

OFFICIAL REPORT

OF THE

STATES OF DELIBERATION OF THE ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Wednesday, 2nd March 2016

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Present:

Sir Richard J. Collas, Kt, Bailiff and Presiding Officer

Law Officers

H. E. Roberts Esq., Q.C. (H.M. Procureur)

People's Deputies

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Deputies P. A. Harwood, J. Kuttelwascher, B. L. Brehaut, R. Domaille, A. H. Langlois, R. A. Jones

St Peter Port North

Deputies M. K. Le Clerc, J. A. B. Gollop, P. A. Sherbourne, R. Conder, C. N. K. Parkinson, L. C. Queripel

St Sampson

Deputies G. A. St Pier, P. L. Gillson, P. R. Le Pelley, S. J. Ogier,

The Vale

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The Castel

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The South-East

Deputies H. J. R. Soulsby, R. W. Sillars, P. A. Luxon, M. G. O'Hara, F. W. Quin, M. P. J. Hadley

Representatives of the Island of Alderney

Alderney Representatives L. E. Jean and S. D. G. McKinley, O. B. E.

The Clerk to the States of Deliberation

A J Nicole, Esq. (H.M. Deputy Greffier)

Absent at the Evocation

Miss M. M. E. Pullum, Q.C. (H.M. Comptroller); Deputy E. G. Bebb, (relevé à 10h 17); Deputy K. A. Stewart (absent de l'Île); Deputy L. S. Trott (absent de l'Île); Deputy D. B. Jones, (indisposé); Deputy A. Spruce, (absent de l'Île);

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States of Deliberation

The States met at 9.30 a.m.

[THE BAILIFF in the Chair]

PRAYERS

The Deputy Greffier

EVOCATION

CONVOCATION

The Deputy Greffier: To the Members of the States of the Island of Guernsey. I hereby give notice that a meeting of the States of Deliberation will be held at The Royal Court House, on Wednesday 2nd March 2016, at 9.30 a.m. to consider the items contained in Billets d'État VI and VIII, which have been submitted for debate.

The Bailiff: Members of the States, good morning to you all. We are going to start this morning with question time.

Questions for Oral Answer

DEPARTMENT OF HEALTH & SOCIAL SERVICES

Loneliness as a health issue

The Bailiff: The first question is to be asked by Deputy Lester Queripel of the Minister for Health & Social Services Department. Deputy Queripel.

Deputy Queripel: Thank you, sir.

Bearing in mind that loneliness is recognised as being a major risk to health, can the Minister tell me please, what measures do his Department currently have in place to address the issue?

The Bailiff: The Minister, Deputy Luxon, will reply to that question, but I will have to watch the clock closely, Deputy Luxon.

Deputy Luxon: (Laughter) I have got a croaky voice today, sir.

Sir, loneliness is recognised by the Department as having a negative impact on the Island's health and wellbeing. Age Concern is promoting befriending schemes at a national level, and HSSD are working with the third sector in Guernsey to establish a similar model to combat

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loneliness. For example, we work closely with GVS to support older people, and the developing befriending schemes for people leaving hospital. We are aware of the Disability Needs Survey, and subsequent research report, in which specific reference is made to the social lives of individuals and their carers, and the potentially crippling effects of loneliness.

In Children's Services our long term vision, outlined in the CYPP, approved by the States in February, is to create locality focussed services in communities, to encourage community engagement and volunteering, to create a culture change, which is about reducing isolation.

Sir, this is also moved in the 2012 Mental Health & Wellbeing Report, the States commissioned Emily Litten from MIND to work on updating the strategy, and this includes a focus on community engagement to improve mental health and wellbeing, including a focus on loneliness. HSSD supports well established adult mental health service users groups, who provide outreach and support to those living in the community with mental health and wellbeing issues.

Thank you, sir.

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The Bailiff: Well done, Minister.

Deputy Queripel, do you have any supplementary questions?

Deputy Queripel: Sir, I do have two supplementary questions. 40

The Bailiff: Yes.

Deputy Queripel: I thank the Minister for his answer, but he did not really answer the question. The question I asked was - what measures do the Department currently have in place? In his response he focused on measures the Department are currently developing, which is actually more applicable to the second question, I will be asking later. But the Minister did say the Department are working with GVS to support older people and develop befriender schemes. So is the Minister able to tell me please, when will those schemes actually be developed enough to be put into operation?

The Bailiff: Deputy Luxon.

Deputy Luxon: Thank, you, sir.

I apologise to Deputy Queripel, if he feels that my answers did not answer his question. The point I was making is that the Department recognises the identification of loneliness as being a true, true issue, in its own right, and therefore does need to have special focus and attention. What I tried to do is explain how there is now a developing series of work streams that will actually tackle this. So the answer to his question is that those actions are underway; they are meaningful pieces of work that are underway within the Department, and it is important that we develop them, and help those people that suffer from loneliness in our community.

The Bailiff: Your second question, Deputy Queripel, your second supplementary question that is.

Deputy Lester Queripel: Sir, thank you.

Sir, the befriender schemes that the Minister speaks of are for people leaving hospital. I am concerned about the lonely people out in our community, of all ages, who never have to stay in hospital. So can the Minister tell me please will the Department be reaching out to those lonely people at some stage in the future, through the befriender schemes?

The Bailiff: Deputy Luxon.

Deputy Luxon: Sir, I think HSSD absolutely has a responsibility to make sure that this area of isolation, and loneliness, within our community is not neglected. Not only should HSSD be doing this but, of course, there are many agencies that operate within Guernsey, who already understand this aspect of community need, so I can just assure Deputy Queripel that the Department does recognise this as being a very important issue, along with many of the issues that HSSD has within its mandate and, of course, loneliness is an aspect of life for us all, and there are many people from very many different walks of life, and ages, that suffer from loneliness, so it is not confined to just an age group, or to people that have been in a hospital, or in a care situation. We need to recognise it is an important issue for all members in our community.

The Bailiff: Deputy Gollop – can you put your microphone on.

Deputy Gollop: Oh sorry.

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I can be a bit lonely at times too, but no, I would like to ask the Minister bearing in mind the questions relating to moving this work frame forward in the befriending schemes. Would not this be an ideal opportunity for the Department, and its successor, to commission a report from the third and voluntary sectors to push this ahead, rather than over utilise political and staff time on this important matter?

The Bailiff: Deputy Luxon.

Deputy Luxon: Sir, I actually think what I have tried to do in my answers is to reflect the reality that I think that is already what is happening. I think the third sector agencies, indeed, along with Government agencies, both within HSSD and elsewhere, do understand this dynamic within our community, and I would compliment the work that Nicky Jenkins and Chris Robilliard do in terms of wellbeing and wellfulness within some of our schools. Loneliness and isolation is not necessarily limited to just the elders in our society.

The Bailiff: Deputy Queripel, your second question.

Deputy Lester Queripel: Thank you, sir.

As I said earlier, sir, the answer the Minister gave to my first question would have been more applicable to this question. Can the Minister tell me please whether or not his Department are actively pursuing measures to address the issue of loneliness?

The Bailiff: Deputy Luxon.

Deputy Luxon: Sir, I am certainly not going to re-read my answer to question one, because I almost strangulated myself, but as cited above, the Department is actively pursuing loneliness as part of the work to meet its strategic objectives, and transformation agenda. In Adult Services whilst our core function is not specific to loneliness, our services do pick up and support this aspect of an individual's health and wellbeing on a daily basis.

The following outlines the range of contacts that we provide to individuals who are living at home, often alone and in isolation. Day Care in partnership with the voluntary sector to promote social experience and alleviate loneliness for older people and those with learning disabilities; Russel Day Care 68 attendees; Jubilee Day Care 88 attendees; Willows Day Care 60 attendees; and Assisted Bath and Day Care 95 recipients.

Sir, what I would say to Deputy Queripel is that the Department takes this matter seriously.

The Bailiff: do you have a supplementary Deputy Queripel?

Deputy Queripel: Sir, I have two if I may.

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Sir, I take comfort from the Minister telling me all about the excellent work going on here in the Island. In his response the Minister said that the core function of the service is not specific to loneliness, which concerns me greatly, especially when we bear in mind that loneliness is now considered to be as greater risk to health as smoking. Sir, does the Minister agree with me that the time has come to be specific, and introduce some much needed urgency into this situation.

The Bailiff: Deputy Luxon.

Deputy Luxon: Sir, I think Deputy Queripel used the word urgency at the end, or at least that is what I thought he used. I can just reiterate, HSSD understands this issue, this reality, but in an environment of competing needs, and demands, in terms of services, we have to accept that in our community of 63,000 people, that to prioritise any one thing over and above all of the other priorities is very difficult. What HSSD needs to do is to make sure that we adapt policies, and develop strategies, to deal with this particular issue, but we cannot prioritise it in isolation of all of the other significant and important demands.

The Bailiff: Second supplementary Deputy Queripel.

Deputy Lester Queripel: Thank you, sir.

Sir, regarding the issue of the need to be specific, I would like to offer my services to the Department to help to develop the befriender schemes. Would the Minister be willing to accept my offer to help?

The Bailiff: Deputy Luxon.

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Deputy Luxon: Sir, probably it would be more appropriate to wait until 1st May and allow the new Department board to make that decision, but we would be more than happy to welcome Deputy Queripel to come in, and understand his thoughts and ideas and whatnot. I will take that up and follow up.

TREASURY & RESOURCES DEPARTMENT

Defrauding of the States in 2012

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The Bailiff: I see no-one else rising.

We move on then to the next series of questions, or the next question to be asked by Deputy De Lisle of the Minister of the Treasury & Resources Department.

Deputy De Lisle.

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Deputy De Lisle: Thank you, sir.

The questions are on the specific incident of fraud in 2012, and the measures taken in risk management. Can the Minister provide an update on the latest with regard to the loss of £2.6 million in his Department, with particular reference to how much has been recovered to date.

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The Bailiff: Deputy St Pier will reply.

Deputy St Pier: Thank you, sir.

Sir, I would refer Deputy De Lisle to the States of Guernsey accounts for 2012 published in Billet d'État XVI of 2012, and approved by Resolution of the States on 1st August of that year.

In summary, as I am sure Deputy De Lisle will recall, the published accounts noted that of the £2,613 million, that was fraudulently obtained from the States of Guernsey, £295,000 had been recovered, and that as a result provision for non-recovery of the balance of £2.318 million had been made as an item of exceptional expenditure. There have been no further recoveries since that time.

The Bailiff: Do you have a supplementary question Deputy De Lisle?

Deputy De Lisle: Yes, sir.

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2013, of course, is some time back, and what I wanted was the update, and I note from the answer there have been no further recoveries. But, to lose over £2 million of taxpayers money is a lot of money, sir, and that is why I am asking for accountability. How can the whole matter be washed under the carpet by a drawdown from the Contingency Reserve, the people's savings, and by increasing the deficit? Should there not be an offset by the Department?

The Bailiff: Deputy St Pier.

Deputy St Pier: Sir, I do not think that question arises from the answer I gave.

The Bailiff: It does not arise from the answer you gave, no.

Deputy De Lisle: If I can go on to my second question, sir.

The Bailiff: Well, your other questions are seeking information which is already accessible in the public domain, Deputy De Lisle, and therefore fall foul of Rule 5(1) of the Rules of Procedure.

Deputy De Lisle: Well, I thought, sir, that they do provide an insight for the public.

The Bailiff: Well that is not the purpose of Question Time. The purpose of Question Time is to seek information that is not readily accessible in the public domain.

Deputy De Lisle: I do not think it is readily accessible.

The Bailiff: I understood that the Department had engaged with you and explained where you can find this information already in published documents and Resolutions of the States.

Deputy De Lisle: It is difficult for the public to find all of those references, sir.

The Bailiff: Well, it is not for a States' Member, and I have to enforce the Rules, Deputy De Lisle.

You will have to move on to your next question to the Minister of the Health & Social Services Department.

HEALTH & SOCIAL SERVICES DEPARTMENT

Agency Nurses and Recruitment

Deputy De Lisle: I thank you for that, sir.

I would like to ask the Minister of Health & Social Services questions on agency nurse spend and recruitment. Why has the agency nurse spend last year tripled to £4.5 million, and the

numbers increased to 92 full time equivalents, up from £1.28 million, and 28 agency nurses, in 2013, at a time when the Department of Health & Social Services budget is under scrutiny.

The Bailiff: Deputy Luxon.

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Deputy Luxon: Sir, I will not ask you to invoke the previous Rule, although this information is in the public domain. Sir, in summary agency nursing has increased in 2015 for three key reasons. Firstly, a significant driver was to address in the immediate term the 2014 NMC Review, in October 2014, recommendations and provide assurances that we could provide safe services, this included an immediate need to increase the number of nurses required for those services, across the 24 hour service. Secondly, it is well documented in national and global press, that there is a worldwide shortage of nurses, and therefore supply and demand, economic forces, drive up both the cost and price premium for nursing. Thirdly, there are specific specialist nursing roles, such as theatres, and critical care, that have been in acute shortage globally for several years that compound this second point. These points are addressed in more detail following. 2015 saw a significant increase in the use of agency staff to bridge the gap between the number of staff we budget for, and the actual number of nurses we employ. To address this situation HSSD has taken a range of actions to reduce agency use in 2016, whilst maintaining patient safety. This includes changes to processes, and activities, and the skill mix review led by our Chief Nurse. Given the challenging environment the success of HSSD to maintain its recruited establishment is positive, as an overall reduction in staffing numbers could have been expected.

The Bailiff: You have a supplementary Deputy De Lisle.

Deputy De Lisle: Yes, a supplementary, sir.

The spending of £3 million extra on agency nurses in 2015 occurred under your watch, Deputy Luxon, were you aware of what was going on?

The Bailiff: Deputy Luxon.

Deputy Luxon: Thank you, sir.

This occurred under the watch of us all. We brought policy letters to this States, to inform the States, of the realities of the situations going on, but all I can repeat is, following the 2014 crisis that we experienced, the Department, the board, and the management, have made every effort to manage its budget appropriately. The competing demands, ever escalating demands, I did mention that the NHS in the UK had overspent its quarter one budget of last year by over a billion. I do not know what the year end is? Those pressures are not going to go away. All I can do is to promise Deputy De Lisle that the HSSD board do not take this lightly. We absolutely recognise the need for fiscal control and budget control, but it is a very difficult situation confronted by Guernsey, and other health care models around the world.

The Bailiff: You have another supplementary, Deputy De Lisle?

Deputy De Lisle: Thank you, sir. £3 million is a lot of money, sir.

The Bailiff: Is that a supplementary?

Deputy De Lisle: My second question, why has it taken so long for the Department to implement a robust training scheme for local nurses, to offset the need for increased agency nurse spend, and recruitment.

The Bailiff: Deputy Luxon.

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Deputy Luxon: Thank you, sir.

There has been an on-Island training scheme for local nurses that dates back to the 1960's, providing a steady output of enrolled nurses until the 1990's, and then registered nurses since then. A total of 282 locally trained registered nurses have been through this process to date. Unlike their UK counterparts, student nurses are employed by HSSD. There is funding for an intake of 15 students per year. The Institute is in the process of tendering for a new partner university to provide pre-registration education on Island, commencing the new programme in September 2016. Work is being completed now to enable up to 45 students to be admitted to the course, on an annual basis, a three times increase, which includes the development of different entry routes, other than the traditional 'A' level pathway. The successful supply for the new pre-registration scheme programme will be known in April.

The Bailiff: Do you have a supplementary Deputy De Lisle?

Deputy De Lisle: Supplementary, sir.

The question was with regard to why has it taken so long to implement a robust training programme for the needs, which is good 45 or more, in that 40 are being brought in. Why has it taken so long over a period of time to implement such a robust training scheme?

290 **The Bailiff:** Deputy Luxon.

Deputy Luxon: Sir, there has been a robust scheme in place, as I answered to Deputy De Lisle. I think his question is why have we not accelerated an increasing scheme, and the answer is that this board has been in place for 16 months, and we have directed the Department's staff, and the Institute, that on the need of the dramatic shortage of trained nurses, across all bands, only last week it was announced that there is a 23,000 shortage of nurses in the UK. It is not surprising we are having problems, so we are looking to try and grow more of our own, and by uplifting the annual cohort from 15 to 45 means, over a three year period, we will end up having almost 150 nurses in training, and in three years' time we will start seeing a higher number of nurses coming out of that system, and being able to fill some of the unfilled positions in the PEH and elsewhere.

The Bailiff: Do you have another supplementary, Deputy De Lisle?

Deputy De Lisle: Yes, sir.

I am pleased of that change. The final question -

The Bailiff: Oh no, not your final question. Do you have another supplementary?

Deputy De Lisle: No, I do not.

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The Bailiff: Because that is what I asked you.

Deputy Brehaut.

Deputy Brehaut: Yes, I had a supplementary, sir,

Deputy De Lisle said bearing in mind there were 40 nurses coming to Guernsey. Is it not the case that, unfortunately, the recruitment to the Philippines was not as successful as you would have liked, and there will not be 40 staff, and the likelihood is that it may be half a dozen, or even fewer than that?

320 **The Bailiff:** Deputy Luxon.

Deputy Luxon: Sir, is that not supplementary to the third question?

The Bailiff: Well, he has not seen the third question (*Laughter*) but I think he is asking whether you can realistically fill the 45 places that you have on the scheme that is envisaged.

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Deputy Luxon: Sir, that does not stem from this question, so, let us deal with that in the third question.

The Bailiff: Well, we will deal with that on the third question, then.

330 Deputy Gollop.

Deputy Gollop: Yes, there has been speculation from my intellectual colleagues behind me and on the media recently that the new system of Government may mean that the excellent work the Institute of Health Education has done will be even greater with the synergies with Guernsey College and the GTA University. Will you, and your successors, wish to ensure that the best possible partnerships are available for both younger students, and mature students, to study health related areas.

The Bailiff: Deputy Luxon.

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Deputy Luxon: Absolutely, yes, sir.

The Bailiff: Deputy Inglis.

345 **Deputy Inglis:** Thank you, sir.

Would the Minister agree with me the nature of the role of nursing in this day and age, requires a lot of movement between jurisdictions to gain experience, and knowledge, that people in this Island will eventually benefit from, being that they will come back because of the suitability of the Island.

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The Bailiff: Deputy Luxon.

Deputy Luxon: Sir, Guernsey has been very lucky that, I will use the figure 70%, 70% of our nurses are local, locally qualified, residentially locally qualified. That is a fantastic ratio but, of course, as those nurses that have worked in our service move towards retirement then, of course, we ae going to have to, either grow our own, which is the matter dealt with in the previous question, or indeed we have to attract our share of the limited pool of trained nurses that the rest of the world, the UK, and Europe are trying to bid for. So, I think it is absolutely critical that this Department does all it can to try and alleviate that situation.

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The Bailiff: I see no-one else rising. Your third question Deputy De Lisle.

Deputy De Lisle: Thank you, sir.

What will be the total cost of recruitment of nurses from the Philippines?

The Bailiff: Deputy Luxon.

Deputy Luxon: We currently have 40 active candidates, the cost of recruitment per nurse will be £7,000, and this is only payable upon appointment.

The Bailiff: Deputy De Lisle.

Deputy De Lisle: Can I ask how that is divided up, sir? Is that just the fare over from the Philippines to Guernsey?

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Deputy Luxon: Sir, I do not have the breakdown, I have seen the information, but I do not want to mislead the Assembly, but it a combination of some of the training, and accreditation, that the Philippine trained nurses have to undertake to be able to comply with NMC regulations, I cannot give you the detailed breakdown, but I am happy to provide that to Deputy De Lisle separately, sir.

The Bailiff: Deputy Brehaut, do you wish to ask a supplementary?

Deputy Brehaut: I was just seeking some clarity, sir, with regard to 40 active candidates. There is an appreciation, and understanding, within the hospital environment that it is considerably less than that, and I am concerned with the issue of morale. Do we have 40 nurses coming here, or is it likely to be less than 40.

The Bailiff: Deputy Luxon.

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Deputy Luxon: I thank Deputy Brehaut for the question, and my apologies I did not answer it earlier.

So, we actually initially had 65 Philippine nurses, who indicated they were interested in coming to Guernsey, and certainly the board and Department staff were very excited about that. What happened is, through then the process of implementing bringing those 65 across, it was very clear that some of the English conversion issues, and other accreditation, meant that the whole process has taken much longer. So specifically in answer to Deputy Brehaut's question, it may well be that the final number that come, may well be considerably less than 40. It was 65 there has been attrition down to 40, because some of the nurses withdrew, some have moved elsewhere. What we have tried to do is, whenever we have heard of problems we have tried to go back. We considered sending somebody out to the Philippines to try and help them through the process, but we actually asked the agency to do that for us.

So, sir, we desperately need to find more qualified nurses for our services in Guernsey. We need to do that, because we cannot continue the very high agency premium cost that Deputy De Lisle referred to earlier, but we need to make sure that we are staffed safely, and appropriately, to allow our nurses to be able to deliver their roles in a reasonable working condition.

The Bailiff: Well that concludes Question Time.

We move on Greffier to legislation.

Billet d'État VI

PROJETS DE LOI

I. The Population Management (Guernsey) Law, 2016 - Approved

Article I

The States are asked to decide:

Whether they are of the opinion to approve the draft Projet de Loi entitled "The Population Management (Guernsey) Law, 2016", and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for her Royal Sanction thereto.

The Deputy Greffier: Projet de Loi – Billet d'État VI – Article I – The Population Management (Guernsey) Law, 2016.

The Bailiff: Is there any request for any clarification or debate? Yes. Deputy Rob Jones.

Deputy Robert Jones: Thank you, sir.

There were a number of emails that were circulated, suggesting that Deputies do not understand, or are fully aware of the consequences of this piece of legislation. What I can reassure fellow Deputies, and the public, is that we as a Legislation Select Committee spent, well we convened one special meeting to review this piece of legislation, there were 109 pages, plus the other piece that will come in due course. We spent, I think, nearly seven hours reviewing the Law, we can assure, I can assure, our colleagues that the Law does reflect the wishes of the States, and the Resolutions that were previously passed, and do take into account, I think, the concerns that were raised, and the general principles and the issues that we took on board. So, I just wanted that basically to be put on the record.

Thank you, sir.

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The Bailiff: Yes, Deputy Wilkie.

Deputy Wilkie: Thank you, sir.

I would just like to bring your attention to section 83, which covers HM Forces personnel. Now, sir, I have spoken to many of the HM Forces charities on the Island, and they are very pleased with the new legislation. However, there is a historical issue, which is not covered in the new legislation because it is not retrospective. There is a situation previously, in the previous Law, that someone leaving HM Forces service would have to return to Guernsey within six months, and that went for their spouses, and their children, and this means that we have now got a situation, in some places, where a retired member of HM Forces, whose adult children may have had their own career, did not return within the six months, although they did, and they now have a situation where they are quite elderly, and they cannot have their children return to the Island to look after them, because they have lost their local status through this previous anomaly. I have been in discussions with various politicians about this issue, and the feedback I have had is that the new regime will be much more flexible and be sympathetic towards these sort of cases. So, I am just asking, sir, for some clarification that that will be the case, that these individual cases will be looked at very sympathetically, as these members of HM Forces have obviously given up certain civil rights and risked their lives to protect our society.

Thank you, sir.

The Bailiff: Is there any other? Yes.

Deputy Dorey.

Deputy Dorey: Thank you, sir.

When we started out on the proposals that have led to this Law, and I refer to the original Billet from 2012 from the executive summary it says

'This mechanism will need to provide the States with the ability to manage as far as possible the size of the makeup of the Island's population.'

I do not think that has been completely fulfilled by the proposals, and I just wish to highlight two particular areas. Although, I will accept that this has been accepted by the majority of the States, and I will vote for it, but I do so with objections to these particular areas.

I refer to Part D of the Open Market, which is referred to in this part of the Law, as well as the Open Market one. When we started the process, we had a Part D which had 556 people living in it.

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It was restricted to only local, or Licence Holders, apart from the owners, managers, and their families. We also had a loophole, which people exploited, which was the multi occupancy of unrelated adults into Part A, which was never, never, the original purpose of Part A. We finished up with those restrictions on Part D being removed, so those properties, which were only for locals, or Licence Holders, now can be occupied by anybody, but it is restricted to only five years. We have allowed Part A, the multi occupancy, to continue, and we will be able to debate on a cap on it, although we accept that those which were occupied on 10th May 2013 will be able to continue. I do not think that is a good thing for this Island. If, at some point in the future, we have unemployment we will not be able to restrict the people who live in those properties, as we can do with Licences, and we could have people coming in to this Island occupying those properties, while we local people unemployed. As I said the whole purpose was to be able to manage the population, the Housing Control Laws were not considered to be able to do that, I do not consider these have achieved the original objective.

I also refer to the fact that we, unlike many other jurisdictions, allow people who have gained the right to return, to keep that for their life, so we could have somebody very early in their working life having achieved the 14 years, which allows them the right to return, they can spend the rest of their career out of the Island and return in retirement. I do not think that is good for the management of the population and the demographic problems that we face.

I have just highlighted two areas, which I do not think achieve that objective. Thank you.

The Bailiff: Any further debate? No.

The Chief Minister will reply.

The Chief Minister (Deputy Le Tocq): Thank you, sir.

I thank Deputy Rob Jones for his confirmation that this legislation actually puts into place the Propositions and Resolutions of this Assembly. It has been a long journey to come to this place, and it has been, obviously, quite a complicated one, and a complex one, so it is not surprising that we still have different views in this Assembly.

First of all just to deal with Deputy Wilkie's issues that he has raised, regarding HM Forces personnel, and I can assure him that we have put this in writing to the various individuals that have contacted us, and Associations, that are all such personnel will be treated compassionately, and we have, in fact, a greater flexibility as he alluded to, in the new regime to enable that to happen. Of course, Guernsey does respect and honour those who have served in HM Forces around the world, and would certainly want to ensure that they are treated fairly, as if they had been resident in Guernsey during that time. That is the purpose that we want to promote. What we cannot do, however, is to legislate for every small individual group, and make sure they are all covered in legislation. What we can do is have the flexibility, and assurance, that they will be treated fairly. And we have put that in writing, and we will honour that.

With regards to what Deputy Dorey alluded to. I think, sir, as I mentioned before, we have all come on a journey with this, and we have been through a number, from where we started we have been through a number of different workshops, and opportunities to debate in this Assembly the various issues, the very complex issues, that involved unravelling the previous regime, and coming up with a better, more fit for purpose, regime for the future. As a result Deputy Dorey was rehearsing some of the arguments that he, and others, have mentioned already in this debate in the past. The States came to a consensus, and a majority has voted in favour of this legislation which is before us today.

So, I encourage Members to vote this through. There is no doubt that in the future there will be a need to tweak it further. That is bound to happen. It happened with the old Housing Laws it will happen with this. But we have come to this point, let us now get the legislation enacted, so that we can proceed.

Thank you, sir.

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The Bailiff: Members, we vote then on The Population Management (Guernsey) Law, 2016, which is to be found at pages 1 to 107 of the brochure. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

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II. The Open Market Housing Register (Guernsey) Law, 2016 - Approved

Article II

The States are asked to decide:

Whether they are of the opinion to approve the draft Projet de Loi entitled "The Open Market Housing Register (Guernsey) Law, 2016", and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for her Royal Sanction thereto.

The Deputy Greffier: Article II - The Open Market Housing Register (Guernsey) Law, 2016.

The Bailiff: Is there any request for clarification or debate? Yes.

525 Deputy Perrot.

Deputy Perrot: Could I just say, sir, how much I welcome this legislation. It is absolutely essential. What it will do, and I hope this will be picked up by people who are already living in Open Market accommodation, and those who might be contemplating acquiring Open Market accommodation, at long last we will have legislation which is permanent. The real problem about the situation until this legislation, was some rather crass remarks were made publicly, both by the Policy Council of that day, and by the then Housing Department, and those remarks, in effect, brought a stop to transactions on the Open Market, not completely, but it completely undermined any confidence which anybody had in the Open Market. Those of us in the legal profession, who had familiarity with the European Convention on Human Rights, knew that, in fact, we could not take away the Open Market, and we said that to anybody who wanted to listen to us, but wisely, most people do not want to listen at all to lawyers, and certainly do not trust or believe them, so that message did not get out into the general domain. But at long last, and I say this publicly, and I hope that, for once, something that I have said is published in that magnificent organ The Guernsey Press, that we now have complete stability in the Open Market. The legislation is permanent. Very well done. This is something which was very strongly backed, I know, by my colleague Deputy Kuttelwascher, and I was battling very strongly too.

Thank you.

The Bailiff: Deputy Luxon.

Deputy Luxon: Sir, just briefly.

Deputy Perrot made me rise to my feet to absolutely endorse what he said. The law of unintended consequences certainly did come to bear on Guernsey after February 2007 and generally added to the level of contraction that Guernsey has seen since the financial market collapse in 2008. Very unfortunate that our embroiling of the Open Market within the need to review our population management system should have happened at the same time. There is no doubt that the Open Market in terms of transactions, the number of transactions, and attracting new people to the Island, has been stymied to a great degree over recent years. Members of the Policy Council have actively been engaging with Members of the community in both

conveyancing, and estate agency, because, of course, with the Locate Guernsey initiative, which is about trying to attract high net worth individuals, and those that might come to the Island and consider investing in our economy, this a real boon, and I hope that this will act as the final, final, stimulus on top of the reassurances the Chief Minister, and others of us, have been giving to this sector. It is not all about the Open Market, the Local Market and the rights of the local population have been just as importantly applied throughout this process. But, I absolutely commend Deputy Perrot for his wise words. This now does give an opportunity to start seeing the Open Market do what it used to do, which is help stimulate our economy.

