their capital planning and by any reasonable exterior judgement of our processes, we have simply lost control of capital planning. We cannot do it anymore. We apply so much process and complexity to it that we simply cannot move for the process that we apply. Because we seem to be trying to achieve nirvana in terms of zero risk, and it is just not possible to do that.

We are applying almost the kind of procedures you would apply to building HS2 in the UK to the hospital model or to Alderney's runway. Alderney's runway is a classic example of an overrun. We have taken so long just to do the tender process the price has gone from £24 million to £37 million. This is just a classic example of where a business – and I call it a business, in the loosest possible terms, because it is not – I do not think these will be designed to make a profit as such. They will be designed to ensure they are self-sustaining from an incoming capital perspective. They are not there to pay shareholders any returns. I will give way to Deputy Trott.

**Deputy Trott:** Sir, firstly I am grateful to Deputy Helyar for giving way.

It is an irrefutable fact the tender price has gone up. However, the tender price was never tested at £24 million and in many ways, I think, it was an aspiration (**A Member:** Hear, hear.) rather than anything that was ever likely to be achievable. So it is the language that my friend Deputy Helyar used that I am questioning, not his intentions.

**Deputy Helyar:** Of course. I was just trying to make an example of where delay causes increased costs. I could probably give you dozens of those across the entire States' budget. Certainly, when I was previously a member of the Public Accounts Committee, I could give you several examples of buildings that we built during that period which had huge overruns for the same reason. These operational units, businesses as such, do require the ability to be more flexible in this kind of planning.

That is one of the things which commercialisation will enable them to do, in a much more fleet of foot and commercial way, bringing in expertise from outside and moving much faster. Overall, that will result – it may work on a geological timescale, so that you cannot – the benefits will be

imperceptible, but they will be benefits in the long term in comparison to staying, in my view, underneath the States' umbrella.

I think it is very important to release that pent-up commercial energy within these organisations, so that they can be – because I know that a lot of the people that work in these places, they are really keen on making sure they can do the best for the public and they feel that they cannot do that within the structure that they currently exist. So I fully support this. I hope it turns into what we all imagine it.

Just as a postscript, I completely agree with the points that have been made about the Ports as well. I would like to focus those two things separately, because I think there is a lot of opportunity for further commercialisation and exploitation from the private perspective of the airport estate. I think that could turn things around there if we looked at it uniquely separated from the Ports (**A**

**Member:** Hear, hear.) So I support.

Thank you.

**The Bailiff:** Deputy Gollop.

**Deputy Gollop:** Yes, I remember well the Kingston-Upon-Hull communications that Deputy Ferbrache referred to. I too, perhaps at a later point than him, thought we should have incorporated and commercialised, or partly even privatised, our telecoms or had gone round more of a JT route than what we did. But that is history. I think perhaps this morning I portrayed myself as a bit one of Deputy Lester Queripel's Luddites.

I do not want to be seen as an old fogey whenever Deputy St Pier or Deputy Ferbrache or Deputy Kazantseva-Miller, particularly, points out the sunlit uplands that we could get to with more efficiency. I think something useful that has come out of this debate, that I have experienced to a degree first-hand on the P&R, is that we definitely need more resources and more of a political and senior managerial desire for change, in terms of some of the more centralised services and to make them quicker and more efficient, whether it be procurement, property, corporate services, human resource management (HRM) and so on.

I think that that does need attention. Yes, we have had many predecessors who have said the same thing, and there are still issues. That in itself is not an argument for commercialisation, but clearly Guernsey Post eventually became a success story. Their stamps are still cheaper than Jersey, but they have gone up substantially. Certainly, improving and changing working conditions, partnerships, ways of acquiring businesses are all extremely useful moves. We should get on and deliver that.

I do think the Members who made points about capital have a point. We have not in the point included the cost of capital with these entities and how much they will need in the future. I too am aware that for many years now, Guernsey Ports generally washes its face, but Guernsey Airport does not. This particular report, again, is looking both ways on that. Because on the one hand it wants to look at commercialisation while acknowledging that the airport perhaps requires economic enabler subsidy to continue to finance it in a way we would like to see. There is a paradox there and it does not make a lot of sense to commercialise ports and include that within it.

I would definitely like to see more investment at the harbour. I welcome the new liquor licence being applied for. That is a positive sign. The point made about the airport too. I think, unlike perhaps some advice we have had, I would definitely support considering separating Ports and the airport, because I think they clearly have very different models. I do not think it is right that boat owners and other users have effectively been cross-subsidising issues connected to the airport. I do in general support this report.

**The Bailiff:** Deputy Vermeulen.

**Deputy Vermeulen:** Thank you, sir.

2280 Sir, I have followed this debate quite closely. My ears pricked up when somebody was talking about Jersey Ports, and they are pretty intelligent people in Jersey, and how well they are doing. It is true. It is true, they are intelligent people. It is a different island. I like going to Jersey a lot. Their ports are doing – they are combined and they are doing well. But it is totally different to perhaps what we have here in Guernsey and I will explain.

2285 The first thing in Jersey, quite wisely, Ports are put under the Jersey Economic Development – they come under the responsibility of the Jersey Economic Development Department. In Guernsey, the Ports, which I think – do they include Alderney Airport as well in the airports or is it just the Guernsey Airport? I think that comes under the STSB. If we are trying to get to nirvana where Jersey have got to, where they are making a profit among their Ports, not just washing their face, making  
2290 a decent profit and investing multi-multimillions over the next 10 years.

My word, that is a substantial amount of capital they are investing there. They are running things completely different. I have got the utmost respect for Deputy Roffey. I have different politics to him and I would certainly perhaps run things differently. But we have to remember that Jersey Airport, for instance, they are on a mission to get more and more flights in, more and more people through that airport, not just passengers, but also spending more and more and they are getting great success.

We are not quite doing that in Guernsey. I was told, if it is grey and it is wrinkly and it is in the room, chances are there is an elephant in the room. I think that is what we have. There is a bit of a conflict of an interest with the ownership of – or in, for instance, do you really want a lot more competition coming in against Aurigny. Who handles the baggage handling at the airport? Currently it is Aurigny staff that do that.

Things like that would probably stop, unless you changed the ownership and moved it from STSB – the Ports – into Economic Development and then STSB kept an overseeing thing on Aurigny, separated the two. Yes, there was some talk about Alderney Airport, the repairs being a surprise. I, for the life of me, do not know why everybody was so surprised. The Airport Users Group were constantly telling us, 'We have made a mistake when we came out with the £24 million sum. It was going to be far more than that'.

They are a group of individuals that are aviation experts and I think they should be listened to with some respect, because they have proved to be, almost to the last million, spot on; almost to the last million, spot on. Yes, that is what I am worried about there, on the Ports. So I would like that voted on separately when it comes to voting, if possible.

On the other hand for States' water, Deputy Parkinson, well, he has landed it, has he not? He said, 'Look, we have 40 drivers and they are on seven different – literally, seven different contracts of employment'. That is just crazy; that is just crazy. On that respect, I think, he has sold that one. Whether it is too early or not, I am not sure. I will have liked, certainly, more information. I tried to support the excellent sursis morning by Deputy Murray, but to no avail. It is a bit of a guess really. But those are the items which really concern me.

It is going to take a serious change in doing things differently compared to how we have done things in the past, to make those areas produce more profit, to turn them around. It invariably means a bigger appetite for growth. I am sorry, sir, I have not seen a lot of that about. I have not seen a lot of an appetite to go on and drive it. I will leave it there, but I will be listening to the sum up, which I expect will come from Deputy Parkinson, and he can tell me whether we include Alderney Airport or not. That could be quite a big liability for us to pick up as well. Jersey only has one airport that I am aware of.

2325 Thank you, sir.

**The Bailiff:** Deputy Roffey.

**Deputy Roffey:** Thank you, sir.

2330 I am not sure that that last speech has a great deal to do with commercialisation, but Deputy Vermeulen did say that Ports of Jersey run things very differently and he is impressed with

them. Yes, they have been commercialised and that, sir. He is saying things need to be done very differently. I think that is exactly what we are saying. This is a vehicle to allow things to be done differently. As far as Alderney Airport – it is a complicated thing – it is actually the responsibility of P&R, but they delegate the operation of the airport to STSB. So who you think that is under is a matter of which way you look at it.

I want to be very brief, but I want to say a few things. First of all, is this a wolf in sheep's clothing? Is this the STSB trying to move towards privatisation? What? Really? Does anybody in here really believe that my political ethos is to try and sell things off? Because it is not. Even as a wholly-owned States' enterprise, the idea is not to maximise profits. To make, generate, sufficient profits to be sustainable and to invest in the capital infrastructure, absolutely. But these will be social enterprise companies.

Of course, they will make sure that the lowly – Guernsey Post do not refuse to take your letter up to – because they have a universal service obligation. Exactly the same thing would be true here. I ask really for a little bit of faith here. Even those who believe – we are not deciding today. We have given our opinion about whether it would make sense to commercialise Ports as a single entity or multiple entities and our consultants agree with us, but there is nothing tying the States, there is absolutely nothing.

What we are asking to do is to do the work, get the amber light and take things forward to bring back to the next Assembly that some of you may, who knows, be in and actually present it. So if you think there may be any virtue in commercialisation, allow that work to happen and exercise your judgement when the detail comes back before you.

There has been talk about the amount of money that will need to go in for capitalisation, because how can you commercialise under-capitalised businesses? But I have got news for States' Members, whether or not commercialisation goes ahead, that capital deficit is required to be made up. Deputy Ferbrache is quite right, the problem with Guernsey Electricity was a system of almost non-regulation, they could not even consider application, I think, for several years, which meant that – yes, Deputy Helyar, very unfortunate.

Actually during a time of cost-of-living crisis, we have been having to play catch up and putting up the tariffs. They should never have been going up this quickly. It should have been going up slowly over the years, but the core tariff was frozen, in cash terms, for 10 years. It was absolutely absurd. It was not protecting – it may have been protecting the consumer in the short term, but the long-term impact on the consumer is far worse. By the way, I have told Deputy de Lisle that in the margins, but half – there is not a 50% of – oh, I will give way to Deputy de Lisle.

**Deputy de Lisle:** Yes, I have to admit to the correction there, sir. The 50:50 was with regard to what the Guernsey Electricity were wanting, but they got, I think, 13%. That is when my phone started ringing with complaints from the public, in terms of the increase in the standing charge. It was having a major effect on their bills.

Thank you.

**Deputy Roffey:** Guernsey Electricity have never even applied for a 50% standing charge. What they have said is that 50% of their costs are fixed costs and 50% are the marginal costs like generating or buying in electricity and therefore if the standing charge and unit charge were to reflect that it would be 50:50. But they know that they would never get permission to move anywhere near that and it is about 12.5% on average at the moment, as I understand it.

Final thing I want to say is on regulation. I think there is some mix up between – particularly when it comes to Guernsey Water, there are two types of regulation. There is regulation water quality and then there is price regulation. We are not actually totally against any form of price regulation, but we were waiting really for Economic Development to come forward with their review of regulation in Guernsey, because there is no doubt that the system that has been up to now has almost been based on a UK system, which is obviously inappropriate for Guernsey.

It needs radical root and branch change. We would certainly be opposed to that regulation being extended to a commercialised Guernsey Water. But we are totally open to the idea of some sensible and appropriate light-touch regulation, not too bureaucratic, being applied.

On the question of water quality, as Deputy Parkinson said, whether or not the States agree to commercialisation, even if it remains uncommercialised, we totally agree that there needs to be a review and upgrade of our system in Guernsey of water quality regulation. But this is really a very – the issue is complex, but what we are asking for today is sufficient reassurance that there is an appetite to take this forward to do the next lot of work. You are really not tying yourselves into anything, other than say we are sufficiently interested in commercialising to give you the green light to spend the half a million pound-plus possibly to work up the detail that I think everybody, including the mover of the sursis this morning, actually wants to see. I hope we can do that.

**The Bailiff:** Deputy Leadbeater.

**Deputy Leadbeater:** Thank you, sir.

Obviously I spoke against the sursis and I spoke in favour of the Propositions. I am going to be supporting the Propositions. There has been some talk about States Works and how States Works is doing well and surely that should be the first one to be commercialised. But people need to understand that if States Works were to stand on its own two feet and did not get the work that was directed to it from the States of Guernsey, it would go bust, completely.

Without the States of Guernsey directly work towards that organisation it could not stand on its own two feet. We have to be realistic here. It is not operating efficiently like a business should operate efficiently. I have friends that work in all of our trading assets. I have a very good friend of mine that I often see at the meat draw on a – I might see him tomorrow afternoon. He works for Guernsey Water. He has been there pretty much all his career. (*Interjection*) It is at 3 o'clock Deputy Vermeulen.

He has worked there virtually all his career and every time I see him he chews my ear off about the inefficiencies within the organisation where he works. He tells me and he points to the things, because he has lived and breathed it. He is coming towards retirement now. I think he retires next year. You cannot ignore these stories. These are people that have worked right the way through this organisation, right the way through their career, and they spot the inefficiencies, and they know that it is not how business should be run. You go down to the harbours, go and sit in the White Rock Café, and you see lots of people that work for Guernsey Ports, and they will come and tell you how many managers there are that should not be.

There are 40 managers I have heard. I do not know if there are 40 managers, but if there is that is absolutely ludicrous. But things like that would not happen in a proper business. That would not happen, and it should not happen if we want these trading assets to run efficiently.

This is the only way we are going to change that. If we keep on going exactly the same way as we are, and people have been mentioning, I think Deputy Murray mentioned, Deputy Brouard mentioned, there are the inefficiencies in the contracts and the terms and conditions. We can sort that out. No, we cannot. We cannot. Government cannot. This is the whole idea about moving towards this model of how a business that can be more agile and that can make these decisions and do these things without all of the bureaucracy and the big cloud of everything that is wrapped around it that we see in Government. It is an absolute nightmare.

Procurement. I remember we were on the healthy weight technical team. We wanted to procure some tier 3 weight management services, and we had to go out. It was an electronic service, we needed some help from procurement. We were told that we could not get any assistance for two years. Two years. In the end, we had to use some of the budget that we had allocated to us to employ somebody to do the procurement for us, because procurement could not support us.

So, if these businesses are relying on HR and IT and procurement, they are hamstrung straight away. I honestly cannot see why Members are so tense and so nervous about this. It is an absolute

no-brainer if we want these organisations to be nimble and not to be completely propped up all the time, to stand on their own two feet and to provide value for money and an efficient service.

The only thing we can do is commercialise them. So please, just see some sense, eh? And let us put some trust in the STSB and let us crack on with it. We are going to have plenty of bites of the cherry, we have got nearly three years before the Guernsey Water is going to be incorporated and there are going to be policy letters coming back to the next Assembly in the meantime. So there are going to be checks and balances by the next Assembly, so please let us support all of the Propositions and support the STSB.

Thank you.

**The Bailiff:** Deputy Dudley-Owen.

**Deputy Dudley-Owen:** Thank you, sir.

I will not go into great detail. I know other Members have. Really what I wanted to pull out was just a couple of comments in response to some of the speakers previously, but also where my focus has been in this particular, which is about ensuring that we get better efficiency and better bang for our buck. So when I first read the policy letter, I was disappointed that there was not a group co-proposal here so that we had a utilities company. But I note that on page 13, that assessment of future options includes to combine two or more of the businesses and then incorporate the combined entity.

I think that for those of us who have paid close attention to things like the salaries of the executive board for Guernsey Electricity Limited and other areas that Members have mentioned, that they share the same customer base, the same taxpayers. There are a lot of synergies and duplication that we are in danger of running side by side with having individual entities that have the same fundamental strategic framework of providing utilities to Islanders. So that is something that I will be keen to see in the future coming out of these policy proposals as they progress.

The other comment that I wanted to make was I was pleased to see about the governance here. I think that is really important because it feels like, despite the States' Trading and Supervisory Board being there and applying that governance over the top, it is always a little bit difficult to understand what the governance structure is and how it applies to each of these different trading entities, some of them obviously internal still, and those who are at more arm's length. So I was pleased to see a greater description of that.

Two points that I just want to make. I supported the sursis this morning from Deputy Murray and Deputy Le Tocq because I am hooked in often by the phrase 'good governance' and I do like to see a lot of the work done up front as far as possible. If we are going to delay and we are going to be coming back with all of that work in terms of the policy proposals without hard baking this in, but I am keen to see us progress as well. So it was a bit of a punt. It did not get through and therefore I am happy to support the proposals on the basis that this would be coming back to a future iteration of the States.

But I would also respond to Deputy Leadbeater's comments, and I am sure that people know this already, but in my view some people are running a little bit cold on this because of previous experiences. Deputy Le Tocq has spoken to me today about the Guernsey Post being a little bit shaky as it was fledged independently of the States. We all know the stories about Guernsey Telecoms and people rue the day that that was let go. There are so many things.

We look at what has happened in the UK where an awful lot of utilities businesses, where privatisation has happened and we are getting strong assurance that that is not the intention of the STSB, but those utilities companies are being sold off to foreign investors. Now that is hardly resilient and does not really fill you with great enthusiasm.

So I think that there is risk to entertain and if your risk appetite is on that side of the spectrum, then I can understand why people are running cold on this. Mine is on the other side of the spectrum. I am willing to give these things a go as long as we have done the work and as long as we can prove the good governance in doing so.

Thank you, sir.

**The Bailiff:** Deputy Kazantseva-Miller.

2490 **Deputy Kazantseva-Miller:** Thank you, sir.

I think I have been assured by Deputy Roffey that Proposition 1 is not too prescriptive to say that the future work that will be done on Guernsey Port is only the recommendation from the Commission's report, which is to incorporate as two entities. Because I think, to me, that is where the questions still remain, and I think this is where the real opportunity for economic development for investment lies, is untangling how we look at the harbours, airport operation, and how do we  
2495 look at the rest of the assets they have in close proximity, whether it is in the harbours or in the airport master plan, and who is best positioned to develop them. So I think, first of all the question that has been surfaced about whether the two entities could be separated or could be run as separate business units under a holding company.

2500 But also I think another model should be explored as part of this of whether those entities should focus solely on operational delivery under their mandate, harbours in one particular and airport in another, but that any development opportunities surrounding those assets are transferred to other entities, such as the Guernsey Development Agency or an Airport Development Agency, because they will provide the right skillset, mindset, etc., to potentially go and develop them. So I think there  
2505 are a number of iterations that really need to be teased out further.

I am comforted that we have got enough scope, and I think it is on record from Deputy Roffey that that is the case. So I think with that in mind, I am very happy to support all the Propositions and we should really get on with it.

2510 **The Bailiff:** Deputy Haskins.

**Deputy Haskins:** Thank you, sir.

I do agree with the points that Deputy Dudley-Owen made. I thought they were very pertinent. I really was not going to stand and debate much in this. I just thought a bit like Deputy Leadbeater,  
2515 it makes sense to me that we should.

But I will highlight a couple of things, a few things; I have got about five bullet points on here. The first one is that we seem to be going towards a more user-pays basis, which is absolutely fine by me, but it does highlight a couple of issues, like Deputy Roffey has said, and I think Deputy Brouard, which is if you are the end of the line, now we were not talking about will you get  
2520 the water, of course you are going to get the water because you are going to be in some kind of SLA, some agreement and of course you will.

That said, if we are talking about, let us say, waste and you have a cesspit, now we subsidise that, we can continue to subsidise that, but some people, some businesses might have the mindset of, well, that is more than on the main, so we are going to charge you more for that because again we  
2525 are adopting a more user-pays principle. I think that is where the hesitation comes.

It was mentioned that no private business would take over one of these entities anyway because they would not make money. I would have to disagree with that. I would have to disagree with that, mainly because, if that was to be the case, you would have a monopoly. Now, of course, if they are regulated then it is a different kettle of fish. I am just saying, I absolutely do think someone would  
2530 want to, whether we would want them to or not is fine, it is the terms; the devil is in the detail.

But I think that is why this debate is longer than I thought it would be because people are nervous of the privatisation, but we have had that assurance. So I am not sure why we are talking for so long, and I am conscious of how I am talking and I am going to close up very soon.

A question I would like to ask Members though, sir, and I hope this makes sense, would Members  
2535 want to commercialise Beau Sejour; fully commercialise? Some people are going to say yes. Some people are going to say, 'Well, yes, but it is part of the community too.' So there is a rub there.



Members, at the end of the day, the question really is, is it likely that this approach is going to be more efficient? I think so. Is it likely that, in the fullness of time, this is going to save more money than it is costing to investigate, and certainly over time, in my mind, yes. In which case, sir, I am going to vote for this.

Thank you.

**Deputy Oliver:** 26(1).

**The Bailiff:** Do you want to invoke Rule 26(1), Deputy Oliver, which you have just mouthed at me?

**Deputy Oliver:** Yes, please.

**The Bailiff:** Can I invite those Members who wish to speak in debate on these Propositions to stand in their places? Deputy Oliver, is it still your wish that I put a motion pursuant to rule 26(1)?

**Deputy Oliver:** Let us give it a go, sir.

**The Bailiff:** All right. So the motion is that there would be no further debate other than hearing from the Vice-President replying to the debate. Those in favour; those against?

*Members voted Contre.*

**The Bailiff:** I think I can probably declare that lost.  
Deputy Trott.

**Deputy Trott:** I only wish to make three comments. I think it is obvious that I intend to be supporting the STSB following comments I made earlier. They are around what I kind of see creeping into modern politics. Let us call it the views of the historical revisionists. Now, I am the first to admit that many of them appear to reside in an Island some 15 miles to the south-east. However, there are some in our community.

Now, let us look at some of the history over the years. I mean, the commercialisation of Guernsey Telecoms, it was not to everyone's wishes. Not everyone supported it. But there were two business plans, one had been put together by Guernsey Telecoms, another by Cable and Wireless. One was superb and one was not. The States can only make its decision based on the information that is presented at the time and that is why Guernsey Telecoms was disposed of.

Let us fast forward to what happened a few years later with Guernsey Post in particular. Guernsey Post went, as others have mentioned, through a horrendous time when there were lots of union action, lots of union dissatisfaction, and it took a long time to get it right. This is really the theme of this speech, is that it will take a while for things to develop with Guernsey Water.

Then somebody mentioned, I think it was my friend, Deputy Leadbeater, who is a very good chap and definitely is my friend. He mentioned States Works. The truth is States Works is involved in the same competitive tender process as others. It has to outbid others. It has to provide value for money. Yes, it does. It is not given --

**Deputy Leadbeater:** Point of correction, sir.

**The Bailiff:** Point of correction, Deputy Leadbeater.

**Deputy Leadbeater:** It does not necessarily have to compete with tenders with other organisations. For example, States' Housing use them on an hourly rate, and they will get them to go and do jobs around the local estates, etc., and they are on an hourly rate, so they are not

competing for a tender. But they are a lot higher hourly rate than some of the other organisations in Guernsey.

**Deputy Trott:** Thank you. That relationship might exist on that ad hoc basis, but certainly if there is a tender process, they compete on a level playing field with others. They are not given favourable treatment.

But States Works is a classic example. It is a little bit like Aurigny, and I will come to Aurigny in a moment. States Works has an enormous additional advantage. It is our additional emergency service. It is States Works who turn out if there is an environmental event, an oil spillage or something of that nature. It is States Works who turn out if there is storm damage from a hurricane, let us say. So it has some extra advantage.

Now, I want to talk briefly about Aurigny. Aurigny has suffered some very substantial losses, but would it have been even worse for us as a community if we had not had Aurigny? I think most people continually assess this and come to the conclusion that the answer is probably. That is why some of the decisions that are taken in this Assembly, and indeed have been made over the years, are often reflected on by our community negatively, but they do not have all the facts.

At least we do have the facts at our fingertips, and that is precisely what the STSB are asking for. They want permission. They want the funding to go out and present the facts. Now, I am fairly convinced, but not absolutely convinced, but fairly convinced that the result of that exercise will show us that the further, the ongoing, the additional commercialisation of Guernsey Water will make sense and that is why I have no problem whatsoever in supporting this.

Thank you, sir.

**The Bailiff:** Deputy de Sausmarez.

**Deputy de Sausmarez:** Thank you, sir.

The issue of water quality regulation, as distinct from financial regulation, has been mentioned a couple of times, so I am very grateful to Deputy Parkinson for confirming that there is indeed a need and I believe intention to review that. This goes back to a resolution in 2012, I believe it was, which basically the States at that time agreed that there was a need for, I think it was a utility sector Law or something like that, and regulation for drinking water standards should be brought forward through that, but that has not happened.

The interim arrangements have persisted ever since, and that is that we have got what is known as a shadow regulator, and that is absolutely great. I mean, it has worked. We have not had any problems with that arrangement, but there are no specific enforcement provisions. It has never really been tested, and more to the point, it has certainly never been tested in a scenario where Guernsey Water are incorporated and may well have a more commercially-centric mindset.

So the reason why this could be more of an issue going forward is because there is no formal footing for the water quality standards at the moment, and that is absolutely fine. As I say, it has worked very reasonably. I would like to reassure everyone that the drinking water quality in Guernsey is very good.

However, in a hypothetical scenario where the commercial imperatives under a sort of incorporated structure, they could potentially be at odds or more at odds with maintaining those high standards of drinking water quality if there is no formal basis for those standards, no sort of legislative footing or anything like that. So there is a potential tension there between the commercial investment decisions; for example, it may well be that in that scenario the board decides that it is better to just delay investments that would lead to maintaining those really high standards because it is more important to bring money in.

I appreciate the comments people have made about this is not a profit-generating exercise. It is just about efficiency. I totally accept that.

So I am reassured by comments that this will be looked at. I would just really seek some clarity over how this is going to be dealt with. Is it going to be included in the scoping exercise that is

referred to in the policy letter? Who will be paying for it? I think it is just important that we make Members aware that there could well be financial implications, although that said, obviously any regulation would need to be proportionate. I wholeheartedly agree, as I always have, with the sort of frustration of examples where regulation frameworks have been lifted from the UK and are entirely inappropriate to the Guernsey context.

So that is really just a bit of clarity that I hope Deputy Parkinson can provide when he replies to debate. Because I think the policy letter suggests the current regulatory arrangements could continue as they currently are and really I think that is even more difficult in an incorporated structure because, at the moment, there is a very close working relationship between Guernsey Water and the shadow regulator. But if it is one removed because it has been incorporated, then that becomes even less. There are very few enforcement provisions as it is and I think it would just become a sort of moot point, really.

So I do not think the current regulatory standards or arrangements could continue unchanged as the policy letter suggests. So I would just like some clarity over that point.

On a personal level, I am absolutely convinced – I nominated Deputy Roffey for the role of President of the STSB precisely because I knew how strongly he felt against privatisation of our trading assets. I feel similarly strongly. I am very wary of privatisation. So I would not be in any way supportive of these if I thought that there was a danger that this process would lead to that outcome.

But I do accept the arguments that Deputy Parkinson and others have put forward about the potential for much greater efficiencies in that kind of incorporated structure. So I am minded to support these. It is slightly variable between the different trading assets, so I will continue to listen to debate.

But also another thing that I would appreciate Deputy Parkinson just touching on is, we currently have a policy already, we are already acting under this where it is the user-pays model, as Deputy Haskins says. But we have had instances, I think the Household Waste and Recycling Centre being one of them, where there has been a significant amount of taxpayer input into the capital expenditure rather than coming out of the user-pays model. I just wonder whether that becomes, if there were to be a case made for taxpayer involvement in some of the larger infrastructure investments, for example, whether incorporation makes that significantly more difficult. So I would appreciate some clarity over that as well.

Thank you.

**The Bailiff:** Deputy Matthews.

**Deputy Matthews:** Thank you, sir.

In considering whether these trading assets are beneficial to be incorporated or not, there is always going to be a tension between a public service that is set up as a utility to offer services to the public versus the profit motive that a commercial company would have. A few Members have mentioned, how do you account for people at the end of the line, and talked about a service level agreement.

In Post and Electricity and Telecom, it is a universal service obligation is the mechanism by which you require a business unit to supply your entire public or exactly what the definition is something that you would decide upon. That is the mechanism by which you would require a business to supply the entire Island or not. As Deputy Burford mentioned, there are some customers who just are not able to get water supplies at the moment.

But that tension does come about in issues like, for example, we have got Guernsey Water will be our first-up entity to be looked at. There is this regulatory issue that will apply to all of them. Regulation is expensive and it is difficult and it does involve a certain level of duplication of effort because what you effectively end up having is two sets of experts on a business, because you have to have the people in the business who work there, who know how it is run, and then you separately have to pay for, and the regulated business must therefore pay for it itself, a set of experts in a

regulator who will then examine the business to ensure that they are doing what they should be doing in the public interest.

2695 That can be expensive. It is one of Deputy Murray's favourite phrases to say we are sub-scale. But that is one of the issues that we have, is that we have to set this up for a small Island and then we have to have these regulatory agencies who are able to have the expertise to look inside a business and reach a conclusion about whether they are offering value for money or what action should be taken to offer value for money. That is a duplication. That is how you can end up not making the types of efficiency savings that you would hope to make.

2700 Because when something is a Government Department, when it is a States Department, you do not really need that so much. You just have one and they are a member of the Civil Service and you hope that you are able to direct them. But then you have, of course, all the issues of operational efficiency that Deputy Leadbeater, I think, has mentioned that we have endemically throughout the States and we have in all of our services.

2705 Members have mentioned about how this is hoped will be an attempt for these business units to be able to escape from the inefficiency that we have in the States. We know all about States' IT and the difficulties that we have with the States' IT, and we have had a big report on agilities and the problems that that the States face acquiring or using technology services. HR is one that I hear time and time again about the inefficiencies and difficulties that we have with HR. I know with Healthcare, we have had all sorts of stories about how difficult it is. In Environments and Infrastructure we have heard stories of people who have been waiting so long they have walked away and not taken up a post. I know that Education, Sport and Culture have mentioned that that is one of the issues that they have in recruiting teachers, is getting them through the States' HR systems.

2715 I have a lot of sympathy with Deputy Brouard's view. Rather than simply allowing these business units to be able to escape from these States' central services, why would we not instead be looking at how to make our States central services more efficient, which would then benefit HSC and ESC and Environment & Infrastructure, presumably Home Affairs and all the other Committees. I think that there is an awful lot to be said for that view.

2720 You might hope, or Members might hope, sir, that we could be able to draw some comparisons between the States and the commercialised entities. We can do that already. We can look at the differences between the States and Guernsey Post and Guernsey Electricity and say, what are they doing right that we are not doing here? The States has a new Chief Executive who has just come from Guernsey Post, and I am sure that will be one of the things that he will be doing, will be looking at the differences between how things run in Guernsey Post and how things run in the States. So there is a potential benefit there. But we should not forget about the issues that these central services cause all of our States' Committees.

2730 Going back to regulation, sir, there will be work to do, especially in water regulation and drinking water standards, as Deputy de Sausmarez has pointed out. Some of that will be for us because we may wish to, not only have a regulator, but also to legislatively set legislative limits. Members may remember that Deputy de Lisle and I led an amendment about looking at the safe limits for forever chemicals, that is PFOS and PFAS, which we do not have. The limit that we were looking at was the groundwater limit, not the drinking water limit, because we do not have a drinking water limit.

2735 Guernsey Water currently uses the UK limit, but that is up to them to do that. As a commercialised entity, we would have to set that limit and set an obligation for Guernsey Water to maintain that limit, and it is expensive. The kit that is required to do that is not cheap. The limit that we set, and there are disagreements – Guernsey Water is currently following the UK limit, there is an argument that it should be lower than that. The United States is looking at making it much lower. 2740 They have a lot of issues in the US. We may have issues here. Jersey certainly had issues similar to ours with contamination from foam that had been used at the airport, and also there has been use of pesticides or fertilisers that have been used in agriculture in Jersey. I do not know. I think we have had similar issues in Guernsey as well, but it is certainly an issue. It will be part of the cost of commercialisation. We will be considering all of these things that we do not have to at the moment.

2745 But I do accept Deputy Parkinson's suggestion. It is a little vague to go on because Deputy Parkinson has just said that the quality of information that he gets and leadership that he sees, these commercialised entities have a certain *je ne sais quoi* that the unincorporated entities do not have. So that is a little difficult to go on.

2750 But one of the things I think that would be persuasive to me in Deputy Parkinson's summing up is this issue of the separation between the harbour and the airport. Now, Deputy Roffey has said that, by voting for this, there is nothing in a positive vote that would mean that they could not be incorporated as separate entities. Now, I see that in the options summary recommendations on page 32, that was one of the options that looks to have been discarded. I could not see that there was a lot of information about why it has been discarded. But if Deputy Parkinson in his summing up could assure me that it would be possible for the incorporated entities to be incorporated as separate entities, then that would be persuasive for me and I am sure some other Members anyway in terms of my vote.

2760 But, if I was able to get that assurance, and I would certainly, despite having many reservations about the concepts and the pitfalls that are there in terms of commercialisation, I think a lot of that is something that will come out for the next States in terms of the proposals and I think that there are potentially benefits that can be realised. There is certainly downsides that can be realised as well. But if I could have a couple of assurances, that certainly might be persuasive for me.

Thank you, sir.

2765 **The Bailiff:** Deputy Blin.

**Deputy Blin:** Thank you, sir.

2770 I had originally supported the sursis of Deputy Murray for exactly the reasons he had pointed out, but sort of now am taking the consensus approach and trying to look at the best I can from here. The policy letter, it offers these sort of steps towards improving how we manage our public services, not through outsourcing or privatisation, but applying the governance, the commercial discipline, the long-term planning.