The Bailiff: Deputy Gollop.

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Deputy Gollop: The Open Market certainly, I think, has played a dynamic part in the Island's past, and will continue to do so, especially maybe for our digital future. I am in a sense a product of an Open Market background, as I said with other Members of this Assembly. I think this legislation that we have seen, as Deputy Rob Jones has pointed out, the legislation is extremely well written and crafted. I think it answers some of the anomalies that perhaps came up before. It will, for the foreseeable future, give certainty to the Open Market and confidence, I do assure.

The only point I would bring up, is Deputy Le Tocq, rightly, said we have been on a long and sometimes tortuous journey on this work stream, and I think in the very beginnings of it, during the era that Deputy Perrot refers to, when perhaps one or two unwise remarks were made, there was a view put across, that we would not have a Local Market anymore, so logically the Open – but we do, effectively, as I understand it, not only are we conserving the Open Market, we are conserving the Local Market. The new regime very much refers to residents' permits, and so effectively, this is an upgrading of the Housing Law, and should give certainty to everybody eligible to live in either sector.

The Bailiff: Any further? Deputy Dorey.

Deputy Dorey: Sir, I too welcome the Law, and the permanency of the Law rather than the 10-year review, and I accept the importance that makes to the Open Market. I also welcome the important contribution that high net worth individuals make to the economy of the Island I regret that we have missed the opportunity to ensure that all Open Market residents could be considered high net worth individuals, and make a substantial contribution to our economy, and that we did not have system similar to our sister Island, Jersey, under the 11K system, where the you need to show you have an annual world-wide earnings comfortably in excess of £625,000 per annum. This must be sustainable income, and the minimum tax payable on your income must be £125,000 per year. I regret that we have missed the opportunity to ensure that all Open Market properties occupied by people who fulfil that criteria.

Thank you.

The Bailiff: Deputy Kuttelwascher.

Deputy Kuttelwascher: Sir, I really only rise in response to what Deputy Dorey has said. I do not share that concern. I need to remind him that two of the greatest contributors to the economy of this Island originally came here to retire. I will not mention the names. They, under his requirements, may be not be able to satisfy such a requirement and would never have come in the first place. The trouble is an 1(1)K type of approach to Guernsey would not be appropriate, because with the housing, the amount of housing in the Open Market round about 1,650 properties, there is no way that the occasional licence for these occasional high net worth... would be able to sustain such a market. It would become completely pointless. Even Jersey only measures the number of people it allows to enter in digits, or maybe in 10's. So the Open Market

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would become irrelevant under such a scheme. In fact, my conversations with people on Jersey they do like out system because it throws out a wider net, and in that respect, I am pleased this has happened. It is very easy to destroy sentiment, which was done over five years ago. It was just smashed. The Open Market since then has been in, and I am quite happy to call it a slump. There were average sales of between 100 and 120, sorry 80 and 120, which is about 100. The sales over the last five years have been running between 35 and 45 per annum, and there were no sales in January, so it is an uphill battle now to restore that confidence.

All I ask really, is there any indication of how quickly this Law could be brought back approved, and actually registered, so it comes into effect? Is there any sort of timescale on how quickly this will actually occur?

Thank you, sir.

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The Bailiff: Chief Minister.

The Chief Minister: Well I will start with Deputy Kuttelwascher, first of all.

I thank him because I think it was certainly he who first mentioned to me, in this whole process of reviewing housing and population regimes, that a separate law on the Open Market would be a very good thing. Here we are today, this is one of the issues that arise as a result of reviewing things, and *en route*, you discover, actually, there is something else that we could do that is very helpful, and I do echo those comment that have been made by others in this regard. So, I thank Deputy Kuttelwascher for that.

In terms of prioritisation, obviously, there is the opportunity to do that. I cannot give him any indication of how quickly we can do that, but I am sure in liaison with HM Procureur and his office, we can do our best to turn this around as quickly as possible.

Deputy Dorey, again I, like Deputy Kuttelwascher, disagree with his views, I have met some of the 11K's in Jersey, I am not sure I would want them here in Guernsey, to be frank. (Laughter) Because I do not think it is just about the amount of tax that one can give. I think it is about being part of a community, and integrating, and involving yourself with that community, and I do not always see that in that sort of regime.

So, I think we have an opportunity here to bring certainty, to bring clarity, to bring assurance, and that is what we are doing by having a separate Law on the Open Market regime. This is, obviously, something that can now, I hope, demonstrate to, not only the existing, those who are involved in terms of investors, and owners, and inhabitants of the Open Market, but the potential, through Locate Guernsey, through those who want to seek to come and make investment here in Guernsey, and to live and be part of our community here, there is an opportunity now for us to say the Open Market is here to stay, and it is open for business, just as Guernsey is open for business.

The Bailiff: Just before we vote, Deputy Bebb do you wish to be relevé?

Deputy Bebb: Yes, please. Thank you.

The Bailiff: May I just say, I have had a request, those who wish to may remove their jackets. It is quite warm in here.

We vote now on the Projet de Loi entitled The Open Market Housing Register (Guernsey) Law, 2016. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

III. The Succession to the Crown (Bailiwick of Guernsey) Law, 2016 - Approved

Article III

The States are asked to decide:

Whether they are of the opinion to approve the draft Projet de Loi entitled "The Succession to the Crown (Bailiwick of Guernsey) Law, 2016", and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for her Royal Sanction thereto.

The Deputy Greffier: Article III – The Succession to the Crown (Bailiwick of Guernsey) Law, 2016.

The Bailiff: Is there any debate? Yes.

Deputy Bebb.

Deputy Bebb: Thank you Monsieur Le Bailli.

Members, I am going to vote against this particular Law, and I think that I should explain why. I fear that this is the epitome of a Law that is absolutely not required, for any reason whatsoever. From what I understand, at the moment, if the UK change their Succession Rules so that the next Crown becomes the first born as opposed to the first son then we would still accept that. There is absolutely no reason whatsoever for creating a Law to clarify something that we will simply follow the UK Rule. This is the epitome, of what I would call, superfluous legislation. I think it is poor form for us to pass it. I know that most people will probably still vote for it, because it is difficult to explain why they would vote against it. But, personally, I felt that it was important to explain why I will be voting against it. I feel that it is completely superfluous to requirements, and I do not believe that it is good Government in order to be voting in superfluous legislation.

Thank you.

The Bailiff: No-one else is rising.

Do you wish to reply Chief Minister?

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The Chief Minister: Not a lot to say, sir.

I do not think it is superfluous. I think it enables Guernsey's identify, again, to be clearly established. We ae given the opportunity to agree to these changes that are taking place elsewhere. Other Crown Dependencies have done similar and I encourage the Assembly to vote for it.

The Bailiff: We vote then on The Succession to the Crown (Bailiwick of Guernsey) Law, 2016. Those in favour; those against.

690 Members voted Pour.

The Bailiff: I declare it carried.

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IV. The Inheritance (Amendment) (Guernsey) Law, 2016 - Approved

Article IV

The States are asked to decide:

STATES OF DELIBERATION, WEDNESDAY, 2nd MARCH 2016

Whether they are of the opinion to approve the draft Projet de Loi entitled "The Inheritance (Amendment) (Guernsey) Law, 2016", and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for her Royal Sanction thereto.

The Deputy Greffier: Article IV – The Inheritance (Amendment) (Guernsey) Law, 2016.

The Bailiff: Any request for debate or clarification of this Projet? No.

We vote then on The Inheritance (Amendment) (Guernsey) Law, 2016. Those in favour; those against.

Members voted Pour.

705 **The Bailiff:** I declare it carried.

V. The Arbitration (Guernsey) Law, 2016 - Approved

Article V

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The States are asked to decide:

Whether they are of the opinion to approve the draft Projet de Loi entitled "The Arbitration (Guernsey) Law, 2016", and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for her Royal Sanction thereto.

The Deputy Greffier: Article V – The Arbitration (Guernsey) Law, 2016.

The Bailiff: Any debate, any request for clarification? No.

We vote then on The Arbitration (Guernsey) Law, 2016. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

VI. The Designation of Officers (Bailiwick of Guernsey) Law, 2016 – Approved

Article VI

The States are asked to decide:

Whether they are of the opinion to approve the draft Projet de Loi entitled "The Designation of Officers (Bailiwick of Guernsey) Law, 2016", and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for her Royal Sanction thereto.

The Deputy Greffier: Article VI – The Designation of Officers (Bailiwick of Guernsey) Law, 2016.

The Bailiff: Any request for debate? Yes.

Deputy Laurie Queripel.

Deputy Laurie Queripel: Thank you, sir.

Sir, I can understand why this is put into place, it creates efficiencies, allows flexibility etc. but when this came before the Legislation Select Committee, I did raise a couple of queries, that were

sort of answered, but I was not entirely satisfied with the response. I was told that these concerns 725 would be referred to the board of the Home Department, I do not know whether they were or not, but my first one was about political oversight, really. Now I realise that this is classed as an operational matter, and it will, of course, be for the Chief Officer of Police and the Chief Revenue Officer to designate, as they see fit, but as we all know, sir, I think we have all understood over the course of this term, that if things go wrong at operational level, they become quite political 730 matters. I do think at least there should be a requirement for the Chief Officer of Police, or the Chief Revenue Officer, to bring the name of an individual, or a list of names, to the Home Department board, not so that they can make the decision, but so they can at least be informed of who is being designated, and how and why they are qualified to be designated. So, I just wonder if the Minister could perhaps give a word or two on that, or if he can confirm or not, that that 735 concern was brought to the Department board, so I wonder if he agrees with it, at least, a list of individuals names, or a list of names should come before the board, so that can, at least, be aware of who is being designated, and perhaps just to ask a couple of questions about those designations.

The second point was, in the explanatory memorandum in the Billet on 1179, Clause 6 it says

'Clause 6 requires a designated officer exercising operational powers conferred by or under the Law ("operational powers") to produce evidence of the designation if requested by any person.'

Sir, understandably officers of the law have a significant sort of power in order to carry out their duties, but I do not think the obligation for an officer to identify themselves, if they are asked to identify themselves, should be set aside whatever the circumstances, and if you look at Clause 6 in the brochure, it says:

'A designated officer must produce evidence of the designation...

- (a) the officer exercises, or purports to exercise, any operational power in relation to another person, and
- (b) the other person requests the officer to produce such evidence.'

Then it says in 2, sir:

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'If the designated officer fails to produce such evidence, that failure does not make the exercise of the operational power invalid.'

Now, as I say, sir, I do not see any reason why, if requested, an officer could not produce identification. I think it should be a requirement, I do not think there should be any exception to that. So, I just wonder if the Minister could comment on that as well.

Thank you, sir.

The Bailiff: Any further debate? No.

The Minister of the Home Department, Deputy Gillson will reply.

Deputy Gillson: Dealing with your second point first. The evidence is normally the warrant card, and it is normal for police officers and GBA Officials to carry them at all times, and they have a very, police officers have almost an emotional bond with their warrant cards. They really hold them high – they are very precious to them. I think the intention is they would always carry them, because they always do, but you do not want a situation where you could end up with a case being thrown out of Court on a technicality, because somebody just did not have it available or something. So the intention is they will always carry them.

Regarding political oversight, I do not see any need at all for names of officers to come to the board, it is totally operational. It is up to - if, for instance, there is a burglary the Chief of Police will determine which officers are best skilled to go and deal with that, as opposed to ones who are best skilled at dealing with RTA's. We do not need to do that. It is totally, we trust him to deploy his staff, and his people, in the most efficient way to deal with it. So I do not see any need for

political oversight. It is purely operational, and you trust – in the same way as in every Department. You do not have political oversight of HSSD for instance using qualified nurses in particular wards. You trust the Director of Nursing to allocate them appropriately. That is why we employ very competent people to ensure staff are allocated in the appropriate place.

The Bailiff: Members, you vote now on the Projet de Loi entitled The Designation of Officers (Bailiwick of Guernsey) Law, 2016, as pages 243 onwards of the brochure. Those in favour; those against.

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Members voted Pour.

The Bailiff: I declare it carried.

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Billet d'État VIII

PROJET DE LOI

I. The Financial Services Commission (Bailiwick of Guernsey) (Amendment) Law, 2016 – Approved

Article I

The States are asked to decide:-

Whether they are of the opinion to approve the draft Projet de Loi entitled "The Financial Services Commission (Bailiwick of Guernsey) (Amendment) Law, 2016", and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

The Deputy Greffier: Billet VIII – Article I – The Financial Services Commission (Bailiwick of Guernsey) (Amendment) Law, 2016.

The Bailiff: Yes. Deputy Jones.

Deputy Robert Jones: Thank you, sir.

The Bailiff: There is a policy letter here on this, isn't there? Does the Chief Minister wish to open on that?

The Chief Minister (Deputy Le Tocq): Simply, sir, this just enacts the legislation *(Interjections)* ... which was agreed by this Assembly, a couple of months ago, and so I encourage Members to vote for it.

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The Bailiff: Deputy Rob Jones.

Deputy Robert Jones: Thank you, sir.

The Legislation Select Committee considered this piece of legislation on 8th February, and that particular meeting raised three concerns. We did consider whether it would be necessary to bring an amendment, but we felt that it would be best to set our concerns in a letter to the Policy Council. I apologise to the Chief Minister, because I do believe yesterday he was highlighted to

this point, and unfortunately, we have not actually sent to the letter to him at this point. But we will be sending that to him in due course.

Just for the purposes of Hansard, and my colleagues here, the two concerns revolved around the drafting of the new section 11D(1A) which says in part

'The relevant sum is

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(a) in the case of a licensee or former licensee... £4,000,000, provided that any penalty of more than £300,000 shall not exceed 10% of the turnover of the licensee or former licensee in question,

At that meeting, and in a discussion with the Crown Advocate, we came to the conclusion that the drafting of this new sub-clause gave rise to some confusion over how much can be imposed when the penalty is greater than £300,000. In our view the wording seems to prevent a penalty over £300,000 if the firm's turnover is less than £3 million. In our view, we felt that this defeats the object of raising penalties that follow FATCA requirements, and is less than can be imposed upon an individual, and in fact, would discriminate against smaller businesses. We hope that the Policy Council, when monitoring the implementation of this Law, takes this concern into account.

Another concern was a minor point in relation to the definition of relevant time for when turnover is calculated, and we understand that the definition of turnover is to be defined in the Regulations, and we did wonder whether, when crafting that particular definition, in relation to turnover, whether that definition could actually include a definition of relevant time.

The final point we would like to raise, actually was in relation to the policy itself, so it would have been outside, I guess, bringing an amendment on this particular piece of legislation at this time. The concern relates to a statement in the policy letter which said, I will quote

'Specifically the Commission should be required to take another factor into account, namely total emoluments that an officer or personal fiduciary licensee has received from the relevant position held by him during the time that they have been employed or served in that position, for example as a non-executive director of the company in relation to which there has been a contravention.'

In our view, when including this consideration as a factor, we believe it fundamentally undermines the principles of the Code of Corporate Governance for Financial Services. Those principles do not differentiate, we believe, between the types of director. Sir, it makes clear that one director does not have a lesser responsibility than another. However, this policy, including this factor, is something the Commission must consider undermines these principles. So, for example, it implies that a non-executive director that earns say £10,000 per annum could receive a lower penalty than the executive director, on the same board, who receives £100,000 per annum. We believe this message should not be given, either through policy or legislation. We will be sending the letter in due course to the Policy Council, and I do not expect the Chief Minister to respond in any detail to the points I have just raised, but I just wanted to put them on record, and hope that the Policy Council, and its successor, will take into consideration when it monitors the implementation of this particular piece of legislation.

Thank you, sir.

The Bailiff: Is there any further debate? No. Chief Minister.

The Chief Minister: I thank Deputy Rob Jones for that, and for speaking to me before this Assembly on it. Obviously I cannot answer in detail, because we have not received the letter yet, but I also thank him for his assurance that obviously the Legislation Select Committee is considered this legislation and has considered it acceptable to be presented to this Assembly. Obviously, the new P&R Committee will have to, as we have done as Policy Council, monitor the enforcement actions of the Regulator, particularly with these increases and changes that have been recommended here, as a result of reports such as the Moneyval Report. One thing I will say with regards to the timing issue of penalties based on turnover, is that we have already got

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precedent, I believe, in terms of the Electricity Penalties Regulation in that turnover is not calculated on a day to day basis in that format, it is done, obviously, on the previous year's accounts, and so normally I would expect that is the way in which it will be deemed in this instance.

But with regards to the other matters, obviously we will respond in due course, in the meantime I recommend to this Assembly that we pass this legislation.

The Bailiff: The vote is on the Projet de Loi entitled The Financial Services Commission (Bailiwick of Guernsey) (Amendment) Law, 2016, which is to be found in the brochure attached to Billet VIII. Those in favour; those against.

Members voted Pour.

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The Bailiff: I declare it carried.

Billet d'État VI

ORDINANCES

VII. The Air Navigation (Bailiwick of Guernsey) (Amendment) Ordinance, 2016 - Approved

Article VII

The States are asked to decide:

Whether they are of the opinion to approve the draft Ordinance entitled "The Air Navigation (Bailiwick of Guernsey) (Amendment) Ordinance, 2016", and to direct that the same shall have effect as an Ordinance of the States.

The Deputy Greffier: Billet d'État VI – Article VII – The Air Navigation (Bailiwick of Guernsey) (Amendment) Ordinance, 2016.

The Bailiff: Any clarification or debate? No.

Go to the vote then. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried. 875

VIII. The Aviation Registry (Guernsey) (Amendment) Ordinance, 2016 – Approved

Article VIII

The States are asked to decide:

Whether they are of the opinion to approve the draft Ordinance entitled "The Aviation Registry (Guernsey) (Amendment) Ordinance, 2016", and to direct that the same shall have effect as an Ordinance of the States.

STATES OF DELIBERATION, WEDNESDAY, 2nd MARCH 2016

The Deputy Greffier: Article VIII – The Aviation Registry (Guernsey) (Amendment) Ordinance, 2016.

The Bailiff: Any request for clarification or debate? No.

Go to the vote. Those in favour; those against.

Members voted Pour.

885 **The Bailiff:** I declare it carried.

IX. The Housing (Control of Occupation) (Amendment of Housing Register) (No. 2) Ordinance, 2016 – Approved

Article IX

The States are asked to decide:

Whether they are of the opinion to approve the draft Ordinance entitled "The Housing (Control of Occupation) (Amendment of Housing Register) (No. 2) Ordinance, 2016", and to direct that the same shall have effect as an Ordinance of the States.

The Deputy Greffier: Article IX – The Housing (Control of Occupation) (Amendment of Housing Register) (No. 2) Ordinance, 2016.

The Bailiff: Any clarification or debate? No.

We go to the vote. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

ORDINANCES LAID BEFORE THE STATES

The Children (Guernsey and Alderney) (Amendment) Ordinance, 2015 – Deferred

The Bailiff: Then we have an Ordinance laid before the States, The Children (Guernsey and Alderney) (Amendment) Ordinance, 2015 but there is a policy letter that relates to this, so I propose that this be deferred until after we have considered the policy letter. Thank you Deputy Lester Queripel for drawing that to my attention.

Thank you.

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STATUTORY INSTRUMENTS LAID BEFORE THE STATES

The Criminal Justice (Proceeds of Crime) (Legal Professionals, Accountants and Estate Agents) (Bailiwick of Guernsey) (Amendment) Regulations, 2015;

The Protected Cell Companies and Incorporated Cell Companies

(Fee for Insurers) Regulations, 2015;

The Financial Services Commission (Fees) Regulations, 2015; The Registration of Non-Regulated Financial Services Businesses (Bailiwick of Guernsey) (Fees) Regulations, 2015;

The Amalgamation and Migration of Companies (Fees payable to the Guernsey Financial Services Commission) (Amendment) Regulations, 2015; The Financial Services Commission (Limited Liability Partnerships) (Fees) Regulations, 2015;

The Limited Partnerships (Credit Arrangements) Regulations, 2015;
The Companies (Registrar) (Credit Arrangements) Regulations, 2015;
The Image Rights (Registration) (Bailiwick of Guernsey) Regulations, 2015;
The Health Service (Payment of Authorised Suppliers) (Amendment)
Regulations, 2015;

The Health Service (Payment of Authorised Appliance Suppliers)
(Amendment) Regulations, 2015

The Deputy Greffier: Statutory Instruments laid before the States – The Criminal Justice (Proceeds of Crime) (Legal Professionals, Accountants and Estate Agents) (Bailiwick of Guernsey) (Amendment) Regulations, 2015; The Protected Cell Companies and Incorporated Cell Companies (Fee for Insurers) Regulations, 2015; The Financial Services Commission (Fees) Regulations, 2015; The Registration of Non-Regulated Financial Services Businesses (Bailiwick of Guernsey) (Fees) Regulations, 2015; The Amalgamation and Migration of Companies (Fees payable to the Guernsey Financial Services Commission) (Amendment) Regulations, 2015; The Financial Services Commission (Limited Liability Partnerships) (Fees) Regulations, 2015; The Limited Partnerships (Credit Arrangements) Regulations, 2015; The Companies (Registrar) (Credit Arrangements) Regulations, 2015; The Health Service (Payment of Authorised Suppliers) (Amendment) Regulations, 2015; The Health Service (Payment of Authorised Appliance Suppliers) (Amendment) Regulations, 2015

The Deputy Greffier: Billet d'État VI – Article X –

The Bailiff: Sorry, just to clarify I have not received notice of any motion to annul any of those Statutory Instruments. So you are right we move on to elections.

X. Ladies' College Board of Governors – New Chairman – Mrs K N M Richards elected

Article X

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The States are asked:

To elect as Chairman of the Board of Governors with effect from 1st May, 2016, for a three year term Mrs. Kathryn Mary Neal Richards who has been nominated in that behalf by the Governors for election by the States

The Deputy Greffier: Billet d'État VI – Article X – Ladies' College Board of Governors – New Chairman.

The Bailiff: Deputy Gillson will open this matter.

Deputy Gillson: It is just, if Members remember back in November, the Assembly kindly agreed to change the Rules so the Chairman of Ladies' College does not need to be a sitting Deputy, and true to my word, although I would be eligible in May to continue, I am standing down, and the Governors are nominating Mrs Kathryn Richards, who is currently the Vice-Chair, and have full confidence in her taking the role, and I hope the Assembly will approve.

Thank you.

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The Bailiff: Members, there is no provision for anybody to be nominated from the floor of the States, it is only the Board of Governors who can nominate a proposed Chairman, so you simply—well the only option to you is to vote either for or against. The Proposition is to elect Mrs Kathryn Mary Neal Richards as Chairman of the Board of Governors at The Ladies' College from 1st May 2016 for a three year term. Those in favour; those against.

940 Members voted Pour.

The Bailiff: I declare her elected.

XI. Elizabeth College Board of Directors – New member – S J Falla elected

Article XI

The States are asked:

To elect a member of the Elizabeth College Board of Directors to complete the unexpired term of office Mr. David Sussman who has resigned from that office, that is to January 2021.

The Deputy Greffier: Article XI – Elizabeth College Board of Directors – new member.

945 **The Bailiff:** Deputy Allister Langlois.

Deputy Langlois: Thank you, sir. Just before I make the nomination, I would like to place on record and thanks, I came to the end of my six year term on Elizabeth College Board at the end of December, and that included a period of time when the Island was, as it were, Dean less because the Dean had departed, and the new Dean had not been appointed, and I therefore became acting Chairman to the end of that year. I want to place on record my thanks to, particularly, the Principal and Bursar at Elizabeth College, and my colleagues on the Board, for all their help and support during that particular time. In terms of replacing me on the Board, I would like to nominate Mr Stephen John Falla.

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The Bailiff: Is there a seconder?

Deputy Sillars: Yes, sir.

960 **The Bailiff:** Deputy Sillars.

Any other nominations? No. Well then there is one candidate, I put before you and that is Stephen John Falla, to be appointed to the Board of Directors of Elizabeth College, proposed by Deputy Allister Langlois, seconded by Deputy Sillars. Those in favour; those against.

965 Members voted Pour.

The Bailiff: I declare him elected.

POLICY COUNCIL

XII. Improving Energy Efficiency – An in principle proposal – Proposition carried

Article XII

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The States are asked to decide:

Whether, after consideration of the Policy Letter dated 4th January, 2016, of the Policy Council, they are of the opinion to approve that the principle of creating an energy efficiency service should be considered as part of the policy and resource prioritisation process in May 2016

The Deputy Greffier: Article XII – Policy Council – Improving Energy Efficiency – an in principle proposal.

The Bailiff: The chief Minister has advised me that Deputy Burford will open and reply to this debate. Deputy Burford.

Deputy Burford: Thank you, sir.

My son was born in 2005, in 2060 he will be the age I am now. Given increasing life expectancy it is possibly that he will see the turn of the next century. There are many predictions of the effects of sea level rise on coasts, and Islands, and many interactive maps showing these forecasts. In a scenario where climate change is unchecked, the north of our Island will be a small archipelago by the turn of the next century. In coastal and low lying land across the world, the places where most cities and settlements occur, the effect of unchecked climate change will be devastating, and unprecedented in human history. While the issues of migration, due largely to the war in Syria, have created tensions across Europe in recent months, if climate change is allowed to continue at present rates, then the migrations it will trigger in future decades of this century, in the lifetime of our children, will make the present issues seem as nothing.

Last week the Policy Council released the annual greenhouse gas figures for 2014. Guernsey is committed to reducing greenhouse gas emissions for the 30 year period between 1990 and 2020 by 30%. In the 24 years from 1990 to 2014 we reduced emissions by less than 3%. While repairs to the cable will mean that the figure for 2015 should be an improvement, it is not likely to be more than 15%. In other words, in 26 years we will have achieved just half of the target, leaving us to find the other half in the remaining four years.

Although credit must be given for the policy of importing low carbon and renewable electricity, that is essentially where any significant efforts stop. There has been a paltry decrease of 5.2% in transport related emissions since 1990. In debates surrounding the Transport Strategy, it was claimed that we do not need to encourage a shift to cleaner cars, because manufacturers are doing it anyway. The truth, however, is that manufacturers are only driven to reduce fuel consumption of vehicles by Government policies. Moreover, in the period in question, whilst any given vehicle may have shown an improvement in fuel consumption, people are choosing larger, bigger engine vehicles, and vehicle ownership is higher, negating much of the gain.

We should not be surprised that we are failing. In order to succeed, we actually need to proactively do something. We, as Government, need to take the problem, the commitment, in both hands and actively pursue policies that will yield results. We have not done this to any measurable degree.

The debate about anthropogenic climate change is over. 97% of climate scientists, and the evidence before our eyes as temperature record after record tumbles, cannot be wrong. Some say anything that a community of 60,000 people does will not make a difference anyway. Putting aside the issue of morality, inherent in that argument, it does beg the question of what else we should not bother doing. Should we not bother to vote, because in truth one vote probably will not change anything? I am reminded of the cartoon of a climate summit meeting, in which the person on the stage is reading out a list of all the benefits of addressing climate change, energy independence; preserving rainforests; sustainability; green jobs; liveable cities and towns; clean air and water; healthy children. A heckler in the audience shouts out - Hey, what if it is all big hoax, and we end up creating a better world for nothing. I have made the point before that although our States' Strategic Plan gives equal weight to the environment, in practice that does not happen. Can we find the best part of a million pounds to give to Guernsey Finance to do work in China, in the hope of a return? Sure we can. Can we employ someone on six figures to head up trying to bring wealthy people into Guernsey in the hope of a return? No problem. Can we invest millions in a programme of reform for the public sector, in the hope that savings will be made? Definitely. Can we spend £7 million investing in speculative economic development issues? Consider it done. What about a few million for HSSD for a reorganisation that will bring dividends in coming years. It is agreed. Now I am not knocking any of these initiatives. Indeed, I supported many of them. But now it is time to invest where the wider environment is concerned, and to step up to the plate on our global commitments too.

At Policy Council a few months ago, when the plethora of reports due to come before this Assembly before the end of the term became apparent, someone hit upon the idea of delaying those reports considered to be none urgent into the next term. As the discussion progressed it was realised that, in fact, Policy Council could only choose to delay its own reports, and not those of other Departments. So a decision was made to delay just this one report, because clearly it was considered not to matter too much, it is just environmental stuff after all. I protested the point strongly, and after some toing and froing, I thank my colleagues for finally agreeing to let it come forward, but it is instructive about the regard in which some matters are often instinctively held.

When I became Minister in 2014, I also became Chair of the Policy Council Energy & Environmental Policy Sub-Groups. This was quite exciting until reality hit, and it became apparent that the extent of the staff resources was, essentially, someone to attend periodic meetings of the Group, and the extent of any other resource, to actually do anything, was zero. So, I am pleased that these groups disappear under the new structure, because in their current format, without any resources, they cannot hope to advance environmental or energy issues to any meaningful extent. However, the new States must give these issues the priority they deserve, and the Policy & Resources Committee, and the Committee for Environment and Infrastructure, must pick up the baton and run.

The Proposition in this policy letter reads as follows, the States are recommended to agree

'...that the principle of creating an energy efficiency service should be considered as part of the policy and resource prioritisation [from] May 2016'

Of course, the current States cannot bind a future States, accepting that, the purpose of this policy letter is twofold, firstly to provide the first step, so that if the next States are minded to afford this initiative the priority, I believe, it undeniably deserves they are not starting from zero. There is a basis and a Resolution to go forward from.

Secondly it fulfils, somewhat late in the day, the Bebb/Ogier amendment which directed the Policy Council to lay a report recommending policies for improving energy efficiency and the means of enabling such policies to be effected. Let me say up front, this report is no *panacea*, this is but one small cog in the wheel of what we need to do to move in the right direction, but it is an important one. We are only going to address this wider issue by a whole collection of measures working together. The Energy Resource Plan says that we should promote the efficient use of

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energy, using it wisely and not wasting it. Who can argue with that, but it is not going to happen by osmosis. It goes on to say, that we should recognise that energy generation, and energy use, have environmental impacts, and that we should plan to adopt carbon reduction measures proportionate to Island circumstances, to reduce those impacts locally, and as part of our contribution to international initiatives. Now, I am sure that some may seize on the word "proportionate". It will inevitably be interpreted as meaning that for some special reason we do not have to do as much as other places might but, actually, there are many areas where our Island's circumstances mean that we are well placed to do more. For example, many people in the UK may wish to buy an electric vehicle, but the distances they have to travel each day mean that range considerations can make it impractical. Electric vehicles and Guernsey go together swimmingly, range is not an issue for the vast majority of drivers. Also in the UK people may be recharging their car from electricity generated by fossil fuel, negating some of the benefits. But here in Guernsey most charging would take place overnight, when we are running on 100% low carbon electricity. Another example, we are by comparison a wealthy jurisdiction and are better placed to make the upfront investment that will yield benefits down the line. So proportionately we could be doing more.

So, what are the reasons for embracing energy efficiency? The first is conserving finite resources, although we are making progress on the electricity front, the vast majority of energy we use on Island comes directly, or indirectly, from fossil fuels. Secondly, we need to be part of the solution for climate change, as I have already discussed. Thirdly, fossil fuel burning releases pollutants that are injurious to health. As highlighted in the 2014 Transport Strategy, and only last week on the radio, Guernsey is not immune to such pollution hot spots, and people, particularly those with asthma, or other respiratory conditions, are especially vulnerable and can suffer worsened health and need costly medical care as a result. Fourthly, energy is expensive even in these days of depressed oil prices. It sends money off-Island that could be spent on other things. Most efficiency measures have proven payback periods, if we were to cut energy use by10%, which is quite possible to do, without impacting on quality of life, we could stop £12 million being sent off Island. Fifth, there are social impacts on poorer members of our Island who are affected by fuel poverty, and living in hard to heat houses. There are widely recognised associations between poorly insulated buildings, condensation, mould growth, and respiratory illness. In addition there are recognised links between fuel poverty and mental illness. The evidence clearly links substandard insulation to poor health. Both in the UK and in Guernsey there is an established link between those reporting difficulty in meeting fuel bills, and those living in the private rental sector. For private rental sector tenants improving energy efficiency may be both unaffordable, and outside the terms of their tenancy agreement, giving little scope for reducing expenditure. There is a reluctance by Governments to intervene in this area, the idea of giving grants, or loans, to landlords does not often sit well. But, I suggest that what we should be considering is the wellbeing of the tenants. It would be possible to design a system that combined, grant, loans and legislation, to improve the standard of the private rental sector, without causing the tenant to pay more, and we should not shy away from this area.

One may well ask when measures such as loft insulation have a quick payback period in the order of two to three years, why everyone does not do it. There is more than one answer, in some cases where people are surviving month to month, or even week to week, the availability of a couple of hundred pounds to install loft insulation is not something that happens. In other situations, perhaps, for more elderly, or disabled, people the barrier is clearing decades of accumulations in the loft in order to install the insulation. In both of these examples an energy efficiency service can overcome these barriers, and reduce fuel bills year on year.

Social Security pays out a million pounds a year in winter fuel allowances, clearly for some recipients these subsidies are vital, yet they may be used for an open coal fire which is only 10% efficient. These allowances have some acknowledged deficiencies. They do not take into account the thermal efficiency of the dwelling, or the heating system; the amount paid does not have any correlation with the heating bills for the property; they do not address specific fuel type costs;

they reduce the cost of fuel to the individual, but not to the Island; they do nothing to promote reduced energy use; and they do nothing to promote clean energy use. In many respects they work against the principle of fuel efficiency.

Buildings constructed for the Guernsey Housing Association have shown that energy bills can be cut in half. However, this pales into insignificance when compared to some methods of construction, which can result in heating systems becoming redundant and energy bills falling by 90%. Such dwellings have been constructed in places like Northern Continental Europe and Sweden, so our temperate maritime climate is not a challenge.

The policy letter details the kind of service that is envisaged. I must stress that this is a starting point, and in my view, given that we have some 25,000 dwellings on this Island, as well as commercial properties, and 60,000 vehicles, the service must be capable of meeting the demands that are likely to be placed on it, to enable meaningful change to be brought about. We will serve no one if it is merely a box ticking exercise.

On Monday morning I was privileged to sit in the Public Gallery here in the Royal Court, and observe the Youth Forum holding their Youth Parliament. The first subject up for debate was climate change and our responsibilities as an Island, and it was refreshing, and heartening, to hear young people calling for Guernsey to play its part. These people will be the ones who see the impact that climate change has on their world, and their lives, and that of their future children. But we are the ones with our hands on the tiller, the ones who are supposed to be stewards of the world that we hand on to them. So what were they asking for, well they wanted renewable energy, harnessing the potential we have around these Islands, they understood clearly that the first step is always to reduce consumption. They wanted houses to be insulated; they wanted cleaner vehicles; they wanted tax to discourage bigger vehicles, and in one case they wanted to ban large off road vehicles, unless the owner had a genuine need to go off road, and I do not think that included driving on the footpath; they also wanted encouragement for small scale renewable energy, and they wanted the externalities of using fossil fuels to be taken into account in deciding how to produce electricity. This policy letter can be the first step in addressing some of these issues. It will need to be pushed up the agenda by the next States, and it will need to be resources, in my view, by much more than is contained in these modest proposals, if we are at all serious about it. Energy efficiency and clean energy has largely been the poor relation for too long. Let's change that today with a clear signal to the next Assembly and to the next generation.

Thank you. (A Member: Hear, hear.) (Applause)

The Bailiff: Deputy Hadley.

heading up a renewable energy task force, the retiring director of Guernsey Electric, Steve Morris, was appointed the States' Energy Advisor, sadly Professor Day no longer, I believe, is putting any input into the renewable energy authority, Steve Morris has been elected as Jurat, and has not been replaced. So, as the small initiatives have lapsed, it was refreshing to hear Deputy Burford urging the case for action, because this policy letter has only meagre support... the recommendations in this report only poor support for the context of the policy letter. It only asks us to support energy efficiency in principle, that is all, and yet the policy letter itself makes the point, that energy efficiency not only improves social wellbeing, and conserving fossil fuel etc. but

Deputy Hadley: Mr Bailiff, I think, it seems some years ago now, that Professor Day FRS was

is an important economic tool. It makes the point that there is an economic payback for investment in energy, so I think it is a great disappointment that we are doing so little, and just hope that the next Assembly will move this issue forward.

The Bailiff: Deputy Bebb.

Deputy Bebb: Thank you Monsieur Le Bailli.

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I congratulate the Minister for the Environment for her speech; I think it was an excellent speech. I disagree with certain points in it. However, I think that the main thrust of the argument stands.

For me, the most important question is around the housing issue, and inefficient use of fuel and the cost that it has on our Island's economy especially for us who can least afford it. I ask Members if they would turn to page 1201 in the Billet, and to paragraph 53. I recognise that Deputy Hadley has already spoken, therefore, I would like to ask somebody else from the Housing Department, if they could confirm that when, after reading paragraph 53, if I read it for Members:

'Some of the most "in need" buildings and clients are in the private rented sector where the occupant neither has the funds nor the authority to carry out the required works. During the September 2015 States debate... the States considered a Policy Letter submitted by the Housing Department concerning the Review of the Strategic Housing Target. During [the] debate, an amendment was [suggested] to undertake a broad-based review of the local housing market when undertaking an objective Housing Needs [Survey]. As part of that review, it is expected... the quality of the existing housing stock will be assessed,'

I would like to just have a confirmation that that is being dealt with by the Housing Department, that they will take into account the quality of insulation, and fuel efficiency, of housing. We know that in the UK they have gone a step further, and we have all seen those pretty little colour bands that now appear on so many of our white goods, in order to say whether it is a class A fuel efficient or B or C, I thinks these days there is a AA even. It even appeared on the side of a Flybe Jet, I seem to remember, in order to show how fuel efficient it was.

Now, in the UK the same process has been adopted in relation to houses, so that there is an understanding as to how efficient it is. I am unsure as to the benefits, and the costs, of such a scheme, but it would be interesting to hear from the Housing Department how they intend to deal with housing fuel efficiency. It is particularly important in relation to the rental sector, obviously, because those people who are just above the Guernsey Housing Authority, or the housing stock that we have, and therefore have to rely on the private rental sector, really are just missing out on some of the benefits. They are the ones who find it most difficult, and we do know that there are a number of excellent landlords on the Island, who do undertake the work in order to look at energy efficiency, but there are others who do not. It is fair to say that there are probably some landlords who simply find it difficult to find the upfront costs in order to pay for such energy efficiency. Therefore, a scheme like this is something that is required in due course. Now, I did consider laying an amendment, if Members look at the comment from the Treasury & Resources, Treasury & Resources have suggested a means of funding such a scheme, however, when looking at the possibility of laying an amendment in order to change the terms and conditions of the Bond, it presupposes that the States will undertake this work as a prioritisation in the next term, and I felt that it was unnecessary to muddy the water. It seems to be preferable that if this type of work receives the prioritisation in the next term, then it would only be right and proper for Policy & Resources to work with the new Environment Department in order to come up with a comprehensive scheme, and the funding all in one, and that is why I have not laid such an amendment.

But, I think that this type of work is essential. We know there are people who suffer, as Deputy Burford said, a million pounds is spent on fuel allowances by Social Security, unfortunately, I do not even want to imagine how much of that million pounds is actually spent in heating the air around the houses, as opposed to the air inside the houses. With heat just simply going up a chimney, as we know happens in so many places. It simply is inefficient, and it is madness to be spending money this way, that simply is being burned. Therefore I would like to hear from the Housing Department about their proposals in relation to this, but also think that for the next States, it really us something that, I think, has the ability to progress, and to be self-funding, and therefore is something that – I am struggling to think why it could not receive the priority. It is a shame that it is being tied into that priority process, though I understand why the States is undergoing it.

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Thank you.

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The Bailiff: Deputy Luxon.

Deputy Luxon: Thank you, Mr Bailiff.

Sir, I can assure Deputy Bebb that he is absolutely right, Digi-map did some work with some red hot spots in terms of how much of the air in Guernsey we heat, as opposed to the inside of the houses he is talking about., and those visuals were staggering in terms of the real opportunity, if you like, both for improved lifestyle for the residents in these properties, but more importantly for the environmental reasons.

Sir, when I was researching, deciding to stand for 2012 Election, I read the Government Business Plan, and indeed, the States' Strategic Plan, and I have to say the latter was an improvement, and an extension from the original Government Business Plan, and one of the things that I thought was really helpful, and appropriate, was that the States' Strategic Plan segmented itself neatly into three pillars, if you like, fiscal and economic, social and then environmental. I do acknowledge, and endorse Deputy Burford's comments, that in real terms one of those three pillars simply has had no attention at all over the last four years. The proviso being a lot of work has been done on the strategic power links with Guernsey Electricity, so it would be wrong to say nothing, but in terms of the environmental agenda itself, it has been very poor. I did sit on the same steering group that Deputy Burford referred to, and I have to say many very good practical pragmatic ideas did come forward, and we too eventually became aware of the reality of no resources to be able to develop these initiatives, but equally very unlikely financial resource being available to be able to allow them to happen. But, there are some really good, and important, ideas that are touched on in this report. So, I do hope Members will support it. I think it is likely that Members will, as Deputy Hadley said, there are not many difficult Propositions here that we have to tussle with, but it is for a future States to really assess, are they prepared to place the environmental issues, that the States' Strategic Plan recognises as being of equal importance with fiscal economic and social, actually put it on the same level of agenda, through the prioritisation that the new Policy & Resources Committee, and the new States will go through.

There are real opportunities here and Jersey's energy efficiency activity is well established, the outcomes are very easy to seem, have made a dramatic impact, and of course, current bills, and future bills, we should be making sure that we are making those appropriate in terms of energy and efficiency. Of course, the big problem is the 26,000 properties that we have in the Island, many of which, both in social housing portfolio, and indeed privately owned, that have significant needs, and again Deputy Bebb was absolutely right when he made the point, sometimes it is not a lack of will, or understanding of the why the improvements would be good for our community for our planet, but also financially too, but of course, having the capital to be able to kick-start is why I too believe that Treasury & Resources alluding to a business case that really did allow itself to be applied to the Bond, and we allow ourselves to kick-start this actively in 2016, would be a great move forward, and I do hope that that happens, and I do hope that the Assembly supports this policy letter.

Thank you, sir.

The Bailiff: Deputy De Lisle.

Deputy De Lisle: Thank you sir.

I am very disappointed with the policy letter, in that there is no action, essentially, other than setting up a pathway, if you like, towards improvement.

I believe an opportunity has been missed here to encourage micro renewables. This would typical centre on a number of areas, which, of course, are very well advanced in the UK, and in European countries. This would typically centre on photovoltaic p.v. insulations, for example, and would include solar thermal and air source heat pumps being introduced to the Island on a bigger

scale than currently. There are major, of course, impacts for economic development here as well, and I think the support of micro renewables, for example, would stimulate growth in the Island, and particularly employment for young engineers, which we should be encouraging as a new opportunity really, for employment growth.

I am pleased to note though, that the points made in the T&R comment in the Billet, where they are supporting, in fact, energy efficient improvements for the Island, plus an actively promoted loan scheme, perhaps, with proven payback rates, which could be introduced in the Island.

I applaud, of course, the initiatives taken in Alderney to highlight development potential that they have, particularly, in renewables on that Island, and I would certainly look for a more proactive piece of work really in future, in Guernsey, with respect to energy efficiency.

I have to support this particular document, although I am disappointed it did not go a lot further.

The Bailiff: Deputy Le Pelly.

Deputy Le Pelley: Thank you, sir.

As the only member of the Housing board in the Assembly, at the moment who has not spoken, I rise to answer the questions raised by Deputy Bebb.

The Housing board is very conscious of the energy efficiency issues raised by Deputy Bebb. We control something like 1,700 or so houses, and I can assure him that every house, as it comes on to an upgrade it becomes voided first of all, and then there are extensive assessments made of the buildings, and they are upgraded as and when they come into the void situation. We have taken extensive steps to ensure that they are as energy efficiency as possible. New builds under the control of the Guernsey Housing Association are built to very high energy efficiency standards anyway, but I have no information, which I have to hand, which I can tell him about the private sector. However, I can assure you, or assure him through you, sir, that I will convey his thoughts and suggestions, and his questions to the next board meeting.

Thank you.

The Bailiff: Deputy Brehaut.

Deputy Brehaut: Thank you very much, sir.

Can I just commend Deputy Burford on her speech, I thought it was exceptional, it captured the very essence of what the policy letter set out to achieve, although I realise it is fairly limited in its scope of what we can approve today.

I just wanted to speak on an area that we have almost forgotten about, and we have not really go any direct control over. Not far from Alderney, Flamanville Trois is being constructed, a pressurised water reactor, there have been protests over the years over elements that have been considered to be faulty in their production, and that has led to protest groups not wanting them to be used, and to be removed from the construction programme. But, with the carbon free argument, we have set aside the nuclear argument. Now in the 80's the nuclear lobby appeared to be much stronger than it is now, you would see posters all over Brittany, and Normandy, opposing the construction and the generation of nuclear plants, and the generation of electricity, and even locally, we would have posters and placards were a common sight and occurrence of protest on Guernsey. Now, the construction of Flamanville began in December 2007, with an estimated cost of £3.3 billion, that has now escalated to £10 billion, and it may be in operation by 2018. What we need to consider, when we consider the carbon free element of electricity production, is what legacy, when we use that carbon-free argument, do we want to leave for our children in the way of plutonium, the by-product of nuclear production, and storage of plutonium, which is becoming extremely difficult in the UK. If Governments, the French Government, or EDF, and their sponsors are prepared to spend £10.3 billion on a nuclear power plant, what could they

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have spent in the alternatives, whether solar, whether wind, or now even more radical concepts? Now, I appreciate this is really, my contribution is, a drop in the ocean in the whole nuclear debate, but we should remind ourselves that in promoting policies, and measure their emissions in carbon, we should not overlook the legacy that we are leaving for our children with regard to the nuclear legacy. We will have, we have the largest nuclear re-processing plant not far from us, and we will have a pressurised water reactor in Flamanville, and in other parts of the world primary cooling waters have seeped in the secondary pooling and leaked out, and I know Fukushima, it was an earthquake, it was an exceptional event, but I think, we should take the opportunity when we can, to – I appreciate the Home Department have a relationship with our colleagues on the French coast, but we need to, at times, I think, just assert ourselves, and just remind the French Authorities of their obligations to keep our natural environment safe, and not to pollute our waters.

Thank you.

The Bailiff: Deputy Dorey.

Deputy Dorey: Thank you, sir.

In relation to houses and heat efficiency, I think the most important thing is that we ensure that all new builds are the very, very highest standards, and in the past our building regulations have often lagged behind the UK's, which meant that developers have not bothered to build to that standard, and that has resulted in some of our newer properties not being of such a high standard. Now, the Housing Association has led the way in setting standards for heat efficiency, energy efficiency in houses, and we should aim to be better than the UK, and have our building regulations at that standard, so that we can ensure all new builds are built to the highest standard.

Some Members have referred to private landlords. As a private landlord, we have been committed to building properties of a very high thermal efficiency. I have followed some of the projects of the Housing Association, but I am amazed, and perhaps there needs to be some work done on that, at the lack of consumer interest in properties which have got high thermal efficiency. In a market where there is a choice, it does not seem to make any difference, and I think the education needs to be there, to the consumer, about what is of value in terms of heat efficiency, and how it can help them in terms of the running costs of a property.

Thank you.

The Bailiff: Deputy Soulsby.

Deputy Soulsby: Sir, yes.

I will be brief. I have to say I agree with Deputy De Lisle. I am disappointed little progress has been made in this area over the last four years. Just like him I think that support to enable the growth of micro renewables could have even wider benefits than just on energy efficiency. Technology has moved on in leaps and bounds in the last five years, payback periods have reduced considerably, and personally, I can attest to that through seeing the direct benefits of air source heat pumps, the technology in that has improved enormously, just in the last two, three years.

Sir, I do believe a grant, or loan, system would bring significant benefits to individuals that cannot afford the capital investment, because it is pretty high, you are talking tens of thousands of pounds here. But, as well as that, I think it can actually get the housing market moving. Because we have got many empty properties on the Island, and some of them probably the less desirable older properties, and probably put people off, and think of all the work that needs to be done to them, so a grant or loan scheme that would enable people to immediately put in air source heat pumps or photovoltaic cells I think could really help the wider economy.

At the same time there is one thing that could significantly reduce an aspect of cost of living for many people on this Island, because fuel bills are high in Guernsey for many, and the use of

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micro renewables could make a huge difference. So, I would therefore hope that this is an area given high priority in the next term.

The Bailiff: Deputy Ogier.

Deputy Ogier: Thank you, sir.

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This report is here for a few reasons, mostly, I have to say, because this Assembly asked for it in 2014, and I hope Members are able to support it.

It is also here to try and redress in part, to a small degree, the imbalance in our policy making. There can be no doubt that this Assembly, along with other Assemblies, have not seen a wealth of environmental policy coming through. Not, I think, because we do not care, because I believe that we do, but because funds are tight, and the order in which we prioritise work streams is normally fiscal policy, social policy, and lastly, very lastly, environmental policy. Environmental policy is not normally even drafted, because there is a recognition that such policy is unlikely to be supported when it comes to the Chamber, so very little comes forward. We have heard from two Environmental Policy Group Chairmen, how little resource there is to even draft, or formulate, environmental policy, let alone implement it. Members, and the public, should be aware how little progress has been made on environmental concerns in this term, and in previous terms. A number of Members have expressed disappointment at the pace of environmental progress this term, and I share that disappointment.

The aims dealt with in this policy letter was one of a number of work streams in the original, and first, States of Guernsey Energy Policy, which came before this Assembly in 2008. The strength of that Energy Policy was that it was drafted by a mix of politicians, some of whom were very sceptical over environmental concerns. The actions arrived at in the Energy Policy, were after considerable effort by the Group to educate itself, and after an understanding of the issues was reached, and the sceptics in that Group were able to help draft the actions which came before this Chamber, and that report contained a number, a great number of actions, and investigations designed to meet, and mitigate, the causes of environmental degradation, as well as help in the global effort to provide further degradation. Unfortunately, the Group was unable to take a majority of States' Members with them on the journey, and the report was amended, so that rather than be accepted, and actioned, it was only noted, and this very small change was enough to stop those actions dead in their tracks. For those who remember it, it was a great report, dismembered and brought down, like so much great environmental policy in this Chamber, by those who please delete the following unparliamentarily phrase. My point is that this report deals with only one of dozens of work streams contained within a report marked urgent eight years ago. I ask the Assembly to follow up its Resolution to have this report drafted and support this policy here today, and allow environmental policy at least a toe on the surfboard of States' policy.

The Bailiff: Deputy St Pier.

Deputy St Pier: Sir, Deputy Bebb drew attention to paragraph 53 of the report, that some of the most in need buildings and clients are in the private rented sector, and, of course, we will be debating next week, the Social Welfare Benefits Investigation Committee's report, seeking to address some of the inconsistencies between those in the social and the private rented sectors and, of course, one of the issues is for those that are in private rented sector if they are not currently receiving supplementary benefit, then they will not also be entitled to the winter fuel allowance as well. So, this is perhaps a double whammy for some of those individuals, who, if they were in the social housing sector, of course, generally speaking, those properties are more fuel efficient. So this is a very real, very real, challenge.

Sir, Deputy Ogier also referred, of course, to the resource limitations that have hampered the development of environmental policy over the years, and including, of course, this policy as well, and The Treasury & Resources comment on page 1205, of course, does recognise that there are

opportunities here for us to, actually, save funds for the States in the longer term, by improving the energy efficiency of properties, then again, that will provide an opportunity for us to use the resources, which are currently directed towards winter fuel payments, for other purposes, and of course, one of the actions which should emerge from the SWBIC report is looking, in due course, it was recognised certainly in that report, at the need to look again at winter fuel allowances in the future, and how those are most effectively used.

Sir, a number of Members, Deputies Soulsby and Bebb, have referred to, and De Lisle also, to our comment in relation to possible ways to fund an energy efficiency scheme, and in particular, a loan scheme. Because it did seem to us, at Treasury & Resources, that there is an opportunity here for us to do so, and in particular, of course, through the use of some of the Bond proceeds, but we do make specific reference to the fact that, of course, this would require States' approval, because of course, the Resolutions around the use of the States of Guernsey Bond issue are tied to lending to specific institutions, and this, obviously, would be a different purpose, but in terms of its ability to provide, to be able to enable the repayment of the loan itself, which, of course, is a key criteria, set by this Assembly, it absolutely meets those criteria, and so to us, sir, it is an obvious opportunity.

So, I too, sir, hope that in the Policy & Resource prioritisation process for the next States, that this will be accorded priority, and in particular, that that particular issue will be looked with greater urgency as a possible means to get this energy efficiency service up and running.

The Bailiff: Chief Minister.

The Chief Minister (Deputy Le Tocq): Thank you.

The purpose, sir, of this policy letter before us today, is to set out the case to justify the adoption of new services designed to deliver improvement in the overall energy efficiency of the Island. But, of course, as many have said it will not, disappointingly, lead to immediate action. The Policy Council is acutely aware of the restraint on States' revenue expenditure, and therefore is not presenting these plans that require immediate funding. It is also aware that the new States of Deliberation will, after 1st May, this year, identify its own priorities for its political term, and precisely how energy efficiency is prioritised will be a matter for it to consider, as Deputy St Pier has just alluded to.

The policy letter instead sets out this pathway towards improvement, that can be followed once resources can be provided, and allocated, and examines the methods for progressing energy efficiency, together with its potential costs and benefits.

Members may recall, as Deputy Ogier has referred to, and others, that at the meeting of 25th June 2014, the States approved an amendment by Deputy Bebb, and seconded by Deputy Ogier, that directed the Policy Council to lay before this Assembly a report containing recommended policies for improving energy efficiency, and the means of enabling such policies to be effected. As Members will have seen from the policy letter, there are number of social, economic and environmental benefits from pursuing energy efficiency. Deputy Burford has already referred to current issues that we have, where effectively we contradict our intentions, such as the winter fuel payment scheme, which amounts to £1 million annually. This is given out regardless of the energy efficiency levels of the property accommodating the household, and therefore could, in some cases, equate quite literally to the fund going up the chimney. It also does nothing to encourage householders to act more efficiently, and this is something that I feel very strongly about. It is the kind of issue that we do need to address, and grasp, and the policy letter sets out a requirement for a multi-faceted approach if energy efficiency objectives are to be met.

Guernsey, like all other developed nations, relies on energy to maintain sustainable economic growth, our domestic and global links, and the wellbeing of our community. However, the Island is also facing significant challenges that will affect how we act today, and how we see energy provision in the future. There are opportunities, as well as challenges. We therefore have no choice other than to respond to the energy challenge presented before us. Global pressures in

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energy markets are changing as we speak, and will continue to change in the next 20 to 30 years, and Guernsey simply cannot ignore these. We ae not alone in facing these challenges, of course, but in many ways a small Island jurisdiction, the challenges we face are more challenging than our closest neighbours in Europe. They will require a change of mind-set for us, and our successors, and a change of behaviours, if we are to be fully successful in meeting our objectives, and providing a sustainable future for our children.

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The Bailiff: Deputy Gollop.

Deputy Gollop: Yes.

I very much want to support the theme of the report, and of course, Deputy Ogier was spot on when he said, that environmental issues have not been the focus of our governance the last few years, despite it being an important part of the policy planning process, and the former States' Strategic Plan, and its predecessor the Government Business Plan. Indeed, I recall Deputy De Lisle successfully moved an amendment for biodiversity at that time, and in a way, he has been pointing out that the third leg of our triangle has been very much under focussed on.

Deputy Burford, as we expect, has put a lot of research and vision into this, and it is quite true that we do need to build a better Island, and better world, for the future generations. The problem that we have is delivery, in many respects. For example Deputy Queripel has made a lot of communication in the past about the dilemma, perhaps, many old age pensioners and other people on lower incomes face, between heating and eating, but I recall at the last election during the canvassing process, that one person who was not going to vote for me, I think they preferred Deputy Bebb amongst other, was very keen to see a commitment made on grants for energy conservation in the home. That was four years ago, and we are still talking about it in principle.

Then we have a dilemma of how that would be done, because not everybody would be in a position, even if they owned a property, to pay it back, and I am not talking of landlords here, I am talking about general householders. Then, of course, we have another dilemma, Deputy St Pier has raised the merits of the Bond perhaps financing the investment, because it would have payback over time, but part of that payback would surely be from a reduction, or even the elimination, of the social security winter fuel benefit, which, in a sense have already been reduced for technical inflationary reasons this year. Now that would not be popular, I would suggest, with many people currently in receipt of those benefits. People are in receipt of those benefits whether they live in a very cold old house, or in modern more energy efficient properties. So, we do need a little policy work on that as to a fair way forward, it is almost a SWBIC type of question. The most equitable, yet transitional arrangement for what would, in a way, be a reduction of spending money for some people, and essential income for others. I think it raises much bigger policy questions than this report can go into.

Deputy Hadley too, reminded us of the work done in the past by, amongst others, Jurat Morris. Now, I recall being a Social Security board member that we had a visit, and a lot of good ideas about moving energy forward, but the problem always came who should do it, what was the mechanism, was it Social Security, was it possibly Environment's job, was it the Policy Council, in a way, Deputy Burford would have been an excellent minister for energy, but we did not have an energy department, perhaps we lacked energy as an Assembly in this respect.

So, I support the principles, but I think there is long way to go in making them reality, and for that reason I, rather reluctantly, support the possible development of a new energy secretariat commission, because although we have perhaps seen too many of these institutions, with the inevitable cost base and diseconomies of scale that they attract, I think at least a focussed professional team at the hub, who are specialists in this area, would bring about more change than the current political official malaise that we have seen, despite the best efforts of Deputy Ogier and Deputy Burford.

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The Bailiff: Deputy Perrot.

Deputy Perrot: I will be supporting this policy letter, I mean quite clearly everybody will.

But, for the purposes of record, I would like to place on record that I do not associate myself with the statement as a given, that the fact of anthropogenic climate change. I accept that the climate changes, it goes up, it goes down. I do remember in my youth that for several decades there was a great anxiety, notwithstanding, an overall rise in ambient temperature, that we were heading for a new ice age, and that was the scare of the day. I do accept that there is climate change. As far as anthropogenic climate change is concerned, I know that that is the new religion, so far as I am concerned the jury is out, and I am an agnostic.

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The Bailiff: Deputy O'Hara.

Deputy O'Hara: Thank you, sir.