2775 So, starting with Guernsey Water, it is practical. It is kind of a low-risk pilot. It is already operating as a de facto. So incorporation will not change its public purpose, but it will give it the framework to run more efficiently. But with public finances under pressure and capital budgets tightening, we have to make smarter use of the assets we already have. Incorporation has the potential to deliver these efficiency gains and based on models adopted by Jersey or elsewhere. So it is not theoretical. It is meaningful improvement in how we run this public infrastructure.

2780 I look at the Guernsey Ports, and I have also picked up on Deputy Matthews's comments of the consideration that Deputy Parkinson will mention the separation of these entities, but from cargo handling to airport facilities to marine services, the Ports are clearly a critical economic gateway for us. They have been long hindered by slow processes, ageing infrastructure, and the lack of commercial focus. So we have seen capital projects stall, mooring services underperform, customer satisfaction suffer. So, with incorporation, there is or there should be the scope for significant improvement.

2785 So I hope specifically to hear from Deputy Parkinson when he sums up to give me that comfort and clear direction of what that will entail. Will there be faster investment, improved service, better management of moorings, and I know it is always leadership comes from the top. It is the individuals, whether it be civil servants or private sector, it is the leadership.

2790 Now we go to the situation we had for the private boat owners. We had a period particularly with Deputy de Lisle, lots of concerns about the inefficient systems, the waiting lists, the fees. So maybe incorporation could allow Ports to adapt to be more responsive, user-friendly, digital systems, berth allocations. There is a whole series of things there. So there are real quality of life and economic issues.

2795 Ports are not just there for the tourists and freight. They are our access, our efficiency, the pride of our community. So a more dynamic Ports operation would benefit for everyone. I could go on with the airport. I am just going to leave that, but we have the same aspects there.

2800 So, today I am sitting in the sort of middle point. As I said, I initially had supported Deputy Murray with the sursis. So no decision has been made to incorporate the Guernsey Ports or State Works there. What I understand is what is being proposed is a process to explore, to analyse, to this Assembly with detailed proposals. So it does not have that sort of scope creep of just reaching out across.

2805 So, the oversight will be there. We are giving our trading businesses hopefully the frameworks they need to perform better. As long as this recognises our financial reality and respects our public services, then I will be looking to support and I will be very much listening in the summing up of Deputy Parkinson for some of these points.

Thank you, sir.

**The Bailiff:** Deputy Dyke.

2810 **Deputy Dyke:** Thank you, sir.

I have not got much to say. Most of what needs to be said has been said. I am going to vote in favour of this. I think it will give the opportunity for the various entities to run their own HR, their IT, their terms of engagement on unemployment contracts and all that sort of thing that will probably help going forward and they will be in a better position to do more commercial things.

2815 Deputy Leadbeater made some interesting points. What does concern me is it is only going to improve if we have different people running them. If the same old management carries on in the same way, this new envelope is not going to help, is it? Deputy Leadbeater mentioned the over-management at the Ports, that needs to be fixed. We should be fixing that now, not in two years' time.

2820 Then you look at the airport. Can somebody now, and not in two or three years, look into some of their contracts as they are procured? You go to the airport now, it is beautifully covered with scaffolding that has been sitting there for two months and nothing has been going on. I recall we had these massive lampposts, each one with its own individual diesel unit. I do not know what Deputy de Sausmarez thinks about that. It is not her fault. So they were there for a year or so. But just what is going on? There are management issues now that need to be sorted out. Then, if that can be done and we do the incorporation, I think we might get somewhere. But there is more to do than just the incorporation of the entities. But I will vote for it.

Thank you.

2830 **The Bailiff:** Deputy St Pier.

**Deputy St Pier:** Thank you, sir.

2835 Briefly, unsurprisingly, I assure to Members I will obviously be supporting this amendment. I would like to thank the Members of the States' Trade and Supervisory Board for their work on this and indeed the non-States' Members who I know have contributed significantly to its development as well.

2840 My only regret is that it perhaps did not appear two or even three years ago, but that has been a little bit begrudging. I wish them good speed in progressing this or their successors in the next term.

The only point I do wish to raise, and I know that Deputy Trott has now spoken, but to draw attention to a comment in the Policy & Resources Letter of Comment, which I just wish to draw attention to, referring to the Ports. The letter says:

Whilst the Committee is not against incorporation, it also recognises that at present the Ports have significant capital requirements [no surprises there] including a maintenance backlog and current and historical deficits. In these circumstances, incorporation would not be possible without a significant recapitalisation.

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I will give way. He is clearly going to anticipate what I was about to say.

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**Deputy Trott:** Well, only to say that I did refer to that in my speech. But it is a very material aspect in this. We cannot get away from it. It comes back to the fiscal policies points that have been, I think, strongly made over the last few years that there has been continuous underinvestment over the last few years. I thank my friend for giving way.

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**Deputy St Pier:** Sir, Deputy Trott knows me well and he made a good fist of attempting to guess what I was going to say, but he was not quite right. He did indeed draw attention to that and he spoke about it in the sursis debate as well.

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The point I was going to make is that, irrespective of whether the business is incorporated or unincorporated, it is going to need that capital requirement. So, in that sense, this particular comment, I would suggest, is a little bit of a red herring, notwithstanding that I think the debate has moved on. I merely wish to draw attention to it and perhaps refer back to Deputy Trott's own comments, notwithstanding this comment in the letter, these businesses may be better able to access capital if they are incorporated rather than as part of the States, which I think is a point he made very well in the earlier debate, sir. Merely just to draw attention to that one anomaly. Otherwise, I am keen to support this and move on, sir.

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**The Bailiff:** I would invite the Vice-President, Deputy Parkinson, to reply to the debate, please.

**Deputy Parkinson:** Thank you, sir.

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Well, it has been a long debate and we have had lots of contributors. I will try and go through the debate relatively carefully because several people have asked me to give various specific assurances.

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Starting with Deputy de Lisle, he was keen that the businesses should operate for consumers and we all are. These are social enterprises, as Deputy Roffey has pointed out. He commented on the role of the independent regulator and how electricity prices have increased since the regulator was replaced. But that was because, as Deputy Roffey and others have said, for 10 years there was, in effect, no regulatory regime and the prices were not increased at all. So now we are playing catch-up and it is very painful for all of us. I think the point about standing charges has been addressed. As Deputy Roffey says, on average, the electricity standing charge is 12.5% of Guernsey Electricity's billings.

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Deputy Queripel made this strange comment about STSB having decided to intervene in the management of Aurigny, which is not a situation I recognise at all. But obviously he has heard something on the grapevine.

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Deputy Brouard, yes, if we go for commercialisation, we will need regulation or may well do. That is something that will emerge out of the work that is going to be undertaken. He says, 'What are the real benefits? If it is not lower prices, why do it?' Well, we have been talking about basically making these operations more efficient. Now, whether that results in lower prices or reduced losses remains to be seen, but it has got to be a good thing to do.

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He made some comment about Guernsey Water when it was brought into the centre. I do not quite understand that comment, frankly. Guernsey Water has moved from one Government Department to another, but it has constitutionally remained the same. It is an unincorporated business.

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Yes, commercial organisations try to make profits, but in the context of the STSB, that is very heavily qualified by the fact that they have to deliver a public service, which comes first and foremost. He was worried that commercialisation would result in the sale of the silverware. I hope he is now convinced that we have no intention to privatise these companies, but possibly some surplus assets may be sold. There is no point in us leaving a patch of wasteland that we do not need

if somebody else can do something better with it. I would not like to make any commitment on that.

Yes, Deputy Ferbrache, I thank him for his support, and he commented on the failure of regulation in the model we have had in relation to Guernsey Electricity. As others have said at various points in the debate, if we have external regulation of price control, then that needs to be in a system and a model which works for Guernsey. There is no point in importing the UK standard model for an Island of 60,000 people.

Deputy Fowler asked, will STSB take note of the points raised in the sursis debate? Yes, I honestly think most of those were ill-founded concerns. We said we are going to look at all these things. If you look at, I think it is section 8 in the policy letter, there is a long list of things that we have said we are going to look at. So there is really no need for States' Members to say, 'Oh yes, but you must look at this, you must look at that.' We have said we are going to look at them. If anyone wants to add to the list, fine, tell us what else we need to look at. But please read section 8 first, because that is what we have already committed to do.

Deputy Burford, now this is tricky, I think she asked could she vote for Proposition 2 if Proposition 1 fails? I believe the answer to that is no, because Proposition 2 refers to Proposition 1. I am happy to be corrected by any Law Officers or indeed you, sir, if I have got that wrong. But I think if Proposition 1 fails, Proposition 2 is no longer in play. That is my understanding of the situation.

**The Bailiff:** What I am going to do is I am going to take a vote on Proposition 1. If it is approved, then there will be votes on Propositions 2 to 4. But if it is not approved, there will not be another vote.

**Deputy Parkinson:** Right, so I hope that is clear for everyone.

Deputy Gabriel asked, will there be a universal service obligation? Yes, there will. As has been pointed out, it does not currently require Guernsey Water to supply mains water to every house on the Island, and some people are on boreholes. But we just have to be realistic about the practical limitations. We would love to have mains drainage to every house on the Island, but we live in the world of reality.

Now, States Works, he asked if we will come back with proposals for the emergency standby services. That will have to be very carefully thought out before any proposals to incorporate States Works might be brought to the Assembly. But, as you know, we do not intend to proceed with the incorporation of States Works at this time.

Deputy Helyar wants more transparency of costs. Well, yes, of course. In fact, incorporation will increase transparency because the companies will have to make more clear accounting for their own purposes. Of course, with the States now having adopted International Public Sector Accounting Standards (IPSAS), those will apply to the incorporated and indeed unincorporated associations. So, essentially, there will be more accounting clarity in any event.

He made the comment that the States as a whole have lost control of capital planning. That is broadly true. But one of the reasons why States Water is being put forward as the first candidate in this process is that States Water has a really good asset register and a really good asset management plan. Much better than some of our other businesses, I have to say, States Water knows with reasonable certainty what it needs to spend in each of the next, whatever it is, five years to maintain the network. That is one reason why they are in a better position to be commercialised.

Deputy Gollop talked about the need to include cost of capital. Yes, this is of course quite difficult, especially in relation to the Ports, where the States' Capital Reserve, in other words the taxpayer, has spent enormous amounts of money on the QEII Marina, on the runway rehabilitation project 20 years ago, almost 20 years ago. These investments and the cranes at the harbour, etc., came out of the taxpayer, so they do not sit on the balance sheets of these trading assets.

One reason, incidentally, why boat owners are constantly saying, 'But Guernsey Ports, the harbours make a big profit and the airport makes a loss', one reason why the harbours are showing



a big profit is there is no depreciation of the investments in, for example, the QEII Marina, because the harbour never paid for it. So, getting the accounts, the opening set of accounts right, that represent what the business really is, is a major exercise. So we will come back to the separation of the harbours and the airports later.

He makes the point that in Jersey, Jersey Ports are under Economic Development. I do not even know, is that true? Maybe. STSB is not terribly precious about these businesses. If the States decided that the harbours and airports should be under the control of Economic Development, I am not going to burst into tears about that. But in Guernsey the decision was made back in 2016 that all these sort of operational bits, the mechanical stuff, the bits where you get oil under your fingernails, all would come under STSB, and Economic Development, for example, was a policy-making committee, which would not dirty its fingers in all this oily machinery. But, if the States wants to do that differently, then we could.

I think the questions about the airports have been answered by Deputy Roffey. It is a responsibility of P&R under the 1948 agreement. But the operation of the airport is delegated to STSB. Guernsey Airport, he said, is less successful. Well, Guernsey has a problem with scale and the truth is that passenger numbers through Guernsey Airport fell, I think, 20% or more during the pandemic and have not fully recovered. It is just a sad fact of life. We do not have as many people flying in as we used to. A lot of that traffic which we have lost has been business passengers. Like many of our businesses in Guernsey, Guernsey Airport is subscale, and we have consistently expressed the view that it needs an ongoing public subsidy as an economic enabler.

In the course of discussing when eventually we do and come back to the States with a policy letter on the airports and harbours, we need to face up to these issues. Somebody else asked the question, would commercialisation prevent a public subsidy element in the businesses, and the answer clearly is no. You can have a commercialised business which benefits from a specific public subsidy and in our view, and we have been very candid with the States about this for a long time, is that the airport will require ongoing public support because the alternative is to drive up landing fees to a level where people just do not want to come here anymore.

Deputy Roffey, I thank him for his support and for answering some of the earlier questions in the debate. He makes a very valid point, which I repeat at the risk of being tediously repetitive, that although many of these businesses do require massive capital investment, incorporation does not change that fact. The reality is we are going to have to spend money on the Ports, for example. Incorporation might make the process of managing the capital investment a little more efficient, but it does not change what needs to be done.

Another point that Deputy Roffey made, which I wholly concur with, is that it is in Economic Development's hands to do the review of regulation. STSB is the nuts and bolts Committee; we are not there to set policy. The regulatory model that we have had in Guernsey has not been suitable for the Island and it is up to Economic Development to put in place a model that works for Guernsey.

I thank Deputy Leadbeater for his support and underline the point he made, which is that States Works, 80% of its business is other States' Committees. One reason why we do not see it as a priority for commercialisation is that it is a strange kind of business, which effectively only has one client, and that is us. It would be much better, healthier if States Works grew its business or its non-States' business so that it was functionally more independent before we commercialised it.

Deputy Dudley-Owen talked about better efficiency, talked about a combination of businesses. Yes, we did look at that certainly in relation to Water and Electricity. That was a very serious consideration. It is possible that in the course of the work we have to do now over the next years that we might come back to the States in the policy letters that we will have to continue to bring to the States and say, 'You know what, it would be better if we just passed it over to Guernsey Electricity to do it.' I do not think that is likely to be the conclusion. It is certainly not the conclusion our consultants reached. But it is not out of the bounds of possibility.

She talked about governance structures and of course the critical difference between an incorporated and an unincorporated business is the incorporated business has its own board with

its own selection process and so on and they operate more autonomously than what are effectively subcommittees of the STSB.

Deputy Kazantseva-Miller was one of those who questioned the combination of the airports and harbours and that will have to come back to the States in the course of development of plans for the Ports, which we are not currently prioritising.

Yes, she is right, there could be other development opportunities around the harbours, some of which might be transferred to the Guernsey Development Agency, and again that will emerge hopefully as two things happen, (1) is as we develop the plans for the Ports, and (2) as we learn more about what the GDA wants to do. We work very closely with the GDA and we are well-informed of their plans and we will co-operate with them wherever we need to.

Deputy Haskins said we are moving to user pays. In the trading assets, basically the principle is user pays. Some public subsidy is needed in certain areas. For example, currently Guernsey Waste effectively is underwritten by the taxpayer and, for that matter, the airport is effectively underwritten by the taxpayer, but generally we use the user-pays principle.

He talked about charges for cesspits. Well, yes, we do charge for the cesspits and we charge more than people on mains drains. The charge to the cesspit user is subsidised to an extent out of the mains drains customers.

I hope he is now satisfied that we are not talking about privatisation. He asked would we commercialise Beau Sejour.

I give way to Deputy Haskins.

**Deputy Haskins:** I am grateful for the give way.

In relation to the user pay, what I was really getting at with regards to the cesspits was that I think Members of the Assembly were worried that, in light that there is an additional charge, if you were to go to a more commercialised level where the user-pays model is more prominent, then it is likely that you would have to pay even more because at the moment it is subsidised. Without that subsidisation, in a much more macro user pays, those charges would not be £31 or £32, or what they are now, they could be £120.

**Deputy Parkinson:** Yes, I cannot off my cuff remember exactly what the legal basis, if you like, of the subsidy to the cesspit customers is. I think they pay about a third of the cost.

I give way to Deputy Roffey.

**Deputy Roffey:** I am not sure about the legal basis, but it comes from a States' instruction, a States' resolution, that they should be exactly that, it is one-third of the cost of collection is the charge.

**Deputy Parkinson:** Fine, so the authority for that is a States' resolution, which no doubt would continue to apply in relation to an incorporated Guernsey Water or States Works.

Deputy Trott, I thank him for his support. Deputy de Sausmarez, now we come back to this. She says there is no formal footing for water quality standards, which is true, but that is also down to her Committee, Environment & Infrastructure. If they want to put the water quality standards on a formal basis, then they should do so. Guernsey Water voluntarily complies with UK standards on water quality. I think I can give the Assembly assurance that it will continue to do so, whatever the technical regime is around water quality in Guernsey.

Guernsey Water constantly monitors water quality and responds to any test failures. I can tell you that Guernsey Water takes this incredibly seriously. After all, in a worst-case scenario, they could poison a large proportion of the Island of Guernsey. This is a responsibility that nobody takes lightly. Incorporation, in my view, is not going to change that. Quite apart from it is not within the ethos of the States' trading assets to run those kind of risks, commercially the fallout from us poisoning the south of the Island would be devastating. Even if we were running this business for a profit, nobody

3050 would seriously contemplate running that risk. So, people should have no concerns about water quality. It is top of the priority list, it comes way before any commercial considerations.

She wanted to know about user-pays model, taxpayer subsidies. As I say, some Guernsey trading assets are subsidised by the taxpayer. The Guernsey Waste business is subsidised by the taxpayer. The airport is currently subsidised by the taxpayer. I could go on. Obviously, the PSO to Alderney is subsidised. Would incorporation change any of that? I do not think so. It certainly would not make the contribution of taxpayer subsidies any more difficult.

3055 Deputy Matthews talked about the Universal Service Obligation, which I hope people are now reassured would remain in place. As has been said, and I repeat, these are social enterprises and ultimately we are trying to provide customers in Guernsey with the best possible service and products.

3060 He asked for a specific assurance that it would be possible for the airports and harbours to be incorporated separately, and I can give him that assurance. Yes, it would be possible. We are not looking at that now. I personally think it would be pretty inefficient. At the moment, the airport and harbours share a certain amount of management and that, of course, avoids them having separate managing directors, for example.

3065 The Jersey example, I think, is a strong one. They have chosen to keep the airports and harbours under the same management. Although we will look into it, I am not sure we will come to a different conclusion.

3070 Deputy Blin asked, would incorporation lead to better management and leadership? I think the answer is it would tend to. There are no guarantees, but the boards of Guernsey Electricity, Guernsey Post, Aurigny, I would say, tend to be of a higher calibre in terms of their capabilities. Although that is not to disparage the very worthy efforts of the people who run Guernsey Water, etc. So, I cannot give him any guarantees about this, but I think the businesses would likely be better run than they are as at present.

3075 Deputy Dyke made a rather similar point that the businesses will only be better if they are better managed. Yes, but putting in independent managers from outside the States, bearing in mind that all the managers within the unincorporated trading assets are effectively civil servants, but bringing in experienced managers of the calibre of the people who run Guernsey Electricity, Guernsey Post and Aurigny, I think can only improve the management performance.

3080 With that, sir, I think I have answered all the questions. I hope I have not missed out any anyone who asked for a specific assurance. I would just ask Members to vote for these Propositions.

3085 **The Bailiff:** Members of the States, we will have a vote on Proposition 1 first for the reasons that I gave earlier, and I will invite the Greffier to open the voting on Proposition 1. Can we now please close the voting, Greffier?

*There was a recorded vote.*

*Proposition 1.*

3090 *Carried – Pour 29, Contre 5, Ne vote pas 1, Did not vote 3, Absent 2*

<b>Pour</b>	<b>Contre</b>	<b>Ne vote pas</b>	<b>Did not vote</b>	<b>Absent</b>
Aldwell, Sue	Brouard, Al	de Sausmarez, Lindsay	Hill, Edward	Inder, Neil
Blin, Chris	Burford, Yvonne		Mahoney, David	Le Tissier, Chris
Bury, Tina	de Lisle, David		Snowdon, Alexander	
Cameron, Andy	Murray, Bob			
Dudley-Owen, Andrea	Queripel, Lester			
Dyke, John				
Fairclough, Simon				
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  
 Oliver, Victoria  
 Parkinson, Charles  
 Prow, Robert  
 Roffey, Peter  
 Soulsby, Heidi  
 St Pier, Gavin  
 Taylor, Andrew  
 Trott, Lyndon  
 Vermeulen, Simon

**The Bailiff:** In respect of Proposition 1, there voted in favour 29 Members, 5 Members voted against, 1 Member abstained, 5 Members did not participate in that vote, but I will declare Proposition 1 duly carried.

I am now proposing to take Propositions 2 to 4 together unless anyone wants to vote differently. No. Propositions 2 to 4 taken collectively, then please, Greffier. I will invite the Greffier to open the voting on Propositions 2 to 4. Will you now please close the voting, Greffier?

*There was a recorded vote.*

*Propositions 2 to 4*

*Carried – Pour 30, Contre 5, Ne vote pas 0, Did not vote 3, Absent 2*

<b>Pour</b>	<b>Contre</b>	<b>Ne vote pas</b>	<b>Did not vote</b>	<b>Absent</b>
Aldwell, Sue	Brouard, Al	None	Hill, Edward	Inder, Neil
Blin, Chris	Burford, Yvonne		Mahoney, David	Le Tissier, Chris
Bury, Tina	de Lisle, David		Snowdon, Alexander	
Cameron, Andy	Murray, Bob			
de Sausmarez, Lindsay	Queripel, Lester			
Dudley-Owen, Andrea				
Dyke, John				
Fairclough, Simon				
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				
Oliver, Victoria				
Parkinson, Charles				
Prow, Robert				
Roffey, Peter				
Soulsby, Heidi				
St Pier, Gavin				
Taylor, Andrew				
Trott, Lyndon				
Vermeulen, Simon				

**The Bailiff:** In respect of Propositions 2 to 4, there voted in favour 30 Members, 5 Members voted against, no Member abstained, 5 Members did not participate in that vote, and therefore I will declare Propositions 2 to 4 also carried, which means that all four Propositions have been carried.

## **DEVELOPMENT & PLANNING AUTHORITY**

### **7. Development & Planning Authority Development Plans – Amendment Process – Debate commenced – Deferred to next sitting**

3110

#### *Article 7*

*The States are asked to decide:-*

*Whether, after consideration of the policy letter entitled 'Development Plans – Amendment Process' dated 3rd March, 2025 they are of the opinion:-*

- 1. To agree that the current procedures, under planning legislation, for making certain categories of amendments to Development Plans are disproportionate and do not allow amendments which reflect changes in States of Guernsey policy to be made sufficiently expeditiously.*
- 2. To agree that there is merit in amending existing planning legislation to enable amendments to be made more expeditiously to Development Plans during the lifetime of those plans.*
- 3. To agree that minor or inconsequential amendments made during the lifetime of Development Plans shall follow the simple procedure described in paragraphs 4.6 – 4.8 of the policy letter, providing in particular for –*

- publication of amendments in La Gazette Officielle or by alternative means as allowed under the Publication of Official Notices (Guernsey) Law, 2024;*
- approval of amendments by the Development & Planning Authority, and*
- laying of amendments before the States subject to annulment by the States,*

*and that the Development & Planning Authority shall have regard to criteria in published guidance in deciding whether amendments fall into this category.*

- 4. To agree that significant policy amendments made during the lifetime of Development Plans shall follow a streamlined version of the current plan amendment procedures as described in paragraphs 4.9 – 4.14 of the policy letter, providing in particular for –*

- public consultation by the Development & Planning Authority (the Authority),*
- a power for the Authority to request a public inquiry into amendments instead of a duty to do so, and*
- a new power for the Authority to require independent examination in writing of amendments by an independent inspector where written representations are made in response to public consultation,*

*and that the Development & Planning Authority shall have regard to criteria in published guidance in deciding whether amendments fall into this category.*

- 5. To agree that exceptional or strategically essential amendments made during the lifetime of Development Plans shall follow the procedure described in paragraphs 4.15 – 4.18 of the policy letter providing in particular for –*

- public consultation by the Development & Planning Authority (the Authority), and*
- a power for the Authority to request a public inquiry into amendments instead of a duty to do so, and that the Development & Planning Authority shall have regard to criteria in published guidance in deciding whether amendments fall into this category.*

- 6. To agree that amendments are made to the Land Planning and Development (Plans) Ordinance, 2007 and other planning legislation in relation to amendments to Development Plans to:*

*a. provide for more streamlined processes to be followed for amendments to a Development Plan; and*

*b. remove the restriction which prevents a person being appointed as a planning inspector if that person has held a certain position at any time within the period of 2 years before the date of the proposed appointment, subject to appropriate safeguards in relation to potential conflicts of interest,*

*in order to streamline the Plan amendment process for significant policy changes and allow for more flexibility in the appointment of a plan inspector as detailed in paragraphs 4.12 and 4.13 of the policy letter.*

*7. To direct the preparation of such legislation as is necessary to give effect to the above decisions.*

*8. To direct the Development & Planning Authority to review the policy and legislation relevant to the creation of new Development Plans once the focused review of the Island Development Plan has been completed, and to bring recommendations for the improvement of this process back to the States once the amendments to the Plan are adopted.*

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

**The Bailiff:** Next matter, please, Greffier.

3115 **The States' Greffier:** Article 7. The Development & Planning Authority Development Plans - Amendment Process.

3120 **The Bailiff:** I will invite the President, Deputy Oliver, to open the debate. But what I will explain is that, if a secondary Proposition is going to be laid, and there is a sursis motiv  , for everyone else other than those proposing it and the President, there will be a time limit of three minutes in speeches. Deputy Oliver.

**Deputy Oliver:** Thank you, sir.

3125 Today, I urge you to support this policy letter. The development and planning process, this is a legal process which the Development & Planning Authority have to go through to amend the Island Development Plan and the local planning brief. The DPA has long recognised that the current legal framework for amending the development plans is cumbersome, time-consuming, and expensive. Planning needs to be more responsive to the priorities of Government, economic, and communities.

3130 The length of time it usually takes to bring any amendments to the IDP, whether big or small, can be extremely long, and it is not considered fit for purpose or responsive to the current environment. This affects not only policy makers, but also businesses, environmental, and most importantly, the people who rely on housing and infrastructure improvements. Development plans encompass both the Island Development Plan, IDP, and the local planning brief, such as the harbour action areas.

3135 Under the existing system, even minor amendments must undergo the same intensive 12-stage process, which has been attached to the policy letter. This outdated model prevents us from being responsive effectively to emerging needs, whether it be an urgent demand for housing, commercial expansion, or environmental safeguards. To address this, the DPA is proposing a more agile, proportionate, cost-effective system with three distinct categories for amendments, while at the same time continuing with the safeguard and the core principles of consultation.

3140 So, first is the minor amendments for small-scale changes, such as policy clarifications or corrections. The process will be streamlined. Public consultation will occur through advertisement in *La Gazette Officielle*, ensuring transparency while allowing for swift action. Any feedback will be considered before the amendments are implemented. The States will still retain oversight with the ability to annul amendments as necessary, maintaining accountability.

3145 The second one is policy changes aligned with the approved States' policies. The majority  
amendments would fall under this section would be to support the broader Government strategies.  
The DPA will have the power to ask for an inspector to be appointed to undertake a full public  
inquiry as per the current process for amendments that may be considered substantial or  
controversial. For other amendments, it will be empowered to initiate the independent examination  
3150 conducted in writing only when written representations are received.

This narrower method of independent investigation will ensure experts review while avoiding  
unnecessary delays and expenses that arise from the process of a full independent inquiry. A full  
independent inquiry would remain an option, but it would no longer be a mandatory step, allowing  
greater flexibility in the process. Ultimately, under the current process, any proposed changes would  
3155 be compiled in a policy letter, subject to approval and amendment by the States.

The third one is strategic or exceptional circumstances. This is reserved for exceptional  
circumstances. This route ensures amendments are deemed essential to support immediate  
Government priorities, having further route of approval by the States of Guernsey. Consultation is  
still mandatory under this step, but does not require any independent examination unless the DPA  
3160 will consider it important to request a planning inquiry through the Committee for Environment &  
Infrastructure. However, it will not be a mandatory step. Like with other policy or legal changes, the  
States of Guernsey will remain the final decision-maker of any plan amendments.

By structuring the amendment process into these three distinct categories, we will strike a  
balance between public participation, independent oversight, and a pragmatic decision-making.  
3165 Importantly, these reforms will allow Guernsey to respond to pressing issues such as housing  
shortages, economic shifts, and environmental considerations in a much more timely manner.  
Critically, these changes uphold the core principles of fairness, human rights compliance, and robust  
consultation. The DPA remains committed to ensuring public input and evidence-based decision-  
making, along with transparent policy formulation.

3170 There are also some further reforms, and this goes beyond the procedural improvements.  
Additional legislation updates will enhance flexibility in the appointment of a planning inspector.  
The current two-year restriction on appointing individuals with prior relevant positions limit our  
ability to recruit the best-qualified professionals. By expanding the pool of eligible inspectors, we  
ensure our system benefits from the highest expertise available. Moreover, extensive consultation  
3175 has already taken place with the key stakeholders, including the Policy & Resource Committee, the  
Committee for the Environment & Infrastructure, the Planning Panel, and Law Officers. Their  
feedback has been instrumental in refining these proposals.

In particular, an initial idea to involve the Planning Panel members in independent examination  
was reconsidered after consultation, demonstrating our responsiveness to stakeholder input.  
3180 I emphasise that these proposals focus solely on amending existing development plans, not on  
creating entirely new plans. Should these Propositions be approved, the next iteration of the DPA  
will assess how best to develop the new plans, building upon the focused review of the IDP.

Additionally, the role of section 77 of the 2005 Planning Law, which relates to strategic essential  
development, will need to be reviewed. Given that it has never been used due to its complexity, we  
3185 must question its ongoing necessity.

So, why these changes matter, at its core, the proposal is about making Government, but  
particularly Planning, more responsive and the legal steps more proportionate to different  
amendments. By refining our process, we can ensure that development policies align more swiftly  
with Government priorities and the need of community and economy, whether that is boosting  
3190 housing supply, supporting business or protecting our environment.

We also anticipate significant cost savings by reducing administrative burdens, but more  
importantly, the likely significant reductions in time it currently takes to undertake to bring  
amendments to the plan, while maintaining consultation.

As an example, the current IDP review, which is narrowed in scope, is only looking at  
3195 amendments of a few policies, it will take approximately three and a half to four years by the time  
it is hopefully approved in April 2026. We do not consider this to be an acceptable or responsive

timeframe to meet priorities of the Government. Ultimately, voting in favour of these amendments mean endorsing a system that allows Guernsey to react more efficiently to changing local and global conditions.

3200 It means removing unnecessary obstacles that currently delay much-needed development and improvements. It means ensuring the Island remains a dynamic, responsive and forward-thinking jurisdiction while maintaining the core principles of consultation, examination and human rights compliance.

3205 I urge Members to support these carefully considered, well-structured proposals. The majority of the DPA stand behind this, with only one member disagreeing on all but Proposition 3. These amendments provide an agility and clarity that we need to build a sustainable, thriving future of our Island. By embracing these changes, we remove the roadblocks, the red tape, enhance efficiency and empower our community to grow and adapt.

Please support all the Propositions.

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**The Bailiff:** Members of the States, there has been a sursis motivé submitted. Is it your wish to lay that sursis motivé now, Deputy Burford?

**Deputy Burford:** Yes, please.

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**The Bailiff:** In that case, I invite you to do so.

[Sursis motivé](#)

*The States are asked to sursis the propositions until such time as a detailed public consultation has been carried out on the policy letter, and to direct that once that work is complete, the policy letter is to be re-presented to the States together with the results of that consultation.*

**Deputy Burford:** Thank you, sir.

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In the last week, I have spoken to a number of colleagues about this policy letter as I was seeking seconders for amendments and subsequently this sursis. Several Members said to me, 'Oh, I have not quite got around to reading that one yet.' This is not surprising. Work levels have ramped up as we move to the end of the term. Committees are working to get final policy letters submitted. States' meetings have increased in frequency and in length and we have received 200 emails on college funding. It is busy.

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But this slim, even seemingly innocuous policy letter represents a far-reaching change as to how we deal with planning policy. The development plan that we have today is the iterative and widely consulted outcome of a process that goes back many years. Indeed, it is the most widely consulted-on document in Guernsey's history. It is a process that began with the Guernsey Tomorrow consultation and moved through many different stages, engaging thousands of people in our community from all walks of life to create the document that we have today in the Island Development Plan. It is a living document that essentially has one overriding and enormously difficult task, to balance all the myriad competing development and conservation needs and aspirations on this tiny and relatively densely-populated Island of ours.

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There will not be one person on this Island without some criticism of the IDP. That is because, for pretty much every development, there will be those in favour and those against. The plan carefully walks the tightrope of these competing demands while paying heed to the need to support the economy, the people and the beauty of this Island. This fine balance has been maintained by a process which is not only essential as a part of the optimum outcome, but one that is essential for the maintenance of public trust.

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My argument in laying this sursis is simple. If we are going to remove the requirement for an independent and wide-ranging consultation in the form of a planning inquiry, then we should, at the very least, ask the public and stakeholders first whether they mind if we do. The only



consultation this policy letter has had is with E&I, P&R, and the Planning Panel, who rightly pointed out that it was not their role to comment.