I welcome this support, it might be useful for Members to know a little bit of history. The Energy Group, really, was born out of discussions between the then Regulator back in 2006, and the Electricity Board, it was when I was serving on Commerce & Employment, that myself and Advocate Babbé were to meet with the Regulator, and also Guernsey Electricity, to discuss one or two items, in particular, the underwater sea generator which was around at that time. It became obvious to everyone involved in those discussions, at times, that energy was going to be a major, major part of our policies for this Island. And indeed in 2008 to 2012 the Energy Policy Group was formed, and it took the form of looking at all sorts of ways and means that housing could be developed to save energy etc. etc. Now, unfortunately between 2012 and our present time it has, unfortunately, taken a bit of back seat, which is very, very unfortunate. I personally was unable to continue on the Group, because I was conflicted with a company that I was involved with. But, nevertheless in the early days of that Group, when I think that Deputy Harwood was Chair at that time, if I am right, I think he was, and there was clearly a need to promote this facility of saving monies for the Island all round. Indeed, I think Departments have taken that on board certainly Culture & Leisure has, and I know that other Departments throughout the Island are looking at our energy policies, and seeing where we can save, we all know that, we are trying to make savings. But, it is beyond that, it is lot more involved, and I believe this policy letter hits it right on the head, with one or two things, such as Deputy Perrot has just brought up, that maybe that might be a problem.

However, nevertheless this is very, very important to the Island, and we must get to grips with it in the new Assembly.

Thank you.

The Bailiff: Deputy Paint.

Deputy Paint: Sir, climate change. Like Deputy Perrot I do not believe that what is being said is accurate. This all came out in the last Assembly, in the last 500,000 years there has been five climate changes where the temperature of the earth has gone up and then back down, so what I would like to know, if that is the case, if we as human beings have caused this present climate change, what caused the other four. Because we were not here, there were not many people 100,000 year ago, so something else has caused it. If somebody can tell me, assure me how this happened. I am very sceptical.

Another question is, we are all living older. In my lifetime the expected length of life has gone up by 20 years, or thereabouts. So, how can all this actually affect us, our life span has increased by 20 years, are we being greedy and expect to live for ever. A few years ago, a few years ago there were massive protests about atomic energy, you do not hear those protests anymore. The nearest plant to us is actually Cap de la Hague, as we all know, and without it there would be a massive, massive, reduction in energy being produced, and that is not only that one, it is all over the UK, it is all over the world in fact. Yes there are risks with it, there always has been, but there is

risk with smoking. All these things this Assembly are adding, are leading to more and more costs on the taxpayer, and that is what I am worried about. Where is this money going to come from, I believe we should be standing water now, and not actually increasing costs. Last year we had a £28 million deficit, where is it going to lead to, are we going to spend, and spend, and spend, until we have to put up taxes, until the poorer get poorer, until the richer get poorer, the ones that pay taxes. No I am not sure this is right for this time.

Thank you, sir.

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Deputy Brehaut: Just a clarification, sir, I did not want Deputy Paint misleading the States. Cap de la Hague is a nuclear reprocessing plant, Flamanville is a power station.

Thank you.

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Deputy Paint: Just a correction, sir.

They are about two miles apart. (Interjection)

The Bailiff: Deputy Harwood.

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Deputy Harwood: Thank you, sir.

As Deputy O'Hara indicated, one of my first tasks when I became Chief Minister was to actually Chair, or pick up the Chair, of the Environment and Energy Sub Groups of Policy Council. It became quickly apparent one of the problems we have, is that there is no one Department of this States that was actually responsible for energy. In typical fashion, it had been spread over a number of different Departments, and one of the positive features to come from the States' Review Committee, and the change of Government, actually, for going forward energy will be firmly anchored within the Environment & Infrastructure Department, and I think that is to be welcomed, then there can be a proper focus, single focus, on energy matters.

Sir, with respect to Deputy Perrot, and Deputy Paint, who obviously have their own views about climate change, can we come back to the actual purpose of this particular policy letter, which is energy efficiency, and the clue is in the title. What we are trying to look at, actually, are ways that we can be more efficient in the use of energy, and we should be welcoming that, because apart from anything else it will actually achieve cost savings, not only for individual consumers but also, potentially, for the Island itself.

Sir, the other aspect of this particular report, which perhaps has not been made clear, because if you create some sort of loan scheme, as is suggested, actually that gives an economic fillip to the Island, because actually you will be encouraging people to go out and use local tradesmen, and I am sure Deputy Laurie Queripel would welcome this, local tradesmen who are accredited, to actually carry out the energy improvements, and so there is an advantage there. So do not regard this as being a purely sort of environmental tree hugging nice to have, this can, actually, have some economic benefit to the Island.

Just going back to the Energy Sub-Group, one of the issues, and one of the key issues that we had to address very early on in 2012-2013 was the issue of security of supply, and Members may recall that concerns over cable links etc. has actually taken up a lot of time, of that particular Energy Group in its early days. But, I would not say the Energy Group was totally inactive, it had to cover a wide area. Of course, one of the other things that also links in with this, as a member of the Public Services Department, we are already contemplating how we secure future hydro carbon supplies for this Island, and there will be a project going forward, I think as part of the SCIP process, to actually begin to build up an understanding of the options that are available for hydrocarbon supplies to this Island. Now, accepting there is a genuine desire to reduce dependence on hydrocarbons, nevertheless we do have to ensure that we can still secure supplies, for as long as is necessary, and that would be one key matter again for the next Assembly, will be how to deal with hydrocarbon supplies into this Island. That is all part of the same energy issue. If we can achieve energy efficiency, and saving the amount of energy that is actually consumed on

Island, therefore, the actual method of dealing with the delivery of hydrocarbon supplies for this Island will, perhaps, actually be less of an issue, maybe we can come up with a cheaper alternative way of bringing those supplies on to the Island than has necessarily been thought previously.

I do recommend this report. I congratulate Deputy Burford on one her persistence in actually making sure that this matter has been dealt with, the Energy Group has continued, and that this matter has finally been brought to this Assembly. I urge all Members to fully endorse it.

Thank you, sir.

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The Bailiff: Deputy Wilkie.

Deputy Wilkie: Thank you, sir.

I would just like to start by declaring an interest that I own a company that fits renewable energy equipment in homes.

But it is just a quick point for the Minister, that under the homes survey service, as being someone who works in the industry, actually a lot of surveys are done for free already. I would welcome the opportunity, along with the representatives of the building industry, to meet with the Environment Minister and discuss about areas where there might be duplication. If the States do a home survey service which maybe already done for free by the private sector.

Thank you, sir.

The Bailiff: Deputy Burford will now reply to the debate.

Deputy Burford: Thank you, sir.

I am sitting here wondering, as is Deputy Langlois I believe, as to why we have all the blinds closed and the lights one when we are debating energy efficiency. (**Several Members:** Hear, hear.)

I would like to start with the comments made by Deputies De Lisle and Soulsby, and as to why this has not been done earlier, and it really does come down to resources. I have spent some considerable time in 2014 sending numerous emails to the Treasury Minister, and anybody else I thought who could assist in the matter, in order to really see how we could get this funded, but we were not even at the stage where we had anyone to write a policy letter for us, and, in fact, this policy was not written by Policy Council, it was written by a member of staff on Environment, because there were not even any resources on Policy Council to write it, so that really is where it has been, and that is what we are bringing this policy letter forward to say must absolutely change in the next States.

On the subject of micro renewables, I think this is something that could well be part of this, now I would certainly support that. We have had discussions with Guernsey Electricity, they are not supportive of the principle of micro renewables, for various reasons, which I will not go into at this debate, but clearly if it is something that the States wants to advance, that is something that should be brought forward in the next term as well.

I do not think Deputy Bebb received an answer to his question, clearly, from Deputy Le Pelley, and if either of the members of Housing in here want me to give way I will be more than happy to do so. I think the point that Deputy Bebb was raising is, in the broad based housing review, survey of the housing needs that has been mandated by this Assembly, will they be looking at energy efficiency levels of the housing stock. I think that is the question that Deputy Bebb is seeking an answer to.

Deputy Brehaut, I have a great deal of sympathy with Deputy Brehaut's view on nuclear. I think that money should be going into renewables, but that really is something that is outside the scope of what we can deal with at this level.

Deputy Dorey says that new builds should have high standards. You are quite right that the building standard have lagged behind the UK, and other places for many years, but we are getting new building standards, which are coming much closer, but there is scope to do so much more,

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STATES OF DELIBERATION, WEDNESDAY, 2nd MARCH 2016

that is absolutely the case. As I said in my opening speech, even our sort of gold standard, which is the Guernsey Housing Association, there are still measures that can go well beyond those standards as well, into passive house standards, where heating systems are just simply redundant, and just a cat and a lightbulb keeps you warm.

I am encouraged by Deputy St Pier's comments re the Bond, I think when I first started agitating to see how we could fund this, the Bond was only at that stage being discussed, but, of course, in addition to using the Bond for things that it is able to be used for, in terms of making loans that have a return, there will be a requirement for further funding. I think that, I do not know whether we can use part of Deputy Stewart's digital greenhouse, because what we need is a shop presence, a shop front presence, where people can come in and discuss energy efficiency measures.

I do not want to get embroiled in the – is climate change real debate. What I would simply say is that if I had a life threatening illness, or something, and I had 97% of doctors telling me to take one course of action and 3% telling me to take the other course of action, I think I would go with the 97%.

Thank you to all the other people who have offered support for this, and I would ask Members to support the policy letter.

Thank you.

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The Bailiff: Members, there is a single Proposition on page 1206. Those in favour; those against.

Members voted Pour.

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The Bailiff: I declare it carried.

POLICY COUNCIL

XIII. Reform of the Administrative Decisions (Review) (Guernsey) Law, 1986 (as Amended) – Propositions carried

Article XIII

The States are asked to decide:

Whether, after consideration of the Policy Letter dated 11th January, 2016, of the Policy Council, they are of the opinion:

- (a) To amend sections 1, 2, 3 and 6 of the Administrative Decisions (Review) (Guernsey) Law, 1986 (as amended) to enable the roles of the Chief Executive and H.M. Greffier to be given to a new independent body to be known as "the Complaints Panel", led by a Chair to be appointed by the States, as detailed in paragraphs 4.4 and 4.5 of that Policy Letter;
- (b) To amend sections 4 and 5 of the Administrative Decisions (Review) (Guernsey) Law, 1986 (as amended) to enable a fourth person who is not a States Member or a Dean of the Douzaine to be appointed to sit on each Review Board by the Chairman and Deputy Chairman of Panel of Members, as detailed in paragraphs 4.6 and 4.7 of that Policy Letter;
- (c) To amend Section 3(b) of the Administrative Decisions (Review) (Guernsey) Law, 1986 (as amended) to give discretion to the proposed Complaints Panel to accept requests for an administrative review made more than 12 months after the date on which the complainant had knowledge of the issue, where either exceptional circumstances exist and/or it would be in the interest of justice to do so, as detailed in paragraphs 4.9 to 4.10 of that Policy Letter.

- (d) To amend the Reform (Guernsey) Law, 1948 and the Administrative Decisions (Review) (Guernsey) Law, 1986 (as amended) as appropriate to provide all members of a Review Board the necessary protection from legal proceedings in the course of their duties, as detailed in paragraphs 4.11 and 4.12 of that Policy Letter;
- (e) To amend section 4 of the Administrative Decisions (Review) (Guernsey) Law, 1986 (as amended) and any other relevant parts of the Law in order that the term of office of the Chairman and Deputy Chairman of the Panel of Members be coterminous with the current States' term, i.e. for a 4 year period, as detailed in paragraphs 4.13 to 4.15 of that Policy Letter;
- (f) To amend section 3 of the Administrative Decisions (Review) (Guernsey) Law, 1986 (as amended), in line with paragraphs 4.16 to 4.18 of that Policy Letter, to enable the exclusion of the progression of a complaint in which a complainant first has to establish medical negligence or malpractice, in order to establish that an act of maladministration has taken place; and
- (g) To amend section 3 of the Administrative Decisions (Review) (Guernsey) Law, 1986 (as amended) to allow the rejection of applications which are made prior to the complainant exhausting all departmental complaints procedures, in line with paragraph 4.19 of that Policy Letter; and
- (h) To direct the preparation of legislation to give effect to the above recommendations.

The Deputy Greffier: Article XIII – Policy Council – Reform of the Administrative Decisions (Review) (Guernsey) Law, 1986 (as Amended)

The Bailiff: The debate will be opened by the Chief Minister.

The Chief Minister (Deputy Le Tocq): Sir, I am pleased to introduce this short self-explanatory policy letter, which seeks the agreement of the Assembly to make some necessary changes to the Administrative Review Board process, as governed by the Administrative Decisions Review (Guernsey) Law, 1986 (as Amended), which I will refer to as the Law.

The Policy Council's vision is for the public to continue to be confident and clear about making a complaint about public services in instances where this is, unfortunately, necessary, and able to continue to do so in a straightforward and fair manner, whilst treated with respect. These complaints are invaluable, and can make a difference to the way in which the States, through its Departments and Committees, provides services to Islanders. Over the last 30 years the Administrative Review Board process has provided an essential building block in the broader architecture of checks and balances, for the proper functioning of public administration.

Acting as an independent free complaint handling service, it has enabled over 177 cases brought by members of the public to be reviewed, cases which States' Departments had previously been unable, or unwilling, to resolve. Through this process, States' Departments have been afforded a further opportunity to put matters right. Thereby re-instilling public confidence in the services in which they provide. It has been an invaluable change agent for States' Departments by assisting, and positively influencing, the organisation and enabling it to focus on the root cause of the issues that caused the dispute in the first place. This provided a basis upon which to avoid these disputes in the future, for the benefit of the public and the States, overall.

In addition to our Court system, it has acted, and continues to act, as a guardian of the principles of natural justice. It has also promoted the principles of good governance. In the interest of brevity I will not repeat all the benefits of the system, most of which are listed on page 1213 of your Billet. However, certain elements of it require improvement. The States' Review Committee's recommendation in its third policy letter last year, reminded us that many of the appeals processes which have been set up over the years by the States and their Committees might usefully be brought together under a single Committee, or administered at arm's length. A review of the arrangements for appellate bodies, operating at arm's length of Government, coupled with the Policy Council's extant States' Resolution to set up a Tribunal Service, and the likely investigation of a an Ombudsman type service for the Island, strongly suggests that that the

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States will, in due course, be asked to consider the repeal of this Law to make for different arrangements. However, as discussed, and agreed, with the stakeholders, which include the Chairman of the Panel's members, Deputy Fallaize, the Chief Executive, and HM Greffier, and the public, it will be premature at this juncture to repeal this Law.

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Can I just thank Deputy Fallaize for his involvement in working with the Policy Council on this? He is not in the Chamber at the moment, because he is in fact with the Law Officers, trying to resolve issues with the Vale Common's Council and Golf Clubs. But bearing that in mind, if I can move on, and I would also at this juncture like to thank Deputy Perrot, because it was he, in the his first time in this Assembly, which actually brought this Law into being, and it was his idea. But, with that in mind, if I can just concentrate for a few moments of the four themes. Independence; fairness; accountability and stability; and fit for purpose. These four themes govern the rationale for the necessary changes to this Law, as explained in detail in the policy letter before us, on page 1214 of your Billet. I will briefly highlight, and ask for your support for each, but it is important that we recognise each of these in turn.

Theme one, is to make the process more independent. The Policy Council, and the stakeholders, are of the view that we can do something by ensuring that some of the current post holders under the Law are able to operate without any perception of bias, or conflicts of interest. Moving the roles of the Chief Executive and HM Greffier to a new independent complaints Panel of voluntary investigators, comprising a Chairman, and between eight to 10 members of the public, for each request for administrative review, will in our view achieve this. In addition, adding a fourth member of the public to sit on each Review Board Hearing, would redress the perceived over political interference from the two States' Members sitting on each Panel at the moment.

As regards theme two, put simply, we need your support to make the process fairer for all. Policy Council, and the stakeholders, are of the view that in some of the more complex, and exceptional, cases a complainant needs to be able to bring a complaint more than 12 months after the date on which the complainant has knowledge of the issue. To maintain the current 12 month time limit would be, albeit in certain exceptional circumstances only, against the principles of natural justice, anomalous with one of the purposes for which the Law was introduced. Moreover, we need to ensure that that all members of the Review Board, tasked with hearing a complaint, are afforded the necessary protection from legal proceedings under Section 20(A) of the Reform Law whilst carrying out their duties. This cannot continue to be limited to protecting the two States' Members on each of the Panels, and not the Deans, or the Douzaines or other members in the future.

Turning now to the third theme. We need your support to make this process more accountable and stable. Given the complexity of the cases put before them, and the experience required to carry out their roles effectively, a term of office coterminous with the States' term for the Chairman, and Deputy Chairman, of the Review Board Panel of members, would in the stakeholders, and the Policy Council's, view do much to provide stability to this process.

Finally, we also need you support in order to achieve the fourth theme, making the process more stable and fit for purpose. I confirm that neither the Policy Council, nor its stakeholders, wish in any way to curtail, or prevent, the investigation of maladministration within States' Departments. However, we are all in agreement that not all requests for administrative review are suitable for determination within this process. The Review Board is not a Court of Law; we therefore propose that the Law be made clearer so as to exclude the progression of a complaint, in which a complainant first has to establish medical negligence, or malpractice, in order to establish that the act of maladministration has taken place. Wherever possible the Complaints Panel would consider the purported act of administration only in such matters. However, the Policy Council is aware that certain cases may preclude this. So, accordingly, it is the Policy Council's view that such complaints should only be dealt with in formal legal proceedings by persons competent to hear them.

So, sir, finally, it is vitally important that the public are able to reply on simple and fit for purpose complaints processes generally, and hold Departments to account as necessary. To that

end, when formulating this policy letter, the Policy Council agreed that it would be timely for Departments, and Committees, to be asked to review their departmental complaints procedures, with the support of Policy Council's staff, and I understand that this will begin shortly.

In conclusion, I urge Members to support the Policy Council's proposals to amend the necessary sections of this Law, without delay, which would enable the Administrative Review Board process to operate as efficiently as possible for the benefits of both Islanders and States' Departments.

Thank you.

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The Bailiff: Deputy Gollop.

Deputy Gollop: Sir, I was very impressed with the sessions I attended that Deputy Perrot chaired, and indeed, over the years, I have attended a fair number of these reviews, but never actually been chosen to be a Panellist, and I have probably missed my chance for ever, but never mind. Especially, as it would appear that the next Chairman of the Panel will not be a serving politician, although I suppose it is theoretical that an ex politician, or somebody who had background as a lawyer, would be preferred. I think it is all very strange though, that it has been going now for about 20 years, I remember when Deputy Langlois initially chaired the Panel, and as the policy report details, the number of cases heard has dropped to nothing in some years, and has gone down. I think that this is a last chance saloon for this process, because we really are putting off the day when we need a more formal structure, and maybe an ombudsman, ombudsperson. I would also say that many years ago some senior officers of the States, at the beginning of the formation of the Policy Council, were giving the view, especially to people in legislation, that there would one day be a consolidation of all the tribunals, panels, and various appeal bodies, that exist outside the Royal Court, and that has never quite happened. In fact, they have multiplied, and the processes are different, not just for different boards' but for different forms of complaint. The public are none the wiser, really. In fact, I still find many members of the public, even guite switched on people to the public sector, do not know this body exists, and what it does, although there has been some useful publicity in the last year or two about it.

So, I do support the changes. I think we have to be careful in choosing a Chairperson and lay people that they are truly representative of people, and not just members for the sake of argument, of a professional elite, who are likely to come with baggage from that type of approach. But then, of course, it could be argued, and is by some, that the politicians bring that baggage too to the Committee. I think that, I have always felt that it is a flawed model that believes that two politicians and a senior member of a Douzaine are necessarily more likely to come up with a fair and sensible answer than the original board, consisting of five politicians at the outset, who had probably more information to begin with. That said, we do need an appeal process, and this is progress, but I suspect, it is not the end of the story, but just the beginning of a new chapter of enquiry.

The Bailiff: Deputy Perrot.

Deputy Perrot: Thank you.

So far as some form of overarching tribunal is concerned, that has been very much under debate for all the years that I can remember, certainly in my first – Goodness – (Laughter) thank you – during my early years at the Bar I was, I think, one of the few advocates in short trousers still, the idea was spoken about of having an overarching tribunal. It would be clearly a good thing if we could have that. I do not expect that to happen any time soon, because we will have the whole panoply of a sort of full, if you like, court, otherwise known as a tribunal. I do not see that happening, so for the immediate future, this is the system we have, and I very much thank the Policy Council for letting this go through. I know that the Policy Council has been nagged quite a bit by Deputy Fallaize, and I also congratulate him. I started off with him, bringing up some of

these points, he has brought in more points than I did actually, I know that he has been nagging the Policy Council so through you, sir, I thank the Policy Council for doing this.

Just to correct Deputy Gollop, this system has not been in force for 20 years, it has been in force for 30 years. I do not remember anything about there being five Deputies, and a member of the Douzaine. It was always constituted differently from that.

But there is one other thing that I want to say. In 2012 when Members of the States were casting around for me to do something, where I could not do any real harm (Laughter) they very kindly elected me to be Chairman of the Panel, and I was for 18 months or so. The point which struck me then, was not just how little members of the public knew about the availability of Review Boards, but how little Deputies knew about it. I had many phone calls from Deputies to ask me how the system worked, and I wished then I had taken the stance taken earlier this morning by the Treasury Minister and said, this is a matter in the public domain read it out yourself sunshine (Laughter) but I did not, and I faithfully described the system to them. But any Deputies who are standing for re-election, and who are re-elected, our one faithful listener on the wireless, if that person is going to stand as a Deputy, I would say to him, or her, it would be a really good idea to know how this system works. It is particularly important, first, to let people know what their rights are, second it is important to let them what their rights aren't. Because there are a number of complaints which for various reasons set out in the Order in Council you cannot bring, if you have got a right of appeal, for example, or if you have got a right of action Law, you cannot in normal circumstances, submit or place a complaint. It will not get through that gateway. So through you, sir, I would encourage sitting Members, and anybody else who wishes to stand as a Member, to be well aware of this, because when we get complaints from our constituents, as we do, this is one of the methods by which we can resolve a complaint, possibly, and it is not used properly, sufficiently frequently.

The Bailiff: Deputy Domaille.

Deputy Domaille: Thank you, sir.

I think these proposals are eminently sensible and, of course, I will be supporting them.

I have just got one, a bit more explanation perhaps from the Chief Minister, and it surrounds the Chairperson, it is in paragraph 4.4 on page 1215 where it states

'It is the Policy Council's view that the Chairperson would benefit from using the skills which a legally-qualified person would have when investigating and analysing each matter.'

Now, I read that as almost like presupposing the Chairperson will actually be an advocate. I read on, right at the end of that same paragraph, it says:

'The Complaints Panel [complaints panel, not tribunal] would continue to receive support from the Civil Service and legal advice from the Law Officers Chambers,'

My question really is, is will this legal advice from the Law Officers Chambers be available at the very early date to the Chairperson, and if that is the case, could the Chief Minister give a little bit more rationale behind the apparent presumption that it will be a legally qualified person.

Thank you, sir.

The Bailiff: Deputy Rob Jones.

Deputy Robert Jones: Thank you, sir.

It is just a small observation I would like to make, and it was a point that arose when we were formulating the terms of reference for the Children's Law. It is good to see that all members of the Review Board will be extended absolute privilege, but one point that I think may be worth looking at, is the protection that is afforded to the witnesses before the Board because, of course, in any

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hearing whether it is a Scrutiny Hearing, or a Review Board Hearing, we want full and frank transparency with the evidence that is provided to both the Committee, and the Boards, in these cases. Witnesses are only afforded the same immunities, and privileges, as if they were witnesses before the Royal Court, and I do not think it is entirely clear, and we did look for Law Officer advice on what that actually meant, it is not entirely clear, there are certain things that are clear with that definition, but I think, I just wonder whether it might be something that when the Law is amended, that that is taken into consideration, and some sort of review of what that actually means. Because I think in order to have a full and frank hearing, in any circumstance, we need all witnesses to have certain protection, and I just wonder whether witnesses should also be afforded that absolute privilege as well.

Thank you, sir.

The Bailiff: I see no-one else rising.

Chief Minister will reply.

1900 **The Chief Minister:** Thank you, sir.

I will just try and pick up on a few points of correction.

First of all Deputy Gollop, although he supported the changes, I think he has misunderstood somehow the role of the Chairman of the Panel, it will still be a Politian in terms of the actual Board, but the person receiving the investigation and the investigating it, sorry the complaint and investigating it in the first instance will be, that is where the change will take place, so it will no longer be the Chief Executive, but will be a non-States' member in that sense, more independent of the Civil Service.

Sir, I welcome Deputy Perrot's comments, and his long understanding and history of it, and I also echo his points that States' Members, and the public alike, and public officials, need to be aware of the ability to use this, and to make people aware of that. I have certainly done so, on a number of occasions where people have complained to me, either about an issue not realising that once they have been through, perhaps, a complaints procedure, that they could take this up further, if there is evidence to that effect, and we certainly need to make people aware of that. So, the candidates, and sitting Deputies who are re-elected, certainly need to be aware of the provisions under this Law.

With regards to Deputy Domaille's questions, my understanding is, and certainly this has not been contradicted by anyone that I have heard, it will not necessarily be a legally qualified person, but that they should be able to seek advice in the same way as if they were, in that respect, when it comes to making decisions on those matters. So, I hope that clarifies on what he was saying. But, I thank him for his support as well.

With regards to the points that Deputy Rob Jones raised, certainly we will give consideration to that when it comes to drafting the changes.

I encourage Members, sir, to support the Propositions.

The Bailiff: Well, Members the Propositions are laid out on pages 1239 and 1240. Proposition (d) proposes an amendment to the Reform Law, and therefore for the purposes of Article 3.(5) of the Reform Law, we need to know whether it is carried by a majority of two thirds or more of the Members present and voting. Rather than have a recorded vote, I wonder if we take that one separately, and see whether there is anyone voting against. See if we can avoid a recorded vote.

So what I am asking you to vote on is Proposition (d), which I will read for the benefit of anyone listening:

'To amend the Reform (Guernsey) Law, 1948 and the Administrative Decisions (Review) (Guernsey) Law, 1986 (as amended) as appropriate to provide all members of a Review Board the necessary protection from legal proceedings in the course of their duties, as detailed in paragraphs 4.11 and 4.12 of that Policy Letter'

So Proposition (d) those in favour; those against.

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1935 Members voted Pour.

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The Bailiff: Well we know no-one is voting against, therefore it is carried by a majority of more than two thirds.

I will now put the remainder of the Propositions to you. That is (a) to (c) and (e) to (h). Those in favour; those against.

Members voted Pour.

The Bailiff: I declare them carried.

POLICY COUNCIL

XIV. Guernsey Overseas Aid Commission – Update Report – Propositions carried

Article XIV

The States are asked to decide:

Whether after consideration of the Policy Letter dated 14th December, 2015, of the Policy Council, they are of the opinion:

- 1. To agree to amend the terms of office for the Guernsey Overseas Aid Commissioners so that Commissioners are appointed mid-term rather than immediately following a General Election of People's Deputies.
- 2. To approve the re-appointment of Mr. Timothy Nigel Dexter Peet, MBE to serve for a further two-year period as an ordinary member of the Guernsey Overseas Aid Commission from 31st July 2016 to 31st July 2018.
- 3. To approve the re-appointment of Mr. Stephen Herbert Mauger to serve for a further two-year period as an ordinary member of the Guernsey Overseas Aid Commission from 31st July 2016 to 31st July 2018.
- 4. To approve the re-appointment of Mr. Philip Mudie Bodman to serve for a further two-year period as an ordinary member of the Guernsey Overseas Aid Commission from 31st July 2016 to 31st July 2018.
- 5. To approve the re-appointment of Miss Judith Elise Moore to serve for a further two-year period as an ordinary member of the Guernsey Overseas Aid Commission from 31st July 2016 to 31st July 2018.
- 6. To approve the re-appointment of Dr. Nicholas Anthony Forrester Paluch to serve for a further two-year period as an ordinary member of the Guernsey Overseas Aid Commission from 31st July 2016 to 31st July 2018.
- 7. To approve the re-appointment of Ms. Teresa Marie de Nobrega to serve for a further two-year period as an ordinary member of the Guernsey Overseas Aid Commission from 31st July 2016 to 31st July 2018.
- 8. To note the work undertaken by the Guernsey Overseas Aid Commission since May 2012 in developing the policies and procedures for the distribution of grant aid and disaster and emergency relief.
- 9. To note the recent work undertaken by the United Nations, through the adoption of the Sustainable Development Goals, for the delivery of humanitarian aid.

The Deputy Greffier: Article XIV – Policy Council – Guernsey Overseas Aid Commission – Update Report.

The Bailiff: Who is opening the debate? Chief Minister.

The Chief Minister (Deputy Le Tocq): Sir, on behalf of the Policy Council, I would like to propose this second policy letter seeking your agreement, or the agreement of this Assembly, to amend the terms of office for the Guernsey Overseas Aid Commissioners, in order that that the new Commissioners are appointed mid-term rather than at a July States' meeting immediately following a General Election of Peoples' Deputies. The reason for the proposed change is to ensure that appointments to the Commission do not coincide with changes in the membership for this Assembly, which may mean that a newly elected Policy & Resources Committee would be recommending the appointment of Commissioners they have had little opportunity to get to know. Furthermore, the Policy Council is also asking the Assembly to extend the terms of the current Commissioners by two years, and in this way future appointments will be made in 2018, and 2022 for example.

Two of the current Commissioners Mr Tim Peet and Mr Steve Mauger have served two four year terms, and the others Mr Philip Bodman, Miss Judy Moore, Dr Nick Paluch and Miss Teresa de Nobrega are coming to the end of their first four year term. I am delighted that all of them are happy to continue serving as Commissioners. The Policy Council is also pleased to provide the Assembly an end of term report on the Commissions work over the last four years, and I thank Deputy O'Hara, who I am sure will be speaking in a moment, for his involvement in this.