The proposals contained in the policy letter are lacking in any meaningful detail. The three proposed categories of amendments are not defined in any useful way whatsoever and are almost completely open to interpretation. It is said that they will be defined in future statutory guidance, but we are given no clue as to what that guidance might say while being expected to green light these proposals today regardless.

So we need to consult the public and stakeholders about the contents of this policy letter. But, in doing so, we need to explain far more clearly and accessibly, with examples, what exactly the categories could each embrace and set out the detail replacement consultative framework that would be put in place if the one that we have at the moment is to become discretionary rather than mandatory for significant and strategic policy changes.

We have the current Committee's assurance that the category intended to apply to so-called strategically essential development would be used only on an exceptional basis. But how will exceptional be defined and how can we know what the next Committee might decide it means?

Deputy Dyke, as a member of the Committee, has said that the changes proposed in the policy letter are vital to give the States power to deal with exceptional circumstances. But this policy does not just cover exceptional circumstances. It potentially covers anything and everything. Certainly the Propositions include minor, significant and exceptional changes, which seems to be everything, not just exceptional ones, as Deputy Dyke claimed in an email response copied to all Members of this Assembly.

Appendix 2 of the policy letter shows that all comparable jurisdictions listed have a statutory independent examination process in some form for amendments to development plans. If we are considering going out on a limb, then we need much more detail before we do so. This independent consultation process, which has been in place in some form since 1966, is there to ensure legally required human rights compliance, as well as adequate safeguards for those impacted by planning policy changes and the resultant development. In doing so, the process helps to build public confidence regarding those changes.

If Members think for a moment that their inboxes were full this week due to the college funding debate, it will be nothing compared to the backlash that will be received from the public when established planning policy is changed without a proper independent consultation and people see the effects of it when it is all too late. Although an inquiry may seem to be cumbersome and time-consuming, in some form it is essential to give people a proper say in how their Island is developed.

My question is: where is the fire? Where is the need to change policy in a hurry? Land planning policy already provides for a land supply of approximately 2,000 housing units. We cannot build them that fast. Additionally, we have policy S5, which can override other policies and cater for essential strategic development, subject to certain checks, and by means of a policy that was widely consulted on.

By making an independent examination process discretionary, the default position is, of course, that it will not be used. It is only too easy to foresee how expediency and cost will be argued to avoid having an inquiry for policy changes that should absolutely be the subject of that process. Instead, decisions on significant, strategic and exceptional policy changes will be made by a political committee, albeit with States endorsement required. But of course the States endorsement is nothing new, as that is already part of the process anyway.

With all due respect, DPA politicians are not trained experts in planning matters. They will be subject to political pressures and lobbying that an independent inspector simply is not, which will lead to expedient outcomes that are not necessarily in the best long-term interests of good spatial planning or of the Island or its residents.

When you have a small Island of 65,000 people that is standalone insofar as it needs its own harbour, airport, power station, reservoir and more, that would not be needed by an equivalent town of 65,000 people, it is easy to see how demands come from all directions and have to be

properly and carefully managed. Although the proposals do speak of a commitment to public consultation, it is not in my view sufficiently clearly defined as to the extent or robustness of the process and it would not be independent.

3300 The last inquiry elicited 1,500 responses and would have likely garnered many more if the process had been simpler to respond to. I would most definitely support that kind of streamlining. I absolutely do think there is scope for streamlining of the process.

**Deputy Oliver:** Point of correction, it was not 1,500, it was 500.

3305 **The Bailiff:** Point of correction, Deputy Oliver. Please wait to be called before interrupting. Deputy Burford to continue.

**Deputy Burford:** Thank you very much. I obtained that figure from the Department, so that was what I was given.

3310 I absolutely do think there is scope for streamlining of the process, but this is not it. It is too vague and loses the independence of the process. If this policy letter had instead proposed in detail a simplification of the current process rather than simply dispensing with it, I could have got behind that. It is the lack of detail and the failure to consult the public on these changes that troubles me.

3315 Changes to planning policy matter hugely to the people of this Island and they risk being circumvented by the Propositions put forward in this policy letter. Planning decisions affect people's lives and it is an absolutely fundamental principle that there should be adequate consultation and independent examination when significant changes are made.

3320 Now, some Members might say I am being unduly pessimistic, but the fact remains that we are being asked to trust future DPAs to do the right thing, but there are no safeguards or procedures proposed or detailed to give confidence that this will happen. It is all vague and insubstantial. Even the request by P&R for the Committee to be able to request an inquiry was flatly refused out of hand by the DPA. I believe that, if these proposals are supported, the principles of broad-ranging independent consultation and examination on plan amendments will effectively be lost.

3325 So to repeat, I am not at all against streamlining and simplifying the process. Indeed, I would wholeheartedly support it. I believe a consultation on this policy letter could well lead to a much more considered, more detailed and much clearer set of proposals than what we have in front of us today so that we will know what we are voting on. There needs to be much better definition of the categories and their thresholds, together with concrete written examples of how the policy will work in practice. But that is not what we have been presented with, nothing like, perhaps in the rush to get this debated before the end of this political term.

3330 Crucially, and in summary, I have brought this sursis rather than simply voting against the policy letter for three reasons. Firstly, I do think there are opportunities to simplify the plan amendment process, so I do not want to simply reject the work that the Committee has done out of hand. Secondly, much more detail is needed in terms of definitions and examples, and it will give time to provide those. Lastly, if the legal requirement for an independent consultative public inquiry is to be dispensed with, which is a massive change given the history of the process and the fact that we would be something of an outlier among comparable jurisdictions, then, at the very least it behoves us to ask the public and stakeholders, who we would be removing this legal right from, whether they mind having it removed.

3340 We received a communication from the National Trust Guernsey and from La Société who are very disappointed that they were not consulted on this policy letter, and I doubt that they are alone. It is simply that this policy letter has had next to no visibility, and most people will be completely and totally unaware of it.

3345 So, sir, to remedy that, I ask Members to support this sursis to direct the DPA to consult Islanders and stakeholders on this policy letter and to bring the policy letter back to this Assembly as soon as they are able, together with the results of that consultation and any changes or clarifications and explanations that they may consider appropriate to make in the light of such consultation.

At the very least, this is a matter of good governance. The proposals may remain unchanged except for clarifications, but at least the DPA will have given proper mind to the opinions of the people of this Island in a matter that has the potential to affect every single one of them in one way or another.

Thank you.

**The Bailiff:** Deputy Bury, do you formally second this sursis motiv  ?

**Deputy Bury:** Yes, I do, sir.

**The Bailiff:** Thank you very much.

**Deputy Gollop:** Do we only have three minutes to speak on this? I do not know why that rule was done, but it is a very unusual rule.

**The Bailiff:** Deputy Gollop, I will call you.

**Deputy Gollop:** Anyway, I agree. Policy & Resources, and indeed myself personally, have wanted to simplify planning for a long time, and yet I am very tempted to support Deputy Burford's sursis for two reasons.

The first reason, she has already identified, we have got an overload of work and it is not good governance to work in this way. Some of these priorities should have been done a lot earlier, but never mind. But my first main reason Deputy Burford has touched on, which is in the middle of this week, with all these school letters and Eisteddfod and everything else, I had a very important duo of letters from very respected organisations and learned societies, National Trust and Soci  t   Guernesiaise, saying they had had no consultation at all.

I was puzzled by that because I do not know what consequences. I would hope that the future of reviewing the plan would lead to more statutory protection of biodiversity. I know some of that has gone on, more ecology, but we are doing this in the middle of a revision of the plan, in the middle of an election cycle, and for them not to have been consulted perplexed me.

The other puzzle, for my final 30 seconds, is Environment & Infrastructure have agreed to support this move, and yet they apparently have not had the consultation one might have anticipated with the ecological and biodiversity organisations. We had a letter from two people of great integrity, so I know nothing.

**The Bailiff:** Deputy Kazantseva-Miller.

**Deputy Kazantseva-Miller:** Sir, currently, the plan amendment process makes it obligatory for, no matter what change you want to make to the plans, whether it is changing a little typo or undertaking a massive policy development, you have to follow exactly the same statutory process. We feel that process is disproportionate and we feel it is important to allow for flexibility for the DPA to be able to appoint inspectors and have different tools through which you can appoint inspectors. You can appoint them to undertake a full public inquiry, which is a very protracted process, or you can appoint them to take a more narrow inquiry.

Very similar proportionality exists in Jersey, where what they call examination in public is not mandatory for all amendments, and the Minister for Environment & Infrastructure can choose when they think it is proportionate to undertake a public inquiry process. So I think in her opening speech, Deputy Burford referred to quite a lot of things she would like to see changed or undertaken. The sursis currently is very narrowly defined as just undertaking public consultation, but what she really wanted is a very different amount of potential information and developments to be undertaken.

I want to reassure the public that that work will be undertaken. So, for example, the work to clarify the criteria around which the different amendments will be split into different categories, all

3400 of that work will be undertaken together with further consultation, including the public, in addition to the consultation we have already taken. Because this is such a technical process, this political term, it has only happened once. We are going through one IDP review. It is a very rare process, so we have consulted on technical grounds with the different Committees, with, very importantly, the Law Officers. This policy letter has been very much created, taking that into the mind.

3405 I cannot stress, Members, how critical it is for Planning to be more responsive and that we really cannot wait to keep kicking things further along to undertake other pieces of work. I think absolutely the Committee will reassure and the future DPA can undertake all the work that Deputy Burford wants in further developing the final proposals, which will still come back to the States.

3410 So I want to just assure the Members that that work will be done and give us the right direction of travel, that this is the proportionate level of amendments and proposals that we would like to undertake.

**The Bailiff:** Time's up, Deputy Kazantseva-Miller.

3415 **Deputy Kazantseva-Miller:** Thank you.

**The Bailiff:** Deputy Meerveld.

**Deputy Meerveld:** Thank you, sir.

3420 The Island Development Plan was the first major issue I was asked to vote on when I joined the Assembly in 2016. It was a 10-year plan that had taken 15 years to draw up and it was a pendulum swing away from an old planning system where a group of Deputies and one Planning Officer would turn up on a site and pontificate what to do. It was to bring a more formalised process and it was meant to help improve the planning process, make it faster and more efficient. Unfortunately, we were sold something of a bill of goods. We were told, 'Do not worry. If it is too far-reaching, you can adjust it at the five-year review', which of course was nine years ago and we have not had a review yet.

3425 I will not be supporting this sursis. I think what the DPA is recommending is a pragmatic solution for making this a more practical process. I do not think we are losing control of the planning process. This Assembly and future Assemblies will have any major changes brought back to it and I think that we should be debating that today and getting it done.

Thank you, sir.

**The Bailiff:** Deputy Matthews.

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**Deputy Matthews:** Thank you, sir.

I should start by declaring an interest in that I have a site in the current revision of the IDP schedule for affordable housing, although I do not think it is a direct conflict with the motion that we have before us today.

3440 I remember clearly on our induction courses, Deputies, when we went around to go and see the various Committees, one of the things that we were advised when we met with the DPA was that, if you have any changes that you want to make, get them in quick because it will take you three and a half years to make any changes that you would like to the IDP, because of the amount of consultation that it has to go through.

3445 There were gasps, I think, in the room at that and I think that there are clearly going to be, in a dynamic environment, instances where you would want to make changes much more quickly than that and go through whatever process is appropriate. So, for that reason, I think it is probably quite a good idea to enable some changes to be made.

3450 I do appreciate the lack of consultation that Deputy Burford has spoken about. This did come to E&I. I recused myself from that meeting, so I am seeing this for the first time in the same way as

Deputy Burford. But to me the proposal seemed fairly reasonable and so for that reason I did not feel inclined to support the sursis.

Thank you, sir.

3455 **The Bailiff:** Deputy Dudley-Owen.

**Deputy Dudley-Owen:** Thank you, sir.

3460 The environment is everything. Our natural environment is hugely important. It feels to me that this term, more than any other term, has been absolutely terrible for our natural environment. There have been multiple transgressions or near transgressions of planning policy at the expense of our natural environment and we do not get it back. We absolutely do not get it back.

3465 From fields that I have seen that have been relandscaped so that they are flat for the view, to activities being put on to DPA, a recent trial that the Committee *for the Environment & Infrastructure* Committee have approved for mountain bikers raised significant concern from residents and the environmentalist groups. It just shows the importance of these consultations. Because, once it is ruined, the biodiversity loss can be excessive and it is almost impossible to get back.

3470 So I am very happy to support this sursis, because I think that any further consultation that can be done with these groups is really essential, and we do need to be safeguarding the natural environment over the quick gains of some planning policy appeals or changes, which do need to be made, absolutely, but let us make them properly in conjunction with and consultation with our key stakeholders.

Thank you.

3475 **The Bailiff:** Deputy Vermeulen.

**Deputy Vermeulen:** Three-minute speech, sir, problem.

3480 I am going to support the DPA, so I will not be supporting this by Deputy Burford. The current system, we are told, takes three and a half years to get anything done. How can we get anything done in that time? We need to be fleet of foot. We need to be really quick and we need to respond. I have got developers giving me examples of things taking way too long all the time.

I have just got one question for Deputy Oliver when she perhaps sums up on this. The person on the Committee who was not unanimous, what was the reason they gave for not supporting it?

3485 **The Bailiff:** Deputy de Sausmarez.

**Deputy de Sausmarez:** Thank you, sir.

3490 I should probably make clear from the outset of this very short speech that I am speaking in a personal capacity rather than on behalf of the Committee *for the Environment & Infrastructure*, because we have not discussed a Committee position on the sursis.

3495 Personally, I will be supporting it. I think Deputy Burford's arguments as set out in her opening speech were very strong and very compelling indeed. I have to say, I will totally admit that when this item came for Committee consultation, it was a very busy time. But I think more of the problem was that I think the parallel that springs to mind is the UK's Brexit referendum, where there was one of the Propositions that ended up being successful was very ill-defined. So people could imagine that it was the best version of what they wanted it to look like. I think there is a danger of these proposals doing something similar.

3500 So I think Deputy Burford's suggestion that more detail is put around some of those categories, for example, and examples given, is a very valuable suggestion. I also take her point, having been one of the many thousands of members of the public that took part in the original consultation process that led to the IDP, that it is right that the public, as well as relevant stakeholders, are indeed consulted before we take potentially that provision away from them.

I do agree with her that the default will become not going to a planning inquiry. I think that is absolutely the logical extension of this. For those reasons, I do think that the sursis motivé is absolutely the right way to go.

3505 Thank you.

**The Bailiff:** Deputy Dyke.

**Deputy Dyke:** Thank you, sir.

3510 I think this sursis motivé is absolutely the wrong way to go. To have States' business, potentially critical matters, delayed for three and a half years because it needs a full IDP review, is just –

**Deputy Burford:** Point of correction.

3515 **The Bailiff:** Point of correction, Deputy Burford.

**Deputy Burford:** As it is the third occasion that three and a half years has been mentioned, I just want to point out that a standard planning inquiry does not automatically take three and a half years. Maybe reviewing the five-year review, it may take a couple of years, but three and a half years would also indicate that a large part of that three and a half years nothing was happening. But this policy letter points to individual amendments to the plan as well. They are not going to take three and a half years. It just simply is not the case.

Thank you.

3525 **The Bailiff:** Deputy Dyke.

**Deputy Dyke:** Thank you for that opinion.

The current system requires about 16 steps. They go on and on. We virtually cannot do interim IDP reviews because they take so long, around three and a half years. The one we are halfway in the middle of at the moment, is itself not an overall review, it is some limited points. It means that the people's Government has its hands tied behind its back. The proposals are full of requirements for consultation. It is all in there. Consultation is necessary at various different levels. There is a power to require the public inquiry, which will presumably be exercised by a responsible Committee. At the end of the day, nothing will happen unless the States have approved it.

3535 So it is perfectly reasonable for the elected Government of the people of Guernsey, voting in this States, to approve something without a multi-year delay. So it is very important that we do this in order that the country can be governed properly.

Thank you.

3540 **The Bailiff:** Deputy Ferbrache.

**Deputy Ferbrache:** On 17th March just gone, I had been practising as a Guernsey advocate for 44 years, so I have dealt with lots of planning matters. The 1966 Law became outdated, but as Deputy Meerveld has said, when we passed the previous legislation, it was just too much, or the IDP, just too much. We now grind to a halt. It takes too long. I knew absolutely that we would not review the IDP in time. We have not, and it is a partial review anyway. The procedures are too difficult generally. They are too cumbersome and they are too bureaucratic and therefore they are too costly.

3550 So, in relation to this, and Deputy Burford and Deputy Bury are saying we will go to public consultation, no more. That is another 18 months, two years. I am not sure what the public consultation will be. None of these proposals are horrendous. None of them, as Deputy Dudley-Owen says, will impact upon the situation that already exists. Her concerns for the environment, she has talked about bikers going along the cliff paths, etc. That is a side issue. But this sursis is bad news. It is bad news for Guernsey.

3555 What is being proposed is pragmatic. I would have liked to see it go a lot further, but I am prepared to accept what is on offer.

**The Bailiff:** Deputy Taylor.

**Deputy Taylor:** Thank you, sir.

3560 I just want to explain to Members firstly that I did request an extension to time. I asked the Bailiff, as a Committee member who objected to the bulk of the policy letter, 'May you authorise me to speak longer to explain how the sursis aligns with my concerns?' And the reply was, 'No, I need to have the same time limit for everyone on the sursis. It is the vote that matters, except the proposer and the President.' Drinks on Steve.

3565 So, sir, my concern here is we have a rushed policy letter. We are now having a rushed debate and we have potentially far-reaching consequences, which I do not think any of us are really quite aware of. Members, the first draft of this policy letter came to the Development & Planning Authority on 18th December. It was quite different to what we see in front of us because it was seeking, originally, an in-principle agreement to these policy changes or these Law changes.

3570 But, most importantly, there was Proposition 4, which was directing the Development & Planning Authority to carry out the consultation that is seemingly envisaged by Deputy Burford here. But the Committee decided against that by majority and instead we picked the agreed direction route without any consultation.

Now, sir, I am saying it is so rushed --

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**Deputy Kazantseva-Miller:** Point of order, sir.

**The Bailiff:** Point of order, Deputy Kazantseva-Miller.

3580 **Deputy Kazantseva-Miller:** Sir, Deputy Taylor is quoting – in terms of the confidentiality provisions under rules of procedure, Deputy Taylor is directly quoting specific decisions and discussions that have been made at Committees. I am afraid he is breaching confidentiality, the rule around confidentiality.

3585 **The Bailiff:** It does not apply in this Assembly. Please continue, Deputy Taylor.

**Deputy Taylor:** Thank you, sir.

As I say, so rushed we were that we could not ourselves define any examples of why we needed these changes. The closest we got was in paragraph 1.5, where we say:

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Current examples of where this would be a benefit can be seen in the Island's current housing supply issues and the economy.

It is identifying where there might be blockages, but not saying what we might even change. Even Deputy Ferbrache, I think he just referred to 1066, I think he started to investigate planning Law. I might be mixing up stories there. Yes, the battle of planning in 1066. But, yes, we need to make big changes. We need to get rid of more of this. We need to save more money. He still did not identify what it is he might change with all his experience.

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Anyway, now paragraph 1.6 does talk of unintended consequences. That is what we really need to be aware of here, sir. Because everyone is viewing change good. Change means we can speed things up again, get things going, build Guernsey, great.

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However, we have not heard from the developers who have a big stake in this. We have not heard from environmentalists who have big concerns. Although we have heard from them, I want Members to be aware that a developer has shared with me their concerns about uncertainty in land zoning and how that hinders their planning. It is a big concern because we might be sitting here

3605 thinking, yes, change means cutting red tape. But change to a different group of people under different policies that can change things quicker, we might see more environmental issues that the developers might not like. So we might slow things down by allowing more change. So let us have the proper consultation that Deputy Burford seeks and then we can –

3610 **The Bailiff:** Time is up, Deputy Taylor.

**Deputy Taylor:** Thank you.

**The Bailiff:** Deputy Haskins.

3615 **Deputy Haskins:** Sir, I was, I think like many Members here, a bit perplexed about the three-minute rule. Neither here nor there. But what I do think now, right now, it adds to the weight of why we should be supporting the sursis. Because we cannot even really hear the arguments. Like I wanted to hear more from Deputy Taylor. Now I cannot and really it does make me go I would support the sursis.

3620 Thanks.

**The Bailiff:** Deputy Roffey.

3625 **Deputy Roffey:** It seems to me that there is an irresistible force meeting the immovable object here. Because there are two absolutely undeniable arguments. One is that the IDP is too inflexible and takes too long to change. I completely agree with Deputy Ferbrache, Deputy Oliver, and others who have said this.

3630 But I do believe that the Island Development Plan just does not belong to this Assembly. The clue is in the name, the Island Development Plan belongs to the community and the Island. If we are going to change it, and I think we ought to change, because I think a full-blown planning inquiry in all instances is completely OTT. But if we are going to change those rules about when there needs to be one, then I do think it is a classic case.

3635 Sometimes this Assembly over-consults and people think, 'Why are you asking me about more stuff?' This is the patient tomorrow or whoever. But this is a classic case where there are interest groups who, if you put in a single application, it appears in the *Press*, they are always there because they feel strongly about these things. I think they should just have the chance.

3640 I was quite really surprised when I heard from the National Trust and the Société that there had been no consultation, even with sort of specialist groups of that order. So, although I want to change the rules, and I agree with Deputy Dyke that we need to change the rules, I do think that this is, really if groups like that and other interest groups, including business, have not been consulted, then I cannot disagree. Therefore, I am going to go with the immovable object for the time being, although I think the force for reform is irresistible. I think for the time being we need to make sure that the proper consultation is carried out and that the people who ought to be able to have their say have their say because this is potentially big stuff.

3645 We do not know who is going to be sitting in this Assembly next time. There may be an aberration, totally different to any States that we have ever had and totally different to the one that will come afterwards. To be able to just at the drop of a hat make really big changes and choose not to have a planning inquiry – the fact that the DPA can choose to have one is neither here nor there because they could choose not to have one. I think there are dangers there and I think, 'Why would it take three years for a public consultation?' I have just done one on age discrimination. It takes a couple of months. That is all it takes. I think we ought to hold and allow that to happen.

**The Bailiff:** Deputy de Lisle.

3655 **Deputy de Lisle:** Thank you, sir.



I thank Deputy Burford for bringing this sursis, sir. The public must look at the planning brief and also associations that need access to the plan and opportunity to review and comment on it.

I may have interests in this myself. I just look at the change to policy 5.3, for example, which is stating:

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Change policy 5.3 title to using improved travel choice and sustainable car parking management to create new opportunities.

Now, the change to policy 5.3, and this is on page 28:

The 5.3 text to state to support measures which would lead to a planned reduction in the quantum and visual impact of car parking on the harbours, primarily in St Peter Port, through changes in management arrangements, improved signage and better travel choice, particularly where these changes create space for new or diversified land uses and improve public –

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**Deputy Oliver:** Point of correction.

**The Bailiff:** Point of correction, Deputy Oliver.

**Deputy Oliver:** This is a different policy letter to the one we are discussing.

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**The Bailiff:** Deputy de Lisle.

**Deputy de Lisle:** I thank the Deputy for that intervention. But the fact is what I am saying is that we definitely need some consultation with regard to this document and I would support the sursis of Deputy Burford.

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Thank you, sir.

**The Bailiff:** Deputy Queripel.

**Deputy Queripel:** Sir, the second part of the explanatory note of the sursis motivé reads as follows.

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This sursis motivé defers debate on this matter until the public and stakeholders have been consulted as to whether they are consent to move away from the current position regarding plan amendments and instead adopt a process that would provide the opportunity to dispense with such independent and consultative processes in the future.

Sir, in relation to that, I say we already know the view of the public and the stakeholders. They have been telling us this whole term that the whole planning process is nonsense. We already know their view. We already know it. Why go out and ask them again to tell us something we already know?

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But, anyway, the DPA will be consulting with the public as laid out in the policy letter. If I give way, sir, is the time taken off my speech?

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**The Bailiff:** The clock stops, Deputy Queripel.

**Deputy Queripel:** In that case, I give way. I need to calm down anyway. I will give way, sir.

**Deputy Taylor:** Sir, it is really just to draw attention to that, yes, lots of members of the public say that the IDP is broken, but you have to consider that a lot of those arguments go against themselves. Lots of people argue that there is not enough land allocated for housing and there is an equal amount argue there is too much land for housing. Some people want more biodiversity enhancements. Some people want less biodiversity. Some people want more flexibility. Some want less.

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So that is where consultation is incredibly important. It is to seek out because everyone cannot be right and we need to find the balance.

Thank you.

3705 **Deputy Queripel:** Sir, I will go back to what I said, consultation will take place. It is in the policy letter.

When she spoke, Deputy Oliver used words and phrases that really resonate with me like 'proactive' and 'cut through red tape' and those are the sort of words I have been waiting to hear from the DPA for years.

3710 When it came to Deputy Burford's speech, the two words that sprang to my mind were 'delay' and 'unnecessary'. Obviously Deputy Burford and Deputy Bury do not consider this sursis motiv   to be unnecessary and are not seeking to delay processes, and they have laid this sursis motiv   with the best of intentions, and I respect them for that. But I am really impressed with everything the DPA say in their policy letter, which is why I cannot support the sursis.

3715 I have been waiting to see the DPA adopt this sort of proactive approach for years, as I have said, because when I was a member of the DPA in a previous Assembly it was like trying to walk through a field of treacle in a pair of oversize wellington boots; the left boot on the right foot and the right boot on the left foot. It was horrendous, which is why I resigned. So I am delighted to see the DPA adopt this sort of approach. I only wish it had adopted it years ago.

3720 Thank you, Sir.

**The Bailiff:** As I do not see anyone else rising I will turn to the President to speak on the sursis. Deputy Oliver.

3725 **Deputy Oliver:** Thank you, Sir.

I urge you not to support the sursis motiv   that has been brought before us today. It is framed as a reasonable pause, a prudent delay, but let us be clear: that is not a neutral procedural move, it is a roadblock. Stalling tactics and a decision to do nothing when action is needed. (**Several Members:** Hear, hear.)

3730 Deputy Burford said, 'Well, we have not had time to read the policy letter.' We heard that for education. This is our job, to read the policy letters (**Several Members:** Hear, hear.) so if anybody cannot then they should not be here. We are here to make decisions; not avoid them. The people of Guernsey expect leadership, not hesitation. This amendment process has been carefully considered and consulted by the relevant parties that we feel are necessary. It says that there will be further consultation if this goes through here.

3735 There is no point consulting with the public to come back here to say, 'No, no, no.' It just is not the right way to do. The sursis motiv   at this stage will only waste time and set us back when we want to be moving forward. If there are genuine concerns about the aspect of this amendment process then we should address them and not grind everything to a halt. You could have put amendments in; which Deputy Burford did.

3740 If you do not like the streamlining approach vote against it; do not send us back to the drawing board. The reality is that the necessary evidence has been gathered, the necessary discussions have been had, and the necessary balance between the progress and caution has already been struck. The DPA is proposing a more agile, proportionate, cost-effective system with three distinct categories for the amendment, while at the same time continuing with safeguarding the core principles of the consultation.

3745 I also at the moment have been going through the IDP review and I think at every IDP consultation that we have been going to explain what the new plans are focusing on. It has also come out, 'Well, can this process not be quicker?' and then I have said, 'Well, actually we have got a streamline paper coming' and that was met with regally good enthusiasm. We have also spoken to the construction industry as well and they are fine with it.

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I do not know how you can say, 'Oh, well, with this policy letter it is going to be the default that you –'

3755 **Deputy Taylor:** Point of correction, Sir.

**The Bailiff:** Point of correction, Deputy Taylor.

3760 **Deputy Taylor:** Deputy Oliver just said that we have spoken to the Construction Forum and they are happy with it. If they are I have not been aware of the Committee having that meeting or seen any minutes to agree that so I do not believe formally the Committee have had that consultation with the Construction Forum.

3765 **The Bailiff:** Deputy Oliver.

**Deputy Oliver:** I can give you the date and time I went to speak to the Construction Forum, if you want, Deputy Taylor, but I have been.

I do not know how Deputy Burford and Deputy de Sausmarez can say, 'Well, with this the default is going to be let us not use the Planning Inspector'. Land use is a very controversial issue and that will go through the Planning Inspector.

3770 Deputy Dyke, well, I do not really know what to say, just read the papers. You had the policy letter at P&R. I am sorry you feel there is an overload of work. (*Interjection*) Deputy Gollop; sorry, Deputy Dyke.

3775 Deputy Dudley-Owen said that we have not done enough for the environment. We really wanted to do something at the Committee and we were told, no, we could not, and it was to do with agricultural use turning into domestic curtilage, and we were told that we could just put a guidance note out otherwise it would have to go through a plan result. But everything that Deputy Dudley-Owen said had nothing to with the DPA. It was all environment and infrastructure. It was not us.

3780 Deputy Vermeulen, you heard from Deputy Taylor so I do not think I need to expand any more on that. Deputy de Lisle, you were referring to the wrong policy letter and that policy letter has actually been through the consultation with the Planning Inspector and it has taken two and a half years, but we are finally there and at the next States meeting it should be coming for us.

3785 All I want to say is I just ask you, when you cast your vote today ask yourself, do we want to be remembered as someone who enables process or as someone who stood in the way. We constantly kick the can down the road. (**A Member:** Hear, hear.) More consultations needed, more this needed, more this. There has to come a time when we just make a decision, and I urge you to vote against this sursis motiv  .

3790 **The Bailiff:** Now I turn back to the proposer of the sursis, Deputy Burford, to reply to the debate.

**Deputy Burford:** Thank you, Sir.

3795 I will start in fact with Deputy Oliver's comments while they are fresh in my mind. Asking the public what they want is not a roadblock; it is good governance. The views of the people of Guernsey are not necessary, Deputy Oliver says, because they have done consultations with the people they think that matter in this. Really? Perhaps they do not want to consult as they are worried that views might come forward that they do not agree with.

3800 Deputy Oliver also said this is sending the Committee back to the drawing board. No, nothing could be further from the truth. Voting against the policy letter would be sending them back to the drawing board, that is why I have brought this as a sursis, so that missing consultation can be put in place, some more information about the extent because it is very vague, this policy letter. It is like jelly; you cannot really get hold of it. There is no sort of detailed thing, 'It is going to come later,

it is going to come later in guidance, it is going to come later in something else.' But I want to know what I am voting on and I think that is quite a reasonable stance.

3805 But we found out just now as well that in fact Deputy Oliver has consulted the construction industry, there is no reference to that but it seems very strange to me that out of all the likely stakeholder consultees on this Island they have just chosen one. They have consulted the construction industry but they certainly did not consult the National Trust or La Société because they have told us they did not. I will give way to Deputy Oliver.

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**Deputy Oliver:** During the IDP review process we had the La Société Guernesiaise in and the National Trust, and it was to consult mainly on the ABIs. As you might imagine, the conversation did not really stick to that. It was a much broader conversation and we did mention there about the streamlining paper.

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**Deputy Burford:** Well, you might have mentioned it but now there is a policy letter out with – you cannot expect those organisations from a side comment in a discussion about something entirely different, the areas of biodiversity importance, to think that was a consultation. I think they would be outraged if they thought that was considered to be a consultation.

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The other thing is there are comments coming that there is going to be an opportunity for the public to consult on this anyway, and even references to it coming back to the States. It is only coming back as legislation. The policy letter says to direct the preparation of legislation. I will give way to Deputy Taylor.

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**Deputy Taylor:** Sir, I am very grateful to Deputy Burford for giving way.

It was just to clarify, although Deputy Oliver did say that there was consultation with the Construction Forum or construction industry, that was her personally having discussions. Certainly I have not been party to any note or anything relayed back to the Committee to actually give a view that could have been considered in the drafting of this policy letter. So as far as I am concerned, there was no consultation in an official capacity.

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**Deputy Burford:** Thank you very much.

This is troubling me even more now because it seems that we sort of have consultations with just one Member; it just does not seem a very valid and fair consultation.

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**Deputy Kazantseva-Miller:** A point of correction.

**The Bailiff:** Point of correction, Deputy Kazantseva-Miller.

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**Deputy Kazantseva-Miller:** Sir, it was not with one Member, I was also present at the same meeting, thank you.

**Deputy Burford:** Okay, I am not sure that makes it better, it was just two Members, so not actually a quorum of the DPA. I would also –

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**Deputy Dyke:** A point of correction. The meeting was reported –

**The Bailiff:** Point of correction, Deputy Dyke.

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**Deputy Dyke:** I am sorry, Sir. I get overexcited. *(Laughter)*

**The Bailiff:** Someone has to. Please continue, Deputy Dyke.

3855 **Deputy Dyke:** The point I was going to make was the fact that the construction industry was in favour of this was made clear to the Committee, and I have personally spoken to many of them on this subject, so there we are.

3860 **Deputy Burford:** I would just like to make the point that random members of a Committee speaking to random consultees is not by any means a properly constructed consultation.

**Deputy Kazantseva-Miller:** A point of correction, Sir.

**The Bailiff:** Point of correct, Deputy Kazantseva-Miller.

3865 **Deputy Kazantseva-Miller:** I do not think I am a random member, likewise Deputy Oliver, we have been elected by this States Assembly to serve on the Committee, thank you.