The Policy Council, working closely with the Commission, has undertaken a full internal review of its overseas aid policies, and procedures, during the last four years. I am pleased to report that the Commission has, and continues, to work closely with other States' Departments and third parties including Overseas Development charities.

Finally, I would like to take this opportunity to thank the Commission for diligently, and conscientiously, undertaking their duties, and on our behalf drawing on their various skills, experience and knowledge. We should not overlook that the Commissioners do not receive any payment for the many hours they commit to their role. I therefore urge all Members to support the Policy Council's proposals, which will enable the Commission to operate more efficiently in the future.

Thank you.

The Bailiff: Deputy O'Hara.

Deputy O'Hara: Thank you, sir.

Sir, fellow Members, I would like to echo the Chief Minister's words of praise and thanks to the Commissioners, and add my own appreciation to each of the Commissioners for their hard work, and commitment, to ensure that the public money that we allocate to overseas development each year reaches the most needy in our world.

As Chairman, I know only too well how much paperwork the Commissioners read, and review, each year, when we are deciding which 80 or so of the 350 plus applications for funding to support. If Members of this Assembly think they are dealing with huge amounts of paperwork and reports, I would suggest that they see just what the Commissioners receive. Well, I am truly humbled by their commitment, and they work together as a team, drawing on each other's particular knowledge, expertise, and experience, to reach balanced decisions that do make life changing, and in many cases, lifesaving differences to the lives of the poorest of the poor. It is not easy to decide between whether to provide a well to a village in sub-Saharan Africa, or a health clinic for a remote community in Sierra Leone, or a school for an isolated village in Nepal. But, somehow the Commissioners draw together the merits of each application, analyse these against the policies, and criteria, set out by the Policy Council, and reach agreement on which of so many worthy, and much needed, projects Guernsey should support. The Commission has seen many changes over the last four years. I am confident that the revised policies, and procedures, have enhanced the Commission's work, and mean that the money Guernsey gives to overseas

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development projects is put to the very best of use, and does make a sustainable difference to the lives of so many.

As Chairman it has been great to also have the opportunity to meet with representatives of many of the charities that have received funding from the Commission, and learn at first hand just what impact the new well, school, or health clinic funded by Guernsey has had. Indeed, I recall Dr Paluch saying that last year, when he took time, whilst on holiday in Cambodia, to visit a number of projects funded by Guernsey, that GOAC was a brand that everyone knew very well, and much loved, and appreciated, and the people were delighted to meet the man from GOAC.

I am delighted that all of the current Commissioners are happy to continue for a further two years, and know that under their stewardship Guernsey's overseas development contributions are in the safest of hands.

I hope this policy letter underlines to the Assembly, that the Commission is keeping itself fully abreast of the wider issues surrounding the delivery of overseas development. It is essential not to rest on our laurels, and continue to do what we have done for many years, simply because it has worked in the past. This is why I am delighted that since 2012 we have strengthened our working relationship with many Guernsey based charities that work overseas, and have also started to build similar partnerships to develop programmes relating to the collection, and distribution, of funds involving the private and voluntary sectors. Indeed the Commission is currently finalising a match funding agreement with Rotary Guernsey, as part of the world wide campaign Rotary has spearheaded, to deliver a vaccination programme that aims to eradicate polio. I understand that Rotary has already secured match funding for this project, through the Bill Gates Foundation, which Foundation will give £2 for every £1 that is raised. So, in essence, every £1 raised in Guernsey, through Rotary, will be match funded by the Commission, and that will again be doubled by Bill Gates. This means that if the Rotary raises £40,000 in Guernsey, this will be doubled through the funding agreed by the Commission, and a further £160,000 will be contributed by the Bill Gates Foundation. So £240,000 will be available to vaccinate communities against polio.

Finally, I cannot close without updating Members of how the Commission has, and continues to, respond to the ongoing Syrian crisis, and the impact the conflict is having on the day to day lives of the Syrian people. Members will recall that since the crisis first hit the headlines in late 2011, the Commission has given over £250,000 to provide urgently needed humanitarian relief to Syrians who have been displaced within Syria, and the many hundreds of thousands of refugees who have fled to refugee camps in the Lebanon, Jordan, Turkey and Northern Iraq. I remind Members that the Commission's annual disaster and emergency fund is £200,000, and over the same period the Commission has also made donations to, the earthquakes in Northern Pakistan and Nepal; hurricanes in Haiti, the Philippines and Vanuatu; famine in South Sudan and Ethiopia; civil conflict in Gaza, Central Africa Republic, and South Sudan; plus floods in Myanmar and of course, the Ebola crisis in Sierra Leone and Liberia.

The Commission, like the rest of us, is hopeful of a resolution but recognises the challenges that this will entail. What should have been temporary homes within refugee camps are becoming long term type homes. This is why early this month the Commission confirmed that it will be inviting charities to apply for funding from its larger grant aid budget. I know the Commissioners will give their usual careful, and compassionate, consideration to projects aimed at improving life in the refugee camps. This may include providing safe, clean water, improving sanitation, providing a school, or health care facilities. Further, we are inviting any local based charities, groups, or organisations, working in this country immediately bordering Syria to contact us to see what opportunities for match funding may be possible. So that the generosity of Islanders can have the maximum effect, and make a real tangible difference, to the Syrian people.

Members, I have deliberately avoided talking about the Commission's budget, but I think it is clear to all who have read this policy letter, and the Commission's annual report that the demands on our funding far outstrip the monies available for distribution. I am therefore supportive of the

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Commission's intention to ask the Policy & Resources Committee, and subsequently the Assembly, to review Guernsey's overseas aid expenditure early next year.

Finally, again, I would like to publicly express my thanks, and those of the Commissioners, to Elizabeth Dean for all her dedicated work in her role as Officer of the Commission. She has been superb and a credit to the service.

I hope Members will be able to support the Commission, on its ongoing work, and by agreeing to the proposals in this policy letter.

Thank you, sir.

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The Bailiff: Deputy Le Pelley. 2060

Deputy Le Pelley: Thank you, sir.

I have just quickly had a look at the Constitution of the Overseas Aid Commission, and I see that on the States' website it says that the Commission was established in 2004, and that it comprises of seven members. What is going to happen with the position of the Chairman, because you have now got six ordinary members extended for two years? What is going to be the position, I believe the Chairman at the current time is Deputy O'Hara, but we are going into a General Election, should he not be returned, what is his position, and what would be the position of the Chairman, because that is going to hit 30th April, and they may not have a Chairman.

The Bailiff: I see no-one else rising.

Chief Minister will reply.

The Chief Minister: Under the proposal reform the Chairman will be appointed by the Policy & Resources Committee, once that is in place, in a similar fashion to the way in which the current Chairman was appointed by Policy Council.

I have not got any other questions to answer, so I think that is it.

Thank you, sir.

The Bailiff: Members, the Propositions are set out on page 1252, I put all of them to you together. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare them carried.

TREASURY & RESOURCES DEPARTMENT

XV. Income Tax: Investigation of Tax Relief for Interest Paid -**Debate commenced**

Article XV

The States are asked to decide:

Whether, after consideration of the Policy Letter dated 5th January, 2016, of the Treasury and Resources Department, they are of the opinion to note the report and also to note the uncertainty such repeated investigations into interest relief for let property cause to the property market and the negative signals it sends out to businesses/individuals looking to invest in and/or locate to Guernsey.

The Deputy Greffier: Article XV – Treasury & Resources Department – Income Tax: Investigation of Tax Relief for Interest Paid.

The Bailiff: Deputy St Pier.

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Deputy St Pier: Sir, this is a short, fairly self-explanatory policy letter, and therefore I will introduce it, briefly.

Sir, I and members of Treasury & Resources fully understand the instinctive concern that there is, that if we are in the process of withdrawing tax relief from owner occupiers, why is it that tax relief continues to be available to owner non-occupiers, and of course, that can be simply illustrated, by example, somebody who buys two houses on a clos next to each other that are identical, with identical loans from the bank, one of which they live in, one of which they do not live in, and in due course when mortgage interest relief has been withdrawn from owner occupiers, they would not get tax relief on the property they live in, and they would get tax relief against rent received on the property that they do not live in. However the buy-to-let market is much more complex than that simple illustration, and, of course, the Housing Department have fully recognised the role which it does, indeed, play in our housing market, in providing essential accommodation in our housing market. Of course, for some people, the buy-to-let market is part of their, for example, part of their pension provision, which, of course, is encouraged by the States, as being an essential requirement that people should be seeking to provide for their future pension needs. For others it is a business, and of course, if they were to use that same borrowed money for any other business then the interest on that loan would, of course, be available to be offset against the income from that other business. So it is no different to treat this particular business in a different way. The UK, Jersey and the Isle of Man do, of course, continue to provide tax relief for loans in exactly the same circumstances. The UK, of course, has publicly in the last couple of years made moves against, I think it can only be described as moves against the buy-tolet market, and in particular, two things, one they have lowered the tax relief available for private borrowers only, it is not corporate, but for private borrowers, from the higher rate to 20%, which, of course, puts them on a par with ourselves. They have also made moves in relation to raising the rates of Stamp Duty, which will take effect in the next month or so. But, of course, we have to recognise that their property market is very, very different at the moment to our own. It has become a very overheated market in the UK, and I do not need to remind Members that our own market has not been in that position, certainly for a number of years.

Sir, our board moved quickly to bring this report back to the Assembly, following the Budget debate, because we did feel that it was important that this matter was settled once and for all, and that there was no uncertainty left in the market place, and we did not want to repeat any of the issues that had appeared in the Open Market, again because of the uncertainty there, because of comments that were made, and that was addressed in the previous debate earlier today. So that is the reason that we have moved very quickly, and we do hope that Members will endorse the Proposition, sir.

The Bailiff: Deputy Bebb.

Deputy Bebb: Thank you Monsieur Le Bailli.

I thank the Treasury & Resources Department for this report, I do not necessarily disagree with it, however, I think with the opening comments made by Deputy St Pier, he may well like to actually send those comments in his opening speech, as it is written, over to the Guernsey Business Advisory Committee, seeing that they feel that, actually, this is a dangerous move because people will continue to invest in the UK and, of course, as Deputy St Pier has pointed out things are changing in the UK.

I am a little disappointed as to the Proposition that we will be voting on today. I understand why there is concern about investigating the issue, but it does seem to try, and wants to try and

stop this from being investigated in the future, and as Deputy St Pier has pointed out, if property markets change in our neighbouring jurisdictions, it is only right and proper for us to revisit the question. It is inappropriate for us to imagine that is something that we just simply cannot debate ever again.

The comments made as to the amendment that was passed, I believe that it was laid by Deputy Soulsby, in order to look at the first time buyers. This hampers that investigation. Rightly or wrongly it, of course, restricts what is available for the Department to investigate. It does seem to be very heavily, sort of, based on slightly scaremongering, because nobody suggested that interest was going to be taken away from properties that were owned outside of Guernsey. If someone wants to have a property business here in Guernsey, and is seeking to actually buy properties outside of the Island, there was no intention as part of the debate that that would come to an end. Of course, it is possible to distinguish between properties that are bought here, and properties that are not bought in Guernsey, within the tax legislation, if they were so minded.

I understand, however, that we are coming to the point of saying that we would actually favour the *status quo*, but the investigation, and the consultation, is heavily weighted towards those businesses that have a vested interest in the *status quo*. It is disappointing that only the Housing Department, and no other organisation that deals with the difficulty of housing in Guernsey, have been consulted. It is a little one sided. I accept that I asked for an investigation, and that is what the Department has done, but it does seem a little one sided, and I am disappointed by that.

However, of course, the amendment did ask for a review of two parts, and I look forward to Treasury & Resources reporting back on commercial properties and whether the States has funds for that. I would sincerely hope that that investigation is not quite so biased.

Thank you.

The Bailiff: Deputy Gollop.

Deputy Gollop: Yes, but in many ways, although I will support the report and its Resolutions, the whole thing is a fiasco from beginning to end. Because it – yes – because if you think about it in a broader sense, once upon a time Guernsey had a very fair tax system, everybody paid more or less 20%, and there was full mortgage tax relief, and full relief on any loans, and that meant that it was a level playing field for tenants, and property buyers of any kind. Now we have the situation of, first of all the tenants took the hit post Zero-10, then it has been the first time buyers, and other buyers of domestic property, and then, of course, that raised the issue as Deputy St Pier has highlighted, about the two houses on a clos, one of which is owned for investment purposes. I think the commercial market is not that secure, and we do need to talk it up, and talking up that investment in Guernsey means, for a while at least, for the foreseeable future, of not revisiting this question. Because, like many of us, I have been lobbied by a representative of the international business community, but also face to face by a responsible landlord, and there is concern that this will further depress a rather uncertain property market. It has to be said in contrast, the pure commercial market appears to be, according to Business Brief at least, to be more expensive and higher rents in Guernsey than in Jersey, as was pointed out by a well know entrepreneur, he described in January Business Brief Jersey's rents as more realistic, whereas Guernsey's are high. Whether that reflects supply and demand we are not sure. But the point being, there are differences between the residential market, the commercial market, and the private landlord's market, and because of these uncertainties, and the need for anybody investing in property, who is local and wants to invest locally to have certainty of income, and projection, over a five, 10 or even longer horizon, I think we have to endorse this policy.

What I would like to see though is a much greater commitment to levelling the tax position for people of all kinds, and I would also wish to see, perhaps, for the new Employment & Social Security Committee to look into the role of landlords, property standards, property requirements, and how we can encourage private landlords, and other forms of landlords, at one level, but also ensure that rights, and responsibilities, and duties, are fair in both directions.

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The Bailiff: It is now 12.30 p.m. Can I just see how many more people wish to speak in this 2190 debate? Two, or three, four, it sounds as if the debate may go on a bit. We will resume at 2.30 p.m.

> The Assembly adjourned at 12.30 p.m. and resumed its sitting at 2.30 p.m.

Income Tax: Investigation of Tax Relief for Interest Paid -**Debate continued -Proposition carried**

The Deputy Greffier: Billet VI – Article XV – Treasury & Resources Department – Income Tax: Investigation of Tax Relief for Interest Paid – continuation of debate.

The Bailiff: Deputy Lowe.

Deputy Lowe: Thank you sir

This report before us today, I just find yet another frustration, that we have got a report before us that says 'to note'. I am going to bring an amendment next week when we discuss the SACC Report, and get rid of this ridiculous 'to note'. It does not give any guidance whatsoever, to note in States' terms means you neither support nor reject it, it tells you absolutely nothing whatsoever. I just find it so frustrating when we have got important reports before us, and we are just 'to note', so it does not give any guidance whatsoever to the Department that has brought this forward. So, I just wanted to stand up and air my frustrations at this, sir, that I am disappointed that we have not got very clear recommendations before us to be able to consider, to be able to vote on. So, I hope next week Members will agree to throw out this ridiculous 'to note' terminology, and have, in future, proper recommendations that we can make Resolutions on, that are very clear to the Departments concerned, and save a lot of this nonsense of 'to noting'.

Thank you, sir.

The Bailiff: Deputy Harwood.

Deputy Harwood: Thank you, sir.

Sir, through you, one or two questions or points to the Minister of Treasury & Resources. When we debated the removal of tax relief in relation to individuals, or owner occupiers, I seem to remember there were two, a number of different items, but two in particular, sort of resonated with me. One was the fact that, actually, we were saying that those members of the community who had to live in rented accommodation could not afford a mortgage, obviously, effectively, were subsidising those who could afford mortgages through the income tax they were paying. Secondly, I believe there was a concern that if we did not cap the interest relief that could be claimed by owner occupiers, the potential future loss to the revenue would increase considerably once interest rates started to move upwards. Sir, it seems to me that those two arguments could still be applied in the present context.

Firstly, that effectively, the tax payer is subsidising capital investment by investors, secondly, there is a suggestion, the Minister referred to on page 1256 the third bullet point under paragraph 2.4 this proposal, which is the possibility of a cap or a limit on the interest relief, could therefore lower future Government revenues. But, I would also suggest to him that, actually, the absence of such a cap or any restriction on relief, actually, could build up a future potential Government revenue loss, because again the situation will be if interest increase, the amount of tax relief will also commensurately increase. What I do not know, and it is not apparent from this

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report, is, actually, the amount of tax relief that is currently claimed, which may or may not be impacted by any change, if contrary to the recommendation, or to the noting that Deputy Lowe has already identified, there was to be any adjustment to relief that was available to property investors. I would be interested to know, actually, the extent or the magnitude and whether or not either the Income Tax Authority or Treasury & Resources themselves have done any sensitivity analysis around the likely impact on future revenues or future interest rate increases.

Thank you, sir.

The Bailiff: Deputy Soulsby.

Deputy Soulsby: Sir, yes.

I am just going to respond to Deputy Bebb, who is not here, but I do appreciate his concerns regarding the possible impact of buy-to-let on first time buyers, and I think historically it might have been the case that they have competed for the same properties. However, at present we have record numbers of houses for sale, with a good number of these in the lower price bracket, so I do not think it is possible to conclude that is necessarily an issue now. But, of course, this, as I am pleased the Housing Department know acknowledges, is just one area around which we will gain more clarity as a result of the broad based review into the Local Housing Market arising from my amendment. So, this time of a weak housing market I believe the last thing we want to do is in any way potentially weaken it further, and that is why I support the recommendations in this policy letter.

The Bailiff: Deputy Dorey.

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Deputy Dorey: Sir, I just declare an interest as a shareholder in a company that owns properties.

The Bailiff: Deputy Domaille.

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Deputy Domaille: Yes, sir, I actually let a couple of properties out, so...

The Bailiff: Deputy Hadley.

Deputy Hadley: Sorry, Mr Bailiff, I suppose I need to declare an interest in owning some flats which are rented.

I would also like to make the point that, if a firm of advocates, of which there are a number on the Island, borrow money to extend their properties, I am sure they claim back the interest on the money they borrow, and equally, on other business expenses that they have. So, it seems strange that Deputy Harwood suggests we are subsidising people buying properties for let, and he is not suggesting that we are subsidising advocates who claim tax relief on the business expenses that they incur.

The Bailiff: Deputy Paint.

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Deputy Paint: I would just like to declare an interest ... [Inaudible]

The Bailiff: Deputy De Lisle.

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Deputy De Lisle: I declare an interest too, sir.

Thank you.

The Bailiff: Deputy Brouard.

Deputy Brouard: I declare an interest, sir.

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The Bailiff: Deputy St Pier, will reply to the debate.

Deputy St Pier: Thank you, sir.

Deputy Bebb raised a concern that this would restrict what could be investigated in the future, and I think he is over analysing it, as Deputy Lowe said, in relation to the Proposition itself. That Proposition would not restrict an investigation in the way that Deputy Bebb was suggesting.

Deputy Gollop said that there was a level playing field for tenants, but I do not think that that is correct. I do not think there ever was a level playing field for tenants, because, of course, they have never had tax relief on rents paid. So, I think that was in danger of possibly misleading on that particular point.

Of course, in terms of review of the tax position more generally, which was something Deputy Gollop was calling for, of course, the Personal Tax Pensions and Benefits Review, one of its work streams is to look at the withdrawal of allowances for higher earners, and that work is ongoing, as Deputy Gollop will know, as a member of the Social Security Department.

Deputy Harwood's points, I think, I understand why he raised them. Unfortunately, I do not think I am in a position here today, sir, to be able to give him answers to the questions he asked in relation the amount of tax relief given, and in fact, I do not think that would be too readily available, because it would require an analysis, effectively, taxpayer by taxpayer to see what... I do not believe it would be easily extractable, but I certainly do not have that information available today, sir. In relation to a sensitivity analysis on the impact of a rate increase, that work, of course, was done in relation to mortgage interest, but it has not been done in relation to this particular tax deduction.

The subsidising of investors of property, I think, in essence, Deputy Hadley really has nailed the point that I think we are analysing it from the wrong direction. The comparison really is not between investors of properties that are let, versus private owners, it is a comparison between different types of business, and as I said in my opening speech, the principle behind this is that you give relief for businesses for the costs they incur in generating the income which they receive, which subsequently becomes taxable.

So, Deputy Soulsby, really, I think has absolutely got to the heart of this issue, which is with a weak housing market, absolutely, now is not the right time. As I referred to the UK is in a completely different position, one day we might be in a completely different position, but we are certainly not there now.

I would welcome the Assembly's strong support for the Proposition.

Thank you, sir.

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The Bailiff: Members, there is a single Proposition on page 1271. Those in favour; those against.

Members voted Pour.

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The Bailiff: I declare it carried.

HEALTH & SOCIAL SERVICES DEPARTMENT

XVI. The Children (Guernsey and Alderney) (Amendment) Ordinance, 2015 – Approved

Article XVI

The States are asked to decide:

Whether, after consideration of the Policy Letter dated 21st December, 2015, of the Health and Social Services Department, they are of the opinion to approve the necessary amendments to the Children (Guernsey and Alderney) Law, 2008 as set out in the Children (Guernsey and Alderney) (Amendment) Ordinance, 2015:

- (a) to enable the courts to make recovery orders under section 92 of The Children (Guernsey and Alderney) Law, 2008 for such period as thought fit, provided that the period shall not exceed the period during which the child is subject to the requirement of any of the orders set out in that section; and
- (b) to enable a Police Officer to take appropriate steps to recover a child who is subject to the requirement of any of the orders set out in section 92 of The Children (Guernsey and Alderney) Law, 2008 without any court order, including the exercise of powers to require anyone with information as to the whereabouts of a child, to disclose that information; direct any person to produce the child; enter without warrant any premises upon which the officer reasonably suspects the child to be; remove the child to such place as the Department may request and require any person to deliver the child to the Department.

The Deputy Greffier: Article XVI – Health & Social Services Department – The Children (Guernsey and Alderney) (Amendment) Ordinance, 2015.

The Bailiff: The debate will be opened by the Minister, Deputy Luxon.

Deputy Luxon: Thank you, sir.

Sir, this is a very short policy letter, at its heart is, obviously, a very important matter, the wellbeing of our looked after children. Sir, I only intend to read just a couple of points, as I am sure Members will have read the policy letter, but

'The Law Officers of the Crown, following consultation with the Department, the Royal Court and the Head of Law Enforcement, believe that there is an urgent need to amend the Law as soon as possible in order to enhance the powers of the courts and the Police to protect children who are in the care of the Department from harm in certain specific cases. The amendments should also ensure more efficient use of court, legal, child care and police resources and services.'

Sir, the other key words here are: safeguarding, reasonable steps, and staged and proportionate. Sir, on page 1274:

'The Law Officers of the Crown consider it to be necessary and expedient in the public interest that [this] Ordinance is enacted as soon as possible.'

Sir, I would ask Members to support it.

Thank you.

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The Bailiff: Deputy Lester Queripel.

Deputy Lester Queripel: Sir, we are told in paragraph 1 on page 1272 that the provisions of the Children Law

'...are currently subject to a general review being undertaken by... [HSSD] and, [that] in due course, the Department intends to recommend a number of amendments to the Law...'

STATES OF DELIBERATION, WEDNESDAY, 2nd MARCH 2016

Well, that to me, sir, infers that there will be other amendments to follow in the future, apart from the amendments we are being asked to approve today. So my questions to the Minister are these. Are there more amendments to follow, and bearing in mind we are told in paragraph 2 that there is a need to amend the Law as soon as possible, if there are further amendments to be proposed, they when are they liable to be laid before the States?

Thank you, sir.

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The Bailiff: Deputy Luxon will reply.

Deputy Luxon: Thank you, Mr Bailiff.

Sir, yes, Deputy Queripel is absolutely right that there are other amendments to follow, refinements. I cannot give a definitive date, but this is an urgent piece of work. The reason for bringing this policy letter to the States now, was because of the very nature of this particular group of vulnerable children, and clearly, from our point of view, we have a corporate responsibility for these looked after children, and we need to make sure that we do all we can to allow our Police, and other officers, to be able to take the actions that are necessary to look after those children in difficult circumstances.

Thank you, sir.

The Bailiff: There are two Propositions, both on page 1275. I put both to you together, those in favour; those against.

Members voted Pour.

The Bailiff: I declare them carried.

Greffier, can you go back to the Ordinance laid before the States?

ORDINANCE LAID BEFORE THE STATES

The Children (Guernsey and Alderney) (Amendment) Ordinance, 2015

The Deputy Greffier: Sir. Ordinance laid before the States – The Children (Guernsey and Alderney) (Amendment) Ordinance, 2015.

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The Bailiff: This is the Ordinance we have just been debating. I have not received notice of any motion to annul the Ordinance.

HEALTH & SOCIAL SERVICES DEPARTMENT

XVII. Guernsey and Alderney Healthy Weight Strategy 2016-2023 – Propositions carried

Article XVII

The States are asked to decide:

Whether, after consideration of the Policy Letter dated 6th January, 2016, of the Health and Social Services Department, they are of the opinion:

- 1. To agree to work towards the vision of Guernsey and Alderney becoming an environment where healthy eating and regular physical activity are accessible, affordable and normal, for all in the community.
- 2. To direct the Health and Social Services Department (and its successor Committee) to continue and strengthen evidence-based joint working across States Departments (and their successor Committees) and food providers to enable access to appropriate food choices for adults and children in all settings.
- 3. To direct the Health and Social Services Department (and its successor Committee) to continue and strengthen evidence-based joint working across States Departments (and their successor Committees), the Guernsey Sports Commission and community providers to enable increased opportunities for physical activity and active travel for adults and children in all settings.
- 4. To direct the Health and Social Services Department (and its successor Committee) to work with the Home Department (the Guernsey Border Agency) and Treasury and Resources Department (and their successor Committees), to investigate the potential for implementation and administration of a tax on sugar sweetened beverages.
- 5. To direct the Health and Social Services Department (and its successor Committee) to set up a clinical working group to review adult, child and maternity weight management service provision, supported by a business case should increased funding be required.
- 6. To direct the Health and Social Services Department (and its successor Committee) to investigate the creation of an independent body to bring together partners in the voluntary, commercial and public sectors to oversee the delivery of the New Healthy Weight Strategy.
- 7. To approve the Guernsey and Alderney Healthy Weight Strategy 2016-23 and Action Plan and affirm the States' commitment to minimising the harm caused by overweight and obesity to Guernsey and Alderney residents of all ages.

The Deputy Greffier: Article XVII – Health & Social Services Department – Guernsey and Alderney Healthy Weight Strategy 2016-2023.

The Bailiff: The debate will be opened by The Minister, Deputy Luxon.

Deputy Luxon: Thank you, sir.

I would like to apologise on behalf of the Department that this policy letter had to be submitted late. It has been a very important piece of work that the Department wished to bring before the States before the end of this term, and as Members will know, it follows the 2009 Obesity Strategy, which a previous States approved.

It would be fair to say, sir, that the Obesity Strategy has not been unsuccessful, but then again, it has not been overly successful. What we are doing with this new Strategy, is on evidence benchmarked, a Guernsey system, a Guernsey approach, a Healthy Weight Strategy, sir, is now essential. There are three pillars to the Strategy. Six core objectives, and 18 actions.

Sir, I made this point with the Children & Young People's Plan, that Deputy Le Clerc opened on behalf of the Department, is that this Strategy is absolutely devised and meant not to be a strategy to sit on the shelf, it is meant to be an action strategy, because of the absolute important need for us to do something material to effect the outcome of many of our citizens, especially children, in terms of obesity and unhealthy life styles.

Sir, the Health & Social Services Department is now on a one, five, 10 year transformation journey, Members will have heard me mention it many times, and again I thank Members for their support in October of last year. At the heart of that transformation is to try and make sure that health and social care is delivered in a different way, to make sure that we can respond to the needs of the community, and their health and social needs, but also form a sustainable and affordable base. Throughout all of that work at the core is public health, prevention and early intervention. This Strategy, sir, absolutely supports those three main thrusts of how we transform health and social services within the Island.

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STATES OF DELIBERATION, WEDNESDAY, 2nd MARCH 2016

Sir, the Healthy Weight Strategy Group, a multi-disciplinary group, cross departmental, has been instrumental in forming this Strategy. It is not just a Department strategy as such.

Sir, on page 1285, if I can just share with Members, for ease, the three main pillars of the Strategy:

'Making healthy eating choices easier and normalising healthy eating for adults and children; Making active lifestyle choices easier and normalising an active lifestyle for adults and children; and Helping adults and children to achieve and maintain appropriate weight goals.'

Sir, this Strategy is about the entire community, regardless of gender, or age, or levels of activity. It is actually about a community looking after its own interests for a better and healthier lifestyle, but also ensuring that down the road, later in life, unnecessary additional costs necessary to deal with conditions that may be could have been avoided are minimised.

Sir, the Tobacco, Alcohol and Drugs Strategy, strategies that this States has debated, are again very important strategies within the genre of public health, prevention and early intervention, and the Obesity Strategy, which we have renamed as Healthy Weight Strategy, absolutely, forms a core part of that thrust.

Sir, I would ask Members to fully support the initiatives, this is not a strategy to sit on the shelf, it is a real strategy, and clearly it is going to need, to be successful, the absolute engagement with the third sector, and as Members will have read in the policy letter, we describe how we intend to try and allow and make that happen, to bring resources, and focus, and expertise, in to help the Strategy make more progress than the previous Obesity Strategy did.

So, I would ask Members to support it.

Thank you.

The Bailiff: Members, there is one amendment that has been circulated, but before that can be laid, it will be necessary to have a procedural motion to suspend rules 13(2) and 15(2) and any other provisions of the Rules of Procedure to the extend necessary to permit the amendment set out below to be debated and take effect. Deputy Hadley do you propose that motion.

Deputy Hadley: Yes, sir, I do.

The Bailiff: Deputy Le Pelley, do you second it.

Deputy Le Pelley: Yes, sir, I do.

The Bailiff: As a procedural motion we will go to the vote on it without debate. Those in favour; those against.

Some Members voted Pour, others voted Contre.

Deputy Hadley: Could I have a recorded vote, sir.

The Bailiff: Yes. So there is a recorded vote on the procedural motion to suspend Rules 13(2) and 15(2).

The Deputy Greffier: The voting this month begins with the Alderney Representatives.

There was a recorded vote.

Carried – Pour 31, Contre 11, Ne vote pas 0, Absent 5

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POUR	CONTRE	NE VOTE PAS
Deputy Harwood	Alderney Rep. Jean	None
Deputy Brehaut	Alderney Rep. McKinley	
Deputy Domaille	Deputy Kuttelwascher	
Deputy Langlois	Deputy Parkinson	
Deputy Robert Jones	Deputy Lester Queripel	
Deputy Le Clerc	Deputy St Pier	
Deputy Gollop	Deputy Duquemin	
Deputy Sherbourne	Deputy Le Tocq	
Deputy Conder	Deputy James	
Deputy Gillson	Deputy Perrot	
Deputy Le Pelley	Deputy Luxon	
Deputy Ogier		
Deputy Fallaize		
Deputy Laurie Queripel		
Deputy Lowe		
Deputy Le Lièvre		
Deputy Collins		
Deputy Green		
Deputy Dorey		
Deputy Paint		
Deputy Adam		
Deputy Brouard		
Deputy Wilkie		
Deputy De Lisle		
Deputy Burford		
Deputy Inglis		
Deputy Soulsby		
Deputy Sillars		
Deputy O'Hara		
Deputy Quin		
Deputy Hadley		

Deputy Bebb **Deputy Stewart Deputy Trott**

ABSENT

Deputy David Jones Deputy Spruce

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The Bailiff: Well, Members the voting on the procedural motion was 31 in favour, 11 against, so I declare the motion carried, and therefore, the amendment may be laid.

Do you wish it to be read, Deputy Hadley?

2455 **Deputy Hadley:** Yes, sir, I do.

The Deputy Greffier read the amendment.

The Bailiff: Deputy Hadley will open the debate.

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Amendment

- 1. To delete Proposition 4 and substitute:
- "4. To instruct the Policy & Resources Committee to bring to the States proposals for a tax in the budget for 2017 on sugar sweetened beverages, following consultation with the Committee for Health and Social Care and the Committee for Home Affairs.".
- 2. To add a new Proposition:
- "8. To direct the Policy & Resources Committee to allocate a ring-fenced £250,000 annually with effect from 2017 to fund the New Strategy.".

Deputy Hadley: Mr Bailiff, I would first of all like to thank the Assembly Members for allowing the suspension of the Rules to allow this amendment to be laid.

Obesity is one of those things which is not given the seriousness that, I believe, it should be given, because it is the most important health issue we are having to deal with. The report we are debating makes it clear that obesity is now on a par with smoking as a cause of premature death, and ill health. It increases the risk of type 2 diabetes and with that it therefore increases kidney

disease, heart disease, eye disease, heart disease, as well as a range of cancers, including that of the breast, uterus, oesophagus, stomach and bowel, also causing high cholesterol levels, high blood pressure, and stroke. Diabetes also increases the risk of dementia which is itself a major health problem to this Island.

Now a report published in December of last year, suggested that people with Type 2 Diabetes, avoidable Type 2 Diabetes, were 60% more likely to develop dementia. In the same month, a similar report in the United States came up with exactly the same statistic. Now, on this Island we have over 3,000 people with preventable Type 2 Diabetes. That is to say diabetes that occurs due to obesity. Now, if that is the case, the reports in Australia and United States, of last year, would seem to imply that there were possibly a couple of hundred cases a year of dementia on this Island due to obesity.

Now we all know, because of the arguments that have recently come around one of our care homes putting its prices up, we also now know that the cost of keeping a demented patient in specialist accommodation costs around £70,000 or £80,000 a year. Now, if people are not in specialist accommodation, there is a cost in supporting them at home, and there is a cost to the family, not only financially but also socially. The cost to society of obesity is massive. Now paragraph 2.5 of the report suggests that obesity, and overweight, could be costing this Island £22 million a year, but it is not taken into account at all, the increase in the levels of dementia, which more recent research suggests could add several million pounds to that bill.

Now, like the Children & Young People's Plan, and the Supported Living and Ageing Well Strategy, this is a good Strategy with sensible recommendations for the future. Unfortunately, like the other strategies I have mentioned, it is not properly funded, so again instead of asking for funding what the Department is having to do is rearranging the deckchairs. It wants to engage with the third sector, it recommends setting up an independent body, it wants to set up a working party on taxing sugary drinks, and it wishes to set up a clinical working group to consider bariatric surgery. Now, I understand the problems of introducing bariatric surgery on the Island, because it does require considerable investment, if it is to be carried out on Island. We would need at least one more intensive therapy unit bed, which would require special equipment to be able to handle obese patients. There is also the cost of psychological support, if we undertake that route.

However, we do not need a working party to discuss a tax on sugary drinks, because Cancer UK, and the UK Health Forum, have already done the work for us. They say that a 20% tax on sugary drinks would prevent 3.7 million in the UK from becoming obese over the next 10 years. So that is the equivalent of 3,700 people on this Island. Now, our Health Promotion Department have done a lot of very good work, and they will tell you that a glass of cola, third of a litre, small glass of cola, contains twice the recommended maximum daily intake of free sugar for a six year old, and 50% more than the maximum recommended daily intake of sugar for an 11 year old, and it is more than the maximum recommended daily intake for an adult. So no wonder we have a major problem with obesity.

Now, Cancer UK said, the ripple effect of a small tax on sugary drinks is enormous, and they said, these numbers make it clear why we need to act now before it becomes an even greater problem. The UK Health Forum said, countries which have introduced a tax on sugary drinks have not only reduced consumption, they have raised much needed revenues for public health measures. Shirley Cramer, the Chief Executive of the Royal Society, said recently that childhood obesity is a time bomb on which the clock is ticking. Set to wreck the future health of our children, and the sustainability of our National Health Service. She said there can be no excuse for delay, or prevarication, when we know, and the Government knows, the UK Government knows, what must be done. Profession Russell Viner of the Royal College of Paediatrics and Child Health said: 'With every day that passes more children are at risk of developing serious conditions associated with obesity.' England's Chief Medical Officer of Health, Dame Sally Davies, said recently the current epidemic is a national emergency which should be tackled immediately at COBRA level and not put off at the whim of a politician. That is the Chief Medical Officer for England, the most eminent,

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arguably the most eminent, doctor in England. Now, Dame Sally's last report focussed on women's health, and here again she said that the biggest threat to women's health was obesity.

Finally, the Island of Jersey has decided to introduce a new 20% tax on all sugar-sweetened drinks, and the Island's Head of Health Improvement says that the amount we need to tax drinks like coke, Ribena and sports drinks to get us drinking less sugar, and reducing obesity levels by 5%, a 20% tax.

Now, the 2020 Vision of the Health & Social Services Department has as one of its three core principle objectives, promoting good health. So, when you consider the damage that obesity now does to the people of this Island, and the very large sums of money that the Health Service would save if obesity levels were reduced, it is simply madness not to spend the small sum of money needed to properly fund this Strategy.

I would remind Members that a few months ago Deputy Soulsby came to this Assembly with a proposal that we investigate the state of the housing market, and for that investigation we are paying a £ $\frac{1}{4}$ million. In my amendment, I am suggesting that the figure of £ $\frac{1}{4}$ million is annually allocated to our Obesity Strategy.

In 2009 it was envisaged that a £ $\frac{1}{4}$ million a year, which was never allocated, would have paid for a dietician to work in the community, an early years' health visitor, and a midwife. The midwife would have, most of things would have been promoting breastfeeding, because again breastfeeding which we will be debating later, is known to affect the incidence of obesity in children.

Now, there is no single answer to the obesity problem we have, but if the Assembly passes this amendment, so that we employ the right professionals, and introduce a tax on sugary drinks, we will have a twin pronged approach, which may well increase the revenues of the Island over and above the £ $\frac{1}{4}$ million I am asking the Assembly to approve spending. So, it really is a double whammy, it improves the health of the Island, and it improves the revenues of the Island, and could save us millions in the future.

So, I do urge Members to support the amendment.

The Bailiff: Deputy Le Pelley, do you formally second the amendment?

Deputy Le Pelley: I formally second, sir, and reserve my right to talk later.

The Bailiff: The Minister, Deputy Luxon, you wish to speak now.

Deputy Luxon: Sir, I just thought it would be helpful to Members if I spoke early in the debate. Can I start by saying, myself and the other board Members, completely agree with actually everything that Deputy Hadley said? I think Deputy Hadley's amendment speech is a fantastic speech in support of the Strategy. We regret the amendment has been laid, but we absolutely understand why Deputy Hadley has laid it.

Sir, the reason that we do not recommend pursuing the idea of a sugar tax on fizzy drinks, at the moment, is several fold. There have already been experiments with this, and there has been some mixed results, and indeed, as Deputy Hadley said, in the UK. – sorry I apologise Deputy Hadley did not say this he alluded to other jurisdictions – but the Chief Exec of the NHS in the UK very recently announced that they were introducing a sugar tax internally within all NHS Trust retail outlets, as a mechanism to try and deal with some of the issues that Deputy Hadley described. I do not know what they are going to do with that tax, I do not know whether they are going to re-invest it in public health or not, but so there are experiments or trails going on. HSSD just does not believe moving straight towards a tax of this sort would be appropriate.

We believe that the Strategy in its entirety, with the buy-in and engagement from especially the community themselves, but indeed, the third sector parties that can help. We believe that truly this community can achieve the outcomes, and mitigate against some of the risks that Deputy Hadley described, if we implement the Strategy across its broad parameters. There are many,

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many, levers and many triggers, to try and create behaviour change, all in the best interests of the 62,780 people on this Island, plus our Alderney colleagues, looking after their own health interests to some degree, and with the added back benefit of not absorbing future budgets down the road, as I said earlier.

So, sir, the principle of having the sugar tax on fizzy drinks, as a tool within the toolbox, some time down the road of this seven year Strategy, we think would make eminent sense, and the board and Department feels it would be perfectly feasible to be able to implement such a tax, but we do not believe that we should be going to the community as we launch this, the first real Strategy, because, as I said the 2009 Strategy really set the scene, that the first thing we do is go to the community and hit them with a punitive consumption tax, albeit, for all of the virtuous reasons that Deputy Hadley described. So, sir, as much as we understand the desire to, perhaps, move forward more quickly, and it may well be that if we did that then impacts, positive impacts, could happen quicker. We just think it is the wrong way round.

Sir, as regards the second part of the amendment, the reason that HSSD board did not in one of its Propositions make a bid for additional money, was because, I think you would probably have thrown rotten tomatoes at me if we had done that again. HSSD has been well supported by this Assembly through the NMC policy letter and indeed the Budget for Health which the Treasury & Resources Minister presented last October. We are very conscious, as Deputy De Lisle *quasi* accused me this morning, of our responsibility for fiscal constraint, and for balancing the budget, the financial resources allocated to the Department, we do take that very responsibly. But to actually ask the Assembly to instruct T&R to find an additional £½ million to help support the £145,000 that we already have allocated to this Strategy, and I believe the estimates are that we would need three times the amount that we have available, to probably allow the Strategy to really fully work, would be inappropriate, which is why we did not ask for that.

Sir, the board and Department believes what we need to do is to look at our public health budget, within HSSD's budget, to see if we can reprioritise, and re-allocate, and indeed, that we need to look within the HSSD budget itself, again, to see if there are ways that we can re-allocate to re-prioritise this very important Strategy, and again I would commend Deputy Hadley for his very measured dialogue in terms of why the impacts are so severe. Why they are having severe impacts on the people of our community, and why doing something would make real sense, for all sorts of reasons. But, we believe that reallocation of budgets within public health, within HSSD's budget, and more importantly, partnering, in the same way that HSSD did with the creation of the Guernsey Employment Trust last year, where we know have a body that was delivering a service called interworks, now has been transformed in terms of what it is doing, how it does it, the speed with which it does it, and indeed it has been able to secure new third party funding to enable that Strategy to try and help get various members of our community back into work, has been an unmitigated success, and it is only just over six months in. We are proposing that a model very similar to that, would be applied in this third sector partnership, shadow body, that would absolutely be able to help deliver this Strategy, because this body, once formed, under the guidance and under the direct control of HSSD would be able to deliver far more successful and speedy outcomes than it would if it remains just a Strategy within HSSD's very, very, busy

So, sir, to conclude I commend Deputy Hadley's measured, and accurate, assessment of the realities, the board simply cannot support it for the reasons I have described.

Thank you.

The Bailiff: Deputy Adam.

Deputy Adam: Thank you, sir.

Like Deputy Luxon, I fully agree with what Deputy Hadley said in his opening speech. That is probably because he was around four years ago when the first Obesity Strategy was introduced to this Chamber by myself. In paragraph 1.3 is says about that:

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'This evidence-based approach, aligned to national and international action, has contributed to preserving the health and wellbeing of Islanders. It has also contributed to meeting the States' government objectives to maintain a healthy Guernsey and Alderney population and a capable workforce. This has been achieved utilising only 37% of the original requested budget: [and that] not all recommendations of the 2009 Strategy have been implemented'

Deputy Hadley, sir, did mention about the dietician, and a midwife breastfeeding expert, and although they were not actually introduced at that time, I accept that as Minister of HSSD, at that time, when the senior responsible officer came along and asked for the second tranche, since they had not introduced all the first lot of actions, the board at that time decided not to prioritise a second tranche until more work was done, using the money that had already been given the HSSD bid.

But Deputy Hadley is quite right in saying that we must progress further. He mentioned bariatric surgery. That sounds an easy solution, tie a band round a stomach and stop it being filled up so much with food. Unfortunately, as he also implied it requires the attitude of mind to be changed by the individual as far as eating habits are concerned, and various other aspects. There is a huge psychological component to this. Type 2 Diabetes is one of the main problems as a result of obesity, but unfortunately, obesity does not just cause that, it is also now almost second, if not highest, cause of liver disease, and cirrhosis of the liver, ahead of alcohol, because it wraps round and infiltrates the liver and stops it working very well. So it is a complex situation, and one that must be addressed.

I would like to ask the Minister, sorry, sir, I do not think I can ask the Minister of Health –

The Bailiff: He has spoken.

Deputy Adam: – because he has spoken already.

The Bailiff: You can ask, perhaps, in general debate you can ask ...

Deputy Adam: Well, the Deputy Minister, how can he feel that they are going to ensure that progress is going to be made with this Strategy? As I say, unfortunately, whether it was lack of coordination, or the staff that were in charge of it last time. The senior responsible officer was in charge of it last time, did not progress it satisfactorily last time. I will accept it has to be progressed across Departmental inter sub-sector coordinating group is probably beneficial, because remember it includes education, it includes exercise, as well as diet, sensible eating, etc.

As far as the £250,000 I can concur with the minister of HSSD that no you cannot have that money, he has had plenty. (Laughter) As far as sugary drinks are concerned, Deputy Hadley mentioned this - one should not tell tales, sir, but I did actually speak to him when he asked me about it, I said didn't you see the report in the Bailiwick news thing that gets sent round some Deputies, which came in on Monday of this week, and this highlighted the fact that Jersey Health Department is recommending a 20% tax on the price of all sugar, sweet and drinks. All the reasons are the same, it is for things like coke, Ribena, sports drinks, to get us drinking less sugar, and reduce obesity levels by 5%. I mentioned this at the T&R board meeting, sorry Treasury & Resources board meeting yesterday, and because, basically, we have been asked to investigate this before, I am sure the Minister of T&R will correct me if I am wrong, because he normally does, and it was said that it may not be that easy. In Jersey it would be quite easy to bring in a tax because, guess what, they have got GST, and what you do is just add it on as an item to sugary drinks, GST plus an extra bit on to that GST. In Guernsey we do not have GST, rightly or wrongly, (Interjection) and therefore it might be more difficult in respect of how it might affect protocol three free trading and various other aspects. Therefore, it would take longer to try and work out a way round that. So that may not be possible but as Deputy Luxon said, I think it should be something that should be considered, because remember anyone who smoked, and how many have stopped smoking, how many years ago they stopped smoking, and why, well probably for their health, or also probably for their wallet, because the price of tobacco has gone up

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significantly over the years, and now actually putting it up much higher will not be all that beneficial because the tax take – sounds terrible – from tobacco imports is falling backwards, it is not increasing as much as it did in the first years. So, it has been beneficial to a lot of people, and we know we have got a smoking rate of about 16%. If you could get the same result from bringing added sugar to drinks tax in, it might have the same long term benefit. Therefore once the initial softer ideas have been implemented, and hopefully, produced some effect, then it may be necessary to take a slightly heavier hammer to try and crack this nut, because if we do not, the cost of medical treatment for all the different complaints that obesity is likely to cause, will increase.

So, sir, I would be obliged if you could take the two items separately, so that people can consider the sugary additional tax, separate from the £250,000, which I trust you will all unanimously reject.

Thank you, sir.

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The Bailiff: It is a single amendment, but I think we can vote on the two parts separately. Yes. Deputy Dorey.

Deputy Dorey: Thank you, Mr Bailiff.

Deputy Hadley mentioned this. It is on page 1278. Tt says:

'Internationally, obesity is now on a par with tobacco smoking as a cause of premature death and preventable ill health.'

In the 2015 Budget we were budgeted to collect £8.4 million from tobacco taxes, from foods which cause obesity zero. In terms of public health expenditure, taking the Tobacco Strategy, some of the Quit Line budget, the public health promotion tobacco control budget, and the amount spent by SSD on drugs used in nicotine dependence, works out at £278,000. The public health spend on obesity was budgeted at £146,000, but only £138,000 was spent. I think the case is made. We have two, which are equally damaging to health and cause of premature death, yet the tax we collect is massively different, and the amount we spend is massively different. I am not saying we will go up to £8.4 million, but I think we should, as we have a policy which is to tax it to deter usage, we should do the same in relation to food which is counter to the obesity strategy and we also need to increase our public health budget we spend in relation to obesity, just as we have a higher budget in relation to tobacco.

So, I will be supporting this amendment.

The Bailiff: Deputy Soulsby.

Deputy Soulsby: Sir, just to start by picking up, I have to pick up, on Deputy Hadley's comment regarding the cost of my amendment. It says it can be £250,000, it has gone up £50,000 since the last time he mentioned it, so, that is conflation for you. Of course, he has got it wrong here, and that is a one off cost, what Deputy Hadley here is proposing, through his amendment, will actually cost the States an extra £1.25 million over the life of this Strategy. So, we are talking apples and pears here.

Now, I do urge Members not to support this amendment.

The policy letter makes it clear that HSSD, Home, and T&R will investigate the potential for the administration and implementation of a tax on sugar, sweets and beverages. Now why do we say that? Not go the full hog and do what Deputy Hadley wants. Well for a start, the evidence of the effectiveness is contradictory. Yes, Deputy Hadley refers to Cancer UK, and UK Health Forum's, view that there is a potential to introduce a sugar tax, but a report published by Christopher Snowden of the Institute of Economic Affairs, just last month, raises considerable doubt on the effectiveness of sugar taxes. From research done on the impact of said taxes in other jurisdictions, the report concludes that:

'Demand for sugary drinks, snacks and fatty foods is inelastic. Consumers respond by switching to cheaper brands of the product, to shopping in cheaper shops. This leads to consumption of inferior goods rather than the consumption of fewer calories. Taxes on sugary drink lead consumers to switch to other high calorie drinks such as fruit juice, milk, or alcohol. Taxes on energy drinks food and soft drinks take a greater share of income from the poor than the rich, exacerbated by low income consumers being less responsive to price changes than the rich.'

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'No impact on obesity or health outcomes has ever been found.'

So, faced with that research, are Members happy to support the introduction of a sugar tax today.

Sir, as I have made clear, more than once, in this Assembly, I believe in making evidence based decisions, and I know I am not the only one here. I cannot agree to bring in an indirect tax, when its effectiveness is open to question, and cannot do it on the basis of purely money raising. On the latter front, we have no idea what there could be raised, and how much it will cost to administer. That is why Proposition 4 says what it does. That is why we should focus on education, and awareness, and consider the healthy carrot rather than the stout stick of yet more taxes. (**Several Members:** Hear, hear.) With the creation of an independent body with the sole purpose of implementing the Healthy Weight Strategy, this Strategy can work. The Strategy to date has hardly been an overwhelming success. More of the same would not represent value for money. In answer to Deputy Adam, we need to engage and partner with others. That includes in terms of funding. It would be easy to say yes to an extra £250,000 a year, but we cannot keep on clobbering the taxpayer. We have to think differently.

So, for all these reasons, I urge Members to reject this amendment.

The Bailiff: Deputy Gollop.

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Deputy Gollop: Well, I thank Deputy Soulsby for her contribution, but I am not always like the healthy carrots and being a bit of a stick. But, I do not want to be one of Deputy Adam's nuts, because I think (*Laughter*) - hard nuts to crack, a sledgehammer to crack a nut, and all the rest of it - because if you look into the points here, Deputy Hadley made reference to the Jersey situation. Well actually in the autumn of last year, their Public Officer of Health Dr Turnbull did suggest that sugar tax be put out to consultation. Since then my colleagues have reminded me that further work in this respect has gone on in February with Senator Green, their Health Minister, proposing such a move. However, the *Jersey Evening Post* did a website, online poll, of which, admittedly only 120 people participated, but 67% were against a sugar tax. (*Interjections*) Now, as has been pointed out, Jersey has a sales tax mechanism and we do not. They also have a more executive Ministerial system of Government, which perhaps means that this kind of policy can go from idea to serious policy in a quicker time. But, let's look at the arguments here. We have had a campaign, moistly successful, at trying to dissuade people in Guernsey from drinking and driving, and for alcohol abuse. Now, clearly as Deputy Soulsby has pointed out, soft drinks are used as an alternative in that context, and now suddenly soft drinks are demonised too.

One further point here is that such a tax is, by definition, regressive, because it does disproportionately affect low earners, and people on benefits (*Interjection*) Yes. It has to be put across that these products are probably disproportionately bought by people who have young families, or in less affluent situations. In the Jersey example, they gave a theoretical example of a 20% tax, raising the price of a soft drink brand from 80p a can to 96p, possible a lot more than that because of the mark-up factor. In reality, there are certain retailers even in Guernsey where you can get such drinks for 50p or less, if you buy bulk. It is not clear how such a 20% margin would be applied, because some people get around it more than others. As Deputy Soulsby related with lower-priced products. I have already seen with the cigarettes that more and more people are buying the lower priced brands, so, in reality, the price of a packet of cigarettes for people remains between £5 and £6, because they just switch brands. If you take that parallel into

the world of soft drinks, well, I remember speaking to my dietician, who was trying to wean me off the soft drinks, and I said well I was good today I drank a lot of fruit juice and milkshakes instead, and she said well they are not much better, because a lot of fruit juices are full of sugar, as are milk shakes. So, one does a lot more thought about this kind of thing, a lot more education, and a lot more consideration of the socio economic effects, and the effects upon the retail sector.

I have to be honest here, that all right you could say I am declaring an interest because, but we are not completely innocent as a States, you go to many public sector establishments, and I am not just talking of The Harbour, or the Airport here, you can find soft drinks for sale, including the Hospital, a vending machine close to the canteen, where you can also buy chips and things like that if you want. Now, that is freedom of choice for adults, and visitors, but I would go further than that, and say we know of well-known supermarket brands, and not necessarily just those owned by capitalist venture companies, but also by co-operative organisations, where there is a lot of sugary chocolate bonbons, and other items, just close to the point of sale, where perhaps young children say, oh I would like some of them, to tempt you to make a purchase. If we are having an anti-sugar policy, on both the financial, and a practical level, we have to go out and take the community with us, and persuade every Department of the States, and every community organisation to be with us, because otherwise this becomes a kind of gesture politics that just makes life harder for the less well off, and the hard pressed corner shop retailer.

The Bailiff: Deputy Green.

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Deputy Green: Sir, like others, I cannot support this amendment either, mainly because of the new Proposition 4 that it would introduce. I can probably just about, on balance, live with the original Proposition 4 in the policy letter, which is essentially to do the job properly, and to investigate the potential for this, in terms of implementation and administration of the taxation. But I certainly cannot agree to imposing that kind of tax on sugared, sweetened beverages only, at this stage. The main point I wanted to make was why, I listened carefully to what my friend Deputy Hadley said, in introducing his amendment, and a lot of the good points he made were perfectly obvious objective points, but why is this proposal for a tax, purely on sugar sweetened beverages. (A Member: hear, hear.) If the evil, if you like, is people consuming too much sugar, it is not only in sugary drinks that people consume sugar. So why be so specific? I think that is the problem for me, and it is something that was brought out in the Appendices in some of the four checks comments that were made in the Survey Monkey Questionnaire on page, for example, 1349 comment 12 on that page, in relation to the sugar sweetened beverage tax idea:

'Not sure about this. I think you shouldn't target one particular food [or] drink. Healthy weight is about moderation in all things. Educating children and parents about sensible choices rather than banning certain items.'

I concur with that fully, in its entirety. The problem with a sugar tax, specifically on beverages, it is totally arbitrary.

I agreed with what Deputy Gollop said about the regressive nature of this as well, clearly this is going to have much more of an impact on lower income families than on anyone else.

The main point is: it is an issue about good governance, if there is merit in this idea then let's leave it to an investigation. And as Deputy Luxon said, something like this should always be a last resort in a strategy of this nature, Healthy Eating Strategy, education, information, empowering people to make the right decisions really. If you simply reach for something like this, right away, where does that leave issues of personal choice and personal responsibility, and wider issues of education?

So, in those circumstances, sir, I will definitely not be supporting this amendment.

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The Bailiff: Deputy Conder.

Deputy Conder: Thank you, sir.

Sir, I was very interested in Deputy Hadley's opening speech, and it was quite persuasive, but, and there is a but, of course, the Deputy Health Minister's speech was utterly compelling for me, and if I had had any doubts at all, her speech persuaded me differently. If Deputy Hadley was to convince me in his summing up it would have to be a very powerful refutation of what Deputy Soulsby said. But, I have concerns about this, because, on a number of fronts, first of all, it seems to be solely, in fact it is solely designed to change behaviours, and the evidence of taxes changing behaviours is limited, to say the least, but more significantly, behavioural change taxes, such as smoking, fuel tax, alcohol tax, are usually just Trojan horses for raising additional revenue, in effect, it is another example of GST by salami slicing, let's just add it on to every service or goods that we can by – and I know that my friend Deputy Hadley is quite keen on GST because he has told me a number of times over the Education board room table. But, if this came in as a

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Deputy Hadley: On a point of correction.

I think that is misrepresenting my views, I have made my views fairly well known on General Sales Tax, and that is that we need to increase the revenue of the States, and if there is no other way to do it. I will listen to the arguments of people like Deputy Parkinson, if there is no other way of doing it, then that is something that should be considered, but to say I am totally in favour of a General Sales Tax, I think is unfair to misrepresent me at this time.

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Deputy Conder: I am happy to withdraw that statement, delighted that Deputy Hadley is of that view, although I did not really stand to debate GST, I seem to remember I have done that once before.

But the point I was trying to make is, that I think that taxes which are designed to change behaviour rarely achieve that. (**A Member:** hear, hear.) My bigger concern is they then morph into a general revenue raising vehicle. How long would it be before we ramped up the tax on, in this case sugar sweetened beverages, simply as a tax raising revenue, a tax raising source, and it would simply become another sort of revenue, and another burden, as Deputy Gollop quite rightly said, a regressive tax and another burden on those who can least afford it.

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Far better, as Deputy Green said, and I think the Minister said as well, to use education. Education will work in the end, it takes a long while, but if we reflect on cigarette smoking, it was not the tax that reduced significantly the number of people smoking cigarettes, it was the gradual drip drip of education, and the clear evidence of the harm smoking did to people, that has so significantly reduced the number of people who use tobacco products.

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So, in conclusion, Deputy Hadley's opening speech was powerful, but for me, he would have to very, very significantly address the issues that Deputy Soulsby raised, which I though was a very, very strong case for rejecting this amendment, and I would recommend colleagues to reject it unless Deputy Hadley is able to convince me otherwise.

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The Bailiff: Deputy Brehaut.

Deputy Brehaut: Thank you, sir.

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As a child we used to look for bottle dumps, all around Guernsey – bear with me – when we used to dig up these bottle dumps, the thing you would find more than anything else is the Dundee marmalade jar, that is because from 1850 to 1879 Dundee marmalade was manufactured on Guernsey to avoid the sugar tax in the UK. So sugar tax is something that has being revisited before.

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Can I say in support of what Deputy Hadley is saying, he is absolutely right to talk so explicitly about obesity, because obesity is here and now, and it has been with us, actually, for longer than people probably think it has been. The rather difficult conditions where even before people go into hospital, they have pressure sores on their lower back, on their hips, and even the weight of sheets on your toes can give you quite dreadful injuries when you are older, and you have obesity. So we all appreciate that there is a real health issue here, and it does need to be tackled. But, it is

just simply a longer game than that. If we look at the way we dealt with drug and alcohol abuse, the way we have dealt with tobacco, and the way we dealt with smoking in public spaces. It was a much longer game than that, and there is a role for education here. I was at a supermarket not so long ago, where a young woman pushing baby buggy with a toddler on each of the stems of the buggy, both of those children, young children, had high energy drinks, and it is not their fault, and we know it is not the mother's fault either, because it seems a treat, and as Deputy Soulsby pointed out, that young mother, that young father, would just go to the cheapest source that they can, and the cheapest source does not necessarily mean the best. So, I am supportive of where Deputy Hadley wants to go, but I think, pragmatically, it is just a much longer game than we think it is.