**Deputy Burford:** Thank you.

3870 I am quite sure that when I refer to that I am referring to Members generically and Committees generically, but it seems that we have got two members of this Committee who have spoken to this consultee, one member who was told about it. I mean, I would suggest that the –

**Deputy Oliver:** Point of correction, it was not a consultee, it was – oh, sorry, Sir.

3875 **Deputy Bailiff:** Deputy Oliver, if you want to raise a point of correction you stand and say, 'Point of correction'.

**Deputy Oliver:** I know, Sir, sorry.

3880 **Deputy Bailiff:** And then you wait to be called. If you do not wait to be called you will not get called. Deputy Oliver, point of correction.

**Deputy Oliver:** It was not a random consultee; it was the Construction Forum.

3885 **Deputy Burford:** Yes, but –

**The Bailiff:** Can we move away from this please, Deputy Burford, because it is not getting anywhere forward in relation to this? We know that there has been some form of consultation; it might not have been formal consultation, let us move on, please.

3890 **Deputy Burford:** Thank you, Sir.

I will finish this point and then I will give way. On the point of the option to have an inquiry that remains, I can pretty much guarantee that if the DPA does not need to have an inquiry, it will not. I will give way to Deputy Taylor.

3895 **Deputy Taylor:** Sir, I am grateful to Deputy Burford for giving way and I apologise to you because I am going to again refer to consultation, but it has been a topic and members of the Committee have been making assertions that consultation has taken place. I was accused in my speech of disclosing confidential information. I am not sure how any official consultation took place with the Construction Forum with them seeing this draft policy letter, which would have been confidential. So I am slightly concerned at the consultation that seems to have taken place and I am grateful to Deputy Burford allowing me to put that on *Hansard*.

**Deputy Burford:** I thank Deputy Taylor.

3905 Yes, I think that is the key point, that the consultation we are talking about, the consultation that is the basis of this sursis, is consultation on the policy letter and on what is contained therein. Deputy Oliver, finally, says, 'Do we want to be remembered by the people of Guernsey for various things?' Well, I wonder if we want to be remembered for just not asking them about something that is so key to so many of their lives.

3910 Moving on to other Members, I thank Deputy Gollop for his support. Deputy Kazantseva-Miller says small changes should not need this process. I completely agree. I have no difficulty with that whatsoever, absolutely. If this sursis is successful, when the policy letter comes back, if I happen to be in that Assembly, I will wholeheartedly support not having this for small changes.

3915 I just think it is such a major omission not to have consulted the public about this. I have got some other notes here but I now cannot relay exactly what they related to. I have made the point about this is not coming back as another policy letter to the States, so this is the opportunity. Deputy Meerveld wants a faster and more efficient system. Yes, so do I. Absolutely, but not on the basis of this policy letter. It is vague. It just does not tell us everything that we need to know to make this type of decision and I am not, and never do, make decisions on the basis of not having sufficient information.

3920 The three and a half years, Deputy Matthews, I think we have sort of put that to bed hopefully. It is simply not correct to take that long. We are talking about largely individual changes here; we are not talking about a five-year plan review. We are talking about various things that will want to be changed. If it is going to be wholesale changes then that is part of a plan review. Deputy Dudley-Owen, I thank you for your points and I think you are right on them particularly relating to the environment.

3925 Deputy Vermeulen, I already had an intervention about the three and a half years. Deputy de Sausmarez, thank you for your support there. Deputy Dyke says there are potentially critical matters, but in the policy letter, in the debate, nobody has given an example. This is what I would quite like to see in a policy letter that comes back, what these time critical matters are. I will give way to Deputy Dyke.

**Deputy Dyke:** Thank you.

3935 I will give you an example. Bear in mind this is a sursis debate and not the main debate but I will give you an example. I will give you two examples. We spent over three and a half years tearing our hair out to try to get rid of GP11, which was absolutely killing new infrastructure. We, therefore, have hundreds of families who do not have houses. I am honestly surprised that Deputy Bury supported this. We have probably lost hundreds of houses because of the time it took to get rid of GP11. The convolutions we had to go through. The roadblocks thrown in the way. It was a nightmare.

3940 I will give you another example, if you will. We have recently brought through under the IDP review after a lot of discussion, various sites that can be possibly developed for affordable housing or a mix of affordable housing and private housing. We have brought those sites forward. It now could be that there are problems with some of them in terms of lead in the soil – I do not know this is a fact but possibly this could be an issue with some of them – so they may be not developable. So we might want to bring forward another site that might be, for example, close to the hospital and very suitable for nursing accommodation, or anything. We might want to bring forward one more site in accordance with the Spatial Plan, so not in the middle of the country but next to a main area, we might want to do that and the Planning Department would think about.

3950 Full consultation is provided for in this paper and that would be reflected in the statute and then, at the end of the day, this Assembly, elected by the people and not delayed by three and a half years, could vote to say, 'Yes, we need that site, bring it forward, let us get it built.' It is so important that we should have some flexibility to govern our country in the interests of our people and not with our hands tied behind our back.

3955 **The Bailiff:** Two minutes are up, Deputy Dyke. Deputy Burford to continue.

**Deputy Burford:** Thank you very much.

Again, three and a half years, this is really such a red herring now. I also think that if you are talking about bringing a site forward for affordable housing development then that is when you really do need to be having a significant consultation, because that affects a great deal of people.

Deputy Ferbrache suggests that this consultation of people on the policy letter that I am asking for is 18 months to two years. Certainly we have done consultations in scrutiny that is about three or four months; three months maybe. Deputy Roffey said the same. Again, I think that is catastrophising and scaremongering.

Thank you, Deputy Taylor, for your contributions and Deputy Haskins the same, and indeed Deputy de Lisle. Deputy Queripel says we know what the people think. Well, we know that La Société and the National Trust wanted to have the opportunity to comment, so we certainly know what they think.

That brings me to an end because I have covered Deputy Oliver's comments. So I would ask people to support this – I am not giving way anymore, it is time to move on. I would ask people to support this sursis please so that this policy letter can be brought back in a more informative form, with a much more carefully set out path for streamlining the development plan process for amendments.

Thank you very much.

**The Bailiff:** Well, Members of the States, it is now time to vote on the sursis motivé proposed by Deputy Burford, seconded by Deputy Bury, and I will ask the Greffier to open the voting on that please.

*There was a recorded vote.*

*Not carried – Pour 14, Contre 19, Ne vote pas 3, Did not vote 2, Absent 2*

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

**The Bailiff:** On the sursis motivé proposed by Deputy Burford and seconded by Deputy Bury, there voted in favour 14 Members, there voted against 19 Members, 3 Members abstained, 4 Members did not participate in that vote and, therefore, I will declare the sursis lost.

Now, Members of the States, I think it is time to move away from the Development Plans - Amendment Process because there are a couple of amendments that need to be dealt with and, therefore, unless anyone wants to do anything differently, what I am minded to do now is to say that that gets deferred to the next meeting, as does the Committee for Home Affairs Propositions

on Further Legal Reform in Respect of Domestic Abuse and Sexual Offences, the Policy & Resources Committee's double taxation arrangement with Bahrain and its Rectories in Plurality, which have some amendments.

They will all go to the next meeting, come what may, but we cannot leave without dealing with the schedule.

## **POLICY & RESOURCES COMMITTEE**

### **12. Schedule for future States' business – Proposition carried as amended**

*Article 12.*

*The States are asked to decide:-*

*Whether, after consideration of the attached Schedule for Future States' Business, which sets out items for consideration at the Ordinary States Meeting on 9th April 2025, they are of the opinion to approve the Schedule.*

**The Bailiff:** I hope all Members now have three amendments to the schedule. But rather than taking the amendments to the schedule first, what I am going to do is I am going to take Amendment 2, which is being proposed by Deputy Trott and seconded by Deputy Le Tocq, as the first of those amendments to see whether you are minded to insert some additional days. Deputy Trott, Amendment 2.

#### [Amendment 2.](#)

*To insert four additional propositions as follows:*

*"2. To agree that, notwithstanding the provisions of Rule 6(3) of the Rules of Procedure of the States of Deliberation and their Committees, the meeting of the States of Deliberation scheduled to begin on 9th April should instead commence on the 7th April 2025.*

*Or should Proposition 2 not carry:*

*3. To agree that, notwithstanding the provisions of Rule 6(3) of the Rules of Procedure of the States of Deliberation and their Committees, the meeting of the States of Deliberation scheduled to begin on 9th April should instead commence on the 8th April 2025.*

*4. To agree that, notwithstanding the provisions of Rule 6(3) of the Rules of Procedure of the States of Deliberation and their Committees, the meeting of the States of Deliberation scheduled to begin on 30th April should instead commence on the 28th April 2025.*

*Or should Proposition 4 not carry:*

*5. To agree that, notwithstanding the provisions of Rule 6(3) of the Rules of Procedure of the States of Deliberation and their Committees, the meeting of the States of Deliberation scheduled to begin on 30th April should instead commence on the 29th April 2025."*

**Deputy Trott:** Thank you, Sir.

What this amendment seeks to do is to give the Assembly the opportunity to consider whether it wishes to start its early April meeting on 7th April, which is a Monday, or 8th April, which is a Tuesday, and for it to do the same at its end of April meeting where it would be asked to start on 28th April or 29th April.

This is in response to what is clearly a heavy workload of additional business. The President of the States Assembly and Constitution Committee, who does not have an opportunity to speak, has made it clear to me that he strongly supports this. Am I allowed to mention that, Sir? No?



**The Bailiff:** There is an opportunity for every Member who wishes to, to speak on this amendment.

4020 **Deputy Trott:** Well in that case I shall not need to give his view.

The Policy & Resources Committee is torn, I think that would be fair. A majority do support the additional days. A couple feel that the workload is already too great. It is a matter for this Assembly but it is incumbent, we believe, on the Policy & Resources Committee to offer the Assembly the choices as represented in this amendment.

4025 **The Bailiff:** Deputy Le Tocq, do you formally second Amendment 2?

**Deputy Le Tocq:** I so do, Sir.

4030 **The Bailiff:** Thank you very much. Deputy Meerveld.

**Deputy Meerveld:** Thank you, Sir.

4035 As Deputy Trott was just going to say, I fully support this. The SAC Committee has enquired of P&R at the last couple of meetings what we were doing for the forward plan for the end of the term, but at that time we did not know when a potential deluge of policy letters were going to actually be published. But I would like to explain to Members, having gone through this in the 2016 term, there is always a backlog of work that comes at the end of a term. It is regrettable but it is the nature of the beast as people try to finish off the work that they have been working on diligently throughout the term.

4040 At the end of the last term we added seven days of additional debate to try and handle that backlog, so that this Assembly after that election in 2020 was not burdened with having to review and make all those decisions that had really stemmed from the work of the previous Assembly. As Deputy Trott has said, I fully support the idea of putting in these extra days.

4045 The only other alternative to this, which I think is far less attractive, is considering extra days after the end of a meeting, beginning on the 30th, which could go into the weekend, Saturday, 4th or Monday, 6th May. I think that is getting too close to the election, but I also have been told by a number of Members that they are trying to get off on a break before the election starts, so we may have a democratic deficit in quite a few Members missing if we go into those days so I would encourage Members.

4050 It is not something any of us relish but I would encourage Members to support it, thank you.

**The Bailiff:** I probably should have said that there will be a reduced time limit here, perhaps of two or three minutes maximum. Deputy Falla.

4055 **Deputy Falla:** Having not been in this position before I am unclear whether a States' meeting such as an additional day trumps Committee meetings, but I wanted to make it clear that there is a Committee meeting of the Committee for Economic Development scheduled for the Tuesday of that week.

4060 **The Bailiff:** Deputy Brouard.

**Deputy Brouard:** Thank you, Sir.

4065 I think we should agree a sensible and pragmatic way forward for the business coming up, but I would ask if possible that hard copies of policies that are now coming swift and fast are printed and put out as a priority to Members so we have got every single chance of reading them before we meet.

Thank you, Sir.

4070 **The Bailiff:** Deputy Gabriel.

**Deputy Gabriel:** Thank you, Sir.

4075 While I appreciate this is a pragmatic solution, and which I support, I do not suppose that Deputy Trott or anyone on P&R has consulted with the parliamentary team and the officers that support us, and if they have, whether they support the extra days as well and have got capacity to support us in their roles.

Thank you.

4080 **The Bailiff:** Deputy Roffey.

**Deputy Roffey:** I feel I ought to declare an interest in that 7th April is my birthday and I can think of no better way to celebrate it than to be in debate on the first day of a five-day States' meeting. I relish it. I support this Proposition. *(Laughter)*

4085 **The Bailiff:** Deputy Dudley-Owen.

**Deputy Dudley-Owen:** Thank you, Sir.

4090 I am not going to support this amendment because while I normally am very happy to sit extra days and extra hours, I think that the business as usual workload of many Committees is really very high at the moment, and I think today was a really good example of slipping into shoddy governance here. We have got not enough time to consider the volume and the frequency of policy letters coming forward and I think it would be really unfortunate to have a rush to the finish line and make some really bad decisions.

4095 So I will not be supporting the extra days. I think we should be reducing the amount of policy letters coming through and Committees should be accepting that actually they just may not be able to make it over the finish line.

**The Bailiff:** Deputy Haskins.

4100 **Deputy Haskins:** Thank you, Sir.

4105 Very briefly, the 7th and 8th I will not be able to do, one day I am in Alderney on States' business and then we have a Committee meeting, although I am not sure now which one trumps. But we have already seen the three minutes rules, we have got to be quick, and then it is two minutes or two to three minutes. Members, I just feel like everything is rushed and, as Deputy Trott has already said, even he, and that is rare, Members, we all know that.

Mistakes are being made and, as already been mentioned, I do think there is a risk here to proper decision making. I agree with Deputy Dudley-Owen, let's reduce that workload. I have not seen anything that cannot be pushed over so far so, Members, I do not think I can support this either.

4110 **The Bailiff:** Deputy Bury.

**Deputy Bury:** Thank you, Sir.

4115 I am glad that Deputy Dudley-Owen used the word 'shoddy' because that is what I was thinking as well. In all honesty, by the time we get to the end of three days of debate everything is getting pretty shoddy. It is not ideal but we are humans, we are not robots *(Laughter)* yet, but I do not think that five days will lead to quality Government and decision-making, in all honesty. I also think that it does just need to be taken into account that 28th April is the first day back to work and school after the Easter holidays, so were you away up until the Sunday, trying to get back on the Sunday now if you were planning to perhaps come back on Monday or Tuesday will be nigh on impossible probably. Flights are bound to be booked up. So I think those things do need to be taken into consideration.

4120

**The Bailiff:** Deputy Le Tocq.

4125 **Deputy Le Tocq:** Thank you, Sir.

This is a pragmatic solution and I am happy to second it on that basis, but it is not the best solution. The best solution is that we are far more disciplined. (**Several Members:** Hear, hear.) But we are obviously, as I mentioned this before, very incapable of doing that.

4130 Most other parliaments would just not try and cram in all the information, it would just drop off the end. I am happy to support this but I really do think we need to look at the way in which we do this. This is not the best way to do Government and it is a terrible indictment upon us.

**The Bailiff:** Deputy Blin.

4135 **Deputy Blin:** Thank you, Sir.

Listening to all the various Members comments, is there an option in between of having one day on each of the dates.

4140 **The Bailiff:** They are in the alternatives, so if you look at it, if you do not approve Proposition 2 then you will move on to Proposition 3. Deputy Kazantseva-Miller.

4145 **Deputy Kazantseva-Miller:** Sir, we have already made provisions for end of term, which included having two meetings from February, March and April. This has been taken in account. This has to be taken into account early on so that Members can plan, but also Committees can plan ahead rather than lodge 11 policy letters for one month. It is just really bad governance. This is absolutely terrible Government.

We already heard today people are not reading policy letters. It will only get worse. This is a terrible way of doing democracy.

4150 **The Bailiff:** Deputy Burford.

**Deputy Burford:** Thank you, Sir.

4155 I do not have any policy letters coming forward but in deference to those who do I am content to support Proposition 3 and 5 which, if I have read the amendment correctly, would lead to two, four-day States meetings.

Thank you.

**The Bailiff:** Deputy Helyar.

4160 **Deputy Helyar:** Thank you, Sir.

4165 Just quickly, some people might think it is a good thing but I am not able to make any difference. (*Interjections and laughter*) But this really is a fantastic example of why P&R should be able to directly control what comes to the States. (**A Member:** Hear, hear.) It should be able to say no. There are lots of things stacking up, I understand, which Committees are refusing not to bring, and the Committee should be able to say no to that.

**The Bailiff:** Deputy Matthews.

**Deputy Matthews:** Thank you, Sir.

4170 I would just like to agree with Deputy Kazantseva-Miller and others. I have been thinking very much that the number of policy letters that are coming indicates that these are not getting the scrutiny that they should get and it is not getting the decision making that they should get, and it

is indicative really of the process having not run properly during the course of the previous four or five years that they are all getting sort of dropped in at the end.