Incidentally, my daughter has an app on a telephone where you scan through the bar code, and a small bottle of ketchup, tomato ketchup has about 36 spoons of sugar in it. So you find sugar where you, I suppose, these days you sort of expect, but where you really probably perhaps least expect to find that volume of sugar. Also we have not even touched on sodium chloride or salt, with regard to blood pressure, so I think the education again... You understand the arguments now the public understand there is an obesity issue, but it is rather the longer game with regard to the public education and awareness, than the first port of call regarding tax.

Thank you.

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The Bailiff: Deputy Le Pelley.

Deputy Le Pelley: Thank you, sir.

When Deputy Hadley asked me if I would second this amendment, I was quite happy to do so, but I did so in the knowledge that it was in two parts, and I am very grateful to you, sir, for saying that you would consider us looking at the two separate issues 4 and 8 separately.

If I can take the first one first, looking at the sugar tax. We are in a situation now where this sugar tax idea ... and the idea of looking at obesity started in 2009. We are already seven years down the road, and that is a long time. We are talking about 63,000 people that could possibly, I think it was 63 million people in the UK, could be three and a half thousand people that could be affected. Tone it down to Guernsey what the ratio is, how many people in those last nine years, how many more people in the next 10 years are going to actually be getting themselves fatter than they need to be, fatter than they should be, unhealthier than they should be, ulcerated, possibly getting insulin problems, and possibly having to have amputations - things that could be avoided. Are we actually, by delaying, and delaying, and delaying going to allow that kind of thing to happen?

Now it is guite possible that we can say well, you know, the actual HSSD Department knows about it, it has got a little policy letter that is on its way, but if I had not, and Deputy Hadley had not, put this amendment forward, this might have just been nodded through, in a two minute, well thank you very much indeed, yes it all makes good sense we support it, get on with it, done. But, I think it is rather good that we have actually stopped, and we have had a decent investigation of what this is all about. Because it matters, it matters to me, it matters to you, it matters to the population of this Island, now and in the future. We are going to have, in the next 10 years or so, school children going through their schools who will be open to all sorts of influences, both in the school and outside the school, but influences where they are going to be having all these very sugary drinks, we have talked about obesity, what about rotten teeth, I have had to have some dental treatment, it is probably why I have not spoken too much in the first two years here, I was going through quite a lot of dental treatment, and that was not all down to acidic drinks, but there will be children who will be suffering through the rest of their lives because they have not had good sensible drinks. We do need to address that. Now, whether this No. 4 gets through or not, for me, I would like it to get through, but if it does not, if all we have done is raise the awareness of this Assembly, if we raise the awareness of people out in the Island we have done something.

When it comes to the second section, which is the Section 9, they are talking about the funding. Well it is not just funding out of HSSD is it? Because if we actually get this right, and we actually improve the wellbeing of our population, we are going to be having an awful lot less being claimed on supplementary benefit. Think of how much money, perhaps the SSD Minister will jump up and give us some facts and figures, but how much money is paid out to people who are suffering as a result of bad diet, poor eating, poor drinking, too much taking in of sugar, that has resulted in them being unfit for work, or medically incapable of actually running an ordinary day life. SSD will make savings in the long term. It impinges, obviously, upon HSSD, it is going to impinge upon Education, it is going to impinge upon Culture & Leisure, or whatever their successor bodies might be, because all of these things, if you are unhealthy prevent you from actually having an active life. Now, I was listening to the radio this morning, and they were talking now about a youngster who is born today, having a life expectancy of 95 years. Now, we have got all sorts of clever medical procedures that can take out lots and lots of illnesses, and we could have people living to the age of 95, with 40 odd years of absolute agony because they actually have had a very poor life style early on, and they are suffering for all those years, purely because we did not take the proper adequate steps to actually make things better for them. Now we are talking about £250,000 per annum, how much money over 10 years could be saved by society if people were educated properly about their intake, and actually changed their lifestyles so that they actually had a better health, a better enjoyment of life, and a better foreseeable future, and not only for them, but for their children, and for their children's children.

Ladies and gentlemen, I do ask you to think very, very, seriously about these two issues. The amendment is in two parts, if you think that going down the road of putting a 20% tax on sugary goods is a step too quick, fine, turn the amendment down, whatever you do, please do not turn the second section, the new section 8. It does not have to all come out of HSSD, I think other Departments could easily chip in a bit as well, because it is going to be beneficial to more than just one Department.

I sat through an interesting presentation by the Chief Executive Officer for Guernsey, Paul Whitfield, he address the Douzaine Liaison Group on Monday of this week, and he was talking to us about silo mentality, and the idea that we have to break away from just one Department being interested and involved in just one thing. There are many things in this Island which are multi Departmental, where things have to be considered by more than one Department, where you have to involve your experts that come in, and not just sort of have a silo effect. This is one of those, where we do not need just HSSD looking at this, we need several Departments looking at it, and we need education, we need a willing population, really, to actually listen to what is going on here, to realise that for their own benefit, they would be well advised to stay away from too many sugars. It is not only sugary drinks, I take the point, it is lots and lots of sugars which appear in many, many different foods. But, please, please, please, be aware if you cannot support the first section of this, please support the second. As amended I hope you support the lot.

Thank you, sir.

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The Bailiff: Deputy Le Clerc.

Deputy Le Clerc: Thank you, sir.

I am afraid I am going to have to disagree with Deputy Le Pelley, and ask you not to support either of the proposals. I think for the new Proposition 4 people have already spoken, I think, at the present time it would be too difficult for us to collect. I think we do have to see what is going to be, perhaps, implemented in the UK, and there may be some way that we can leverage off of that, and see what happens in Jersey, but we have not got a mechanism at the present time. I think the right thing to do is support the Department's Proposition 4, which is asking for an investigation. I do not always encourage the waiting game, but I think on this we do need to have a waiting game.

Picking up on Deputy Green's point, about why was it limited to beverages, I think it is limited to beverages because beverages, sweet beverages have that hidden sugar, people are not always aware of how much sugar content there is in these beverages. Again, I think longer term it may be easier to collect on that than it is perhaps on other items, and perhaps that is a soft target, but again that may be another reason why we should wait and see the outcome of other jurisdictions.

Last night was very interesting, I switched on the news, and it was talking about a new garden city being developed in Ebbsfleet designed to improve health, and interestingly enough they were proposing that there were to be no fast food outlets in this new garden city area. We are really fortunate in Guernsey, because we do not necessarily have the same fast food outlets that there are in the UK, and I will not name names in the Assembly but I think that really is a fortunate thing, so we have already got a head start on some of these other areas in the UK. So it will be interesting to see the developments going on in Ebbsfleet and how they deal with it.

I think it is a really important that we do set an example, and I do agree with Deputy Le Pelley on one thing, and that is that we need to educate. Last month I stood before you and talked about the Children & Young Peoples Plan, and the 1,001 Days, and this is all tied up. All these strategies interlink. The next strategy we are going to debate about the Breast Feeding Strategy is all about education, and that 1,001 Days is picking up and helping mothers understand what is best for their children from an early age. So, I see this as part of that, those bigger strategies all working together.

When this paper was brought before the board, we talked about, well, what are we already doing, what can we do to improve, and I said I was not prepared to stand here before you today without making sure that we are already making some improvements in our own house, and I know we have made some changes to what we are now providing in the canteen at the PEH. Perhaps it has not gone down as well as we had hoped on all fronts, but anyway we are providing some different options, and less sugary options of sweets and snacks. One of the things that was highlighted to me by a parent, was what was actually being provided in schools, and available in schools, and one of our schools we offering 'slush puppies', and I do not know if everyone knows what they are, but they are sugary drinks that are coloured bright blue and bright red, and we were serving that in the canteens to young people. I know that Education have already taken the steps to remove some of those sugary drinks in schools to prevent that. Now, that does not mean that people cannot leave the school in the lunch hour, or after school, and they go out and buy other drinks at the corner shop, but at least we are starting to make some progress within our own Departments, and I hope that education, education, education is the way forward. It need not necessarily cost the money, and therefore I urge you to turn down these proposals and stick with the recommendations in our main policy letter.

Thank you.

The Bailiff: Deputy Gillson.

Deputy Gillson: Sir, this is an interesting amendment, and one I will comment on, firstly from a Home Department point, and secondly a personal perspective.

From the Department perspective the comments are not in relation to benefits of this tax from a health perspective, but the practicalities, because, it is likely that the Guernsey Border Agency would be the collecting agent. Regarding the practicalities of the sugar tax being charged as customs excise duty, sweetened beverages would need to be added to the list of goods on Schedule 4 of the Customs Law, and as such there would then be classed as goods liable to excise duty, and duty could then be collected in the way that other duties are. The most significant factor of this would be the practical point of identifying the goods at point of importation, because currently they are brought in under the generic term of food stuffs, so there would have to be an education of shippers, and importers, and carriers, to make sure that there are correct declarations, initially that would, I think, involve more staff time, but I am sure that that would

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settle down as importers got used to the requirements of manifesting, listing these on manifests separately.

The second option would be as a sales tax, and that could either be by the shop retailers having to do it, or as a form of GST, and our existing electronic manifest system can be modified to be able to provide that functionality. So, from a practical point of view such a tax could be collected either as a duty or via the manifest system.

A major consideration for the Department would be the costs of the changes to IT, or the costs of additional resources in collecting such a tax, and so it would be important that an amount of the proceeds would need to be allocated to the Home Department's budget, to fund the collection of those taxes, and that is just something which would need to be considered when setting the level of tax.

My personal perspective, I quite like, at least, the first part of the amendment. We know obesity is a growing issue, we know it is a major issue, we just need to look at other countries, where they have not taken action early enough. Now, I also accept that obesity is not down just to sugary drinks, that other foods, people have mentioned it, other foods are an issue. Our sedentary life style is an issue, but just because sugary drinks are only part of the problem is no reason not to address them, we can make a start with them. Now sometimes I am surprised that I have not hear the words 'Nanny State' used, (Laughter) because this is suggestion that we are heading down a 'Nanny State' that we should allow people to make their own decisions. I admit to a degree that would be my starting point, but I do not accept that in this case, and the reason why I do not agree with that, is at the moment there is a real inequality of arms between the public and the marketing machinery of the food industry. If we were in the 1950's where you had small corner shops, and very little hard advertising, there would be no need for such tax, in fact, there was no need for such a tax, but the world has changed, the food industry is a very sophisticated business, it employs hugely sophisticated marketing and advertising. Many of these are virtually subliminal methods which almost, in effect, bypass conscious decision making of people, and that is why my comment about an imbalance of arms, for the poor, and general public, trying to fight against the advertising and marketing, it is an uphill battle, so I think that this is a situation where it is good to step in.

Now, when I read the report I was a little disappointed that Proposition 4 just says to investigate it, because I am not sure what is hoping to be found out of an investigation. We know the adverse impact of these drinks, we know price reduces demand, we know reduced demand will end up with reduced consumption, and therefore healthy outcomes, or at least a reduction in less healthy outcomes. So, I think that this is a situation where let's not kick the can down the road, let's make a decision, so that we can then progress a real tangible effort to improve public health.

Now, I cannot support the second part, I cannot support the second part because it pre-empts the budgetary process, and at a time when our predicted budget for 2017 is a deficit budget. So, this, I think, would not be good government to do that. So, I urge Members reject part two but please support part one, obesity is a growing problem, we can see in other countries just how serious it is. Let's start doing something, taking some action before it gets to be a major, or even bigger problem over here.

Just addressing one point about education. Yes, education works, and hopefully, it will work, but in the case of tobacco it did not work alone, education and taxes combined worked. So let's not wait, let's take some action now to try and get this Island to be a healthier place. Please support part one.

The Bailiff: Deputy St Pier.

Deputy St Pier: Sir, I think Deputies Soulsby and Green, I think, best summed up my position on this amendment, which is why I cannot support it, sir.

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Whether we will end up with a sugar tax, one day, as part of the Strategy, I personally think this is perhaps quite likely, that may well be the end game, but we should be making, as Deputy Soulsby said, an evidence based decision, and we simply do not really have all of that before us. Seeking to introduce a new tax on the back of a 3½-line amendment, I would suggest, sir, is inappropriate. As Deputy Soulsby said we have got no idea of what the costs would be of such a system, and how much revenue it would raise, and that is, of course, precisely why we have Rule 15(2) which we suspended, so that the Treasury & Resources Department would be in a position to give the States some kind of advice, as to the financial implications of what is put before them. I cannot give that to you, at all, today, so the States would be voting the introduction of this new tax completely blind as to its financial implications. So, whilst I think it is seductively attractive, perhaps like some of the crème eggs next to the check-out that attract Deputy Gollop, as he referred to, it has that seductive attraction, but I urge Members to go with the Department's recommendation to do this investigation properly, so that we can make a fully informed decision rather than doing it in the way that it has been done, at short notice, and we know it is short notice, because we have had to suspend the Rules to allow it to be admitted.

As regards the new Proposition 8, and finding additional funds, again Deputy Gillson has absolutely summed that up, we have had this debate now numerous times in the last couple of months, for seeking new funds for various things. Deputy Hadley is in a perfect position, as a member of the Health & Social Services Department board, to ring fence £250,000 from within their budget, if he determines, if they determine that this is the right priority out of their £118 million budget. That is the way that this should be dealt with, by the Health & Social Services Department, should they wish to do so by majority. They clearly do not, which is why they have presented the proposals which they have, which clearly Deputy Hadley does not agree with, which is why he has brought the amendment.

So, sir, I do urge Members to reject this amendment.

The Bailiff: I see no-one else rising.

Deputy Hadley will reply.

3100 **Deputy Hadley:** Mr Bailiff.

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First of all thank you Deputy Luxon for your kind words.

The funding that I would hope to get to the Department would, of course, be ring-fenced, and it is a strategy to deliver savings.

Deputy Adam pointed out that the incidence of liver disease. We could go on. I know there is also an increased incidence in joint diseases as a result of overweight. It does emphasise what a wide ranging issue this is.

Deputy Dorey I thank for pointing out that considering that obesity is now as serious as smoking, there is no comparison at all with the efforts we are putting into it.

Deputy Soulsby mentioned that there is no evidence base for this, well, you know, I would expect an accountant to start using statistics, because you can – and I always remember lies, damn lies and statistics, because –

Several Members: Oh!

Deputy Lowe: Point of correction, sir.

I did not mention statistics at all; I am an accountant and not a statistician.

Deputy Hadley: If you listen to Mr Knight who is the head of health improvement in Jersey, he has put a paper through for the Treasury Minister there, and the Treasury Minister there does support a tax on fizzy drinks, that is Senator Green, and the paper they put in Jersey says that the sugar tax is already proving to be effective in Finland, France, Hungary, Ireland and 38 States of America. Mr Knight said what we see, internationally, is that those jurisdictions get much more

public support when the tax is put not into the Government pot, but is ring-fenced for improving children's health generally.

Whenever you start talking about evidence, you are always going to end up with conflicting views as to what the evidence is. (*Laughter*)

I think it was Deputy Conder that said 'why should we follow the lead of the UK?' was it, and 'why is it just linked to beverages?'. Well, what I am trying to get us to do, is to follow the advice of the Medical Officer of England, and her anger with David Cameron, who initially said that he was going to introduce the tax, is quite evident.

I think it was Deputy Conder who spoke about tobacco taxes not being effective, well I think there is a huge weight of evidence that tobacco taxes have been effective in reducing the incidence of smoking.

I thank Deputy Brehaut for his support, and indeed for Deputy Le Pelley making the points that he did.

It is interesting that Deputy Gillson mentioned that he would support tax on sugary drinks, and I think he has made a number of points that it is not just one thing, but it is a whole question of issues.

He spoke about the imbalance, the food industry has a huge advertising machine to try and get people to make bad decisions, and we have got to try and combat that. I think he referred to it becoming a bigger problem, well emphasising it is a big problem, we have people on this Island who are too obese to be cremated on Island and have to be shipped off to England. We have got people who are being moved by forklift trucks. I mean this has actually happened. I think people should treat this as a very urgent issue.

Interesting to hear Deputy St Pier wants evidence based decisions. I hope Members will remember that when we debate the Education Policy. (Interjections)

Of course, the whole point about a tax on sugary drinks is to push people in the direction of lower calorie drinks, and indeed, I think there is one Member of this Assembly that drinks Coca Cola quite a bit and we have tried for years to try and push him or her to a diet coke, and that is what this policy aims to do.

I think if people really believe in health prevention, which is supposed to be one of the core principles of the Health Department, our 2020 Vision, I cannot see why you would oppose two measures which, genuinely, will reduce obesity. I do find it extraordinary that all the other members of the Health & Social Services Department board are against measures to reduce illness on this Island.

So, Mr Bailiff, I would ask for a recorded vote.

Deputy Luxon: Sir, point of correction, if I may.

I just thought I would wait until Deputy Hadley had finished, the final sentence was just completely and utterly inappropriate, and not reflecting the board's positon. Of course, we absolutely agree, as I said with all of the Strategy, we just do not believe in implementing it in the way that Deputy has proposed.

Thank you, sir.

The Bailiff: Well, Members there is a request for a recorded vote. I indicated I would put to you the amendment in two parts. So first of all you are voting on the proposal to insert a new Proposition 4 in place of the present Proposition 4, the effect of which would be to instruct Policy & Resources Committee to introduce a tax on sugar sweetened beverages in the Budget for 2017. So you are voting on paragraph one of the amendment.

Greffier.

There was a recorded vote.

Not Carried - Pour 7, Contre 36, Ne vote pas 0, Absent 4

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POUR	CONTRE	NE VOTE PAS	ABSENT
Deputy Gillson	Alderney Rep. Jean	None	Deputy Stewart
Deputy Le Pelley	Alderney Rep. McKinley		Deputy Trott
Deputy Fallaize	Deputy Harwood		Deputy David Jones
Deputy Collins	Deputy Kuttelwascher		Deputy Spruce
Deputy Dorey	Deputy Brehaut		
Deputy Sillars	Deputy Domaille		
Deputy Hadley	Deputy Langlois		
	Deputy Robert Jones		
	Deputy Le Clerc		
	Deputy Gollop		
	Deputy Sherbourne		
	Deputy Conder		
	Deputy Parkinson		
	Deputy Bebb		
	Deputy Lester Queripel		
	Deputy St Pier		
	Deputy Ogier		
	Deputy Laurie Queripel		
	Deputy Lowe		
	Deputy Le Lièvre		
	Deputy Duquemin		
	Deputy Green		
	Deputy Paint		
	Deputy Le Tocq		
	Deputy James		
	Deputy Adam		
	Deputy Perrot		
	Deputy Brouard		
	Deputy Wilkie		
	Deputy De Lisle		
	Deputy Burford		
	Deputy Inglis		
	Deputy Soulsby		
	Deputy Luxon		
	Deputy O'Hara		
	Deputy Quin		
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The Bailiff: Members, the voting on the first part of the amendment was 7 in favour, 36 against. I declare it lost.

You vote now on the second part of the amendment, which is to insert a new Proposition 8,

'To direct the Policy & Resources Committee to allocate a ring-fenced £250,000 annually with effect from 2017 to fund the New Strategy.'

Voting on part two of the amendment.

There was a recorded vote.

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Not Carried – Pour 4, Contre 39, Ne vote pas 0, Absent 4

POUR Deputy Gollop Deputy Le Pelley Deputy Dorey Deputy Hadley	CONTRE Alderney Rep. Jean Alderney Rep. McKinley Deputy Harwood Deputy Kuttelwascher Deputy Brehaut Deputy Domaille Deputy Langlois Deputy Robert Jones Deputy Le Clerc Deputy Sherbourne	NE VOTE PAS None	ABSENT Deputy Stewart Deputy Trott Deputy David Jones Deputy Spruce
	Deputy Sherbourne		

Deputy Conder

Deputy Parkinson

Deputy Bebb

Deputy Lester Queripel

Deputy St Pier

Deputy Gillson

Deputy Ogier

Deputy Fallaize

Deputy Laurie Queripel

Deputy Lowe

Deputy Le Lièvre

Deputy Collins

Deputy Duquemin

Deputy Green

Deputy Paint

Deputy Le Tocq

Deputy James

Deputy Adam

Deputy Perrot

Deputy Brouard

Deputy Wilkie

Deputy De Lisle

Deputy Burford

Deputy Inglis

Deputy Soulsby

Deputy Sillars

Deputy Luxon

Deputy O'Hara

Deputy Quin

The Bailiff: Members, the voting on the second part of the amendment was 4 in favour, 39 against. I declare that part of the amendment lost, and hence the whole of the amendment lost.

We come to general debate.

Deputy Sillars.

Deputy Sillars: Thank you, sir.

On behalf of the Education board, and colleagues, across all the Island's educational establishments, I am pleased to comment on the crucial role that is played by everyone in education to support this Healthy Weight Strategy, and to promote healthy lifestyles. Staff from the Education Department, as well as all Island establishments, have contributed significantly to addressing the issues of obesity, and unhealthy lifestyles. In recent years schools have been at the forefront of initiatives to make young people aware of the benefits of healthy lives. Education board recognises that healthy eating, and physical activity, will be key determinants in the wellbeing of future Island populations.

Children's diet has deteriorated significantly over the last few decades, and has become a major cause of concern, with rising rates of obesity among young people. Eating and physical activity patterns have changed dramatically. At the same time our physical activity has fallen substantially. This current unbalanced diet, and low activity lifestyle, of many children affect their health profoundly. With both short and long term effects. Guernsey is not immune from those global trends, and I recognise that Guernsey schools, and educational services, are well placed to play their part in supporting this strategy, which will introduce an Island-wide approach to tackling obesity, and as importantly, to encourage positive healthy lifestyles. Schools and education services have a unique role in the community, and can be pivotal in getting across messages regarding health lifestyles to students and their families. In addition, food and nutrition play an important role in helping students to learn effectively, and schools and services need to give all young people uniform messages about every aspect of health and wellbeing.

All sectors of the Island's community must play their part in supporting the Strategy. In the previous Strategy the lead actions were undertaken predominantly by HSSD, the Sports

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Commission, and the Education Department. This is to be expected as these organisations were well placed to effect change. However, I am pleased to see that the focus of the next Strategy is that the Island community will work together. Spearheaded by an independent body, who will oversee the delivery of the Strategy. Engagement with private organisations, for example food suppliers, will enable the coordinated community based approach, to support healthy eating habits, and communicating positive messages. I am especially pleased to endorse the Strategy as it reinforces many of the principle that we have adopted in our work as an Education board over the past four years.

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One, the Strategy is based upon a robust evidence base that very clearly set of indicators. Self-reported data such as the young people and lifestyle survey, and the recent development of the Guernsey Child Measurement Programme, will create evidence from which longitudinal comparisons will be drawn. The Strategy recognises the value of investment in early years education, physical activity is vital for a child's development, and lays the foundations for a healthy and active life. Equally, pre-school environments will be well placed to provide food, that is nutritious, and of good quality. Early childhood services, such as pre-school education, are ideally placed to foster the development of good physical activity habits, and lifestyles, early in life, and to encourage families to engage in regular physical activity and healthy eating. Three, the Strategy acknowledges health and social inequalities, and seeks to address them through its proposed actions. The impact of social inequalities on health is well established, the lower a person's socio economic position in society, often the worse their health. Health Weight Strategy has identified addressing health inequalities as an explicit goal, with clearly defined work streams, looking to support those who are most vulnerable to obesity, and the lack of exercise.

This Strategy aligns with other strategies in the States, especially the Children & Young People's Plan, which was approved only last month by us. 'Healthy and active' is recognised as one of the four priority outcomes alongside 'included and respected'; 'achieved individual and economic potential'; and 'safe and nurtured', and the plan has set a clear criteria for improvements over the next five years. Young people will report that they have more places to go, and things to do, in the winter months. There will be a rise in access, and participation rates, and will be a reduction in childhood obesity.

It is impossible to capture everything that our schools are doing to support this Strategy. School communities are places where healthy habits can flourish, especially when working alongside all partners who provide young people with the same healthy message in the home, the school, and the wider community.

However, I want to highlight some of the key activities, and actions, that we have undertaken, and will build upon in the coming months.

Healthy eating – the Education board recently approved the introduction of a policy directive on food in Guernsey schools, which set out a consistent approach to food and drink provision, throughout the school day, for all Guernsey schools, and education services. In particular, the directive will, ensure that all food provided by educational establishments, throughout the teaching day, adheres to the Guernsey Schools Food Standards, implement a curriculum that includes learning associated with healthy balanced diets, enabling young people to make health food choices, and it will also require education establishments to work in partnership with parents, carers, and young people, to provide healthy eating advice relating to lunch boxes.

Physical activity – Guernsey schools understand the value of helping young people to become active, and do not underestimate the commitment that is already made to physical activity. Evidence from the most recent Guernsey Young Peoples Survey of 2013, indicates that participation rates in physical activity have increased since 1997, and exceeded those recorded in England. However, there are some particular issues that we must address. Participation rates drop off over the age significantly more activity is recorded in year 6 than year 10. As significant number of young people are not engaged in physical activity, and profiles of those young people who do not participate in sport are of concern. Lower self-esteem, more risk taking behaviour. Activity in sports clubs varies across the different schools attended. This Strategy will give schools,

and education services, the opportunity to work with the wider community to develop healthy lifestyle opportunities for the Island's youth.

The active curriculum is now firmly embedded, especially in our primary schools, where pupils study all subjects through being active. To support this schools, and services, will be pursuing these key initiatives in the coming months, and I am pleased to provide some examples of the developments.

Firstly, the establishment of the principles of physical literacy to be incorporated into the Guernsey curriculum framework. P.E. sport and physical literacy have an important role to play in raising standards, and narrowing the achievement gap. Research has shown how placing P.E., sport, and physical literacy, at the heart of a broad band curriculum can improve attendance, behaviour, and attainment. P.E., sport, and physical literacy build self-esteem, teamwork, leadership skills, and are also important because they can help build an inclusive society, raise levels of participation in sport after young people leave school, and positively affect the health of the nation. A physical literacy policy is being established, which will outline the role that physical literacy will play in the Guernsey Curriculum,

Secondly, the introduction of a revised Guernsey based Healthy Schools Award. Guernsey has been running a healthy schools programme, in various forms, since 1999. The Education Department will revise the healthy schools benchmarking tool, so it will be more attainable for schools, but will enable them to assess, and review, their current practise and provision. It will link into self-evaluation process for schools. How good is your school, which requires schools to consider aspects such as, how healthy living, healthy promotion are built into its culture. The proposal new Healthy Schools Award will enable schools to judge the quality of their current provision for children, and young people's health, and wellbeing, and identify any shortcomings that need addressing.

Lastly, I am pleased to note that the Healthy Weight Strategy runs from 2016-2023. This means the Strategy will incorporate the 2021, when we are expecting Guernsey to host the NatWest Island Games. Based on the previous experience of the Island Games in Guernsey in 2003, this will provide the Island with a special opportunity to establish a step change in promoting physical activity amongst young people in Guernsey. The Games themselves will provide 3,000, or more, athletes from 24 Islands, competing across 14 sports. Activities during the week, and in the year before, based on previous experiences will include volunteering, and work experience, during the events. In 2003 150 work experience placements were arranged to support the Games. Officiating – pupils can be trained to take part as officials. Associated events – festivals and tournaments can be organised by the participating sports in the run up to the Games. The Games also offer an opportunity for celebration of cultural activities with an Island focus. The Island Games of 2021 offers Guernsey an opportunity to work with the Island Sports Community to establish a five year plan to inspire young people to participate in all aspects of healthy lifestyles.

Thank you, sir.

The Bailiff: Deputy Lester Queripel.

Deputy Lester Queripel: Thank you, sir.

Sir, I will start by praising the Department for producing this report, and bearing in mind we now live in a screen watching society, which renders the majority of us inactive for long periods of time, everyone involved in progressing this Strategy certainly has their work cut out, and I wish them well.

Having said that I appreciate that we all have a part to play, of course, but we as individuals can only do so much, and with that in mind I do have some questions for the Minister.

On page 1278, we are told that HSSD are going to be investigating the provision of electric bicycles for all staff members. I have been there, and have an electric bike myself, sir, I applaud that intention. But I am concerned about the potential cost to the taxpayer.

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The Bailiff: I think I need to interrupt you, we have become inquorate as a result of some Members –

Deputy Lester Queripel: It is because I am speaking, sir.

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The Bailiff: – leaving the Chambers. So, we will see if anybody is willing to come back in. There are no doubt people listening in the library, if not we will have to adjourn, and rise, until there are enough people in the Chamber for us to continue.

3320 **Deputy Lester Queripel:** It is because I am speaking. (Interjections)

I will get a complex, sir.

The Bailiff: We need one more person to come back in, and then we can continue. Right, you may continue Deputy Queripel.

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Deputy Lester Queripel: Thank you, sir.

Sir, just picking up on the point of the electric bikes. I might be somewhat premature in asking this question, but bearing in mind an electric bike can cost well over £1,000, and bearing in mind the Department employ over 2,000 staff, we could be talking about a lot of money here. So, my question is, is it the intention of the Department to use taxpayers' money to purchase those bikes for staff.

My second question is this, will the Department be working with Jersey on this strategy. The reason I ask that is, because while I am aware there is reference in the report to the colleting of data in Jersey, I am also aware that Jersey recently piloted a scheme whereby obese Islanders were involved in a combination of weight watcher's classes and P.E. lessons. The intention was to establish whether or not taxpayers' money should be spent pursuing that approach. I would also like to ask are HSSD aware of the results of that scheme that recently took place in Jersey.

My third question relates to the paragraph 4.18 where we are told that the Department would like to increase the opportunities for all States' employees, and visitors to States' Departments, to indulge physical activity on States' premises. Well, sir, one's imagination could run riot thinking about that. So, I would like clarification on a couple of points please, and the first being, does that mean that Departments will be expected to set up gymnasiums, within their own space, and also will the participants in this physical exercise be able to shower, on the premises, after they have exercised.

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I want to emphasise, sir, it is not my intention to discredit the Minister, and his Department, in any way, but I am concerned that taxpayers' money could be spent on pursuing, what could be an unrealistic, and unobtainable, aspiration in that respect.

In paragraph 4.24 we are told that

'The New Strategy will provide support for... people who want to change their eating habits, [their] levels of physical activity and [their] weight management behaviours...'

And we are told that this will be done

'...through further development of the Health Trainer Service.'

And we are told, sir, that

'...Health Trainers are trained to use "specific psychological techniques of engagement and support" aimed at assisting people to "redefine their behaviour issues and put change into practice".'

My question is this, sir, how will this service identify, and reach out to, lonely people in our community who, for whatever reason, barely leave the sanctuary of their own home. I ask that question knowing full well we are told in paragraph 7.1 that

'A proactive communications plan will be developed to engage with islanders to encourage all to commit to the principles behind [this Strategy].'

I am wondering, sir, how that would work in the case of a lonely person who lives a life of isolation.

We are also told in paragraph 4.25 that

'The New Strategy will... seek to obtain feedback from service users...'

But, many of our lonely people are not service users, so that will not work for them. I realise, of course, sir, that a lonely person could contact the Health Trainer Service, but they might not want to do that, for fear of being put on a strict diet and exercise programme, and perhaps the approach of a befriender would be to simply connect with that lonely person, and gain their trust and confidence, and then over a period of time the befriender could gradually encourage them to review their eating habits.

We are also told in paragraph 4.22 that the Working Group will identify gaps in service provision, and produce a business case for change. But we do not really need a business case for lonely people, because we already know loneliness has a similar effect on health as smoking, and is a greater risk to health than obesity. We were told that on page 534 of the February Billet. So, just to emphasise, sir, I do not think we need a business case for that. It seems to me what we do need is a befriender service.

It concerns me greatly, sir, that neither of the words lonely, or loneliness, appear anywhere in this 153 page report. Yet, we are told in paragraph 3.8 that

'...many [casual] factors are part of the wider determinants [for] health, for example poverty, environment and commerce.'

I think that loneliness should have really been included in that list. Because lonely people do tend to feel isolated, and many of them resort to comfort eating, and I was only too aware of that when I was a practicing complementary therapist. So, I look forward to hearing what the Minister has to say when he responds, sir.

In closing, sir, I think I am right in saying, that when I offered my services to the Minister to help his Department's befriending scheme, he said he was reluctant to take up my offer due to the fact that we are so close to a General Election. I may have got that completely wrong, sir, and if I have then I apologise to the Minister, but I would like some clarification on that point, please, because the Election is over seven weeks away, and surely we could at least make some progress on a befriender service in those seven weeks.

Thank you, sir.

The Bailiff: Deputy Collins.

Deputy Collins: Thank you very much, sir.

I do not really have very much to say, which is often a surprise on this subject. (*Interjection*) Sit down, get your vote, good idea.

Just like to say, to praise the Education Minister, Deputy Sillars, for his speech, and outlining some of the, unfortunately, he is not in the Chamber at the moment, some of the comments he made. As we know within this report there are lots of goals for the Guernsey Sports Commission, and I do hope, in years to come, that we can find them some extra funding to be able to push them a bit further.

I must admit I was a little bit disappointed with the letter of comment from Culture & Leisure, because it did not praise up the Guernsey Sports Commission, I think, I have given them a hard time recently, but as pointed out they have maintained the funding, so they have, at least, gone some way to help push along people to be more active. Where would we be without the Guernsey Sports Commission and getting more people more active, I do not know.

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Just in closing, sir, I do support the whole Strategy, and the actions in here, and I do hope Members will support it all.

Thank you.

The Bailiff: No-one else is rising. Deputy Luxon will reply to the debate.

Deputy Luxon: Thank you, Mr Bailiff, I will be brief.

Sir, Deputy Kuttelwascher, when we met with T&R said to me in a very constructive way, no way will this Strategy work, it is just like all the other strategies. I hope he does not mind me sharing – he is not here so it does not matter – (*Laughter*) I hope he does not mind me sharing that, because I understand that we do have strategy synergy, apathy to some degree, or fatigue, but this Strategy can work, sir, and again I would remind Members of Deputy Hadley's comments in his amendment opening speech, which, really, I would have been pleased to have made as Minister opening the debate.

I would like to thank Deputy Sillars, both himself, and his board, and his Department, and indeed the children, for genuinely engaging. It is fair to say that HSSD, and Education, have an absolute lead role to take, in terms of the preparation for this Strategy being rolled out, because of the natures of our mandates, and the nature of the people in our community that we serve, and provide services for, it is important that we set a good example, and there have been times when, perhaps, we have been too busy to look inwardly on our own doorstep, but I do thank Deputy Sillars, and his Education colleagues, for their support, both in implementing early parts of this Strategy already, but also for his, and his team's, support of the Strategy itself.

Sir, Deputy Queripel asked a few questions, so no, through you, sir, if I could say to Deputy Queripel, sometimes when something is written in a policy it does not need to be taken literally. So, no it is not 2,343 electric bikes for £1,000 a go for all members of the HSSD workforce. The point is, providing electric bikes, perhaps, instead of pool cars, for instance, so there would be a swap of cost, if you like, is an idea that we are looking at, not just for this Strategy but also for the parking solutions to the PEH campus. So, no, we are not suggesting a massive expense for HSSD, beyond that which we would expect to be normal, to provide resources for staff to do their work.

Are we intending working with Jersey with the Strategy? No, but we would like to. There is no reason why both Islands should not absolutely run a simultaneous and common strategy as such, but that has not been part of the process. What I would say, sir, through you, is that with the support of our Chief Minister, and Treasury & Resources Minister, I have been trying to set up a meeting with our counterparts in Jersey, including the Health Minister, the Chief Minister and T&R Minister of the States of Jersey, to actually talk about how can we genuinely, between the Islands, create some real initiatives of common interest between our Health & Social Services in both Islands, at a time when both Islands are going through the same significant pressures. That meeting, I hope, hope, will happen in the next fortnight. I have been personally trying to make it happen for what feels like a very long time. It is this sort of initiative, through you, sir, that Deputy Queripel's answer would be achieved. Could we work together on public health issues?

Activities on States of Guernsey sites. I certainly hope if that does happen, that people will shower, otherwise we will become a smelly group of public service deliverers. But, sir, again this is not a literal statement, it is part of an approach, that where it is possible, and for instance schools, and the Education Department, have sporting facilities, the ability to make those available for staff within Education is obvious. But, there are other locations, and I know from my PSD days that the Guernsey water base there are sufficient facilities there to allow some activities to take place. So, it is about looking for opportunities to allow people to have access to physical activity during their working week. It is not meant to be a literal statement.

Sir, I just repeat, I totally accept Deputy Lester Queripel's points isolation, and loneliness, and the befriender opportunity, in the same way that Meals on Wheels, as we are talking about Healthy Weight Strategy, reaches out into the community, and provides an important service to

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those members of our community that avail themselves of it, in the same way I would hope that the network of service provision, whether within the States, or through third sector entities, or indeed jointly, would include those people within that loneliness bracket that Deputy Queripel has referred to, twice today.

Sir, I can confirm that I did not say what Deputy Queripel said, I used the words, but I then contextualised it by saying, I would be happy to invite him in to the Department so that we could understand his ideas, and if they are good we might include, them, but if they are not they we might not. So, sir, I was not suggesting... I did make the point it was a matter for the new board, and the new President of the Department, to decide what sub-groups they may or may not want, but if Deputy Queripel checked his iPad, he will see I sent an email this morning, on his behalf, arranging for a meeting to be set up.

Deputy Collins, I completely agree, I thought the Education Minister's speech was excellent, heartfelt, meaningful, and a genuine demonstration, again, of cross departmental working, for which I thank him. The Sports Commission a conflict of interest sir, I am a volunteer, Guernsey Sports Commissioner, there is no conflict, but I have an interest, does do valuable work, is part of this Strategy, and indeed the amendment that will look for additional funding for Sports, or at least a review into the need for additional funding, I am sure would contribute to this regardless of what that outcome is.

So, sir, finally, three pillars, six core objectives, 18 actions, seven year span plan, cross departmental, and third sector partnership, the creation of an independent body, not dissimilar to the very successful Guernsey Employment Trust that HSSD has partnered within the independent team only last year. Funding, existing funding of £146,000, which is not enough, but a reallocation through challenging reprioritisation of the public health budget within HSSD's budget, HSSD's budget itself and, of course, if we are lucky to have an independent body that is formed, and approved, and performs as well as the GET, then they have been very successful in finding ways to bring new funding from a variety of sources in to help accelerate that Strategy, and I hope with a passion, that we are able to do the same for this Strategy.

So, sir, better lives, healthy lives, bodies, and minds, plus most importantly, plus reduced adverse conditions, health conditions later in life for us all. Good news for us as individuals, and good news for the States of Guernsey, on behalf of the taxpayer, not needing to take as much money, and allocate as much of that to HSSD, as otherwise would be the case. I urge Members to support this policy letter, and recommendations, and I thank Members for their very constructive comments.

Thank you, sir.

The Bailiff: Members, there are seven Propositions on pages 1427 and 1428. I remind you they have not been amended. I put all seven to you together. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare them carried.

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HEALTH & SOCIAL SERVICES DEPARTMENT

XVIII. Guernsey and Alderney Breastfeeding Strategy 2016-2020 – Proposition carried

Article XVIII

The States are asked to decide:

Whether, after consideration of the Policy Letter dated 6th January, 2016, of the Health and Social Services Department, they are of the opinion to approve the first Guernsey and Alderney Breastfeeding Strategy as set out in Appendices 1 and 2 of that Policy Letter.

The Deputy Greffier: Article XVIII – Health & Social Services Department – Guernsey and Alderney Breastfeeding Strategy 2016-2020.

The Bailiff: The debate will be opened by the Deputy Minister, Deputy Soulsby.

Deputy Soulsby: Sir, I am pleased to present the first Breastfeeding Strategy for Guernsey and Alderney. Sadly, this has taken longer to get here than originally directed by Deputy Burford's successful amendment, for which we apologise. However, I can assure Members that this did not mean the board were not wanting to give it the attention it deserves, and the Minister in his previous incarnation was a seconder of the amendment, after all.

What we want to achieve through this Strategy is for breastfeeding to be considered the normal thing to do, and what mothers will want to choose to do. So what. Well, there is clear evidence of the health benefits to both mother and baby if breastfeeding. Mothers have a lower risk of acquiring diseases, such as breast and ovarian cancer, whilst babies benefit in the short term from lower infection rates, and in the longer term through, as adults, lower risks of obesity and diabetes. The focus on prevention and early intervention is, as was made clear already in previous debate, an essential element in the transformation to a sustainable health and social care service. So, this Strategy has a part to play in that.

Now we have not set any targets, something I am sure Deputy Burford will be pleased about, although given the scant information on breastfeeding, we had little option, and that is something I will address in a minute. So, no targets, but the objectives are to increase rates of initiation of breastfeeding, and for continuation to six to eight weeks; an increase in places where women can breastfeed; as well as attaining the UNICEF Baby Friendly Initiative Accreditation.

To achieve this we are looking at four areas, firstly, through data collection analysis, so we know what is happening, and can target resources where they are needed. At the moment it is not easy to extract valid statistics to monitor breastfeeding initiation, and continuation, and so when data needs to be obtained, it has to be done manually, and whilst exercises have been undertaken in terms of numbers of breastfeeding, we do not have reasons why the rates are as they are. As an example, we know that in January this year only 67% of women were breastfeeding, either fully or partially, on discharge from Loveridge Ward. We do not know why. Further details on December figures from the six to eight week health visitor visit showed that 50% were fully artificially fed, with 25% bottle fed from birth. Again we need to know why.

Secondly, through education, and awareness, we need to let mums know the benefits of breastfeeding. These are not just medical, which tends to be the general focus, but also psychological, as the closeness helps the bond between mother and baby. Now, I breastfed both my children, and it is something that as teenagers they do not wish to be reminded about. I cannot say whether it has helped me from a health point of view, but I do know it is something that created a bond, not quite literally, but certainly emotionally.

The third area of focus is a need to help women breastfeed, most importantly we need to improve support to new mothers, it can be quite daunting thinking about it. Some mothers to be may worry that they may not be able to do it, as they will not be able to produce enough milk.

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Well, on that front, all I can say is, speaking personally, I can confirm size really does not matter when it comes to breastfeeding. Women need consistent, helpful, and up to date, advice to enable them to make informed choices. That latter point is crucial. What we do not want is mums being made to feel guilty for not breastfeeding, and not force themselves to breastfeed, if it is not working for them. At the same time it does take practice. For some it is easier than others to start, but practice, more often than not, does make perfect, and supportive, consistent, advice has a big role to play to help mums from the beginning.

Finally, you want to ensure there is a wider community support and acceptance. One of the things I would like to do is bring in a scheme that enables employers and businesses to demonstrate they are breastfeeding friendly. Things have moved on from only a few years ago, when mums were told to stop breastfeeding in public. But, we really need to make women feel comfortable breastfeeding in cafes and restaurants. There should be no stigma associated with breastfeeding, it is what our bodies were designed for after all. At the same time we need to raise awareness amongst employers about the need to support those who are breastfeeding. Now that does not mean bringing baby for the mid-morning snack, but it does mean helping mums who wish to express milk, the less a mum breastfeeds, the less milk she produces, and then often needs to top up with formula. For me, going back to work was the beginning of the end of breastfeeding, for just that reason, and I suspect, I am not alone.

So in terms of funding, in the long term to increase prevention, and early intervention, raising breastfeeding rates through this Strategy, should contribute to saving money. However, in the short term, we will be reprioritising funding to kick-start the implementation, in particular, to enable us to work with the third sector to develop a peer support programme. The latter is, I believe, going to be crucial. The problem in any strategy like this, just as Healthy Weight, is it is far too easily seen as Government telling people what to do. Whether it is right or wrong it can make it harder to get buy-in. That is why a peer support programme is important, and just like Healthy Weight Strategy, that is why working with the third sector makes so much sense.

So breastfeeding is best for mum, baby, the health service, and taxpayer. From the evidence we do have, we know rates in Guernsey demonstrate both poor uptake, and continuation, of breastfeeding. Whilst there is good work done by many, a coordinated strategy is needed to increase rates, and support future mums to be.

I therefore ask Members to support this policy letter.

The Bailiff: Deputy Luxon.

Deputy Luxon: Thank you, Mr Bailiff.

I would like to thank Deputy Soulsby, the Deputy Minister of HSSD, for opening and closing this debate. The board thought long and hard, and on the basis she had the most experience in this area, in fact the only person with any experience in this area, we thought it was more appropriate that she did. But, equally Deputy Le Clerc opened the Children and Young People's Plan debate, Deputy Hadley opened the bowel cancer screening debate several times on behalf of the Department, and next week Deputy James will be opening the debate on Incapacity Laws. So we are trying to share it around on HSSD.

Sir, I would to apologise to Deputy Burford formally, this is ten months overdue, we should not have taken this long, an amendment was laid and a direction given, so I do apologise to Deputy Burford and to Members.

I would just finally like to say, sir, that again, when I visited T&R with both of these two policy letters we have just debated, or are debating, Deputy Adam did make the point, would it not be more sensible to train up health visitors, who are already visiting many of the mums with young children, and, of course, that is one option that we will be looking at, and Deputy Spruce also made the point, that as we have so many home visitors already, was there a way that we could try and achieve the ends of the Strategy, without incurring unnecessary additional cost. Sir, the £65-£85K estimate of funding for this Strategy, we will be making every effort, as Deputy Soulsby said,

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to re-prioritise and release that funding, as we talked about with other funding issues, through our existing budget, if we are unable to then, of course, we are in a position where we would consider making a bid for the 2017 Budget submissions, but we would hope to be able to avoid that by finding the money to be able to implement this Strategy.

Thank you, sir.

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The Bailiff: Deputy Adam;

Deputy Adam: Thank you, sir.

Sir, I have to admit that after working 20 years in obstetrics and gynaecology, I have never seen a breastfeeding strategy being brought to a political Assembly. I accept this was not the doing of the – it was the doing of the HSSD board, because Deputy Luxon seconded the amendment, so I cannot say that, sorry. It was not their willingness. The Strategy states the vision that breastfeeding is normalised, and the preferred feeding method of choice for mothers in Guernsey. Well, sir, actually, that is what it was in 1984 when I came to Guernsey, that is what it was when I started in obstetrics full time in 1975, so what is new, what has changed. In actual fact what is used to assess this is called the UNICEF Baby Friendly Initiative Accreditation, and it can be achieved in clinical surroundings, which is within the hospital, and community settings. Now, the PEH has actually achieved this in clinical settings, either from about 1999, and this has been kept up to date, and it says on the website in actual fact, that HSSD provide and support breastfeeding, and has been awarded the full accreditation, and that statement is still present on the website.

Deputy Luxon mentioned that, I and Deputy Spruce, at the meeting that Deputy Luxon was at with T&R board, that we both mentioned this fact that all our midwives are trained in helping and supporting mothers to initiate and continue breastfeeding. But, of course, as Deputy Soulsby said, they now leave hospital often much earlier, often after one day or two days. If it is a normal deliver it can be after six hours.

I have a lot of regard for how Deputy Soulsby described breastfeeding, because as she said some people have difficulty, and if we push this in the setting, then they feel guilty about not being able to do it, and feel they are failing the baby. But, a dedicated breastfeeding advisor is available for support during hospital stay, according to the website, and the breastfeeding clinics provide ongoing support. So either that specialist facility has discontinued, or the post has not been filled. But, I do know that there is going to be a post, within the midwives, of someone who specialises in assisting people who are having difficulty. Thus the main problem is in relation to the community. I also am aware that two health visitors, who played an active role in this area, retired in the last few years, and that may have slipped back slightly. But, when I worked in South Africa in a hospital that dealt with dark-skinned patients, because this was during apartheid times, breast feeding, there was not any question about it. No question at all, that is what you did, because to buy bottled milk, and have sterile situations, was much more difficult. As Deputy Soulsby said she has got personal experience, she knows that when she was breastfeeding she carried the milk and it was sterile when it came out, and it was the most convenient way of feeding a baby. I would suggest, sir, that provided everyone has read this, that we accept this, and pass on to the next States' report, because it is a natural thing to do. It is a thing that had to be brought because of the amendment, and because of the Medical Officer of Health report in 2011 or 12. It is common sense in my book, it is what is practiced routinely by midwifes, and Deputy Spruce said at the same meeting, that one of his relatives had recently had a baby and had superb support from the midwives in coping with the situation.

I just feel it is unfortunate that the figures have not been so good in the last six months or thereabouts. I think Deputy Soulsby said January, and it would be of value to find out when the shift occurred, and the reasons for it, because it is something that has been encouraged by midwives certainly for years before. I suggest we support this and pass on to the next States' report.

Thank you, sir.

The Bailiff: Deputy Gollop.

Deputy Gollop: Certainly breastfeeding is not something I know much about, but begs the question if I was on HSSD board would I lead the debate on opening the sugar pop. No.

But, I think it is something we should move forward on, but I would really like to ask Deputy Soulsby, and the Department, two questions. The first question is, unfortunately, we are seeing now in Guernsey the socialisation culture where mothers are encouraged to meet in certain breastfeeding friendly cafes, and tearooms, and so on, but how much work is the Department doing to encourage the wider community to accept it as a natural and appropriate option.

The second point is according to a website called *KellyMom* they compare breastfeeding rates by country. Within the HSSD report it is alluded to that Guernsey is on the low side. Well when I look at these various histograms, and charts, we seem to be on a similar level to the Republic of Ireland, but the United States at perhaps 75% at birth, the UK, and definitely Australia and Sweden, who are perhaps more socially progressive in some areas than we are, are much higher. They are more at 90% or 100% from birth. So can we benchmark, for example, the Scandinavian areas, or perhaps some Australian Commonwealth Parliamentary States, to see what they are doing, that we can emulate to encourage the rates to go up here?

The Bailiff: Deputy Duquemin.

Deputy Duquemin: Thank you, sir.

My wife breastfed both my daughters, so whilst I do not have first-hand experience, I do have second hand experience of that. What I would say, and it is to elaborate further on a point that was raised by the Deputy Minister, Deputy Soulsby, in her opening speech, was that the huge part and the huge role played in that by the NCT, the National Childbirth Trust, is referred to on page 1433 of the Billet under Section 3.15 when it talks about

'The National Childbirth Trust (the NCT) offers antenatal education courses which include education on breast feeding and which are taken up by just over 100 women a year...'

Now, obviously there are more than 100 women each year that give birth in Guernsey, on both occasions when we had children, I and a lot of other mums and dads attended the NCT courses, as well as the parent craft courses, at the Hospital. But, I would say very much that it was the peer to peer, which I think is the phrase that Deputy Soulsby used, encouragement, normalisation, best practice, whatever you call it, that encouraged my wife, and I am sure others in the group, to certainly endeavour, as best as they can, to breastfeed their new-borns. With that in mind it is interesting when you then turn to page 1461 of the Billet and the table of... action list and at the bottom of 1461 under 1.12

'Breastfeeding Strategy Group and leads from specific services...'

It talks about the audit.

'[The] Audit, [the] equity of access and identify population groups that are under-represented in specific services e.g. NCT'

And I would say, and encourage HSSD, in using this Strategy, but if there is a way that they can support NCT in providing further classes to more than a year, because going back to 3.15 it does talk about there being a waiting list, and being oversubscribed for the NCT classes. That would be money well spent, and certainly a good way of working with the third sector.

So I endorse everything in the Strategy and will support it, but would just like to use this opportunity to highlight the good work of the National Childbirth Trust.

Thank you, sir.

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The Bailiff: Deputy Brehaut.

Deputy Brehaut: Thank you, sir.

The truth for the vast majority of women, giving birth and going on to breastfeed probably feels like the most natural thing in the world, but for some mothers it is not, and for some mothers, of all ages, there is not the immediate bond that they anticipated with their child, and a tired mother and a child that is not feeding is not good for either party. So, whilst I absolutely endorse these proposals in front of us, I think we always need to keep in our mind the mental wellbeing of the mother and if, formula milk is used early on, there are times when that is appropriate, and that we do not get too evangelical, and put too much pressure on mothers to hang in there, if you like, breastfeeding, when it is simply not going to work for them, and find a balance in that message, because the welfare of the mother and the baby, quite obviously, is the paramount consideration.

3700 **A Member:** Hear, hear.

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The Bailiff: Deputy Soulsby will reply.

Deputy Soulsby: Sir, I say thanks to Deputy Adam, yes the PEH did have the BFI Accreditation it has lost it, I do not know why, and I do not know when, but it has lost it. In terms of the website, yes, it does need updating, and I do understand that is being done as part of the whole gov.gg work, which probably Deputy Adam might know something about.

Regarding figures, yes we need to do much more in improving our data, and it has been quite disappointing having to dig deep to get the information we already have.

I was not quite sure, one of the questions from Deputy Gollop, in terms of breastfeeding rates per country, yes, we know that Republic of Ireland is low, America probably about the same as us. UK we think is about the same as us. Others are higher. But, the point is, again, that data, we might have a few statistics about where people are in terms of the levels of uptake of breastfeeding, but we have got very little evidence on the reasons behind why the levels are as they are at the moment.

Deputy Duquemin thanks for the comments, again, yes, I agree regarding peer support programme. He makes very excellent point about the role of the NCT, and what a great job it does, and yes, Alderney is very much on our radar as a result of the policy letter last month, the Department have been instructed to look at how we can give further support and focus on Alderney. So that is clearly on our minds, and we will be doing that work.

Now, this Strategy forms part of a cohesive set of strategies that focus on prevention and early intervention, like the Healthy Weight Strategy, education and awareness has a key part to play, as I said in my opening speech, breast is best for mum, baby, health service and taxpayer. Rates are low, which means we are not maximising the health opportunities of our people. That does not mean we need a 'Nanny State' and quite frankly, we do not nannies to breastfeed. What we do know, is we need to up the rates of breastfeeding, and what we will benefit from is understanding breastfeeding, and getting the support for women to breastfeed. That is what the Strategy seeks to deliver, and I commend this policy to the Assembly.

The Bailiff: Members, there is a single Proposition on page 1483. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

COMMERCE & EMPLOYMENT DEPARTMENT

XIX. Sea Fisheries Patrol Vessel – Report on Actions Following Sursis – Proposition carried

Article XIX

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The States are asked to decide:

Whether, after consideration of the Policy Letter dated 17th December, 2015, of the Commerce and Employment Department, they are of the opinion to note: the contents of this Policy Letter, the agreed plan to progress this work and the steps taken to date.

The Deputy Greffier: Article XIX – Commerce & Employment Department – Sea Fisheries Patrol Vessel – Report on Actions Following Sursis.

The Bailiff: In the absence from the Island of the Minister, I assume the Deputy Minister, Deputy Brouard, will open the debate.

Deputy Brouard: Thank you, sir.

This policy letter explains what we have done, and we plan to provide the States with the fully independent review of the proposals as requested.

Staff had discussed the plan, and the approach, with the proposer of the successful sursis, Deputy Soulsby. In practice this policy letter was only ever going to be able to present an early progress report, which was correct at the time of submission to the Policy Council, late in December 2015, rather than anything more substantial, or final.

Whilst when drafting this policy letter it was hoped that further work would have been done on this re-directed project, unfortunately, competing pressures arising from several issues affecting Sea Fisheries, which I think we are all aware of, and other matters, have meant that no further progress has been possible. Similar to the last report, which was just 10 months later, we had not taken umbrage at the request of the States' it is just genuinely we have had bigger fish to fry (Laughter and groans) There were three options, that were always in the frame, looking at the Leopardess, which was obviously, to continue with minimum maintenance, continue with complete refurbishment, and have a replacement vessel. Those three have always been in the frame, Commerce & Employment and through the process through T&R came up with the view that it would be best to replace the vessel early, but we are quite happy to progress what the States has asked, with that full review.

I am happy to answer questions, I am not sure how much extra I can string it out sir, with most of the information being in the Billet report, sir.

Thank you very much.

The Bailiff: Is there any debate? No.

We go straight to the vote then. There is a single Proposition on page 1490. Those in favour; those against.

Members voted Pour.

The Bailiff: I declare it carried.

TREASURY & RESOURCES DEPARTMENT

XX. Double Taxation Arrangement with the United Kingdom – Revision – Proposition carried

Article XX

The States are asked to decide:

Whether, after consideration of the Policy Letter dated 1st December, 2015, of the Treasury and Resources Department, they are of the opinion to declare that the Double Taxation Arrangement, entered into with the United Kingdom, by Exchange of Letters as now amended, should have effect in relation to income tax in accordance with section 172(1) of the Income Tax Law.

The Deputy Greffier: Article XX – Treasury & Resources Department – Revision of the Double Taxation Arrangement with the United Kingdom.

The Bailiff: Deputy St Pier will open the debate.

Deputy St Pier: Sir, this is a short policy letter, which deals with a change to the UK Double Taxation Arrangement with the United Kingdom. Members will note, sir, on page 1491 paragraph 2.3, that we ae about to begin a process of a comprehensive renegotiation of the DTA, which we expect to begin in the next few months. But this change has been requested by the United Kingdom, again as part of its domestic revenue protection. We, of course, as good international citizens in tax matters, are happy to work with the United Kingdom in relation to that request. Indeed, I would expect there to be perhaps similar changes may well be required from time to time. So, this is a technical matter, and I do encourage Members to support it, sir.

The Bailiff: Any debate? Deputy De Lisle.

Deputy De Lisle: Sir, just a question for the Minister with regard to - I take it that this is at the request of the UK, for an amendment to the 1952 arrangement, in relation to income tax. But we are not told exactly what points exactly are they wishing to change. So, I would just like the Minister, perhaps to explain a little more fully, why this is something that is coming forward at this time, although I understand that, of course, there have been many changes to the UK Income Tax Act.

Thank you, sir.

The Bailiff: I see no-one else.

Deputy St Pier.

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Deputy St Pier: Sir, yes, as I said in my opening speech, this has indeed been requested by the United Kingdom. The changes are really set out in the Appendix on page 1493, which are technical descriptions in relation, in particular, to the definition of Territorial Seas, and so on. This is in relation to a problem which is the United Kingdom perceives may exist in relation to a number of its Double Tax arrangements, not just with Guernsey, that they feel that the opportunity has been used which has allowed avoidance, which they wish to close by a redefinition as set out on page 1493, sir.

The Bailiff: Members, the Proposition is on page 1494. Those in favour, those against.

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Members vote Pour.

The Bailiff: I declare it carried.

That concludes the business for this meeting.

We will be back here next Tuesday, and we will see if we can conclude that business in a single day. (Laughter)

Greffier, will you close the meeting.

The Assembly adjourned at 5.06 p.m.