4175 States' Members not on their first term have sort of said, 'Well, it is always like this at the end of term, this is always what happens, everything gets crammed in at the end.' Well, it just does not strike me as good Government and it does not strike me as a good way to run a jurisdiction to be putting all of these policy letters in right at the end and not really giving them the scrutiny that they deserve.

4180 What I will be voting for is the Tuesday meetings but not the Monday meetings. I just think that five-day meetings would be excessively long. I think I could probably manage a Tuesday. Both 7th and 8th April are dates where I have got Committee meetings anyway, so one of them I guess would have to get rescheduled, which I think in the case of 8th April would be an HSC Committee meeting if it were to be the case that the States' meeting was rescheduled to that date.

4185 But I think I will support the idea of moving the meetings to Tuesday hopefully, sir, on the basis that we may be able to finish early and still make it only a three-day meeting.

Thank you.

**The Bailiff:** Deputy Mahoney.

4190

**Deputy Mahoney:** Thank you, Sir.

I also cannot make two of those days but I am not going to tell anyone which two, just in case. *(Laughter)* We have known the end of term is coming for four years and seven months so it is something of a surprise that we have now found ourselves in this. Others that are previous-termers have said this is happening regularly, which obviously is just dreadful. I think it is just time for us to accept that either through too much workloads in Committee or poor management, whatever it is, it does not really matter, we have got too many things in front of us.

4195 I entirely agree with what Deputy Bury said. I suspect if you looked at debate on a Friday afternoon every meeting it is substantially different to a Wednesday afternoon. If we get to Wednesday afternoon and we are already like we are on a Friday afternoon, Lord knows what Thursday and Friday debates are going to look like. It will certainly be poor governance in the extreme.

4200 Others have mentioned that two minutes, three minutes, is not right. We should not be doing it. We should be more adult and grown up than that. We should just accept that some of this stuff is going to have to get done by the next term.

**The Bailiff:** Deputy St Pier.

4210 **Deputy St Pier:** Sir, I rise I think to correct. Everyone has become so speedy, sir, I did not have the opportunity to rise and make a point of correction to Deputy Helyar.

It is actually incumbent on P&R; P&R do have the power to schedule business. What they are choosing to do is to seek to schedule everything before the end of this term. So I think actually the responsibility is on P&R to make judgements about what could really be pushed the other side of the election, because it really does not need to be discussed at this point.

4215 I just simply wish to make that point, that the power does actually exist under the current rules. In relation to Deputy Le Tocq's comments, I think it is incumbent on he and his colleagues within P&R to have avoided this problem in the management of the schedule. As we have been through this week as more stuff has been published, P&R are simply seeking to add it to the agenda and I think that is part of the challenge which we are now faced with.

4220

**The Bailiff:** Deputy McKenna.

**Deputy McKenna:** Yes, sir, I think what is really unfortunate is that this should have really come at the start of a meeting because there are eight of us missing. I do not want to name who is missing

4225 but there are eight of us missing and so that is not going to be a true reflection if we do have a vote on this. I think it would be unfair to have a vote because there are eight people who have been democratically elected who are actually not getting that chance. But, hey, it is up to you. Not you, sir, I mean it is up to us. *(Laughter)*

4230 **The Bailiff:** There will be a vote, Deputy McKenna. Well, as no one else is rising I will turn back to the proposer of this amendment, Deputy Trott, to reply to that debate.

**Deputy Trott:** Yes, Sir.

4235 An interesting debate. Probably a good thing that eight Members have already left otherwise it may have gone on quite a lot longer. Who knows?

4240 Deputy Falla started off by asking I think a sensible question. Clearly, States' meetings, the making of Laws, the Executive in function which is the Assembly, trumps a Committee meeting. Now, Policy & Resources is an example of a Committee that meets on a Tuesday. It meets on a Monday, Tuesday, Wednesday, Thursday and Friday, if my memory serves me correctly. But Tuesday is its main meeting and it will need to be rescheduled, but clearly this Assembly's activities trump that of its sub-committees which, by definition, are all those that it determines to create beneath the Assembly.

4245 Deputy Gabriel asked about parliamentary team support. Well, parliamentary team support is important and in particular the Presiding Officer has been involved in this dialogue. But it gives me the opportunity to thank them for what an excellent role they do. **(Several Members:** Hear, hear.) We are all extremely grateful, and I know from previous discussions that they will do their best to fit in with whatever this Assembly decides.

4250 Deputy Kazantseva-Miller was scathing in her attack on this amendment. It is not exactly what we did last time – it is very similar – because at the end of the last Assembly we allocated a further seven days. This amendment is only asking for a maximum of an extra four. So there is precedent; in fact I think it was the same the term before. You naturally in an Assembly reach or find yourself in a particularly busy time.

4255 That leads me on to Deputy St Pier. What he does not know is just how much has not made the cut, in other words how much active management there has been. You can see an example, there is an amendment yet to be laid where a Committee does not agree with the Policy & Resources' stance on this and seeks Assembly approval to bring it on to the agenda. So we have been active and, as I have said, under his very good leadership last time around we needed an extra seven days. In my inadequate leadership we have only proposed an extra four but I take his point. *(Laughter)* We are genuinely good and longstanding friends.

4260 Now, there are some differences of opinion, even on P&R. It is for the Assembly to decide and that is democracy. I look forward to the outcome of this vote.

4265 **The Bailiff:** Well, Members of the States, we will have a vote on Proposition 2 first please, on its own. Proposition 2 is that the meeting scheduled to begin on 9th April should commence on 7th April instead.

**A Member:** But we have not voted on the amendment.

4270 **The Bailiff:** All right, we will vote on the amendment as a whole. I had forgotten that rather bizarre change. I will invite the Greffier to open the voting.

4275

*There was a recorded vote.*

*Amendment 2.*

4280 *Not Carried – Pour 13, Contre 18, Ne vote pas 1, Did not vote 6, Absent 2*

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

4285 **The Bailiff:** So in respect of Amendment 2 proposed by Deputy Trott and seconded by Deputy Le Tocq, there voted in favour 13 Members, there voted against 18 Members, 1 Member abstained, 8 Members did not participate in that vote and, therefore, I will declare that lost, so there will not be any extra days in play at all. Therefore, you will reconvene on 9th April, but it is always possible that there will be a suggestion for the following meeting at the next meeting.

There are two amendments to the schedule. I am going to invite Deputy Trott to move Amendment 1, which is an amendment to the schedule.

4290

*Amendment 1.*

*"subject to:*

*a) Inserting at paragraph (d) the following:*

*"P.2025/37 – Committee for Employment & Social Security – Appointment of Housing Appeals Panel Members"*

*b) Inserting at the end of paragraph (g) the following:*

*"P.2025/41 – Policy & Resources Committee – Alderney Airport Runway Rehabilitation\**

*P.2025/40 – Policy & Resources Committee – Offshore Wind Opportunity for Guernsey – Update and Next Step\**

*P.2025/38 – Committee for Employment & Social Security – Amendments to Statutory Minimum Wage Arrangements to Come into Force on 1st October 2025\**

*P.2025/39 – Committee for Employment & Social Security – Change to Eligibility Criteria to Receive Family Allowance and Widowed Parent's Allowance\**

*P.2025/43 – Policy & Resources Committee – Sark's Government – Request for Loan Facility to purchase Sark Electricity\**

*P.2025/44 – Policy & Resources Committee & Committee for Home Affairs – Nationality & Borders Act 2022 and Article 72A of the Reform (Guernsey) Law 1948: Electronic Travel Authorisation, Visa Penalties & Carriers' Liability\*"."*

**Deputy Trott:** Thank you, Sir.

4295 Now, we have had a number of approaches from Committees who believe that in addition to the additional matters that the Policy & Resources Committee is bringing forward, or wanting to accelerate within the schedule, including the Alderney Airport Runway, the Offshore Wind

Opportunity and I think the Request for a Loan Facility from Sark's Government is also in this schedule, to name others.

So this is a request that this amendment is accepted in order to enable them to be listed for the next meeting of the States, rather than otherwise.

4300

**The Bailiff:** Deputy Soulsby, do you formally second Amendment 1?

**Deputy Soulsby:** Yes, Sir, I do.

4305

**The Bailiff:** The only people who can speak in respect of an amendment to the schedule will be the Presidents of the Committees that are affected, so I am going to turn to Deputy Roffey because the Committee for Employment & Social Security is referred to.

4310

**Deputy Roffey:** We certainly have no objection to any of our policy letters being listed for the earlier meeting. Whether we will actually get to them on that day, I do not know, but it would be nice to know that we are not at risk of wasting any time by running out of business.

4315

**The Bailiff:** The rest are the Policy & Resources Committee anyway so, therefore, I will ask the Greffier to open the voting on Amendment 1 to the schedule, proposed by Deputy Trott and seconded by Deputy Soulsby.

*There was a recorded vote.*

*Amendment 1.*

4320

*Carried – Pour 27, Contre 3, Ne vote pas 1, Did not vote 7, Absent 2*

**Pour**

Blin, Chris  
Brouard, Al  
Burford, Yvonne  
Bury, Tina  
de Lisle, David  
de Sausmarez, Lindsay  
Dudley-Owen, Andrea  
Dyke, John  
Fairclough, Simon  
Falla, Steve  
Ferbrache, Peter  
Gabriel, Adrian  
Gollop, John  
Haskins, Sam  
Kazantseva-Miller, Sasha  
Le Tocq, Jonathan  
Matthews, Aidan  
McKenna, Liam  
Meerveld, Carl  
Moakes, Nick  
Murray, Bob  
Prow, Robert  
Queripel, Lester  
Roffey, Peter  
Soulsby, Heidi  
St Pier, Gavin  
Trott, Lyndon

**Contre**

Aldwell, Sue  
Helyar, Mark  
Mahoney, David

**Ne vote pas**

Oliver, Victoria

**Did not vote**

Cameron, Andy  
Hill, Edward  
Leadbeater, Marc  
Parkinson, Charles  
Snowdon, Alexander  
Taylor, Andrew  
Vermeulen, Simon

**Absent**

Inder, Neil  
Le Tissier, Chris

**The Bailiff:** So in respect of Amendment 1, 27 Members voted in favour, 3 Members voted against, 1 member abstained, 9 Members did not participate in that vote and, therefore, I will declare that carried, which means that the schedule has been amended.

The final amendment to the schedule is Amendment 3 to be proposed by Deputy de Sausmarez, so if you want to open on that for no more than two minutes.

[Amendment 3.](#)

*To insert at the end of the proposition the following:*

*"subject to: a) Inserting at the end of paragraph (g) the following:*

*P.2025/48 – Committee for Environment & Infrastructure – Establishment of the Offshore Renewable Energy Commission (OREC)\*"*

**Deputy de Sausmarez:** Thank you, Sir.

This one could not be included in the previous amendment because it was not actually published before the amendment we have just voted on, but it goes hand in hand with the Offshore Wind Update policy letter that we just agreed – well, until we get to the substantive Propositions – should be included in the agenda for the next meeting. It is a short policy letter. It follows through on a resolution that this Assembly made and we have heard it many times, the frustration when things carry over from one Assembly to another. So I know that there is a desire that when one Assembly makes a decision it is preferable that the same Assembly gets to vote on it.

Now, this is really just adding a little bit more practical detail. It is about the establishment of an Offshore Renewable Energy Commission, which is a critical part of the offshore wind opportunity really because it is the licensing body. This is just to explain, as per the resolution, that the States agreed pretty much unanimously in the Electricity Strategy, the detail around that. It is a short policy letter; it should not take very much debate at all. We would be very open to answering any questions of a technical nature beforehand to help expediate debate. It is just to make sure that that option is there so that we do not end up inadvertently wasting time in the next meeting, if indeed we do complete the business that is scheduled.

But I think it is important that we do stay true to the principle that it is the same States that sees through the detailed proposals that arise out of decisions that they themselves had made. It is a parallel workstream; it was always envisaged that this part of the picture were to be debated in parallel with the policy letter on offshore wind.

**The Bailiff:** Deputy de Sausmarez, your two minutes are up. Deputy Trott, do you wish to comment on behalf of the Policy & Resources Committee?

**Deputy Trott:** Yes, I need to.

I understand the view of Environment & Infrastructure, but P&R does not support this amendment. It is considered not crucial. The belief is that it can wait –

**Deputy Gabriel:** Point of correction, Sir.

**The Bailiff:** Point of correction, Deputy Gabriel.

**Deputy Gabriel:** I am sorry to interrupt Deputy Trott in his flow. He did mention that it was the view of Environment & Infrastructure, however, this amendment is brought by Deputy de Sausmarez and Deputy Blin, and I suggest it is perhaps more appropriate that it is the P&R's sub-committee, the Offshore Wind Committee, although E&I have had some input in drafting this.

**Deputy Trott:** Yes, I accept that correction.



4370 Of course I was thinking that it was Deputy de Sausmarez in her capacity as President of E&I but she is speaking in that capacity. I have nothing further to say. The Policy & Resources Committee, which is sovereign over the sub-committee, does not regard the creation of this commission as fundamentally important in terms of its timing. It is something that can wait until next time. That is our view; the Assembly will decide.

4375 **The Bailiff:** Did I not ask you formally to second it, Deputy Blin? I do apologise. Do you formally second it?

**Deputy Blin:** Yes, I do second it, and may I speak? *(Laughter)*

4380 **The Bailiff:** No, you are not allowed to. That was just my oversight before. I have written Deputy Blin formally seconds already *(Laughter)* and, therefore, I must have skipped over that. It is time to vote on Amendment 3, proposed by Deputy de Sausmarez, seconded by Deputy Blin, to add another item to the already amended schedule. I will invite the Greffier to open the voting, which I think he has done already.

4385 *There was a recorded vote.*

*Amendment 3.*

*Not Carried – Pour 15, Contre 15, Ne vote pas 1, Did not vote 7, Absent 2*

4390

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

4395 **The Bailiff:** Now, in respect of Amendment 3, proposed by Deputy de Sausmarez and seconded by Deputy Blin, there voted in favour 15 Members, there voted against 15 Members, 1 Member abstained, 9 Members did not participate in that vote and, therefore, I will declare it lost on an equality of votes.

**Deputy de Sausmarez:** Am I able to ask for a recount, Sir?

4400 **The Bailiff:** Yes, you can, because we had that before so we will up again on Amendment 3. Maybe next time you might support the idea that the ability to ask for a fresh division disappears. *(Interjections and laughter)* I will invite the Greffier to reopen the voting on Amendment 3, proposed by Deputy de Sausmarez and seconded by Deputy Blin.

4405

*There was a recorded vote.*

4410 *Amendment 3.*

*Carried – Pour 17, Contre 13, Ne vote pas 1, Did not vote 7, Absent 2*

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

4415 **The Bailiff:** This time it is final. There voted in favour 17 Members (*Interjection*), there voted against 13 Members, 1 Member still abstained, and 9 Members did not participate in the vote. Therefore I will declare it carried.

Now, of course, we will have the schedule for the next meeting as amended. I will invite the Greffier to open the voting on the schedule as amended by Amendments 1 and 3. Am I assuming that those Members who have not voted who are still here, do not want to vote?

4420

*There was a recorded vote.*

*Amendment 3.*

*Carried – Pour 24, Contre 2, Ne vote pas 1, Did not vote 12, Absent 2*

4425

<b>Pour</b>	<b>Contre</b>	<b>Ne vote pas</b>	<b>Did not vote</b>	<b>Absent</b>
Aldwell, Sue	Helyar, Mark	None	Blin, Chris	Inder, Neil
Brouard, Al	Mahoney, David		Cameron, Andy	Le Tissier, Chris
Burford, Yvonne			de Lisle, David	
Bury, Tina			Ferbrache, Peter	
de Sausmarez, Lindsay			Hill, Edward	
Dudley-Owen, Andrea			Le Tocq, Jonathan	
Dyke, John			Leadbeater, Marc	
Fairclough, Simon			Moakes, Nick	
Falla, Steve			Parkinson, Charles	
Gabriel, Adrian			Snowdon, Alexander	
Gollop, John			Taylor, Andrew	
Haskins, Sam			Vermeulen, Simon	
Kazantseva-Miller, Sasha				
Matthews, Aidan				
McKenna, Liam				
Meerveld, Carl				
Murray, Bob				
Oliver, Victoria				
Prow, Robert				
Queripel, Lester				
Roffey, Peter				
Soulsby, Heidi				
St Pier, Gavin				
Trott, Lyndon				

**The Bailiff:** There voted in favour 24 Members, 2 Members voted against, no Member abstained but 14 Members did not participate in that vote, but I will still declare it carried.

4430 That concludes the business for this meeting. Thank you all very much. Do not forget that today is Comic Relief. There has been a little bit of that during the course of today. Be funny for money later today. I will ask the Greffier to close the meeting please.

*The Assembly adjourned at 6.13 p.m.*